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PROCEEDINGS AND DEBATES

OF THE

FIRST SESSION OF THE SEVENTY-SECOND CONGRESS

OF

THE UNITED STATES
OF AMERICA

VOLUME 75—PART 4

FEBRUARY 8, 1932, TO FEBRUARY 24, 1932

(Pages 3487 to 4670)



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1932

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Congressional Record

SEVENTY-SECOND CONGRESS, FIRST SESSION

SENATE

MONDAY, FEBRUARY 8, 1932

(Legislative day of Friday, February 5, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the President of the United States.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Sundry messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On February 5, 1932:

S. 1291. An act to extend the times for commencing and completing the construction of a bridge across the Choctawhatchee River, near Freeport, Fla.; and

S. 2317. An act granting the consent of Congress to the State of Michigan and Berrien County, or either of them, to construct, maintain, and operate a bridge across the St. Joseph River.

On February 6, 1932:

S. 2407. An act to authorize the sale of parts of a cemetery reserve made for the Kiowa, Comanche, and Apache Indians in Oklahoma.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 9. An act respecting the qualifications of the assessor of the District of Columbia to testify in condemnation proceedings;

S. 2077. An act to relieve the Commissioners of the District of Columbia of certain ministerial duties;

S. 2278. An act authorizing the Secretary of War to reduce the penalty of the bond of the Brazos River Harbor Navigation District, of Brazoria County, Tex., furnished as surety for its doing certain work on the improvement of Freeport Harbor, Tex.;

S. 2406. An act for the relief of Harvey K. Meyer, and for other purposes; and

S. 2684. An act for the relief of F. P. Case.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 504. An act for the relief of Frederick Leininger;

H. R. 505. An act for the relief of Armstrong Hunter;

H. R. 705. An act for the relief of Clyde Calvin Rhodenbaugh;

H. R. 908. An act for the relief of Lewis Martin;

H. R. 909. An act for the relief of Michael Marley;

H. R. 912. An act for the relief of Thomas J. Gardner;

H. R. 914. An act for the relief of Frederick Sparks;

H. R. 937. An act for the relief of Paul Wallerstein;

H. R. 959. An act for the relief of Harry Cinq-Mars;

H. R. 1029. An act for the relief of Basil N. Henry;

H. R. 1040. An act for the relief of Peter Guilday;

H. R. 1187. An act for the relief of William H. Estabrook;

H. R. 1194. An act for the relief of Samuel Hooper Lane, alias Samuel Foot;

H. R. 1202. An act for the relief of Lehde & Schoenhut;

H. R. 1219. An act for the relief of William H. Murphy;

H. R. 1231. An act for the relief of Grina Bros.;

H. R. 1314. An act for the relief of George W. Gilmore;

H. R. 1315. An act for the relief of Joseph M. Black;

H. R. 1316. An act for the relief of John Costigan;

H. R. 1379. An act for the relief of Granville W. Hickey;

H. R. 1380. An act for the relief of Maurice J. O'Leary;

H. R. 1384. An act for the relief of George A. Cole;

H. R. 1554. An act for the relief of G. Carroll Ross;

H. R. 1618. An act for the relief of Joseph W. Jones;

H. R. 1695. An act for the relief of Gaston M. Janson;

H. R. 1696. An act for the relief of William H. Connors;

H. R. 1720. An act for the relief of Vanrenslear Vander-Cook, alias William Snyder;

H. R. 2004. An act for the relief of Harvey O. Willis;

H. R. 2010. An act for the relief of Malcolm Allen;

H. R. 2086. An act for the relief of Francis Engler;

H. R. 2195. An act for the relief of Joseph Phaneuf;

H. R. 2285. An act for the relief of Dock Leach;

H. R. 2701. An act for the relief of Nelson M. Holderman;

H. R. 2704. An act for the relief of Charles Lamkin;

H. R. 2809. An act for the relief of the Charles LeRoy estate;

H. R. 3465. An act for the relief of Richard A. Chavis;

H. R. 3527. An act for the relief of Berta C. Hughes;

H. R. 3528. An act for the relief of Paul Jelna;

H. R. 3536. An act for the relief of Viola Wright;

H. R. 3559. An act for the relief of Elizabeth Moncravie;

H. R. 3608. An act for the relief of Henrietta Seymour, widow of Joseph H. Seymour, deceased;

H. R. 3609. An act for the relief of Rossetta Laws;

H. R. 3953. An act for the relief of the First State Bank & Trust Co., of Mission, Tex.;

H. R. 3992. An act for the relief of Anna A. Hall;

H. R. 4056. An act for the relief of Emma Shelly;

H. R. 4145. An act for the relief of Thomas C. LaForge;

H. R. 4150. An act authorizing issuance of patents in fee to Benjamin Spottedhorse and Horse Spottedhorse for certain lands;

H. R. 4270. An act for the relief of Carroll K. Moran;

H. R. 4329. An act for the relief of Alton B. Platner;

H. R. 4390. An act for the relief of Melissa Isabel Fairchild;

H. R. 5007. An act for the relief of Marie E. McGrath; and

H. R. 6347. An act for the relief of Neal D. Borum.

EXEMPTION OF BUILDING AND LOAN ASSOCIATIONS FROM BEING ADJUDGED BANKRUPTS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and ordered to lie on the table:

To the Senate:

In compliance with the request contained in the resolution of the Senate of February 3, 1932 (the House of Representatives concurring therein), I return herewith Senate bill No. 2199, entitled "An act exempting building and loan associations from being adjudged bankrupts."

HERBERT HOOVER.

THE WHITE HOUSE, *February 8, 1932.*

Mr. HASTINGS. Mr. President, I submit a concurrent resolution to correct errors in the enrollment of Senate bill 2199.

The VICE PRESIDENT. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 15) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (S. 2199) entitled "An act exempting building and loan associations from being adjudged bankrupts" be rescinded, and that in the reenrollment of the said bill the Secretary of the Senate be, and he is hereby, authorized and directed to make the following corrections, namely: On page 1 of the engrossed bill, line 8, strike out the comma after the word "except"; on page 1, line 9, insert a comma after the word "association"; and on page 2, line 5, strike out the word "of" and insert in lieu thereof the word "or."

The Senate, by unanimous consent, proceeded to consider the concurrent resolution.

Mr. ROBINSON of Arkansas. Mr. President, may I inquire the purpose of the concurrent resolution?

Mr. HASTINGS. In enrolling the bill the word "of" was written instead of "or," and two errors were made in placing commas in the bill.

Mr. ROBINSON of Arkansas. They were typographical errors?

Mr. HASTINGS. They were.

Mr. ROBINSON of Arkansas. The concurrent resolution does not change the substance of the bill?

Mr. HASTINGS. Not at all.

Mr. ROBINSON of Arkansas. I have no objection.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of Wisconsin, memorializing Congress to not decrease the appropriation of $125,000,000 per year for Federal aid for highway improvement heretofore made, which was referred to the Committee on Appropriations. (See joint resolution printed in full when presented to-day by Mr. BLAINE.)

He also laid before the Senate resolutions adopted by the board of managers of the American Bureau of Shipping, of New York, N. Y., favoring the ratification of the convention for the safety of life at sea, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Cuyahoga Veterans' Association, No. 4, of Cleveland, Ohio, favoring the passage of House bill 7230, providing for uniform pensions to widows, children, and dependent parents of certain war veterans, which was referred to the Committee on Pensions.

He also laid before the Senate resolutions adopted by the Illinois Federation of Women's Clubs, first district, of Chicago, Ill., protesting against the passage of Senate bill 572, providing for maternity and infant welfare, which were referred to the Committee on Commerce.

He also laid before the Senate a resolution adopted by the executive council of the American Federation of Labor, at Washington, D. C., favoring the making of the Chinese and other exclusion laws applicable to seamen by passing Senate bill 7, to provide for the deportation of certain alien seamen, which was referred to the Committee on Immigration.

He also laid before the Senate a letter in the nature of a memorial from the secretary of the National Association for the Advancement of Colored People, of New York, N. Y., remonstrating against any proposal to return indigent negroes from northern cities to the South, which was referred to the Committee on Education and Labor.

He also laid before the Senate a letter in the nature of a petition from Charles P. Green, of Hot Springs, S. Dak., praying for an investigation of certain charges which he makes against the Veterans' Administration, which was referred to the Committee on Finance.

Mr. BARBOUR presented petitions of sundry citizens of Short Hills, N. J., praying that nothing be done that might involve the United States in war in the Far East, and that every pacific means be used to aid in solving the Far Eastern question, which were referred to the Committee on Foreign Relations.

Mr. MORRISON presented a petition of the Woman's Christian Temperance Union and sundry citizens of High Point, N. C., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. NEELY presented a petition of sundry citizens of New Martinsville, W. Va., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. TYDINGS presented a resolution of Westport Post, No. 33, the American Legion, of Westport, Md., favoring the establishment of a Committee on World War Veterans' Legislation of the Senate, which was referred to the Committee on Rules.

Mr. KEYES presented a memorial of sundry citizens of New Ipswich, N. H., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which was referred to the Committee on the District of Columbia.

Mr. JONES presented a memorial of sundry citizens of Battle Ground, Wash., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which was referred to the Committee on the District of Columbia.

He also presented resolutions adopted by local chapters of the Woman's Christian Temperance Unions of Arlington, Chehalis, and Marysville, in the State of Washington, protesting against the proposed resubmission of the eighteenth amendment to State conventions or legislatures, which were referred to the Committee on the Judiciary.

Mr. WALSH of Massachusetts presented memorials of 916 citizens of the State of Massachusetts, remonstrating against the proposed imposition of a sales tax on automobiles, trucks, and accessories, which were referred to the Committee on Finance.

He also presented memorials numerously signed by sundry citizens of the State of Massachusetts, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. CAPPER presented petitions of sundry citizens of Burdick, Burns, and Herington, and of members of the Ladies' Bible Class of the Methodist Episcopal Church of Gardner, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Woman's Christian Temperance Union and the Monthly Meeting of Friends, of Argonia; the pastor and congregation of the Methodist Episcopal Church of Burdick; the Woman's Christian Temperance Union of Burns; the Federated Sunday School, of Quenemo; the Methodist Adult Sunday School Classes and the Woman's Christian Temperance Union of Syracuse, all in the State of Kansas, and the Woman's Bible Class of the Metropolitan Baptist Church, of Washington, D. C., favoring the maintenance of the prohibition law and its enforcement and protesting against its modification or repeal, which were referred to the Committee on the Judiciary.

Mr. BROOKHART presented resolutions adopted by the Federal Postal Employees' Association at Denver, Colo., protesting against any reduction in the compensation of Federal Employees, which were referred to the Committee on Civil Service.

He also presented a petition of sundry citizens of Mediapolis, Iowa, praying for the remonetization of silver, which was referred to the Committee on Banking and Currency.

He also presented a petition of sundry citizens of Green Mountain, Newton, and Gladbrook, in the State of Iowa, praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Lake Mills and Leland, Iowa, praying for the adoption of the

so-called 5-day plan, which was referred to the Committee on Finance.

He also presented memorials of sundry citizens of Glenwood, Iowa, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. BLAINE presented resolutions adopted by members of Greiner-Root Post, No. 249, the American Legion, Department of Wisconsin, of Clam Falls, Wis., favoring the payment of the balance of the adjusted-service certificates (bonus) at the earliest possible time, which were referred to the Committee on Finance.

He also presented the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Appropriations:

STATE OF WISCONSIN.

Joint resolution relating to Federal highway aid

Whereas reports from Washington indicate that serious consideration is being given in Congress to the proposal to reduce the appropriation heretofore made of $125,000,000 for Federal aid for highway improvement; and

Whereas under existing conditions Federal aid should be increased rather than decreased in order to give employment to as many unemployed citizens as possible; and

Whereas any reduction in the Federal highway aids is peculiarly unfair at this time because this State, as well as many other States, has adopted long-time construction programs based upon the Federal appropriations heretofore made, and a reduction now would compel a complete readjustment of these programs with a curtailment of work for which allotments have already been made by the States: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to at least not decrease the appropriation of $125,000,000 per year for Federal aid for highway improvement which has been made heretofore; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. COPELAND presented the petition of the faculty and students of Keuka College, of Keuka Park, N. Y., praying for the passage by Congress of a resolution urging the American delegates to the Geneva Disarmament Conference to work for an international agreement reducing military expenditures of all governments by at least 25 per cent, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Flushing Peace Society, of New York, favoring the maintenance of peace and avoidance of war, which was referred to the Committee on Foreign Relations.

He also presented the petition of the Potter Woman's Christian Temperance Union, of Penn Yan, N. Y., praying for a reduction in armaments in 1932 and favoring world disarmament, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of New York City, N. Y., praying that the United States may not become involved in war in the Far East, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by citizens of Michigan in mass meeting assembled at Detroit, Mich., favoring revision of the treaty of Versailles, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Jamestown, N. Y., and vicinity, praying for the imposition of a tariff on crude oil and its products, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Parliament of Community Councils (Inc.), of New York City, N. Y., favoring the immediate awarding of contracts for Federal projects heretofore authorized, which was referred to the Committee on Public Buildings and Grounds.

He also presented the memorial of the Schuyler County Rural Letter Carriers Association, of Watkins Glen, N. Y., remonstrating against the passage of Senate bill 2490, placing the Rural Free Delivery Service on a contract basis, which was referred to the Committee on Post Offices and Post Roads.

He also presented two petitions of sundry citizens of Bowling Green, Ky., praying for the passage of legislation granting pensions to ex-slaves, which were referred to the Committee on Pensions.

He also presented a resolution adopted by Samuel M. Porter Camp, No. 45, United Spanish War Veterans, Department of New York, of Jamestown, N. Y., praying for the passage of House bill 7230, granting uniform pensions to widows, children, and dependent parents of certain war veterans, which was referred to the Committee on Pensions.

He also presented a petition of sundry citizens of Geneva, N. Y., praying for a reduction in governmental expenditures, which was referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of New Rochelle and New York City, N. Y., remonstrating against any curtailment in the activities of civilian military training camps, which was referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of Great Neck, N. Y., remonstrating against curtailing Army and Navy expenditures, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the executive committee of the American Legion, Department of New York, at New York City, N. Y., favoring the making of appropriations to maintain the Army and Navy aviation services at present strength, which was referred to the Committee on Appropriations.

He also presented a resolution adopted at Milwaukee, Wis., by the Associated General Contractors, favoring an amendment to the act providing for the payment of prevailing rates of wages on Federal building projects so as to require that a stipulation of wages to be paid be made a part of the advertisement, specifications, and contract, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Lehigh Valley Railroad Veterans Association, of New York City, N. Y., favoring the regulation of transportation by inland waterways, pipe lines, busses, and trucks which compete with railroads, which were referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Schenectady County Chapter of the Women's Organization for National Prohibition Reform, of Schenectady, N. Y., favoring the passage of legislation granting to States the power to control the manufacture and sale of liquors within their borders, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Niagara Falls, N. Y., praying for the passage of legislation granting to States the power to control the manufacture and sale of liquors within their borders, which was referred to the Committee on the Judiciary.

He also presented a memorial of sundry citizens of East Aurora, N. Y., remonstrating against the repeal of the eighteenth amendment of the Constitution, which was referred to the Committee on the Judiciary.

He also presented a memorial of sundry citizens of Union Springs, N. Y., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which was referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of East Aurora, Deposit, East Rochester, Himrod, and Penn Yan, all in the State of New York, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Niagara Falls (N. Y.) Central Labor Union, of the American Federa-

tion of Labor, favoring the passage of Senate bill 935, restricting the issuance of restraining orders or temporary or permanent injunctions in cases involving labor disputes, which was ordered to lie on the table.

RELIEF OF DEPOSITORS OF CLOSED BANKS

Mr. ROBINSON of Arkansas. I present a letter from Mr. W. J. Williams, of Leland, Miss., in the nature of a petition, relating to the relief of depositors in closed banks. Let me say that, in answer to the letter of Mr. Williams, I have explained that it is not possible for the Government, through any process of liquidation with which I am familiar, to pay the depositors of closed banks in full. I ask that the letter may be printed in the RECORD and referred to the Committee on Banking and Currency.

There being no objection, the letter was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

LELAND, MISS., *December 7, 1930.*

Hon. JOE T. ROBINSON,
United States Senator, Washington, D. C.

DEAR SENATOR: As a depositor having the greater part of his life's savings tied up in the closed National Bank of Arkansas, Pine Bluff, Ark., which institution closed about July 21, this year, I am wondering if some plan could not be worked out by the United States Government to take over the frozen assets of the closed bank and liquidate over a period of several years, the money advanced by the Government on the frozen assets to be used in liquidation of the defunct bank.

It seems to me that there is nothing the Government could do that would more quickly bolster up confidence than to liquidate, in a way that would make the depositors whole, these national banks that have been closed on account of frozen farm loans and by depositors' runs since June 1 this year. If my information is correct, much of the depositors' money in these closed banks was used to finance agriculture.

It would appear that nothing is to be left undone to help the farmer, which is indeed commendable. I am thinking also of the unorganized clerical and others, some of whom have their all tied up in a defunct bank. More especially am I thinking of those of the clerical class who are out of work; have reached the age when they are not wanted, regardless of their ability.

I, like many other depositors, had utmost confidence in a national bank, not on account of the management but because of Federal supervision. Having this confidence account of Federal supervision, the failure of the National Bank of Arkansas, Pine Bluff, Ark., came as a clap of thunder out of a clear sky. Those depositors who kept the faith and were caught unawares are holding the bag. I have been told that the National Bank of Arkansas, Pine Bluff, Ark., was examined three or four times the last year of its operation. If this be true, the examiner should have been pretty well informed of the bank's condition. This bank has been in hands of Federal receiver for four or five months, who no doubt is doing the very best he can to protect all concerned. And for the interest of all concerned, I trust it will not be a long-drawn-out affair on account of the expense of liquidation.

I understand that the National Bank of Arkansas had something like 4,800 depositors, all of whom, I am sure, will join me in thanking you to do anything in your power to make them whole in their deposits. I do not expect unreasonable things, and may be wrong in the suggestion contained in first paragraph of this letter, but you know how a fellow must feel with most of his money tied up in a closed bank and he out of work.

I feel at liberty in bringing this matter to your attention, as I am a former resident of Arkansas and am now figuring on returning to Pine Bluff.

With wishes for your continued success,
Yours very truly,

W. J. WILLIAMS.

MUSCLE SHOALS—ARTICLE BY JUDSON KING

Mr. WHEELER. Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD an article by Judson King, director of the National Popular Government League, which is a complete analysis of the report made by President Hoover's commission on Muscle Shoals.

The power question will be a vital issue in the next presidential campaign unless the Power Trust is able, as it is endeavoring to do, to stop Governor Roosevelt from securing the Democratic nomination.

The Power Trust is, Mr. President, probably the most powerful nonpartisan political organization in the United States to-day, and, wittingly or unwittingly, many people are lending themselves to the movement to stop Roosevelt, thereby aiding the power interests in their attempt to control the Democratic Party.

This analysis by the National Popular Government League shows how, by artful propaganda, an attempt has been made to mislead Congress in regard to Muscle Shoals.

I desire to read a short statement by the senior Senator from Nebraska [Mr. NORRIS], in which he said:

This bulletin, prepared by Judson King at my request, is a complete answer to and analysis of the report of President Hoover's so-called Muscle Shoals Commission and of the propaganda put out by the Power Trust to bring about the enactment into law of the bill proposed by that commission.

It shows the absolute fallacy as well as the incorrect and misleading deductions made by the commission and the sustaining opinion rendered by Colonel Tyler. Incidentally, it also annihilates the arguments made by President Hoover in his message vetoing the Muscle Shoals bill which passed the last Congress.

G. W. NORRIS.

I ask that this article by Mr. Judson King may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Without objection, is it so ordered.

The article is as follows:

THE PROPAGANDA REPORT OF THE NEW MUSCLE SHOALS COMMISSION

(Introduction by Senator GEORGE W. NORRIS)

This bulletin, prepared by Judson King at my request, is a complete answer to and analysis of the report of President Hoover's so-called Muscle Shoals Commission, and of the propaganda put out by the Power Trust to bring about the enactment into law of the bill proposed by that commission.

It shows the absolute fallacy as well as the incorrect and misleading deductions made by the commission and the sustaining opinion rendered by Colonel Tyler. Incidentally, it also annihilates the arguments made by President Hoover in his message vetoing the Muscle Shoals bill which passed the last Congress.

G. W. NORRIS.

When President Hoover, in his veto message on the Norris Muscle Shoals bill last March proposed a new commission to investigate the Shoals question once more a smile went around. After 10 years of exhaustive study and debate, this was just too much.

When the commission was appointed the smile broadened. It was directed, first of all, to work out a plan "for the purpose of quantity production of fertilizers." The outstanding member was Edward A. O'Neal, appointed by the President himself, "to represent agriculture." Mr. O'Neal is president of the American Farm Bureau Federation, with headquarters at Chicago. Back in 1921-22 the Chicago Board of Trade put up $100,000 to start this organization and claims to be its godfather. It has played hand-in-glove with big business ever since in respect to power, as well as other matters. The Senate lobby committee last year discovered Mr. O'Neal had for years been actively cooperating with the Power Trust lobby in Washington against the Norris bills.

Mr. Hoover also appointed a lawyer and an electrical engineer from the War Department. The other six members of the commission were selected by Governors Horton, of Tennessee, and Miller, of Alabama, both elected by the political machines of the power interests, and Judge S. F. Hobbs, chairman, was Miller's campaign manager. Manifestly, the conclusions of the commission were foreordained. (In a bulletin issued July 22, 1931, a "Who's Who" of this commission is given. It also contains an article by Judge Allen J. Roulhac, of Sheffield, Ala., on "How the Alabama Power Co. secured the passage [in the State legislature] of a resolution supporting Hoover's proposal for a Muscle Shoals commission." Published by this league.)

When the President made public the report of his commission on November 19, the smiles changed to chuckles and then to laughter. It is not a pleasing task to report this. We Americans have an inherent respect for the presidential office, but we also have a sense of humor, which even a presidential pronouncement can not overawe. The reason for the merriment lies in this:

SAME OLD FERTILIZER JOKERS

For 10 years the farmers of the Nation have been told and believed that cheap fertilizer was possible at Muscle Shoals, which would cut their bills in half. But no private bid would guarantee it—there has been a "joker" in all such bids, so glaring as to cause even conservative Congressmen to declare them fraudulent. Hoover, however, continues to proclaim the fiction. Hence the first conclusion of his commission is that the shoals should be used "primarily for the production of types of commercial fertilizer," which is right pleasing to the ear. But appended to the press release of November 19, in response to an inquiry by the commission, is an official statement, approved by the Secretary of Agriculture, Arthur M. Hyde, made by Dr. Henry G. Knight and his experts in the Bureau of Chemistry and Soils, that "there seems to be no advantage to the farmers to be gained by operating the property for nitrogen production." (That is, fertilizer.)

This is exactly what Senator NORRIS has held for years amidst abuse and condemnation, and now even Secretary Hyde takes the same position. But why the commission should append that kind of a memorandum, contradicting its chief recommendation, is a mystery. It is a further mystery why Secretary Hyde's statement is omitted from the report of the commission sent to Congress on December 17 by the President with a message.

As to fertilizer, the specific "recommendations" of the commission to lease the Shoals preferably to "a corporation exclusively owned and controlled by organizations of farmers" contains the chief jokers which have caused succeeding Congresses to reject private bids. President Hoover last March vetoed the Norris Muscle Shoals bill which gave the President the right to lease the shoals properties for the production of fertilizer on any terms he desired and guaranteed his lessee receiving power at cost to any extent, provided they would make fertilizer or fertilizer ingredients and that only, but not control of the surplus power. That bill, as Senator NORRIS says, "called their bluff and the Power Trust wolf was shorn of his farmer cloak." Hoover vetoed the bill. His new commission confirms his veto and has added nothing of consequence to a solution of the problem.

REPORT WILL PLEASE THE POWER TRUST

It is manifest that the commission itself regards power as a paramount issue in the Muscle Shoals problem, but its report on this phase of the question, together with the engineering data submitted, might just as well have been written by the publicity section of the National Electric Light Association and saved the Government that expense. There is in existence a flood of accurate engineering and financial data on Muscle Shoals, public and private. For 10 years the Agricultural Committee of the Senate and the Military Affairs Committee of the House have been collecting at great expense information on this subject. The best known impartial experts have appeared before these committees, in addition to witnesses of the private interests and organizations.

HOUSE DOCUMENT NO. 328—A $1,000,000 REPORT IGNORED

In addition, in response to a House resolution, the Chief of Engineers of the United States Army caused to be made a comprehensive survey of the Tennessee River Basin. This report was transmitted by Gen. Lytle Brown, Chief of Engineers, to Secretary of War Hurley, and by him to Congress on March 24, 1930. It is entitled "Tennessee River and Tributaries * * * Covering Navigation, Flood Control, Power Development, and Irrigation." It was printed as House Document 328, makes a volume of 734 pages, to which is added a supplement of 198 maps and charts. Its production, which took several years of work, cost the Government $1,106,315. It deals specifically and extensively with flood control, with navigation, with Muscle Shoals power, and the power possibilities of the entire Tennessee River Basin. It contains all the information a statesman needs to have to guide his policies in respect to this problem. It is scientific. It is not propaganda. It is fatal to the veto message.

Hence all this engineering data had little value for the purposes of the President or his commission. So the commission propounded two questions, already answered in No. 328, to the Chief of Engineers of the War Department, which were, in effect:

1. Can the Government operate the electrical plant at Muscle Shoals and sell energy successfully?

2. If not, what annual rental should the Government receive if it leases the plant to a private company?

Lieut. Col. M. C. Tyler was detailed to make answer. That was quite natural. The colonel was formerly in charge of Muscle Shoals, and from March, 1929, to July, 1931, was chief engineer of the Federal Power Commission, where he worked in harmony with and was principal adviser to F. E. Bonner, then executive secretary of the Power Commission, as well as with Acting Chairman Dr. Ray Lyman Wilbur, Secretary of the Interior.

As is well known, Bonner resigned his position after his conduct in office had been exposed to the public in both House and Senate committees and had become a national scandal. In a deposition taken in San Francisco recently in connection with a libel suit he has brought against the San Francisco Examiner, Bonner, under oath, testified that he had worked in closest cooperation with Colonel Tyler. His reliance on Tyler was so often repeated that the examining attorney exclaimed:

"Q. Say, who ran the job of executive secretary? Did you or did Tyler do it? * * * Did Tyler tell you what to do and what not to do?—A. I relied on his judgment to a very considerable extent; yes, sir."

Tyler and Bonner were a unit in opposition to Charles A. Russell, solicitor of the Power Commission, who charged them with attempting to evade the power act in the interest of the power companies. Russell's discharge by the present Power Commission, headed by Dr. George Otis Smith, created another national scandal. These facts are noted here because Colonel Tyler's record shows him not only against public ownership but against regulation, as provided in the Federal power act.

But President Hoover and evidently his new commissioners have an uncanny faculty of picking experts who will demonstrate what they want demonstrated.

It must be admitted that, with this new job wished on him after his battles in the Power Commission, the colonel was in about as tight a fix as Colonel Whittlesey, of the Lost Battalion fame, at Chateau-Thierry. In his front was House Document 328, above noted, made by his Chief of Engineers. In his rear was a presidential veto of the Norris Muscle Shoals bill containing engineering estimates approved by the Commander in Chief of the United States Army, Mr. Hoover, whose findings were in violent conflict with those of the Chief of Engineers in House Document 328. On his right flank was the Power Trust army, which had to be kept quiet, and on his left flank were the Senate and House progressives of both parties, led by Senator NORRIS, flushed with campaign victories and ready for action.

Colonel Tyler's report is an outstanding demonstration of what a heroic Army engineer can do in times of peace. Summarized in simple language, Colonel Tyler advised the commission:

"1. No; it is not feasible for the Government to operate Muscle Shoals. Seven major power companies now occupy the field and sell current at very low rates; they give more dependable service than the Government can give, and that is the main thing; the cities and towns down there can have public ownership now of distributing systems and buy cheap wholesale current from the private companies, but they don't do it; besides which, the State laws are against them; they are deeply in debt and can not afford to buy current of the Government, even if they desired.

"If we discount idle theory and get down to reality, Uncle Sam will be in the 'red' around $23,000,000 by 1946 if we attempt to compete with the private companies.

"2. As a rental proposition, that depends. If you lease the hydrosteam plant at Wilson Dam, as now installed, to the power companies, it would not be worth much to them for about five years; after that I estimate you should charge an annual rental of $1,595,000.

"If you build the Cove Creek storage dam upstream, you will greatly increase the prime power at Wilson Dam, and you should charge the companies an 'ultimate rental' of $2,185,000.

"Eight generating units are now installed at Wilson Dam. There is room in the power house for 10 more, but under present low market conditions it would be 'unsound even to install one additional unit,' so I won't figure on that." (See commission's report, pp. 91–94.)

It is first to be noted that Colonel Tyler forecasts a ridiculously low annual rental of $1,595,000 "in about five years," with the implication that it is worth nothing much to the power companies in the meantime, and that this figure closely approximates the rental offered by the Power Trust in 1927, which offer President Coolidge urged Congress to accept. It was $600,000 for the first 6 years, $1,200,000 for the next 6 years, $1,500,000 for the next 6 years, and $2,000,000 thereafter. The 13 allied power companies of the South making this bid were practically all controlled by Electric Bond & Share, of New York, which is still after the shoals and whose leading men are heavy campaign contributors.

But the Army engineers of House Document No. 328, before described, also estimated rentals. At page 528 they recommend that the Government should receive an annual income from the hydrosteam plant at Wilson Dam, as now installed, of $2,535,278.

This plant, they say, when fully installed and all the power taken, should have an annual rental of $5,764,000.

Of course, there is a mass of technical data, tables, qualifications, ifs, ands, and buts in both set-ups difficult enough for a practical engineer to untangle. However, out of the maze two or three governing points emerge very clearly which the common man can understand.

Colonel Tyler and the President's commission view the problem from the standpoint of what private companies will do and propose to contract away Muscle Shoals current at around 2 mills per kilowatt-hour for primary power and 1 mill for secondary power.

The engineers of Document No. 328, more statesmenlike, consider the future, take cognizance of the vast amount of power which can be generated, and recommend 4.67 mills per kilowatt-hour for primary and 2 mills per kilowatt-hour for secondary power as a fair wholesale price private companies should pay. Incidentally, they talk about nine months of secondary power, while Hoover and Tyler speak of seven months.

In Document No. 328 the engineers do not give a definite estimate of rental value with Cove Creek storage regulation. They do give, however, an estimate of the ultimate composite power which can be developed with the hydro-steam plant at Muscle Shoals, more fully installed, interconnected with a hydroplant at Cove Creek with full regulation of the stream flow above and below Wilson Dam; also the switchboard cost of generating this power and of delivering it over high-tension transmission lines at various distances up to 350 miles. The figures are startling. (Doc. No. 328, p. 527.) Some outstanding results are:

Total prime power which will be for sale:

In round figures, 3,000,000,000 kilowatt-hours.

After providing for interest on the entire investment at 4 per cent for amortization, for depreciation, and operation—in short, all costs to Uncle Sam—the composite power can be delivered at the switchboard for $20.78 per kilowatt, or $15.50 per horsepower, and sold at the end of a transmission line 350 miles away for $31.10 per kilomatt, or $23.10 per horsepower.

Again, it is demonstrated (p. 531) that regulated hydrosteam power, without Cove Creek, can be transmitted 350 miles and sold at 4.5 mills per kilowatt-hour.

Any layman can figure it out that if this power should be sold at even 4 miles per kilowatt-hour, it would be sufficient to relieve American taxpayers of any burden because it would yield an annual revenue of $12,000,000.

It is evident that Tyler and the commission are very tender toward the private companies. Their rentals are much below those of nonpolitical engineers and experts.

NEITHER CONSIDER THE ULTIMATE CONSUMER

Note sharply at this juncture, however, that none of those Army engineers has been asked to estimate what this vast bulk of power is worth to the people of the South—the ultimate consumers—if sold under the provisions of the Norris bill. There is no regard to retail values. The War Department's assumption, doubtless under direction from above, is that Government power in the entire Tennessee Valley, including power sites, is to be turned over to private companies.

What this power is worth to the people under public operation throughout would reach a fabulous figure and is a subject for a separate bulletin.

ENGINEERING VISION

With magnificent vision the engineers producing the report presented in No. 328 deal with the problems of flood control, navigation, and power development of the Tennessee River as an engineering unit. They demonstrate the close interrelation of these projects and that "economic waste" can be avoided by working them out together under one comprehensive plan, which only the Federal Government is powerful enough to undertake.

This is exactly what Senator NORRIS and some of his colleagues have been proclaiming on the Senate floor for years. But the Senator has declared also that by selling power developed in connection with dams for flood control and navigation the whole enterprise could be financed without $1 being taken from the pockets of the American taxpayer, while putting millions of dollars into the pockets of power users in the Southland. To that proposition Electric Bond & Share, of New York says, "No"; if you touch power, you can't have flood control or navigation!"

Here is a concrete issue for reconstruction economists and national and regional "planners" to try their hands on—but will they?

HOW TYLER MAKES THE GOVERNMENT LOSE MONEY ON PAPER

Colonel Tyler's memorandum, Cost to the Federal Government of Transmitting and Selling Muscle Shoals Power, is found at pages 61 to 76 of the commission's report. He shows his Power Trust bias by employing propaganda lingo throughout. He begins:

"If the Government should decide to embark in the public-utility power business * * * at Muscle Shoals, it is assumed that its purpose would be to reduce the price of power generally in the adjacent territory by selling wholesale and at cost in direct competition with the existing public-utility companies."

He constantly refers to the private power companies as "the public utilities," as if to imply that a publicly operated plant was not a public utility. This bias crops out even in his final table, where one column of figures is headed "Deficit on Government Power Business," to demonstrate which was doubtless the main purpose of his selection by the commission and the appointment of the commission by the President.

He asserts that "in such competition the Government would have three great advantages, viz, lower interest rates on borrowed money, freedom from taxation on real property and on incomes, and no necessity for profit." He continues: "These advantages should enable the Government to sell at low prices. However, the cost of the power would depend * * * on the extent and location of the market for power, the investment in generating and transmission facilities and maintenance and operating cost."

This is a fair and consistent statement of the case, but when he proceeds to estimate "the market for the Government power," we are at once given a clue to the methods by which conclusions are to be reached which will sustain the President's veto message of the Norris bill.

WHY 200 MILES LIMIT? SHOULD BE 350 MILES

We read, "It is assumed that power will be sold in the area east of the Mississippi River and south of the Ohio River and within 200 miles of Muscle Shoals. Portions of five States compose this area, viz, Georgia, Kentucky, Tennessee, Alabama, and Mississippi."

Why 200 miles? The colonel does not explain. He asserts. Turn now to House Document 328, page 520, and we find the nonpolitical engineers laying down 350 miles as the transmission radius. This includes, of course, Tyler's area, but note the significant language they use:

"Of this territory the greatest shortage of hydropower exists in the southern parts of Ohio, Indiana, and Illinois, in the eastern parts of Missouri, Arkansas, and Louisiana, and in the States of Mississippi and Kentucky."

Areas largely outside the colonel's area.

Tyler appends a map with his 200-mile radius. Engineer Wright also appends a map (plate 182, Corps of Engineers, United States Army) with his 350-mile radius.

Within Colonel Tyler's area of 125,648 square miles are six large cities—Birmingham, Montgomery, Chattanooga, Nashville, Memphis, and Atlanta. Now Atlanta is actually less than 200 miles from Muscle Shoals, and even the colonel's circle runs through it on his own map, but for some reason he says: "Atlanta is eliminated on account of the distance from the generating stations." Out of all this he assumes that only two cities will buy power from the Government by 1946.

Look now at Engineer Wright's map: In his area of 385,347 square miles we find within transmission distance from Muscle Shoals a dozen or more large cities. Some of them are St. Louis, Indianapolis, Evansville, Cincinnati, Frankfort, Louisville, Knoxville, Asheville, Charlotte (S. C.), Atlanta, Macon, Montgomery, New Orleans, Jackson, Meridian, Little Rock, Hot Springs, and Pine Bluff—home of Harvey C. Couch.

This, then, is the real area, the power rates of which will be profoundly affected by Government operation of Muscle Shoals with authority to build long-distance transmission lines. This area exceeds many times in wealth, population, industry, and farm cultivation the contracted area "assumed" by Colonel Tyler and the commission.

If the reader distrusts the accuracy of this layman writer, read a paragraph from the hard-headed Army engineers, who worked in relative freedom:

"Referring to Chart II, it will be seen that a circle having a radius of 350 miles passes near Dayton, Ohio, falls a few miles short of Indianapolis, Ind.; Springfield, Ill.; Springfield, Mo.; Alexandria and New Orleans, La.; Tallahassee, Fla.; and Williamson, W. Va. Less than the west half of this circle will afford a market for all the power that can be produced at Wilson Dam."

THE COLONEL'S PRIVATE COMPANIES' LOW RATES

Having fixed his sales territory to suit himself, Colonel Tyler next informs us that it is now amply served by "seven major public-utility companies." He always dodges the words "private companies." He expands upon the "magnitude" of their plants, transmission systems, and investments without mention of inflated securities or control by the Electric Bond & Share Co. of New York, political supporter of President Hoover and Governor Miller, of Alabama, and Governor Horton, of Tennessee. He boasts of their "dependable service" and in general implies that it would be a sort of crime to annoy them with public competition. He is to be thanked for not designating such competition as "un-American" or "communistic," showing that he has a sense of humor as to terminology, if not as to facts.

His "dependability" turns, of course, upon the interconnection of private companies and he blandly assumes the Government would have no such stand-by service. He forgets that public and private systems can readily have interconnected lines for mutual emergency help in case service is interrupted by storms, lightning, fires, or what not. Some city systems and private companies are now so connected. But a political engineer must be pardoned for such oversights. At that, he probably knows that the Muscle Shoals plant has not been out of commission once since it began generating current on September 12, 1925.

But it is when he comes to demonstrate the "low rates" which the people of Alabama and other States now enjoy at the hands of these private companies that the colonel's courage and dash as a statistician challenge admiration.

He has been ordered to place an imposing Hoover Power Trust camouflage structure at an exposed point. Disregarding danger, he borrows one and sets it up, thus:

"The average sale price of power in this territory is low, particularly when the low density of population and the long transmission distances are considered. This is shown by the following comparisons:

Average receipts per kilowatt-hour for 1929

	Cents
Alabama Power Co. (state-wide distribution)	1.22
City of Tacoma (municipally owned system)	1.035
City of Seattle (municipally owned system)	1.806
City of Cleveland (municipally owned system)	2.373

This Q. E. D. set-up will not disconcert gunners in the progressive ranks. It is quite familiar. It is taken direct from an Alabama Power Co. propaganda pamphlet, issued in March, 1928, written by Thomas W. Martin, president of that company, in an effort to prove that his company was selling power to ultimate consumers cheaper than the combined output of seven large American city plants whose total load about equaled his own. Martin included Tacoma, Seattle, Cleveland, Jacksonville, Fla., Johnstown, Pa., Springfield, Ill., and Los Angeles. The set-up was printed in full page advertisements in Alabama newspapers; the pamphlet was broadcast nationally and sent to Members of Congress. Now note the trick. What neither General Martin nor Colonel Tyler has had the fairness to state is the fact that to get this low "average" of 1.22 cents per kilowatt-hour, they include nearly one-half of the entire output of the Alabama Power Co. which is sold at from 5 to 7 mills per kilowatt-hour, wholesale, to the Georgia Power Co. and other companies for resale at the usual high retail rates of from 5 to 10 cents per kilowatt-hour, whereas all but a very small part of the output of these municipal plants is sold direct to ultimate consumers. That is, Tyler and Martin compare private wholesale rates largely with public retail rates, exactly as does Mr. Floyd B. Carlisle, of the Niagara-Hudson Corporation, when comparing "average" costs as between Ontario and western New York State.

Such tactics are to be expected from Power Trust executives, lobbyists, and writers. They are not in order at the hands of an Army engineer, a presidential commission, or a President, presumably servants of the American people, whose salaries are met from public funds.

The duplicity of such methods is exposed when we examine the actual average prices paid in 1929 by the different classes of consumers in Alabama. Here is a proper set-up, compiled by I. F. McDonnell, chief engineer of the Alabama Public Service Commission:

Alabama Power Co. operating revenue, 1929

(Analyzed by the Alabama Public Service Commission)

	Revenue	Kilowatt-hour sales	Per kilowatt-hour
			Cents
Residential service	$2,273,413.65	40,857,000	5.56
Commercial service	3,102,371.43	63,954,000	4.85
Rural service	133,781.46	1,529,000	8.75
Sign and window lighting	44,815.73	785,000	5.71
Street lighting	318,423.25	5,694,000	5.59
Industrial power	6,817,624.24	668,854,417	1.02
Other electric companies	4,664,923.58	652,047,341	.72
Total sales of current	17,355,353.34	1,433,721,080	1.21

These differences of actual cost as between large and small consumers appear more startling from another division prepared by the commission's engineers. Under "Wholesale" is included lump power sold for resale, current sold extremely large industrial concerns at low rates, and current sold to municipalities for resale. Under "Retail" are included ordinary industrial, residential, store, farm, street-lighting, and like customers.

Sales of Alabama Power Co. as divided between wholesale and retail business, 1929

	Total revenue	Total sales, kilowatt-hours	Average cost, kilowatt-hour
			Cents
Wholesale	$11,482,547.82	1,320,901,758	0.87
Retail	5,872,805.52	112,819,322	5.20

So that ordinary retail consumers who use less than 8 per cent of the company's output but supply 34 per cent of its revenues come out from behind Colonel Tyler's "average" of 1.22 cents, paying over 5 cents per kilowatt-hour and the big fellows less than 1 cent. All of which supplies illuminating comment on Colonel Tyler's statistical methods and reminds us of Disraeli's definition.

Since the colonel has attempted to disparage public plants by his comparisons, let us look at a similar table showing such average costs for the city of Tacoma in 1929. Tables from the other cities would yield comparable results, but our space is limited. These data are taken from the very complete official report of the light division of the department of public utilities for the city of Takoma, Wash., for 1929:

City of Tacoma, light division (operating revenue 1929, pp. 53–57)

	Revenue	Kilowatt-hour sales	Average per kilowatt-hour	As against Alabama average
			Cents	*Cents*
Residential and commercial	$1,254,416	69,165,512	1.80	5.56
Industrial power	731,086	114,609,286	.64	1.02
Street lighting	109,908	6,346,577	1.73	5.59
Other utilities	161,235	20,060,000	.80	.72
Municipal power	23,246	2,670,602	.80	

Concerning the last two columns above, it appears that Alabama housewives pay more than three times as much for service as Tacoma women; merchants, in the same ratio; manufacturers and power users, twice as much; and taxpayers, three times as much for street lighting.

SEATTLE'S "CITY LIGHT"

Tacoma has long had a virtual monopoly, but "City Light" in Seattle has competed with the Puget Sound Light & Power Co., controlled by the Stone-Webster interests of Boston.

Starting from nothing in 1905, City Light has steadily grown and now has over one-half of the business. Its rates, however, are not so high as one would expect. Average costs per kilowatt-hour in 1929 were: Domestic, 2.89 cents; stores, etc., 2.02 cents; industrial, 1.09 cents; street lighting, 2.24 cents.

Step by step City Light has lowered its rates, to be promptly met by the company. They were always the same.

President Hoover opposes the Norris Muscle Shoals plan because, he says, private companies now occupy the field and public competition would be "economic waste." That's true—from an engineer's viewpoint solely. But war is war. Regulation doesn't regulate. Seattle went into the power business in competition with individual initiative to get cheap electric service. Lenin, of Moscow, was then an exile in Switzerland and presumably had little influence in Seattle.

Now, how has this "economic waste" affected Seattle? I recently asked some questions of Supt. J. D. Ross, the able engineer who built and manages the plant. Yes; it is the same Mr. Ross that Mayor Edwards discharged last year as a first step toward wrecking the plant, and was promptly recalled by the voters of Seattle for his treachery. Here are the questions and answers in brief, fully sustained by official records:

"Q. How much money did the customers of both the private and the public plants in Seattle save last year by reason of competition by City Light?—A. Ten million dollars, based on average national rates.

"Q. Give some estimate as to how much they have saved since City Light started.—A. Conservatively, $90,000,000 in the past 27 years.

"Q. How much, if any, of your net revenues have been reinvested in the plant which a private company would have distributed as profits?—A. Twenty million dollars.

"Q. Do you save the taxpayers any money on street lighting?—A. Indeed we do; $375,000 last year, as against what we would have paid a private company.

"Q. Do you pay taxes?—A. No; but interest on bank deposits go to the general fund—$60,000 just now.

"Q. Could you reduce your rates if you had a monopoly in the city?—A. Yes; by one-third. I could then sell domestic current at from 1 cent to 1½ cents per kilowatt-hour."

On reflection, it is scarcely probable that the Seattle people regard City Light as an "economic waste."

STATE-WIDE DISTRIBUTION DOES NOT EXPLAIN

At this point the colonel and other critics may object that the comparison is unfair, as the Alabama company has state-wide distribution. In Seattle and Tacoma it is local. Fair enough. The Alabama Power Co. is a huge private superpower system. The only public superpower system on the continent with which to compare it is Ontario Hydro. Costs in Tacoma and Ontario are strikingly similar. In 1929, at Windsor, opposite Detroit, 250 miles from Niagara Falls, domestic consumers paid an average of only 1.6 cents per kilowatt-hour. On top of that, the surplus was so great that all consumers had returned to them for a Christmas present a check amounting to 10 per cent of their bills for the entire year.

If Alabama hydro consumers had paid Ontario hydro rates in 1929

Character of service	Total kilowatt-hours sold by Alabama Co.	Total paid to Alabama Co.	Total if paid at average Ontario rates	Per kilowatt-hour average, Alabama Co.	Per kilowatt-hour average, Ontario Hydro
				Cents	*Cents*
Residential	40,857,000	$2,273,413	$682,311	5.56	1.67
Commercial	63,954,000	3,102,371	1,381,406	4.85	2.16
Industrial power	668,854,417	6,817,624	3,812,467	1.02	.57
Street light	5,694,000	318,423	129,252	5.59	2.27

There is no help for Colonel Tyler's commission here.

FARM RATES

Colonel Tyler assures us that Alabama farmers, as well as town people, enjoy cheap electric rates. He says, page 66: "The average revenue per kilowatt-hour was 4.67 cents" for farm service in 1930. The colonel has been misinformed by some one. The Alabama Public Service Commission reports the average cost in 1930 to be 6.95 cents per kilowatt-hour, or 49 per cent higher than the colonel's figure. But neither figure can be called "low." The fact is, in Alabama or elsewhere, farmers can never expect really cheap electric service from private companies.

But since the President's commission is devoted to agriculture their attention is called to the unbelievably low rates in the farm district adjacent to Tacoma, which enjoys the benefit of this public plant. A letter from Hon. Homer T. Bone, counsel for the port of Tacoma, informs us that for miles around Tacoma the farmers have organized mutual nonprofit companies which buy power wholesale from the Tacoma system. There are about 3,000 farmers in these companies. They built their own lines, which cost around $600 per mile. The rates of the Elmhurst Mutual Co. are typical of them all. They are 5 cents per kilowatt-hour for the first 20 kilowatt-hours and 1 cent per kilowatt-hour for all additional.

Mr. Bone writes that Mr. ———, a member of this company, owns a large chicken farm. In one month he used 13,000 kilowatt-hours. His bill was $130.80, or 1 cent per kilowatt-hour. In Alabama he would have paid $273.50.

True, this is an exceptionally large customer, but campaign orators and writers proclaiming "a chicken in every pot" should take notice. Most of these companies have long since paid off their original investment out of earnings and have no interest charges to meet. Alabama farmers will go on paying interest and dividends on "capital investment" as long as the company owns the lines.

REGARDING TAXES

Everywhere and always where a public plant is proposed private company propagandists warn the people about taxes. Hoover does, and Tyler follows suit. Public plants do not pay taxes. That explains their low rates. Private companies pay taxes and are public benefactors.

Unfortunately for the argument, the Tacoma plant does pay taxes—7 per cent of its gross revenue, which works out to 0.7 mill per kilowatt-hour. President Martin, of the Alabama Power Co., in 1929 paid for total taxes 1.1 mills per kilowatt-hour, as reported by the Federal Trade Commission investigation (vol. 30, p. 214). That 1 mill for taxes does not explain why Alabama domestic consumers paid over 5 cents per kilowatt-hour in that year and Tacoma consumers less than 2 cents per kilowatt-hour.

THE COLONEL'S "PRACTICABLE OUTPUT" VERSUS THE REAL MARKET

The colonel fixes the "practicable output" of the hydrosteam plant at Muscle Shoals at "about 442,000,000 kilowatt-hours," as at present installed. Add Cove Creek, and it will be "about 992,000,000 kilowatt-hours." This is figured on the load factor of the seven private companies now operating in that region. He concludes that Government sales "probably will be much less than 1,000,000,000 kilowatt-hours per annum for many years" (p. 63). These figures are far below estimates by other Army engineers, as previously noted. The colonel is sad over his prospective market. Not so sad are companies trying to lease the plant.

The trouble with most Army engineers and engineers serving private companies—and this layman has talked with scores of them—in this respect is that they have no conception or knowledge of what cheap rates will do to a "load factor." They are seemingly unaware that a power plant can sell from two to three times more current to retail customers at 2 cents per kilowatt-hour than they can at the Power Trust's high rates of 6 or 7 cents. The average home in Alabama buys only around 50 kilowatt-hours per month, which is about the national average. Tacoma's average is 116 and Seattle over 100 kilowatt-hours per

month. The average for Ontario in 1929 was 122 kilowatt-hours per month, including even the hamlets and small towns. Hence there is an enormous market for cheap domestic current in the Southland effected by Muscle Shoals, now untouched by the Power Trust because of its high rates.

REFRIGERATION NEEDS

The South with its hot climate is in special need of cheap electric refrigeration, also electric cooking and hot-water heating—all three matters of health and comfort, to say nothing of washing and ironing and house work all over this hot region. The market is there at 1 or 2 cents per kilowatt-hour.

Industrial current at one-half or one-third the prices now charged by the Power Trust is needed to promote the development of the vast natural resources of the Tennessee Valley. In that region near Muscle Shoals are vast phosphate beds, red and brown iron ore, limestone, zinc, marble, pottery clay, bituminous coal, bayrite, and cement. There are great forests of fine hardwoods of all kinds, and so on. There is both water and rail transportation. In short, the makings of an industrial empire.

As pointed out by engineers in House Document No. 328, there is a great market for hydropower in adjacent States—level country with no power sites. The cities are awakening to the advantages of cheap power.

Last, but not least, beyond question when the Norris bill is law and the issues settled, the Power Trust will at once make a drive on the Government agency to capture for itself all the power it can get. This is what happened at Boulder Dam. It will happen at Muscle Shoals.

Here, then, is a common-sense view, based on known facts, of the possible market for Uncle Sam's power. The question is, Shall the Power Trust be given dominion over this future industrial empire, also the opportunity to corrupt the politics of the South as the railroads have done for the last 50 years—as indeed the Power Trust is even now doing?

THE COLONEL'S TRANSMISSION SYSTEM—AND A CHALLENGE NOT YET ACCEPTED

When President Hoover vetoed the Muscle Shoals bill last March he proclaimed that $40,000,000 would be needed to build a public transmission system—by implication—immediately. Progressives responded that this figure was ridiculous and prejudicial. Colonel Tyler's report has outdone the President. By 1935 he has expended $43,344,000 on his proposed transmission lines system. Analysis, however, must be suspended until Colonel Tyler or Maj. Gen. Lytle Brown, Chief of Army Engineers, or both, supply the House Military Affairs Committee or the public with the data and "working sheets" on which these estimates were based in order that they may be checked by independent engineers.

Invited by Acting Chairman McSWAIN to testify before the House Military Affairs Committee, the writer started to discuss the unsatisfactory character of Colonel Tyler's report, when Congressmen STAFFORD, of Wisconsin, Goss, of Connecticut, and other conservatives objected on the grounds that Tyler was not there.

At a later meeting—on January 23—with the colonel and Mr. W. M. McFarland, member of the President's commission, present, I stated in effect that every accountant and engineer with whom I had consulted had thrown up his hands and declared no man could check on the colonel's conclusions because of his peculiar methods and the absence of basic data. I said that wrangling was useless and a waste of the committee's time; that it should demand the underlying data, and I challenged Colonel Tyler and General Brown to produce it. That challenge has not yet been met. I am informed that Colonel Tyler has been transferred from Washington to New Orleans, and that he left three days after the hearing. If these working sheets are not forthcoming, further analysis will be in order.

The peculiar methods employed may be illustrated thus: The colonel spends millions on millions of dollars for transmission lines, but nowhere does he state how many miles he is building or give necessary specifications. At one place, however, he seems to have slipped, and we discover that his farm lines are to cost $1,625 per mile. Farmers on the Minidoka project in Idaho built their lines for $400 per mile. Tacoma farmers for $600. Power companies in Washington and Wisconsin, $600 to $700. Even the Alabama Power Co. build their farm lines for around $1,000. Hence the colonel is high, but we do not know what he proposes to do. Would he perhaps furnish gold-plated transformers?

When Seattle started its public plant it did not at once duplicate the private company's lines. It had only 36 miles of transmission lines in 1905. To-day it has 190 miles. Then it had 370 miles of distribution lines. To-day it has 3,427 miles.

Ontario Hydro started in October, 1910. After two years, in October, 1912, it had 236 miles of 110,000-volt transmission lines, serving 32 cities and towns, with an investment in lines, transformers, etc., of $4,153,000. But Colonel Tyler at the end of two years has, on paper, spent $32,258,000, or nearly eight times as much. President Hoover, who is expected to quote Tyler's figures in the coming campaign, should remember that his experiences as a promoter are of no value to him for guidance in this enterprise. Muscle Shoals transmission lines will be built as the market develops and not in white hot-house hurry to establish a grossly inflated capital account on which huge interest must be paid in order to produce a fictitious paper deficit for Uncle Sam.

The time will doubtless come when popular demand for cheap Muscle Shoals current over the South will justify $40,000,000 in transmission lines, to be paid for out of earnings and not taxes, but it will not be in four or five years. An engineer proposing such an immediate expenditure would be forthwith fired by any intelligent management of Muscle Shoals.

THE COLONEL FIXES HIS POWER RATE—AND AGREES WITH THE VETO MESSAGE

At page 64 Colonel Tyler fixes a price at which he thinks the Government might sell current. He says:

"For the purpose of this study it is assumed that the Government's wholesale rate will be 20 per cent less than the published wholesale rate in the respective States."

He does not state what these rates are or what his proposed rate is. By roundabout deduction, we are left to guess it would be from 8.5 mills to 1.6 cents. Here again he supports the veto message, which has 9.1 mills per kilowatt-hour. This figure was demolished by Senator BLACK, of Alabama, on the floor when he pointed out that Brig. Gen. Herbert Deakyne, Assistant Chief of Engineers, in the introduction to House Document 328 pointed out that when fully developed and sold Muscle Shoals power could be produced at the switchboard for 1.36 mills per kilowatt-hour and sold within a radius of 350 miles at 4.16 mills.

THE COLONEL IS APPALLED BY LEGAL BARRICADES

Passing over this incomplete mass of figures for the time being, let us examine one more of the colonel's reasons why Uncle Sam is full certain to fail at Muscle Shoals, namely, legal obstacles. "It appears," he says, "that municipalities and counties in the territory under consideration are already quite heavily in debt." Furthermore, they are inhibited by legal restrictions. He startles us with the information, for example, that:

"In Tennessee, except with a few unimportant exceptions, municipalities can not issue bonds without special authorization of the State legislature, and in no case can a municipality bond itself in excess of 10 per cent of its total assessment."

Hold, Colonel! As a lawyer you are a good electrical engineer, but you got short circuited at the wrong point, and did not read the proviso in the statute to which you refer, to be found in Shannon's Code of Tennessee Law, 1932 edition, section 3705; also carried in Shannon's Code of 1926, section 2023a–81:

"No cities or towns shall have the right to issue bonds as provided herein in such an aggregate amount as will create or increase the total bonded indebtedness thereof more than 10 per cent of the assessed valuation for the preceding year of the taxable property in said city: *Provided, however,* That any bonds or securities redeemable and payable out of funds derived from special assessment for public improvements or any bonds or other obligations issued for supplying such municipality with water, artificial light, heat, or power where the works for supplying the same shall be owned and controlled by such municipality *shall not be included in the debt of such municipal corporation* within the limitation of this section." (Italics mine.)

It is curious also that in his legal researches the colonel did not discover and proclaim the following from the constitution of Alabama:

"No law making any irrevocable or exclusive grants of special privilege or immunities shall be passed by the legislature; and every grant of a franchise, privilege, or immunity shall forever remain subject to revocation, alteration, or amendment." (Art. I, sec. 22.)

That is important. It means that the municipalities of Alabama are free to go into competition with the private companies exactly as Seattle and many other cities have done. Further, the colonel did not discover, or at least announce, that section 2465 of the Mississippi Code permits municipalities in that State to finance public-utility plants by pledging the property and income thereon as security for bonds, hence are not blocked by debt limitations in this respect. Also important.

Next comes the question, In how many of the 14 States in transmission distance of Muscle Shoals are municipalities free to compete or to finance their own utilities outside debt limitations?

The answer is too much for a layman. So I consulted one of the ablest and best informed utility attorneys in the country. His memorandum, printed as an appendix to this bulletin, may be summarized thus:

In 12 of the 14 States municipalities may compete even though private companies have so-called exclusive franchises, provided they are not contracts, and usually they are not. The exceptions are Indiana and Missouri.

In five States municipalities may finance their utilities outside debt limitations by issuing securities against the plants. They are Ohio, Indiana, Illinois, Missouri, and Kentucky.

Furthermore, in seven other States municipal securities to finance utilities like electric plants are specifically exempted by law, in whole or in part, from ordinary debt limitations. They are Alabama, Arkansas, Florida, Mississippi, North and South Carolina, and Tennessee, leaving only two States, Georgia and Louisiana, in which debt limitations might block financing municipal systems.

TAXLESS TOWNS

After all, it is a strategic blunder for the colonel to remind southern municipalities of their debts in this connection. Most American cities are in the same boat, because in the past they have given away revenue-producing franchises for electric service and the like to utility companies for private exploitation and loaded onto the taxpayer the nonrevenue functions, like sewage disposal, street building, and lighting, etc. Modern conditions

have forced on cities many new functions—protection of public health, safety, recreation, education, etc., which private enterprise will not assume, hence increasing taxes and a financial impasse.

Cities are now waking up to this folly and are beginning to take over these profitable functions. National attention is turning to "taxless towns" and hundreds of other cities which pay the whole or part of their running expenses out of the profits from their own power, gas, and water plants.

I do not believe this to be an economically sound policy since it permits owners of idle land and people not using the service to profit at the expense of the utility patrons. The Ontario system of service at cost is the best, as it stimulates industry and is just to all. Yet it is better for these cities to retain these huge profits than to have them go to absentee franchise owners. For example, take the little town of Athens, Ala., 3,300 population, 40 miles from Wilson Dam. State Senator R. H. Walker, of that town, reports that the electric plant "has been a godsend to the town." Last year the net profit was $20,000. The town boasts of its White Way and well-lighted streets. It pays the Alabama Power Co. 1.3 cents per kilowatt-hour for its energy wholesale. Its profits would be increased materially if it could buy that current from the Government at 5 or 6 mills. This bulletin could be filled with short paragraphs giving like illustrations from the Southland.

Per contra, take Florence, Ala. This small city has been paying $10,000 annually for street lighting to the Alabama Power Co. for current costing $385—from Wilson Dam, in plain sight of the town, purchased at 2 mills per kilowatt-hour. The writer heard W. F. McFarland state these facts to Secretary of War Davis in 1927. He was then finance director of Florence. To-day he is a member of the Muscle Shoals Commission. He was at the hearing before the House Military Affairs Committee, before mentioned, and when queried by the writer before the committee he admitted the above statement of fact to be true.

This awakening, then, of municipal officials desperately trying to pay expenses and keep down taxes to the possibilities of municipal incomes from public assumption of franchise functions constitutes a far more serious menace to the Power Trust than agitation of public ownership theorists. It explains in part why the utility interests are spending millions in frantic opposition to what they proclaim is a dying cause. Economic necessity, therefore, will drive hundreds of municipalities, large and small, within the 350-mile radius around Muscle Shoals to seize the chance of buying wholesale power from the Government at one-half the price they now pay to the private companies. The companies must meet that price or lose the business in due course, and in any event the people will be benefited.

THE COLONEL'S CONCLUSIONS

The colonel—No. 1: "The Government's power plants at Muscle Shoals and the proposed Cove Creek development are not suitably located to serve as the main generating stations of an extensive independent power system."

On the contrary, Army engineers in House Doc. 328 (p. 521) point out there is a great shortage of hydro power in southern Ohio, Indiana, and Illinois, in eastern Missouri, Arkansas, and Louisiana, and in Mississippi and Kentucky. "Therefore the Tennessee River Basin is the main reliance for hydro power for this territory." These engineers estimated the power resources of the Tennessee Basin at 6,605,000 horsepower, enough to supply all possible needs of the basin for years to come and help supply other States. Muscle Shoals is much better located than Boulder Dam. To the engineers of the colonel's persuasion no public plant would be suitably located—except upon the star Canopus.

The colonel—No. 2: "The construction of any independent system would involve large expenditures of public funds."

Right. Also invested in a profitable enterprise, utilizing public property for the public welfare. Also operated and paid for out of the low rates charged, hence no burden to the taxpayers, but rather a relief to taxpayers, as shown throughout this bulletin.

The colonel—No. 3: "The cost of transmitting power in such a system would be high and the reliability of service at long distances from the generating center would be poor."

Transmission costs would be "high" indeed if Government officials and engineers were foolish enough needlessly to expand the transmission system and inflate its costs as appears to have been done in the colonel's set-up, but which we can not check up because of his omission of underlying data. An appraisal based on his map and such data as are given would indicate that his construction costs are so inflated above normal prices as to require an excessive interest of around $1,000,000 for the last 10 years of his period on transformer stations and transmission lines alone. If he or General Brown deny this, let them produce their working sheets.

The colonel—No. 4: "The construction of such an independent system would be an economic waste, in that it would duplicate transmission facilities now ample to serve the region."

Regulation has failed and will fail. Public competition has demonstrated itself as the best practical method of controlling private power rates. What does Colonel Tyler, Judge Hobbs, and Farmer O'Neal consider the millions of unjustifiable profits now taken from the pockets of the people and industries of the Muscle Shoals region by the Power Trust? Is that "economic waste"?

The colonel—No. 5: "It may be expected that the deficit from the construction and operation of such a system, which will have to be met by the Federal Treasury and by the general taxpayers, will largely exceed any savings from lower rates which may accrue to the limited local public served."

The expected deficits are of the colonel's own creation, likewise the limited area. He is challenged to submit his working sheets for examination. His fellow engineers have demonstrated that a suitable transmission system can be built and Muscle Shoals operated with no cost to the taxpayers, even out of the astounding low rates they set up.

If the Power Trust executives believe the colonel's conclusions and consequently have no fear of the competitive effect of public operation upon their extortionate profits, why have they spent millions in the last 10 years fighting the Norris bill?

CONCLUSIONS

1. The promotion of this Muscle Shoals Commission by President Hoover is an imposition upon public patience and an "economic waste," since it was intended to duplicate work already—and much better—done.

2. Its chairman and a majority of its members are not engineering experts but politicians and lobbyists beholden to the Power Trust directly or indirectly through appointment by Power Trust governors. Their conclusions were foreordained.

3. Its recommendations as to fertilizer contain the same "jokers" which have caused Congress to reject as fraudulent the bid of every private corporation seeking to grab Muscle Shoals power on the pretense of helping farmers.

4. The findings of Colonel Tyler that Government operation would create a deficit of $23,000,000 in 15 years is based upon arbitrary, undocumented assertions of his own which are proven absurd by previous nonpolitical reports of his fellow engineers.

5. President Hoover's manifest purpose in creating the commission was, by involving Democratic governors, to embarrass the Democratic Party and prevent it making Muscle Shoals an issue in the campaign. It would also embarrass progressive Republicans. The report is a campaign document intended to catch farm votes without sacrificing Mr. Hoover's main political support, the Power Trust.

EXHIBIT

(Bulletin 152)

Memorandum: Re restrictions upon municipality owned and operated utilities in States within transmission distance of Muscle Shoals

I. RIGHT TO COMPETE

Under the prevailing state of law as interpreted by decisions of State and Federal courts a municipality in any of the following States may establish an electric plant to operate with in its respective municipal limits in competition with privately owned utilities, notwithstanding the fact that it has issued to the utility a franchise, in accordance with the following table:

State	Where private company's franchise is not exclusive	Where private company's franchise purports to be exclusive but is not in the form of a contract with the city	Where private company's franchise purports to be exclusive but is in the form of a contract with the city
Alabama	Yes	Yes	Yes.
Arkansas	Yes	Yes	Yes.
Florida	Yes	Yes	No.
Georgia	Yes	Yes	No.
Illinois	Yes	Yes	Yes.
Indiana [1]	No	No	No.
Kentucky	Yes	Yes	No.
Louisiana	Yes	Yes	Yes.[2]
Mississippi	Yes	Yes	Yes.
Missouri [1]	No	No	No.
North Carolina	Yes	Yes	Yes.[2]
South Carolina	Yes	Yes	No.
Tennessee	Yes	Yes	Yes.[2]

[1] Municipal plant operations subject to complete supervision of the State public service commission.
[2] Probably.

In Alabama competitive municipal operations appear to be authorized by law. The commission approval necessary for the exercise of all franchises, as required by sections 9763 and 9764 of the State laws, is not applicable to municipally owned utilities (see secs. 9631, 9712, 9741). Nor is there any other provision of State law which appears to impose any limitation upon the right of a municipality to engage in the operation of an electrical utility regardless of existing competitive franchises.

The same conclusion is obtained from a study of Arkansas law in view of the fact that the constitution of that State (art. 2, sec. 19) forbids the granting or performance of exclusive franchises which would amount to "perpetuities or monopolies."

In Florida and Georgia the State commissions have no authority over municipal plants, and municipalities are not under any statutory or constitutional limitation with respect to engaging in public-utility operations themselves, regardless of the existence of a franchise, except where such franchises amount to a contract between the municipality and the particular public utility which would bind the municipality not to engage in such public-utility operations. As a matter of practice, the usual franchises granted in Florida and Georgia contain no such contractual limitations upon the municipalities of those States.

In Illinois the statutes expressly make it lawful for any municipality to incorporate in any franchise to any utility a reservation of the right of the municipality to take over all or any part of the equipment used in the operations of such utility at or before the expiration of such franchise (Laws, 1913, p. 455, sec. 6 (6)). As a matter of practice, municipalities of Illinois have automatically inserted such a reservation in all of the franchises granted since that date.

In Indiana a municipal electric plant is a "public utility" within the meaning of the Indiana Public Service Commission act (sec. 1), and no municipality may construct, operate, or acquire any utility plant where there is already in operation a public utility engaged in a similar service without first securing the permission and approval of the commission (sec. 97, Public Service Commission act). As an indication of the policy followed by the Indiana commission in administering this law see Re City of Huntington (P. U. R. 1932A, 61), in which it refused to authorize a city to operate an electric plant in competition with a private electric utility in the absence of convincing evidence that public convenience and necessity required such additional service.

In Kentucky there is no constitutional or statutory limitation upon the right of a municipality to grant an exclusive franchise, and where such franchise has been granted in the form of a contract between the municipality and the privately owned electric utility the municipality would probably be restrained from breaching such a contract by entering into competitive service before the termination of the contract. Therefore it would be a question of fact in each particular instance whether the existing franchise between the privately owned utility and the municipality was first in the form of a contract and second an exclusive contract. In the absence of either of these two factors municipal operation would be lawful.

In Louisiana, sections 4 and 7 of article 6 of the State constitution specifically exempt from the jurisdiction of the State commission the right of municipalities to engage in the operation of electric plants. (See State *v.* City of New Orleans, P. U. R. 1922E, 183.) And since a municipality can not lawfully contract away its statutory or constitutional right to operate an electric plant (see Fairbanks, Morse & Co. *v.* Texas Power & Light Co., P. U. R. 1929E, 483) (decision of the United States circuit court), it is probable that competitive operations by a municipality would be permissible in any event.

In Mississippi cities are specifically forbidden to grant exclusive franchises. (Secs. 7063, 7081.)

In Missouri the operation of a municipal electric utility is subject to the approval of the commission. (Sec. 10478, General Laws.) The policy of the Missouri commission, like that of the Indiana commission mentioned above, appears to be consistently opposed to the authorization of new competitive electric service in a territory where the existing service is not shown to be inadequate. (See Re Midwest Transit Co., P. U. R. 1928C, 311.)

In North Carolina, by the enactment of chapter 285, section 1, Public Laws of 1929, municipalities are specifically authorized to engage in the operation of electric utilities within or without the corporate limits. (See Holmes *v.* City of Fayetteville, P. U. R. 1930A, 369.) Insomuch as in North Carolina municipalities are not subject to commission jurisdiction, it would naturally follow, according to the rule laid down by the United States circuit court in the Fairbanks Morse & Co. *v.* Texas Power & Light Co. case, that the North Carolina municipalities could not, by franchise or otherwise, contract away their statutory right to engage in utility operations.

In Ohio, in the absence of an exclusive franchise, a municipality may engage in the rendition of public-utility service notwithstanding the existence of adequate privately conducted service. (Hamilton Gas Light & Coke Co. *v.* Hamilton, 37 Fed. 832.) The Ohio commission has no jurisdiction over municipal plants. (See Georgetown Water Co., 26 Ohio District Reports 77.)

In South Carolina the franchise is looked upon as a contractual obligation binding both the city and the utility. (See State *v.* Broad River Power Co., P. U. R. 1930A, 65.) Therefore, inasmuch as there is nothing in the South Carolina statutes or constitution forbidding exclusive franchises, and inasmuch as municipal utilities are not subject to commission jurisdiction in South Carolina, it would remain a question of fact in each particular case whether or not the muncipality had contracted by franchise not to enter into competitive service.

In Tennessee municipal utilities are not subject to commission jurisdiction. The policy of the State, however, evidently favors competition rather than monopoly. (See Franklin Power & Light Co., P. U. R. 1930A, 40.)

II. RIGHT TO ISSUE SECURITIES AGAINST PLANT

In the following States the acquisition of electrical utilities by municipalities may be financed by the issuance of municipal securities chargeable only against the utility property involved and revenues accruing from the operation thereof, and hence not constituting an indebtedness of the respective municipality within the meaning of the provisions of the State constitution or State statutes concerning municipal-debt limitations:

State and citation of law

Ohio: Constitution, article 8, section 12.

Indiana: Special Laws of 1927, chapter 190, section 2. (See also Statutes 1926, secs. 1109–1114. See also decision of State supreme court, 141 N. E. 222.)

Illinois: Statutes 1929, chapter 24, section 456.

Missouri: Revised Statutes of 1919, section 1484, chapter 72, article 3. (Also sec. 7976 (7); also sec. 1905. See also Laws 1921, p. 166. See also State constitution, art. 10, sec. 12, as amended in 1920.)

Kentucky: Laws of 1922, sections 3024a–8, 3024a–9.

In the following States municipal securities issued for the acquisition of electrical-utility plants are exempted in whole or in part from normal application of debt limitations:

Alabama: Constitution, article 12, section 225.

Arkansas: Constitution, article 16, section 1.

Florida: Compiled Laws, 1927, section 3061.

Mississippi: Special Laws of 1920, chapter 169.

North Carolina: Supplement, 1924, section 2943 (2).

South Carolina: Constitution, article 8, section 7.

Tennessee: Shannon's Code, 1926, section 2023–a–81.

In the following States municipal securities for the acquisition of electrical plants are apparently subject to the normal application of debt limitations insomuch as no specific statute or constitutional provisions exempt such securities:

Georgia and Louisiana.

Supplementing the table containing the second group of States, I find that in Alabama municipalities may increase the usual limit of indebtedness from 5 to 8 per cent of the total value of assessed property where the purpose of the transaction is to finance a municipal utility plant.

Likewise Florida cities may extend their indebtedness by 7 per cent for the same purpose. In Mississippi the limit can be increased from 10 to 15 per cent.

In North Carolina and South Carolina and Tenneessee the debt limitation does not apply to municipal-utility ventures. So also in Arkansas. (See Park *v.* Huddleston, 172 Ark. 999.)

THE EIGHTEENTH AMENDMENT

Mr. FLETCHER. Mr. President, I present a short communication from Hon. Edna G. Fuller, of Orlando, Fla., inclosing some resolutions which I ask may be printed in the RECORD and referred to the Committee on the Judiciary.

There being no objection, the letter and resolutions were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

ORLANDO, FLA., *February 3, 1932.*

Hon. DUNCAN U. FLETCHER,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR FLETCHER: Inclosed please find a resolution which was adopted by the Missionary Assembly at Orlando, Fla.

Will you kindly present this resolution to the Senate of the United States and ask that it be printed in the CONGRESSIONAL RECORD?

Very cordially yours,

EDNA G. FULLER
(Hon. Edna G. Fuller),
Chairman for Orlando, Fla.,
Chain of Missionary Assemblies.

Whereas there was a widely published announcement by the opponents of the eighteenth amendment that a test vote would be taken by the Congress of the United States on a referendum to the States for the modification of this amendment; and

Whereas the vote upon this measure revealed an overwhelming majority against such referendum: Therefore be it

Resolved, That the Missionary Assembly, now in session in Orlando, Fla., send to the Senate of the United States, through our Senators, DUNCAN U. FLETCHER and PARK TRAMMELL, an expression of our approval and appreciation of its clear and loyal sustaining of the United States Constitution.

REPORTS OF COMMITTEES

Mr. THOMAS of Idaho, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1567) establishing a revolving fund to be administered by the Secretary of Agriculture for agricultural-credit purposes, reported it with amendments and submitted a report (No. 189) thereon.

He also, from the same committee, to which was referred the bill (S. 1856) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation, and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes, reported it with an amendment and submitted a report (No. 190) thereon.

Mr. VANDENBERG, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3282. An act to extend the time for commencing and completing the construction of a bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco, by way of Goat Island, to Oakland (Rept. No. 191);

H. R. 81. An act granting the consent of Congress to the Catawissa Railroad Co. to reconstruct, maintain, and op-

erate a railroad bridge across the Susquehanna River at or near Catawissa, Pa. (Rept. No. 192); and

H. R. 7247. An act authorizing the Rhode Island State Board of Public Roads and the State Highway Department of the State of Connecticut to construct, maintain, and operate a free highway bridge across the Pawcatuck River near the location of the present Broad Street Bridge between Westerly, R. I., and Stonington, Conn. (Rept. No. 193).

Mr. CAREY, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 80) authorizing the Secretary of War to furnish equipment, goods, and supplies to governors and acting governors for use in aid of distressed citizens, reported it with amendments and submitted a report (No. 194) thereon.

Mr. BINGHAM, from the Committee on Territories and Insular Affairs, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

S. 417. An act to provide a government for American Samoa (Rept. No. 195); and

S. J. Res. 36. Joint resolution to change the name of the island of "Porto Rico" to "Puerto Rico" (Rept. No. 196).

ENROLLED BILLS PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 5th instant that committee presented to the President of the United States the following enrolled bills:

S. 355. An act providing for the participation of the United States in A Century of Progress (the Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes; and

S. 2334. An act to amend section 3 of the rivers and harbors act approved June 13, 1902, as amended and supplemented.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. NORBECK, from the Committee on Public Lands and Surveys, reported favorably the nomination of Guy Francis Barnes, of South Dakota, to be register of the land office at Pierre, S. Dak. (reappointment), which was placed on the Executive Calendar.

Mr. ASHURST, from the Committee on the Judiciary, reported favorably the nomination of George A. Mauk, of Arizona, to be United States marshal, district of Arizona, which was placed on the Executive Calendar.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES:

A bill (S. 3543) for the relief of Robert Emil Taylor; to the Committee on Finance.

By Mr. JOHNSON:

A bill (S. 3544) for the relief of M. Thomas Petroy; to the Committee on Claims.

A bill (S. 3545) for the relief of Patrick J. Lynch; to the Committee on Military Affairs.

By Mr. REED:

A bill (S. 3546) to amend the act of February 25, 1927, entitled "An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto" (with accompanying papers); to the Committee on Territories and Insular Affairs.

A bill (S. 3547) to authorize the Secretary of War to acquire, exchange, transfer, and sell certain tracts of real estate, and for other purposes; and

A bill (S. 3548) for the relief of Edward J. Boyle; to the Committee on Military Affairs.

By Mr. DILL:

A bill (S. 3549) for the relief of John M. Elliott; to the Committee on Military Affairs.

A bill (S. 3550) granting an increase of pension to Betty J. Sale; to the Committee on Pensions.

By Mr. HASTINGS:

A bill (S. 3551) granting a pension to Belle A. Middlebrook (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH of Montana:

A bill (S. 3552) granting a pension to Ruth H. Cameron; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 3553) for the relief of Charles J. Cook (with accompanying papers); to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 3554) for the relief of Henry A. Richmond; to the Committee on Claims.

A bill (S. 3555) for the relief of Alexander Gilchrist, jr.; to the Committee on Finance.

By Mr. STEIWER:

A bill (S. 3556) granting a pension to Matilda Jane Hart (with accompanying papers); to the Committee on Pensions.

By Mr. ROBINSON of Indiana:

A bill (S. 3557) granting a pension to Alonzo Borden (with accompanying papers); and

A bill (S. 3558) granting a pension to Maggie Crist (with accompanying papers); to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 3559) granting a pension to Denver W. M. White; and

A bill (S. 3560) granting an increase of pension to Frank G. Beck; to the Committee on Pensions.

By Mr. PATTERSON:

A bill (S. 3561) granting an increase of pension to Minerva E. Shoemaker (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 3562) for the relief of former Lieut. Col. Timothy J. Powers; to the Committee on Claims.

A bill (S. 3563) to provide riprap for the Galveston, Tex., jetty lighthouse;

A bill (S. 3564) to provide range lights at the entrance to Brazos-Santiago Harbor, Tex.;

A bill (S. 3565) to provide minor lights to meet the needs of night navigation on the dredged channel from Aransas Pass to Corpus Christi, Tex.; to the Committee on Commerce.

A bill (S. 3566) for the relief of Donald O. Miller; and

A bill (S. 3567) authorizing the President to reappoint Edward C. Englehardt a first lieutenant of Field Artillery, United States Army; to the Committee on Military Affairs.

A bill (S. 3568) granting a pension to Blewett M. Goode; to the Committee on Pensions.

By Mr. KENDRICK:

A bill (S. 3569) to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo.; to the Committee on Indian Affairs.

By Mr. KING:

A bill (S. 3570) to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927; to the Committee on Public Lands and Surveys.

By Mr. McNARY:

A bill (S. 3571) to extend the life of "An act to permit a compact or agreement between the States of Washington, Idaho, Oregon, and Montana respecting the disposition and apportionment of the waters of the Columbia River and its tributaries, and for other purposes"; to the Committee on Irrigation and Reclamation.

By Mr. DALE:

A bill (S. 3573) granting an increase of pension to Helen S. Humphrey (with accompanying papers); to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 3574) relating to certain requirements of service in the line for staff officers of the Marine Corps; to the Committee on Naval Affairs.

A bill (S. 3575) relating to retirement annuity for civil-service employees who served under the government of the Philippine Islands and of the chartered cities thereof; to the Committee on Civil Service.

By Mr. HAYDEN:

A bill (S. 3576) transferring certain lands within the Fort Mohave Indian Reservation, Ariz., to the Department of Agriculture for certain purposes; to the Committee on Indian Affairs.

By Mr. SMOOT:

A joint resolution (S. J. Res. 97) extending for one year the time within which American claimants may make application for payment, under the settlement of war claims act of 1928 of awards of the Mixed Claims Commission and of the Tripartite Claims Commission; to the Committee on Finance.

By Mr. BINGHAM:

A joint resolution (S. J. Res. 98) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

AMENDMENTS TO AGRICULTURAL APPROPRIATION BILL

Mr. ROBINSON of Arkansas submitted amendments intended to be proposed by him to House bill 7912, the Agricultural Department appropriation bill, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 72, line 14, after the word "grain," insert the word "cottonseed."

On page 74, line 19, add the following: "*Provided*, That the establishment of mandatory standard grades for cottonseed and supervision thereof be included in the service now performed under the grain standard act."

COMMITTEE SERVICE

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, it was

Ordered, That the junior Senator from Louisiana [Mr. LONG] be assigned to service on the following committees: Naval Affairs, Manufactures, and Interoceanic Canals.

Mr. McNARY. I ask unanimous consent that the senior Senator from Minnesota [Mr. SHIPSTEAD] may be relieved from further service upon the Committee on the District of Columbia.

The VICE PRESIDENT. Is there objection? The Chair hears none, and that order will be entered.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 504. An act for the relief of Frederick Leininger;

H. R. 505. An act for the relief of Armstrong Hunter;

H. R. 705. An act for the relief of Clyde Calvin Rhodenbaugh;

H. R. 908. An act for the relief of Lewis Martin;

H. R. 909. An act for the relief of Michael Marley;

H. R. 912. An act for the relief of Thomas J. Gardner;

H. R. 914. An act for the relief of Frederick Sparks;

H. R. 937. An act for the relief of Paul Wallerstein;

H. R. 959. An act for the relief of Harry Cinq-Mars;

H. R. 1029. An act for the relief of Basil N. Henry;

H. R. 1040. An act for the relief of Peter Guilday;

H. R. 1187. An act for the relief of William H. Estabrook;

H. R. 1194. An act for the relief of Samuel Hooper Lane, alias Samuel Foot;

H. R. 1219. An act for the relief of William H. Murphy;

H. R. 1314. An act for the relief of George W. Gilmore;

H. R. 1315. An act for the relief of Joseph M. Black;

H. R. 1316. An act for the relief of John Costigan;

H. R. 1379. An act for the relief of Granville W. Hickey;

H. R. 1380. An act for the relief of Maurice J. O'Leary;

H. R. 1384. An act for the relief of George A. Cole;

H. R. 1618. An act for the relief of Joseph W. Jones;

H. R. 1695. An act for the relief of Gaston M. Janson;

H. R. 1696. An act for the relief of William H. Connors;

H. R. 1720. An act for the relief of Vanrenslear Vander-Cook, alias William Snyder;

H. R. 2004. An act for the relief of Harvey O. Willis;

H. R. 2010. An act for the relief of Malcolm Allen;

H. R. 2195. An act for the relief of Joseph Phaneuf;

H. R. 2285. An act for the relief of Dock Leach;

H. R. 2701. An act for the relief of Nelson M. Holderman;

H. R. 3465. An act for the relief of Richard A. Chavis;

H. R. 3528. An act for the relief of Paul Jelna;

H. R. 3559. An act for the relief of Elizabeth Moncravie;

H. R. 3608. An act for the relief of Henrietta Seymour, widow of Joseph H. Seymour, deceased; and

H. R. 3609. An act for the relief of Rossetta Laws; to the Committee on Military Affairs.

H. R. 1202. An act for the relief of Lehde & Schoenhut;

H. R. 1231. An act for the relief of Grina Bros.;

H. R. 1554. An act for the relief of G. Carroll Ross;

H. R. 2086. An act for the relief of Francis Engler;

H. R. 2704. An act for the relief of Charles Lamkin;

H. R. 2809. An act for the relief of the Charles LeRoy estate;

H. R. 3536. An act for the relief of Viola Wright;

H. R. 3953. An act for the relief of the First State Bank & Trust Co., of Mission, Tex.;

H. R. 3992. An act for the relief of Anna A. Hall;

H. R. 4056. An act for the relief of Emma Shelly;

H. R. 4270. An act for the relief of Carroll K. Moran;

H. R. 4329. An act for the relief of Alton B. Platner; and

H. R. 5007. An act for the relief of Marie E. McGrath; to the Committee on Claims.

H. R. 3527. An act for the relief of Berta C. Hughes; to the Committee on Territories and Insular Affairs.

H. R. 4145. An act for the relief of Thomas C. LaForge;

H. R. 4150. An act authorizing issuance of patents in fee to Benjamin Spottedhorse and Horse Spottedhorse for certain lands; to the Committee on Indian Affairs.

H. R. 4390. An act for the relief of Melissa Isabel Fairchild; to the Committee on Public Lands and Surveys.

H. R. 6347. An act for the relief of Neal D. Borum; to the Committee on Foreign Relations.

WORLD COURT'S AUSTRO-GERMAN DECISION

Mr. DILL. Mr. President, I present comments on the Austro-German decision of the World Court, which I would like to have inserted in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

1. Generally speaking, the French press received the news of the actual decision without any particular concern. France already had scored her triumph in forcing Germany and Austria to renounce the customs union before the League of Nations without waiting for the decision by the World Court.

2. Nevertheless, the general tendency of the French press was to accuse the judges of following political impulses and engaging in bargaining negotiations instead of considering the dispute purely on juridical grounds. In French eyes, however, these regrettable manifestations were seen as having taken place among those who opposed the French thesis. In the Echo de Paris the nationalist writer, Pertinax, was particularly pointed in his remarks on the political elements entering into the court's decision. Le Temps, which in these matters usually reflects official opinion, said:

"The attitude of certain judges from friendly and allied countries which are as interested as France in upholding the spirit and letter of the peace treaties is somewhat disconcerting. In some quarters this attitude is interpreted as an effort to avoid as much as possible humiliation for Berlin and Vienna. This, we believe, is inadmissible: If judges of the World Court yield to political considerations, the court, whose sole duty is to interpret the law impartially, will become a singularly dangerous element in the struggle for international peace and concord."

The weekly journal, Cyrano, says:

"For him who wished to calculate the results of 10 years of a policy of political surrender (an attack on the Briand policy), a simple calling of the roll will suffice.

"Voting against the French thesis were the American, the Englishman, the Japanese, and the Belgian.

"The jurists of The Hague reflected more or less the opinions of their governments.

"So, doubtless, America would recompense us for our renunciation of reparations in favor of the speculators of Wall Street.

"So the Labor Party would repay us for our intervention in favor of the Bank of England."

3. As was to have been expected from such an anticlimax to the French triumph recorded at Geneva, the finding of the court was regarded here as "distinctly unsatisfactory." Especial fears were voiced that it might encourage the Germans and the Austrians to try again at the first opportunity.

4. The French observed that the activities of the Cuban judge, Bustamante, were largely instrumental in bringing it about that a decision in favor of France was reached at all. In this connection it may be recalled that both Bustamante and Guerrero, of Salvador, are regarded as friends of France (the French group at Geneva elected Guerrero president of the assembly of the league in 1929) and are wearers of the Legion of Honor.

5. In many quarters the minority opinion was branded as the result of an Anglo-Saxon leadership in which Chinese and Japanese joined. The Belgian's vote was assailed as "base desertion" of the French cause, an attack which was generally broadcast in Belgium itself particularly by the Francophile press.

6. With signally few exceptions, very little attention was given by the French press to the juridical aspects of the decision, for, to France, the Austro-German project has always been and is certain to remain primarily a political problem.

SWISS OPINIONS ABOUT THE HAGUE VERDICT CONCERNING THE AUSTRO-GERMAN CUSTOMS UNION

The semiofficial Bund, of Berne in his leader World Justice a verdict, even after Austria's voluntary renunciation of the German customs union. What is the practical use of the ultimate sanction given by The Hague court by a weak majority of one voice in favor of the French opinions? The authority of the world justice has not gained anything. The Hague court ought to reserve its activity and verdicts for real contests between two countries about the interpretation of international law. What is the use of investing an arropage of judges with the highest international honors if it is to be exposed at the occasion of a trifling matter to run the risk of giving a political rather than a juridical verdict, like the sentence of September 5, 1931, in which The Hague court declares the Austro-German customs union incompatible with the treaty of St. Germain. All the rejecting judges of the World Court hail from Latin countries—Italy, Spain, San Salvador, Colombia, Cuba, Rumania, France, and its satellite, Poland, while the seven judges in favor of the Austro-German customs union belong to Teutonic races—Hurst, England; Schueking, Germany; van Eysinga, Holland; and even Rolin Jacquemyns, Belgium, abandoning his French ally; Kellogg, United States of America, united to the far eastern Japanese, Adacti, and Wang, China. This racial grouping in a world verdict gave a very bad impression in Switzerland. The Bund congratulates itself that Switzerland has no representative for the present in the World Court.

How far we are from Wilson's claim for open-door politics! The Hague verdict had been cast forehand behind closed doors long before it was officially made public. "Une Paix de Justice" was the slogan under which the allied nations fought the World War to its bitter end. Can not the World Court, established by the world peace, in future be protected from such blunders as this customs union verdict. May Switzerland raise its voice in Geneva in favor of true world justice.

The Nationalzeitung Basel thinks that this whole custom-union business was put on the stage by the German and Austrian politicians rather as a test for political strength than out of economical necessities of either or both countries. France gave the right answer, after which the Austro-German allies staged up a verdict of the World Court in order to discredit this high institution, at least in the opinion of their own countrymen, in which they have been successful, knowing in advance like anybody else how this verdict would turn out. For that reason the court ought to have refrained from giving a verdict at all, in the interests of world justice.

The Zuricher Zeitung, Journal de Geneve, and Gazette de Lausanne express no special opinion of their own, they bring ample information about German, Austrian, and French opinions.

The Provincial Press, in various little cantons, expresses Swiss opinion more freely than the city press which has a large number of readers in Germany as well as in France, and therefore is bound to stick to neutrality as much as possible. As a rule the German Swiss press expresses its fear that the political judgment of The Hague court augurs badly for the future verdict which the World Court will have to give in the Geneva-zone contest, between Switzerland and France. The World Court's judges majority seem to stand more or less under the moral influence of France, so that no country which stands in contest against French interests can expect a fair chance in a verdict of The Hague court under its present composition.

In a certain contradiction to this opinion the papers of the embroidery and cotton industry of eastern Switzerland are much satisfied with the burial of the Austro-German custom-union bogey. It can not be indifferent to Switzerland if the two large frontiers of the north and of the east are merged into one single. Our Swiss political and economic independence is the easier to be defended the more neighbors we have. Austria is yet a country favorable for Swiss exports. After a custom union it would be assimilated to Germany, and Switzerland would be knocked out of competition in Austria by Germany. The political union would certainly ensue out of the custom union sooner or later; in case of war German troops would stand behind the Swiss boundary from Basel as far as the Italian Stelvio, whereas now the German boundary reaches only up to Lake Constance, which is quite far enough.

In the Swiss Italian press much attention was given to the opinion expressed by the Italian representative of The Hague court, Anzilotti. The custom union between Germany and Austria, according to Anzilotti, is only objectionable because it might have been the first step of the political union between Germany and Austria, the famous Anchluss to which none of the successors of the old Hapsburg Empire will ever agree, because it might put in question all the existing treaties of southeastern Europe. Austria would be welcome to conclude custom unions with any one of and preferably with all its neighbors which are now holding ancient parts of the Austrian Empire. Austria is a most welcome good neighbor to Switzerland as long as it remains a neutral small republic, a united German-Austro Reich would be a menace to Switzerland in case of war and economically in time of peace.

BERLIN

Deutsche Allgemeine Zeitung (Berlin) prominent organ of industry:

"Not only The Hague court but the League of Nations as well has been dealt a heavy blow by the verdict of the court. Confidence in these two institutions—as far as any still exists—has been severely shaken because the verdict clearly proves that only what France dictates Geneva does and that nothing is allowed to happen which might hamper France.

"No one characterized the verdict better than the foremost members of the court who made up the minority: Adachi, Kellogg, Baron Rolain, Sir Cecil Hurst, van Eysings, and Wand. These men, who, without a doubt, represent the spiritual leaders of the court, find proof lacking in the verdict of the majority as to how and why the customs union should threaten or endanger the independence of Austria. It is a case without precedent when they consider it necessary to expressedly state that the 'court must not have anything to do with political considerations or political consequences as these lie beyond the court's competence.' These law experts apparently could not remove entirely the impression that their colleagues of the majority who reached their decision under pressure of the Cuban, Bustamente, could not always keep themselves free from such considerations.

"The objectiveness and spiritual independence of the members of the highest court are beyond all doubt sublime. As Germans we have no interest in lowering their esteem which, in a number of cases—of secondary importance—has even worked out in our favor. That the French Government's news agency already knew the verdict, which was proclaimed on a Sunday, on the preceding Monday is, from a medicinal standpoint, a highly remarkable case of absolute clairvoyance. And it is entirely out of question that any one of the judges should have felt the slightest division of feelings between the rôle of the objective seeker of the truth on the one hand and that of considering the interests of his country on the other; i. e., the double rôle of judge and accuser in one."

Germania (Berlin), Catholic Centrist newspaper, official organ of Chancellor Bruening's party:

"Now that it has become quite clear that French policy had applied all available means of pressure to crush the Austro-German Customs Union, one may be tempted to ask whether the decision at The Hague has really been made purely on the principles of international law. Such important voices as those of America, England, Holland, and even Belgium supported the customs union, whereas as many as three representatives of nations who are parties in the quarrel were among those against it. If we look at The Hague decision we can only say that all human work is imperfect. Juridically, the Franco-Czechoslovakian thesis has won; politically, French superiority of power has crushed the Austro-German initiative.

"The reproach of insufficient study of the problem, which The Hague minority makes to the majority, as well as its statement that the court must deal neither with political considerations nor with political consequences, allows the conclusion that even among the judges political influences were not deemed out of question.

"If one sees the representatives of France, Poland, Czechoslovakia, and Italy, and the representative of Colombia, Urrutia, who is already well known by his activities in the League of Nations, unanimously among the champions of the incompatibility thesis, the question is perhaps not unjustified, whether really only an unprejudiced interpretation of the texts in question or the spirit of 1919 has prompted this decision."

Kreuz Zeitung, Berlin (official Monarchist organ):

"We now know that eight judges voted against the customs union, whereas seven were of the opinion that the union contradicted none of the existing agreements. The minority proved by excellent and incontestable arguments, free from all political considerations, that customs unions do not endanger the national independence of treaty powers. On the opposing side we find, besides the Frenchman, representatives of countries who are vassals of France, as well as South American apprentices of French culture.

"The verdict will not serve to better the reputation of The Hague court. It proves that the ability to pass a purely juridical verdict is only possible at the very best in questions lying beside the road of big politics.

"Absolutely below the dignity of the court was the violation of the official secret, which the French judge was obviously to blame for. The ceremony of sealing and opening this document, the main contents of which were already known to all in advance, was thereby practically reduced to a farce."

SUPPLEMENTAL BERLIN

The Berlin Deutsche Zeitung, organ of the agrarians of the right wing, featured in headlines across its entire front page an address by Counselor of Justice Doctor Wildhagen, president of the German Barristers' Congress, at the opening of the congress in Luebeck. He said:

"The insolence of our enemies will some day find its limits, and the victory of The Hague court is a Pyrrhic victory for haughty France. One must not count the votes but weigh them. The other seven weigh heavier than the votes of the eight cast against us.

"The day will come! The history of the world continues to remain court of the world."

On which the Deutsche Zeitung commented:

"The president of the German Barristers' Congress has only made use of his right of reprimanding a court whose members were picked with the aim of political distribution of power and which passed a judgment based on political principles."

LEIPZIG

Leipziger Neueste Nachricten (outstanding financial and industrial organ of northeastern Germany):

"THE TRAGEDY OF THE CUSTOMS UNION

"September 6, 1931, will have to be remembered. On that day an illusion was buried—one which had many disciples in Germany also—the ideal of The Hague Court of Arbitration, the ideal of an independent justice superior to parties, to groups of powers, and to nations.

"Since September 6, 1931, we know that The Hague court is tainted politically. We know that the new method of appointing the judges, insisted upon by France, has degraded the court to be in part a court of hired counsellors to give their opinions, men who hold their offices because their opinions always are the opinions of their superiors. By the side of this time-serving mentality the atmosphere of free judicial personalities withers away, and one can see that The Hague court has sunk to be an instrument of the French policy of force.

"All fears expressed on the occasion of the last revision of The Hague statutes—that at French instigation, it left the appointment of the 15 judges to a majority of the League of Nations—have been realized. The Hague court is a juridically camouflaged agency of Geneva which has not even avoided the scandal of representatives of South American negro and half-caste States deciding what Germany, what Austria may do and what not; San Salvador, Cuba, and Colombia.

"In this respect nothing has been altered since the war. France mobilizes against Germany and Austria the continents with their colored people. 'Justice belongs also to the spoils of war'—but that it should be just The Hague court which proves this sentence to be true, Oswald Spengler hardly anticipated when he wrote it in a bitter hour.

"The depressing impression that at The Hague justice was a playball is increased by weighing the value of the voices which have passed upon the life interests of Germany and Austria. At the side of France and Italy, who have a natural interest in disturbing German-Austrian relations, we see the ring of French satellites, Poland and Rumania, which showed in this manner its gratitude for the preferential agreement; Spain, which since the beginning of the League of Nations has always been on the side of France, and, further, those South American exotic States—Salvador, Colombia, and Cuba—whose political and actual weight, whose part in the molding of modern culture and society is considerably more illusionary than the part of Poland and Rumania.

"Against this collection of part and whole trivialities, led by France, Italy, and Spain, stood the large States of old civilization, old influence, and highly developed juridical institutions—England, Holland, Belgium, the United States, Germany, China, and Japan—who decided for the rightful admissibility of the customs union and who have branded openly the procedure of the French exotic group as a political disregard of justice.

"A more striking proof is unthinkable of the nonsense of a democracy which by mechanical equalization of votes had led to the leveling of values—in this instance to the leveling of the rank of the historically mature nationalities.

"This 'Democracy of States' which marched up to The Hague court as the electoral herd of France, this political inflation in the sphere of purely supernational justice caused by France, means the complete, hardly to be repaired, exposure of The Hague idea. It is an exposure which will have its international reactions."

MUNICH

Muenchener-Augsburger Abendzeitung (Munich), prominent agrarian organ:

"For the simplest conception of justice it is evident that The Hague decision is a purely political decree of power. Everywhere the political will is noticeable which pushes justice aside.

"Never has a verdict been substantiated with more mockery. And it is gratifying that public opinion throughout the world believes that with this verdict The Hague court has lost its moral reputation. The false decision is still more accentuated by the minority opinion of the seven judges who voted in favor of the customs union. They stress the view that the court has to deal exclusively with the juridical question and must leave alone all considerations of a political nature.

"Of fundamental importance is the minority's opinion that the independence of a State is in no way limited by the conclusion of custom unions.

"The moral effect of The Hague verdict is that the fundamental standpoint of the German and Austrian Governments has found full and unlimited support and that The Hague court has, through its politically influenced character, been deprived of every moral importance."

Voelkischer Beobachter (Munich), national Socialist newspaper and official organ of the Hitler party:

"The French knew 10 days in advance how the decision of The Hague court would turn out. From the juridical side nothing could be said against a German-Austrian customs union. It was therefore necessary to construct a political case out of a purely juridical one. The Italian judge, Anzilotti, who voted against the customs union, admitted that such a union between Austria and any other country besides Germany would be possible without violating the Geneva protocol. One needs only to think of Italy's endeavors to attain an Austro-Italian customs union as well as of Hungary's newspapers, which have repeatedly written in favor of an Austro-Hungarian customs union. Anzilotti did not act as member of The Hague court but as an Italian who wanted to establish a precedent.

"One can therefore see clearly that the international court in The Hague is not a nonnational and nonpolitical institution but that there, exactly as in Geneva, political interests play the part of the judge. The Hague verdict must, therefore, shake the confidence of all lawful States in that institution, especially the confidence of those nations who are now degraded to second-class ones."

BELGIUM

La Gazette (Brussels), September 9, 1931:

"The French press has not stressed very much the "desertion" of the Belgian representative at the Permanent Court of International Justice. A few conservative, or moderate newspapers, however, sadly pointed out that M. Rolin-Jacquemyns had rallied to the minority which favored the "Anschluss." The honorable international judge can not be personally held responsible, for he merely followed the orders of his government.

"When voting against the French-Czech-Italian thesis, under the guise of M. Rolin-Jacquemyns, Messrs. Hymans and Renkin (Belgian Minister of Foreign Affairs and Belgian Prime Minister) committeed a double error. A political error, for the Austro-German tariff union comports a grave war danger, such, at least, is the opinion of staunch pacifists. Secondly, a psychological error, for the accused, Austria and Germany, are by no means satisfied by a verdict which almost proves they are right, while France, on the other hand, may justly regard the attitude of the Belgian judge as an unfriendly manifestation.

* * * * * * *

"Those involved in this matter would be wrong to pretend that The Hague Court had to give only a legal opinion. This argument would be without value if it had not still more strengthened the Austro-German thesis. For it is impossible not to know or to deny that the tariff union is a political problem. The Pan-European Commission and the Council of the League of Nations have proved that sufficiently when they resorted to The Hague Court. This evasion deceived no one. The economic aspect of the question was more important than the legal one, and far less important than the political aspect. The international judges have taken a back door out of the problem. * * * One understands now why the council thanked The Hague court, which tried to spare the feelings of both parties by pronouncing a colorless, odorless, shapeless verdict * * *."

HOLLAND

Algemeen Handelsblad (Amsterdam), influential Dutch commercial organ, printed in Amsterdam:

"The evidence, as far as it exists, upon which the verdict of The Hague court of the Austro-German Customs Union is based shows only too clearly that in the formation of the jury of judges politics played too great a rôle."

SWITZERLAND

Neue Zuericher Zeitung (Zurich), one of the largest and most important Swiss newspapers:

"The grouping of the court, as well as various divergencies in the motives, let the court's opinion appear to be rather torn, but it irrefutably follows from it that the barely sufficient majority of the court allowed itself to a large extent to be guided by political motives."

Baseler Nachrichten (Basel), important Swiss financial organ:

"We can not wholly suppress our great surprise over the piteous meagerness with which the majority of judges of The Hague court believed themselves justified in agreeing. The decisive sentences of the verdict are stutters and mumbles but not arguments. We do not believe that even the smallest Swiss county court of the backwoods would dare to issue such a verdict."

L'Excelsior, September 6, 1931:

"The distribution of the votes is also extremely peculiar, as we have seen elsewhere. The French thesis had the votes of the Polish, Italian, French, Spanish, Colombian, Cuban, Salvador, and Rumanian judges. The German thesis was supported by the Japanese, the American, the Belgian, British, German, Dutch, and Chinese. This is all the more regrettable since, even if the judges did not as a matter of fact represent their respective countries at the court of The Hague, there can be no doubt for anybody that very often their judgments are political acts which reflect the opinion and interests of these governments.

"One thing is certain: The judgment of the court of The Hague on the Anschluss is not of a nature to encourage any governments in the future to submit their problems of vital interest to its arbitration."

HAMBURG

Hamburger Fremdenblatt (influential, widely read commercial organ):

"It is to be greatly regretted that in appointing the judges of The Hague court, political standpoints were maintained. We have no intention of accusing the judges of The Hague court of having been biased in their judgment. But on the other hand, it is only human and comprehensible that judges have more understanding for the party they are closest to than for the viewpoint of the opposing party.

"To-day's example is the best proof for the necessity of changing the statutes of the court in the interests of its reputation. It would be better if the judges belonged to the countries who are not parties in the issue at stake, no matter what it is.

"Otherwise the reputation of The Hague court, upon which rests its usefulness in international quarrels, will very soon be wrecked. The first step in this direction has unfortunately already been made."

BRESLAU

Breslauer Neueste Nachrichten (outstanding agrarian organ of eastern Germany):

"There is no doubt about it, German politics have suffered a decisive defeat at The Hague, and France has carried through her will.

"Even though the verdict was clothed in a mantel of international law and economics, it was after all nothing more than a decision of superior power by the victor, which turned out to the disadvantage of the vanquished, politically weaker party."

AUSTRIA

Reichspost (Vienna), leading Catholic organ in Vienna:

"The expert in international law is under the influence, either consciously or unconsciously, of the spiritual and political tendencies of his native country. With the best will and firmest intention to remain objective, he never will be nonpartisan when he is confronted by great and far-reaching political problems.

"Without any reproaches or insinuations we, therefore, note that with the two fronts which faced each other at The Hague political character was not missing.

"On the one side stands France with friendly Poland and the Latin powers; on the other Germany with the Anglo-Saxon powers, Holland, Japan, and China.

"It is the same grouping of powers which would have been expected had those 15 countries sent official, representative statesmen instead of judges.

"Only the viewpoint of the Belgian judge who voted with the Germans and Anglo-Saxons was a surprise. But one must not forget that the Belgian standpoint toward the issue in question had to take into consideration the existence of the Belgian-Luxemburg customs union.

"The viewpoint that The Hague court can not withhold itself from political considerations is shown by the strong minority, which clearly stated that it did not wish to touch political considerations and consequences. This in itself represents without a doubt a criticism on the preface to the verdict of the majority as well as of the negotiations themselves."

Neue Freie Presse (Vienna), prominent Austrian financial newspaper:

"It will not be possible to find anyone who doubts the objectiveness of the judges or who suspects them of base motives. But The Hague court's verdict does show how tremendously difficult it is to make one's self wholly free from one's national psychology and from those, perhaps, unconscious feelings in which the juridical element does not always predominate.

"The American Secretary of State, Kellogg, is the creator of the world peace pact which carries his name. Would he have favored a customs union if he had suspected that such a treaty has only the aim of bringing about the danger of a new war and setting fire to Europe? It is clear that within the limits of a wholly political world, in a controversy in which politics and law can hardly be held apart, in the face of pressure which closely resembled threats, under all these conditions neither side can boast of a real victory."

Neues Wiener Extrablatt (Vienna), agragrian governmental organ:

"We do not intend to argue against The Hague court verdict or against the fact that in this case not judges but representatives of individual states have voted. But we do want to make it clear that this verdict is based upon Austria's economic dependency, upon her economic plight, which should have been alleviated by the customs union.

"The lawyers of The Hague court hardly realized how their verdict has disclosed the ruthlessness and shamefulness of conditions in which the people of Europe still live to-day. Their verdict has shown to the world that the self-determination of countries, like any other merchandise, is being made the object of transactions. The League of Nations has condemned the slave traffic in Liberia, but it has permitted the codification of the traffic of nations in Europe.

"With only one majority vote, only with the help of French vassals, only with the votes of exotic nations which naturally have not the slightest understanding of European conditions and who probably do not even know on what part of the map Vienna and Berlin lie, has this verdict been brought about. Colombia, and San Salvador have voted against us and Cuba has cast the decisive vote. It is a pity that Liberia or any other negro state or community of Indians or Congo negroes was not also allowed to judge whether Germany and Austria were justified in closing a customs union.

"The power of France, the fear of Italy, national egoism, and a ruthless policy of power superiority and self-interest have voted against the customs union.

"Now as in history of the past might has crushed right."

Wiener Neueste Nachrichten-(Vienna)-Pan-German organ of Prime Minister Schober's party:

"The Hague court's verdict on the Austro-German customs union will not, it is safe to say, contribute very much toward bettering the reputation of that court. The verdict carries the stamp of politics too intimately. Besides the votes of France, Italy, Poland, and Rumania, all of whose viewpoint was too obvious from the very start, the majority hostile toward the customs union was made up only of the judges from Spain and three fifth-class South American nations—Colombia, San Salvador, and Cuba.

"In The Hague the votes are counted and not weighed, and so it came that the most noted personalities of international law, Kellogg, Adachi, Sir Cecil Hurst, and Schuecking were voted down."

BERLIN

Berliner Lokal Anzeiger (one of Germany's largest newspapers, official organ of the German National Party headed by Alfred Hugenberg):

"The criticism by the minority of the The Hague court authoritatively characterizes the court's verdict as absolutely political. As a matter of fact, the whole affair was 100 per cent political. Not only was The Hague court accessible to French influence, but Austria herself was in the same position since she was simply strangled financially by France. It is now only too evident that the serious crisis which has swept over Europe since last spring, promising us one of the worst winters of our history, has been systematically brought about by France through the withdrawal of credits, the sabotage of the Hoover plan, etc., as a counteraction against the Austro-German customs union. In this battle we have been defeated and the voluntary withdrawal of the proposed union by Austria and Germany signified nothing more than the concerted appeal of both nations for an armistice.

"The declaration by the minority sufficiently characterizes in hard, cold words the juridical wire pulling which took place in The Hague. This declaration was signed by the American, Kellogg.

"This caricature of a lawful verdict will not have any juridical consequences. But besides the already obvious, other consequences, there is also the one that America will hold herself even more aloof of the League of Nations than has hitherto been the case, now that the leading judge of the United States has distinctly described the methods employed by the highly honorable assembly in Geneva, together with the amicable willingness of cooperation of The Hauge court.

"Things speak for themselves. There is nothing more to say."

Berliner Boersen Zeitung (powerful Berlin financial organ of the Right Wing):

"It is becoming more and more evident that the decision of The Hague court has been received as a sensation throughout the political world constituted by all interested powers. The reasons for this are due, first, to the fact that a majority could be found in this world supreme court to rule against a juridically incontestable proposal, and, second, because the formation of this majority as well as the minority allow far-reaching conclusions.

"In nearly all countries it is openly outspoken that The Hague verdict came about as the result of political influences. The political ties of the majority of those who voted with France against Germany and Austria are too obvious to make uninfluenced judgment appear plausible. It is significant that for the first time in the history of The Hague court the report of the minority exercises sharp criticism on the report of the majority."

HUNGARY

Magyarsag (conservative opposition daily of Budapest):

"The verdict of The Hague tribunal did not cause any great sensation. Great surprise, however, was caused by the legal representatives, the proportion of votes, and the persons of whom the victorious group consisted, as well as by the minority opinion, which was signed by the delegates of no lesser powers than Great Britain, the United States, Japan, Belgium, Holland, etc. Obviously, the numbers, probably after some efficient diplomatic preparation, owned up to the French point of view—of the important powers, only Italy and Poland voted with France—whereas the votes which signify weight, quality, power, moral and political value, one and all fell in favor of the legal and theoretical possibility of a German-Austrian customs union. Even though the men who considered and took their decision upon the question before The Hague tribunal were jurists, there is no doubt that the division of votes is of political importance, and no doubt that through the judges' votes were revealed the political feelings and political interests that reacted to the German-Austrian minutes of March 19 like ice reacts to salt. It has grown evident that the diplomatic situation of the Reich is far better than anyone had suspected. For although we are ready to believe that the gowns of the tribunal's 15 judges can not be touched by the suspicion of party feeling or a bias of any kind, yet none of them can entirely rid himself of the contagious influence of his own country's public opinion and the interests of his own nation."

THE DISARMAMENT CONFERENCE

Mr. ODDIE. Mr. President, I ask permission to insert in the RECORD an editorial appearing in this morning's Washington Post entitled "Great Britain at Geneva."

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

[From the Washington (D. C.) Post, Monday, February 8, 1932]

GREAT BRITAIN AT GENEVA

Viscount Robert Cecil's presentation of the British point of view on disarmament was more subtle than the blunt declaration of France's policy by André Tardieu, but at bottom it is no less selfish. M. Tardieu asks the world to organize an army for the protection of France; Viscount Cecil seeks the abolition of every weapon that Britain can not use to advantage, or which would be especially dangerous to Britain in time of war.

The policy suggested by the British delegate is deceptive, because it is based on so-called budgetary limitation. He would have the conference limit the sum that each nation might spend on armaments every year. In the first place, this method of limitation would discriminate against certain countries, foremost among which is the United States. In the second place, it carries no guaranty of disarmament.

The amount of money which a nation spends for national defense is not a true measure of its strength in armaments. Figures worked out by Senator HALE, chairman of the Naval Affairs Committee, show that it costs more to maintain the United States Navy than any other navy in the world. But the income of the United States is 5 times that of Great Britain, more than 7 times that of Germany, and 11 times that of France. The portion of the British national income that goes into naval projects is three times the portion of the American national income used for that purpose. Costs of naval construction and salaries paid to officers and sailors are much higher in America. Budgetary limitation that would disrupt the American standard of living, so far as the Navy is concerned, will not be tolerated at Geneva.

One nation may maintain twice as much armament as another with the same amount of money. Militant governments may compel men to serve in both naval and military forces without pay, or for a mere pittance. Governments might force commercial interests to supply munitions and reward them with monopolies or excessive tariffs. In a thousand ways a government can evade budgetary limitations on armaments. Such a provision would play directly into the hands of the militarists, giving rise to widespread suspicion and distrust.

It is amusing to note that Viscount Cecil, after suggesting this deceptive basis for disarmament, carefully demands a ban on all instruments of war that would be effective against Britain. The British Navy has bases in all parts of the world. It has use for only light cruisers that may be refueled often. Hence, Viscount Cecil urges "that there shall be built no more ships of more than 10,000-ton size." As the greatest naval and maritime power in the world, Britain is peculiarly vulnerable to submarines. Therefore, says Viscount Cecil, those vicious instruments of war ought to be abolished. France excels Britain in air strength, and so the British peace lover advocates the abolition of fighting aircraft. Anything that endangers Britain is an instrument of "aggressive warfare" and should be outlawed, in the opinion of Viscount Cecil.

On the whole, the British delegate's accomplishment is not far short of M. Tardieu's achievement. The latter raised a mountain in the path of disarmament, and the former has now dug a pit in the roadway and artfully concealed it under flowery invocations to world peace.

OKLAHOMA—ADDRESS BY FORMER REPRESENTATIVE CLAUDE WEAVER

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered at Valley Forge on December 13, last, by Hon. Claude Weaver, former Representative in Congress from Oklahoma, entitled "The Commonwealth of Oklahoma, a Heritage of Liberty."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My friends, I regret that Governor Murray could not himself accept the invitation to come to Valley Forge. I do not know any man who possesses a more accurate, a more intimate knowledge of American history than he or a more profound understanding of the philosophy of history. Certainly there is no man living who surpasses him in the lore of the Indian tribes and peoples. He is one of the great speakers of the world. Governor Murray could not come, and I am thrilled with pride that Governor Murray has commissioned me to represent my State this Oklahoma Day at Valley Forge. This Washington Memorial Chapel, with the dim religious light stealing through its storied windows, in its setting of divine beauty in God's great out-of-doors, is a poem in stone, a miracle of glorious architecture. Woodrow Wilson named it the shrine of the American people. It is a monument to the genius and the consecrated spirit of Dr. W. Herbert Burk, who has given his life to the building of this great church—a living force to make the world better by teaching men to follow in the Master's way. One hundred and fifty-four years have gone since that dark and gloomy winter when Washington and his patriot soldiers were camped upon these very hills. How little change in this historic place. The trees are still here, the forest realm of Penn, old fortifications, the very trenches the ragged soldiers dug, human habitations miles away, this minster in this solitude, the blue sky bending over all, and the crystal flood of Schuylkill River rolling to the sea. Valley Forge is not a town. It is a name—the symbol of heroic sacrifice and suffering, of patriotism and valor wherever the sun shall light the faces of civilized man to the last syllable of recorded time.

If I had the time and the gift of the historian, I should delight to tell the story of the American Revolution that began at Concord Bridge on the 19th of April, 1775, where "the embattled farmers stood and fired the shot heard round the world."

John Buttrick turned to his men and said, "Fire, fellow soldiers; for God's sake, fire." The Americans fired, the British retreated. Then and there began the retreat of British power from the American colonies; through seven weary and wasting years it continued. From Bunker Hill to Long Island, from Princeton, Trenton, and Saratoga, from the Brandywine, Monmouth, and Kings Mountain, through the bloody snow at Valley Forge, through the treachery of Arnold and Lee, through cabals and doubt and poverty and despair, but steadily urged by one great heart that strengthened the continent—the heart of George Washington—the British retreat went on from Concord Bridge and Lexington Green to the plains of Yorktown and the king's acknowledgment of American independence.

But I have promised to talk this day to those who hear me about Oklahoma—my own State, the product of the living generation, a newborn Commonwealth, "Wearing upon her baby brow the round and top of sovereignty."

I must needs begin with the name of Pushmataha.

Pushmataha, the Choctaw chieftain, traded the lands of his people east of the Mississippi River for the lands west of the Mississippi River, where now is my own State of Oklahoma—a land richer, more beautiful than the promised land flowing with milk and honey that greeted the rapt vision of Moses from the heights of Nebo.

I pause to pay tribute to this Indian warrior, statesman, orator, and prophet. The inscription upon his tombstone is no false epitaph: "Pushmataha was a warrior of great distinction. He was wise in council, eloquent in an extraordinary degree, and on all occasions and under all circumstances the white man's friend."

He was born to command and, though not the son of a chieftain, was elevated to lead his race by his own restless energy, extraordinary talents, indomitable will, and strength of character. No greater orator ever lived. He was a giant in size, but exquisitely molded, and his face, the mirror of all human passions, reflected the intense soul within. He had a voice of melting music, whose harpstrings were a lute, and in his own native tongue he was master of the grand harmonies of human speech. The oration delivered to the great Choctaw council of 1811 under the open sky, far in the forest wilds of Mississippi, made in answer to the fiery appeal of Tecumseh—the oration of Pushmataha, that kept the Choctaws from rebellion and maintained their friendship with the Americans, could it have been preserved—would have made him immortal as the old Greek, whose eloquence stirred the Athenian rabble with one voice to exclaim: "Let us arise and go against Philip." Pushmataha was the true forest-born Demosthenes.

Between the years 1830 and 1840 the Five Civilized Tribes—the Cherokees, Choctaws, Chickasaws, Creeks, and Seminoles—under provisions of treaties with the Federal Government, moved from their lands east of the Mississippi to their new homes in what was known for so many years as Indian Territory. The Five Civilized Tribes, transplanted from their eastern homes to trans-Mississippi solitudes, have in less than a hundred years attained a high civilization. The love of liberty is as strong in the Indian as in the Saxon race, and his was the boast of the free-born Robin Hood:

"I am as free as nature first made man.
Ere the base laws of servitude began,
When wild in woods the noble savage ran."

The Chickasaws, the Choctaws, and the Cherokees, in the experiment of self-government, will compare favorably with the governments of the Western States, created by the hardy pioneers who conquered the wilderness. They had written constitutions and written laws. They had legislatures composed of two houses, and a tribal chief, or governor, as the executive. They had courts and trial by jury to administer old-fashioned, plain, and simple justice. The Indians early learned the great truth that Alexander Campbell expressed in the maxim, "To educate the citizen is the first and imperative duty of the state." They spent large sums of money to establish free and common schools, founded academies of higher learning, and appropriated public moneys to educate the brightest youths of the nation in the higher education of eastern universities.

In the War between the States the Choctaw, Chickasaw, and the Cherokee warriors leagued with the soldiers of the South to repel the northern invader and to make common cause with their true friends, the southern people, in the defense of their native land.

With the coming of the railroads after the Civil War white settlers swarmed into the Indian country, and the Indians gave them generous welcome. The old Indian Territory was an ideal poor man's country, for here farmers could get the use of fertile land for low rent or none. The Indian courts, all powerful over the tribal members, had no jurisdiction over white men. The whites and Indians for years lived together in an anomalous social state with no government, no court, no taxes, and a man who would not

pay his just debts was ostracized, for the obligation of honor was more binding among these primitive people than the attachment and sequestration writs of the boasted jurisprudence of the States.

The estimate that rated the Indian Territory as the Alsatia of refuge for criminals of other States did gross injustice to the population. The bandits and desperadoes were few in number, erratic and ill-starred characters, transient bubbles on the still stream, most of them killed by one another like the armed men who sprang from the dragon's teeth upon the Theban plain. The people in the general mass were peaceful and law-abiding, shrewd merchants, industrious and thrifty farmers, and cattlemen who prospered by grazing vast herds on the luxuriant native grasses.

When the government of the new State of Oklahoma was in the making, Choctaw, Cherokee, and Chickasaw Indians were in the legislature, were members of the constitutional convention, and were elected by the votes of white people to hold the highest offices in the State.

The Indian tribes had sold the western part of their rich domain to the Federal Government, and in the year 1889 a part of these public lands were opened to homestead settlement under the Federal laws. April 22, 1899, at high noon, at the voice of a silver bugle, the settlers swarmed into the favored land, 50,000 and more in a day. September 16, 1893, the Cherokee Strip was likewise opened and the mad rush repeated, and in August, 1901, the Kiowa, Comanche, and Apache lands were partitioned to settlers by lottery. The Territory of Oklahoma and the Indian Territory of the Five Civilized Tribes together were admitted to the Union November 16, 1907, as Oklahoma, the forty-sixth State, and a new star glittered on the flag of a nation.

It was altogether fitting and proper that the Executive proclamation of Oklahoma's statehood should bear the signature of Theodore Roosevelt, the commander of the Oklahoma Rough Riders in the Spanish War, who had himself in joyous youth known the wild and free existence of a ranchman on the Great Plains and among the Rockies in the habitat of the deer, the elk, the buffalo, and the grizzly bear.

In the beginning or formative period of our State we had not reached the evil days when corporate greed by insidious, secret, and lucrative employments endeavors to debauch our public officers. The ablest men of the twin Territories regarded it as an honor to be elected to the constitutional convention and were quick to respond to their country's call.

The convention of delegates that met at Guthrie, the capital city of Oklahoma Territory, in the year 1906 to frame a constitution for the new State brought out of obscurity men of great parts, afterwards distinguished in public life, none more so than William H. Murray, president of the constitutional convention, speaker of the house of representatives of the first legislature, Member of the Federal Congress for four years, and now, as Governor of the State of Oklahoma, known throughout the world as a constructive statesman, an executive who does things, and a fighter who wins the battles for the people.

Pioneers wrote the Oklahoma constitution, and the new State was nursed by "stern men with empires in their brains, strong-backed, brown-handed, and upright as the pines."

While it was the history of the ancient world that a thousand years scarce served to form a state, the government of the new State of Oklahoma came into being as the blue-eyed goddess sprang from the brain of Jove, full-orbed and glorious at birth.

I could assemble figures to show the unequaled natural wealth of Oklahoma. It has immeasurable forests of pine and hardwood. Seven staple crops from rich soils produce an hundredfold. That old miser, the sun, in long ages gone, stored treasures of coal under the ground, almost untouched and beyond calculation. In oil and natural gas my State surpasses in quantity and equals in quality the oil fields of your own Pennsylvania, that made your great State rich beyond the dreams of avarice.

Of these things I do not boast, for after all the best crop that a State can produce is people—citizens, law loving and God fearing. "By the soul only the nations shall be great and free."

Oklahoma is a part of the Louisiana Purchase—a monument to the vision of Thomas Jefferson. On March 26, 1850, Salmon P. Chase arose in his place in the Senate of the United States and gave utterance to these prophetic words:

"Beyond the Alleghenies, into the midst of the broad Northwest, behold on every side his monument. These thronged cities, these flourishing villages, these cultivated fields, these million happy homes of prosperous, free men; these churches, these schools, these asylums for the unfortunate and the helpless; these institutions of education, religion, and humanity; these great States, great in their present resources, but greater far in the mighty energies by which the resources of the future are to be developed—these are the monuments of Jefferson."

Oklahoma has spent millions ungrudgingly for asylums for the unfortunate, for free and common schools, its colleges, and its university of the first class. These are her jewels—the farms, the homes, the proud cities that man made, the beautiful country that God made; above all, the village church that lifts its spire a silent finger that points to heaven.

Measured by the hourglass of the swift-flying years, it seems but yesterday since Oklahoma was the lonely land of the covered wagon and the nomadic cowman; where the wolf's long howl broke the silence of the starry night, the goldenrod waved in the wind above the low hillock of the settler's dugout, and purple mists brooded over the primal solitude of the rolling hills.

The 42 years since Oklahoma Territory was peopled with white American citizens have witnessed a development in science, education, invention, transportation, and mechanics unparalleled for a like period in all the history of the world; and with our own eyes we have seen the building of a great American Commonwealth, vital with all the elements of human progress, the heir to all the ages, in the foremost files of time.

The people of Oklahoma are a composite, descended from Huguenot and Catholic, Roundhead and Cavalier, English and German, and Scotch-Irish and Indian—a strange blending of the keen-witted Yankee and the chivalrous sons of the old South. The Oklahoma constitution is rich with the spoils of time. It embodies the spirit of liberty won in parliaments and conventions and congresses and on the battlefield through the slow centuries of Runnymede to Gettysburg.

The people of Oklahoma are the owners of a priceless heritage. We have English, by which I mean Anglo-Saxon, civilization. We speak the tongue that Shakespeare spake, the faith and morals hold that Milton held. We have the English common law, sanctified by the wisdom of England's greatest thinkers, and hallowed by the struggles for liberty of England's noblest patriots—handed down to us by a liberty-loving and tyrant-hating ancestry for 1,000 years. We have divorcement of church and state, freedom of speech, freedom of the press, freedom of religion, and the largest measure of individual liberty. We have the right to life, to liberty, and to the pursuit of happiness.

We have statute laws and a written Constitution whereby our fathers and ourselves have by self-imposed restraints guarded against injustice and the passion folly, or madness of the hour. We have the Federal Constitution with its wise system of checks, balances, and securities against impulsive, prejudiced, or extreme legislation—the greatest work of the greatest age of the greatest men in all the history of this world.

We have our own State government created by ourselves, republican in form but vital with the spirit of a living democracy—a people's government providing for direct primaries and the initiative and the referendum.

We have the bill of rights transcribed from Magna Chata, and above all the right of trial by jury and of local self-government, the ark of the covenant of liberty.

These immortal principles and institutions of free government belong to Oklahoma to be guarded with eternal vigilance by her children and her children's children forever.

RELIEF OF UNEMPLOYMENT

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

The VICE PRESIDENT. The Senator from Tennessee [Mr. HULL] has the floor.

Mr. FESS. Mr. President, will the Senator from Tennessee yield, so that I may suggest the absence of a quorum?

The VICE PRESIDENT. Does the Senator from Tennessee yield for that purpose?

Mr. HULL. I yield to the Senator from Ohio.

Mr. FESS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Robinson, Ind.
Austin	Couzens	Kean	Schall
Bailey	Cutting	Kendrick	Sheppard
Bankhead	Dale	Keyes	Shipstead
Barbour	Dickinson	King	Smith
Barkley	Dill	La Follette	Smoot
Bingham	Fess	Lewis	Steiwer
Black	Fletcher	Logan	Stephens
Blaine	Frazier	McGill	Thomas, Idaho
Borah	Glass	McKellar	Thomas, Okla.
Bratton	Glenn	McNary	Townsend
Brookhart	Goldsborough	Metcalf	Trammell
Broussard	Gore	Morrison	Tydings
Bulkley	Hale	Moses	Vandenberg
Bulow	Harris	Neely	Wagner
Byrnes	Hastings	Norbeck	Walcott
Capper	Hawes	Nye	Walsh, Mass.
Caraway	Hayden	Oddie	Walsh, Mont.
Carey	Hebert	Patterson	Watson
Connally	Howell	Pittman	Wheeler
Coolidge	Hull	Reed	White
Copeland	Johnson	Robinson, Ark.	

Mr. FESS. I desire to announce that the junior Senator from California [Mr. SHORTRIDGE] is necessarily detained from the Senate by illness. I ask that this announcement may stand for the day.

Mr. STEPHENS. I wish to announce that my colleague the senior Senator from Mississippi [Mr. HARRISON] is necessarily detained from the Senate on official business.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present. The Senator from Tennessee [Mr. HULL] is entitled to the floor.

Mr. HULL. Mr. President, the derangement, dislocation, and chaos of American and world economic affairs for more than two years past is too deep-seated to be of sudden or surface origin. The roots of the present domestic depression, unprecedented in its extent and intensity, extend far back through the past 10-year period. Any implied criticism I may offer in discussing this problem is intended to be constructive and not merely destructive.

Following the war, after America had experienced a complete transformation from a debtor and partially developed Nation to the greatest creditor and surplus-producing country in the world, every lesson of human experience called for a careful stock taking of our changed political, industrial, and general economic conditions, and the adoption of such modified and constructive policies as were manifestly necessary from every standpoint of wise leadership and enlightened statesmanship. America at this stage was truly at the crossroads, when the most momentous decision that ever could arise in peace time became necessary. Would our national leaders have this country ignore realities and carelessly float along, clinging blindly to the narrow and disastrous policy of economic isolation or aloofness or seclusion—every nation strenuously endeavoring to live unto itself—or would they exhibit vision and constructive ability by proclaiming modernized economic policies which recognized that we are living in a new day in which our impregnable home market must be supplemented by adequate foreign markets for our ever-increasing surpluses, and that the satisfactory disposition of such surplus production has become an indispensable factor in our permanent progress and our sound and balanced prosperity?

Tragic to relate, our national leadership proceeded to perpetrate a colossal and epochal mistake of judgment by complacently pursuing the former course of aloofness, with the result that they have not enunciated a single new economic truth since 1920, nor achieved a single major accomplishment; and it is not unfair to charge that their wild and mad pursuit of economic isolation, which contemplates that every nation shall become more and more a hermit nation, constituted the greatest single underlying cause of the awful panic which burst upon our country in 1929. It is not unjust, further to say, that those in control of our Government during the past two years of this depression have been utterly incapable of developing a program setting forth basic causes and basic remedies. The Federal administration, for example, is only able at this late panic stage to propose a succession of emergency measures—neither new nor original—each of which is professedly a palliative or tonic for the effects—not the causes—of the existing depression. These measures, at the most, provide only temporary or first-aid treatment of economic ills that are deep-seated and fundamental, and the offering of each palliative has been at least one year late.

The Hoover moratorium, to be specific, relates alone to an extension of a single installment payment, while ignoring the real fundamentals of our foreign-debt situation comprising $11,000,000,000, and especially ignoring those impediments to the payment of our debts which it is our duty to aid in removing or lessening; the special, belated, and temporary tax levy requested by Secretary Mellon is to help the Federal administration out of the greatest Treasury deficit in fiscal annals, into which it stumbled, through what seemed to be incompetent management, with insufficient thought in the past of a permanent tax system that would be stable, adequate, and equitable; the appropriation of $125,000,000 for relief of the farm-loan system is only for the temporary purpose of helping it to tide over the present panic; proposals for the relief of the unemployed, while most urgent and meritorious, stop short of the paramount problem of providing permanent employment by the adoption of sound measures for business recovery; and the so-called Reconstruction Finance Corporation is still another temporary proposal to aid railroads, banks, and other industries in acute financial distress under existing panic conditions. The depression has reached such a low level that this country, acting alone, can substantially improve business activities, and to this desirable and attainable end every citizen should render whole-hearted teamwork. We can not, however, expect such a full, permanent, and balanced state of prosperity as the general welfare of the American people requires without very marked world improvement along with our own. Furthermore, a mere local state of business improvement would be more or less uncertain, uneven, and at any time subject to dislocating world conditions.

It is the irony of fate that the present administration, which gaily rode into power upon the plea that it alone could secure prosperity to the people, now finds it imperative to call in Democratic help to resurrect and put in operation the biggest Democratic war-emergency agency, as the only means of halting the existing panic. The administration is entitled to whatever credit attaches for having suggested these belated emergency steps to arrest—not fundamentally to cure—the depression after it had raged for more than two years. It is to be commended even if it does no more than borrow a Democratic war agency to cure the effects of its own mistakes. Since ours was the first nation to plunge into the panic, our old-guard group of Republican friends dare not specify any other country as its place of origin, although they are particular to locate it as far away from America as possible. From their vague and conflicting statements one might plausibly conclude that the panic originated in the great Arabian desert, or somewhere near the middle of the Indian Ocean, but that in any event the Republican administration had nothing remotely to do with it.

The thankless but cheerful task of cooperating to every reasonable extent in the enactment and application of the temporary remedies thus proposed by the Hoover administration, one of which, the Finance Corporation, is thoroughly obnoxious in peace time, is the least phase of democratic duty. Democrats, in addition, face the tremendous responsibility of offering a sound and constructive program analyzing basic causes and offering basic remedies with respect to the domestic and international conditions to the extent that the latter affect us. Few things could be more patent to-day than the extreme necessity for new leadership with vision and capacity to devise such program to afford relief to our hopelessly dislocated and chaotic business and general economic conditions.

The President dismisses the largest single measure of domestic and international aid with the flippant suggestion that the Tariff Commission can deal with the task of readjusting our tariff and commercial policy to every satisfactory extent, thus exhibiting the same utterly shortsighted and disastrous leadership that he did when he caused the enactment of the monstrous Hawley-Smoot Act, and when he failed to foresee the coming of the panic, and when for many months after it did come he was unable to recognize it or to interpret its extent and intensity.

Democrats, I hope, will offer basic plans designed to establish a more stable foundation for our financial, commercial, and general economic structure, including restoration of confidence, revival of credit, economy, balancing budgets, monetary stabilization, restoration of foreign trade and of our declining merchant marine, moderation of tariffs, liberalization of commercial policy, and other domestic proposals to rehabilitate agriculture and to secure stable business recovery, with the resultant permanent employment of labor. These will also include sane, practical international coordination and cooperation to the extent suggested by our own enlightened self-interest—cooperation, however, within the limits of our Constitution and our traditions, in the light of our new place in the world economic situation. The world is torn between many of the views of the extreme isolationist and the extreme internationalist. A middle course is sounder and far more possible of early accomplishment; so both classes of extremists' views might well be left in abeyance during this grave emergency.

This Nation to-day is incapable of administering the gold standard, of taking the lead in effecting in an orderly and

healthy manner a proper redistribution of gold in the various sections of the world and suitable monetary stabilization. High tariff and creditor countries have no right, by artificial methods to force a vastly excessive and lopsided accumulation of the world's gold and then make no use of it. Nor is our country qualified by the necessary information, experience, and financial machinery to take the place abdicated by England of financing world commerce and, in other tremendously vital respects, performing our functions as the center of world finance and trade. International cooperative action is also pressing to liberalize existing exchange restrictions and unshackle finance and commerce between nations. Similar action is necessary to restore the international credit structure, if the present demoralized and utterly collapsed domestic business conditions are to be brought back to a level of balanced and permanent prosperity.

The Hoover administration, charged with the responsibility of official and economic leadership, is utterly without plans or programs dealing basically with any of these deep-seated problems and conditions which stand in the way of sound and full business recovery. This leadership, instead, holds out the barren and hopeless view that the only treatment of serious depressions relates to their effects and not their causes and that all nations are liable within a half dozen years, after emerging from one destructive panic, to plunge into another perhaps still more destructive.

It is my individual belief that if intrusted with power the Democratic Party would have the ability to interpret accurately our postwar political, economic, and moral conditions, to propose fundamental policies, and the courage to carry them into effect. Nothing conceivable is more needed in this country to-day than a thorough campaign of industrial, business, and general economic education. If the American people would study and master the underlying causes responsible for the course and developments in these respects from 1920 until 1932 they would render their own welfare and the cause of efficient government a great and lasting service. It would be tragic if they should persist in neglecting these vital phases of our national life until they become hopelessly impoverished by reason of evils and abuses due to such neglect. The economic policies adopted and pursued after 1920 shed a flood of light upon the causes of the panic in 1929.

Following the war, no nation in history—not Egypt, nor Greece, nor Rome, nor England—was ever so completely equipped in every essential respect for world leadership in finance and commerce as ours. We possessed boundless gold, credit, raw materials, foodstuffs, a great merchant marine, horsepower, a manufacturing plant unequaled in volume and efficiency, relatively the lowest interest and tax rates, superior transportation and communication facilities, a location nearly midway between Europe and Asia, an overproduction capacity in scores of great industries aggregating twenty to thirty billions of dollars. The world commercially and financially was at our feet—at our beck and call. This country unquestionably had the foundations then laid for the development of the greatest commerce, finance, and civilization of all time. America, thus exceptionally equipped to lead the world to heights of wealth and civilization undreamed of, had but to gird herself, yield to the law of manifest destiny, and go forward as the supreme world factor economically and morally. With its matchless facilities for production and trade, and with only a moderate effort to avail itself of the marvelous opportunity that beckoned, our country only had to embrace suitable economic policies to supplement our impregnable home market with the maximum of a steadily increasing foreign market that would absorb in an orderly and profitable way, every ounce of our surplus manufacturing, agricultural, and mineral production. Already, on an exporting basis, we could easily become the greatest nation in history.

It was a colossal blunder that dominant forces, both selfish and shortsighted, decreed the opposite course for America and the world, under American leadership—the course known as economic isolation. The biggest result of this fatal and benighted action is, that after being first doped half to death and led through a veritable fool's paradise, the American people, save a small group, find themselves back in a worse condition to-day than they were 11 years ago, while the greatest opportunity for human progress within a thousand years has been cruelly and ruthlessly thrown away. Civilization must have shrieked when its world leader thus headed back to purely primitive practices. By every sort of propaganda public sentiment after 1920 was aroused almost to an insane pitch in support of the monstrous theory that every country should live in seclusion and unto itself; producing, regardless of cost, every commodity humanly possible. This mad policy of seclusion was fairly shouted to all parts of the world by the blind, selfish, and, in many respects, dumb leadership in charge of our Government.

The workshop of this planet after the war comprised the United States, England, Germany, France, Belgium, and one or two other small European countries, with a population of 350,000,000, and other peoples aggregating 1,500,000,000 produced the chief portion of raw materials and foodstuffs. While many countries had increased their productive capacities during the war, including some crude manufacturing by the less advanced nations, it was evident that the highly developed manufacturing countries already mentioned could easily regain most all of their former world supremacy. The pre-war equilibrium between the production and distribution of these three groups of commodities would thus have been restored. The operation, however, of the obsolete and hopelessly outgrown pre-war policy, under which each nation proceeded to fence itself off by insurmountable tariff walls and other financial and trade barriers—all under militant American leadership—proved fatal to this desirable end. More than 2,000 of our plants have moved abroad.

Nothing could be more inevitable than that under a policy which offered the maximum of artificial encouragement for the increase of every kind of production in every nation, and would at the same time restrict all international commerce to the very minimum, it would be impossible for an equilibrium between production and consumption to be long preserved, that the processes of exchange and distribution would soon break down. This is precisely what occurred in 1928–29, and the collapse would have occurred some years earlier save for our huge foreign loans and other temporary saving agencies.

After the Macedonian cry for high tariffs and severe restrictions on foreign trade went up in December, 1920, when the Ways and Means Committee of the House of Representatives opened hearings preparatory to the enactment of the Fordney tariff act of September, 1922, most other nations treated this as the signal for the speedy erection by them of abnormally high tariffs and other trade barriers. From 1920 to 1924—and I direct special attention to this phase of development—England, France, Germany, Italy, Switzerland, Austria, Spain, Australia, Turkey, Persia, Japan, Argentina, and other important nations moved in solid column, with America at their head, in reckless support of this policy of economic extremism. Europe alone erected 27 separate and almost airtight tariff compartments, while other countries were madly following suit. It was during this period that the demand for huge tariff excesses became rampant. America was preaching the utter fallacy that high tariffs insure prosperity, including high wages and high living standards. Naturally all the other countries felt that if high wages were a mere matter of legislative enactment, they would thus proceed to place all wage earners on the American level.

Our Republican friends hastened to pass the farmers' tariff bill in May, 1921, with their guaranty that it would afford prosperity to the farmers. They also proceeded with the work of framing the Fordney general tariff act, although manufacturing costs were as easily obtainable from the planet Mars as from other countries of the world during this period of depreciated currencies, dislocated exchanges, and hopelessly fluctuating prices. The Fordney Act was justified mainly as an agency to prevent sporadic imports from abroad due to depreciated currencies. There was no other excuse, because for the four years 1919 to 1922 we exported $9,600,000,000 of agricultural, manufacturing, and

other products more than we imported, thereby giving American labor employment to produce an exportable surplus of near $10,000,000,000 of commodities above imports.

Naturally, none would urge tariff taxation from the standpoint of equity, because it is essentially a class tax. None would urge it to reduce transportation costs, because it substantially increases such costs. None would urge it as a means of encouraging export trade, because it seriously obstructs export trade. None would urge it as a means of reducing domestic production costs, because it materially increases such costs. None would urge it in reduction of living costs, because it boosts living costs. None would urge it as a means of promoting fair and friendly trade methods and practices, because it invites or challenges trade reprisals and retaliations. None would urge it as an aid to the payment of our foreign debts, with interest, because it seriously obstructs such payments. None would urge it except those who would increase the prices of their own production. Even the chief beneficiaries are not so enamored with high tariffs as honestly to approve tariff protection for materials they must purchase, and they strangely reject the principle whenever it burdens the cost of their materials. This is due to the axiomatic fact that tariffs operate as a simple transfer of property of the person or producer who does not get its benefit to the producer who does, and is thereby able to increase his prices to the former.

There has been a tremendous evolution in tariffs since Alexander Hamilton prescribed an average rate of about 8½ per cent to protect young industries until the coming of the Smoot-Hawley Act containing scores of items and classifications carrying rates from 100 per cent to 700 per cent. Prior to the World War ours was a young and partially developed country with vast natural resources. Manufacturing industries had scarcely reached the stage of supplying all of the home market and had no other ambition, while we exported increasing amounts of foodstuffs and raw materials, in part to pay interest and installments on our foreign indebtedness of nearly $5,000,000,000. We were entirely indifferent to any further development of foreign trade. We sat supinely here at home for a generation before the recent war and permitted England, Germany, and other countries to act as our brokers to buy and sell raw materials and certain foodstuffs, and specialty articles for us in every part of the world, to their annual profits of several hundred millions. We paid them vast sums also for insurance and freight.

This purely primitive course meant that we would never have a merchant marine, never learn the mechanism of international finance and commerce, and never become a trading nation, but would pay these countries still other hundreds of millions thus to serve us. It is true that from 1900 to 1914, for example, we naturally would increase our exports of foodstuffs and raw materials many hundreds of millions, while importing increased quantities of such materials as sugar, wool, tobacco, flax and hemp products, ferroalloys, precious metals, furs, novelties, and other commodities which we produced in insufficient quantities or not at all. Our Government most of the time was in the clutches of the chief tariff beneficiaries who were accustomed to pile on tariffs with a steam shovel, so to speak, without any concern about the difference in domestic and foreign costs. Rates were stacked up high enough not only to protect the most inefficient industry but the most inefficient business in that industry. It was deemed highly impertinent for any question to be asked as to whether a business or industry was seeking tariffs to shelter inadequate plants, obsolete machinery, inefficient management, or other indefensible conditions of production, as was generally the case.

The country was floating along in this idle, indifferent, sleepy, and carefree manner, almost like Japan when Admiral Perry sailed in and awakened her, when the World War made its appearance and completely changed our entire financial, industrial, and commercial situation—a vast change, without design or effort on our part, that left our pre-war tariff and commercial policy hopelessly academic and out of date. Whatever its merits or demerits during the pre-war period, it gets us nowhere to discuss them now. It early became evident, however, that the Bourbon element of our Republican friends, under the domination of the chief tariffs beneficiaries would, following the war, endeavor to build all our economic policies around the doctrine of extreme nationalism, with discrimination or retaliation as our chief commercial policy, ignoring the plain economic truth that the future progress and prosperity of the country required expanding production and expanding foreign markets. Our whole economic structure was to rest upon subsidies, bounties, rebates, subventions, valorizations, price fixing, and numerous other artificial restrictions and devices.

The Fordney Act was frankly prohibitive as to most staple commodities of a competitive nature, and in the measure of its tariff benefits it was without any previous rival. Only novelties, specialties, curios, particular patterns or designs, including sugar, wool, and other commodities we do not produce in sufficient quantities or other articles supplemental rather than competitive were able to negotiate our tariff walls after 1922. Nearly three-fourths of the rates and classificaions of this law operated as an embargo. As late as 1927 approximately 75 per cent of total duties derived under this act showed an average ad valorem rate of over 55 per cent, the highest in United States history. During the unsound and abnormal business years following 1921, due chiefly to our loans abroad, we imported on an increasing scale, amounting to $3,000,000,000 by 1930, foodstuffs and raw materials that we either did not produce at all, such as silk, rubber, coffee, tin, and burlaps, or produced in insufficient quantities, such as sugar and wool. Had not these immense quantities of raw materials been thus imported, millions of American laborers employed in the silk, automobile, rubber, and other home industries would, instead, be swelling the ranks of the present 7,000,000 unemployed wage earners. The Bourbon isolationist ignores our exports of $3,781,000,000 for 1930, the production of which gave employment to more than a million American wage earners, whereas most of our imports are not produced in this country, and hence do not displace labor.

The usual high-tariff system only contemplates a manufacturing output that will meet home consumption. It breaks down completely and becomes a serious impediment when a creditor nation produces substantial surpluses of manufactured and agricultural products which must be sold elsewhere. This is true for the reason that high-tariff beneficiaries usually welcome every person who joins in demanding any rates he may desire on his products. This policy insures wider support for the general scheme. The inevitable result is that not only raw materials, semimanufactures, and finished manufactures but many materials we do not produce in sufficient quantities or at all and others the production of which is not economoically justifiable are plastered all over with tariffs. These gross excesses mean increased prices, higher artificial costs of production of finished manufactures, and a corresponding disadvantage in competing in international markets. Tariffs beget tariffs. Universal resentment, bitterness, and general economic strife gradually arose out of the world tariff increases under American leadership from 1920 to 1924–25.

In vain did many of us plead as early as 1920 that the Government must choose between the collection of its foreign debts of $11,000,000,000 and a great foreign trade that would absorb our ever-increasing domestic surpluses on the one hand and ultrahigh tariffs, burdensome surpluses, unemployment and severe trade restrictions, and bitter trade wars on the other. Even a blind person can now see that our surplus production has destroyed our home price levels and that our debt payments are hopelessly impeded by our own policies. Our debtors, however, must first propose a general lowering of tariffs before seeking debt reductions.

It mattered not that nations in the past have derived the greatest profits from their international trade; that the wonderful cities of Tyre, Sidon, Palmyra, Carthage, and Rome of the ancient world, and Venice, Amsterdam, Spain, and London of the modern period were able to levy tribute on the world, to become its financial and commercial

center, and to gather from its remotest parts the wealth, learning, and culture of every race. It mattered not that America was infinitely better equipped to maintain world financial and commercial supremacy, which had fallen into her lap, than were any of these countries of the past.

Never did our Nation after 1920 so urgently need big-brained men with creative imagination, vision, courage, and initiative to pioneer and to carry American trade conquests to every part of the world, developing new trade routes, additional markets, and materials.

The average person is taught that trade between nations means the displacement more or less of established domestic production and trade of one country by that of another. Few things are farther from the truth in actual practice. The Lincoln car does not displace the Ford. International trade is chiefly barter, or a mutually profitable exchange of surpluses by different countries, either directly or in a triangular manner. It means, too, that a nation goes out into the world and locates and develops new markets for its surpluses, as did Tyre, Venice, Amsterdam, and London. Resolute action on our part, however, is required if we would maintain our rightful place in world commerce. Extreme protectionism has now gone so nearly to seed that, as President Hoover virtually suggested recently, the Nation will buy nothing from abroad that can possibly be produced at home at any cost. This very practice under the shelter of world embargo tariffs has glutted all markets and constituted the chief underlying cause of the present serious business dislocation and maladjustment of gold. And this gold can not be healthfully redistributed until trade obstructions are lessened.

The public should realize that, in addition to exchange between countries of commodities the purchaser does not produce, there is a large range of necessary or very desirable commodities, the production of which is not economically justifiable, or which are produced in wholly minor or insignificant quantities, compared with home demands. There are many assortments and kinds of novelties, specialties, patterns, and other articles, not competitive either materially or at all with our home production, which Americans widely insist upon importing. These classes of imports enable other countries to purchase our more burdensome surpluses, such as agricultural products, textiles, automobiles, machinery, and a large range of others. Trade among nations is a mutually profitable affair.

If I am correct in my view that our home market must be supplemented by a growing foreign trade for the purpose of stable and desirable domestic prosperity, it is clear that no more fatal blow could have been inflicted upon international commerce than the combined policy of tariff, trade, and general isolation which was largely written into the Fordney Act in 1922 and copied by most other commercial nations. Its every intendment and implication had the effect of impeding, choking, and reducing trade among nations to the lowest level.

This brand of Bourbon seclusion includes every means and method to enable a country to avoid economic contacts with another. Embargo tariffs; the narrowest trade policy; bitter opposition to any sort of international cooperation or coordination, no matter how necessary to the economic well-being of such nation itself, such as the maintenance of the international finance, credit, exchange, and trade situation which no one country can deal with; a network of reprisals, retaliations, exchange restrictions, partial embargoes on imports, and most other weapons of nonintercourse, financially and commercially.

I denounce this narrow and selfish spirit of economic nationalism as the greatest danger to world peace to-day. Furthermore, it more seriously threatens the world with bankruptcy than war itself. When each country uses every means to block each other's exports, peoples can neither sell nor buy each other's surpluses, so that both trade and purchasing power are dried up. But the theory is that we are to get rich by fencing ourselves off from the world and proceeding industriously to collecting off of each other subsidies, bounties, taxes, rebates, bonuses, profits, and every other sort of gain out of which one person can fleece another.

It is amazing to see that world trade for 1931 is more than $240,000,000,000 less than it would have been from 1913 under the pre-war rate of normal and annual increase, while that of the United States, according to like calculation, was behind $1,629,000,000 for 1930 alone. World commerce for 1931 is $20,270,000,000, or a little below that of 1913. Our own exports have likewise fallen short. At the pre-war rate of growth world commerce for 1931 would be $48,771,000,000, instead of $20,000,000,000, while the share of America in this deficiency would be about $3,333,000,000.

Suppose this Nation had had access to that $3,333,000,000 of the foreign markets for its cotton, its copper, its automobile products, and hundreds of other vast surpluses of great industries in this country. It would require no intelligence to state the result. It requires no flash of genius for one readily to see that this collapse of international trade and the consequent inability of nations to effect even the most desirable and profitable exchanges of their respective surpluses presents the original cause of the breakdown of the processes of exchange and distribution.

William McKinley stated a living economic truth at Buffalo when, just prior to his death, he said:

> We must not repose in fancied security that we can forever sell everything and buy little or nothing. * * * The period of exclusiveness is past. The expansion of our trade and commerce is the pressing problem. Commercial wars are unprofitable. * * * Reciprocity treaties are in harmony with the spirit of the times; measures of retaliation are not.

President Herbert Hoover in his Boston speech in 1928 said:

> To insure continuous employment and maintain our wages we must find a profitable market for our surpluses. * * * The Great War brought into bold relief the utter dependence of nations upon foreign trade. * * * Our total volume of exports translates itself into employment for 2,400,000 families, while its increase in the last seven years has interpreted itself into livelihood for 500,000 additional families in the United States.

President Hoover some months later, when in Brazil, said:

> International commerce is the lifeblood of civilization.

But why should I tire myself and the Senate by quoting all disinterested testimony in order to establish an economic truth self-evident to all save the chief beneficiaries of governmental favoritism in this country?

No economic falsehood ever deceived as many credulous people as the stock phrase that America only exports about 10 per cent of her production and that home consumption of the 90 per cent completely controls our economic situation. In the first place, instead of all American industries exporting 10 per cent each of their production, a few dozen of our greatest industries, on the prosperity of which the prosperity of the entire Nation absolutely depends, are obliged to export not 10 per cent but a large proportion of their production. We must export 50 to 60 per cent of raw cotton, 25 per cent of wheat, 53 per cent of rye, 40 per cent of tobacco, 30 per cent of lard, 30 to 35 per cent of petroleum products, several hundred thousand automobiles, surplus coal, machinery, leather, furniture, copper, oil, lumber, the various textiles, shoes, cement, naval stores, paints, lead, rubber manufactures, electrical machinery, tools, and increasing surpluses of scores of other industries.

Secondly, the price received abroad for these major export surpluses, as a rule, fixes the home price for the entire amount produced and consumed here. Naturally the grower would sell at home as long as the domestic price is, by the least margin, higher than in the world market. The utter fraud of this 10 per cent theory is now confessed by Bourbon Republican leaders when they set up the plea that the panic was due to world conditions. If, with only 10 per cent trade connection with the world, the world can inflict upon America the most disastrous panic in human history, how much worse panic could it inflict upon this country if we had a 20 per cent or a 50 per cent trade relation with the world? This would seem to be a 100 per cent panic based upon a 10 per cent trade connection with the outside, viewed

from the standpoint of our benighted and archaic friends who champion the other view.

President Hoover, in an address to the National Shoe and Leather Exposition in 1921, frankly stated the truth when he said:

> I may say in passing that our whole standard of living greatly depends upon our imports and that our exports are the great balance wheel for our productions. Exports are vital to the stabilization of our industries, of price levels, of wages, and of employment. * * * While many of the causes of the present depression lie within our own borders, yet there may be no recovery from these hard times for many years to come if we neglect our economic relations abroad. Even if we lower our vision of civilization in this crisis solely to our own selfish economic interest, we are yet mightily concerned in the recuperation of the entire world. The hard times that knock at every cottage door to-day come from Europe. No tariffs, no embargoes, no navies, no armies can ever defend us from these invasions.

The issue is sharply raised as to whether a country that has taken front rank of the world in foreign trade shall pusillanimously shrink back and abdicate in favor of second or third rate nations and assume a decadent course, as have Spain and China and numerous other countries.

The American people should realize that during recent centuries economic considerations lie back of all major world movements. Naturally other civilized countries with overproductive capacity have always entered the struggle for world markets. Most wars for several centuries owe their origin to economic causes. The seeds of the late World War were clearly of economic origin, just as Japan is primarily concerned for materials and markets in connection with her present occupation of Manchuria and other parts of China. It is utter folly to discuss plans for military peace and ignore a state of economic war as it exists now and has existed throughout the world during much of the past 10 years. The policy of national seclusion, which must now be apparent to every person, breeds these very conditions of bitter economic strife, instead of preventing them. The only remedy is a system of liberal trade agreements pledging fair, equal, and friendly trade treatment and trade relations.

It is a gross reflection upon our present civilization that those in charge of our Government, seemingly in the grip of blind and selfish reactionary forces which were incapable of recognizing the present panic when it came, are wholly unwilling to take any step toward liberalizing the restrictions, discriminations, and other unfair or unsound economic practices responsible for the present state of bitter trade crimination and recrimination, but instead are actually seeking by still higher tariff and similar obstructions to make more acute the present world economic controversies.

The tariff action of the British House of Commons last week marks the culmination of an 11-year period of the most amazing high-tariff stampede under American leadership throughout the world in all fiscal annals. It perhaps is just as well for this policy of virtual economic suicide thus to run its course, so that the reaction will all the sooner permit the practical common sense of the enlightened nations to assert itself. It is sufficient to note that under this deadly policy trade among nations has been whittled down to the very minimum, and the British action will drive it still lower. In 1929 we sold England $848,000,000 of goods and purchased only $329,000,000. England now proposes to tax 75 per cent of the goods she purchases from us. The patent effect of this action by England is to prove that governments have had more to do with the present panic than with any other in all the past.

Many of us frequently since the war have pointed to the limitless world-trade opportunities beckoning to this country. In 1910 the isolationist believed that South American trade of a billion dollars was at the maximum, whereas it had reached $1,900,000,000 in 1930, with their 60,000,000 population, and with any sort of effort to develop sound and liberal trade relations we alone could have had this commerce to $3,000,000,000 at present. The 12,000,000 people of Central America and the West Indies are not included. The Panama Canal leads across the Pacific, where there are more than a billion people hopelessly underfed and underclothed and with but nominal purchasing power, peoples only awaiting ever since the war the cooperation of some enlightened, progressive country that would encourage them to put on highway and other construction programs and teach them to progress in other thoroughly productive lines, the effect of which would be to create a substantial purchasing power through which their standards would gradually be raised as were ours in past generations. The purchasing power of the 480,000,000 Chinese population is only $10 per capita. The least effort within past years would have induced him to raise this to $50, with a resultant reservoir of new purchasing power of $1,500,000,000. A forward-looking nation would likewise have turned to India, with her 325,000,000 population, whose present purchasing power is only $35 per capita. The production of Asia and the Pacific islands is desired by us, and in most respects not competitive, whereas our more advanced processes of production are universally desired by the Orient. We continue to buy more from that part of the world than we sell—and that is a sad commentary on our enterprise.

Instead of pursuing this wise course of constructive leadership and international-trade cooperation, we promptly entered into a treaty with Japan and other countries in 1921 under the terms of which all economic and military control west of Hawaii was in effect turned over to Japan, while our dominant national leaders shut their eyes and embraced the most extreme phases of trade isolation. Does any sane person imagine that if the commercial nations since 1920 had kept trade barriers liberalized enough for the nations to effect no more than mutually profitable exchanges of their respective surpluses, we would to-day be experiencing the chief effects of the existing panic, including the maldistribution of gold?

We persisted, however, in facing inward instead of outward, and in our Bourbon isolation vast surpluses of gold, credit, and production developed, and speculative and gambling fever gradually set up. The Florida boom came first. We then heard of the Coolidge stock-market boom during which vast watered-stock issues, split-ups, stock rights, and other supposedly precious paper properties were dumped on a gullible public to the tune of $50,000,000,000. The excited population was regaled also during these years by the cry of "Coolidge economy and tax reduction," although nobody stopped to observe that appropriations were steadily increasing and that the volume of taxes was not being reduced. Everyone was making vast paper profits and hastening to invest them, and much credit besides, in houses, lands, travel, and luxuries at several prices. Fast living, overspending, and all manner of excesses undreamed of became the rage. The future for many years was hopelessly discounted in every way.

In vain did many of us each year point out that this was a purely temporary, artificial, and false state of business activities; that they were hopelessly lopsided, uncertain, unsound, and created mainly by high-pressure salesmanship; that more than 50,000,000 of the total population dependent upon the textile, the coal, the agricultural, the leather, and other industries were experiencing a severe depression, and not prosperity of any brand through these years beginning with 1921. There were never such fantastic exhibitions, performances, and orgies since the world began. The great American reservoir of idle gold and idle credit was utilized to develop the greatest stock-market craze and the wildest gambling pit in history. Amazing to contemplate, most of the investment bankers and economists, backed by the Coolidge and Hoover administrations, kept step and touched elbows with all these crazed forces of speculation, whose mad leadership was rushing most of our 120,000,000 population on to their financial and economic doom. They characterized this period as the "new economic era of perpetual prosperity" in which poverty would soon be abolished. As had occurred in many past campaigns, that talismanic word "prosperity" was again dramatized by our cunning adversary and used overtime for strictly partisan purposes. The fact that in 1928 the term "profitless prosperity" was used by a few sane persons to describe some phases of these whirling activities failed to put a single victim on his guard. By 1929 most available domestic credit and $3,000,000,000 of the most liquid capital of Europe had been drawn into this

seething New York stock-market debauch. Until the financial structures abroad were thus weakened, there were not any signs of serious panic conditions in those countries.

It was perfectly patent to the normal person that these utterly chimerical conditions could not last, and so the bubble burst on October 24, 1929. The economic foundations were exposed by this terrific collapse as having been utterly rotten for some time, thus literally confirming the attitude of those who had periodically warned the American people to this effect since 1923.

Nothing was more evident than that the chief seeds of this depression were thus sown during the years following 1920, when the policy of economic nationalism in its entirety was fastened upon the country. Not tariffs alone, but all manner of barriers and obstructions and restrictions and reprisals and embargoes and retaliations were made to intervene in order to block every phase of exchange of capital and commerce between civilized countries. Nothing was more patent than that the seeds of the depression were then being planted. This awful panic would have been thereby precipitated a number of years earlier but for our loans abroad of $15,000,000,000, much of which went to pay for our exports; for our gold imports approaching $2,600,000,000 from 1915; for sales of goods on the installment plan aggregating $6,000,000,000; and for the expenditures over a period of years running up from seven to ten billions annually on highway and building construction. Just as soon, Mr. President, as these vast but temporary stimulants materially declined or disappeared, our Nation headed straight to economic disaster.

High-tariff America pleads that the panic originated in high-tariff Europe, while the latter as stoutly contends that it originated in high-tariff America, and for proof cites certain physical facts difficult to get away from. It must be agreed that ours was the outstanding financial and economic force and factor among the nations of the world; that our foundations were either temporary or unsound; that our isolationist leadership had been looked up to by the world and followed since 1920; that the dramatic and tremendous market collapse in New York instantly created the wildest fear and fright in every central bank, every stock market, every exchange and trading place in every civilized country.

There had been a general state of economic recovery and industrial rehabilitation since the war in most parts of the world. Unliquidated phases of the war did not constitute a chief cause of the panic. America's loans abroad of $15,600,000,000 up to 1929 confirmed this fact. Reparations and debts, about which we hear much, regardless of their merits or demerits, were not a major cause of the depression and they are not a major remedy. If the liquid capital of $3,000,000,000 had been kept at home in the various countries of Europe instead of being thrown into the gambling pit in New York, the financial structures of these very countries would not have been weakened to the extent of becoming so susceptible to the effects of the panic outbreak in New York City. Our business and economic leadership, of course, committed a historic blunder in failing early to call in the investment bankers and demand their cooperation to curb these immense speculative forces before they got out of control and ran wild.

Under American leadership this and other countries were not to rest content with the high-tariff tide that arose from 1920 to 1924–25. The chief pretext for this general movement upward had been either retaliation or safeguarding against sporadic imports from countries with depreciated currencies. Most of the nations, including England, in 1925 had gotten back to the gold standard, with the result that general downward tariff revisions with liberalized trade policies were strongly demanded by the rapidly damming up surplus production accompanied by a fall in prices of raw materials in most every part of the world.

America, still in the grip of the forces of trade isolation which were utterly blind to these conditions, became bent on another grand increase of tariffs. This country sowed the wind in 1921–22. We have since seen a veritable whirlwind of tariff increases everywhere, and the end is not yet. Between 1925 and 1929, the second period of wild increases, there were 33 revisions, nearly all increases, between 26 countries of Europe and 17 of Latin America, while Australia, Canada, and New Zealand in 1927 and 1928 made revisions upward, as did Siam, China, and Persia. America, during the political campaign in 1928, instead of furnishing sober leadership and calling a halt in these astonishing excesses that must soon prove disastrous, served notice that early in 1929 she would hasten to add a still higher story to her already sky-high tariff structure.

The result was the notorious Hawley-Smoot Act of June, 1930, which made 890 increases and 235 decreases in a total number of 3,221 dutiable items. The increases, however, related to dutiable imports of $917,000,000, or two-thirds of our total dutiable imports for 1928 of $1,573,000,000. This amount of imports affected, rather than the number of rate changes, is one of the more intelligible tests as to the extent and nature of actual revision. Moreover, the dutiable imports for the calendar year 1931 fell to $695,608,000 and customs receipts to $354,064,472, while the average ad valorem rate on imports, from which 75 per cent of this revenue came, must have exceeded 65 per cent. The ad valorem rate on all dutiable imports averages 50.9 per cent, and it would be far higher but for low rates on such articles as burlap, hides, skins, and a long list of other commodities which we either do not produce or do not produce in sufficient quantity and hence import at a very low rate.

The enactment of our new "Bourbon" tariff law in June, 1930, was followed by still further action in the way of upward revision generally by 25 countries, and, in addition, 18 countries raised their tariffs between August and November, 1931. No human imagination can describe the utterly chaotic and dislocating effects of this veritable network of every kind of obstruction, discrimination, and impediment to the natural movements of capital, goods, and services back and forth between nations. The most hopeless derangement and disorganization of our international financial, credit, exchange, and trade situation has inevitably resulted. How can any person not utterly blinded by provincialism or selfishness fail to recognize the indispensable necessity for practical international cooperation to clarify and liberalize these extreme complications before we can hope for that degree of balanced prosperity here at home that the welfare of the American public actually requires?

Our tariff act of 1930 was merely supplemental to the basic act of 1922. Many of the increases were based on fear alone; others were designed to stop cracks and crevices; still others were to keep out specialties, novelties, and like items indirectly or speculatively competitive. In addition to the agricultural increases, substantial raises were given woolen manufactures, cotton manufactures, sugar, chemicals, earthenware, glass, while still other, but smaller, increases were given silk and rayon, leather, shoes, gloves, cork, matches, and so forth, and so forth. The average Fordney rates for 1928 were 41.57 per cent, contrasted with the present average rate, as I have said, of 50.9 per cent.

The resentment and retaliation against this new, and what was universally considered unjustifiable, tariff boost appeared in every part of the world in the manner just described and for the express and deliberate purpose of blocking and turning back American exports of farm products, automobiles, and scores of other lines. Tennessee, for example, was stopped from shipping tomatoes to Canada by a tariff of $1,200 on a single car. The Italian duty on a Ford car priced at $610 here is considerably over 100 per cent, making the selling price in Italy $1,735. That is a specimen of international trade as practiced by the Bourbon isolationist of this country, and he has a strangle hold on our whole economic situation to-day. When our rates were made unreasonably high against Spanish cork and a few other products, an official decree was promulgated fixing a quota, especially on a wide range of exports from the United States, and its object, as officially explained, was—

> To diminish our purchases in certain countries which punish our products with excessive rigidity and for the purpose of purchasing more from other countries in which we have more obligations.

You will find, Mr. President, that spirit and that policy embedded in the retaliatory decrees of forty-odd nations striking directly at the United States. Similar bitter official comment and drastic action on the part of dozens of nations might be cited.

The automobile industry has thus suffered incalculable losses. If automobile exports could be resumed in the amount of $500,000,000, as they once were, this single phase of trade revival would, to an astonishing extent, restore confidence, credit, and domestic trade activities throughout this country. This view is self-evident when we recall that the automobile industry consumes of their domestic production 15.5 per cent of steel; 53 per cent of malleable iron; 17.4 per cent of aluminum; 14.8 per cent of copper—it would start up the copper industry—26 per cent of lead, 6.5 per cent of zinc, 14.1 per cent of tin, 30 per cent of nickel, 9.3 per cent of cotton, 51.4 per cent of upholstery leather, 18 per cent of lumber, 68.7 per cent of plate glass, 82 per cent of rubber, and 85 per cent of gasoline. The industry furnishes employment, directly and indirectly, for 4,000,000 persons. And yet, Mr. President, here is that vast industry that could infuse instant life into scores of other great industries, and bring most of our 7,000,000 idle laborers back to profitable employment, lying supinely on its back, because, forsooth, a small but powerful group of selfish and blind and dumb isolationists, in an economic sense, have a strangle hold on this Government and on 123,000,000 American people.

England ordinarily exports raw material to the extent only of coal and in the amount of something over $200,000,000, while the United States ordinarily has exports of raw materials of over a billion dollars a year, not including more than $700,000,000 additional of copper and a long line of crude products used by other countries for finished manufacturing purposes. Instead of going resolutely forward and employing all our labor and most of our capital here at home in the manufacture of these raw materials, as England has done for generations, we sit supinely here in the grip of the blind forces of trade seclusion and feed out these vast surpluses of raw materials and semimanufactured materials to all the other civilized and first-class countries of the world, in order that they may utilize their labor and capital in their manufacture while ours remains idle.

Following the war we were far better equipped in most instances than any other country to give employment to our entire capital and labor at home in the manufacture of a greater amount of our raw materials and selling the finished products in all parts of the world. We have, however, suffered the enormous losses incident to inaction and facing in the opposite direction during 10 precious years. Even most of the backward nations have in the meantime made progress in all lines of production, including manufacturing, to our great loss of trade opportunities. Our problem is to bestir ourselves and retrace our steps as rapidly as possible. It has already cost this country more than $25,000,000,000 to teach the economic isolationist in control since 1920 that America is a part of the world in a commercial and economic sense. The tremendous advantage lately gained by this country over Europe is shown by the fact that from 1907 to 1924 English manufacturing production increased 24 per cent, compared with an American increase of 80 per cent. The English output per worker during the same period increased 4 per cent, while the American increased 45 per cent. And yet, Mr. President, we find the forces of isolation rushing to this Capitol and goose-stepping into the halls of legislation demanding still further increases of tariffs against England in the face of those figures.

The honest truth is that except for our foreign trade 30 per cent of our manufacturing plants would close within six months, to say nothing of agriculture and mining.

This country should place itself upon a basis of thorough efficiency. Instead of prescribing trade barriers for every inefficient industry that can be found, for every obsolete plant that can make its way to the Capitol, this country should place itself upon a basis of thorough efficiency for purposes of both domestic and international finance, industry, and commerce. We should then pursue a policy of the lowest production costs, living costs, transportation costs, and distribution costs. As we become economically independent, we should correspondingly throw off artificial restrictions, restraints, and impediments to the most efficient and profitable basis of production and distribution.

In this policy we are confronted at every step by the unfair tactics of the opposition. Sponsors of our present trouble-breeding tariffs in their extremities offer some curious and fantastic defenses. One is that other countries have pushed their tariffs up higher than ours. They ignore the fact that such action was caused by us. This recalls to my mind the incident of the criminal who deliberately provoked a difficulty and later found himself denied the right to invoke the law of self-defense. Another defense is that the late decline of free imports has been greater than that of the dutiable. If this suggestion proves anything, it is the absurdity that the Hawley rates affect free imports more than those dutiable. A third defense is that those who suggest the slightest rate reductions are free-traders. This is remindful of the trick of the burglar who set fire to a house in the suburbs to divert attention while he robbed a business house in the center of the town. Macaulay said that for a pecuniary consideration an entire array of talent could promptly be had that would challenge the law of gravitation.

If the Democratic Party of this creditor and surplus-producing Nation, with the restoration of suitable markets and trade as the basis, can not consistently challenge this major system, it would be ludicrous for it to pretend to oppose minor phases of governmental favoritism.

There is no disguising the fact that powerful influences are at work, either to commit the Democratic Party to high tariffs and trade isolation, or so to chloroform it that in practical effect it will be handicapped in its efforts to fight for the economic policies in which its overwhelming rank and file believe. The two old political parties must not be merged on economic policies—those which have heretofore fundamentally differentiated the Democratic Party from the privilege-ridden element of the Republican Party.

No political party in close and corrupt partnership with the chief beneficiaries of governmental favoritism should be permitted to control and administer the affairs of the Government. Unless Democrats in every section are on their guard, this is precisely what may occur, while the general public will continue to experience periodical panics or unsound business conditions. There is not room in this country for more than one open, avowed, notorious, special-privilege party.

No comment on the effects of high tariffs on agriculture should be necessary in the light of sore experience. During the past 11 years of abnormally high tariffs American agriculture has become fundamentally worse off each year. If the farmer has not yet learned his tariff lesson, I am wondering how many more hundreds of thousands of farm mortgages will have to be foreclosed and how many more millions of the farm population must become impoverished before they realize the truth I am stating.

The farmer as usual has been buckeyed and buncoed by his high-tariff champions. He was given a third revision upward since 1920, embodying a mass of paper rates with no net benefits save as to wool, sugar, some citrus fruits, dairy and truck products, and a few others. His production on 90 per cent of the acreage sown to crops did not get and could not get any net tariff benefits. The principal effect of these high paper rates has been to cause most European and other countries, which had been the chief purchasers of our farm surpluses, to raise their rates against them to prohibitive heights. The exports of agricultural products were $1,035,700,000 prior to the war, $3,452,300,000 in 1920, and $1,693,000,000 in 1929. That includes forestry and everything that can be raked and scraped together under the term "agriculture."

Here is the secret of the awful story of the decline and decay of American agriculture:

Taking 1913 as 100, the price of farm products is 75, manufactures 109, and raw materials 81. A serious dis-

location of price levels has occurred. Raw materials in this country have lost 40 per cent of their 1929 values; manufactures, 25 per cent; and agricultural products, 51 per cent. The purchasing power of farm products is hopelessly out of equilibrium with that of either raw materials or manufactures.

American labor has been victimized and misled by high-tariff preachments almost to the extent of agriculture. For one or two generations inexperienced labor was being imported at the rate of near 1,000,000 a year, but objections to our excessive tariffs were drowned out by the loud cry of "protection for American labor." The immigration law and productivity per man are the chief factors in the stabilization of wages in this country. Labor is chronically deceived by the citation of wage scales here and abroad, whereas labor everywhere, as stated, is paid according to the amount of its production. In most United States industries the labor cost is lower than in any country in the world.

In 1925 the value of net production for each dollar paid in wages was $2.50 in the United States and $2.14 in England. Our labor which we paid $1,280 a year was thus cheaper than English labor which was paid only $513 a year. The output per man in the United States is from three to five times as much as that in most of the other countries of the world, depending, as stated, upon the productivity of each wage earner. American labor has been badly misled by the false and hypocritical statement chronically made or implied that most wage earners are in a position to receive tariff benefits. The whole truth is that more than 80 per cent of American factory laborers, more than 85 per cent of farm labor, and 95 per cent of wage earners in the mineral industry derive no net tariff benefits. Virtually all wage increases since 1914 have come out of labor's increased production and not from tariffs.

The average person, and especially the average politician, is too disposed blindly to accept a tariff rate as insuring net rather than mere gross benefits, whereas in most instances the net result is a loss. Of the total of near 28,000,000 wage earners in this country, the 3,000,000, for example, in transportation have no tariff shelter; the nearly 3,000,000 in the building trades; the 3,126,000 clerks, typists, and others not in stores; the 800,000 coal miners; the 2,143,000 professional persons; the 4,242,000 retailers, real-estate agents, insurance agents, etc.; the 800,000 in Federal, State, and local service; 950,000 in the mineral industry; 8,500,000 agricultural workers; 500,000 in motor-vehicle industry; 473,000 in timber and lumber production; 117,000 in newspaper and periodical publishing; and a long list of others receive no net tariff benefits and in most all instances no gross benefits. If labor leaders desire to be fair, they will remind the rank and file that most wage increases in present tariff-protected industries and most all reductions of hours came to American labor prior to 1921, under the liberal and humane policies of the Wilson administration.

If we are to keep all American labor employed at good wages, we must prepare to sell our surplus. The only alternative is to house ourselves off from the world and, barring automatic exchange of some raw materials, proceed to reduce most all other production to our capacity to consume at home. Already we hear suggestions on every hand that this giant Nation should again become as a little child and institute every artificial device possible to restrict output, to valorize, pool, and peg prices. These provincial notions include some recent instructions from Washington to plow up every third row of cotton, to kill 1 cow out of every 10, and similar freakish extremes, to which we are surely headed if we continue, as we have since 1920, to isolate ourselves economically.

For some years many of us have earnestly urged steps that would be calculated to bring about basic readjustments of our tariff and commercial policy and other trade barriers for the paramount purpose of restoring American market and trade opportunities abroad.

The first proposal to this end is for legislation authorizing a permanent world economic conference called by the President, the action of which, more than any other first step, would restore confidence and credit, such conference having for its purposes the development of a spirit of simultaneous tariff revision downward; a liberal commercial policy; mutual agreements eliminating many discriminations in commerce; unshackling international finance, credit; and exchange; and liberalizing the network of reprisals, prohibitions, embargoes, and other restraints which accompany the policy of superprotection;

Second, legislation authorizing the President to negotiate trade agreements based upon mutual tariff concessions and the unconditional most-favored nation doctrine;

Third, that the American Congress, with the legislative bodies of other countries acting as nearly in concert as they will, should, according to their own separate and independent judgments, proceed with all necessary preliminary preparations, with the aid on the part of our Congress of an impartial fact-finding commission, for the careful and gradual readjustment downward of existing excessive tariffs, with a level of moderate rates that will not permit conditions of domestic price monopoly, and a liberal, fair, and friendly commercial policy as the ultimate objectives. This broad policy would, in addition to impregnable home markets, insure wider and better foreign markets for our surplus, healthier domestic industry, and regular employment at suitable wages for all of our labor. I myself would reorganize the present tariff commission, repeal the flexible clause, and adopt a more modified formula for assembling all the facts and factors relating to competitive strength here and elsewhere.

Our national fiscal leadership by those in power during the past 10 years is subject to sharp challenge as to most of its fundamental phases.

It is indispensable that we would keep in mind the fact that the notorious state of unbalanced budgets in every government, on every continent of the world, has greatly weakened the economic structure of the nations. We have here at home a terrific impediment to the restroation of confidence and credit as a preliminary to the restoration of busineses activity, because everywhere we look, at our National Capital, at 48 State capitals, at 3,600 county courthouses, or at tens of thousands of municipal buildings, we find great deficits, which have undermined and seriously impaired the credit of most of these governmental agencies. That is why, in my efforts to discuss some fundamental basis for relief from our panic conditions and to suggest basic remedies, I venture for a moment to call attention to these and kindred phases.

The Hoover administration in 1929 lowered taxes and increased expenditures, when it should have increased taxes and lowered expenditures. The condition of Federal credit and the Federal Treasury as a result is humiliating. Long before this Congress convened and while the Hoover administration was still echoing Henry Ford's slogan that to be prosperous we should spend everything we could get hold of, some of us Democrats were earnestly urging a strict program of retrenchment and economy. Many of us have long protested against a business and fiscal leadership under which peoples and governments, casting all sound fiscal policies to the winds during recent years, have indulged in wild orgies of expenditures, taxes, and debt hopelessly beyond their means. The tragic breakdown of our Federal fiscal policy and management, without precedent in peace time, offers a fair illustration. I dislike to make reference to it; but unless reference is made to it, conditions might be permitted to drag along and become worse.

After all the shouting and boasting about tax reduction and debt reduction since 1921 unsound financing renders it necessary now to make a larger new tax levy in the aggregate than the combined amount of the past three tax reductions, while an amazing and imminent deficit exceeding $3,000,000,000, to be met by borrowing, leaves our public debt credited since 1919 with the equivalent of but a single payment, not from taxes, but from the proceeds of the war surplus assets alone, aggregating $6,379,000,000. In each respect the Government is back where it was after the war.

At this distant period since the war an equilibrium between the income and outgo of the Treasury in competent

hands should be easily possible. To this end the Treasury's ancient accounting methods should be revised, and there should be a separate classification and listing of all those expenditures, well recognized and defined as ordinary expenditures, which constitute most of the actual recurring expenses of the Government, and another segregation and classification of extraordinary expenditures, such as those in aid of productive undertakings and the millions of unemployed, the drought sufferers, emergency construction, and other temporary emergency requirements in order that, in the first place, Congress and the general American public may at all times have an intelligent knowledge of the fiscal affairs of the Government; and, secondly, that Congress may develop a tax structure which during an average business year will yield an adequate amount of revenue to meet the ordinary expenditures of the Government while at the same time making any special and temporary tax levies to defray all extraordinary expenses of such nature as to be borne by taxes rather than loans. Thus to clarify the revenue situation, by giving notice of which levies are to be permanent and which temporary, would avoid much or most of the usual tax controversy.

Leadership standing for a set of sound fiscal policies pointing back to frugal government in Federal, State, and local affairs is imperative. The fiscal axiom of every agency of government henceforth should be "Economy is better than taxation, and taxation is better than borrowing." We should earnestly invoke the cooperation of Democrats and broad-minded Republicans in charge of State, county, and local governments everywhere in a nation-wide movement to halt and reform existing runaway policies of debt, taxation, and expenditures by substituting official retrenchment, drastic economy, and wise financing. An autstanding tax expert, accountant, and civil engineer, or city manager, engaged by the Federal Government, with similar cooperation by each State, could so standardize, to the extent of recommendations, all Government accounting and building construction, outline a model system of taxation for Federal, State, and local purposes, with such coordination and uniformity as would lighten and make far more equitable the common $10,000,000,000 burden, while their plans for the elimination of waste, extravagance, overlapping governmental agencies and activities would effect enormous savings.

First. Present expenditures—Federal, State, and local—of $12,000,000,000 should, by the most ruthless economies, be reduced, during the next two years, in an aggregate amount running into the billions. Budgetary policy, so often ignored or abused, should be everywhere established—I say this, Mr. President, because there is a limit to which a badly impaired Treasury can go for any purpose, whether it be emergency or otherwise—and rigidly carried out so as to prevent any duplication or overlapping, or waste and extravagance, confining expenditures to absolutely necessary or thoroughly productive purposes. An effective check in particular must be put on municipal expenditures which are running wild. Many appropriations not absolutely indispensable should be suspended.

Second. Federal, State, and local taxes of $10,000,000,000 resting as one common burden on the 123,000,000 American people should, at all hazards, be reformed, made more equitable, and reduced 20 to 35 per cent as speedily as may be legislatively possible. There is vast need and opportunity for uniformity and coordination of Federal, State, and local tax structures, eliminating double taxation, promoting the maximum of equity under the doctrine of ability to pay, removing numberless discriminations, excesses, unscientific rates, and in other vital respects completely reforming our present demoralized, harsh, and chaotic tax situation.

Third. Federal, State, and local indebtedness of $32,000,000,000 was in numerous instances incurred unwisely, unsoundly, and recklessly, with no sinking-fund provisions, subject to excessive interest, with the calamitous result that the credit of most branches and subdivisions of government in America is seriously impaired. The policy of steady payment of the public indebtedness inaugurated by Thomas Jefferson should be maintained. No government can justify chronic borrowing to pay current demands, or tolerate with complacency a gaping deficit until it reaches a rate of near $3,000,000,000 per annum, while sinking-fund policies are in effect suspended.

In this discussion it has been my endeavor to point to and to challenge the narrow and extreme policy of economic nationalism as practiced by the world under American leadership since 1920, and to brand it as easily the chief underlying cause of existing unsound, dislocated, and collapsed industrial, financial, and commercial conditions. I have ventured to urge the adoption of modified and basic economic policies—policies in the interest of every healthy phase of business and agriculture and mining and labor in this Nation—such policies as will, in my judgment, revive confidence and credit, and permanently, not temporarily, cure the present trade paralysis by bringing back both domestic and foreign trade. Deadly surpluses everywhere would then commence to move, the prices of primary commodities would rise, business again would flourish, and full employment to labor and agriculture here at home would return to bless our common country.

Mr. BLACK obtained the floor.

Mr. ROBINSON of Arkansas. Mr. President, the Senator from Tennessee has delivered an address which reflects profound thought. I believe it states sound principles of government and should receive general consideration.

Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator from Alabama yield for that purpose?

Mr. BLACK. I do.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Robinson, Ind.
Austin	Couzens	Kean	Schall
Bailey	Cutting	Kendrick	Sheppard
Bankhead	Dale	Keyes	Shipstead
Barbour	Dickinson	King	Smith
Barkley	Dill	La Follette	Smoot
Bingham	Fess	Lewis	Steiwer
Black	Fletcher	Logan	Stephens
Blaine	Frazier	McGill	Thomas, Idaho
Borah	Glass	McKellar	Thomas, Okla.
Bratton	Glenn	McNary	Townsend
Brookhart	Goldsborough	Metcalf	Trammell
Broussard	Gore	Morrison	Tydings
Bulkley	Hale	Moses	Vandenberg
Bulow	Harris	Neely	Wagner
Byrnes	Hastings	Norbeck	Walcott
Capper	Hawes	Nye	Walsh, Mass.
Caraway	Hayden	Oddie	Walsh, Mont.
Carey	Hebert	Patterson	Watson
Connally	Howell	Pittman	Wheeler
Coolidge	Hull	Reed	White
Copeland	Johnson	Robinson, Ark.	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

EXECUTIVE MESSAGES REFERRED

Mr. McNARY. Mr. President, on the desk are some nominations of which I think reference should be made.

The PRESIDING OFFICER (Mr. FESS in the chair) laid before the Senate several messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

PHILIPPINE INDEPENDENCE

Mr. BINGHAM. Mr. President, this morning the Committee on Territories and Insular Affairs determined to hold a hearing on Thursday on Senate bill 3377, which was recently introduced by the Senator from Missouri [Mr. HAWES] and the Senator from New Mexico [Mr. CUTTING].

As this bill is not very well known, and there is very little time for it to become known, I ask unanimous consent that it may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is as follows:

A bill (S. 3377) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes

Be it enacted, etc.,

CONVENTION TO FRAME CONSTITUTION FOR PHILIPPINE ISLANDS

SECTION 1. The Philippine Legislature is hereby authorized to provide for the election of delegates to a constitutional convention, which shall meet in the hall of the house of representatives in the capital of the Philippine Islands, at such time as the Philippine Legislature may fix, to formulate and draft a constitution for the government of the Commonwealth of the Philippine Islands, subject to the conditions and qualifications prescribed in this act, which shall exercise jurisdiction over all the territory ceded to the United States by the treaty of peace concluded between the United States and Spain on the 10th day of December, 1898, the boundaries of which are set forth in article 3 of said treaty, together with those islands embraced in the treaty between Spain and the United States concluded at Washington on the 7th day of November, 1900. The Philippine Legislature shall provide for the necessary expenses of such convention.

CHARACTER OF CONSTITUTION—MANDATORY PROVISIONS

SEC. 2. The constitution formulated and drafted shall be republican in form, shall contain a bill of rights and provisions to the effect that, pending the final and complete withdrawal of the sovereignty of the United States over the Philippine Islands—

(a) All citizens of the Philippine Islands shall owe allegiance to the United States.

(b) Every officer of the government of the Commonwealth of the Philippine Islands shall, before entering upon the discharge of his duties, take and subscribe an oath of office, declaring, among other things, that he recognizes and accepts the supreme authority of and will maintain true faith and allegiance to the United States.

(c) Absolute toleration of religious sentiment shall be secured, and no inhabitant or religious organization shall ever be molested in person or property on account of religious belief or mode of worship.

(d) Property owned by the United States, cemeteries, churches, and parsonages or convents appurtenant thereto, and all lands, buildings, and improvements used exclusively for religious, charitable, or educational purposes shall be exempt from taxation.

(e) Trade relations between the Philippine Islands and the United States shall be upon the basis prescribed in section 6.

(f) The public debt of the Philippine Islands and its subordinate branches shall not exceed limits now or hereafter fixed by the Congress of the United States; and no loans shall be contracted in foreign countries without the approval of the President of the United States.

(g) The debts, liabilities, and obligations of the present Philippine government, its Provinces, municipalities, and instrumentalities, valid and subsisting at the time of the adoption of the constitution, shall be assumed and paid by the new government.

(h) Provision shall be made for the establishment and maintenance of an adequate system of public schools, primarily conducted in the English language.

(i) Acts affecting currency, coinage, imports, exports, and immigration laws shall not become law until approved by the President of the United States.

(j) Foreign affairs shall be under the direct supervision and control of the United States.

(k) All acts passed by the legislature of the Commonwealth of the Philippine Islands shall be reported to the Congress of the United States.

(l) The Philippine Islands recognizes the right of the United States to expropriate property for public uses, to maintain military and other reservations and armed forces in the Philippines, and, upon order of the President, to call into the service of such armed forces all military forces organized by the Philippine government.

(m) Appeals to the Supreme Court of the United States shall be as now provided by existing law and shall also include all cases involving the constitution of the Commonwealth of the Philippine Islands.

(n) The United States may exercise the right to intervene for the preservation of the government of the Commonwealth of the Philippine Islands and for the maintenance of the government as provided in their constitution, and for the protection of life, property, and individual liberty and for the discharge of government obligations under and in accordance with the provisions of their constitution.

(o) The authority of the United States commissioner to the government of the Commonwealth of the Philippine Islands, as provided in this act, shall be recognized.

(p) Citizens and corporations of the United States shall enjoy in the Commonwealth of the Philippine Islands all the civil rights of the citizens and corporations, respectively, thereof.

SUBMISSION OF CONSTITUTION TO FILIPINO PEOPLE

SEC. 3. If a constitution is formed in compliance with the provisions of this act, the said constitution shall be submitted to the people of the Philippine Islands for their ratification or rejection at an election to be held within four months after the completion of the constitution, on a date to be fixed by the Philippine Legislature, at which election the qualified voters of the Philippine Islands shall have an opportunity to vote directly for or against the proposed constitution, or for or against any proposition separately submitted. Such election shall be held in such manner as may be prescribed by the Philippine Legislature, to which the return of the election shall be made. The Philippine Legislature shall by law provide for the canvassing of the return and, if a majority of the votes cast on that question shall be for the constitution, shall certify the result to the Governor General of the Philippine Islands, together with a statement of the votes cast thereon, and upon separate propositions, and a copy of said constitution, propositions, and ordinances.

SUBMISSION OF CONSTITUTION TO CONGRESS OF THE UNITED STATES

SEC. 4. When the constitution has been adopted in compliance with the provisions of this act and has been duly ratified by the people of the Philippine Islands, a certified copy shall be submitted to the Congress of the United States for approval. If the Congress by law approves the constitution, or if the Congress, within three months of legislative session following submission to it, fails by law to disapprove the Constitution, the President shall so certify to the Governor General of the Philippine Islands, who shall, within 30 days after the receipt of such notification from the President, issue a proclamation for the election of officers of the government of the Commonwealth of the Philippine Islands provided for in the constitution. The election shall take place not earlier than three months nor later than six months after the proclamation by the Governor General ordering such election. When the election of the officers provided for under the constitution has been held and the results determined, the Governor General of the Philippine Islands shall certify the result of the election to the President of the United States, who shall thereupon issue a proclamation announcing the results of the election, and upon the issuance of such proclamation by the President the existing Philippine government shall terminate and the new government shall enter upon its rights, privileges, powers, and duties, as provided under the constitution. The present government of the Philippine Islands shall provide for the orderly transfer of the functions of government.

If the Congress, within three months of legislative session following submission to it, by law disapproves the constitution adopted and ratified in pursuance of the provisions of this act, then such fact shall forthwith be communicated by the President to the constitutional convention, which shall thereupon consider any objections made and proceed to redraft the constitution for ratification and submission in accordance with the provisions of this act.

SEC. 5. All the property and rights which may have been acquired in the Philippine Islands by the United States under the treaties mentioned in the first section of this act, except such land or other property as has been designated by the President of the United States for military and other reservations of the Government of the United States, and except such land or other property or rights or interests therein as may have been sold or otherwise disposed of in accordance with law, are hereby granted to the government of the Philippine Commonwealth when constituted.

RELATIONS WITH THE UNITED STATES PENDING COMPLETE INDEPENDENCE

SEC. 6. Trade relations between the United States and the government of the commonwealth of the Philippine Islands established under this act shall be as now existing under the provisions of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes," approved June 17, 1930: *Provided, however,* That from the date of the inauguration of the new government provided in this act and thereafter until the final withdrawal of the sovereignty of the United States over the Philippine Islands, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries shall be levied, collected, and paid on refined sugars coming into the United States from the Philippine Islands and on raw sugars, in excess of 20 per cent of the total sugar imported into the United States from Hawaii, Porto Rico, the Virgin Islands, the Philippine Islands, and from foreign countries, during the previous calendar year. In the event that in any year the limit of free sugar which may be exported to the United States shall be reached by the Philippine Islands the following shall be fixed as the basis for allocating, under export permits issued by the government of the Philippine Commonwealth, sugar produced in the Philippine Islands during the following year. The amount of sugar exported on free entry into the United States shall be allocated to the sugar-producing mills of the islands proportionately on the basis of their outturn the preceding year. The amount of sugar which each mill shall be permitted to export shall be allocated between the mill and the planters on the basis of the proportion of the sugar to be derived from the planters' cane which shall be received by the mill and retained by the planter. The same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries shall be levied, collected, and paid on coconut oil coming into the United States from the Philippine Islands in any calendar year in excess of the amount of coconut oil brought into the United States in the prior calendar year in the form of copra, such coconut oil to be determined on an oil content of copra of 63 per cent; and the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries shall be levied, collected, and paid on all yarns, twines, cords, cordage, rope, and cables, tarred or untarred, wholly or in chief value of manila

(abaca) or other hard fibers, coming into the United States from the Philippine Islands in any calendar year in excess of a collective total of 7,600,000 pounds of all such articles hereinabove enumerated.

SEC. 7. Until the final and complete withdrawal of American sovereignty over the Philippine Islands—

(1) Every duly adopted amendment to the constitution of the government of the Commonwealth of the Philippine Islands shall be submitted to the President of the United States for approval. If the President approves the amendment, or if the President fails to disapprove such amendment within six months from the time of its submission, the amendment shall take effect as a part of such constitution.

(2) The President of the United States shall have authority to suspend the taking effect of or the operation of any law, contract, or executive order of the government of the Commonwealth of the Philippine Islands, which in his opinion will result in a failure of the government of the Commonwealth of the Philippine Islands to fulfill its contracts, or to meet its bonded indebtedness and interest thereon or to provide for its sinking funds, or which seems likely to impair the reserves for the protection of the currency of the Philippine Islands, or may create international complications.

(3) The chief executive of the government of the Commonwealth of the Philippine Islands shall make an annual report to the President or Congress of the United States of the proceedings and operations of the government of the Commonwealth of the Philippine Islands and shall make such other reports as the President or Congress may request.

(4) The President shall appoint, by and with the advice and consent of the Senate, a United States commissioner to the government of the Commonwealth of the Philippine Islands who shall hold office at the pleasure of the President and until his successor is appointed and qualified. He shall be known as the United States high commissioner to the Philippine Islands. He shall be the representative of the President of the United States in the Philippine Islands and shall be recognized as such by the government of the Commonwealth of the Philippine Islands, by the commanding officers of the military forces of the United States, and by all civil officials of the United States in the Philippine Islands. He shall have access to all records of the government or any subdivision thereof, and shall be furnished by the chief executive of the Commonwealth of the Philippine Islands with such information as he shall request.

If the government of the Commonwealth of the Philippine Islands fails to pay any of its bonded or other indebtedness or the interest thereon when due or to fulfill any of its contracts, the United States commissioner shall immediately report the facts to the President, who may thereupon direct the commissioner to take over the customs offices and administration of the same, administer the same, and apply such part of the revenue received therefrom as may be necessary for the payment of such overdue indebtedness or for the fulfillment of such contracts. The United States commissioner shall annually, and at such other times as the President may require, render an official report to the President and Congress of the United States. He shall perform such additional duties and functions as may be lawfully delegated to him from time to time by the President.

The first United States high commissioner appointed under this act shall take office upon the inauguration of the new government of the Commonwealth of the Philippine Islands. He shall receive the same compensation and be entitled to such personal staff as is now received and enjoyed by the Governor General of the Philippine Islands, but such salary and expenses shall be paid by the United States.

(5) The government of the Commonwealth of the Philippine Islands shall provide for the selection of a Resident Commissioner to the United States, and shall fix his term of office. He shall be the representative of the government of the Commonwealth of the Philippine Islands and shall be entitled to official recognition as such by all departments upon presentation to the President of credentials signed by the chief executive of said islands. He shall have a seat in the House of Representatives of the United States, with the right of debate, but without the right of voting. His salary and expenses shall be fixed and paid by the government of the Philippine Islands. Until a Resident Commissioner is selected and qualified under this section, existing law governing the appointment of Resident Commissioners from the Philippine Islands shall continue in effect.

SEC. 8. From and after the date of the inauguration of the new government provided for in this act, the immigration laws of the United States shall extend and apply to immigrants from the Philippine Islands: *Provided, however*, That during the existence of said government citizens of the Philippine Islands seeking admission into the United States shall be considered as nonquota immigrants, and the provisions of the immigration laws, regulations, and orders applicable to nonquota immigrants shall apply to them: *And provided further*, That the number of said immigrants of the Philippine Islands shall not exceed 100 during any calendar year. This section shall not apply to the Territory of Hawaii nor to persons possessing the following status or occupations: Government officers, ministers or religious teachers, missionaries, lawyers, physicians, chemists, engineers, teachers, students, authors, artists, merchants, and travelers for curiosity or pleasure, nor to their legal wives or their children under 16 years who shall accompany them or subsequently may apply for admission to the United States, but such persons or their legal wives or foreign-born children who fail to maintain in the United States a status or occupation placing them within the accepted classes shall be deemed to be in the United States contrary to law, and shall be subject to deportation.

SEC. 9. That, except as in this act otherwise provided, the laws now or hereafter in force in the Philippine Islands shall continue in force in the Philippine Commonwealth until altered, amended, or repealed by the Legislature of the Philippine Commonwealth or by the Congress of the United States, and all references in such laws to the Philippines or Philippine Islands shall be deemed to include the Philippine Commonwealth. The government of the Philippine Commonwealth shall be deemed the successor of the government of the Philippine Islands and of all the rights and obligations thereof.

PLEBISCITE ON THE QUESTION OF PHILIPPINE INDEPENDENCE

SEC. 10. (a) At any time within the fifth year after the inauguration of the government provided for in this act the people of the Philippine Islands shall vote on the question of Philippine independence. The Legislature of the Philippine Commonwealth shall provide for the time and manner of an election for such purpose, at which the qualified voters of the Philippine Islands shall be entitled to vote.

(b) If a majority of the votes cast are in favor of Philippine independence, the chief executive of the Commonwealth of the Philippine Islands shall so report to the President of the United States, who shall within 60 days after the receipt of such report, issue a proclamation announcing the results of such election, and within a period of two years of such report the President of the United States shall withdraw and surrender all right of possession, supervision, jurisdiction, control, or sovereignty then existing and exercised by the United States in and over the territory and people of the Philippine Islands, and on behalf of the United States shall recognize the independence of the Philippine Islands as a separate and self-governing nation and acknowledge the authority and control over the same of the government instituted by the people thereof, under the constitution then in force: *Provided*, That the constitution has been previously amended to include the following provisions:

(1) That the property rights of the United States and the Philippine Islands shall be promptly adjusted and settled, and that all existing property rights of citizens or corporations of the United States shall be acknowledged, respected, and safeguarded to the same extent as property rights of citizens of the Philippine Islands.

(2) That the government of the Commonwealth of the Philippine Islands will sell or lease to the United States lands necessary for coaling or naval stations at certain specified points, to be agreed upon with the President of the United States not later than two years after his proclamation recognizing the independence of the Philippine Islands.

(3) That the officials elected and serving under the constitution adopted pursuant to the provisions of this act shall be constitutional officers of the free and independent government of the Philippine Islands and qualified to function in all respects as if elected directly under such government, and shall serve their full terms of office as prescribed in the constitution.

(4) That the debts and liabilities of the Philippine Islands, its provinces, cities, municipalities, and instrumentalities, which shall be valid and subsisting at the time of the final and complete withdrawal of the sovereignty of the United States, shall be assumed by the free and independent government of the Philippine Islands; and that where bonds have been issued under authority of an act of Congress of the United States by the Philippine Islands, or any Province, city, or municipality therein, the Philippine government will make adequate provision for the necessary funds for the payment of interest and principal, and such obligations shall be a first lien on the taxes collected in the Philippine Islands.

(5) That the government of the Philippine Islands, on becoming independent of the United States, will assume all continuing obligations assumed by the United States under the treaty of peace with Spain ceding said Philippine Islands to the United States.

(6) That by way of further assurance the government of the Philippine Islands will embody the foregoing provisions (except paragraph (3)) in a treaty with the United States.

(c) If a majority of the votes cast are against Philippine independence, the chief executive of the government of the Commonwealth of the Philippine Islands shall so report to the Congress of the United States for their action regarding the future political status of the Philippine Islands.

NOTIFICATION TO FOREIGN GOVERNMENTS

SEC. 11. Upon the proclamation and recognition of the independence of the Philippine Islands under their constitution, the President shall notify the governments with which the United States is in diplomatic correspondence thereof and invite said governments to recognize the independence of the Philippine Islands.

TARIFF DUTIES AFTER INDEPENDENCE

SEC. 12. After the Philippine Islands have become a free and independent nation there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from other foreign countries.

CERTAIN STATUTES CONTINUED IN FORCE

SEC. 13. All laws or parts of laws applicable to the Philippine Islands not in conflict with any of the provisions of this act are hereby continued in force and effect until altered, amended, or repealed in accordance with existing law by the Philippine Legis-

lature or by the legislative authority of the government established under the provisions of this act, or by act of Congress of the United States.

FILIPINO PARTICIPATION IN WORLD WAR

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD and referred to the Committee on Territories and Insular Affairs a letter written by the senior Senator from Missouri [Mr. HAWES] to the chairman of the Committee on Insular Affairs of the House of Representatives. This letter contains valuable information relative to the contributions made by the Philippine people during the World War.

There being no objection, the letter was referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., February 5, 1932.

Hon. BUTLER B. HARE,
Chairman Committee on Insular Affairs,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: The Senate Committee on Territories and Insular Affairs held extensive hearings in the matter of Philippine independence in 1930 and probably will limit its hearings in this session to statements of the official commission from the Philippines and such department heads as desire to express opinions.

I have followed as far as possible the well-conducted, thorough manner in which the House is considering this subject.

There is one phase which I consider of importance and which has not been presented before your committee.

I hope this communication may be read to your committee and made part of the printed hearing.

I am sure you will agree that a very great stimulus will be given to the people of the Philippines to push forward into new fields for greater opportunity and expansion in agriculture, manufacture, and trade, but this stimulus can not come until a definite date for independence is set, and I fear that if this is refused the present uncertainty, economic stagnation, standing still, and lack of advancement will continue.

The Filipinos are all desirous of independence; have been temperate and kindly in their requests for it. Their petitions have never been accompanied by bombast or threats.

The special subject that I desire to present to your committee is their record during the World War, which should give us confidence in their ability to maintain order and administer a stable government. What happened in the Philippines at that time should be known to all Americans.

Our participation in the World War naturally gave new hope to their independence movement. Our declaration in favor of self-determination by nations was taken as an indorsement of the aspiration for self-determination for the Philippines in the matter of independence.

Their conduct then was as fine as that displayed in the States of our Union, and we should not fail to remember and appreciate it.

There was no hostility in the minds of the Filipinos against the Germans. A number of German merchants and residents in the Philippines were very popular with them, so their offer of assistance to the general object of the war, which had been described to be the preservation of the small nations and the self-determination of all.

But it also gave them an opportunity to demonstrate in a very practical way, both financially and with the offer of their young men for active war service, their loyalty to the United States and to the American flag.

We declared war in April, 1917. On May 5 of the same year a monster demonstration was held in Manila. Fifteen thousand Filipinos gathered in front of the Governor General's residence; speeches were made pledging them to any sacrifice for the benefit of the United States.

A special session of the legislature was summoned, and it quickly passed the following resolution: "We firmly believe that the final triumph of democracy, in securing for the world the principle of nationality for the benefit of the small nations, will finally enable our people to attain the ideals for which we have always struggled, namely, our constitution into a free and independent nation, with a democratic government of law and order, ready to be another instrument of democracy and universal progress."

To this President Wilson replied: "Please convey to the Philippine Legislature, in warmest terms, my appreciation of its admirable resolutions."

This was later followed by the passage of Joint Resolution No. 7: "That the Governor General be, and hereby is, authorized to take all necessary steps for the earliest possible construction, under the direction of the Government of the United States and at the expense of the treasury of the Philippine Islands, of a modern submarine and a modern destroyer, which shall, as soon as available, be offered to the President of the United States, for service in Philippine waters or elsewhere, as said President may require or authorize."

This act was approved by the President and finally resulted in the building of a fine, new-type destroyer called the *Rizal*. It was officered by Americans and manned by Filipinos.

Everyone thought at the time we were entering upon a long war, but, getting into the service late, as it happened, it was transferred to the United States Navy and used in other waters, so the Filipinos were not called upon to pay for it.

Finally, what is called the Quezon Militia Act, No. 2715, was passed, giving the Governor General the power to enforce compulsory military service in the islands. It provided for the inclusion in the Philippine National Guard of every able-bodied citizen between the ages of 18 and 45. It created a military commission as advisors to the Governor General. This was followed by a proclamation of the Governor General in 1917, and legislation in the United States was urged which would permit our President to accept the service of this division for foreign service.

All through the provinces the best of the Filipino youths volunteered. Suspicion of the ultimate attitude of the United States regarding independence had disappeared. Here we find them volunteering for duty abroad. Twenty-eight thousand volunteered when only 14,000 were authorized by Washington. The United States spent only $515,000 for their equipment and this preparation. The Filipinos, out of their treasury, expended $2,406,000.

All American troops and the American Navy was withdrawn from the Philippines during the period of the war. The whole government, its policing, and its army was left to the good judgment and loyalty of the Filipino people.

Mr. Wilson expressed the opinion that "It may have a wholesome effect, even in Europe, to have Filipinos there fighting for the cause of democracy."

All agitation for independence ceased. With a fine spirit they did not seize upon this opportunity to press their claims for independence. It is the only period in their history in connection with our own in which they have not on every occasion pressed a consideration of their national aspirations.

They organized a corps of 4-minute speakers. They subscribed to the Liberty loan the sum of ₱23,247,000, more than double their allotment, and it is significant that of this sum ₱9,000,000 came from the Provinces, and 95 per cent of those who subscribed were native Filipinos.

In addition to their subscription to the Liberty loans they added another ₱10,000,000 for the American Red Cross Society.

For a poor people who, according to the Manila American, does not even understand what liberty means, and the responsibility of self-government, this was a demonstration of offers of men and money in time of distress, and was an answer of loyalty and capacity that should be conclusive.

Another significant happening was the fact that while all American soldiers were withdrawn, none but Filipino soldiers and constabulary were left, there was no trouble in the Moro country. It was unusually peaceful during this period. It substantiates the theory of the Filipino that he can get along better with the Moros, who are Malays, and settle possible disputes quicker than can an American who belongs to an alien race.

It is reported that 4,785 Filipinos actually served in the United States Army, enlisting in the United States. Fifty-six were killed. The Navy, which had formerly employed many Asiatics, replaced them by Filipinos, so that in the year 1926 we find there were 4,240 Filipinos in the United States naval service.

It was freely predicted that we would have a long war of at least three years. This was the thought of everyone. If we had such confidence in the Filipino people, and in their loyalty to move our troops and Navy out of the islands during the war, what justification remains for the continued presence of the Army at great cost during times of peace?

The thought of retaining the island people against their will and over their objection and despite their protest, by threat of force, should be repugnant, abhorrent, to the decent feelings of any civilized man, especially to the right-thinking, fundamental American.

Thanking you for this courtesy, I am,
Yours cordially,

HARRY B. HAWES.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 201. An act granting the consent of Congress to the State of South Carolina to construct, maintain, and operate a bridge across the Waccamaw River;

S. 2278. An act authorizing the Secretary of War to reduce the penalty of the bond of the Brazos River Harbor navigation district, of Brazoria County, Tex., furnished as surety for its doing certain work on the improvement of Freeport Harbor, Tex.;

S. 2406. An act for the relief of Harvey K. Meyer, and for other purposes;

S. 2684. An act for the relief of F. P. Case;

H. R. 70. An act granting the consent of Congress to the Board of County Commissioners of Mahoning County, Ohio,

to construct a free overhead viaduct across the Mahoning River at Struthers, Mahoning County, Ohio;

H. R. 225. An act providing for payment of $25 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States;

H. R. 474. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 4695. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.;

H. R. 4696. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River southerly from the Fort Belknap Indian Reservation at or near the point known and designated as the Powersite Crossing in the State of Montana;

H. R. 5131. An act to extend the time for completing the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.;

H. R. 5471. An act authorizing Sullivan County, Ind., to construct, maintain, and operate a public toll bridge across the Wabash River at a point in said county to a point opposite on the Illinois shore;

H. R. 5478. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 5626. An act authorizing the States of Minnesota and North Dakota, the county of Polk, Minn., the county of Grand Forks, N. Dak.; or any one or more of them, to construct, maintain, and operate a free highway bridge across the Red River of the North at or near Bygland, Minn.;

H. R. 5878. An act granting the consent of Congress to the Louisiana Highway Commission and the Missouri Pacific Railroad Co. and the Louisiana & Arkansas Railway Co. to construct, maintain, and operate a combination highway and railroad bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 6663. An act to reserve certain land on the public domain in Utah for addition to the Skull Valley Indian Reservation;

H. R. 7225. An act granting the consent of Congress to the board of county commissioners of Allegheny County, Pa., to construct, maintain, and operate a free highway bridge across the Monongahela River between the city of Pittsburgh and the borough of Homestead, Pa.; and

H. R. 7248. An act authorizing the modification of the existing project for the Willamette River between Oregon City and Portland, Oreg.

RELIEF OF UNEMPLOYMENT

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. BLACK. Mr. President, several days ago I gave notice that an amendment in the nature of a substitute to the bill (S. 3045) relating to Federal assistance in times of distress would be offered by the Senator from Montana [Mr. WALSH], the Senator from Ohio [Mr. BULKLEY], and myself.

Permit me to say at the outset that in large part I agree with the conclusions which have been reached by Senators COSTIGAN and LA FOLLETTE, who have offered this measure. As I stated several days ago on the floor of the Senate, it is my opinion that they have performed an excellent public service in the investigation which was conducted by the Committee on Manufactures and in presenting to this body a bill which embodies their ideas of the proper method of reaching a partial solution.

The substitute which has been offered is in line with part of the conclusion reached by those Senators. The substitute recognizes that there exists to-day throughout the length and breadth of this country an unparalleled economic disturbance. It recognizes that on account of this situation the assistance of the Federal Government is needed in so far as it can, consistently with sound governmental principles, aid in the relief of the widespread distress throughout the Nation. In many respects the substitute is similar to the Costigan-La Follette measure. In some respects it is based upon fundamentally different conceptions of government; a conception of differences which existed long before they were brought to the front in this country by Jefferson and Hamilton.

As I conceive it, the measure offered by the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN] is Hamiltonian to the extent that it is based upon the evident belief that there is more good judgment, that there is more ability, in the concentrated governmental bureaus in Washington than we find on the part of the people in their parishes, their counties, their townships, their municipalities, and their States.

Jefferson believed that the people could be trusted. Hamilton said, "The people, your people, are beasts." Every word spoken by that great exponent of Democracy, Thomas Jefferson, tended toward the point of not subtracting from the rights of the people but giving to them the maximum liberty that could be given consistent with orderly government. Mr. Jefferson went to the extent—and in that, as in practically everything else he said, I agree with him—that he was opposed to the establishment of courts of chancery with the power to try cases without juries by reason of the fact that he believed that the people could be trusted. Mr. Hamilton believed that the people could not be trusted. It was, therefore, very natural that Mr. Hamilton favored a strong central Government in Washington, and that Mr. Jefferson believed that the greatest happiness for the people could be obtained and their interests could best be subserved by leaving to them the maximum amount of liberty of action in governmental affairs consistent with good government. The statement was even made that he believed the New England townships exemplified the wisest governmental principle that had ever been devised for the control of the affairs of men.

To-day, as in the times of Jefferson and Hamilton, there are two conflicting schools of political thought. There is one, as manifested in the letter which each Senator received this morning from the steering committee of the Social Workers Conference on Federal Action on Unemployment, which represents the Hamiltonian viewpoint. It takes the position that there is danger in intrusting the administration of affairs where money is concerned to the people in the States and the counties and the municipalities, and that the only way to guarantee a proper administration of local affairs is by the establishment of a huge towering bureau in Washington, vested with the powers that I shall show to this body are more extensive and more far-reaching than have been proposed since the foundation of this Government. This letter says:

> This substitute does not contain the safeguards necessary to prevent unwise administration of relief, to prevent a tremendous waste of Federal public funds.
>
> Note—
>
> This substitute does not contain the safeguards necessary to prevent unwise administration.

Why not? They are honest in their opinion that it does not offer the proper safeguards because they evidently believe, being sincere and devout apostles of the Hamiltonian theory, that bureaus are vested with infinite wisdom and infallibility, while the people, as stated by Mr. Hamilton, can not be trusted.

Why do I say that? Because the substitute, which provides twice as much relief for the unemployed of America as does the original bill, leaves the administration directly to the people themselves in the various States. These gentlemen say that that means waste and unwise administration. If it be true that the people can not be trusted, if it be true that they must have a towering bureau in Washington to direct the churches, the community chests, and their local charitable organizations that they shall employ to administer charity and the plans which shall be conceived, then their statement is correct. The substitute is based upon the theory that the people can be trusted to administer

their own affairs; particularly do its framers believe that to be true in connection with the administration of public charity to relieve want and distress.

The statement has been made that those who oppose the original bill must be opposed to Federal aid. No; that is not correct. We do not oppose Federal aid, but we do oppose such Federal control as is suggested by the Senators from Colorado and Wisconsin.

Mr. President, there is no other measure which has ever come before this body which touches more delicately the home, the boys, the girls, and the men and women of America; it touches them in the most sensitive spot. When they are in want and desperation, when the gaunt figure of hunger enters their homes, these gentlemen of the Social Workers' Conference on Federal Action, apostles of the Hamiltonian theory, tell us that we must permit them to be administered to by experts selected in the far-off city of Washington, with their coolness, and their calmness, and I must add frequently with their callousness to human suffering. Personally I prefer to trust the administration of affairs touching human need and human want to the kindly and generous sentiments of those who live close by where want has made its habitation and where hunger emaciates the frame and weakens the blood.

If it be liberalism to favor centering more power in the Government bureaus of Washington, then I confess I trust that the party to which I pledge allegiance may never adopt any such form of liberalism. It is based upon the Hamiltonian theory that the people can not be trusted.

Remembering that both bills provide $375,000,000 for the alleviation of human suffering, with the exact language adopted in each bill, that both bills provide for $125,000,000 to be used between now and July 1, and that the substitute measure, in addition, provides for $375,000,000 more for road building to be unmatched, I desire first to call attention to the real substance and effect of the bill originally offered. I do that because some have seemed to believe that the differences are merely technical. The differences are as fundamental as government itself.

What difference does it make to whom you give too much power? Too much power is dangerous, whether it be vested in a government or a group of specially privileged plutocrats, in a religious group, or in any other group. The real liberal, who has come down through the ages holding aloft the torch of human liberty, has not stood for concentration of power in a centralized government or in the hands of any particular group.

In order that the Senate may see the background, I call attention first to the provisions of the original bill. It provides, first, a board consisting of the Chief of the Children's Bureau. I might state that it would be interesting to those who will study this bill to see the tremendous power which is given to this one individual in this measure. It goes far beyond the power that is given any other head of a bureau in Washington. I shall have occasion to refer to that as I proceed. The other members are the director of the extension work in the Department of Agriculture, the chief of the vocational rehabilitation service, and two members to be appointed by the President by and with the advice and consent of the Senate.

There is the beginning of a new bureau; and remember that bureaus seem to be the only thing in all history that have discovered the secret of immortality. They never die; they become more greedy with each passing year—greedy for power, greedy for money, greedy for enlarged personnel.

The two appointive members shall receive $25 daily, and all members of the board shall receive traveling expenses or per diem allowances. An unlimited number of committees may be appointed by the board, with no salary but with traveling expenses or per diem in lieu thereof, as prescribed for civilian employees of the executive branch of the Government. I am giving the background of the new bureau, as outlined in the Costigan-La Follette measure.

The Chief of the Children's Bureau, with the approval of the board, may spend what may be necessary for personal services, rent in Washington and elsewhere, and for printing and binding. Why has it become necessary, if the last words of the bill do not simply contain a "promise to the ear," to permit the Chief of the Children's Bureau or the bureau to have money to establish offices throughout this country with reference to the administration of relief to the suffering and for human need?

The Chief of the Children's Bureau may, with the approval of the board, appoint and fix the compensation of experts and may appoint other employees under the rules of the civil service as to appointment and compensation. The background is being laid.

The administrative expenses of the Federal agencies are made a first charge against 60 per cent of the funds. It will be found in lines 14 and 15, page 5, that the first provision, in so far as 60 per cent of the funds is concerned, is that administrative expenses shall come first. Of course, that is wholly in line with the bureaucratic rule. The amount of $350,000 can be set aside for administrative purposes under subdivision (d), page 6.

If it is desired to limit the expenditures to this amount, it will be necessary for this provision to have clarification, because later on, in lines 12 and 13, page 9, the bill states that the estimate of $350,000 "shall be subject to subsequent review and revision by the board."

Under this bill as it is written—whether the authors intended it or not I can not say—there is no limitation on the amount that could be used for administrative expenses.

We start out with a proposal to relieve charity throughout the country. We are not proposing to relieve unemployment in Washington, as I understand, in this bill, except in so far as that might come within its general purview. There is no place in all this broad land where there are more public buildings being erected. It is my understanding that only recently there was a palatial public building completed and occupied in this city; and I have been told by a Senator on this floor that it has a private elevator for the head of that department, and a guard at a large door to protect that elevator from becoming contaminated by the use of other individuals. I refer to the new Department of Commerce Building. And yet we start out with at least $350,000 of a fund which is supposed to be used for the relief of human suffering to be utilized by a bureau in Washington on the theory that bureaus are infallible and that the people can not be trusted!

Now, let us see how relief will be administered after this great new bureau, with its tentacles projecting into every section of the United States, has been built up.

A certain amount of this $375,000,000 will be administered through State agencies, hampered, limited, and controlled by the Federal bureau, as I shall hereafter show the Senate. An unlimited amount is authorized to be expended within the State, by such means as the Federal bureau at Washington determines, for migratory workers and their families. In other words, this bureau, in addition to having the power of life and death over the poor, hungry, and starving people in every part of this Nation, with the power to give funds or to withdraw them as it sees fit, is likewise given in this bill the power to spend an unlimited amount throughout this Nation for migratory workers, whether these contributions clash with public donations of the local community or not.

In addition to that fact, it is provided on lines 9 to 12 of page 11 of the bill that this bureau can absolutely decline to give a single penny to a single State of this Union unless the State agrees in advance to such plans as may be prescribed for taking care of the migratory workers who might be found in that State. Power! Hamiltonism! No province of Rome in the days of its greatest glory was ever made any more subject to the imperial purple in that city than the States of this Republic will be subject to bureaucratic control if this bill should become a law in its present form.

Now I desire to assert certain things that this bill carries out, and I shall establish them by referring to the paragraphs in the bill.

Whether any amount is apportioned or allocated to a single State depends entirely upon the Federal board in

Washington. I shall show that by the provisions of the bill itself.

This board is unquestionably vested with the tremendous power of allocating 80 per cent of $375,000,000, or $300,000,000, to any State it sees fit, and probably 100 per cent. I shall hereafter show that the board in Washington has the power to select a swarm of Federal agents and snoopers to investigate the public and private charities of the State; has the power to veto the appointment of all State agents for charitable purposes; has the power to withhold charitable funds if it dislikes the plans adopted by States, counties, or municipalities; has the power to withhold the funds if the Federal bureau in Washington, acting through the Chief of the Children's Bureau, does not like the personnel selected by the States, counties, and municipalities to administer charitable funds; that it can actually withhold funds from the State if it does not like the plans or agents adopted by private institutions, such as community chests, churches, fraternal organizations, or other institutions selected by States to aid in feeding the hungry and ministering to the wants of the needy.

We are charged with being "technical" in opposing this bill. Is it technical to raise an objection to a measure which is going to permit a few people in Washington to determine to what types of people and under what plans relief shall be administered to the suffering and stricken in the far-off State of California, in the great Middle West city of Chicago, in the city of Atlanta, Ga., or in the States of Wisconsin or Colorado?

It may be, Mr. President, that there are those who for Federal aid are willing to pay the tremendous price of permitting the last vestige of State control over the home to be turned over to a bureau in Washington, but I do not believe it.

We thus have the issue squarely presented between local administration at home, as sponsored by Mr. Jefferson, and bureaucratic control in Washington, as sponsored by Mr. Hamilton.

Now let us see whether or not these statements are justifiable.

Forty per cent of $375,000,000, or $150,000,000, may be apportioned in proportion to population if such amount is not in excess of two-thirds of the amounts appropriated or used by public and private agencies, to be expended as provided in section 12 and subject to determination by the board in Washington.

In the beginning there is a 40 per cent stipulation. That will be found on lines 1 to 13, page 5, and lines 9 to 10, page 12. This may be apportioned, but it must be matched at least partially by the States.

There is no such provision in the substance. I had a letter a few days ago from the State of Alabama saying:

> If any relief is proposed to this State, do not put in the impossible stipulation that it must be matched by a State that has a $19,000,000 deficit.

Now, this *may* be apportioned. Note: Not "*must* be." In other words, if the State of Arizona desires to get 40 per cent of that fund in the beginning, it must first satisfy the board, and subsequently the Chief of the Children's Bureau must be assured, that the State of Arizona will administer relief with the agents accepted by the board and in accordance with the plans the board demands.

If there is any question about that, I have already referred to the sections and the lines in which that occurs.

Now, just one further statement, to which I shall refer later.

If the board decides that the State of Arizona should not have this 40 per cent, what is the remedy of the State of Arizona? The State of Arizona will have none. The decision of the board in two places in the bill is declared to be final. When the State of Arizona, through its governor or its agents, appears with its hat in its hand before an administrative bureau in Washington in order to obtain relief, the decision of the bureau is final.

No, Mr. President, the price of relief is too great if it must be obtained at the loss of every vestige of self-respect of the sovereign States of this Nation as they appear, hat in hand, before an inferior bureau of the United States of America.

Now let us see what goes with the remaining 60 per cent, or $225,000,000.

First, it is to be applied to meet the administrative expenses of the Federal agencies under the act. Assuming that it was the intention of the authors to limit these administrative expenses to $350,000, we know from experience that the $350,000 will never feed a single hungry stomach in a single State of the American Union. Bureaus do not return funds to the Federal Treasury; so there we start out with the first $350,000 of the 60 per cent.

The reserve fund of the $225,000,000 after the 40 per cent has been allocated on a population basis, provided the States have met the requirements of the Federal bureau, can be allocated to those States where the bureau believes the greatest need exists; and there has been some complaint that this bill provides that the governor shall make certain statements. I have even heard it criticized on the floor because it is not right to have the governors make statements. But they must not make their statements in this bill to the Secretary of the Treasury, who stands with the dignity of a Cabinet officer. They must satisfy this bureau that the State has made reasonable efforts within its resources to provide for emergency relief expenditures.

So here is your picture; and remember that after the board acts, another section of the bill provides that the Chief of the Children's Bureau must insure in advance that the State has complied with the plans. So you find the State coming to this bureau. We have all had experiences with bureaus. We know that they frequently become inflated. We know that they are frequently a little difficult of access to the average citizen. So here comes the State of California, we will say, and its representatives must prove what? That they have administered or will administer charity according to plans this bureau approves; that they will use only agents that the bureau approves, and that they have used every reasonable effort to obtain emergency relief in their State.

If it be wrong for the governor of a sovereign State to be required to certify to the Secretary of the Treasury that there is a great emergency, how much more is it wrong to have the same authority compelled to stand with hat in hand before a Federal bureau and make a certificate to the same effect!

I call attention to this fact that under lines 9 and 10, and lines 18 and 19, page 3, the decision of the board is final. There is no chance of escape from that conclusion, because it appears in two separate places. Therefore, there is a proposal which appropriates $375,000,000 to be apportioned to States if they can meet the requirements of the bureau, to be apportioned to States if they will agree to administer charity as the bureau provides, to be apportioned to the States if they will appoint only such agents within the State, to be paid by the State, in accordance with plans and specifications of an inferior Federal bureau in Washington. If the States have sunk into any such low and debased attitude as that, then we have gone far afield from the original conception of this Government.

I call attention to what happened in a case where bureaus were given such authority in the year 1874. I read from that magnificent book, The Tragic Era, written by Mr. Claude G. Bowers. It so happens that the reference made is to the State in which I live, but the principle is universal and nation-wide. Said Mr. Bowers:

> Yet there were outrages in Alabama on the other side. Taking advantage of the spring flood of the Alabama, Warrior, and Tombigbee Rivers, which had inundated a large section of the country, causing distress among the negroes, Congress had been asked for an appropriation for relief. Eighty thousand dollars was thus available for the purchase of bacon to be distributed under the supervision of the Republican politicians of the State. The flood was in the spring, the bacon money was soon available, but there had been no distribution, and the Democrats in Congress called for a report. An investigation showed that the bacon was being used not so much in the flooded sections as in communities where it would do the most good politically. The Army captain sent to investigate seized 5,348 pounds sent to dry territory 80 miles distant from the nearest flooded section and 17,430 pounds in other

communities untouched by the flood. Even so, there was enough left for bacon suppers in negro churches for all who pledged themselves to vote the Republican ticket. But the scandal broke, the supply was exhausted, and there was weeping and gnashing of teeth among hundreds of whites and blacks who had failed to get their quota.

To those who desire to pursue this subject further and obtain a more detailed narrative of the method of administration by the Federal bureau of the bacon in 1874 I refer them to the book known as Reconstruction in Alabama, written by Mr. Walter L. Fleming.

For those who believe in a strongly centralized Government in Washington, it is perfectly appropriate to support the La Follette-Costigan bill with its provisions. If, however, they can find in any period of the history of the world where such a position has been construed as a philosophy of liberality and an attitude of standing for the rights of the people instead of the plutocratic few, I challenge them to produce the proof.

I believe in a government by the people of this country. I do not believe in a government by bureaus, of bureaus, and for bureaus. I believe in a government of the people, for the people, and by the people of this Nation. The absolutely necessary bureaus should be subservient to the people.

Mr. President, let us go further. Even the amount of 40 per cent of the $140,000,000 apportionment is not absolute. By that I mean that the board is not compelled to allot any single dollar to any particular State. I assert that under this bill, if for some technical reason, for some whim, for some caprice, or for some fancy, the board in Washington concluded that any State of this Union should not have a dollar of these funds, that State would be helpless, and its hands would be tied. The wail of the distressed, the cry of the weak, the longing of the hungry would not be heeded in Washington.

Why do I say that? If not used during 1932, one-half of this $140,000,000, it is provided, may be taken away from these States by the board and given to other States. That leaves $70,000,000 which, if any part of it could be allocated to the States as a matter of right, they would receive. I refer those who may question that to lines 20 to 24, page 5, and lines 1 to 9, page 6.

Bear in mind, further, that even if a suppliant State runs the gantlet and gets by the complete board, the Chief of the Children's Bureau, the all-powerful official in this body, being charged with administrative relief, still is compelled to insure that the State either has or will comply with every mandate of the board.

I desire to call attention further to the fact that if the suppliant State gets by the Chief of the Children's Bureau, manages to get by the board, and a certificate is issued to the Secretary of the Treasury stating that a humble State has appeared with hat in hand and is now, according to the supreme edict, entitled to obtain relief for its starving multitudes, still if the Chief of the Children's Bureau finds thereafter that the State has failed in some of its duties, the certificate may be canceled and the fund withheld. To those who may question that, I refer them to page 10, lines 3 and 4.

Now, let us see what would happen to the State. They have no appeal. The measure specifically says that they shall have no appeal. The board's action is the last word with reference to those States. If there is any question about that, I invite attention to section 11, page 11.

Let us see what the State has to do when it comes as a humble suppliant before this almighty power which sits in Washington, this infallible commission which knows exactly how charity ought to be administered in California, in New York, in Illinois, even though the people there do not know; this infallible commission, which knows exactly the kind of agents whom we ought to employ down in Alabama, though the people may not be capable of choosing. Let us see.

I invite the attention of those who care to read the act to lines 13 to 16, page 7, where it will be found that the act is to be administered under rules and regulations adopted by State authorities, but approved by the board; that it must be under the guidance of the Washington bureau. See lines 1 and 2, page 4.

The chief must insure compliance by the States with the chief's rules. Line 18, page 3.

"Technical," do I hear? It may be that there are some in this country who have reached the conclusion that they are ready wholly to obliterate State lines. That point has been reached by people in other countries. They reached the point where it was thought that none but the select in the imperial city could determine the rules for the subject peoples in the provinces, and it was only a very short time before some there were in control who declined to continue to throw the crumbs of bread that fell from the table of the rich in an effort to bribe the sovereign voters of the imperial city.

The State must submit plans to the chief of the bureau, and they shall be subject to the approval of the board. Lines 17 to 22, page 7.

The board can require statements of all available funds in the State for charity, both public and private. It is important to remember that, because I expect to show later by the very terms of the bill itself that if my State or any other State should see fit to utilize some of the existing agencies, like the churches, the community chests, the fraternal organizations, and the agents of such institutions were not satisfactory to the chief of the children's bureau, or if the plan by which a church, for instance, administering relief to the starving and the hungry, was not satisfactory to the chief of the children's bureau, every dollar of Federal funds could be withdrawn.

The board can require a statement of all available funds in the State for charity, both public and private. A State must provide for adequate State administrative personnel. We are not talking now about the agents of the Federal bureau; we have passed that stage. The bureau has been set up. The sum of $350,000 that is supposed to be utilized for feeding the hungry has gone to feed those in Washington who are hungry for jobs as they tramp around through America and probe into the private administration of State, city, county, and municipal community chests.

The State must provide for adequate State administration personnel. However, that is at State expense. The State must employ its personnel at State expense.

The qualifications of State agents must meet the approval of the board, and because it says in another place they must be insured by the Chief of the Children's Bureau, they must also run the gantlet of the chief.

Here we have the chief of the bureau with power to spend $350,000 at least in the employment of Federal agencies, and then that chief, sitting here all powerful in Washington, knowing so much more about local conditions in the State of South Dakota, local conditions away out in New Mexico and away down in Georgia, can say, "We do not like the agents you have selected to administer charity in your State." I confess that if there be those who believe in a strongly centralized Government in Washington, who believe that the sole safety of the Republic or the manifest destiny of the democracy is represented by an oligarchy in some central city, then these proposals are all right. I invite those who favor them to say so, but I ask them to put it on the proper ground. Do not hide behind the idea of "liberality of thought."

Not content with these provisions, lines 8 and 9, page 8, provide that the specification of plans for local administration of funds for those in need must be satisfactory to the board. I have always had an idea that this was the one last thing that would be left to the people. I had always thought that the tender hand placed upon the fevered brow by a loving neighbor would be worth more than the smooth and studied sympathy of an expert. Evidently in that conclusion we are wrong. In order for those who are sick and hungry and distressed to receive proper ministrations, it is necessary to have the person who is to put the hand upon the fevered brow selected by the Chief of the Children's Bureau in the city of Washington.

A further provision on page 8 is that the State must take care of nonresidents. Remember that there is a provision in another place which gives the bureau the absolute right to spend every dollar of the $375,000,000, if it wants to, for the care of those particular individuals. When we think about the "bacon" that was used down in Alabama, with $90,000, it sinks into potential insignificance in comparison with the $375,000,000 which is so "liberally" proposed by the bill in its present form.

The representation of the State that it has complied with the provisions of the law might ordinarily be accepted. One would suppose that it would be sufficient if the governor of a State, or an organization selected by the governor, should come to Washington to this all powerful board and say "We have complied with your requirements; we have surrendered our right to determine who shall minister to our sick and hungry; we have surrendered our right to determine the plans under which it shall be done." But it seems that it would not. It then becomes the duty of the Chief of the Children's Bureau, after the State has come here and solemnly said "We have complied with every one of your impossible conditions," to ascertain and verify the facts presented by the State.

In this day of centralization, in this day of infallibility of bureaus, why should they accept the word of the officials of a sovereign State that they have performed their duty? No; the Hamiltonian theory is that the people are "beasts," that they are not able to take care of their own affairs in their own townships, in their own counties, in their own municipalities, and in their own States. They must have this all-wise and all-powerful board in Washington so that whenever they make a statement the snoopers may go out at Government expense and investigate in the State in order to determine if the State officials have told the truth.

The words which specify the duty of the Chief of the Children's Bureau with reference to what State officials have said are that the Chief of the Children's Bureau shall—

> Verify the statements and confirm the plans submitted by the State agency.

The States have sunk so low, if this conception of Government is correct, that they are not even to be given credit for being honorable or composed of an honorable citizenship. If the board, after the statements have been verified by the Chief of the Children's Bureau, think the plans adequate and appropriate, they shall then be approved by this board in Washington and the State agency shall be notified that "Upon investigation we find, much to our surprise, that you told the truth, that you have complied with the provisions. Therefore, you may or may not have the benefaction according to the opinion which we have to-day or to-morrow."

Here is one excellent provision that should always be made whenever a new bureau is created or whenever we have to depend upon a bureau for action. It recognizes that they could not act immediately. While statements have been made concerning the care of the hungry immediately and it is said it can not be done without ready funds which may be provided in about 10 days or thereabout, what does this bill provide? It provides that "within 60 days after the appropriation" and after the State has appointed an agency and submitted plans to the Chief of the Children's Bureau and appointed a personnel satisfactory to the bureau and the board, then the Chief of the Children's Bureau can certify to the Secretary of the Treasury, "all is well, and I desire that this money shall go to this distant State."

While this is going through the red tape of the bureau people are starving to death. Talk to me about speed and celerity where a bureau is concerned! I have right now a proposition pending with one of the bureaus, where the Government of the United States, several years ago, took a man's land without cause or excuse. They admit that they took it without excuse. They admit that the land belongs to him. He can not bring suit against the Government. The land is worth $200, a small amount to the Government, but a large amount to him. I have been informed that the only possible remedy for that man is to go through the red tape of introducing a bill and having it drag its weary way through both Houses of Congress, at a cost of several hundred dollars, in order that the Bureau of Efficiency with its infallibility may be proved 100 per cent perfect.

Of course it will take 60 days to get such a certificate from the Children's Bureau. It probably would require more than 60 days.

After the 60 days and after the certificate is made to the Secretary of the Treasury, has the State yet obtained its money? That certificate is still liable to revocation. "Such certificate, unless revoked as provided in section 11," authorizes payments to the States. It is very interesting to see what section 11 is, because therein hangs a story. The board can revoke the certificate at any time before or after payment to the State. (P. 10, line 3; par. 11, p. 11; sec. 2 on apportionment). Note this: If the certificate has been granted and then through the activities of the Chief of the Children's Bureau and the agents of the Chief of the Children's Bureau it is found that the State does not have personnel satisfactory to the chief, or if the plans are not satisfactory, or if they believe nonresidents will not be cared for, or whenever, for any reason in their supposed superior wisdom, the States have not "properly expended or properly supervised the expenditures of funds in the State," the certificates can be revoked.

What does that mean? Supervision means "superintendence of." It means "control of." That means that the bureau through this legislation imposes on the State the responsibility and duty of investigating the personnel, the method of expenditure, and the plans adopted by every agency in that State which dispenses charity, a part of which may come from this fund. It is to be supposed that the States in the natural and normal course of procedure would be willing to utilize some of the existing methods of distribution. In many cities they have the community chest. The duty is imposed upon the States of supervising the expenditure of that money by the community chest. If it does not suit the taste of the bureau here in Washington, looking through the red tape and papers that would be piled up mountain high in every individual case, then the certificate is revoked and they get no more money. If any one doubts that, let him read paragraph 11 of the bill.

What does that mean? It is going to an extent to which no bureau has ever dreamed of going in the past, except during that hateful period of our history—the reconstruction era—when the "bacon" was distributed to obtain Republican votes in Alabama.

I now invite attention to lines 9 and 10, page 12, in the closing part of the bill. In order that there might be no doubt about the finality of the board's decision, in order that there might be no question raised by any person at any time as to their full and complete and sweeping authority, that section provides:

> In either case the decision of the board as to the purpose of any expenditure shall be final.

There we are with rules on top of rules, papers on top of papers, delay on top of delay, with a new bureau established for the purpose of telling the States, the counties, the municipalities, and the community chests who shall administer to the sick and the needy and the hungry, and to prove the superiority of expert charity over that which comes bubbling up freely from the human heart like water on the mountain side.

Mr. President, every added Federal prerogative is one less local responsibility. This question touches more than 10,000,000 homes. It is for us to decide whether we are to embark on a complete new policy; whether the time has arrived when no longer can we depend upon the administration of charity to the sick and the needy by their neighbors and friends, but that it must be done by experts selected by an expert bureau in the city of Washington.

The substitute proposal recognizes human need; it recognizes the responsibility on the part of the Federal Government to aid in meeting this need. It recognizes it fairly and squarely and meets the issue in a fundamental democratic method. It meets it by the belief that we can best preserve the most sacred traditions of this Nation by leaving,

as far as we can, the homes of this country uninvaded by professional agents sent out by a Federal charity bureau located in Washington.

We propose, in the first place, that the Federal Government shall meet its responsibility, in part, by a program of public works. We do not claim that this program is adequate. It will be no more adequate than will be the program of the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN]. Both of them barely touch the surface. We have reached a time in the history of this country when we must face the situation squarely of advancing poverty in the midst of growing civilization and growing plenty. It is a problem which calls for the best thought of the Nation, but it does not require, in order that we may put a little whitewash or paint over a festering sore, a departure from those sacred principles of government upon which this Republic rests.

We propose as a substitute, in the first place, an appropriation of $375,000,000 out of the Federal Treasury without requiring that it be matched by the States. This is a new policy. It is a policy upon which we embark in recognition of the fact that this is a national problem and that it thereby becomes our duty to see that the Government of this Nation steps in and makes a contribution to the general welfare.

We do not believe that the people themselves will be helped if we take away from them the right to administer their own affairs in their own way and in their own communities. It is not a question of opposing Federal aid. We recognize that the time has arrived when Federal aid should not only be invoked but should be utilized to aid the suffering people of this country; but we are not willing to see the States and the people pay the enormous price and make the tremendous sacrifice of surrendering the most sacred right given to American citizens—that of administering their own affairs pertaining to their own families and their own firesides in their own way.

The $375,000,000 to be appropriated for road construction can be used to give people employment. It is my own belief that there is not a decent, upstanding American citizen anywhere in this Nation who has not been injured by the reception of charity, and who would not say, if his voice could be heard, "What we want is a job or a chance to work." I do not claim that $375,000,000 will put all the people to work any more than $375,000,000 will feed all who are not securing sufficient food in this poverty-stricken Nation to-day. I might explain "poverty stricken" by referring to the millions of poverty stricken in the midst of great wealth and modern civilization. But if this fund is advanced people can be put to work. I do not know exactly how many, but I do know that I have been informed by the Bureau of Public Roads that $375,000,000 would put to work more than 1,000,000 people over a period of a month. We know that that would partially relieve the burden of the unemployed; we know that it would put money into circulation in the various parts of the country, and that a dollar released on roads or other public-works program will help to carry on commercial activities.

There is no 60-day delay provided in the substitute. I do not know about the other States, but I know that the highway commissioner of my State testified last week before a committee of the Senate that his plans for road construction were ready and that he could put them into effect in 10 days' time.

I also desire to call attention to the fact that Governor Pinchot of Pennsylvania, who testified before the committee in a very able manner, stated that one of the problems in his State was that they did not have sufficient money with which to continue their highway projects. I would also like to call the attention of the Senate to an article that appeared recently in a highway-engineering magazine with reference to the Pennsylvania solution of this problem in part, whereby they have put men to work and are building highways at an expense of $5,000 per mile and are using the maximum of human labor, just as is provided in the proposed substitute.

We do not provide in the substitute for any 60 days' delay, as I have said; nor do we provide a new Washington bureau. No experts from Washington are called upon to administer the fund. The highway department estimates that 91 per cent of all the money which is utilized for public work goes to human labor.

There is a big mistake in the general idea as to the contribution of the Federal Government to good roads. The total of money spent for all roads in 1929 was about $3,000,000,000. The Federal contributions were $75,000,000, or about 2½ per cent. In 1931, with all the so-called added impetus that was given to the road-building program, the Government's percentage was less than 4 per cent. The cities, States, and counties spent 96 per cent. The money raised there is largely by taxes on homes and on real estate. Money raised by the Federal Government can be raised by utilizing its power to tax those who are best able to pay. The amendment is drawn with that knowledge confronting us.

I claim, Mr. President, that the Government has not been contributing its part for building up the national-highway system. I can cite Mr. Coolidge on the question of good roads. By reason of his general attitude on public questions, I should think that his statement with reference to this subject would give it weight. Mr. Coolidge said:

> No expenditure of public money contributes so much to national wealth as building good roads.

I am not one of those who subscribe to the doctrine that the only thing worth considering in this country is wealth, but that seems to play a very important part in all public questions. Doctor Klein said:

> The extent and quality of a nation's roadways determine to a high degree its rank in the civilization of the present day.

Roads are national. They have aided in building up the automobile industry. It is impossible for the States of this Union to obtain their proportionate part of the wealth which has been contributed to the automobile industry unless we use the taxing power of the Government for the purpose of taking a part of that money in taxes and utilizing it on good roads throughout the Nation.

It is said that one automobile manufacturer made a billion dollars in the automobile business. He manufactures a good automobile. Whether the fact that he has made that much in a short period of time is proof of the statement made in a recent history that he either sold his automobiles too high or paid his labor too little I do not know, but I do know that every State in this Union has contributed to the manufacturers of those automobiles; the farmers on the hillsides of the West and in the valleys of the South have contributed to them; and I claim that it is correct and justifiable for the Federal Government to contribute more than it has contributed in the past to a national system of highways.

Who gets the most advantage out of the modern paved public highway? Is it the farmer who works down there on his 1-horse farm, perhaps mortgaged to the last acre? It is not. From all over this land people travel over those highways; and we believe that the $375,000,000 for good roads is justified both on the ground of employment and on the ground of the Federal Government contributing its part.

Now, I desire to say a few words with reference to the second feature of this bill.

The second feature provides $375,000,000 to be loaned to the States. We have recognized in the bill that this calls for national action. We have believed, as shown in the first part, that the Government should seek to give employment. With that in view, I desire to send to the desk and have read the pertinent portions of a telegram from Mr. Mervin Sterne, of Birmingham, Ala. Mr. Sterne was chairman of the community-chest drive. I wired him and asked that he send to me a statement of his belief as to the conditions in Birmingham, and asked that he give me his viewpoint as to Federal assistance; and I desire to have his telegram read at this juncture.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the telegram will be read.

The Chief Clerk read as follows:

BIRMINGHAM, ALA., *February 2, 1932.*

Hon. HUGO L. BLACK,
United States Senate:

Answering your telegram, I do not believe Federal assistance is necessary or desirable to take care of destitute in Birmingham if direct appropriation for relief with Federal administration is meant. Our relief problem has developed to be much greater than that estimated when community chest budget was made, and we shall probably not be able to go through year without further campaign for individual contributions or else substantial assistance from both county and city. Community chest agencies now administering direct family relief to approximately 9,000 families in Jefferson County, composed of approximately 45,000 people. Our estimate was that maximum number of families to be cared for would not go over 7,000 at peak, and it now appears that we shall have peak load of 10,000. Expenditure for direct relief was about $55,000 in December, 1931, against estimated maximum of $35,000 and against December, 1930, expenditure of $22,000. Figures for January not yet complete, but will probably run substantially higher than December and February expected to be peak month of winter. Relief required per family increasing despite reduction in food prices because of exhaustion of outside resources. Community chest pays no rent, so landlords of 9,000 families are likewise suffering from their lack of employment, as is Federal Government by reason of reduction of income tax from landlords, and so on to everyone. It would be big help if Government would turn its wheat supply over to Red Cross for distribution. As to broader question of relief, I see no way to take care of unemployment victims except to furnish them jobs, and think Federal Government can enormously aid situation by releasing immediately substantial sum for needed public works. Alabama needs some $10,000,000 to pave important roads now ready for surfacing, such as principal roads to Atlanta, Memphis, Chattanooga, and New Orleans. State does not have funds to match Federal appropriations. A great part of this work could be started immediately if Government would appropriate five to ten million dollars. Think it essential that Government not interfere with prices for either labor or material but have contracts let to lowest bidders.

The surest way to restore confidence, bring money out of hiding, and start business in its normal course is to give people jobs, and Federal Government is only agency with sufficient credit and sufficient needs to inaugurate this. Out of 9,000 families receiving community chest assistance, about 800 represent normal winter load and rest are victims of unemployment and are completely self-sustaining in normal times. City has 12,712 applications for jobs on park work at $2 per day for three days work per week. This work practically stopped account inability city to market at satisfactory price bonds already authorized, and Federal Government could give great assistance here and elsewhere by assisting municipalities with such financing. I have discussed these questions with president of community chest and chairman of Red Cross chapter, both of whom concur in these several opinions expressed.

M. H. STERNE.

Mr. BLACK. Mr. President, it is not my intention to speak long upon the second phase of this amendment. It is my understanding that my colleague from Ohio [Mr. BULKLEY], will discuss that feature of the bill probably to-morrow. I do desire to say just a few more words, however, with reference to the second feature, and the reasons why in my individual judgment this is a national problem and the reasons why in my individual judgment the solution offered by the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN], instead of adding to the sum total of human happiness in this country in the future, would result in retarding the great progressive movement of the people in order to curb existing abuses and more nearly bring about justice in the economic world.

It is my belief that this is a national problem because the National Government itself, in my judgment, has aided in bringing it about.

It is my belief that the law with reference to tariffs, so ably discussed by the Senator from Tennessee [Mr. HULL] to-day, has played its part; the growing encouragement on the part of the Government and the administration to the existence of monopolies and trusts; the great power that is given to men to exploit the people of this Nation so as to drain money from the pockets of those who produce and put it in the pockets of those "who toil not, neither do they spin."

It is my belief that the Government has contributed in part to this problem because by the Constitution we are given the right to regulate the issuance of money, and it has been regulated in such a way that to-day everything in this country has gone down except gold and mortgages.

It is my belief that the special privilege which has been fostered by this and preceding administrations, that has drained the wealth of the remote sections of this country in order to fill the pockets of those who did not produce that wealth, has aided in bringing about a condition where we must look daily upon millions of people on the verge of starvation in the midst of growing plenty and wealth.

It is my belief that the Government has contributed to the problem by permitting an unfair exploitation of the resources of this Nation, which were given for the benefit of all the people; that it has permitted some to take the products of nature, combined with the product of labor, and bring on a condition where millions must look with longing upon an ostentatious display of wealth which they produced and of food which they can not eat.

There is an unbalanced condition in our economic system. It is not geared properly between production and consumption. Those who produce have not received their proportionate part of the results of their own toil and their own labor; but, on the contrary, it has been diverted by numerous schemes of trust manipulations and trickery such as was evidenced a short time ago in the exposure of a small group in the largest city of this Nation which had extracted $1,000,000,000 in commissions for the sale of worthless bonds to the people of this Nation.

I believe, however, that the greatest blessing any country can have is that when injustice has continued and when abuses make themselves a part of the body politic so that the people see that their rights are being trampled upon, they can rise in righteous indignation and remove from office those who have trampled upon their rights.

This is a government of people and of law. We have ample protection under our laws for the people to protest against injustice. We are to-day at the cross-roads. These are the times that try men's souls. I do not personally believe there has been a more important period in this country's history since the Declaration of Independence was given to the world. We want a good, wholesome discontent on the part of the people who are treated unjustly. I subscribe to the doctrine of Thomas Jefferson on that point. We do not want to turn their minds wholly upon getting something without toil. We do want them to insist and demand that they have the results of their own labor and their own toil.

If we once embark upon a scheme whereby the Federal Government, with a Federal bureau, begins to feed people out of Federal funds, with directions from Washington, we shall have made a complete and total departure from the time-honored principles of this Government. It is quite different from appropriating a Federal fund to take care of drought relief. It is quite different from appropriating a Federal fund for the use of the military in supplying tents for those who need shelter.

Last year most of us on the Democratic side voted for a proposal to add $25,000,000 on to an appropriation bill, the money to be given to the Red Cross for distribution. The people in various sections of this country were hungry from a drought. We had tried in vain to follow the time-honored method which had been adopted in this body in extending relief. I do not hesitate to say now, and I shall never hesitate to say, that if I ever reach the conclusion that the only way to feed hungry people is by appropriating money out of the Federal Treasury direct, with a new bureau, I should vote for that method; but I think that if we ever reach that time, we will be marking the beginning of the end.

The lesson of the centuries has been taught in vain, history has spoken without results, if we do not recognize here and now that we have reached a crucial point in our history, if we embark with the Federal Government in our dual system upon a scheme of giving such power as is proposed to a bureau in Washington, with its greed and its unsatisfied hunger for money and for power.

Mr. President, the substitute we have offered provides for relief the same sum covered by the original bill, $375,000,000, and in addition a like sum for immediate public-works program. It recognizes the duty of the Federal Government in this present national emergency.

I congratulate those Senators who upon this floor from time to time have spoken and worked for a large public-works program. In my own way I have also insisted that such should be done for a period of more than two years.

Three hundred and seventy-five million dollars, in my individual judgment, is not a sufficient amount for the Government to contribute on a Government-works program in order to furnish jobs for the needy; but it is a beginning, and it will be a recognition, really for the first time, if this measure shall be enacted into law, that we, recognizing the terrible distress which exists in this country, are willing to have the Federal Government supplement the efforts of the States, cities, and municipalities by a public-works program. In addition to that, we recognize that, in the present financial storm which has swept over this Nation, it may be difficult for the States, cities, and counties to borrow money, more difficult than it is for the Federal Government to borrow money.

How long the present condition will continue nobody knows. In so far as I was individually concerned, I am glad to say that I voted against the $2,000,000,000 corporation, because I believed that we should adopt a public-works program and utilize our bond-selling power for that purpose.

We now present to this body a program under which the Government would lend money to the States. The complaint has been that the States will not pay it back. The complaint has also been that the legislation provides for a subterfuge and not a real loan. If it is a subterfuge, why should those who want the hungry to be fed be the first to raise that objection? If it be true that the object is to feed the hungry, and not to stand for any particular measure or particular plan, who should raise his voice against the bill because he contends, forsooth, that the States might not pay the money back, and in the same breath says he wants to feed the hungry and minister to the distressed?

The measure provides for a loan to be made to the States. Whether they will pay the money back or not I do not know. An amendment has been suggested, which will doubtless be accepted, providing that if the money is not paid back within three years it may be deducted year after year from the fund for Federal-aid road relief. Whether we will be out of the present condition in three years only the future can tell.

Mr. PITTMAN. Mr. President, I would like to ask the Senator whether the amendment prepared by himself and the two other Senators has yet been offered as a substitute?

Mr. BLACK. It has not been offered; I am going to offer it when I conclude my remarks.

Mr. PITTMAN. When the Senator has offered it I will offer the amendment to the substitute he is now discussing.

Mr. THOMAS of Oklahoma. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Oklahoma?

Mr. BLACK. I yield.

Mr. THOMAS of Oklahoma. I would like to ask the Senator how he proposes to have the Government get the money with which to build the roads and to make the loans to the States. I have read the proposal he has in mind, and I fail to find any plan of financing in his proposal. Would the Senator enlighten us on that matter?

Mr. BLACK. The Senator is correct. There is no plan of financing in the proposal. No such provision was put in, because of the fact that a tax bill is now being worked upon, and there is no doubt but that if the money is appropriated some satisfactory method will be adopted for raising the funds. I have my own individual ideas as to the proper way of raising the funds, which might not be consistent with the ideas of some others. I have my own idea about the kind of tax bill we should eventually pass and upon whom the burdens should be most heavily laid.

Personally, it is my opinion that there will be required a large increase in taxes on the larger income-tax brackets, on the inheritance taxes, and a gift tax, and that, in addition, there will probably be required the sale of either short or long time bonds in order to make provision for appropriations of this kind.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. WALSH of Montana. The matter concerning which the Senator from Oklahoma has inquired had the consideration of those who have stood sponsors for the substitute to be offered for the bill under consideration. But they determined not to attempt to make any provision of the character inquired of by the Senator from Oklahoma lest it should precipitate a controversy with the House of Representatives, which would contend that the bill was one for raising revenue, which should originate in the House of Representatives. I myself was not ready to yield to the contention that it would be subject to the provision of the Constitution requiring that bills for raising revenue be originated in the House of Representatives, but the question is involved in so much doubt that it was deemed inadvisable to precipitate a controversy with the other branch of the Congress upon that question. So that the matter of providing funds would be left to the good judgment of the House in the first instance, and subsequently, when the proper bill comes here, to the Senate.

Mr. BLACK. Mr. President, just a few more words, and I will be through.

In discussing the difference between leaving the administration of this fund to the people who come in contact with daily need and suffering, and the surrender by the States and the people to the Federal Government of their last remaining prerogative, I desire to read a brief extract from a most excellent article written by the senior Senator from Idaho [Mr. BORAH], and published in Nation's Business in 1927, in which the Senator made the following statement:

> The right and authority of the people to manage and control their own affairs of an immediate and local nature, affairs peculiar to the community or the State, is beyond all price. There is nothing for which the people can afford to exchange it. It is the most genuine democratic principle found in our entire structure of government. It means more to the happiness, the dignity and the power of the people than any other right they are permitted to enjoy. Destroy it, and the average citizen becomes the victim of bureaucratic interference, annoyed constantly by its persistent intrusions upon the affairs of his daily life and burdened by its chronic inefficiency and habitual waste.
>
> If there ever was a real struggle for popular rule and for the preservation of the popular voice in politics and government, it is in this effort to conserve for the people the right to control and administer their local affairs in accordance with local wisdom and local conditions.
>
> Unless we mend our ways, there will not be a custom, practice, or habit but must be censored from Washington. There will be nothing in all the relationship of parent and child, of family and home, sufficiently private to exempt it from the furtive eye of a Federal agent. I venture to say that coming generations, when they awake to the deliberate robbery and wanton devastation of their heritage of local self-government and begin to satisfy the tortures and burdens of such a system as will follow, will denounce in unmeasured terms those who have spinelessly frittered away their rights.

Mr. President, if it be true, as was stated by one of the Senators on this floor, that there have been Federal-aid provisions which went anywhere near or approximately to the point this bill goes in creating a new bureau with a new power, then I say there is no better time to stop the practice than now.

In so far as Federal assistance to the various States is concerned, by reason of the fact that the Federal Government can place its hands upon taxes which the States can not reach, I favor Federal assistance, but if it is to be obtained at the price of frittering away the last remaining vestige of control of the people of this Nation over their homes and their firesides, then I say the price is too great.

When we think that all over this land are homes which hunger has invaded as an unwelcome guest, and think of the pain and suffering and the heartaches which exist, how can we reconcile ourselves to believe that those suffering can best be ministered to either by agents from Washington or by instructions from agents in Washington? Have we reached the pitiful stage in the history of the development of our country when our people in the various States have so far degraded themselves as they are not capable of ad-

ministering their affairs within their own precincts without instructions and coercion from some bureaucratic infallibility in Washington?

Has the time really come when the people who engage in social work can say that leaving these activities to the people of the States contains no safeguard necessary to prevent unwise administration, to prevent a tremendous waste, but that the mere empowering of a bureau to administer the funds protects from waste? I ask whether there is anything in the history of the administration of the bureaus in Washington which leads one to the irresistible conclusion that they will be careful and cautious in the expenditure of funds?

The foundation principle of this Government is that the people are fit to rule and ought to rule. We have extended the right of franchise from time to time. We have taken away the property qualification, which in the early days of the history of this Government handicapped the average man upon a plane of equality with his fellow citizens of the State and Nation.

We have endeavored to place the plain, average, every-day man upon a plane of equality with his fellow citizens of the Republic. We have given to him political independence. We are, I hope, on the way to giving him economic independence. The two, of course, are entirely separate and distinct. Political independence without economic independence is not alone all we have intended to give the citizen of this Republic. His political independence can be taken away from him just as much by taking out of his hands the selection of officials as it can by depriving him of the privilege of the ballot.

When we administer local funds in the counties of Alabama we administer them through officials selected by the people. When we administer charitable funds in the State of Alabama we administer them by and through the supervision of officials elected by the people of the State of Alabama. But when we send those funds to Washington and administer them through a Federal bureau, independent of any power this side of another act of Congress, we take away from the people the right to say how their funds shall be administered. We give to this bureau the right to send its agents to invade the homes of the people of the Nation as they try to ascertain whether or not the people's quest for bread is based upon honor or upon falsehood. When we tell a bureau in Washington that it can go to California, to the State of Washington, to the State of Maine, to the State of New York, or elsewhere, and determine better how to administer charitable relief than the people of those sections themselves can, then I say that we have adopted the Hamiltonian principle 100 per cent, adopting the principle that the people are "beasts."

I am opposed to any such political philosophy. I stand squarely upon the Jeffersonian principle that the people of the Nation are worthy to be trusted. I claim that the more power we give to them the better our Government will be. I deny that any bureau can be selected by any politician in Washington that is better qualified to administer food to the people who are hungry and dying for bread than are those who live and walk and talk with them and hear their tales of sorrow and trouble with weeping and sympathetic hearts.

No, Mr. President; there is no effort to clandestinely fight any bill, not on my part and not on the part of any other. I stand against the measure of the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN]. It is wrong in principle. It would tend to destroy the last vestige of independence on the part of the people of the United States. It is establishing a Federal bureau with powers unequaled since the day when the Roman proletariat looked for and accepted the crumbs as they fell from the tables of the rich.

It touches not the cause. It makes no effort to curb monopoly. It makes no effort to change the currency system that has raised the price of everything but gold and mortgages. It makes no effort to curb the growing power of trusts. It makes no attack on the plutocracy of this Nation as it revels in the toil and the labor of suffering millions of the people of this Nation. It does not do that. It creates a new bureau to corrupt, to undermine, to bribe the poor and hungry and unemployed and take their minds off of the healthy political discontent that should result from injustice and abuse, to make them nothing in the world but beggars as they stand with outstretched hands and say, "Who that is running for office will agree to give me more than the other man?" It is an attempt to transfer the issues upheld in the political forums of this Nation from those between the principles of government to the issue of who will give the most. It is proposed to give to a bureau a political power which has not been known in this Government since the beginning of its history.

No, Mr. President; the price is too great. So far as I am concerned I can not pay it. I deny that there is any man within the sound of my voice who has any more reason to feel a touch of human sympathy and human kindness and human generosity for the poor downtrodden masses of America than I have. I deny, because I fight this bill as it is written, that it can be justly said that I desire to see anybody starve. I want a government which is operated for all the people. I want the political issues fought out, not on the pleasing voice of the silver tongue of a man who will promise his votes in the next Congress for the votes of the people who are unemployed, but I want it to be fought out on the real fundamental underlying issues which divide the people of this Nation as they always have been divided in the past. There have always been issues. There have been several groups. There have been some who have been willing to barter away the birthright of the people for a temporary mess of pottage. There have been others who are willing to stand and fight against special privilege, plutocracy, and greed wherever it is found, and to assert that the fundamental principle of government is that the people should have the right to earn their living by hard work.

The greatest miracle of all the world is the ability of a man to forget his cares and worries as he buries himself in honest, wholesome toil and genuine labor, as he works as nature and God intended that he should work. No, Mr. President, I can not go to the extent, either now or hereafter, of saying that it is good for the people to establish a new bureau in Washington with the power of self-perpetuation, immortal as it will be, with the power to punish the people of my State in order to reward the people of another, with power to say to the people of Alabama, "I do not like the agencies your State has selected to minister to the poor. I do not like the agencies your counties have selected to minister to the poor. I do not like the agencies your churches and your community chests, your lodges, and other orders have selected to minister to the poor."

No, Mr. President; if it be technical to fight that kind of a measure, please God I shall continue to stand upon such technicalities so long as I am honored by my State to represent them in part in the Senate of the United States, the chosen representatives of the people of the sovereign States of this Union.

Mr. PITTMAN. I desire to offer an amendment to the substitute proposed by the Senator from Alabama [Mr. BLACK], the Senator from Montana [Mr. WALSH], and the Senator from Ohio [Mr. BULKLEY]. I would like to have it read for the information of the Senate.

The PRESIDENT pro tempore. The amendment to the amendment will be read.

The CHIEF CLERK. At the end of section 5 strike out the period, insert a colon, and add:

Provided further, That if within three years after the approval of this act any State to which advances have been made under sections 3, 4, and 5 of this act has not made provision for the repayment of the same, there shall be deducted thereafter for each of the following years an amount equal to one-fifth part of the sums so advanced from any sums that would be paid to any such State by virtue of allocations from any appropriation or appropriations that may be made pursuant to and to carry out the purposes of the Federal highway act.

The PRESIDENT pro tempore. May the Chair submit an inquiry to the Senator from Nevada? Does the Senator

from Nevada wish to have the amendment to the amendment considered as pending?

Mr. PITTMAN. Yes; as pending. I was going to ask the Senators offering the substitute whether they would accept it, but I will have to do that later.

Mr. ROBINSON of Arkansas. Mr. President, may I inquire if the substitute has been formally offered?

The PRESIDENT pro tempore. The Journal clerk informs the Chair that the substitute has not been formally offered.

Mr. BLACK. Mr. President, I shall be glad to offer it at this time.

The PRESIDENT pro tempore. The amendment in the nature of a substitute proposed by the Senator from Alabama has now been offered. The Senator from Nevada [Mr. PITTMAN] offers an amendment to that amendment, which will be regarded as pending.

Mr. WALSH of Montana subsequently said: Mr. President, I am authorized by my associates joining with me in sponsoring the substitute for the pending bill to announce on their behalf and my own that the amendment to the substitute offered by the Senator from Nevada [Mr. PITTMAN] is accepted, and the substitute is amended accordingly.

The PRESIDENT pro tempore. The proposed substitute will be considered as modified by the incorporation of the additional proviso proposed by the Senator from Nevada.

PROHIBITION OF PURCHASE OF OLEOMARGARINE

Mr. BLAINE. Mr. President, I would apologize to the Senate for intruding at this time, except for the reason that many Members of the House, being apprised of the fact that I have gathered certain information which is pertinent to be considered in connection with appropriation bills, have asked me that I present the information as early as possible.

I desire to introduce a bill prohibiting the use of public funds for the purchase of butter substitutes by any civil or military officer or employee for use in any department, bureau, independent establishment, or other agency of the United States Government.

The bill (S. 3572) to prohibit the use of public funds for the purchase of oleomargarine was read twice by its title.

Mr. BLAINE. On April 17, 1930, I called to the attention of the Committee on Appropriations pertinent facts respecting the use of oleomargarine in Federal institutions as a substitute for butter. My remarks will be found in the RECORD of the date mentioned, on pages 7226 to 7229, volume 72, part 7. At that time I submitted tables showing the quantity of butter and butter substitutes used in Federal institutions for the year ending June 30, 1929.

Since that time I have obtained reports from the several Federal institutions on the same subject for the fiscal years ending June 30, 1930, and June 30, 1931 (except as otherwise stated in the reports), and I shall ask that the reports be printed as a part of my remarks at the close of what I have to say.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See Exhibit A.)

Mr. BLAINE. There has been an improvement in some of the institutions. I call attention to the fact that in the fiscal year 1929, at the National Soldiers' Home at Augusta, Me., no butter was used. That institution since has recognized in part that butter is an essential diet for old soldiers and served some butter for the fiscal year 1931.

The same comment can be made regarding the soldiers' homes at Danville, Ill., and in Virginia. Neither of those institutions served butter to the old soldiers in the fiscal year 1929. Both have shown marked improvement over 1929, and now recognize that butter is an essential element in the dietary for the old soldier.

However, the only national soldiers' institution that recognizes that butter substitutes have no place in the dietary of these older men is the institution at Bath, N. Y.

The United States Veterans' Bureau advises that no butter substitutes are served for table use, their use being limited to seasoning in cooking, and thus the Veterans' Bureau continues to recognize the proper diet for those in the institutions under that bureau. I might add here that the administration of the veterans' hospitals shows a marked increase in the use of butter for the fiscal year 1931 over the fiscal year 1929.

The report on the penal and correctional institutions and prison camps shows a very meager use of butter—in fact, a diminishing use of butter for the fiscal years beginning 1930, and a mounting use of butter substitutes.

In my analysis of this matter for the fiscal year 1929 I did not have the report from the Indian Service. I am now able to report on that service for most of the schools and agencies. The report shows that a large amount of butter substitutes is served to the Indian children.

I want to call attention at this point to the fact that butter is an essential and necessary element in the diet of children, and surely the wards of the Government ought not to be so miserably neglected by their guardian.

I particularly call attention to St. Elizabeths Hospital for the Insane, near Washington. All medical authority recognizes that butterfat is essential for the welfare and in the treatment of those suffering from mental diseases. Reputable and distinguished physicians in the United States have expressed their astonishment when informed of the fact that this institution for the insane has served no butter; that is, served none to the inmates. It has served some in the cafeteria for employees and others, and the employees have the choice of butter or butter substitutes. Those suffering from mental afflictions, however, have no choice. Dietitians express the greatest condemnation of those charged with the responsibility of treating and caring for the insane when they fail to recognize that butter is an essential element in the dietary for insane. Those in authority at St. Elizabeths Hospital for the Insane boast that they have "one of the finest herds of dairy cattle in the country," and yet the inmates are forced to eat substitutes for butter.

Before closing I call attention to the fact that in the appropriation acts for the fiscal year 1932 prohibitions on the use of butter substitutes were inserted in the acts making appropriations for the Army and the Veterans' Administration, including the national soldiers' homes. I also call attention to the fact that in the Navy rations are fixed by law which require a daily allowance of 2 ounces of butter per person.

I also call attention to the fact that most of the Indian schools have their own herds of dairy cattle, and the table to be inserted indicates to what extent there is a lack of use of butter and a large use of butter substitutes.

On the tables I desire now to insert are certain footnotes and references attached so that the whole story may be told.

I have also had tabulated the totals for the fiscal year 1931, and ask that that, together with the detailed reports, be here inserted in the RECORD in the order in which I have had them compiled.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

EXHIBIT A

QUANTITY OF BUTTER, OLEOMARGARINE, AND OTHER ANIMAL-FAT SUBSTITUTES USED IN FEDERAL INSTITUTIONS

[Fiscal year ending June 30, 1931, unless otherwise stated, and quantities in pounds unless otherwise stated]

Institution	Butter	Oleomargarine	Vegetable shortening or lard substitute
	Pounds	*Pounds*	
St. Elizabeths Hospital, Washington, D. C.	[1] 1,600	13,300	None.

[1] Used in cafeteria for employees and others. Choice given; 4,568 pounds oleomargarine and 1,600 pounds butter used.

United States Army hospitals,[1] fiscal years 1930 and 1931

Hospital	Butter		Butterine, oleomargarine, or other butter substitutes		Vegetable shortening or lard substitute	
	1930	1931	1930	1931	1930	1931
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Army and Navy, Hot Springs, Ark.	2,312	2,095	10,304	4,480	4,320	4,140
Fitzsimons, Denver, Colo.	57,812	56,599	None.	None.	22,345	21,891
Fort Sam Houston, Tex.	24,750	26,160	None.	None.	30,840	30,720
Walter Reed, Washington, D. C.	47,435	60,834	None.	None.	9,150	16,200
Letterman, San Francisco, Calif.	33,875	34,120	5,240	4,380	8,400	9,250
William Beaumont, El Paso, Tex.	19,450	16,560	None.	4,896	980	1,050
Total	185,634	196,369	15,544	13,756	76,035	83,251

[1] War Department appropriation for 1932, act approved Feb. 23, 1931, prohibits purchase of oleomargarine or butter substitutes for other than cooking, except to supply expressed preference or for use where climatic or other conditions render use of butter impracticable.

United States naval hospitals[1]

Hospital located at—	Butter	Vegetable shortening	Oleomargarine	Salad oil
	Pounds	*Pounds*	*Pounds*	*Pounds*
Portsmouth, N. H.	5,880	1,728		1,066
Chelsea, Mass.	24,077	10,992		2,475
Newport, R. I.	13,502	2,016		
New York, N. Y.	40,000		5,752	
League Island, Pa.	37,988	9,600		
Washington, D. C.	25,002	8,420		863
Annapolis, Md.	6,949			
Norfolk, Va.	28,567	20,832		
Charleston, S. C.	3,065	2,208		
Parris Island, S. C.[2]				
Pensacola, Fla.	6,422	8,762		
Great Lakes, Ill.	40,800			
Puget Sound, Wash.	11,250	2,406		
Mare Island, Calif.	23,848	4,224		5,769
San Diego, Calif.	36,000	7,480		
Total	304,740	78,753	5,752	10,173

[1] Navy rations, fixed by law, require daily allowance of 2 ounces of butter per person. Oleomargarine not used except where special diet may preclude use of butter.
[2] Not reported.

Marine hospitals of the Public Health Service, year ending August 31, 1931

Hospital located at—	Butter	Oleomargarine	Lard and lard substitutes	Cooking oil
	Pounds	*Pounds*	*Pounds*	*Gallons*
Baltimore, Md.	8,260	1,896	4,695	
Boston, Mass.	6,480	1,080	1,500	
Buffalo, N. Y.	5,505		886	
Carville, La.	9,600	60	6,600	
Chicago, Ill.	10,200			
Cleveland, Ohio	13,920		4,220	
Detroit, Mich.	7,325		2,138	115
Ellis Island, N. Y.	32,305		250	
Evansville, Ind.	2,479			
Fort Stanton, N. Mex.	17,796		880	
Key West, Fla.	3,983	152	2,650	
Louisville, Ky.	3,899			35
Memphis, Tenn.	2,657	1,132	4,195	
Mobile, Ala.	3,136	[1] 338	2,112	
New Orleans, La.	22,874		6,110	
Norfolk, Va.	15,119		5,020	
Pittsburgh, Pa.	5,280		600	
Portland, Me.	4,785			
Port Townsend, Wash.	4,980		540	
St. Louis, Mo.	3,840			
San Francisco, Calif.	21,591		1,187	450
Savannah, Ga.	6,454			185
Stapleton, N. Y.	15,412			
Vineyard Haven, Mass.	1,225			
Total	229,105	4,658	43,583	785

[1] Butterine.

National Homes for Disabled Volunteer Soldiers, fiscal years 1930 and 1931

Home, located at—	Butter		Oleomargarine		Other animal-fat substitutes		Remarks
	1930	1931	1930	1931	1930	1931	
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Gallons*	*Pounds*	
Augusta, Me.	287	11,767	28,966	27,006	None.	None.	Fiscal year 1929, no butter; 30,384 pounds oleomargarine, no other substitutes.
National Military Home, Kansas		26,527		35,372		None.	Lard, 26,119 pounds, saved in cooking meats.
Washington, D. C.	6,117	8,474	48,100	44,120	900	(1)	
National Military Home, California		69,999		62,375		[2] 14,380	
National Military Home, Indiana	2,400	32,819	41,388	17,910	None.	None.	
Danville, Ill.	None.	21,739	52,392	36,542	None.	None.	
Johnson City, Tenn.		27,867		46,896		None.	
National Soldiers' Home, Virginia		[3] 27,321		[4] 25,727			
Dayton, Ohio		33,080		64,494		None.	July 1, 1931, to Oct. 31, 1931, 30,634 pounds butter on tables, 3,732 pounds oleomargarine for baking.

[1] 500 gallons Mazola. [2] Cooking compound. [3] Part of year; dates not given. [4] Last year for which data available; dates not given.

National Homes for Disabled Volunteer Soldiers, fiscal years 1930 and 1931—Continued

Home, located at—	Butter		Oleomargarine		Other animal fat substitutes		Remarks
	1930	1931	1930	1931	1930	1931	
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Gallons*	*Pounds*	
Milwaukee, Wis.	----------	38,679	----------	36,460	----------	[1] 6,029	
Bath, N. Y.	----------	34,683	----------	None.	----------	None.	No butterfat substitutes and no other animal-fat substitutes ever used at this home.
Battle Mount Sanitarium, Hot Springs, S. Dak.	6,596	7,742	13,032	13,208	----------	----------	
Total	15,400	340,697	183,878	410,110	900	14,380	July 1, 1931, to Dec. 31, 1931, no oleomargarine used; and 11,520 pounds butter.

[1] Cottolene used in baking. July 1, 1931 to Oct. 31, 1931; oleomargarine for cooking only 3,566 pounds; Cottolene, 1,750 pounds.

NOTE.—Where blanks occur in above table, no reports were given. Veterans' Administration appropriation for 1932 prohibits use of butter substitutes on tables.

Veterans' Administration hospitals, fiscal year 1931

	Rations served	Butter	Oleomargarine	Cooking fat	Salad oil
		Pounds	*Pounds*	*Pounds*	*Gallons*
Alexandria, La.	209,500	16,250	1,360	8,900	690
American Lake, Wash.	230,720	23,258	1,930	1,800	580
Aspinwall, Pa.	124,183	10,165	2,368	3,150	440
Atlanta, Ga.	101,014	9,168	1,152	6,000	310
Augusta, Ga.	297,947	20,565	3,456	13,700	350
Bedford, Mass.	254,223	25,694	----------	4,000	460
Boise, Idaho	89,747	9,578	1,728	4,400	210
Bronx, N. Y.	461,559	44,320	6,816	8,400	1,800
Camp Custer, Mich.	281,279	26,462	3,584	21,550	600
Castle Point, N. Y.	224,237	28,499	2,816	7,200	600
Chillicothe, Ohio	305,719	25,426	5,120	12,900	450
Coatesville, Pa.[1]	127,150	11,395	1,728	4,000	250
Dwight, Ill.	80,997	6,689	1,152	2,900	220
Excelsior Springs, Mo.[1]	50,912	4,918	992	2,700	340
Fargo, N. Dak.	29,180	4,278	320	1,000	75
Fort Bayard, N. Mex.	220,449	21,439	3,104	12,750	750
Fort Harrison, Mont.	118,686	12,942	2,244	3,400	110
Fort Lyon, Colo.	242,879	28,878	2,432	2,650	540
Gulfport, Miss.	206,698	15,019	2,816	8,200	960
Hines, Ill.	622,202	65,736	12,096	15,700	1,350
Jefferson Barracks, Mo.	201,440	16,747	1,920	5,400	560
Kansas City, Mo.	100,933	12,900	----------	7,950	350
Knoxville, Iowa	333,459	40,152	1,920	14,400	620
Lake City, Fla.	130,702	10,688	1,664	2,800	450
Legion, Tex.	202,347	17,544	1,632	15,000	700
Lexington, Ky.[1]	13,951	998	192	200	60
Lincoln, Nebr.[1]	37,628	3,266	992	1,200	170
Livermore, Calif.	165,760	21,700	704	4,400	540
Lyons, N. J.[1]	96,627	5,420	2,560	2,500	300
Memphis, Tenn.	144,757	12,166	2,432	6,500	440
Milwaukee, Wis.	105,932	11,000	1,600	2,350	220
Minneapolis, Minn.	292,973	30,878	384	13,350	450
Muskogee, Okla.	158,855	13,111	3,816	4,200	360
Newington, Conn.[1]	11,482	1,593	256	300	90
Northampton, Mass.	259,797	23,884	1,100	1,800	700
Northport, Long Island, N. Y.	438,202	49,195	2,480	12,000	690
North Chicago, Ill.	377,246	32,082	2,080	16,650	970
North Little Rock, Ark.	354,583	20,544	4,576	6,400	620
Oteen, N. C.	355,971	28,634	8,832	26,700	1,050
Outwood, Ky.	187,835	16,183	864	10,800	300
Palo Alto, Calif.	484,701	32,941	10,752	16,600	1,600
Perry Point, Md.	455,027	44,025	10,560	10,800	930
Philadelphia, Pa.	178,435	22,134	7,456	5,050	750
Portland, Oreg.	156,113	19,593	1,152	4,200	550
Rutland Heights, Mass.	216,295	19,859	2,816	10,000	520
San Fernando, Calif.	137,833	14,767	3,072	3,300	480
Sheridan, Wyo.	211,550	20,780	3,072	3,000	210
St. Cloud, Minn.	235,805	22,708	2,624	7,000	660
Sunmount, N. Y.	197,225	26,506	2,560	5,000	600
Tucson, Ariz.	137,134	13,902	1,728	3,600	600
Tuskegee, Ala.	288,638	11,076	14,816	23,700	1,020
Walla Walla, Wash.	116,031	10,990	1,216	6,000	300
Washington, D. C.	89,874	8,202	2,352	4,000	340
Whipple, Ariz.	305,297	34,844	15,360	12,300	1,440
Total	11,460,019	1,081,691	176,754	414,950	30,725

[1] Open only part of year.

NOTE.—Veterans' Administration appropriation for 1932 prohibits use of butter substitutes on tables.

Penal and correctional institutions

Institution located at—	Fiscal year 1930			Fiscal year 1931			6 months ending Dec. 31, 1932		
	Butter	Nut and oleomargarine	Lard substitute	Butter	Nut and oleomargarine	Lard substitute	Butter	Nut and oleomargarine	Lard substitute
Industrial Institution for Women, Alderson, W. Va.	14,200	1,216	1,300	16,134	960	3,720	9,216	600	2,700
Penitentiary, Atlanta, Ga.	480	91,320	29,660	832	103,580	82,000	1,070	49,680	22,000
Industrial Reformatory, Chillicothe, Ohio	16,848	16,600	22,900	7,984	14,400	21,000	3,024	4,000	11,000
Penitentiary, main, Leavenworth, Kans.	800	133,480	93,900	570	173,420	124,000	270	54,000	34,000
Penitentiary annex, Leavenworth, Kans.	----------	None.	None.	215	10,000	11,000	96	20,000	17,000
Penitentiary, McNeil Island, Wash.	4,666	15,940	28,680	5,056	20,650	40,068	1,728	8,400	15,760
Detention headquarters, New York City	1,060	60	420	1,840	615	1,000	960	480	370
Prison Camp No. 1, Fayetteville, N. C.	180	None.	None.	1,526	4,400	8,500	448	2,600	7,000
Reformatory Camp No. 2, Petersburg, Va.	----------	None.	None.	75	1,300	4,230	----------	1,700	5,725
Prison Camp No. 3, Odenton, Md.	12	None.	None.	484	4,290	2,320	675	2,320	1,000
Prison Camp No. 4, Junction City, Kans.	----------	None.	None.	836	3,300	2,520	68	540	960
Prison Camp No. 5, Dupont, Wash.	----------	----------	----------	202	3,300	1,366	355	1,620	540
Camp No. 6, Wrightstown, N. J.	[1]	None.	None.	[1]	2,200	1,800	[1]	None.	None.
Prison Camp No. 7, Rosebank, Staten Island, N. Y.	----------	None.	None.	735	20	200	409	600	4,400
Prison Camp No. 8, Montgomery, Ala.	----------	None.	None.	290	365	760	286	1,000	1,600
Total	38,246	258,616	176,860	36,779	342,800	304,484	18,605	147,540	124,055

[1] Quantity negligible; camp now abandoned.

Indian Service, fiscal years 1929, 1930, and 1931

Unit	Butter substitutes			Animal-fat substitutes			Butter		
	1929	1930	1931	1929	1930	1931	1929	1930	1931
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Albuquerque School, New Mexico		2,040	4,000		3,000	4,000		192	11,783
Bismarck School, North Dakota	420	1,200	1,200	750	800	800			705
Blackfeet Agency, Mont					1,925	2,348		1,233	1,974
Canton Insane Asylum, South Dakota	1,560	1,620	1,620						
Carson School, Nevada			1,000	3,444	3,508	5,048	1,100	1,150	3,620
Carter Seminary, Oklahoma	1,208	2,080	2,480	3,080	2,850	3,550	75	323	185
Charles H. Burke School, New Mexico				4,000	8,000	10,000	631	86	197
Cherokee Agency, N. C	2,000			2,000	2,500	5,750	557	1,847	3,948
Cheyenne and Arapaho Agency, Okla	420	2,780	2,400	4,476	6,500	6,196	300	380	500
Cheyenne River Agency, S. Dak	800	800	800						1,600
Chilocco School, Oklahoma								1,040	8,960
Choctaw Agency, Miss	50						30	75	375
Choctaw-Chickasaw Sanatorium, Oklahoma [1]									
Claremore Hospital, Oklahoma			360			372			77
Coeur d'Alene Agency, Idaho									
Colorado River Agency, Ariz	270	270					120	120	1,059
Colville Agency, Wash									
Consolidated Chippewa Agency, Minn	1,550	1,700	2,150				1,500	2,000	2,000
Consolidated Ute Agency, Colo		1,450	5,200		500	1,650	50	50	50
Crow Agency, Mont. [1]									
Crow Creek Agency, S. Dak				288	192	300	236	540	617
Eastern Navajo Agency, N. Mex	100	165	250				150	400	500
Euchee Boarding School, Oklahoma	1,920	1,920	1,920	1,200	1,200	1,224			
Eufaula Boarding School, Oklahoma	1,350	1,800	2,100	800	800	2,100			
Five Civilized Tribes Agency, Okla									
Flandreau School, South Dakota		5,000	5,400		4,000	5,800		800	4,000
Flathead Agency, Mont									
Fort Apache Agency, Ariz	2,112	1,800	3,300	100	1,000	2,100	200	205	1,850
Fort Belknap Agency, Mont			1,000				120	150	100
Fort Berthold Agency, N. Dak									1,500
Fort Hall Agency, Idaho		120	300	1,000	1,000	1,000	150	300	700
Fort Lapwai Agency, Idaho	3,823	2,130	2,100	200	335	800	2,216	2,221	3,341
Fort Lapwai Sanatorium, Idaho						200			1,100
Fort Peck Agency, Mont		640	1,530		300	320	250	600	360
Fort Totten Agency, N. Dak	511	1,489	3,490	282		96	23	454	780
Fort Yuma Agency, Calif		61	1,337	250	653	2,200	442	1,068	968
Genoa School, Nebraska			4,928	2,849	3,820	9,164	356	250	300
Haskell Institute, Kansas		480	7,891	6,857	7,257	25,338			
Havasupai Agency, Ariz		30	60	25	130	130	15	18	24
Hayward School, Wisconsin	510	600	1,200	1,500	1,500	1,500	200	200	200
Hoopa Valley Agency, Calif		510		300	500	500	693	1,112	2,040
Hopi Agency, Ariz. [1]									
Jicarilla Agency, N. Mex				1,200	1,250	1,500	900	1,200	1,200
Jones Academy, Oklahoma	960	960	1,620				930	1,020	860
Kayenta Sanatorium, Arizona			20						414
Keshena Agency, Wis		5,400	3,120	1,000	1,000	1,000	50	450	580
Kiowa Agency, Okla	400	940	3,140	3,150	4,000	6,800	1,565	2,350	5,060
Klamath Agency, Oreg								1,240	1,213
Lac du Flambeau Agency, Wis	864	1,536	1,020				100		1,066
Laguna Sanatorium, N. Mex							700	694	731
Leupp Agency, Ariz	6,000	6,000	4,720				400	600	1,800
Menominee Mills, Wis. [1]	10,412	10,338	10,941	12,300	11,700	10,440	950	996	960
Mescalero Agency, N. Mex	690	1,000	1,380	500	1,000	500	277	585	1,393
Mission Agency, Calif	194	267	283	2,196	3,499	4,925	362	219	356
Mount Pleasant School, Mich. [1]									
Neah Bay Agency, Wash. [1]									
New York Agency, N. Y. [1]									
Northern Navajo Agency, N. Mex	300	300	8,730	4,150	4,150	8,216			3,880
Osage Agency, Okla									
Paiute Agency, Utah				200		112	60	80	100
Pawnee Agency, Okla [1]									
Phoenix School, Arizona		10,000	24,000	12,200	12,300	10,300	900	1,200	1,200
Phoenix Sanatorium, Arizona	540	540	360	1,035	1,900	1,110	2,752	3,060	3,330
Pierre School, South Dakota [1]									
Pima Agency, Ariz		90		2,700	2,940	2,292	2,350	432	2,256
Pine Ridge Agency, S. Dak	2,299	2,390	4,240	200	200	200		130	3,965
Pipestone School, Minnesota							1,531	1,892	1,912
Pyramid Lake Sanatorium, Nevada									1,563
Quapaw Agency, Okla	2,800	3,000	1,500	1,000		2,600			1,500
Rapid City School, South Dakota							900		2,556
Red Lake Agency, Minn	3,600	3,300	3,000				200	200	800
Rocky Boy's Agency, Mont			90	75	125	380			
Rosebud Agency, S. Dak	2,400	3,600	4,000	2,800	3,000	4,500	376	1,020	1,500
Sac & Fox Sanatorium, Iowa	373	147	864				2,200	2,550	2,800
Sacramento Agency, Calif. [1]									
Salem School, Oregon	3,330	8,160	7,200						5,440
San Carlos Agency, Ariz			1,200						
Santa Fe School, New Mexico [1]									
Sells Agency, Ariz				4,036	770	2,188	502	275	303
Seminole Agency, Fla									4
Sequoyah Training School, Oklahoma	2,000	2,000	1,980	4,000	4,000	4,000			
Shawnee Agency, Okla									
Shawnee Sanitorium, Oklahoma	150		480	2,300	2,625	3,175	940	1,380	1,715
Sherman Institute, California	4,390	5,000	10,140	5,685	9,563	9,950			6,470
Shoshone Agency, Wyo. [1]									
Sisseton Agency, S. Dak									
Southern Navajo Agency, Ariz	1,220	5,680	9,270	9,096	10,700	9,050	1,275	1,215	1,225
Southern Pueblos Agency, N. Mex. [1]									
Standing Rock Agency, N. Dak		300		400	1,300	4,200	1,904	1,924	3,424
Tacoma Hospital, Washington					25			2,034	4,262
Taholah Agency, Wash									
Theodore Roosevelt School, Arizona	1,920	2,700	2,220	4,400	4,650	5,350			2,013
Tomah School, Wisconsin		4,000	6,000	1,250	1,100	2,140			
Tongue River Agency, Mont	1,290	660	60	800	550	3,505	399	340	501
Truxton Canyon Agency, Ariz	1,200	6,000	4,100						300
Tulalip Agency, Wash	1,440	1,800	3,200	1,800	1,800	3,200	180	180	180
Turtle Mountain Agency, N. Dak. [1]									
Uintah and Ouray Agency, Utah				96	96	96	300	300	1,161
Umatilla Agency, Oreg									
Wahpeton School, North Dakota	5,400	7,200		1,300	1,500	2,500			5,400
Walker River Agency, Nev. [1]									

[1] No report received.

[2] Resale to employees, etc.

Indian Service, fiscal years 1929, 1930, and 1931—Continued

Unit	Butter substitutes			Animal-fat substitutes			Butter		
	1929	1930	1931	1929	1930	1931	1929	1930	1931
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Warm Springs Agency, Oreg	600	600	810		1,700	1,766	81	48	840
Western Navajo Agency, Ariz			4,000						400
Western Shoshone Agency, Nev	20	120	280	216	374	296			4
Wheelock Academy, Okla	1,760	1,836	2,536	2,076	2,430	2,300	44	529	551
Winnebago Agency, Nebr.[1]									
Yakima Agency, Wash					600	550		530	698
Yankton Agency, S. Dak[1]									
Zuni Agency, N. Mex		210	300	320	664	976	340	420	452
Alaska division consolidated purchasing and shipping unit	60	90	330	3,031	851	893	9,345	11,225	11,275
	75,216	126,849	185,150	118,913	144,632	203,586	42,227	57,132	145,030

[1] No report received.

Grand total, fiscal year 1931 only:	Pounds
Butter	2,336,011
Oleomargarine and other butter substitutes	1,152,280
Vegetable shortening or lard substitutes and cooking and salad oils	[1] 1,409,245

Mr. BLAINE. I move that the bill introduced by me be referred to the Committee on Agriculture and Forestry.

The motion was agreed to.

PROHIBITION OF THE MAILS TO UNSOLICITED MERCHANDISE

Mr. ROBINSON of Arkansas. I ask that there may be printed in the RECORD a brief letter from Mr. Homer E. Minor, of Plainview, Tex., relating to the bill prohibiting the mailing of unsolicited merchandise.

There being no objection, the letter was ordered to lie on the table and to be printed in the RECORD, as follows:

PLAINVIEW, TEX., *February 2, 1932.*

Hon. JOSEPH T. ROBINSON,
United States Senate, Washington, D. C.

DEAR SENATOR: Friends tell me that you are always interested in helping those who have had to overcome handicaps, physical or otherwise, so I am writing direct to you regarding a situation that to me is indeed desperate.

I understand that Senate bill 1663, prohibiting mailing of unsolicited merchandise, has been reported on the Senate floor. It may be too late to do anything about this matter now, but I shall greatly appreciate it if you will take time to read this letter and give this matter your earnest consideration, and if still possible to do so lend your influence against this bill.

One department of my business is my greeting-card department, selling $1 boxes of Christmas cards by mail. Over 90 per cent of these cards are mailed "on approval" to my regular customers, who buy them from year to year, but who always want to see the cards before paying for them. Just as any salesman calls without permission so my Christmas cards go to a few names each year, but the majority of the cards are sent to my own customers, who have requested that they be sent, the others being sent at the request of a friend or one of my customers.

While it is true that some people object to receiving unsolicited merchandise of any kind by mail, I receive hundreds of letters from people thanking me for sending the cards to them. If you could see some of these letters—I shall be glad to send them to you if you wish—you would know that far more people appreciate this method of business and the service I am rendering them than the number of people who object to this method of selling. My sales are largely to small towns and rural communities, to those who do not have an opportunity to purchase locally.

Of course I always send postage for the return of the cards if not wanted, and it is very little trouble to return the cards. I do not use any objectionable methods to force payment for the cards and I never demand payment anyway, so there can be no objection to my method of collecting or inquiring about the cards.

If I want to send out the cards and take a chance on their being retained and paid for, lost in the mails, or kept and never paid for, it seems that this should be my own business, and of course I do not expect the Post Office Department to help me collect for them or to be responsible for the cards in any way, except to give good and fair service in delivering them to my customers, and as I pay the full postage for this purpose, that is no more than they should do, and is certainly not an accommodation on their part.

I can not understand why the Post Office Department objects so strenuously to the "on approval" business, as they derive millions of dollars they would not receive otherwise from postage for the boxes of cards, postage for sending the payments for the cards, postage for sending out notices regarding the cards, money-order fees, etc.

Concerns who attempt to impose inferior goods on intelligent Americans not only deserve to fail but they do fail. The rule of business to-day is give value or quit business. That is why I believe that the mail-order card business will naturally fall or rise of its own weight, and I fail to see that it is any concern of the Government as to whether or not we continue to do business in this way.

Of course, you are not familiar with my business, so I would like to tell you that I have worked hard to build this up, starting in with less than $20, and now own the largest mail-order greeting card business and magazine subscription agency in the Southwest. You can understand that one in a wheel chair must work just a little bit harder; that it is not always easy to accomplish the things you want to do. It really isn't a handicap; it's an incentive to greater effort. I can honestly say that should this bill pass it will be impossible for me to continue my business, and I feel that I can not afford to lose everything now.

My sending Christmas cards out in this manner has been a great help to the local post office, raising it to first-class rating, and I have been told that I am responsible for the fact that we are to get a new Federal building this year. My postage expenses average around $25,000 annually. In addition, it affects business locally, for during the rush season I employ around 50 girls, and the printer has to employ more help, etc., so generally it would affect business quite a bit if we were forced to discontinue this method of business.

I believe that you can conscientiously oppose this bill if you will give it your earnest consideration; so won't you please do this? I know it is important that some action be taken at once, so anything you can do will be greatly appreciated.

Sincerely,

HOMER E. MINOR.

ADDITIONAL COPIES OF HEARINGS ON SALE OF FOREIGN SECURITIES

Mr. SHIPSTEAD. From the Committee on Printing I report back favorably Senate Concurrent Resolution 12, and ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 12) submitted by Mr. SMOOT on the 2d instant was read; and there being no objection, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the printing act approved March 1, 1907, the Committee on Finance of the Senate be, and is hereby, empowered to have printed 2,000 additional copies of the hearings held before the committee during the current session on Sale of Foreign Bonds or Securities in the United States.

PRINTING OF ARTICLE ENTITLED "HONEST AND DISHONEST SILVER MONEY"

Mr. SHIPSTEAD. From the Committee on Printing I report back favorably with an amendment Senate Resolution 154, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the resolution, which had been submitted by Mr. SHIPSTEAD on January 28, 1932. The amendment reported by the Committee on Printing was, on page 1, line 4, after the word "document," to strike out "in the usual number, that 100 additional copies be printed, of which 50 shall be for the use of the Senate Document Room and 50 for the use of the House Document Room," so as to make the resolution read:

Resolved, That the English translation of the artitcle written by Dr. Gottfried Kunwald, of Vienna, entitled "Honest and Dishonest Silver Money," be printed as a Senate document.

The amendment was agreed to.

The resolution as amended was agreed to.

[1] Figuring 8 pounds per gallon where gallons are used.

RECESS

Mr. McNARY. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, February 9, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 8 (legislative day of February 5), 1932

SECRETARY OF THE TREASURY

Ogden L. Mills, of New York, to be Secretary of the Treasury, vice Andrew W. Mellon.

UNDER SECRETARY OF THE TREASURY

Arthur A. Ballantine, of New York, to be Under Secretary of the Treasury, vice Ogden L. Mills.

CONSUL GENERAL

Wilbur Keblinger, of Virginia, now a Foreign Service officer of class 3 and a consul, to be a consul general of the United States of America.

UNITED STATES ATTORNEY

Leonard E. Wales, of Delaware, to be United States attorney, district of Delaware. (He is now serving in this position under an appointment which expired December 15, 1931.)

COLLECTOR OF INTERNAL REVENUE

Gerald A. Jewett, of Des Moines, Iowa, to be collector of internal revenue for the district of Iowa in place of Lars E. Bladine, resigned.

PROMOTIONS IN THE NAVY

MARINE CORPS

Capt. James T. Moore to be a major in the Marine Corps from the 1st day of February, 1931.

Capt. John M. Arthur to be a major in the Marine Corps from the 20th day of May, 1931.

Capt. Thomas P. Cheatham to be a major in the Marine Corps from the 1st day of June, 1931.

Capt. Louis W. Whaley to be a major in the Marine Corps from the 20th day of June, 1931.

Capt. William C. James to be a major in the Marine Corps from the 1st day of July, 1931.

Capt. Thomas E. Bourke to be a major in the Marine Corps from the 1st day of September, 1931.

Capt. LeRoy P. Hunt to be a major in the Marine Corps from the 1st day of September, 1931.

Capt. Clifton B. Cates to be a major in the Marine Corps from the 1st day of October, 1931.

First Lieut. Lloyd R. Pugh to be a captain in the Marine Corps from the 1st day of January, 1931.

First Lieut. Vernon M. Guymon to be a captain in the Marine Corps from the 30th day of January, 1931.

First Lieut. William W. Scott, jr., to be a captain in the Marine Corps from the 1st day of February, 1931.

First Lieut. Paul R. Cowley to be a captain in the Marine Corps from the 1st day of March, 1931.

First Lieut. Edward G. Hagen to be a captain in the Marine Corps from the 1st day of March, 1931.

First Lieut. James L. Denham to be a captain in the Marine Corps from the 12th day of April, 1931.

First Lieut. Frank P. Snow to be a captain in the Marine Corps from the 20th day of May, 1931.

First Lieut. George D. Hamilton to be a captain in the Marine Corps from the 20th day of June, 1931.

First Lieut. Lemuel A. Haslup to be a captain in the Marine Corps from the 25th day of June, 1931.

First Lieut. Norman E. True to be a captain in the Marine Corps from the 1st day of July, 1931.

First Lieut. Robert S. Pendleton to be a captain in the Marine Corps from the 25th day of July, 1931.

First Lieut. George L. Maynard to be a captain in the Marine Corps from the 31st day of July, 1931.

First Lieut. Carl W. Meigs to be a captain in the Marine Corps from the 4th day of August, 1931.

First Lieut. Floyd W. Bennett to be a captain in the Marine Corps from the 1st day of September, 1931.

First Lieut. Edwin U. Hakala to be a captain in the Marine Corps from the 1st day of September, 1931.

First Lieut. Brady L. Vogt to be a captain in the Marine Corps from the 29th day of October, 1931.

Second Lieut. Francis J. McQuillen to be a first lieutenant in the Marine Corps from the 1st day of August, 1931.

Second Lieut. Edward W. Snedeker to be a first lieutenant in the Marine Corps from the 4th day of August, 1931.

Second Lieut. Kenneth W. Benner to be a first lieutenant in the Marine Corps from the 1st day of September, 1931.

Second Lieut. John S. E. Young, jr., to be a first lieutenant in the Marine Corps from the 1st day of September, 1931.

Second Lieut. Kenneth H. Cornell to be a first lieutenant in the Marine Corps from the 1st day of September, 1931.

Second Lieut. Arthur H. Butler to be a first lieutenant in the Marine Corps from the 1st day of September, 1931.

Second Lieut. Nels H. Nelson to be a first lieutenant in the Marine Corps from the 8th day of September, 1931.

Second Lieut. Russell N. Jordahl to be a first lieutenant in the Marine Corps from the 20th day of September, 1931.

Second Lieut. Chester B. Graham to be a first lieutenant in the Marine Corps from the 26th day of September, 1931.

Second Lieut. Mortimer S. Crawford to be a first lieutenant in the Marine Corps from the 1st day of October, 1931.

Second Lieut. Benjamin F. Kaiser, jr., to be a first lieutenant in the Marine Corps from the 1st day of December, 1931.

Second Lieut. Elmer H. Salzman to be a first lieutenant in the Marine Corps from the 1st day of December, 1931.

Second Lieut. Thomas A. Wornham to be a first lieutenant in the Marine Corps from the 1st day of January, 1932.

Second Lieut. Thomas B. Jordan to be a first lieutenant in the Marine Corps from the 1st day of February, 1932.

Quartermaster Clerk Willis V. Harris to be a chief quartermaster clerk in the Marine Corps, to rank with but after second lieutenant, from the 11th day of October, 1931.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 8, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Glory be to Thee, O Lord Most High. May all the ends of the earth remember and turn unto the Lord and all the kindred of the nations worship before Thee. In Thee may they trust, and let them never be put to shame. Mry this Congress feel how very important its place is. Deliver us from any lack of earnestness and enthuse us with the responsibility of true manhood. Keep in all our hearts the declarations and the counsels of God. We pray for any who be bearing burdens that they may be enabled to bear them courageously. Thou who art the infinite face of love, hope, and light, fill our own beloved land and the whole earth with Thy glory and come and reign over all. In the name of Jesus. Amen.

The Journal of the proceedings of Friday, February 5, 1932, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 70. An act granting the consent of Congress to the Board of County Commissioners of Mahoning County, Ohio, to construct a free overhead viaduct across the Mahoning River at Struthers, Mahoning County, Ohio;

H. R. 149. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.;

H. R. 225. An act providing for payment of $25 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States:

H. R. 474. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 4695. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.;

H. R. 4696. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River southerly from the Fort Belknap Indian Reservation at or near the point known and designated as the Power-site Crossing, in the State of Montana;

H. R. 5131. An act to extend the time for completing the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.;

H. R. 5471. An act authorizing Sullivan County, Ind., to construct, maintain, and operate a public toll bridge across the Wabash River at a point in said county to a point opposite on the Illinois shore;

H. R. 5478. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 5626. An act authorizing the States of Minnesota and North Dakota, the county of Polk, Minn., the county of Grand Forks, N. Dak., or any one or more of them, to construct, maintain, and operate a free highway bridge across the Red River of the North at or near Bygland, Minn.;

H. R. 5878. An act granting the consent of Congress to the Louisiana Highway Commission, and the Missouri Pacific Railroad Co., and the Louisiana & Arkansas Railway Co. to construct, maintain, and operate a combination highway and railroad bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 6663. An act to reserve certain land on the public domain in Utah for addition to the Skull Valley Indian Reservation;

H. R. 7225. An act granting the consent of Congress to the board of county commissioners of Allegheny County, Pa., to construct, maintain, and operate a free highway bridge across the Monongahela River between the city of Pittsburgh and the borough of Homestead, Pa.; and

H. R. 7248. An act authorizing the modification of the existing project for the Willamette River between Oregon City and Portland, Oreg.

The message also announced that the Senate had passed bills, a joint resolution, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 12. An act to authorize the Commissioners of the District of Columbia to pay certain claims against the District of Columbia;

S. 14. An act to amend chapter 15 of the Code of Law for the District of Columbia, relating to the condemnation of land for public use;

S. 188. An act for the relief of Tampico Marine Iron Works;

S. 279. An act to excuse certain persons from residence upon homestead lands during 1929, 1930, and 1931 in the drought-stricken areas;

S. 366. An act for the relief of Dr. Luis H. DeBayle;

S. 486. An act conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the 4-masted auxiliary bark *Quevilly* against the United States, and for other purposes;

S. 800. An act for the relief of Ellingson & Groskopf (Inc.);

S. 1040. An act authorizing the issuance to Margaret McCreanor of a patent for certain lands;

S. 1203. An act to exempt from taxation certain property of the National Society United States Daughters of 1812 in the District of Columbia;

S. 1216. An act for the relief of the owner of the barge *Mary M;*

S. 1436. An act for the relief of the Copper Ridge Mining Co.;

S. 1438. An act to authorize the sale of land on the Camp McDowell Indian Reservation to the city of Phoenix, Ariz., for use in connection with its water-supply development, and for other purposes;

S. 2396. An act to amend section 11 of the act approved February 22, 1889 (25 Stat. 676), relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington;

S. 2498. An act to authorize the transfer of jurisdiction over public land in the District of Columbia;

S. 2622. An act to provide an examination and survey of Seaside Harbor, Oreg.;

S. 2909. An act for the relief of Ross E. Adams;

S. 2985. An act granting the consent of Congress to the Connecticut River State Bridge Commission, a statutory commission of the State of Connecticut created and existing under the provisions of special Act No. 496 of the General Assembly of the State of Connecticut, 1931 session, to construct, maintain, and operate a bridge across the Connecticut River;

S. 3111. An act validating certain applications for and entries of public lands, and for other purposes;

S. 3132. An act to extend the times for the commencement and completion of the bridge of the county of Norman and the town and village of Halstad, in said county, in the State of Minnesota, and the county of Traill and the town of Herberg, in said county, in the State of North Dakota, across the Red River of the North on the boundary line between said States;

S. 3237. An act to legalize a bridge across the Mississippi River at Grand Rapids, Minn.;

S. J. Res. 47. Joint resolution for the improvement of Chevy Chase Circle with a fountain and appropriate landscape treatment;

S. Con. Res. 14. Concurrent resolution granting the consent of Congress for the temporary removal to the Corcoran Art Gallery of certain portraits in the Capitol Building; and

S. Con. Res. 15. Concurrent resolution to correct certain errors in the reenrollment of the bill (S. 2199) exempting building and loan associations from being adjudged bankrupts.

The message also announced that the Senate had agreed to the amendment of the House to the bill (S. 201) entitled "An act granting the consent of Congress to the State of South Carolina to construct, maintain, and operate a bridge across the Waccamaw River."

LOANS TO FARMERS BY RECONSTRUCTION FINANCE CORPORATION

Mr. McCLINTIC of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCLINTIC of Oklahoma. Mr. Speaker, the Reconstruction Finance Corporation act provides that $50,000,000 shall be set aside for the purpose of aiding agriculture. The Department of Agriculture has provided rules and regulations governing the method that will be employed in loaning this money. I ask unanimous consent that a copy of these regulations may be inserted in the RECORD at this point so that Members and the people of the country generally will know the exact procedure to be followed to obtain this aid.

The SPEAKER. Is there objection?

Mr. JONES. Mr. Speaker, reserving the right to object, are these regulations prepared by the Department of Agriculture?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. KETCHAM. Mr. Speaker, I reserve the right to object. Will the gentleman state whether or not this is the final report of the Department of Agriculture on these regulations?

Mr. McCLINTIC of Oklahoma. I will not say it is the final report, but it is the report which gives the rules and regulations that are necessary to follow in order to obtain this money.

Mr. KETCHAM. The point I have in mind is this: I think I am correct in stating that this is sent up merely as a suggested plan, with a view of asking suggestions from Members of Congress, and that this is not the final revision, and that within a very few days, possibly four or five, the final revision will come out.

Mr. McCLINTIC of Oklahoma. I will read what the letter of transmittal says:

I am inclosing herewith a copy of the regulations which it is proposed to issue under the authority of section 2 of the Reconstruction Finance Corporation act, approved January 22, 1932, to make loans to farmers to finance crop production in 1932.

Very truly yours, ARTHUR M. HYDE,
Secretary of Agriculture.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. SNELL. If these are the final regulations, it seems to me the better way would be to have them printed as a public document.

Mr. McCLINTIC of Oklahoma. I think the gentleman's suggestion is a good one provided this information is made available.

Mr. SNELL. I suggest the gentleman take that up with the Printing Committee.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD by including a statement sent to him by the Department of Agriculture showing the method by which it is proposed to administer the loans under the $50,000,000 fund provided in the Reconstruction Finance Corporation act. Is there objection?

Mr. SNELL. Mr. Speaker, the gentleman from Michigan [Mr. KETCHAM] says that these are not the final regulations. What is the use of printing them unless they are?

Mr. McCLINTIC of Oklahoma. Inasmuch as they have gone into detail here, unless there is some opposition or additional suggestions, I take it that these will be the final rules and regulations governing the loaning of this money. I have no desire to clutter up the RECORD with anything that ought not to be printed in it, but I think this is very important, and we are receiving requests from all over the country asking for these facts.

Mr. SNELL. I think the gentleman should put it through the Printing Committee.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. UNDERHILL. Mr. Speaker, I object.

ADDRESS OF HON. TOM YON, OF FLORIDA

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein a speech delivered by the gentleman from Florida [Mr. YON] at the Democratic conference at Marianna, Fla., November 28, 1931.

The SPEAKER. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech of Hon. TOM YON at the Democratic conference at Marianna, Fla., November 28, 1931:

Mr. Chairman, ladies, and gentlemen, this is an assemblage of Democrats to promote the best interest of the party, both of State and Nation. The records of the Republican Party for the past 10 years or more has been one in which they have tried one expediency after another, trying to solve world problems which they themselves have created and brought about by their selfish political chicanery in their effort to destroy the Democratic Party and discredit its great war President during the years immediately following the armistice.

The leadership of Mr. Lodge, Republican, and his force in the Senate started the struggle that has led to the present economic conditions in the world. From time to time the racial and national animosities of our citizens, who have sprung from one European nation or another, were excited to such an extent that they did not consider reason nor the best interests of the Nation in trying to get even with the Democratic Party, under whose leadership we had fought the war to successful conclusion. Many of our population, being of stock of our enemy, as well as some of our dissatisfied allied nations were so aroused by the misrepresentation of the enemies of the President and of the Democratic Party that they were led to do in this country the very thing that has led up to the undoing of their fatherland. They aided in defeating not only the Democratic Party but the principles for which the Democratic Party stood.

Following the separate treaty with the leader of the Central Powers in the war and the unrest that became evident in Europe, followed by France's move into the Valley of the Ruhr, we were given the Dawes, the Young plan, and now the moratorium, which the present head of the Republican Party offered as another temporary expediency for the ills of this country, expecting to get by to-day and let to-morrow take care of itself, as well as the rest of the world. I mention these facts, that the sources from which our economic difficulties come, because Republicans are now urging to escape responsibilities for what they have done by claiming that our troubles are all on account of the world-wide depression. I want you to understand that the party that has been in power, in full charge of the Government for the past 11 years, is entirely responsible for these conditions, and the people are coming to know it. The day of judgment is at hand, and the Republicans are trying to find an alibi.

Then what else? We remember what happened in connection with Teapot Dome, and the little black bag sent by Doheny, and the acceptance of same, and for which Mr. Fall is now serving a little time, also Mr. Sinclair's jail sentence, as a fact of the outcome of those scandalous times of Harding's administration.

The 8 or 10 years following, 1921 to 1929, Wall Street international bankers took advantage of market for foreign loans and marketed billions of dollars of European securities here to our American citizens, for which these bankers derived great profit in the way of commissions. They are now endeavoring to create sentiment for cancellation of foreign debts due our Government for no other reason than that possibly the loans through Wall Street might be collected from the nations of Europe while the people pay in taxes what the foreign nations owe to us. I am against such on the part of our Government.

In 1927 I was in New York and got hold of a copy of a New York paper in which was a news story in the financial section of that paper that stated that 20 banks on Wall Street had made a profit of over $70,000,000 in marketing securities of foreign governments. This did not include the interest on the bonds. These same bankers acting as agents to obtain from foreign nations oil and other concessions that persons high in official position in this Republican administration might be beneficiaries to a large extent.

In the meantime, prior to the crash in the fall of 1929, a bull market was in progress; consolidations, mergers, and combines, encouraged by optimistic assurance by Republicans, were the order of the day. Billions of stock were unloaded on the public, was permitted by the administration in power—the Republicans. Widows and orphans, working people, old people were deceived and lost their last penny. With the stocks marketed hardly able to return 1 per cent on one-fourth of the value, and the administration in Washington, either in the Treasury or other departments, giving encouragement to the bulls by handing out statements that the foundation of business was firm and sufficiently strong to maintain such a market, the substance of the Nation was sucked into the world stream, when all along they, the administration leaders, should have known better.

Of course the economic life of our country was not on a safe basis, for at that time agriculture was in a depressed condition. Farm values had decreased around $10,000,000,000 in value since the beginning of 1921. Banks, especially in the agricultural States, had failed by the hundreds. Farmers were in debt, farm mortgages being foreclosed, and all of that, yet with a rank speculation on one side, and mortgage foreclosures on the other; and even though the administration in Washington should have known that such a lopsided economic condition could not stand, yet encouraging statements to the very last were handled out; and even after the crash in the fall of 1929, these leaders kept up the chorus, and are even now, with millions out of employment and farm commodity prices at almost their lowest in over 30 years, saying that business is on the upgrade.

I say that the Republican Party and big business has failed dismally in keeping this country in a condition whereby want and misery will have no place within its bounds. The practice of running the Government in the interest of special privilege to make the rich richer and the poor poorer is all wrong.

In so far as the Republican Party being a party of prosperity, that myth has been exploded. Of course, in the past many voters in America have been intimidated around election times by bosses of industrial corporations, who would pass the word around that if a Democrat was elected for President on election day that their plants would be shut down. These workers from now on will have a mind of their own. They have gone through these sad experiences, which have brought them to where they are to-day—with shops closed and no employment, not a chance to earn something whereby loved ones may be fed and clothed. In my own State some Democrats I have heard remark in campaigns prior to 1928 that they voted the Democratic ticket but hoped the Republicans would win, for it would mean better business and good times. I wonder how this class of Democrats feel about it now? I have always charged that this Republican prosperity myth was unfair, that the Democratic Party is equal, if not superior, in strength in its leadership in directing the affairs of a democratic government and in safety and security to honorable business.

Now, it will become the duty of the Democratic Party, I believe, and be their responsibility to elect a Democratic President and a Democratic Congress in 1932 to set this Government, business, and the economic life on their feet again, and our people will be given an opportunity to work out their salvation under equal opportunity. It will be a great responsibility. Under the last Democratic administration the Democrats put on the statute books some of the most beneficial legislation that this Nation has ever had the privilege to enjoy. Under the last Democratic administration the Federal reserve banking law was given us, and if it wasn't for it now I don't know what would have happened to us when this so-called depression broke upon us.

The Democrats in the House and the Democrats in the Senate in present Congress will have a constructive program, and the Democrats will support that program. In this connection, though, you must not expect too much of a Democratic House with a slender majority while the same Republican President is in the

White House that was there when these troublous times came upon us, and also a Republican Senate; so just consider again that the Republicans are in power, but the Democrats will not attempt to retard but help work the country out of its present deplorable condition.

Now, we want to always as Democrats strive to perpetuate the principles of the founder of our party. Our party nationally needs the help of the Democrats of our State as well as of other States of the Union. Let us not divide and waste our strength in nonessential bickerings. There are too many fundamentals upon which the party strength ought to stand; and as a warning to all Americans, I will say, that sooner or later we will fail in our purpose and in the carrying on of a democratically operated government if the principles of the founder of our party is not maintained. The Nation needs the Democratic Party, for if we do not have a liberal Democratic Party fighting for and maintaining those Democratic principles that made our Nation great, then there is no telling what will become of it. Then let's all unite for the success of our party in both State and Nation, and not alone for sake of party victory, but for another and more patriotic purpose, and that is that our State and Nation are calling to us to restore our Government that it might again serve and be for all the people, truly a government of, for and by the people, equal rights to all, and special privileges to none.

SALARIES OF GOVERNMENT EMPLOYEES

Mr. RAINEY. Mr. Speaker, at my request the Bureau of Efficiency has prepared a table, bringing it down to date, showing the number and amount of salaries of civilian employees of the executive branch of the Government and of the military personnel. It is prepared in a number of groups, showing the number of people who receive less than $1,000, and the amount paid for that group, and dividing all the employees into groups up to $15,000 and over. This table does not show the number of employees and their salaries of the legislative branch of the Government for the reason that the Bureau of Efficiency does not have that information. Neither does it include the Members of the House and the Senate and their salaries and the salaries and number of their clerks, and so forth.

Later on I expect to obtain that information as to the legislative branch, and later will ask unanimous consent to print that in the RECORD.

I now ask unanimous consent to print in the RECORD this table to which I have referred, for the information of the Members and for purposes of study.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The table is as follows:

Number and cost of salaries of (a) civilian employees of the executive branch of the Government, and (b) military personnel

[Compiled in January, 1932, from latest available information]

Annual rate of pay [1]		Both civil and military				Civil				Military			
		Number [3]		Salary cost [4]		Number [3]		Salary cost [4]		Number [3]		Salary cost [4]	
Not less than	But less than	Number in group	Cumulative total	Cost for group	Cumulative cost [5]	Number in group	Cumulative total	Cost for group	Cumulative cost [5]	Number in group	Cumulative total	Cost for group	Cumulative cost [5]
(a)	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
$0.00	$1,000.00	345,351	1,023,373	$154,846,967.25	$1,315,690,467.12	124,678	732,460	$43,303,021.57	$1,055,970,636.55	220,673	290,913	$111,537,945.68	$259,719,830.57
1,000.00	1,100.00	59,234	678,022	20,468,073.28	1,160,843,499.87	56,883	607,782	18,038,396.80	1,012,661,614.98	2,351	70,240	2,429,676.48	148,181,884.89
1,100.00	1,200.00	26,528	618,788	28,883,355.40	1,140,375,426.59	12,157	550,899	12,319,482.44	994,623,218.18	14,371	67,889	16,563,872.96	145,752,208.41
1,200.00	1,300.00	44,903	592,260	41,252,696.34	1,111,492,071.19	37,558	538,742	32,243,740.84	982,303,735.74	7,351	53,518	9,048,955.50	129,188,335.45
1,300.00	1,400.00	21,140	547,351	22,865,154.58	1,070,199,374.85	20,243	501,184	21,647,211.78	950,059,994.90	897	46,167	1,217,942.80	120,139,379.95
1,400.00	1,500.00	27,762	526,211	32,708,889.97	1,047,334,220.27	24,643	480,941	28,273,105.49	928,412,783.12	3,119	45,270	4,435,784.48	118,921,437.15
1,500.00	1,600.00	27,895	498,449	38,442,723.88	1,014,625,330.30	24,044	456,298	32,562,998.76	900,139,677.63	3,851	42,151	5,879,725.12	114,485,652.67
1,600.00	1,700.00	31,446	470,554	48,214,483.56	976,182,603.42	28,389	432,254	43,120,969.84	867,576,678.87	3,057	38,300	5,093,513.72	108,605,927.55
1,700.00	1,800.00	21,942	439,108	36,028,965.82	927,968,122.86	20,028	403,865	32,712,739.90	824,455,709.03	1,914	35,243	3,316,225.92	103,512,413.83
1,800.00	1,900.00	42,684	417,166	75,502,724.17	891,939,157.04	35,690	383,837	62,612,587.73	791,742,969.13	6,994	33,329	12,890,136.44	100,196,187.91
1,900.00	2,000.00	33,001	374,482	60,502,418.78	816,436,432.87	32,776	348,147	60,060,238.58	729,130,381.40	225	23,335	442,180.20	87,305,051.47
2,000.00	2,100.00	25,267	341,481	50,711,574.31	755,934,014.09	24,186	315,371	48,530,825.91	669,070,112.82	1,081	23,110	2,180,748.40	86,863,901.27
2,100.00	2,200.00	118,759	316,214	247,086,923.94	705,222,439.78	116,759	291,185	242,864,839.74	620,539,286.91	2,000	25,029	4,222,084.20	84,683,152.87
2,200.00	2,300.00	16,384	197,455	36,211,572.64	458,135,515.84	13,078	174,423	28,858,487.00	377,674,447.17	3,306	23,029	7,353,085.64	80,461,068.67
2,300.00	2,400.00	26,238	181,071	59,586,469.82	421,923,943.20	25,374	161,348	57,547,533.82	348,815,960.17	894	19,723	2,038,936.00	73,107,983.03
2,400.00	2,500.00	23,293	154,803	56,367,461.98	362,337,473.38	23,225	135,974	56,202,844.98	291,268,423.35	68	18,829	164,617.00	71,069,047.03
2,500.00	2,600.00	49,291	131,510	23,113,918.52	305,970,011.40	49,138	112,749	22,726,480.52	235,065,581.37	153	18,761	387,438.00	70,904,430.03
2,600.00	2,700.00	15,567	82,219	40,475,668.19	282,856,092.88	15,116	63,611	39,285,484.19	212,339,100.85	451	18,608	1,190,184.00	70,516,992.03
2,700.00	2,800.00	8,177	66,652	22,135,718.00	242,380,424.69	6,493	48,495	17,498,195.00	173,053,616.66	1,684	18,157	4,637,523.00	69,326,808.03
2,800.00	2,900.00	9,425	58,475	26,671,541.10	220,244,706.69	5,047	42,002	14,067,523.30	155,555,421.66	4,378	16,473	12,604,017.80	64,689,285.03
2,900.00	3,000.00	4,263	49,050	12,082,169.00	193,573,165.59	3,984	36,955	11,265,440.00	141,487,898.36	279	12,095	816,729.00	52,085,267.23
3,000.00	3,100.00	4,191	44,787	12,374,759.22	181,490,996.59	3,512	32,971	10,331,218.00	130,222,458.36	679	11,816	2,043,541.22	51,268,538.23
3,100.00	3,200.00	2,011	40,596	6,110,810.44	169,116,237.37	1,803	29,459	5,459,319.44	119,891,240.36	208	11,137	651,491.00	49,224,997.01
3,200.00	3,300.00	4,613	38,585	14,754,776.00	163,005,426.93	4,484	27,656	14,335,643.00	114,431,920.92	129	10,929	419,133.00	48,573,506.01
3,300.00	3,400.00	2,749	33,972	9,060,766.00	148,250,650.93	2,343	23,172	7,692,167.00	100,096,277.92	406	10,800	1,368,599.00	48,154,373.01
3,400.00	3,500.00	2,019	31,223	6,870,907.71	139,189,884.93	1,825	20,829	6,199,120.15	92,404,110.92	194	10,394	671,787.56	46,785,774.01
3,500.00	3,600.00	2,105	29,204	7,334,656.25	132,318,977.22	1,987	19,004	6,916,494.00	86,204,990.77	118	10,200	418,162.25	46,113,986.45
3,600.00	3,700.00	3,196	27,099	11,468,161.53	124,984,320.97	1,353	17,017	4,841,023.53	79,288,496.77	1,833	10,082	6,627,138.00	45,695,824.20
3,700.00	3,800.00	1,602	23,903	5,849,532.00	113,516,159.44	936	15,659	3,352,002.00	74,447,473.24	666	8,244	2,497,530.00	39,063,686.20
3,800.00	3,900.00	2,954	22,301	11,165,973.04	107,666,657.44	2,875	14,723	10,864,987.00	71,095,471.24	79	7,578	300,986.04	36,571,186.20
3,900.00	4,000.00	1,489	19,347	5,810,413.12	96,500,684.40	251	11,848	976,562.00	60,230,484.24	1,238	7,499	4,833,851.12	36,270,200.16
4,000.00	4,100.00	2,371	17,858	9,552,631.96	90,690,271.23	1,578	11,597	6,341,012.40	59,253,922.24	793	6,261	3,211,619.56	31,436,349.04
4,100.00	4,200.00	154	15,487	631,380.04	81,137,639.32	153	10,019	627,204.04	52,912,909.84	1	5,468	4,176.00	28,224,729.48
4,200.00	4,400.00	1,535	15,333	6,454,630.93	80,506,259.23	872	9,866	3,613,827.50	52,235,705.80	663	5,467	2,840,803.48	28,220,553.48
4,400.00	4,600.00	1,714	13,798	7,637,867.50	74,051,623.30	722	8,994	3,171,917.50	48,671,878.30	992	4,804	4,465,950.00	25,379,750.00
4,600.00	4,800.00	2,605	12,084	11,937,236.00	66,413,760.80	2,250	8,272	10,259,866.00	45,499,960.80	355	3,812	1,677,420.00	20,913,800.00
4,800.00	5,000.00	2,034	9,479	9,812,893.00	54,476,474.80	1,236	6,022	6,148,193.00	35,240,094.80	748	3,457	3,664,700.00	19,236,380.00
5,000.00	5,200.00	1,602	7,445	8,039,054.00	44,663,581.80	919	4,736	4,573,104.00	29,091,901.80	683	2,709	3,465,950.00	15,571,680.00
5,200.00	5,400.00	510	5,843	2,655,770.60	36,624,527.80	374	3,817	1,941,870.60	24,518,797.80	136	2,026	713,900.00	12,105,730.00
5,400.00	5,600.00	314	5,333	1,695,752.80	33,968,757.20	311	3,443	1,679,452.80	22,576,927.20	3	1,890	16,300.00	11,391,830.00
5,600.00	5,800.00	1,324	5,019	7,441,850.80	32,273,004.40	905	3,132	5,033,770.80	20,897,474.40	419	1,887	2,408,080.00	11,375,530.00
5,800.00	6,000.00	442	3,695	2,564,669.00	24,831,153.60	303	2,227	1,758,719.00	15,863,703.60	139	1,468	805,950.00	8,967,450.00
6,000.00	6,500.00	1,943	3,253	11,694,775.00	22,266,484.60	698	1,924	4,218,775.00	14,104,984.60	1,245	1,329	7,476,000.00	8,161,500.00
6,500.00	7,000.00	309	1,310	1,997,424.60	10,571,709.60	309	1,226	1,997,424.60	9,886,209.60	-------	84	-------	685,500.00
7,000.00	7,500.00	244	1,001	1,710,830.00	8,574,285.00	244	917	1,710,830.00	7,888,785.00	-------	84	-------	685,500.00
7,500.00	8,000.00	150	757	1,111,033.00	6,863,455.00	150	673	1,111,033.00	6,177,955.00	-------	84	-------	685,500.00
8,000.00	8,500.00	216	607	1,711,672.00	5,752,422.00	133	523	1,047,672.00	5,066,922.00	83	84	664,000.00	685,500.00
8,500.00	9,000.00	40	391	344,500.00	4,040,750.00	40	390	344,500.00	4,019,250.00	-------	1	-------	21,500.00
9,000.00	10,000.00	138	351	1,243,350.00	3,696,350.00	138	350	1,243,250.00	3,674,750.00	-------	1	-------	21,500.00
10,000.00	11,000.00	134	213	1,340,000.00	2,452,900.00	134	212	1,340,000.00	2,431,400.00	-------	1	-------	21,500.00
11,000.00	12,000.00	6	79	66,000.00	1,112,900.00	6	78	66,000.00	1,091,400.00	-------	1	-------	21,500.00
12,000.00	15,000.00	41	73	494,900.00	1,046,900.00	41	72	494,900.00	1,025,400.00	-------	1	-------	21,500.00
15,000.00	Up.	32	32	552,000.00	552,000.00	31	31	530,500.00	530,500.00	1	1	21,500.00	21,500.00

[1] The annual rate of pay of civilian employees is the gross rate of pay and includes annual allowances for quarters, subsistence, or other facilities or services furnished by the Government. The annual rate of pay of military personnel is the net rate of pay for both active and retired men. It does not include allowances as distinguished from pay.

[2] "Military" includes the military personnel of the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey.

[3] The "number in group" indicated at each rate of pay includes seasonal and temporary employees.

[4] The "cost for group" indicated at each rate of pay includes amounts paid to seasonal and temporary employees.

[5] The cumulative totals shown in columns lettered (e), (g), and (k), give the total number of persons receiving pay at an annual rate equal to or higher than the minimum rate indicated in column (a). The cumulative costs shown in columns lettered (e), (i), and (m), give the aggregate annual compensation of employees paid at an annual rate equal to or higher than the minimum rate indicated in column (a).

NOTE.—This is simply a restatement of the statement released by the Bureau of the Budget Jan. 30, 1932, the only difference being in the arrangement of the cumulative totals. In the statement of Jan. 30, 1932, the cumulative totals commence with the lowest salary rate. In this statement the cumulative totals commence with the highest salary rate.

Mr. RAINEY. I also submit the following two letters I have received from the United States Bureau of Efficiency for the information of the Members:

UNITED STATES BUREAU OF EFFICIENCY,
Washington, February 2, 1932.

Hon. HENRY T. RAINEY,
House of Representatives, Washington, D. C.

MY DEAR MR. RAINEY: Reference is made to your letter of January 15, 1932, relative to the amount that could be saved annually by reducing 10 per cent or 25 per cent the salaries of employees of the Federal Government receiving more than $5,000 a year.

I inclose a table showing number and cost of salaries in the executive branch of the Government. This table, which includes both civil and military employees, was compiled by the Bureau of the Budget from the latest available information furnished by the departments and independent establishments.

I assume that it is the intention of your inquiry that no salary of more than $5,000 would be reduced below $5,000. Otherwise some persons receiving salaries above $5,000 would be reduced to rates less than $5,000 and to rates less than persons receiving salaries at $5,000 and less, who would be subjected to no reduction in pay. On this basis, the amount that would be saved by reducing salaries in excess of $5,000 10 per cent would be approximately $3,487,876. The amount that would be saved by a similar 25 per cent reduction would be approximately $6,012,865.

These estimates are computed as follows:

Ten per cent reduction above $5,000

Reduction of $5,000 to $5,199 group to $5,000	$29,054
Reduction of $5,200 to $5,399 group to $5,000	105,770
Reduction of $5,400 to $5,599 group to $5,000	[1] 125,752
Reduction of $5,600 and over group 10 per cent	3,227,300
	3,487,876

Twenty-five per cent reduction above $5,000

Reduction of $5,000 to $5,199 group to $5,000	$29,054
Reduction of $5,200 to $5,399 group to $5,000	105,770
Reduction of $5,400 to $5,599 group to $5,000	125,752
Reduction of $5,600 to $5,799 group to $5,000	821,850
Reduction of $5,800 to $5,999 group to $5,000	354,669
Reduction of $6,000 to $6,499 group to $5,000	1,979,775
Reduction of $6,500 to $6,999 group to $5,000	[1] 425,424
Reduction of $7,000 and over group, 25 per cent	2,143,571
	6,012,865

I shall be glad to furnish any further information that you may require.

Very truly yours,

HERBERT D. BROWN, *Chief.*

Inclosure.

UNITED STATES BUREAU OF EFFICIENCY,
Washington, February 4, 1932.

Hon. HENRY T. RAINEY,
House of Representatives, Washington, D. C.

MY DEAR MR. RAINEY: In accordance with the verbal request you made to Mr. Littlejohn, of our staff, I am submitting an estimate of the annual savings that would be effected by reducing all Government salaries in excess of $2,000 a year 10 per cent. This estimate is based on the table prepared by the Bureau of the Budget which was submitted to you with my letter dated February 2, 1932. Both civil and military employees are included.

Assuming that it is intended that no salary of more than $2,000 be reduced below $2,000, the amount that would be saved approximates $55,382,465.

This estimate is computed as follows:

Reduction of $2,000 to $2,099 group to $2,000	$117,574
Reduction of $2,100 to $2,199 group to $2,000	9,568,924
Reduction of $2,200 to $2,299 group to $2,000	[2] 3,443,573
Reduction of $2,300 and over 10 per cent	40,192,394
Total	55,382,465

The following table shows the number of employees under $2,000 and the number at $2,000 and over for both the District of Columbia and the field service.

	Civilian, commissioned, and enlisted personnel in the executive branch of the Federal Government	
	Number	Compensation
Under $2,000 per annum	681,892	$559,756,453.03
$2,000 and over per annum	341,481	755,934,014.09
Total	1,023,373	1,315,690,467.12

[1] As the highest standard salary rate in this group is $5,400, this estimate is based upon a 10 per cent reduction for all employees in the group.

[2] As the highest standard salary rate in this group is $2,200, this estimate is based upon a 10 per cent reduction for all employees in the group.

This is the same information contained in a recent letter from this bureau to Senator JONES, chairman of the Senate Committee on Appropriations.

Very truly yours,

HERBERT D. BROWN, *Chief.*

POLISH COLONIAL PATRIOTS

Mr. LONERGAN. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a statement of our continental Polish heroes.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. LONERGAN. Mr. Speaker, the names of two great Poles will be associated with the name of George Washington and the founding of the American Republic as long as history endures. They are Thaddeus Kosciusko and Casimir Pulaski. Kosciusko was the first of that noted galaxy of foreign officers who volunteered for the cause of the Colonies. Of this noted group only Pulaski and DeKalb gave their lives in the Revolution.

Kosciusko and Pulaski, while imbued with the same ideals, differed widely in their personalities and in their military specialties. Kosciusko was a highly trained technician, while Pulaski, although regarded as a military genius, was more of the dashing type whom men would follow cheerfully to their deaths. Both men are credited at different times with saving the American cause.

The beginning of the year 1777 was a dark period for the Continental Army. The troops were ill clad, ill fed, and had suffered one defeat after another. On top of this it was learned that General Burgoyne was coming down through New York State from the north. Gen. Horatio Gates commanded the American Army of the North. Kosciusko, who had already demonstrated his ability in the fortification of Philadelphia, was connected with the Gates army as an engineer. Kosciusko recommended that a battery be placed on the summit of Sugar Loaf Hill. Unfortunately for the Colonial officers, General Gates was relieved of this command, after he had approved the Kosciusko plan of defense. His successor vetoed the plan, with disastrous results. After the commander who relieved Gates began to suspect that he had made a mistake he sent the same Colonel Wilkinson who later carried to Congress the report of the capture of Burgoyne to inspect the defenses. Wilkinson promptly wrote: "For the love of God, let Kosciusko return here, and as quickly as possible." Unfortunately, this belated recommendation of Kosciusko's plan of defense was too late. The English, already on Lake Champlain, themselves followed Kosciusko's idea.

When Gates was restored to his command he commissioned Kosciusko to devise a plan for the defense of Saratoga and to check the British advance. Kosciusko fortified Bemis Heights. The Americans crushed Burgoyne's force in the Saratoga Valley, and hope flamed anew in the hearts of the colonists. Following this victory at Saratoga, one of the decisive engagements of history, many European powers recognized the independence of the United States, even though the war had not been concluded.

Historians point to Kosciusko's part in this battle and in the preparation for it as showing his astounding worth to the American forces. A victory by Burgoyne at that time might easily have brought in its train complete defeat for the colonists and might have placed an entirely new face upon subsequent world history. General Gates eagerly acknowledged his indebtedness to Kosciusko in his official report to Congress.

Kosciusko's next task was the fortification of the heights of West Point. Radiere, described as an "impatient, petulant officer," was originally intrusted with the task. He planned it on too large a scale, accomplished little, and Kosciusko was dispatched to the scene. The young Polish military engineer made many changes in the original plans and the work was pushed rapidly, to the satisfaction of all. By 1778 Kosciusko had finished the gigantic task, and military men regarded West Point as impregnable. The importance of the fortification was that the Hudson River was the only passage by which the British could cooperate with an

army from Canada, and General Washington regarded this position as indispensable. He pointed out that upon its security depended America's chief supplies of flour for the armies.

In 1780 Thaddeus Kosciusko was appointed chief engineer of the Army of the South, then commanded by Gen. Nathanael Greene. Greene found this army lacked clothing, food, and resources generally. He sent Kosciusko to select a camp site. The Polish engineer picked out a spot at the head of navigation on the Pee Dee, in fertile country unspoiled by war. There the army rested and discipline and spirits were revived.

Kosciusko retained this post until the end of the war. His duties generally were to survey the field of operations, determine sources of water and food supply, indicate strategic points of defense and attack, and devise means for rapid movement of troops and provisions. The difficulties of this assignment may be imagined when it is remembered that the army was operating in marshy regions, frequently encountering great swamps. The fighting often of necessity became guerilla warfare, and at those times, despite his rank, the brilliant young Polish engineer fought with the rest as a common soldier. Kosciusko was not a soldier of fortune by any means. He did not present himself to Washington under any assumed title, although that was frequently done at that time. He asked for no rank, demanded no pay. He was given the rank of colonel of Engineers. Washington termed him "a gentleman of science and merit."

Kosciusko's will, which he left with his friend, Thomas Jefferson, on his second and last departure from America, displayed a love of liberty extending to all peoples everywhere. While in Virginia he had seen slavery in all its phases. In his will he evidently foresaw a broader scope of human freedom in America than that for which he was himself disinterestedly battling in an alien land. The famous Kosciusko will is recorded as one of the torches lighting the path of human progress. It follows:

I, Tadeusz Kosciuszko, being just on my departure from America, do hereby declare and direct that, should I make no other testamentory disposition of my property in the United States, I hereby authorize my friend, Thomas Jefferson, to employ the whole thereof in purchasing negroes from among his own slaves, or any others, and giving them liberty in my name; in giving them an education in trade or otherwise; in having them instructed for their new condition in the duties of morality, which may make them good neighbors, good fathers and mothers, husbands and wives, in their duty as citizens, teaching them to be defenders of their liberty and country, of the good order of society, and in whatsoever may make them happy and useful; and I make the said Thomas Jefferson executor of this.

5th of May, 1798.

T. KOSCIUSZKO.

After the war closed, on the recommendation of Washington, Kosciusko was given the rank of brigadier general for "long, faithful, and honorable service." Ranking with the class of officers second only to Washington and Greene, he with others was given a tract of land where the city of Columbus, capital of Ohio, now stands. Tributes and expressions of gratitude too numerous to detail were showered upon this foreign hero. Of the many foreign officers who fought in Washington's army, Kosciusko was one of three selected as a member of the Society of Cincinnati.

Kosciusko returned to his own country and in 1794 led a revolt to try to strike the shackles of alien governments from his own people, but failed, and spent his declining years, after a second visit to America, in Switzerland.

Casimir Pulaski came to America with a record of military daring already established in Europe, although still a very young man. Before he reached his majority he was a member of the guard of Duke Charles of Curland. When the Polish throne was vacant Russian forces moved toward Warsaw and many Poles resented this means of intimidation. They found a leader in Count Joseph Pulaski, who, in 1768, organized the Confederation of Bar, whose object was to vindicate the sovereign rights of Poland. The armed forces of the confederation actively opposed the puppet King placed on the throne, but the leader of this revolt, the father of Casimir Pulaski, was betrayed by treachery and died in prison in 1769.

Young Cisimir had entered this fight at the age of 20, and on his father's death the chief command devolved upon him. The forces under Pulaski finally went down to defeat, and in 1772 Russia, Austria, and Prussia undertook the first partition of Poland.

Although he emerged defeated from this long campaign, young Casimir Pulaski had established an enviable reputation as a soldier and leader of men. Hounded from his own country by alien enemies, Pulaski sought out Benjamin Franklin and Silas Deane in Paris and engaged to enter the American cause to fight for the freedom denied his own people. A year passed before arrangements could be perfected, but in June, 1777, with Lieutenant Colonel Kotkowski, another Polish patriot, he sailed for America. Franklin wrote General Washington as follows:

Count Pulaski, of Poland, an officer famous throughout Europe for his bravery and conduct in defense of liberties of his country against the three great invading powers of Russia, Austria, and Prussia, will have the honor of delivering this note to your excellency's hands.

Pulaski landed at Marblehead on July 23, 1777. When Pulaski first met Washington the fortunes of the colonists were at a low ebb. New York had been lost the previous year; a series of defeats, desertions, and lapsing of enlistments had reduced Washington's forces to a pitiful ragged handful to oppose Lord Howe's army of 30,000 thoroughly equipped and well-supplied soldiers.

Washington sent a letter introducing Count Pulaski to the Continental Congress, urging that he be given a commission. Delays held up congressional action, which did not at all suit the dashing Polish officer. Washington's army had gone to meet the enemy, so Pulaski went also, although having no official standing. Washington wrote Hancock, introducing Pulaski's plan for a mounted corps. Two weeks later, before the letter could be considered by Congress, Count Pulaski received his American baptism of fire at the Battle of Brandywine, although holding no command or commission.

Howe, at the head of 20,000 troops, was marching to capture Philadelphia. Washington drew his poorly equipped and poorly trained men, numbering half as many, across the British advance. Howe and Cornwallis flanked the Continental Army, routing one wing, and forced Washington to retreat. The absence of a mounted force had left Washington in the dark so far as reliable and prompt information of British movements was concerned. In this engagement, at a critical time, Washington gave Pulaski command of his own body guard and 30 horse. Although this was a pitifully inadequate weapon, with his small detachment Pulaski charged the oncoming British, retarded their advance, and checkmated an effort to cut off the American avenue of retreat and capture the American baggage. Four days after this Congress named Pulaski "commander of the horse, with the rank of brigadier." In short, this dashing young Polish fighter was the first American Chief of Cavalry.

Five days after the Battle of Brandywine, on September 16, 1777, Pulaski saved the army of Washington from a surprise attack that might have proven disastrous. Reconnoitering with his cavalry, he found a British army near Warren Tavern. Hastily apprising Washington of the situation, he harassed the enemy, impeding their progress sufficiently to give Washington time to complete his preparations for battle.

Pulaski saw little of the terrible winter at Valley Forge. The last day of 1777 he was ordered to Trenton to establish a camp to instruct and condition the soldiers for the next campaign. The latter part of February of the next year Pulaski with 50 men joined Gen. Anthony Wayne, who had 250 New Jersey militiamen. The combined forces, small though they were in numbers, were ordered to thwart an attack by which the British planned to secure supplies from Philadelphia. On March 3, 1778, the British were met at Haddonfield, N. J. In this encounter Pulaski's horse was shot dead under him and he personally took seven prisoners. General Wayne, reporting the battle, said that "Pulaski behaved with his usual bravery."

Pulaski was dissatisfied with the condition of the cavalry he commanded and also with the inadequate attention given

his pleas for reorganization and strengthening of this arm of the service. As he also felt the lack of cooperation on the part of some of his officers who objected to a leader relatively unacquainted with English, Pulaski resigned his command in March, 1778. He then requested Washington and the Continental Congress to permit him to organize an independent force, which became famous later as the "Pulaski Legion." To the credit of the Continental Congress, it adopted a resolution retaining for Count Pulaski his rank of brigadier general and giving him the permission he desired.

The next month Pulaski opened a recruiting office in Baltimore and by July of 1778 had raised, organized, and disciplined an independent corps made up of three companies of cavalry and three of infantry. The officers were chiefly Polish and French. Pulaski's legion served as the model upon which General Lee's independent legions were organized in the following century during the Civil War. The famous banner made for his legion by the Moravian nuns is still preserved by the Maryland Historical Society of Baltimore.

Far from seeking to enhance his own fortunes at the expense of the struggling colonists, Pulaski spent a great deal of his own money in raising and equipping his own legion. Addressing Congress in September, 1778, he said he had expended at least $16,000 of his own money. This was only a few months after the independent corps began its existence. Later Captain Baldesquin, paymaster of the legion, told Congress Pulaski had spent for it at least $50,000 of his own money. In the fall of 1778 the legion took the field, its first operations being at Egg Harbor, N. J., to protect a privateer base. The infantry portion of the legion was surprised there by the British on October 15, and Lieut. Col. Baron DeBose, a Pole, was slain. Pulaski's cavalry rescued the infantry and drove back the invaders.

After further service in Minisink region in New Jersey, Pulaski, with part of his force moved south, reaching Charleston, S. C., on May 8. Three days later the remainder of the legion arrived. The same day a British force under General Provost crossed the Ashley River with 900 men and was sharply attacked by Pulaski's men. This engagement was of little importance except for the fact that this prompt and bold attack greatly raised the spirits of the people and inspired the inexperienced troops then in the city with confidence.

When the governor and council of Charleston were ready to surrender the city to the British, Pulaski, seconded by General Moultrie and Colonel Laurens, persuaded them to reject the plan and that same night General Provost retreated across the river, having learned that General Lincoln was marching toward Charleston with a force of 4,000 men.

Savannah was a British stronghold and General Lincoln intended to besiege it. Count Pulaski and General McIntosh preceded the main army to attack and harass British outposts. The siege of Savannah started September 16, with Count d'Estaing with a French fleet aiding the siege from the sea. The French commander finally requested that the city be attacked by storm, to which plan General Lincoln consented after some hesitation. Accordingly, on October 9 the order went forth that the British ramparts were to be stormed. The cavalry of the French and the Americans was commanded by Pulaski. He was to charge the embattlements and the infantry were ordered to storm the right of the British line.

The well-laid plans went wrong, due to the treachery of an American soldier who deserted after the orders were announced. Consequently enemy troops were massed at point of attack and deadly fire repulsed the assailants. Count d'Estaing tried to advance directly across a swamp, but a deadly cross fire wrought havoc among his men. Seeing the confusion and knowing that something had gone wrong with the plans, Pulaski, at the head of his cavalry, dashed to reinforce and encourage the French, at the same time hoping to find an opening through which he could slip to the rear of the British. Riding through a withering flame of enemy shells he was struck in the groin and fell to the ground mortally wounded.

The heroic Polish commander was carried away by his own soldiers, placed on the American brig *Wasp* under the care of skilled French surgeons. However, gangrene had set in and two days later, on October 11, 1779, he was buried at sea. When the *Wasp* sailed into Charleston Harbor with her flag at half mast and it became known that the gallant Pulaski was dead, the city went into general mourning. High honors were paid to the memory of the dashing cavalryman by the city, the State, and the Continental Congress.

Thus ended, at the age of 31 years, the career of a gallant soldier who had made himself a heroic figure both in America and in Europe.

On the one hundred and fiftieth anniversary of the siege of Savannah, October 9–11, 1929, nation-wide tribute was paid to the memory of this fighter for freedom. President Hoover and the Congress of the United States designated a committee to head the national observance of the anniversary of Pulaski's death, and cities and States from coast to coast united in paying the highest honors to the memory of this distinguished Pole who laid down his life in the cause of the American independence led by George Washington.

Statues of Count Casimir Pulaski and General Kosciusko are located in the city of Washington as follows:

Count Pulaski in Franklin Park at the intersection of E Street and Pennsylvania Avenue.

General Kosciusko in the east corner of Lafayette Square. Erected by the Polish National Alliance of America and presented on behalf of the Polish American citizens May 11, 1910.

Busts of both are also located in Statuary Hall in the Capitol in Washington.

CORRECTION IN CONGRESSIONAL DIRECTORY

Mr. STEVENSON. Mr. Speaker, in publishing the last directory unwittingly an injustice was done the gentleman from New York [Mr. LAGUARDIA]. We have listed the gentleman from New York as coming from Brooklyn, and I understand the gentleman objects to that and says he is a citizen of New York. It was an error committed in the office, and we very gladly apologize for it and ask that all Members address the gentleman from New York [Mr. LAGUARDIA] in New York and not in Brooklyn.

INVESTIGATION OF CAUSE AND EFFECT OF DEPRESSED VALUE OF SILVER, MONETARY POLICIES OF THE UNITED STATES, ETC.

Mr. BANKHEAD. Mr. Speaker, by direction of the Committee on Rules I call up the resolution (H. Res. 72) and ask for its immediate consideration.

The SPEAKER. The gentleman from Alabama calls up a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 72

Resolved, That the Committee on Coinage, Weights, and Measures is authorized and directed, as a whole or by subcommittee, to investigate the cause and effect of the present depressed value of silver, the monetary policies of the United States and foreign countries and their relation to the value of silver, methods of stabilizing the value of silver, and the advisability of an international conference to consider methods by which by international cooperation the value of silver can be stabilized. Such committee shall report its findings to the House, together with such recommendations for legislation as it deems advisable.

SEC. 2. For the purposes of this resolution the committee is authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to employ such experts, and such clerical, stenographic, and other assistants, to require the attendance of such witnesses and the production of such books, papers, and documents, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary.

Mr. BANKHEAD. Does the gentleman from Indiana desire some time under the rule?

Mr. PURNELL. I have some requests. I would like the gentleman to yield me 30 minutes.

Mr. BANKHEAD. I have given assurance to the Speaker that we would limit time as much as possible on this rule. Could the gentleman not get along with 20 minutes? I hope the gentleman can do so.

Mr. PURNELL. I would be glad to get along with 15 minutes if the gentleman will help me.

Mr. BANKHEAD. I will be glad to do that. I will make that agreement with the gentleman, that we will each use 15 minutes.

Mr. Speaker, I yield 10 minutes, or so much thereof as he may desire, to the gentleman from New York [Mr. SOMERS], chairman of the committee.

Mr. SOMERS of New York. House Resolution 72 directs the Committee on Coinage, Weights, and Measures to investigate the cause and effect of the present depressed value of silver, the monetary policies of the United States and foreign countries, and their relation to the value of silver, methods of stabilizing the value of silver, and the advisability of an international conference to consider methods by which, by international cooperation, the value of silver can be stabilized.

As a preface to anything which your committee may state or recommend, they desire to go on record as recognizing and adhering to the principle that no monetary system can endure which has not stood the test of time nor the sanction of the customs of the people whom it serves.

The gold standard has served the people of the United States from the late seventies upon the resumption of the specie payments by our Treasury up to the present time. Until quite recently it performed similar service for all the nations of the western world and may, therefore, be said to have merited the sanction which only custom could give it. Having accepted this principle, the committee conclude that their efforts should be entirely directed toward finding a solution for their problem which shall preserve for the people of the United States the integrity of the gold standard because that system seems best suited to their habits and to their customs.

The committee believe that the foregoing principle of reasoning if applicable to the American monetary system in its relation to the people of this country can, in all propriety, and should, in all fairness, be applied to other monetary systems of the world in their relations to the habits and customs of the citizens of these other nations.

The price of silver, or of any other commodity, responds to the natural law of supply and demand with the distinction that, unlike any other commodity excepting gold, silver serves a dual purpose in that it is both a commodity and a yardstick of value, and, while not our yardstick, certainly that of untold millions of human beings in many parts of the world who are the direct or indirect customers of the people of the United States of America. It is the task of the committee to determine the causes of the fall in the price of silver in the face of the reduced production, as well as to inquire into the rise in the price of gold, when measured in terms of all commodities, including labor. This rise has come about despite the substantial production and the continuous increase of visible stocks. After having ascertained the foregoing, the committee will endeavor to analyze the effects of these paradoxical phenomena upon the monetary systems of the world, and, through these, their influence upon the trade of the world. Once causes and effects are known and the accurate diagnosis established, it is the committee's conviction that the remedy will logically suggest itself.

History shows that the monetary policy of any country, of the United States as well as of foreign countries, is subject to alteration, voluntary or otherwise, in accordance with changed economic conditions. While the committee can not recommend that suggestions be advanced to other nations which would effectually alter their monetary policies to suit our convenience, they nevertheless feel that other nations can be approached in all propriety with such suggestions as are based on the broader aspect of the situation if examination reveals the nature of our problems as being identical with their own.

After analysis of the subject the committee will make such recommendations as they deem advisable, bearing in mind the international aspects of the question, because gold and silver are recognized the world over as yardsticks of value, stores of wealth, and those instruments which are utilized for the discharge of international obligations, either when credit is unnecessary or when it fails for the purpose, or when the machinery of credit is nonexistent as is the case in certain parts of the world. Such conditions, if existent, are a challenge to international cooperation, so that if the examination reveals them, the committee will most certainly recommend the shortest path to cooperation by conference or otherwise.

The committee further believes that the solution of the fundamental problem of money is at the very root of our present evils, so that its correction necessarily implies progress in the solving of other important questions, the discussion of which in the absence of stable monetary conditions becomes futile and academic. As a matter of fact, the committee points out that it may be understood both at home and abroad that if monetary instability has destroyed trade, and with it capacity to pay, it has also destroyed in the same degree our ability to cancel. It therefore follows, as naturally as day follows night, that stability of money should restore trade, thus re-creating capacity to pay and likewise our ability to cancel. Under such conditions the common burden might possibly be borne by all, because cooperative effort will have made it lighter, whereas, under present conditions, it is too heavy to be carried alone, so that danger threatens creditor and debtor nations alike.

Mr. BANKHEAD. Will the gentleman yield?

Mr. SOMERS of New York. I yield.

Mr. BANKHEAD. We observe from a reading of the last paragraph of the resolution that there is no limitation or suggestion of limitation placed upon the amount that the committee will ask under this appropriation. The gentleman from New York in presenting this rule to the Committee on Rules, gave us the assurance, the most modest one I have ever heard, where an investigation was asked, that they would not ask for more than $5,000 total to be used in this investigation. I would like to have the gentleman from New York confirm that statement.

Mr. SOMERS of New York. It is my belief that no more than $5,000 will be necessary for this investigation, and it is my intention to ask for no more.

Mr. PURNELL. Will the gentleman yield?

Mr. SOMERS of New York. I yield.

Mr. PURNELL. I wanted to confirm what the gentleman from Alabama said, and also express the hope that this resolution may be amended so as to provide that. I realize the gentleman has made the statement before the committee in utmost good faith, but the gentleman must recognize that these things often get away from even the chairman and the minority and the majority members of the committee.

Mr. SOMERS of New York. I realize that, and I have no objection whatever to amending the resolution at the present time to limit it to that amount.

Mr. UNDERHILL. Will the gentleman yield?

Mr. SOMERS of New York. I yield.

Mr. UNDERHILL. It was along that line that I wished to propound an inquiry to the gentleman having the bill in charge. I realize the futility of opposing such measures as this. If they are to be opposed, they should be opposed at the present time, but there is never anyone ready to take the floor in opposition to them. I certainly should feel it a part of my duty to oppose the resolution unless a specific amount were stated and the House was allowed to understand and know in the first place just how much it would cost. Of course, in the past it has been shown that these investigations lead to nothing and accomplish little or nothing, but that has no effect upon the Members of Congress. I do think that before this resolution is passed, we should have definitely stated the amount they intend to ask and the amount which would be the limit, so that they will not come in later for an additional amount. If nobody else offers the amendment, I will offer an amendment that this be limited to $5,000.

Mr. HOWARD. Will the gentleman yield?

Mr. SOMERS of New York. I yield.

Mr. HOWARD. The gentleman from Massachusetts [Mr. UNDERHILL] is doing a good service as the watchdog of the Treasury. The gentleman states that these investigations

amount to nothing and reach nowhere. I would inform the gentleman that we have had very few investigations in the House of Representatives. Every investigation ought to be conducted by the House of Representatives instead of by the other body. I may say to the gentleman from Massachusetts that while other investigations may have come to naught, as the gentleman says, yet the gentleman has never witnessed an investigation by such a committee as we have now in charge of coinage, weights, and measures. [Applause.] I regard the chairman of this committee as the best-posted man with whom I have had any conversation on the subject of silver. [Applause.] I am not going to be a member of this investigating committee, so I may speak unselfishly. I hope the expense will not be limited. This is the most important problem before the American people to-day in the direction of curing the ills of our own governmental financial system.

I hope the committee will be given wide leverage and plenty of money to secure an investigation which will mean something. [Applause.]

Mr. SOMERS of New York. May I say to the gentleman from Nebraska that that compliment, coming from him, is one that is going to linger long in my memory. I can not conceive of a finer tribute paid to any man. I wish I deserved it. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Colorado [Mr. EATON]. [Applause.]

Mr. EATON of Colorado. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to add thereto a circulation statement of United States money, December 31, 1931.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. EATON of Colorado. Mr. Speaker, once more I want to talk to you about silver. This time in support of H. Res. 72, which I trust will pass without a dissenting vote.

Since I spoke the first time in this Seventy-second Congress on the subject of silver it seems as if all the old stories, the old prejudices, and the old arguments have been revived. Just yesterday I was reminded of that old story of the gold monometallist who, looking at a silver dollar, said to the bimetallist, "It's good you have those words on there, 'In God we trust.' Would that you might also have engraven these words on all coins so that it could be believed by all, 'I know that my Redeemer liveth.'"

And that little note of confidence is what is being shown here this morning, at least to the extent of authorizing the Coins, Weights, and Measures Committee to investigate the cause and effect of:

First. The present depressed price of silver.

Second. The monetary policies of the United States and foreign countries and their relation to the value of silver.

Third. Methods of stabilizing the value of silver; and

Fourth. Advisability of an international conference to consider methods by which international cooperation, the value of silver, can be stabilized.

Just as an indication of what that committee has before it, let me mention to you some of the remedies which have been suggested during the month of January, 1932. I do not mean that any one of these was first suggested in that month, but each one of those I mention, and others, has been discussed in my hearing since Christmas.

CHECKS

When that committee delves into the monetary policies of the United States, it will have to consider the effect of the checking system of this country which is so universally used to make available our bank deposits. Statistics may be seen which demonstrate that during the peak year of 1929 the bank deposits of New York City turned over every other day—more than 160 times during the year. Throughout the whole United States the bank deposits of the cities of the United States turned over during 1930 oftener than once a week, and for the time in 1931 for which figures are available, the turnover was only 10 per cent less.

The figures of our money turnover are stupendous. A few days ago the Ways and Means Committee were told that the annual manufacturing business of the United States amounted to $60,000,000,000, and the speaker attempted to demonstrate how a very small tax rate on that amount would produce a large revenue. A statistician tells us that the annual check turnover of money was eleven times greater than the money produced from business in 1930. He says: "In 1930 over six hundred and sixty-two billions of money duty was obtained from the use of checks."

What change has the checking system made in the monetary system of the United States since the demonitization of silver?

A LIMITED COINAGE OF SILVER AT A FLEXIBLE RATIO OF SILVER TO GOLD

A limited coinage of silver at a flexible ratio of silver to gold is one plan. This means a present adjustment of the existing stocks of silver to gold, the proportion to be designated, and thereafter silver and gold to be augmented in an adjustable quantity to maintain the proportion of weight of metal and value thereof.

When it is pointed out that the proportion of production of gold and silver since Columbus discovered the New World is about 13½ to 1 in weight, that the proportion of gold and silver actually used in our own money system is said to be about 5 to 1 in dollars, and that the present annual production is approximately 10 to 1 by weight, the difficulty of starting a properly adjusted basis is at once apparent.

However, one of these plans is premised upon a general principle that our currency should rest upon a 50 per cent metal base; that is, that the total paper money should not be more than double the amount of metal, and that the metal basis should be double—that is, bimetallic—gold and silver. Of this bimetallic base there should be a constant of one-half gold, the other half to be a variable of gold and silver, containing a minimum of one-fourth of the half, or one-eighth, and the balance of three-fourths of the half, or three-eighths, optionally, gold and silver in any proportion.

If silver is not on a fixed ratio of weight to gold, but is figured at its market value for defined periods, measured by the gold standard, the number of ounces of silver required to balance the currency would rise and fall automatically, adjusting the market price of silver and the quantity in the currency, thus, it is said, making an automatic peg of the price of silver.

On the basis of the December 31, 1931, circulation of United States money, would not this plan work out in this way?

We had on hand $4,460,099,079 in gold and $848,271,510 in silver bullion, coined dollars, and subsidiary silver coins. The proportion proposed would require $281,778,030 more silver to bring it up to one-fourth of the gold, or $1,130,049,540. I am talking now about dollars, not ounces of gold or silver, because the circulation statement mentions only dollars for gold, silver, and paper money. This additional silver is, in round figures, $300,000,000. I have not learned whether the proponents of this plan have considered the statement which I made to you in this House last month that there were $308,628,269 in silver dollars and $268,063,510.80 in subsidiary silver coins unaccounted for in our circulation. It may be merely a coincidence, but it is worthy of careful study to determine whether the currency of this country ought not to be balanced by purchasing approximately $300,000,000 in silver, and to decide whether that figure ought to designate ounces of silver on the present buying power of gold converted into silver at the prevailing market price; or coin the silver into dollars or to hold the bullion and merely issue paper certificates therefor.

Our total circulation of all kinds of money—gold, silver, minor coins, and paper—amounted to $9,421,224,505. On the proposed basis we would be entitled to have a total currency of $10,616,741,198 upon our present holding of the metals—gold and silver. This is $1,195,516,693 more than is now in circulation. But if it is wise to keep the paper money down to its proportion of 40 per cent of the total currency, will you agree that the economic structure will

remain sound if we increase our metal base by putting into it the silver to balance this theory? If you answer "yes," then you may increase our currency with the minimum amount of inflation, and it is an open question whether it would amount to any more inflation than there is in our currency at the present time when compared with its metal foundation.

Here is the "Circulation Statement of United States Money," as issued by the Treasury Department as of date, December 31, 1931:

Circulation statement of United States money, December 31, 1931

Kind of money	Total amount	Money held in the Treasury					Money outside of the Treasury				Population of continental United States (estimated)
		Total	Amount held in trust against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal reserve banks and agents	All other money	Total	Held by Federal reserve banks and agents [1]	In circulation [2]		
									Amount	Per capita	
Gold coin and bullion	[3] $4,460,099,079	$3,557,702,389	$1,751,456,019	$156,039,083	$81,564,818,834	$85,388,448	$902,396,690	$493,770,233	$408,626,457	$3.28	
Gold certificates	[4] (1,751,456,109)						1,751,456,019	874,686,980	876,769,039	7.04	
Standard silver dollars	539,958,135	498,856,665	495,471,966			3,394,699	41,091,470	8,297,281	32,794,189	.27	
Silver certificates	[4] (494,241,766)						494,241,766	105,153,789	389,087,977	3.13	
Treasury notes of 1890	[4] (1,230,200)						1,230,200		1,230,200	.01	
Subsidiary silver	308,313,375	7,401,417				7,401,417	300,911,958	30,320,809	270,591,149	2.17	
Minor coin	126,659,014	4,331,186				4,331,186	122,327,828	5,160,395	117,167,433	.94	
United States notes	346,681,016	3,549,883				3,549,883	343,131,133	55,320,287	287,810,846	2.31	
Federal reserve notes	2,926,038,690	959,175				959,175	2,925,079,515	321,625,858	2,603,453,657	20.90	
Federal reserve bank notes	2,863,300	25,121				25,121	2,838,179	100	2,838,079	.02	
National bank notes	710,611,896	17,078,579				17,078,579	693,533,317	37,129,455	656,403,862	5.27	
Total, Dec. 31, 1931	9,421,224,505	[5] 4,089,914,415	2,246,927,985	156,039,083	81,564,818,834	[6] 122,128,508	7,578,238,075	1,931,455,187	5,646,772,888	45.34	124,556,000
Comparative totals:											
Nov. 30, 1931	9,214,178,615	[5] 3,970,010,748	2,268,735,369	156,039,083	1,404,877,582	140,358,709	7,512,903,236	1,976,760,559	5,536,142,677	44.48	124,476,000
Dec. 31, 1930	8,713,875,325	[5] 4,053,167,746	2,280,859,060	156,039,083	1,526,868,978	89,400,620	6,941,566,639	2,051,443,291	4,890,123,348	39.41	124,074,000
Oct. 31, 1920	8,479,620,824	[5] 2,436,864,530	718,674,378	152,979,023	1,212,360,791	352,850,336	6,761,430,672	1,063,216,060	5,698,214,612	53.21	107,096,005
Mar. 31, 1917	5,396,596,677	[5] 2,952,020,313	2,681,691,072	152,979,023		117,350,216	5,126,267,436	953,321,522	4,172,945,914	40.23	103,716,000
June 30, 1914	3,797,825,099	[5] 1,845,569,804	1,507,178,879	150,000,000		188,390,925	3,459,434,174		3,459,434,174	34.93	99,027,000
Jan. 1, 1879	1,007,084,483	[5] 212,429,402	21,602,640	100,000,000		90,817,762	816,266,721		816,266,721	16.92	48,231,000

[1] Includes money held by the Cuban agency of the Federal Reserve Bank of Atlanta.

[2] The money in circulation includes any paper currency held outside the continental limits of the United States.

[3] Does not include gold bullion or foreign coin other than that held by the Treasury, Federal reserve banks, and Federal reserve agents. Gold held by Federal reserve banks under earmark for foreign account is excluded, and gold held abroad for Federal reserve banks is included.

[4] These amounts are not included in the total, since the money held in trust against gold and silver certificates and Treasury notes of 1890 is included under gold coin and bullion and standard silver dollars, respectively.

[5] The amount of money held in trust against gold and silver certificates and Treasury notes of 1890 should be deducted from this total before combining it with total money outside of the Treasury to arrive at the stock of money in the United States.

[6] This total includes $55,466,536 gold deposited for the redemption of Federal reserve notes ($503,280 in process of redemption), $28,667,622 lawful money deposited for the redemption of national-bank notes ($17,040,235 in process of redemption, including notes chargeable to the retirement fund), $1,350 lawful money deposited for the retirement of additional circulation (act of May 30, 1908), and $16,155,207 lawful money deposited as a reserve for postal-savings deposits.

NOTE.—Gold certificates are secured, dollar for dollar, by gold held in the Treasury for their redemption; silver certificates are secured, dollar for dollar, by standard silver dollars held in the Treasury for their redemption; United States notes are secured by a gold reserve of $156,039,088 held in the Treasury. This reserve fund may also be used for the redemption of Treasury notes of 1890, which are also secured, dollar for dollar, by standard silver dollars held in the Treasury; these notes are being canceled and retired on receipt. Federal reserve notes are obligations of the United States and a first lien on all the assets of the issuing Federal reserve bank. Federal reserve notes are secured by the deposit with Federal reserve agents of a like amount of gold or gold and such discounted or purchased paper as is eligible under the terms of the Federal reserve act. Federal reserve banks must maintain a gold reserve of at least 40 per cent, including the gold redemption fund which must be deposited with the United States Treasurer against Federal reserve notes in actual circulation. Lawful money has been deposited with the Treasurer of the United States for retirement of all outstanding Federal reserve bank notes. National bank notes are secured by United States bonds except where lawful money has been deposited with the Treasurer of the United States for their retirement. A 5 per cent fund is also maintained in lawful money with the Treasurer of the United States for the redemption of national-bank notes secured by Government bonds.

Mr. EATON of Colorado. If the foregoing sounds involved, I will not take the time this moment to straighten it out. Suffice it to say that there is also required in this plan that withdrawal of gold shall be protected, and to that end each dollar of paper currency should be redeemable in the stated proportions of gold and silver in the metal reserve at the time of redemption.

NEW COINS WITH A DIFFERENT STATUS THAN THE PRESENT ISSUE

New coins, with a different status than the present issued, are an adaptation of an Englishman's idea of new international interchangeable silver money and are the subject of a pending bill. It provides for the handling of silver at the mint and the issuance therefor of silver certificates payable in ounces of silver instead of dollars.

A variation of this idea is proposed by one who suggests a half-billion-dollar international corporation, which will be vested with the power of buying silver, issuing paper certificates therefor, having an interchangeable value between the countries interested, just like travelers' checks. This would involve the designation of a place of deposit of the silver which would be satisfactory to all nations concerned.

CHANGING VALUE OF GOLD PLAN

Changing value of gold plan is the subject of a pending bill which proposes to change the present standard in weight of the gold dollar, which to-day is 23.22 grains, pure gold, by reducing it approximately one-fourth, thus making the standard gold dollar approximately 17.42 grains of the same fineness.

It is apparent that the immediate effect of such a proposal would be to immediately inflate the value of the existing gold approximately one-third, so that the existing gold in the Treasury, measured by such a new basis, instead of being four billion and odd dollars, would be six billion and odd dollars.

This bill further provides for regulation of the weight of the gold dollar by the gage of its average buying power and a plan for determining the same.

FREE COINAGE OF SILVER AT A RATIO OF 16 TO 1

Free coinage of silver at a ratio of 16 to 1, means silver as a legal tender for all purposes and interchangeable with gold at the ratio. The bankers, international and otherwise, resist this idea. They own and hold the obligations payable in gold. The representatives of two nation-wide farmers' organizations unequivocally support the idea and point out that if the elements of economics as stated by the bankers are true, than neither farming nor any other industry of the world can pay itself out of its present debts. Bankruptcy, general in character, will have to be invoked to settle the private debts. Repudiation and the disagreeable features incident to such action will have to be used by nations to dispose of the international as well as the internal public debts.

They point out that the price of silver follows or accompanies the prices of commodities up and down.

The inadequacy of the amount of existing gold for money purposes is accentuated.

The continual annual decline of adequate gold production is a fact which is predicted to continue.

The necessity for now retracing the steps taken in 1873 and 1893 and making a solid bimetallic base for our money at a definite ratio of 16 to 1 in place of the present inadequate gold base is fully believed and supported by these farmers' organizations, by miners, and a host of others, organized and unorganized—and they are not confined to the United States.

CHANGING LEGAL-TENDER PLAN

Changing legal-tender plan is the subject of one pending bill which provides that hereafter all debts shall be payable in lawful money of the United States and not in any specified weight of gold, and declaring unlawful and void any contract or agreement hereafter made specifying the weight and fineness of gold in which it shall be paid.

A variation of this plan is retroactive in effect and provides that silver shall have unlimited monetary privileges in all transactions for which settlements were previously made or required to be made in gold. In this suggestion it is proposed that the ratio of silver to gold shall be immediately set at 1 to 50, to continue for the first five years. To-day's ratio in value is approximately 1 to 70, I believe.

For the next succeeding 20 years the ratio shall be gradually reduced until it reaches 25 to 1, or possibly 20 to 1. It is suggested that this plan be concurred in by the principal silver-producing countries—United States, Canada, Mexico, and Peru—and if so agreed, that this would automatically establish a value for the world which would prevail as the proportion diminished.

It is pointed out in connection with this plan that, while much is said about obligations payable in gold of the standard weight and fineness, outside of governmental debts and many corporate bond issues, many, if not most, debts now in existence in the United States have no such specific contractual obligation. It is significant that when we were informed by the press of the country upon September 21, 1931, that England had gone off the gold standard the truth was that England excepted from its edict certain governmental and other obligations which specifically required payment in gold of a certain weight and fineness, and applied the edict to all others, thus classifying the debts incurred without special reference to gold as being payable according to the new rule.

UNLIMITED POWER OF PURCHASE AND STORAGE INSTEAD OF UNLIMITED PURCHASE AND COINAGE

Unlimited power of purchase and storage instead of unlimited purchase and coinage is a plan providing that paper certificates shall be issued against the silver in storage without requiring that any part of it be stamped out of the silver bars as coins.

This variation of the free and unlimited coinage of silver has its serious advocates who insist that this is the remedy which must finally be adopted, and until it is that there will continue to be financial disturbances as long as this country recognizes any metallic base for its money system. I believe it is called by some the "silver asset" plan.

THE WAR-DEBT PAYMENT PLAN

Another proposal is that the war debt of the United States be paid in silver. It involves many questions besides the simple one of payment. Where would the paying nations get the silver? How much money is involved? How much silver?

We now use nearly a billion dollars in designated silver in our currency, either as coins or in paper dollars. There are over $10,000,000,000 to be paid. The annual payment covered by the moratorium is about a quarter of a billion dollars.

If we took payment in silver, what would we do with it?

MORE USES FOR SILVER

Some advocate finding more uses for silver for commercial purposes. Some the use of more silver dollars. One proposal is to reduce the size of both the silver dollar and half dollars in an attempt to popularize their use. Another proposal is to make new coins of part silver and part gold.

There was a proposal that the United States buy 200,000,000 ounces of silver bullion and lend it to the Chinese Government.

INTERNATIONAL CONFERENCE

It is said that by international conference the Indian rupee may be restored to a pre-war basis; Great Britain, France, and Mexico may restore the fineness of silver coins to the pre-war basis; all countries off the gold standard may increase their circulation by new silver coinage—and the continued menace of the sale of silver surplus by India may be removed.

Further, that the production of silver may be restricted by agreement between the silver-producing countries—United States, Canada, Mexico, and Peru.

CONCLUSION

In mentioning these suggestions I do not want anyone to feel abused because I have not spoken of his pet theory. There is not time.

But it is significant that in the explanation of every scheme it appears that the use of silver as money in the United States has practically ceased except for subsidiary money and as a reserve for the issuance of paper dollar bills.

Some say this is not a money panic. I am told that if it were necessary the Federal reserve bank could properly issue $3,000,000,000 more of Federal reserve notes; that it has on hand enough gold and eligible paper to increase the paper money of the country $3,000,000,000. There are some who say that it is not metal or paper currency which the country needs in this financial crisis. Others unreservedly and without hesitation state that it is necessary to inflate our currency at the present time.

To increase the circulating medium owned and issued by the Government and to inflate the currency do not mean the same thing to me, but it is certainly true that bankers, publicists, business men, economists, farmers, and all classes are concerned with the question of balancing the purchasing power of the currency we are using. And they and every one of us know that we are in the same shape as the bank whose customers start a run. If called upon for payment, the bank can only pay a part of its entire deposits. If all payments upon delinquent debts required to be made in gold were called, there is not enough gold to make them.

And whether the condition resulting will be a general bankruptcy or whether it results in inflation of currency or repudiation of debts, the net results will be the same. As the adjustments are made, at least a part of the losses caused by the changed buying power of commodities, as well as silver, must be borne by the money lenders and those to whom they have passed on the loans.

The more I hear the subject discussed the more am I coming to believe that the way out is to increase our currency by adding more silver in the base; but whether this is done by the purchase of silver with gold, on a 16-to-1 or some other basis, or the issuance of silver certificates or the required use of silver dollars as a working part of our currency, or a moratorium on payments in gold as was ordered by England, is a conclusion I have reserved until those who have also studied the question present their views at the hearings provided for by the resolution.

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Nevada [Mr. ARENTZ].

Mr. ARENTZ. Mr. Speaker, the senior Senator from Nevada, Senator KEY PITTMAN, last year introduced a resolution calling for an international conference. Since that time both Senator PITTMAN, Senator ODDIE, and myself have been pushing such an idea. If an international conference is called and our delegates go abroad without a plan or without any suggestion from the Congress of the United States, what will they do? They are going to be dealt with in the same manner that every American conference that has gone abroad has been treated. They are going to be jockeyed around by the foreign delegates, and either something done to satisfy those countries or nothing will be done. I am sure if a plan for the stabilization of silver satisfactory to the Congress of the United States is ultimately adopted it is reasonable to suppose we would be more apt to reach that consummation if our delegates have some plan to propose.

Now, what does this resolution do? This resolution provides for a thorough investigation of all phases of the silver question. To us men here in contact with our constituents, every day we are receiving word to the effect that commodity prices are low; that commodity prices are such that they can not pay their debts. Where a dollar represented a bushel of wheat or even less than that a few years ago, to-day it represents 2 or 3 bushels, so that the farmer, instead of paying his debts under conditions such as exist to-day, desires something to be done about the stabilization of commodity prices. The same statement holds true of the mine operator, the lumberman, the sheepman, the cattleman, and the manufacturer.

It is rather remarkable and significant, in looking back over the history of our monetary conferences both here and abroad, that they have always occurred when commodity prices were low, and I may say for the benefit of the membership of this House that everything that has been done to silver in the past 125 or 130 years has been artificially accomplished. In other words, it has been accomplished by the legislatures or by edict of some foreign country or by legislation of our Congress. It has not been the result of any natural condition. In each case silver has received its deathblow little by little for the last 130 years because of the avarice of men who control gold, without any thought for the man who works in the field or in the factory. They were interested in the monetary questions solely on the basis of how it would benefit them without regard as to how adversely it would affect the rest of the world.

Oh, I wish I had the time to read to you extracts from Government records that I have picked up here, there, and everywhere, dealing with the viewpoint of the banker with regard to the way he looks on gold, his control of same, and through such control the economic enslavement of the masses. I can not interpret England's policy in India, adopted in 1926, as meaning anything else than this. The subject of silver touches the whole world; its depreciation has thrown the world into chaos.

But all this aside, what we are interested in is stability of commodity prices, and it is my firm conviction you can not have stability of commodity prices unless you do something with respect to international money. We have half the world using silver and half the world using gold, with most of this one-half at the present time off the gold standard. We know there are 800,000,000 people in the world who use silver. We know that added to this number at the present time are all those nations that are off the gold standard.

Now, is it not within our right, is it not a sensible thing, to investigate silver to determine whether or not we can reach an agreement with the nations of the world to agree upon an international viewpoint regarding silver? I think it is. I think we can accomplish this; and if we can accomplish this through this hearing that is to be held on all phases of the silver question it will be worth to the world a thousand thousand times what this investigation will cost. If it results in something tangible being accomplished and that something is placed in the hands of our delegates, if we do call an international conference, then we can go abroad and accomplish some good.

I may say that if I had the power to-day I would not only direct, I would force, the President of the United States to call an international conference, because I think it is one of the most important things before the American people to-day. [Applause.] When this investigation is completed I feel sure that a plan will be proposed meeting the approval of not only the Congress but of our President. When this happy day arrives we will have made the most important step toward the prevention of great depression through which we are now passing and the early resumption of normal international trade and resulting world-wide prosperity.

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield two minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Speaker, of all times this is the most inopportune for the advocates of bimetallism to revive the issues of the campaign of 1896.

When Great Britain suspended payments in gold it was necessary for our Government representatives abroad to give assurance to the world that we were not going off of the gold basis.

Gold monometallism as the standard has not failed. This is but an endeavor of the silver-mining States to sell something that has no value whatsoever or to increase the intrinsic value. It is a revival of the old campaign of the Boy Orator from the Platte to try a panacea for depressed prices and to give value to something that has no value.

With 499,000,000 of silver dollars coined, 489,000,000 are represented by silver certificates that are in circulation, and these certificates other than the fractional depreciated value of the silver dollar, about 20 cents, have nothing back of them than the promise of the Government.

The value to-day of silver is on a ratio, not of 16 to 1, as the silver-tongued orator of the Platte attempted to have this country adopt, but of about 30 to 1. We went through that issue and the country decided that gold should be the standard. With the United States having vast quantities of gold and it having been proved in these times of depression that the gold standard has not failed, I say to attempt to do something by legislation now, in these delicate financial times, to cause fear and suspicion that the great United States is going off the gold standard is most ill-advised, and I shall vote against the resolution. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Utah [Mr. COLTON].

Mr. COLTON. Mr. Speaker, coming from one of the largest silver-producing States in the Union, let me say in reply to the gentleman from Wisconsin that there is no request or desire on the part of the people interested in silver to revive the old bimetallic issue of 16 to 1. While we do deeply appreciate the very splendid service the gentleman from New York is rendering in asking for an investigation, the movement is not primarily a silver one. The movement is born of a desire to help the world, and this country in particular.

It came, and is coming, as the result of a careful study on the part of men who are trying to work out some sensible solution of the economic situation that confronts the world to-day.

If you go back over the history of this country, you will find that after all the main thing that has brought the country out of the economic depressions of the past has been the discovery of gold in new fields, thereby replenishing the supply of money. The added supply of money has always aided restoring prosperity.

I venture the prediction that there will be no permanent solution of this problem until we have a more sound and a more elastic monetary system in the United States. It may be that again somewhere we shall find more gold, although all lands of the world have been pretty well prospected. We find ourselves with constantly increasing business, constantly increasing and expanding commerce, with a very limited supply of basic money as a medium of exchange. It does not take an economist to see that something is wrong.

We have something like eleven billions of gold in the world to carry on the business of the entire world. It is entirely insufficient. A supplemental supply of basic money must be found. The reserves must be decreased or supplemented by some money in addition to the gold.

We know that our business has fallen off in these United States. I believe there is a direct relationship in the decline of silver and the reduction in commerce. How is it that from China the other day an order was sent over here for a $50 typewriter and it was found on investigation that the person who ordered it would have to pay $200 on the basis of the price of silver? The price of silver then was about 26 cents an ounce. There must be some relation—there is some relation between the silver supply and the use of money—gold and silver—and this entire economic situation. We should make a careful investigation of what that relationship is. I am sure we shall find that when silver prices are low commodity prices are low.

For one, coming from a silver-producing State, I want to again voice my appreciation for the work of the men who are willing to take up and give this subject careful study and investigation. I predict great good will come from this movement. [Applause.]

Mr. BANKHEAD. Mr. Speaker, I yield four minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Speaker, I trust that the House will consider and pass this resolution for this investigation. I regret that my friend from Wisconsin [Mr. STAFFORD] attempted to discuss it from the standpoint of politics, because certainly there is no politics in this resolution for investigation.

There will be legislation at some future time, either in this or the next Congress, considered to give silver a place in our monetary system.

The international system is very complicated. Many nations formerly on single gold standard have dirfted away from that.

Great debtor nations of the United States are on a silver basis. Nations to which we export figure their values in silver, and it makes it very complicated from the standpoint of an exporter and complicates the collection of debts owing us by nations abroad.

An editorial in the Star of yesterday was headed "A Billion and a Half of Dollars Is in Hoarding." The per capita circulation in the United States in normal times is none too large. At this time we have reason to think it has been reduced as much as one-third, and a billion and a half dollars, assuming the premise of the editorial to be correct, means about $10 per capita. To reduce the circulation $10 per capita is detrimental. I for one believe that one of the best things that could be done to relieve the economic situation in this country would be to have a well-ordered inflation of our currency. We can not have a well-ordered per capita increase in our circulation unless we have some basis for it, and I think the silver in our country offers an opportunity for this well-ordered increase rather than to undertake to do it upon the credit of the Government without having gold or silver behind it. The world situation is very complicated. The situation in our own country is such that we can at least look into this thing in a courageous and in a practical way. This can be done by one of the leading committees of the House in order that we may better understand the situation. The situation is vastly different from what it was 30 years ago, when, as the gentleman from Wisconsin [Mr. STAFFORD] said, Mr. Bryan made his race. Many countries have gone off the gold standard. We can not alone expect to dictate the standards of the world when we are a creditor and an exporting nation. When this international conference comes we ought to have this information so that we may deal with it in a scientific and practical manner. I join with my colleague from Nebraska in saying that we have a committee of this House with a chairman that has ability and an unbiased interest to go into this question to get the information on which to legislate. I trust the resolution will be agreed to.

Mr. BANKHEAD. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

FIXING THE TIME OF ASSEMBLING OF CONGRESS

Mr. POU, from the Committee on Rules, reported the following resolution, which was referred to the House Calendar and ordered printed:

House Resolution 133

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 14, proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress.

That after general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Election of President, Vice President, and Representatives in Congress, the Senate joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and the amendment thereto to final passage without intervening action except one motion to recommit.

TESTIMONY OF ASSESSOR IN CONDEMNATION PROCEEDINGS

Mr. PALMISANO. Mr. Speaker, I call up the bill S. 9, which I send to the desk and ask to have read.

The SPEAKER. This is District day. The gentleman from Maryland calls up the bill, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That in any action for the condemnation of lands in the District of Columbia the assessor of the District shall not be disqualified, by reason of the fact that he holds the office of assessor, from testifying as an expert witness to the market value of such lands and as to benefits.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry. Has the gentleman from Maryland relinquished the floor, and is the matter now open to debate?

The SPEAKER. The gentleman from Maryland is entitled to one hour. Of course, if he should not move the previous question, any other gentleman getting the floor would likewise have an hour. The Chair recognizes the gentleman from Maryland.

Mr. PALMISANO. Mr. Speaker, I shall take five minutes. This is a bill to permit the District assessor in the District of Columbia to testify in court in cases of condemnation. Some time ago the assessor testified in a case in which the jury brought in a verdict of $105,000 for some property within the District. The case was taken to the supreme court, and the supreme court ruled that the assessor was disqualified to testify as an expert.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. Yes.

Mr. LAGUARDIA. There is but one point bothering me. Will this permit the assessor to testify against the Government?

Mr. PALMISANO. This will permit the assessor to testify. I would not say that he would be against the Government. He would be there more or less in behalf of the Government.

Mr. LAGUARDIA. Could he testify as an expert on valuations when the Government is condemning property and testify against the Government?

Mr. KELLER. He could testify to the truth.

Mr. LAGUARDIA. As an expert, he does not testify as to facts. His testimony is opinion evidence. I am inquiring whether the bill is broad enough to permit an employee of the District of Columbia, the assessor, to testify as an expert for property owners against the Government.

Mr. PALMISANO. While the bill does not specifically state, it would give him the right to do so, but it seems to me that as an employee of the District of Columbia he would not testify against the Government.

Mr. LAGUARDIA. I should think not, but I have had it happen to me in New York.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. Yes.

Mr. BOYLAN. This legislation is intended and has been introduced to overcome an adverse decision of the appellate division of the supreme court.

Mr. PALMISANO. Yes. The supreme court held that the assessor was disqualified to testify. In the first trial, when he testified, a verdict was brought in for $105,000. Subsequently the case was tried again, and a verdict of $295,000 was rendered for that same property without the testimony of the assessor, and the District refused to take the property.

Mr. BOYLAN. Will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. BOYLAN. Of course, these procedings are conducted by a justice of the Supreme Court of the District of Columbia, who is assigned by the chief justice?

Mr. PALMISANO. That is correct.

Mr. BOYLAN. And the jury is chosen in the regular way and the procedure of the supreme court is adopted in trying these cases. Is that not true?

Mr. PALMISANO. That is true.

Mr. BOYLAN. Then by the passage of this bill we would qualify an employee of the District of Columbia to testify as an expert, whether or not under the rules of the court he was able to qualify as an expert, in a case in which the District government is a party to the condemnation case. Is that not true?

Mr. PALMISANO. This gives him the right to qualify as a witness.

Mr. BOYLAN. Exactly. Now, I would like to call the attention of the lawyers of this House to the fact that by the passage of this bill we are making a man competent to give legal testimony who otherwise would not be competent to give such testimony. In other words, we make an expert by legislation instead of by the expert qualifying himself.

Mr. PALMISANO. I do not agree with the gentleman from New York that the assessor would be made competent to testify by this law. He would perhaps be an expert in all cases before the court, but it seems to me the object of the bill is to permit him to testify in cases where the District is interested.

Mr. BOYLAN. That is the point I make. The District of Columbia is a party to the condemnation case, and the District brings one of its own employees to bolster up its own case. What chance has the ordinary citizen against a combination of that kind?

Mr. FIESINGER. Will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. FIESINGER. The District assessor makes a valuation on a piece of property. Under the laws that exist now he can not come into court and testify as to the valuation he has made. Is that right?

Mr. PALMISANO. That is right.

Mr. FIESINGER. But under this law the District assessor may come in and testify as to the value he has placed upon a particular piece of property against the owner of the piece of property, who may give a value much less than the amount fixed by the District assessor? That is the object and purpose of this bill?

Mr. PALMISANO. Yes.

Mr. PARSONS. Will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. PARSONS. In a condemnation case in the District of Columbia who and how many experts have been called in those cases to testify for the Government and for the property owners? Do they usually have more than one expert on those trials?

Mr. PALMISANO. I assume they have. Of course, I am not familiar with the details.

Mr. PARSONS. And using the assessor in cases that might arise in the future, nothing contained therein, of course, would bar the Government or the property owner from subpœnaing and having qualified as experts other men who might be presumed to know values?

Mr. PALMISANO. There is no question but that in the case of condemnation proceedings the Government, as well as the individual, may employ experts in addition to this employee. It seems to me that a man who is an assessor, if a man familiar with properties in the District of Columbia and an employee of the District of Columbia, certainly ought to be able to tell the jurors just what he observes and the value he places on that property. That is all this bill permits.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. PALMISANO. Yes.

Mr. CLARKE of New York. As I understand, this bill comes from the gentleman's committee, and it is the opinion of the gentleman's committee that this bill is a step toward preventing the holdups that the Government has been forced to go through in condemnation proceedings since time began with the Government. Is that true?

Mr. PALMISANO. There is no question about it. It shows that the people of the District of Columbia consider the value of this assessor's testimony, when they gave a verdict of $105,000 with his testimony, and then without his testimony they gave a verdict of $295,000. The District of Columbia was compelled to abandon that property because of the excess in value.

Mr. CLARKE of New York. We had that holdup with the National Aboretum, where we started with a high and holy purpose of buying this magnificent site, and the very first proposition we ran up against was the holdup of a lot of these real-estate brigands in Washington, to defeat the purpose of the Congress of the United States. [Applause.]

Mr. LAGUARDIA. Will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. LAGUARDIA. There is nothing in this bill to be construed as being the intent of Congress that the bill is permissive of permitting the assessor to be retained by outside interests to testify as an expert against the Government. Is that not true?

Mr. PALMISANO. There is nothing here that gives that permission.

Mr. LAGUARDIA. And if the assessor would do that, in all likelihood he would be discharged, and should be discharged.

Mr. BOYLAN. Will the gentleman yield me some time on this matter?

Mr. PALMISANO. Yes. I will later.

This bill merely gives him the right to testify. It does not disqualify him because of the mere fact that he is an employee of the District of Columbia. That is all that is provided by this bill. I presume that the assessor himself, if he were not in the employ of the District of Columbia, would be qualified as an expert. This bill merely permits him to testify for the District of Columbia in the event the District of Columbia desires to use him.

Mr. Speaker, I yield five minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Speaker, this bill seeks, as the gentleman says, to lift the ban that is now laid upon the assessor of the District of Columbia in testifying in condemnation proceedings as to values. The decision cited in the report shows that the assessor was barred from giving his testimony as to value because upon cross-examination he would certainly be obliged to refer to the assessed value, and the trial judge stated that it was not competent to bring into the trial of the case the assessed value of the property.

I might have doubts as to whether I would favor such a measure in my home city or other cities, but here in the District, where it is proverbial that the Government has been held up in nearly every instance, I certainly favor the policy of bringing relief to the Government by allowing the assessor, who would be a competent and qualified witness, to testify as to the value of the land. In the report the District commissioner calls attention to the fact that naturally the assessor is one of the best-posted men as to values. His assessment must necessarily be based upon recent sales of real estate, and he has those sales as a basis for his opinion as to present values.

The gentleman from New York [Mr. LAGUARDIA] raises the question as to whether or not the assessor might be called upon to testify against the Government as to property values, but I can not conceive how any public-spirited servant of the District would do otherwise, when called upon as an expert, than to give his honest opinion as to the value of a property.

Mr. BOYLAN. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BOYLAN. The gentleman is a distinguished and able lawyer and is one of the hardest workers on the floor of this House, yet he has condemned his own argument. He has said he would not favor this for his own home city.

Mr. STAFFORD. I said I might not favor it for my own home city.

Mr. BOYLAN. But he would favor it as against the downtrodden people of the District, who have not a friend in the world.

Mr. STAFFORD. Oh, yes; they have.

Mr. BOYLAN. According to the gentleman's own statement, he is perfectly willing to inflict this on the dog, which is here represented by the District of Columbia.

Mr. STAFFORD. Oh, no; not at all. We have this condition confronting us: The commissioner says that they spend a large amount for expert testimony and that that can be avoided by using the assessor in testifying as to the value of property. The assessor is better acquainted with the value of property here than any other person in the District and his would be better expert testimony. The only trouble is that in his examination he might be obliged to refer to the assessed value; but even if that be necessary, why should not that fact be called to the attention of the condemnation jury?

Mr. TILSON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. TILSON. It is stated by the president of the Board of Commissioners of the District of Columbia that—

It is widely recognized that appraisements by the tax assessors for purposes of taxation are not admissible in evidence in condemnation proceedings.

Does the gentleman approve of this position, that the assessor's valuations, on which taxpayers actually pay their taxes, should be excluded as evidence in the consideration of the value of a piece of land? Does it not seem to the gentleman from Wisconsin that this ought to be quite convincing evidence as to the true value of the land? If the value has been fixed by the assessor under his official oath at so much it ought to be admissible as evidence of the real value of the land, it seems to me, yet it appears that such evidence is excluded and the assessor himself disqualified as a witness in condemnation proceedings.

Mr. STAFFORD. I would certainly be willing in my own home city to accept the assessed value, because there the assessment is based upon the present value of the property; and under the present conditions, where values have gone down, the assessment has been reduced to conform to present-day values. So it seems to me there is no reason whatsoever why the assessed values should not be taken into consideration as as evidential fact.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Speaker, I am only interested in this bill as a Member of the Congress in seeing that equal and exact justice is done. It appears, and has been stated several times this afternoon, that Members favor this measure because it applies to the District of Columbia. Let us go back and find out who conducts these proceedings. They are not conducted by a commission appointed by the supreme court, as is the case in many of the States. The case is actually heard before a justice of the supreme court, who has been designated to sit in that part of the court by the chief justice of the supreme court. Surely we have confidence in the members of this court. Some of them are former Members of this body and of the body at the other side of the Capitol. They are all men of high reputation and character, so any criticism that is made as to the procedure followed therefore enters into the procedure of the Supreme Court of the District.

What does this bill propose to do? The report says:

The object of this bill is clearly stated in the title.

The title reads:

Respecting the qualifications of the assessor of the District of Columbia to testify in condemnation proceedings.

Then the report continues:

The necessity for legislation arises through the fact that the District Court of Appeals, in a recent action for condemnation of land for public use, held the assessor disqualified as an expert witness on land values because of his connection with the District government.

You lawyers will recognize your disadvantage if you go into a case against municipalities where by legislation an employee of the municipality is permitted to qualify as an expert witness. In your own States, cities, and towns you know of cases where you have to take an action to review the action of the assessor. You do that because you are not satisfied with it. In the city of New York for the present tax year there were 80,000 objections filed with respect to different parcels of real estate throughout the city. In that case, and in many cases where the assessment has been higher than the market value of the property, there would be absolutely no redress if the word of the assessor is taken and it is held he is properly qualified to testify as to value.

What is the actual experience with reference to some of these assessors? I have known of men who secured the position of tax assessor who never sold or purchased a piece of real estate in their lives, men who merely had a theoretical or book knowledge of real estate, but who had not actually been engaged in a single transaction.

Now, why would you want to qualify a man of that type as against a man who can qualify before the courts, a man who has to submit his qualifications and who has to stand cross-examination on them, in order for the court to decide whether or not he is qualified to give such testimony?

Mr. PATMAN. Will the gentleman yield for a question?

Mr. BOYLAN. Yes.

Mr. PATMAN. The gentleman leaves the impression that if this bill is enacted into law the assessor will be qualified to testify as an expert by reason of the official position that he may hold?

Mr. BOYLAN. Well, he will not be disqualified. It is the same thing. He will not be disqualified. What is the difference?

Mr. PATMAN. There is considerable difference.

Mr. BOYLAN. Very little to my mind in its practical application.

Mr. PATMAN. If this bill passes, he will not be qualified to testify as an expert unless it can be first shown that he is an expert.

Mr. BOYLAN. Exactly; and what has been his experience?

Mr. PATMAN. That is for the court to decide. His experience must be shown just like that of any other witness.

Mr. BOYLAN. But I am asking the gentleman, what has been his qualification?

Mr. PATMAN. That is a question to be passed on in each individual case.

Mr. BOYLAN. His qualifications would rest solely on his experience in assessing property. That would be his only qualification.

Mr. PATMAN. This bill does not make him qualified by reason of the fact he is the assessor.

Mr. BOYLAN. No; but it does not disqualify him, and what is his background?

Mr. PATMAN. If he is otherwise qualified, this should not disqualify him.

Mr. BOYLAN. For many years he has been a tax assessor. What other qualifications can he have, because under the law he can not engage in the real-estate business while he is an employee of the tax office?

Mr. PATMAN. That is a question for the court to decide in each individual case.

Mr. BOYLAN. I am asking the gentleman to state some other qualification that he could have, and the gentleman can not do it.

Mr. PATMAN. Suppose Mr. Richards should resign and some one else should take the office to-morrow, and a case should come up and the new assessor should take the witness stand, he would first have to be shown to be an expert in that line of work.

Mr. BOYLAN. But as an assessor how can he show any experience other than his experience as an assessor?

Mr. PATMAN. Well, his observations.

Mr. BOYLAN. He can not engage in business and hold this job at the same time.

Mr. PATMAN. He knows more about the real-estate business than any other one man in the city.

Mr. BOYLAN. He might claim that he does, but, gentlemen, we are told here by the distinguished gentleman who immediately preceded me, a man for whom I have

the highest admiration not only as a lawyer but as an individual and as a Member of the Congress, that he is willing to try this on the District but not on his home town. I admire the gentleman for his frankness. I admire him for his honesty in making this statement.

Mr. STAFFORD. I hardly think the gentleman has quoted me correctly. I think I stated explicitly that so far as my home city is concerned, I would permit the assessor to testify because there assessments are based on the actual value.

Mr. BOYLAN. That was a supplemental statement of the gentleman, and I accept that as a supplemental statement.

Mr. STAFFORD. It was a statement made after an interruption by the illuminary remark of the gentleman from New York.

Mr. BOYLAN. The bare fact is this, gentlemen, and you lawyers should realize the importance of it: It has been said that it is left to the House to go into fine points of parliamentary procedure and legal procedure. You ought to see how unfair it is in having the District a party to a litigation and then under a law that we pass be able to take in an employee of the District, who naturally will have to stand by the District or else lose his job, to testify for the District. Could anything be more unfair? It has been said that the District is governed by alien Representatives who have no love or regard for the District. Irrespective of that, I only speak to you on a mere matter of justice. You men practicing in other States and in other courts would not be satisfied with legislation of this kind; and knowing, as I do, your sentiments about this matter, I say to you why should you perpetrate a glaring and a flagrant injustice upon the District such as this bill would perpetrate?

I am not in favor of excessive awards for any property anywhere, but I believe that the market price should be paid; and surely, before a justice of the supreme court and a competent jury or where cases can be tried in equity before a justice of the supreme court, exact justice there would be rendered. I am sure if we have any respect for our supreme court we will at least repose this confidence in them.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. BOYLAN. Yes.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, I yield the gentleman one more minute.

Mr. FULBRIGHT. I would just like to know if the gentleman thinks that the demand for this legislation comes from the brigands who were spoken of by the gentleman on the other side of the House a moment ago in an effort to add another recruit to their force.

Mr. BOYLAN. It may be. I do not quite understand about the additional place.

Mr. FULBRIGHT. As a matter of fact, it is the people who are interested in a square deal between the Government and the people who have property that is being condemned, and that is what is sought by this legislation.

Mr. BOYLAN. As I understand, the District is seeking it, not the people. The people are going to be mulcted by this legislation. The District will have an ace in the hole, their paid employee to come in and testify.

Mr. FULBRIGHT. The District is making an effort to get the land just as cheap as possible and get a square deal.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. FIESINGER].

Mr. FIESINGER. Mr. Speaker, I hate to disagree with my good friend from New York [Mr. BOYLAN] on this bill. I take it that he is not favorable to it. I am favorable to the bill, and I want to state my reasons, because they are based on some experience.

In my State of Ohio it was the common law that a tax authority could not testify as to the assessed value of real estate. It sometimes worked out that a man whose land was being condemned would come into court and testify that it was worth about twice as much as he had given the value to the tax assessor when the assessment was made up.

So that in my State the Legislature of Ohio passed a law to circumvent that kind of procedure and to allow tax authorities to come into court and testify as to the value upon the tax duplicate of that piece of property, sometimes made up on the value given by the owner and sometimes made up in part by figures given by the owner as to value.

Now, the reason for the ruling of the court was that when the tax is made up, when the valuation is assessed, there was no opportunity for the man who owned property to cross-examine—in other words, he did not have his day in court.

The legislature of my State, in the passage of the law, said that makes no difference, that the tax authority that makes the valuation shall have a right to go into court and testify, where they formerly did not have that right.

I have acted as a judge in cases where that proposition has come up both ways, and I am free to state that I think justice is worked out in nine times out of ten by taxing authorities testifying as to assessed values.

Now, that is the principle proposed in this bill. It does not allow a man to ask an extravagant value for property, without allowing the assessor to come in and state what was the assessed value as against this man who asks an extravagant price.

Mr. COX. Will the gentleman yield?

Mr. FIESINGER. Yes.

Mr. COX. It is the law of the District that the owner of property can not come in and contest the assessment made against him.

Mr. FIESINGER. As I understand it, the assessor now can not testify in court as to the value he has put on a particular piece of property, and the object of this legislation is to say that he may come into court and testify.

Mr. COX. You simply remove the prohibition of the law against the assessor coming in and testifying.

Mr. BOYLAN. In other words, by the bill you permit a man to become an expert who is not an expert under the present regulations. Is not that right?

Mr. FIESINGER. I think the law contemplates that a man who is able to go out and make up assessments on property—by virtue of the fact that he has that ability—qualifies him as an expert.

Mr. BOYLAN. The law now disqualifies him.

Mr. FIESINGER. The law now disqualifies him, but this is to remove that disqualification.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, I yield the gentleman another minute.

Mr. BOYLAN. The assessor can not have two opinions.

Mr. FIESINGER. He ought not to.

Mr. BOYLAN. He can not have an opinion as an assessor and then another opinion as to the market value.

Mr. FIESINGER. As I understand the law, the assessed value is predicated upon the market value. At least, that is so in my State. I do not know how it is in the District of Columbia. In my State the tax valuation must be the market value.

Mr. BOYLAN. If you agree that the assessed value is the market value, then you are putting before the court the assessed value of the property.

Mr. FIESINGER. That is right.

Mr. MILLARD. The laws of the State of New York are contrary to those of the State of Ohio. The assessed valuation is not admissible evidence.

Mr. FIESINGER. That was so in the State of Ohio until a few years ago. You could not give that in testimony as against an exorbitant claim for the property.

Mr. MILLARD. That is still the law of our State.

Mr. FIESINGER. That is not the law of Ohio.

Mr. PALMISANO. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER pro tempore (Mr. BLANTON). The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER pro tempore. The question is now on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BOYLAN) there were—ayes 54, noes 1.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

RELIEVING THE DISTRICT COMMISSIONERS OF CERTAIN MINISTERIAL DUTIES

Mr. PALMISANO. Mr. Speaker, I call up the bill (S. 2077) to relieve the Commissioners of the District of Columbia of certain ministerial duties, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That on and after the passage of this act it shall be lawful for the secretary of the Board of Commissioners of the District of Columbia, or in his absence or upon his inability to act, such person as said commissioners may designate, when so directed by said commissioners, to execute in the name of the District of Columbia or of said board, by attaching thereto his signature as such secretary and affixing when requisite the seal of said District, any deed, contract, pleading, lease, release, regulation, notice, or other paper, which heretofore said commissioners were required to execute by subscribing thereto their respective signatures: *Provided*, That prior to such signing, and sealing if requisite, said deed, contract, pleading, lease, release, regulation, notice, or other paper shall first have been considered and approved by said board of commissioners, or a majority of them, sitting as a board, and evidence of such consideration and approval shall be reduced to writing and recorded in the minutes of said board of commissioners, which minutes shall thereafter be signed by the members of said board of commissioners or a majority thereof.

Mr. PALMISANO. Mr. Speaker, I believe the Members of the House are familiar with this bill. It permits the District Commissioners to issue a summons to have civilians testify in cases of investigation. The bill is unanimously reported by the committee. I find no opposition to it.

Mr. KELLER. What is the bill about?

Mr. PALMISANO. It authorizes the District Commissioners, in case of a hearing, for instance, of the police board, to summon civilians to testify. At the present time civilians may ignore them and the commissioners are compelled to go into court. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ADDRESS OF HON. RUTH PRATT, OF NEW YORK

Mr. PARKER of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein a speech delivered by my colleague, Mrs. PRATT.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PARKER of New York. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include a speech of my colleague, Mrs. RUTH PRATT, at the luncheon of the National Republican Club, New York City, Saturday, February 6, 1932, entitled "Need for a Wider Tax Base."

The speech is as follows:

"NEED FOR WIDER TAX BASE"

The Budget and financial program laid before Congress by the President furnished a complete picture of the serious situation confronting the Federal Government. On the one hand, we must meet materially increased expenditures because of the extension of benefits to veterans and their dependents, the enlargement and hastening of the Nation's public-works program to relieve unemployment, the outlay of vast sums to aid agriculture and a larger postal deficit. On the other hand, we have witnessed a drastic and precipitous decline in revenue.

Hence, instead of the usual surpluses, we incurred a deficit of almost $903,000,000 during the last fiscal year, and are facing a prospective deficit of $2,123,000,000—almost half the probable expenditures—this year. For the fiscal year which begins July 1, despite an estimated increase of $337,000,000 in revenues expected as a result of some improvement in economic conditions, and a decline in losses from sales of capital assets as offsets, together with reductions of $365,000,000 in expenditures proposed, a deficit of $1,417,000,000 is in prospect. We are thus confronted with two alternatives—to continue spending in excess of income, with a consequent rise in the national debt, or to balance the Budget forthwith.

Some of my colleagues and a number of economists have suggested the former procedure. They point to the fact that we have reduced the national debt to the extent of nearly three and one-half billion dollars in excess of statutory requirements, and argue that we can afford to absorb a deficit of at least that much now. The surpluses which made this possible they would consider a reserve on which we should draw in hard times. It should be realized, however, that these surpluses resulted mainly from the sale of capital assets, themselves acquired with money derived from bond sales, and accordingly should have been used for no other purpose than the wiping out of the debt incurred for their acquisition. Then, too, this reserve has already been very nearly offset by the deficits of this year and last.

But what will be the attitude of investors if the Government should disregard every sound axiom of business judgment and persist in making commitments in excess of its ability to meet them? Such a temporizing policy would endanger the national credit and force the output of huge issues of securities which would remain to plague our fiscal policies in the future. It would make more difficult the coming task of retiring or refunding the $6,268,000,000 of fourth Liberty loan 4¼ per cent bonds which become callable in November, 1933, and mature in 1938. Please remember that we have not the enthusiasm of war-time psychology to aid us in marketing immense volumes of bonds, nor have we the virtual unanimity of opinion and purpose so essential for success in such a task. But even if it could again be mobilized, it would simply mean postponing the evil day. Ultimately the taxes would have to be levied—and with interest.

No; the wisest course to pursue is to balance the Budget as soon as possible. It is impossible to do so this year. The deficit is too great and the year is already more than half gone. The program of the administration is to reduce this year's expected deficit so as to prevent an increase in the debt, to balance the Budget next year, and to make the statutory requirements for debt reduction fully effective during the fiscal year 1934. With this end in view have its tax and expenditure programs been developed.

The realization that Uncle Sam has no inexhaustible fund which replenishes itself as fast as it is used up to meet the demands made upon it must have come as a great shock to the average citizen. Nor is he running a profitable business enterprise bringing him a constant stream of golden wealth; and he has no private income; hence no bulging personal pocketbook.

To pay for the services rendered by the Government, we, the citizens and beneficiaries, must put our hands into our pockets and take therefrom part of the funds intended for our personal needs as consumers. If we insist on extraordinary expenditures, either for additional functions or to provide more subsidies for particular groups or sections of the country, we must expect an additional drain on our pocketbooks. That drain comes inevitably in one way or another. There is no escape. Directly or indirectly we all share, though we may be led to think otherwise. As the President said last February, in vetoing the bill for increasing the loan value of the veterans' adjusted-compensation certificates, it is the millions of hard-working families who, "in the last analysis, must bear the burden of increasing Government aid and taxes. It is not the rich who suffer. When we take employment and taxes from our people it is the poor who suffer."

Whether he knows it or not everyone pays taxes; but as no one likes to pay them knowingly, certain principles of tax gathering have grown up during the ages to make the process less painful. They are summed up in the colloquial phrase "plucking the most feathers with the least squawk." This involves: (1) Simplicity of administration, with its corollary, difficulty of avoidance; (2) adequate productivity to meet the need; and (3) political expediency, which means that, to provoke the least possible popular resentment, the fewer points at which the tax is collected, the better politically.

Combined with the doctrine of "benefit," these principles earmarked the ownership of property as the best index of taxability; and the property tax is still the chief reliance of the localities as well as of most of our States. More recently, however, as the continued assumption of additional welfare activities by the units of government made imperative the finding of more lucrative revenue sources, and partly because of a desire to "secure social justice" and "equalize the distribution of wealth," there has arisen a different tax principle—that of "ability to pay." Progressive taxation as we now know it is the result; and as experience proved that the taxation of intangible property, which is frequently more indicative of taxpaying ability than is tangible, presented insurmountable administrative problems, it was applied especially to business and personal incomes and on the estates of decedents, because shifting, which is common to practically all forms of indirect taxes, would be difficult if not wholly impossible.

These, then, are the tests applied by the Federal Government in the development of its tax system, as also by a few of the progressive States. While they seem on the whole to be sound and acceptable, the results have not been entirely beneficial. That there are some disadvantages must be apparent.

In the first place there are, unfortunately, very few sources of revenue available that meet these tests, as can be seen from an analysis of the Federal Treasury's income. The most important single source are the income taxes, which yield from 56 to 58 per cent of the total and which are divided almost equally between individual and corporate incomes. Next in importance come the miscellaneous internal revenues, accounting for some 15 or 17 per cent. Tobacco taxes, which have proven to be fairly stable, make

up three-quarters of this group, most of the balance being made up in almost equal proportions of estate taxes on the one hand and stamp taxes, chiefly on the issue and sale of securities and on playing cards, on the other. Customs duties, which have usually furnished almost as much money as the miscellaneous internal revenues, declined to 12 per cent this year. Since 1924 these three sources, which thus account for 85 per cent of the Government's total income, have now fallen below 83 per cent, and in 1929 they amounted to as much as 89 per cent. Of the balance, from a third to a half comes from the proceeds of foreign government obligations; and all other sources, including some $25,000,000 annually from Panama Canal tolls, provide the remainder.

Because the sources are so few which meet the tests there is a constant clash of interest between the Nation and the States as they attempt to take full advantage of the possibilities in the course of developing their revenue systems. The inheritance tax, for example, is shared by both jurisdictions, the State tax being allowed as an offset to the extent of 80 per cent of the Federal levy. Many are taxed by both, or are likely to be, presenting the danger that between them they may "kill the goose that laid the golden egg." The situation has become so serious that Under Secretary of the Treasury Ogden L. Mills has proposed a survey to delimit the fields of these respective jurisdictions and to determine their just claims.

Another inherent difficulty is the fact that except for the tobacco taxes, which have grown steadily and remained comparatively stable even under adverse conditions, the yield is uncertain because too dependent on business prosperity. This is obviously true of customs receipts, which, as a result of the drop in both the value and the volume of imports, fell one-third to $378,000,000 in 1931. The direct relationship between the economic situation and business profits, from which most income taxes come, is such that the depression can to some extent be measured by the yield, which is estimated this year to be approximately half that of 1930. Of an anticipated loss in taxes amounting to $1,530,000,000 during the current fiscal year, income taxes will be responsible for $1,271,000,000.

But it is the individual income tax that exemplifies most strikingly the susceptibility to variation with the cycles of prosperity and depression. Returns for the calendar year 1930 filed up to the end of August numbered 3,376,552. Of these, 1,430,000, or 42 per cent, yielded no tax. Another 1,689,000, slightly more than half (though seven-eighths of those taxable), paid only 6 per cent of the tax, $27,840,000. The remaining 257,640 returns, 7½ per cent of the total, yielded $445,850,000, or more than 94 per cent of the taxes paid. In 1930, 14,816 individuals, one-third of 1 per cent of the 4,034,702 who filed returns, paid $653,390,000 on their 1929 incomes—65.2 per cent of the total tax. On the 3,012,256 returns with net incomes under $5,000, three-quarters of all returns filed, only $4,387,261 was paid, less than half of 1 per cent of the total tax.

It is clear that a very small number of large and comparatively large incomes bear practically the full burden of the individual income tax. Yet it is these large incomes which are most susceptible to the widest variations because they include business profits, and even more because in recent years the element of gain or loss from the sale of capital assets has had a preponderating influence. The facts are readily discernible in a comparison of the returns for the calendar years 1928 and 1930.

There was a slight increase in the number of taxable incomes under $5,000, but a decrease of 15 per cent in the returns filed and of 16 per cent in the tax. Incomes from $5,000 to $10,000 showed a decrease of 20 per cent in number and 27 per cent in the tax. From $10,000 to $100,000 they fell 31 per cent in number and 49 per cent in the tax paid; whereas incomes of $100,000 and over decreased 61 per cent in number and 67 per cent in the tax paid on them. The larger the incomes, it will be seen, the greater the decrease in the number of returns and even more in the amount of the tax. Naturally the fluctuations are magnified by the progressive rates imposed, which result in taxes rising faster than incomes, and conversely, falling with greater rapidity as they recede into the lower brackets.

Surely it should not require much more to indicate how dangerously narrow is the base on which rests our most important source of revenue. In 1928 and 1929 we had a population of approximately 120,000,000, consisting of nearly 30,000,000 families, with more than 70,000,000 adults over 19 years of age, of whom some 45,000,000 were gainfully employed. Yet only about 2,500,000 individuals contributed directly to the expenses of our National Government through the medium of its most lucrative single tax, which provides from a quarter to a third of the total revenues.

Figuring only one taxpayer to the family, although there were some 125,000 wives who filed separate returns, it meant that only about 1 family in 12 knowingly contributed anything to the Federal exchequer, no matter how little. Compare this with the situation in Great Britain, where, out of a population of only little more than 40,000,000, 2,250,000 paid income taxes—only a quarter million fewer income-tax payers, although the population was about one-third as large as ours.

The needed revenues can not be secured merely by increasing the surtax rates on the present group of taxpayers. It is estimated that the income-tax collections during this calendar year will not exceed $300,000,000, of which 70 per cent will come from surtaxes. If these be increased by 100 per cent, it would mean the collection of not more than $200,000,000 additional during the current year. Even if the maximum surtax rates be tripled, rising to 60 per cent on incomes over $100,000, the theoretical increase would be only $120,000,000 during the calendar year. This would not go far toward solving the problem of meeting the huge deficits in sight, even if it did not result in driving such incomes into tax-exempt securities.

Not only would it be impossible thus alone to obtain enough additional revenues, but it is feared that the liquid resources available for restoring much-needed working capital would dry up, as would also the means of furnishing the Treasury's financing in the near future. It is my fear that it may likewise destroy the resources of a comparatively small group who tax themselves voluntarily to maintain the numerous philanthropic institutions and welfare activities, which are still in private control and likely to remain so, although rendering a public service, recognized as such, and hence usually not only tax exempt but also tax supported in part.

It has been estimated that, exclusive of churches and religious activities, the sums thus provided have grown to anywhere from one and one-fourth to one and one-half billion dollars annually, almost as much as the amount spent by all the States for maintenance, operation, and interest. It would work havoc if it were to become impossible for these individuals to continue their support. Already there are indications of what it might mean in the announced liquidation of the Institute for Child Guidance and the reported deficits facing many hospitals and educational institutions which may compel their closing. Who would suffer in such event? Certainly not the rich.

The basic concept that underlies the entire program submitted by the Treasury Department is that the many not now taxed who are in a position to make some contribution to the support of the Government should be asked to do so, taking into consideration ability to pay. As Mr. Mills said in his statement to the Ways and Means Committee, this concept "must form a part of any program, for without it a solution is impossible, and it is justified not only by necessity but by equity and sound policy."

Accordingly it was suggested that we return in principle to the general plan of the 1924 revenue act, with some changes made necessary by present conditions. I am not going to discuss the details of the entire program, except as concerns the personal income tax. In addition to a sharp increase in rates, it involves a reimposition of the tax on many who, because of very high exemptions, have been freed of the obligation to contribute directly to the support of their Government, although able to furnish the very moderate amounts called for. This would add nearly 1,750,000 taxpayers and result in a net increase of slightly more than $25,000,000 from those with net incomes under $5,000. From those with incomes of from $5,000 to $10,000 an additional $13,300,000 is expected; from those with incomes up to $25,000, somewhat more than $15,000,000 additional; and $169,000,000 more from those with incomes above $25,000.

Now, what will be the result on those in the lowest income brackets? A single person with no dependents earning $2,000 a year will pay $15, and $30 if he earns $3,000. If married and having one child, he will pay only $1.50 on a $3,000 income, or still no tax if there are two children until his income exceeds $3,300. On $4,000 he would pay only $16.50 if he has one child, and $10.50 if he has two. With one child an income of $5,000 will call for a tax of only $31.50, as comparced with $650 in Great Britain, where the personal exemptions are only $485 for a single person, $730 if married, with $245 for the first child and $195 for each additional. On a net income of $10,000 the tax here would be $153 and $1,800 in Great Britain.

How slight is the burden on the average American can be seen even better from the report of the International Inquiry into the Cost of Living, which was made early last year at the request of the Ford Motor Co., based on the standards of living of the average Ford worker in Detroit receiving the minimum wage. It shows that workers in various European cities who earned the equivalent of his $1,550, which will be less than half the level required to pay any tax at all, would have to pay from $11 to $95 in taxes, representing from 1 to 8 per cent of these incomes.

A study made by a Swedish economist and former Minister of Finance, based on 1930 conditions, shows that whereas the average American paid almost nothing on incomes up to $4,500, one-fifth of 1 per cent on incomes of $7,500, and less than one-half of 1 per cent on $10,000, in Germany and France they paid 5½ per cent on incomes of $2,000, 9½ to 11½ per cent on $4,500, nearly 15 per cent on $7,500, and up to 18½ per cent on $10,000. Compared with Europeans, the average American is practically, if not actually, exempt from income taxation.

Of course, it is not popular politically to talk of reducing exemptions and restoring to the tax rolls the voters who had been taken off. In a representative government like ours, however, it is highly desirable. If he were called upon to pay directly what he is now paying indirectly, the citizen would see that he is not getting off scot-free, as he thinks. If he could know when he makes up his personal budget how much he is being called upon to contribute to its support, it would give him a greater interest in his Government. He would watch it more closely to see how efficiently and for what purpose his contribution is being used. Surely that is the lesson taught us by present citizen interest in their local governments, to which, by virtue of home ownership and property taxation, a much larger proportion contribute directly than to the National Government.

That citizen interest can be measured by tax consciousness is evident by the voting record in New York State. In New York City, where four families out of five live in rented quarters, less than 40 per cent of those eligible to vote by age and citizenship went to the polls to vote for governor in 1930, 45 per cent for

mayor in 1929, and, despite the interest aroused by the national campaign of 1928, less than 55 per cent for President. Outside of New York City, however, where general and farm ownership means that a much larger proportion of the voters pay taxes of some kind, from 55 to 60 per cent of the voters went to the polls in 1930 and 80 per cent or more in 1928.

In closing I ask everyone within sound of my voice to give fullest cooperation to the Government in the supremely difficult task it is facing so courageously. Naturally all of us have preconceived notions on most things, and our minds would be dead set against any proposal set forth by the Government. It is only human to try to avoid taxes and to suggest that they be imposed on the other fellow, who can always afford to pay them better than we can. What we need is greater flexibility in our attitude toward the problem. We must discard this rigidity of the frozen mind just as the Government is striving to thaw out the frozen assets of the people and get them into liquid form. We should be generous enough to look at the entire picture as the Government must see it, and realize that we can not individually be the judge of the need. Rather must each one of us bear a share of the burden for the common good.

DISTRICT OF COLUMBIA COMMISSION, GEORGE WASHINGTON BICENTENNIAL

Mr. PALMISANO. Mr. Speaker, I call up the bill (S. 1306) to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial.

The SPEAKER pro tempore. The gentleman from Maryland calls up a Senate bill, which the Clerk will report.

The Clerk read the title of the bill.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LAGUARDIA. The bill which the gentleman calls up was before the House two weeks ago.

The SPEAKER pro tempore. This is unfinished business. We have had a second reading of the bill at the former meeting when the bill was considered on last District day.

Mr. LAGUARDIA. But the previous question was voted down.

The SPEAKER pro tempore. The previous question was then voted down. It is before the House now for further consideration, just where we left off before.

Mr. LAGUARDIA. I ask recognition in opposition.

The SPEAKER pro tempore. The gentleman from Maryland [Mr. PALMISANO], who is the ranking majority member of the committee, is entitled to recognition first to offer committee amendments, and then the gentleman from New York will be recognized.

Mr. STAFFORD. Mr. Speaker, I assume that when this bill is now brought up we are brought back to the same legislative situation we were in when it was last considered.

The SPEAKER pro tempore. That is the situation.

Mr. STAFFORD. The previous question was then voted down. At that moment any person who wished to propose an amendment would have had the privilege of being recognized. I claim that any person who wishes to offer an amendment has prior recognition to the gentleman from Maryland.

The SPEAKER pro tempore. But the previous question having been voted down, it did not take off the floor the gentleman from Maryland, who stands in the position of chairman of the committee, so the parliamentarian informs the Chair.

Mr. STAFFORD. The very fact that the previous question was voted down granted the right to the opposition to offer an amendment and have control of the time.

The SPEAKER pro tempore. This is another date on this legislation, and while it is in the same situation the Chair will recognize the gentleman from Maryland first, as acting chairman of his committee, and later will recognize some Member who is opposed to the bill.

Mr. PATTERSON. Mr. Speaker, a further parliamentary inquiry. Do we understand that the gentleman from Maryland will be recognized for one hour and then the opponents of the bill be recognized for one hour?

The SPEAKER pro tempore. The gentleman from Maryland, as acting chairman of the committee, is recognized first to offer committee amendments, and if some Member does not move the previous question——

Mr. STAFFORD. Oh, Mr. Speaker, I take issue with the ruling of the Chair, because the House has affirmatively decided that the opposition is entitled to recognition, the previous question having been voted down. In the consideration of this bill we are placed in the same situation as we were when it was last considered.

The SPEAKER pro tempore. The Chair will state the parliamentary situation. On a previous District day when this bill was up for consideration, the previous question was moved and the House voted down that motion. Then the opposition clearly was entitled to recognition. This is another legislative day; and that being true, it is the duty of the Chair to recognize the one standing as chairman of the committee, who is the gentleman from Maryland, to offer committee amendments. Then the Chair will recognize some one in opposition to the bill. The Chair is advised by the parliamentarian that such is the correct procedure.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LAGUARDIA. I can not follow the statement of the Chair that the bill is coming before the House de novo. The Chair properly stated that the bill now is the unfinished business. A bill can not change its status because it is the unfinished business and carried over to another day. The previous question having been voted down, the bill is now open to the House for amendment, and on that I have asked for recognition by the Chair to offer an amendment.

The SPEAKER pro tempore. The Chair will rule that the one acting for the committee in calling up the bill has a right to first offer committee amendments. If the proceedings had continued on the day the previous question was voted down, then any Member opposing the bill gaining recognition could have offered an amendment; but this being another legislative day, it is the duty of the Chair to recognize the acting chairman of the committee in calling up the bill to offer committee amendments, and the Chair has done that. Regardless of his own opinion, the Chair is guided by the parliamentarian. When a parliamentary situation arises whereby the Chair can recognize some one opposed to the bill, the Chair will do that.

Mr. STAFFORD. Will the Chair permit this observation? The Chair has taken the position that, as far as this bill is concerned, the Chair will recognize the fact that the bill has been read a second time on a prior occasion, and yet the Chair by his ruling does not recognize the fact that the previous question was voted down, which gave the opposition the right to offer amendments.

The SPEAKER pro tempore. The Chair will state to the House that the private opinion of the present occupant of the chair [Mr. BLANTON] is the same as that of the gentleman from Wisconsin [Mr. STAFFORD] and the gentleman from New York [Mr. LAGUARDIA], but the Chair is following the parliamentarian of the House in this matter, and as long as we have a parliamentarian the Chair will follow him. That is the opinion of the parliamentarian.

The gentleman from Maryland is recognized.

Mr. PALMISANO. I will say for the benefit of the gentleman from New York and the gentleman from Wisconsin that the gentleman from Maryland does not intend to move the previous question until the Members of the House will have an opportunity to be heard, and I will say for the benefit of the Members that all objections that were made on last Monday have been corrected by amendments which we have made.

The SPEAKER pro tempore. The Chair will state that the gentleman from Maryland can probably expedite matters by either yielding half of his time to the opposition or by reserving his time and allowing some Member of the opposition to be recognized.

Mr. PATTERSON. Well, will the gentleman yield for an amendment?

Mr. PALMISANO. Mr. Speaker, at this time I ask unanimous consent that these committee amendments may be read so that the Members will know what they are.

The SPEAKER pro tempore. There are no amendments before the House at this time.

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent that these amendments to be offered later by the committee be read for information of the Members.

Mr. BANKHEAD. If the Chair will permit, I think the gentleman from Maryland, without losing his rights, could ask unanimous consent that the amendments be offered and read for information.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent that the amendments which the committee has adopted on the bill be read at this time for information. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the amendments, as follows:

Page 1, line 10, after the word "Campbell," insert the word "James A. Cobb";

Page 3, line 15, after the word "corporations," strike out lines 16 and 17 and insert a period;

Page 3, line 23, after the word "Sec.," strike out the figure "2" and insert the figure "4"; and insert the following additional sections:

"SEC. 2. That none of the persons herein named shall be entitled to or receive any of the profits of the corporation, but the same shall be paid into the Treasury of the United States.

"SEC. 3. That the corporation herein formed shall cease and determine, and all of the powers granted by paragraphs A, B, C, D, and F of section 1 of this act shall terminate upon the filing of its final report and audit with the Congress of the United States, which date shall not be later than February 1, 1933: *Provided, however,* That nothing herein contained shall operate to prevent the institution of any suit or claim at law or in equity by any person, firm, or corporation growing out of any act or omission of the corporation; provided that the institution of such suit or claim shall be commenced within the period limited by the provisions of chapter 41 of the Code of Law for the District of Columbia: *Provided further,* That the Comptroller General be, and he hereby is, authorized to audit all accounts of the corporation, including the final audit thereof."

Mr. STAFFORD. Will the gentleman yield?

Mr. PALMISANO. Yes.

Mr. STAFFORD. I wish to say that I am in hearty sympathy with the proposed amendments. They remove many of the objections which many Members on this side and, no doubt, on your side also had to the original bill. However, there is one provision to which I wish to direct the gentleman's attention, which has not been covered by the proposed amendments. That is in paragraph b, where authority is granted to this corporation to manufacture. It is difficult for me to conceive why the corporation should desire any authority to manufacture. I can understand how they may wish to purchase and acquire paraphernalia and the like, but I can not understand why they should desire authority to manufacture.

Mr. BLOOM. Will the gentleman from Maryland permit me to answer that?

Mr. PALMISANO. Yes.

Mr. BLOOM. The idea is this: They are putting on, say, a pageant or play of some kind. Instead of buying the costumes they will manufacture them for the particular pageant or play. They will do that in the same way they will manufacture other little things in connection with other ceremonies. Suppose they wanted to use some flags. They would buy the material and put them together. It is not a case of manufacture or the sale of anything, but what they are trying to do is to get the biggest quantity for the few dollars they now have.

Mr. STAFFORD. The gentleman is a practical business man. In the cases cited by him wherein do our manufacturing establishments fail to meet those requirements? There is sufficient competition among the manufacturers of bunting, flags, and everything of that kind, so why should this corporation go into the business of manufacturing?

Mr. BLOOM. Because they can get the material much quicker, and it will be better than anything they could get by going outside.

Mr. STAFFORD. I did not understand that the gentleman, representing, as he does, the great city of New York, believes in socialism or anything of that kind.

Mr. BLOOM. I am sorry the gentleman takes that view of it. This is simply for the purpose of enabling them to get costumes and things of that kind quickly and at a much cheaper price. They will take the raw materials, bring them into a room, and make up what is desired. They will be able to do it a great deal better and cheaper than going into the open market for them. I will also say to the gentleman that you can not get these things in Washington.

The SPEAKER pro tempore (Mr. BLANTON). The Chair will state that he recognized the gentleman from Maryland as the ranking majority member of the committee, to offer such amendments as the committee proposes. The Chair thinks, after that is done, the opposition is entitled to recognition. The Chair will recognize any member of the committee who is opposed to the bill, but if there is no member of the committee opposed to the bill then the Chair will recognize the gentleman from New York [Mr. LAGUARDIA]. The Chair recognizes the gentleman from Maryland first to offer the committee amendments.

Mr. PALMISANO. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PALMISANO for the committee: On page 1, line 10, after the word "Campbell," insert "James A. Cobb."

The committee amendment was agreed to.

Mr. PALMISANO. Mr. Speaker, I offer another amendment.

The SPEAKER pro tempore. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PALMISANO for the committee: Page 3, line 15, after the word "corporations," insert a period and strike out lines 16 and 17.

Mr. PALMISANO. Mr. Speaker, I yield five minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Speaker, the committee amendment that is now under consideration removes the primal objection which many gentlemen had to this bill when it was originally called up for consideration. Many Members feared that the privilege extended to the corporation of granting concessions might be abused. If the District is to be the host to thousands upon thousands of citizens of the country and is going to appropriately celebrate the bicentenary of Washington's birth, even though these citizens are of the highest caliber in the District, we do not wish to have some subordinate or appointee vested with authority to exact undue prices for any concessions that might be awarded. So I wish to compliment the chairman of the committee in offering this amendment, which removes a serious objection which some Members had to the bill when it was originally proposed.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. PALMISANO. Mr. Speaker, I offer another amendment.

The SPEAKER pro tempore. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PALMISANO for the committee: Page 3, line 23, after the word "Sec.," strike out the figure "2" and insert the figure "4" and insert the following additional sections:

"SEC. 2. That none of the persons herein named shall be entitled to or receive any of the profits of the corporation, but the same shall be paid into the Treasury of the United States.

"SEC. 3. That the corporation herein formed shall cease and determine, and all of the powers granted by paragraphs A, B, C, D, and F of section 1 of this act shall terminate upon the filing of its final report and audit with the Congress of the United States, which date shall not be later than February 1, 1933: *Provided, however,* That nothing herein contained shall operate to prevent the institution of any suit or claim at law or in equity by any person, firm, or corporation growing out of any act or omission of the corporation: *Provided,* That the institution of such suit or claim shall be commenced within the period limited by the provisions of chapter 41 of the Code of Law for the District of Columbia: *Provided further,* That the Comptroller General be, and he hereby is, authorized to audit all accounts of the corporation, including the final audit thereof."

Mr. STAFFORD. Mr. Speaker, I ask for a division of the proposed amendment. There are two separate amendments proposed; one is section 2 and one is section 3, and they are different legislative proposals entirely.

The SPEAKER pro tempore. The proposed amendments are divisible. The question is on the first division of the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the second division of the amendment.

Mr. LAGUARDIA. Mr. Speaker, I ask recognition on that.

The SPEAKER pro tempore. The question of a division of the amendment is not debatable. The question now is on the second division of the amendment.

The amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LAGUARDIA. I surely know that the present occupant of the chair does not desire to establish a precedent that I know he is personally opposed to.

The SPEAKER pro tempore. The Chair stated that now that the committee amendments had been offered the Chair would now recognize the gentleman from New York in opposition to the bill and to offer amendments if he desired.

Mr. LAGUARDIA. More than that, Mr. Speaker, my interpretation of the rule is that the proposition is open to the floor, and when an amendment is offered any Member is entitled to recognition for or against the amendment.

The SPEAKER pro tempore. No gentleman arose and asked recognition either for or against the committee amendments.

Mr. STAFFORD. Mr. Speaker, if the Chair will indulge me, I shall have to take issue with the position taken by the gentleman from New York [Mr. LAGUARDIA].

The SPEAKER pro tempore. The committee amendments have been adopted. If the gentleman from New York desires recognition on any motion in opposition to the bill or to offer any further amendment, the Chair will recognize the gentleman.

Mr. LAGUARDIA. I desire recognition for the purpose of getting the floor.

Mr. Speaker, the first proposition before us, which I believe is more important than the passage of the bill or the merits of this particular bill, is the parliamentary situation.

The bill was before the House two weeks ago and was considered under the House rules. At that time the time was entirely under the control of the chairman of the committee, and after holding the floor for some time the gentlewoman from New Jersey moved the previous question and the previous question was voted down. Thereafter the House took up other business.

The bill comes back to us to-day and I submit that the previous question having been voted down the bill retains that status. It can not acquire a new status. The previous question having been voted down, that can not be ignored at this time; and that being so, the bill comes before the House as unfinished business, and the bill is before the House now for amendment.

The SPEAKER pro tempore. The Chair will so hold, that the bill is now before the House for amendment, but the committee had the right first to offer its committee amendments. If there are any other amendments, the Chair will recognize any Member to offer them.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr LAGUARDIA. I yield.

Mr. SNELL. Mr. Speaker, I am not especially interested in this bill one way or the other, but I am interested in the procedure of the House, and my understanding is that always when the previous question is voted down the control goes from the chairman of the committee to the man who opposes the bill, because he is in the majority at that time.

The SPEAKER pro tempore. That is exactly what the Chair believed, but the parliamentarian believed otherwise and was authority that the Chair thought should be followed.

Mr. SNELL. Granted that is so, I want to make my statement. If we had gone along with the business that day, the gentleman who would have been recognized next would have been some man opposed to the bill who wanted to offer an amendment.

The SPEAKER pro tempore. That is correct, but no gentleman offered any amendment and no gentleman offered any motion, and the House adjourned, and this is another legislative day.

Mr. LAGUARDIA. Yes; I was on my feet at the time.

Mr. SNELL. The gentleman from New York [Mr. LAGUARDIA] tried to get recognition at that time.

The SPEAKER pro tempore. The gentleman to-day tried to get recognition, generally, without offering either any motion or any amendment.

Mr. SNELL. The gentleman was entitled to recognition, in my judgment. If the matter is brought up again as unfinished business, I maintain it must be taken up at exactly the same point at which we left it the other day, and the first man to be recognized, if the gentleman from New York [Mr. LAGUARDIA] is leading the opposition, is the gentleman from New York [Mr. LAGUARDIA].

The SPEAKER pro tempore. That is the understanding of the Chair, and the Chair would so hold, provided the Member offered some motion or some amendment that would give him recognition.

Mr. SNELL. The gentleman from New York [Mr. LAGUARDIA] tried to get recognition, as I understand, and it was ruled that the chairman of the committee was entitled to preferential recognition.

The SPEAKER pro tempore. The Chair was following the opinion of our parliamentarian. The gentleman from New York did not offer any motion and did not offer any amendment. If he had done this, the Chair is of the opinion that he should have been recognized.

Mr. SNELL. The gentleman from New York tried to get recognition and tried to get such recognition in opposition to the bill.

The SPEAKER pro tempore. The Chair now recognizes the gentleman from New York [Mr. LAGUARDIA] to offer any amendment or to submit any motion.

Mr. SNELL. The question I am arguing is that in my judgment the gentleman should have had recognition first, because the control of the committee passed from the chairman to the gentlemen who were in the opposition.

The SPEAKER pro tempore. The present occupant of the chair [Mr. BLANTON] will state that he thinks the gentleman from New York [Mr. SNELL] is eminently correct. The opposition in such a case is always entitled to recognition.

Mr. SNELL. I think that is the ruling that ought to be handed down, because it would be a mistake to hold otherwise.

The SPEAKER pro tempore. The Chair will recognize the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, I am more concerned with the parliamentary question. I would be horrified at any other ruling, because the next time the present occupant of the chair and myself oppose a bill we want to be protected.

The SPEAKER pro tempore. The present occupant of the chair now finds that he can hold in accordance with his own views and at the same hold in accordance with the views of the parliamentarian, and the Chair so rules.

Mr. LAGUARDIA. Mr. Speaker, the amendments that have been adopted to-day certainly remove a great many of the objections that we had to the bill the last time it was before the House. Particularly is that so with relation to the amendment striking out the language on page 3, lines 16 and 17, where this corporation under the original bill would have had the power to grant such concessions as might be desirable in connection with such corporation. That is stricken from the bill. We are to understand now that the corporation will have no such power in the bill as amended.

There are other objections that some Members are struggling with. I am glad that the gentleman from New York [Mr. BLOOM] is on the floor. With the construction of these stands and seats, and so on, and the programs as planned, the gentleman from New York knows that thousands and thousands of people will come to Washington. What assurance have we that when they get here the prices for the public stands will be within reason for these American citizens who want to take part in the celebration?

Mr. BLOOM. The gentleman can depend on it that incorporators, who are representative citizens of the District of Columbia, will see that the prices are within reach of the public. The gentleman should remember that this is not a profit-making proposition.

Mr. LAGUARDIA. I am glad the gentleman emphasizes that.

Mr. BLOOM. What they are trying to do is this: If the bill should not pass, they could not erect stands, they could not give any pageants. I want to emphasize the statement that they are not directly connected with the United States commission. We are helping them in every way that we possibly can, but this is a local proposition, and we are cooperating.

If we do not have this bill, they can not get a sufficient amount of money to build the stands. This is not to make money; it is to have some one able to handle money receive the cash and pay out the cash. The United States commission is not allowed to do it; we can not handle any money. If this bill should fail, you would not only stop the United States commission but you would stop the District commission from erecting these stands and producing the pageants.

Mr. LAGUARDIA. The gentleman says the stands would not be built—the Government could appropriate the money to build the stands.

Mr. BLOOM. Then there is the maintenance and insurance. When you get stand builders to erect the stands they charge so much a seat. If there are a thousand seats, 50 cents a seat would be $500. But it is not the stands alone, it is all the other things that go with them. We will have pageants, perhaps pageants inside; and we have to hire a hall and costumes.

Mr. LAGUARDIA. Is it the intention of the corporation to give the privilege to some private individual to build the stands and charge admission?

Mr. BLOOM. They could do it both ways. Suppose they had a large stand erected for a pageant. We would say, "You build this stand, and the price of admission shall be 50 cents." The man that builds the stand sells the seats to pay for it. It might be done that way. I can not, of course, commit this corporation to any method that they may use to operate it. I will say that there is no thought of making money out of it. The only thing that this bill seeks to do is to provide some way of raising the money and paying out the money and sufficient for maintenance.

Mr. LAGUARDIA. The gentleman recollects that two weeks ago the question was raised quite properly and stressed, that there was great danger that this would be turned over to a private concern and monopolized in the charge of admission at the cost of the public and to the people of Washington.

Mr. BLOOM. That is impossible. It could not be done for this reason: The United States commission and the District commission are cooperative. The District commission does not do anything unless we agree to it with reference to the District celebration. That could not be; there is no thought of a thing of that kind.

Mr. LAGUARDIA. I know the gentleman is a practical business man. When we are confronted with a situation in Washington and we believe that the prices are exorbitant, may we go to the gentleman from New York and call his attention to it, and will he help us?

Mr. BLOOM. Yes.

Mr. STAFFORD. But perhaps the gentleman from New York would not be able to withstand such a pressure.

Mr. BLOOM. Please give the District commission and the national commission an opportunity to do the things that we would like to do, for which you have not given us sufficient money. This is the only way that we can do it. If we do not do it in this way, we can not do it at all. We are going to protect you and all of the people who come to the District of Columbia, and you can depend upon both of these commissions to do the right thing all around.

Mr. STAFFORD. Mr. Speaker, will the gentleman from New York [Mr. LAGUARDIA] yield to me so that I may ask the gentleman from New York [Mr. BLOOM] a question?

Mr. LAGUARDIA. Yes.

Mr. STAFFORD. Up to the present moment, no statement has been made publicly or on the floor of the House as to what is the purpose of the gentleman's commission in the way of pageants, and the time of year when they will occur. Can the gentleman give the House some information as to when this big show is to be pulled off?

Mr. BLOOM. I am very glad that the gentleman has asked that question. He wants to know what we are going to do in the District of Columbia.

Mr. STAFFORD. And the dates when they will occur.

Mr. BLOOM. And all about it. What we are anxious to know is what you are going to do for us. You pass this bill, and within a week or 10 days we will tell you what we are going to do. If you do not pass this bill and give this national commission a chance to operate and cooperate with the District commission, we might not be able to do very much.

Mr. STAFFORD. Assuming we do pass the bill, what does the gentleman purpose doing in the way of pageants, and when—so that the public and the local hotel people may know something about it?

Mr. BLOOM. The first thing we will do, after you pass this bill, will be to call a meeting and decide on the things we would like to do and can do. Every day that you allow time to lapse takes away so much time from the things that we would like to do. We will have to work fast to make the programs that we have in mind. If you will give us an opportunity, by passing this bill, to decide on what we would like to do, then we will bring the program to you.

Mr. STAFFORD. The information the gentleman furnishes is very illuminating.

Mr. LAGUARDIA. Mr. Speaker, every four years when we have inaugurations here there is a system of stands. I have just been informed by one of my colleagues that he brought a party of 16 to Washington one inaugural and had to pay $7.50 a seat on the stands. It seems to me that that is very much too high a price.

Mr. BLOOM. If things go our way next fall, then the following March we will be willing to pay twice that much on our side. I think that is cheap.

Mr. LAGUARDIA. Take a family coming here in a car, wanting to participate in the celebration. If they are confronted with charges for seats at $2.50 or $3 or $4, it is too much.

Mr. BLOOM. That is regulated in different ways. The gentleman to whom the gentleman from New York refers might have paid $7.50 for a seat at some hotel or upon some private stand. For a window he might have paid $50. This is entirely different. This corporation will control it. Let us look at this from a business point of view.

Mr. LAGUARDIA. But I can not look at a celebration in honor of George Washington from a business point of view. That is my objection to the bill. I would like to have the whole thing thrown open to the public.

Mr. BLOOM. I agree with the gentleman. Why not amend the bill and give the District commission $150,000 more and give the United States commission $100,000 more, and we will not charge the public for one thing. We are confronted with a situation now in the United States commission where we are having at the Corcoran Art Gallery the greatest loan exhibit of all of the great pictures from all over the world, and we are giving it free of charge, but we have not money enough to pay for printing the catalogues for this loan exhibition. After we have done this great

work, after we have given the people of this country and of the world, you might say, the greatest pamphlets, the greatest books, the greatest of everything gotten out upon the history of our country, we have to come down to charging 10 or 15 or 25 cents for a little catalogue because you took off $25,000 when we needed it.

Mr. LAGUARDIA. The Senate took that off.

Mr. BLOOM. The House took it off also. Members of the House have been asking for a sufficient number of portraits of George Washington to send to their constituents and to their lodge rooms. We had to cut our order because you took off $25,000. Now you are objecting to what we are doing. You are objecting to our selling anything. You want these things, but you do not give us a chance to sell them. Give the District commission some money and they will not charge for anything.

Mr. STAFFORD. Will the gentleman yield?

Mr. LAGUARDIA. I yield to the gentleman from Wisconsin.

Mr. STAFFORD. I wish to inquire for information as to the detailed cost for having these pageants during the proper celebration of the bicentennial free to the public, rather than exacting fees to be paid to concessionaires to erect stands along the public highways, or wherever these pageants will be presented.

Mr. BLOOM. I would say that $100,000 more to the District of Columbia would pay for everything, aside from what they already have.

Mr. STAFFORD. In his previous statement the gentleman supplemented that by saying "and give the commission an additional $150,000." What would the $150,000 be for?

Mr. BLOOM. The United States commission?

Mr. STAFFORD. Yes. I understood the gentleman's preliminary statement to be to that effect. I am seeking to know what it will cost in the District of Columbia to put on a proper show, pageants and the like, without making any charge whatsoever to those who come to the District to see the pageants.

Mr. BLOOM. In my original estimate of what it would cost, we estimated for Mother's Day ten or fifteen thousand dollars; we estimated for ceremonies for the opening of Wakefield about $10,000, for everything to have a complete celebration. That was completely cut out, so that we have no money for celebrating any special days; that is, the United States commission has no money for that purpose.

Mr. STAFFORD. I am seeking to ascertain what it would cost to put on a proper pageant in the District of Columbia.

Mr. BLOOM. Well, we must divorce the two. The District is one celebration and the national celebration is another. The gentleman has asked two questions. If the District can be given $100,000 additional, it can build stands and can give pageants, with our cooperation, and that will pay for everything, and perhaps will leave a little surplus.

Mr. STAFFORD. Then if Congress would be willing to appropriate $100,000 for an appropriate show for these pageants in the District, would the gentleman then feel the need of having this commission of these distinguished men, or should it be left entirely to the District Commissioners?

Mr. BLOOM. Well, we must remember that this list of names is a list of the District commission. That is where we get this list.

Mr. STAFFORD. The gentleman would still wish to have the District commission incorporated and appropriate $100,000 for these pageants?

Mr. BLOOM. No. I do not think it would be necessary. If we will appropriate $100,000, then we do not need this bill.

Mr. STAFFORD. But to whom should we appropriate the money? To the District Commissioners?

Mr. BLOOM. To the District commission. You appropriated $100,000 for the District commission for the celebration of the two hundredth anniversary of the birth of George Washington. If you give them another $100,000, then you will not need this bill.

Mr. LAGUARDIA. How are they expending the $200,000, generally?

Mr. BLOOM. Well, there will be eight months of celebration. They start to celebrate on February 22, and it will continue up to and including Thanksgiving Day.

Mr. STAFFORD. I want to thank the gentleman now for his explicit reply, very much belated, as to when this celebration will be held. The gentleman now says it will continue for eight months, dating from the anniversary of the birth of George Washington.

Mr. TILSON. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. TILSON. As a member of the National George Washington Bicentennial Commission, I wish to say a few words in regard to this bill.

I hope the Members of the House will distinguish clearly between the bicentennial celebration as a national affair and the bicentennial celebration in the District of Columbia. The national commission was appointed some seven years ago, and for several years no plan was arrived at. Finally, after about five years of incubation, the plan came forth, which, in brief, is to have the celebration by the people and among the people themselves in the 48 States, the District of Columbia, and the Territories. The idea of attempting to fittingly celebrate such an event by one single celebration, here in the District of Columbia or elsewhere, did not commend itself to our commission. Such a celebration only a comparatively few people could attend. We finally decided that it would be better to call upon all the American people everywhere—in States, cities, towns, and hamlets—to join in arranging local celebrations appropriate and befitting this greatest figure in our national life. Under a somewhat meager appropriation by Congress, we undertook to cooperate with the States, municipalities, and other organizations by supplying literature and other material, but our chief concern has been to secure the cooperation of the people themselves to properly celebrate the bicentennial of George Washington's birth. For the last two years the commission has been pushing this idea.

The gentleman from New York [Mr. BLOOM] and Col. U. S. Grant, 3d, were selected as directors to carry out the idea of the commission and to get it out to the whole country. Please observe that the plan did not contemplate a single celebration here in Washington, but a number of celebrations in every State of the Union, in every city, town, and hamlet all over the country. The commission, through the efforts of the directors, has gotten in touch with every State, every city, every governor, mayor, selectman, even down to the smallest hamlet, urging them to appropriately celebrate this bicentennial.

Some States have appropriated considerable sums of money. The gentleman's State of New York has appropriated quite a sum for the celebration of this great event. The District of Columbia occupies, in this respect, the same position as an individual State. A commission was appointed here in the District to arrange for a fitting celebration of the event here in the city bearing Washington's name. The commission has gone forward with the work satisfactorily. Congress was asked to appropriate, and did appropriate, from District funds for this District celebration a certain sum. The sum appropriated was in no wise adequate for the magnitude of the celebration very properly desired by the people of Washington. The sum is not sufficient, and, for one, I think it should not be sufficient to put on a celebration such as should be held in the District of Columbia. I think it is perfectly proper in order to put on pageants or other appropriate festivities to erect temporary stands and to charge admission, if it is all properly regulated, as it will be. It is not only perfectly proper but the people who have the privilege of enjoying it will be delighted to pay for this celebration. To carry out the purposes I have indicated is all this corporation is asked for.

Certain public-spirited men and women in this District by asking for this corporation in effect have said, "If you will incorporate us into a legal corporation, so that we may not, by some untoward accident for which we are not to blame, endanger our private fortunes, we stand ready to

shoulder the burden of this particular community in sponsoring a celebration worthy the name of Washington."

Mr. HUDDLESTON. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. HUDDLESTON. Then the interest of the Bicentennial Commission in this bill is exactly what it would be with regard to any city in the country, or the celebration in any city?

Mr. TILSON. Just the same as in a city of the gentleman's State, as far as the national commission is concerned.

Mr. HUDDLESTON. The passage of this bill in no wise has any bearing on the Bicentennial Commission, its activities, or the performance of its duties.

Mr. TILSON. The gentleman understands, of course, that we are cooperating with every State so far as they will cooperate with us, and especially so with the District, being located in the same place. Therefore it may be that we are cooperating possibly to a somewhat greater degree in the District because we are able to do so by reason of our proximity.

Mr. HUDDLESTON. Just how does the passage of this bill contribute to the activities of the commission in any way?

Mr. TILSON. Not to the national commission at all. It will, however, contribute very materially to the District of Columbia celebration, in which the national commission is, of course, very much interested.

Mr. HUDDLESTON. But nothing to the national commission?

Mr. TILSON. This bill is not intended to affect the national commission in any way. It seems to me the bill is perfectly plain. It is a business proposition. All that these people wish is to be legally incorporated. If Members will read the list of the proposed incorporators they will find that they are not the kind of people who would be interested in an undertaking of this character by reason of the hope of private gain. There is no danger of any abuse here.

Mr. MAY. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. MAY. The only purpose of this bill, as I gather from the gentleman's explanation, is to exempt the men who are promoting this thing in the District of Columbia from actions for damages resulting from any accident that might happen.

Mr. TILSON. One purpose is to exempt them from personal actions for damages resulting from accidents for which they are in no wise to blame. It is also to permit them to act as an entity, as a legal corporation, rather than as a partnership or voluntary association of some sort.

Mr. MAY. Or as individuals?

Mr. TILSON. Or as individuals. The gentleman is correct.

Mr. BLOOM. May I add this: The District commission is in the same position as the national commission. They can not buy or sell anything. If we wanted to do so, we could not charge an admission fee to anything that may be carried on. If we did so, it would go back to the Treasury, anyway, and that is something they can not do.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, to my mind this bill has been well discussed by the Members of the House, and I now move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 5341) was laid on the table.

PROTECTION OF UNION LABELS AND SIMILAR INSIGNIA IN THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 2173) to authorize associations of employees in the District of Columbia to adopt a device to designate the products of the labor of their members, to punish illegal use or imitation of such device, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2173, with Mr. JONES in the chair.

The Clerk read the title of the bill.

Mr. PALMISANO. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PALMISANO. Mr. Chairman, I yield myself five minutes. This is a bill to authorize associations in the District of Columbia, particularly the union organizations in the District of Columbia, to adopt some emblem or some mark of designation. It seems they are having some trouble in the District. It seems they are unable to obtain some sort of insignia whereby they can be recognized. The purpose of this bill is to give them recognition and to punish anyone who illegally uses the same or makes an imitation of the same. That is the purpose of this bill.

Mr. Chairman, I reserve the balance of my time and yield five minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. The President of the United States has recently announced a national program to urge our citizens to cease hoarding money and renew their custom of depositing in banks. A number of prominent spokesmen for the administration have, in addition, very loudly advocated a reduction in the wages of Federal employees in order to reduce the deficit.

Apropos of these two latest administration methods of restoring prosperity, there appeared in the February 3 issue of Standard Trade and Securities a table showing the liquidity of New York and country banks. There also has appeared in the Wall Street Journal under date of February 4 a statement that the receiver, assistant receiver, and the attorney for the receiver of the Wabash Railroad have agreed to a 10 per cent cut in income. These two items apparently have little connection, but I shall attempt to show that they do demonstrate the utter futility of the Hoover antihoarding program and bear very strongly on the injustice of drastic reductions in Federal employees' wages at the present time.

When the depression started our Executive called together the industrial leaders in this country and urged them (at least in the newspapers) to maintain the former wage scale. The next item of interest appearing in the newspapers was a series of drastic wage reductions all over the country, and included in those reductions were a number of companies having contracts with the Government of the United States. The program of the President to urge people to bring their money back into banks where their accounts are in no way insured will be just as futile as his advertised program to maintain wages above their economic justification.

Speaking of this program to prevent hoarding, by which all of the luncheon clubs and all the oratorical boys in the different communities are going to urge the people to bring their money out and place it on deposit, I see in this publication of Standard Securities a report for the month of December to the effect that the New York banks are now practically 61 per cent liquid, and the country banks are substantially 45 per cent liquid.

The thing that this impresses upon my mind is this. How can we go before the people of this country, Mr. Common Man or the average citizen, and urge him to deposit his money in the banks in order to get it into circulation, when the banks themselves, or at least some of them, are hoarding more than any other institution? The First National, for instance, owns quick assets consisting of cash, governmental, State, and New York bonds and some demand notes of 123 per cent of their deposits. Not much in industrial circulation there!

I am not blaming them for this. This is sane business. It is the proper thing to do, probably, at this time. They do not risk turning their funds into circulation unless they are secured. The Federal Government does not deposit or put

out a single cent in a depository that is not secured. There is not a State or county or school board in this country that deposits money any place without being secured, and yet we are starting a campaign to urge the private citizen, against all of his own common sense, to take his money out of the sock and place it in the bank for the use of other people.

I have also received to-day a letter from a clearing house in my district urging that the amount of money in postal savings accounts be not increased, in order to compel depositors to place their savings in the bank.

This is very commendable, in purpose, but why should we take any action to prevent the laborer or the wage earner from taking the same steps to protect himself that the Government and the banks and all public institutions and departments of our Government take to protect themselves? The gist of the whole proposition is that the people are demanding that they have some security, the same as the Government, and I submit they are entitled to such security. You may talk to them until you are blue in the face, but you will not persuade them to deposit their money in the banks unless you let them know that they have security back of such deposits.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield five additional minutes to the gentleman from Ohio.

Mr. HARLAN. The thing that the people of the United States are asking is that their deposits in the banks be secured, and it is nothing more than fair. We do not ask a soldier to go on the field of battle, or at least we did not in the last war, without securing his dependents from suffering all of the loss from his death or injury. There are few, if any, States that do not secure the industrial employee so that he does not have to suffer all of the loss from industrial accident. Why should we compel a depositor, just because he happens to place his money in one bank that may appear as good as another, to suffer a disproportionate loss of his funds from the failure of such bank? There is no reason back of it.

It has been said that there has been lost but little more than 2 per cent of all the money on deposit in the banks in this country during this depression. Think what an infinitesimally small annual premium would secure these bank accounts. There is no reason why we should not do this, and if we do, we can get the money in the banks without having to do all this campaigning to persuade a man to do something that his common sense tells him he should not do.

Mr. GLOVER. Will the gentleman yield for a question?

Mr. HARLAN. Certainly.

Mr. GLOVER. Is it the gentleman's opinion that if we have a national-bank guarantee law, where the money that is placed in the banks on deposit is absolutely guaranteed, this money that is hidden away now and that the President is talking about would be back in the banks and back in circulation in a very short time?

Mr. HARLAN. I certainly do, and I further believe, Mr. Chairman, if we had such a law as that we would not have to be incorporating a refinance corporation at this time, because the ultimate result of this Refinance Corporation does nothing but give the depositor the security he is seeking. He takes the money out of the garret and buys the bonds and the Government gives him the security he wants, and then the money is turned around and deposited back in the bank and, in the meantime, the small depositor has received his security.

Mr. KETCHAM. Will the gentleman yield right there?

Mr. HARLAN. Certainly.

Mr. KETCHAM. I am very much interested in the gentleman's statement and it seems to me it covers the case very adequately, except, possibly, in the case of the State banks. What suggestion would the gentleman have in order that State banks may have the same opportunity that the national banks would have under this procedure?

Mr. HARLAN. I should say practically the same protection that we place around State banks going into the reserve system.

Mr. KETCHAM. Then, if the gentleman please, that would necessarily require that every State bank should become identified with the Federal reserve system, and not all of them have so become identified.

Mr. HARLAN. It would simply be up to the bank that is seeking deposits. If they want the benefit of this or if they want the confidence that would be entailed, they can take advantage of this membership. If they do not, they can let it alone; but they will not be banks very long.

Mr. KETCHAM. From what the gentleman says, he can see no practical difficulty in this matter in arranging for State banks to have the same privilege as the national banks, provided they come under the Federal reserve system.

Mr. HARLAN. Absolutely not. We must avert the danger of the Government going into the banking business on the one hand, and the danger of wild-cat and reckless banking on the other by a system of semiweekly reports to the Federal reserve bank authorities showing the outstanding loans, the securities therefor, and extent of renewals, thus affording a proper observation on the insured banks. When the loans are not properly secured, the bank's credit becomes impaired—very much like our insurance companies. The reserve bank could then step in and supervise the credit. But as long as these insured banks are not impaired they could proceed, as they are doing now, with little or no interference.

Mr. GLOVER. Will the gentleman yield?

Mr. HARLAN. I should like to say to the gentleman from Maryland that I am being subjected to a few more questions than I expected, and I wondered if he would give me some more time.

Mr. PALMISANO. I suppose so.

Mr. HARLAN. I yield.

Mr. GLOVER. With reference to the State banks, if we had a national bank guarantee law, does not the gentleman believe that the States would follow with a State guarantee law?

Mr. HARLAN. In answer to the gentleman's question, I believe that might be so; but our experience is the State guarantee laws have not been of the best and pursuing that line is a little difficult, at all events. In this body we are only concerned with Federal questions.

Turning for a moment to the question of wage reductions of Federal employees, in the copy of the Wall Street Journal which I have here is a notice to the effect that the receivers of the Wabash Railroad Co. have applied to our Refinance Corporation for a loan of $15,000,000. As a special concession for obtaining the $15,000,000, the receiver, who is now getting $40,000 a year, his assistant receiver, now receiving $20,000 a year, and the attorney for the receiver, who gets $25,000 a year, have generously offered to accept a 10 per cent cut in wages.

The Wabash Railroad is now in the hands of receivers. About two weeks ago it was announced that they were about to pass a dividend, but I do not know whether that has been done or not.

These officials and those of banks and other public-service and financial institutions are just as much public servants and public conservators as the officials in the Federal employ.

I submit that if the officers and high-bracket employees of these different institutions do not accept a substantial wage reduction, they are not entitled to the aid from our Refinance Corporation; and if the governors of our Refinance Corporation extend aid without cutting pay rolls to the bone, those governors are not performing their duties. We can effect a greater saving and benefit to the taxpayers and the wage earners of this country by that means than we can in the reduction of Federal employees' wages, because we will hasten public confidence in our banks and we will reduce the waste in governmental aid.

I do not wish to assume the rôle of demagogue, disparaging men receiving high salaries, because that would be absurd; but in time of prosperity when they were making money there was an excuse for paying salaries commensu-

rate with the abilities required. Now, however, we are in a drastic situation. The Federal Government is doing things hardly justified in any government, in practically going into the banking business, and it would clearly seem reasonable that before any aid is extended by this institution which we have incorporated and given $2,000,000, without any supervision at all, the board of governors should see to it that the high-salaried men in banks and railroads have their salaries reduced not 10 per cent but to a mark that would really mean something during the period of Federal aid.

Mr. FOSS. Mr. Chairman, will the gentleman yield?

Mr. HARLAN. Yes.

Mr. FOSS. Can the gentleman tell us who fixed the salaries of the receivers, the assistant receivers, and the attorneys?

Mr. HARLAN. The salaries in the Wabash Railroad case, of course, were fixed by the court.

Mr. LAGUARDIA. The gentleman referred to high-salaried men in banks who have the required ability. By that he does not mean that all of these bank presidents have the required ability?

Mr. HARLAN. Possibly not; but they require ability now.

Mr. LAGUARDIA. But a great many of them have not the required ability.

Mr. HARLAN. They have not exhibited it, at least.

I have supported every one of the financial measures proposed by the administration, because I feel that they can do little harm and may do some good. I regret very much that they were not put in force at least eight months prior to their actual enactment so that we might have attempted to save many of the banks that have failed and many of the foreclosures that have occurred during that time. However, I do not believe that there is any economist who believes that they are in any way a permanent remedy for our present economic ills. These can only be cured with the revival of international trade, and that trade is almost hopelessly strangled by our present network of retaliatory tariffs.

We must, furthermore, establish permanent confidence in our financial institutions by distributing the burden of bank failures. People demand, and justly demand, security for the money which they turn over to others for administration. Should prosperity return, the deposits will no doubt return to the banks, but when the first clouds appear on the horizon the people will follow their instinct of self-preservation and begin to hoard.

The third step for the achievement of something like permanent prosperity in this country is the abolition of the perfectly absurd and ridiculous burden which we are now bearing to procure a travesty on law enforcement. The people may either be right or wrong in their attitude toward Puritanical laws and hoarding, but right or wrong, they are going to follow their own convictions; and, in the meantime it is up to the Government of the United States to respect the convictions of a majority of its people.

Mr. PALMISANO. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, the press to-day reports that our Republican friends are rejoicing because of an interpretation they have put upon the statement of a leading citizen of the State of New York. It is said they now expect him to be the Democratic nominee in the coming election.

Mr. FOSS. For what office?

Mr. BLANTON. For the high office of President of the United States. I am merely one humble Democrat, but I represent a district of Democrats, who have been Democrats practically all of their lives. They have never gotten off the reservation except once, and that was when this same distinguished gentleman was in 1928 at the head of our ticket. Let me call attention to exactly what Gov. Alfred E. Smith said in his press statement to-day, and if you Republican brethren will listen I do not think that you will get much comfort out of it. He said:

> If the Democratic national convention, after careful consideration, should decide that it wants me to lead, I will make the fight.

In my judgment, that puts him out of the running before things get started, because, if the opinion of a humble Democrat may be accepted, the convention will not have to wait for careful consideration, because Governor Smith will not be seriously considered again, and he is already eliminated.

I was one of those who faithfully and loyally supported my ticket in 1928. For many years I have fought uncompromisingly the main thing that Governor Smith espoused. I put aside my own feelings in the matter. I felt that the Democratic Party meant more to the people and was bigger than any man that ever appeared on its ticket.

I supported my ticket. I supported it at a great personal sacrifice. I supported it faithfully and honestly, because I knew that the party was a great party, and every Democrat who supported that ticket did it at a personal sacrifice, I do not care how he stood on public questions. He made a personal sacrifice that meant much to him. Many of them made sacrifices that swept them out of office, and many of them made sacrifices in 1928 that may yet sweep them out of public office, because the public when it goes into the little booth to mark its ballot, goes in there to speak its own private personal sentiments, and the people were uncompromisingly against some of the things that the head of our ticket stood for.

I am one of those who rejoices in the fact that Governor Smith has been a big enough man not to inject himself into this campaign. He has not done it yet, and I do not believe he will do it. I believe that he will be faithful and loyal enough to the best interests of our party, and to the personal interests of the members of the Democratic Party, who signally honored him in 1928 with their greatest gift, to keep out of it; and I believe that those friends of ours in New York who have been his ardent supporters and have made sacrifices for him, and who appreciate the sacrifices all other Democrats have made for him, will applaud him for keeping out of it, because things are ripe now for a great Democratic victory in November if we will just keep all highly controversial matters out of our party.

Mr. MAY. But suppose we nominate JOHN GARNER, of Texas; we will sure win, will we not?

Mr. BLANTON. JOHN GARNER would sweep the country as sure as we live. For he has the absolute confidence of the people everywhere. There is no man who can touch him anywhere in the United States as a leader of men on public questions. He has led the opposition here across the aisle so many times and made them follow him so many times that he has demonstrated to the business interests of the country that he is the best and safest leader in the whole United States.

Mr. LAGUARDIA. Will not the gentleman give the progressives a little credit for that?

Mr. BLANTON. If he were nominated, he would carry every progressive in the United States. Because he thinks of, with, and for the common people. We would find the gentleman from New York [Mr. LAGUARDIA] on the stump making his unanswerable speeches for JOHN GARNER in the interest of the public, if such a nomination were made. But I have no right to speak for our distinguished leader. Until he permits us to present him, we must hold our inclinations in abeyance. He knows more about politics and more about Government business and problems and all other things than the rest of us will know in many years. He is the popular choice of the people now, and if we could only persuade him to run, he would sweep the country. I have no right to speak for him, but I am saying to my Republican brethren that they better quit rejoicing, because they will not have Al Smith on the ticket.

Mr. MICHENER. The gentleman is making a very interesting statement. I am wondering, in view of his statement, if Al Smith should be the candidate on the Democratic ticket, whether the gentleman would support him as he did before?

Mr. BLANTON. I am always frank. I always support my Democratic ticket as long as I am a Democrat. But what the gentleman from Michigan suggests as a possibility is hardly conceivable, for Governor Smith is a loyal Democrat, and he knows that his nomination would disrupt Democrats everywhere, and absolutely ruin all chances of success for his Democratic Party.

You will find me fighting for Democratic principles and for our ticket no matter who is on it. I believe in the Democratic Party. It is the party of the people. From its very beginning, it has been against special privileges to classes. It stands for equal opportunity to all. The gentleman's party has stood always for special privilege to classes. It is the party of special privileges. My party has stood for the people, and I am loyally for it; but I want to say that the Democrats of this country are going into that convention shoulder to shoulder making a fight that will win to get this country back in good condition, and the business men of the country are going to be behind us. The business men of the country have watched our distinguished leader in this House, and he has gained their confidence. They are back of him and they will support him without hesitation. They want normal times again.

Mr. MICHENER. Will the gentleman yield further?

Mr. BLANTON. I yield.

Mr. MICHENER. I have always thought the gentleman was a great believer in principle, and I know he has been. He has been a great believer for the things which he thought were right. In view of the statement the gentleman has just made, assuming that the gentleman's party should nominate a man who fundamentally disagreed with the principles of the gentleman, would the gentleman still vote for him, as he stated, simply because he is a Democrat?

Mr. BLANTON. I want to say to my friend from Michigan that every single plank in the platform of the Democratic Party is a plank of principles, and high principles. It always has been. There are so many fine planks, all planks of principle, that any Democrat can support the Democratic platform no matter who the candidates are who may head the ticket. [Laughter.] You can always do that. The gentleman from Michigan, who thinks just as I do on a few fundamental questions, and who stands for principle as I do, if he could get a man who was just a little wetter than wet Mr. Hoover, he would still support him. What is the difference between Al Smith and Mr. Hoover? Al Smith is frank. He comes out and says, "I am wet." Mr. Hoover says nothing, and is a wet nevertheless. I do not know whether the gentleman has seen the advance edition of the fake so-called Times Herald of February 30 or not that came to our offices to-day, but he will find that his champion flag bearer is heralded abroad in advance as the wet advocate of repeal.

I just want to say in conclusion that while I loyally supported my ticket in 1928, I am unalterably opposed to Gov. Alfred E. Smith heading our ticket again this year. And as one Democrat I want him to know that the people in my district who supported him in 1928 are now 90 per cent against him, and it is not a question of Catholicism either, and we commend him for not being a candidate.

[Here the gavel fell.]

Mr. PALMISANO. I yield to the gentleman from Texas two additional minutes, Mr. Chairman.

Mr. HOWARD. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. HOWARD. I received a very interesting letter this morning from a cornfield constituent, and I am sure it would be interesting to the gentleman from Texas. The gentleman has been discussing candidates. This man who wrote me says that the Republic now has only three white hopes, and he names them in order: Garner, Roosevelt, and Rainey. Does the gentleman from Texas pin his hope to one of those three?

Mr. BLANTON. I am for all of them. I am for every good Democrat, and the gentleman has mentioned three very good ones. I am for every one of them. [Applause and laughter.] I wish all three of them could be candidates. Does that answer the gentleman?

Mr. HOWARD. Well, that is about as good as I expected. [Laughter.]

Mr. BLANTON. May I ask the gentleman how he stands on that question?

Mr. HOWARD. Oh, how he stands? As early as July the gentleman from Nebraska publicly proclaimed not only his support of Franklin D. Roosevelt but he made a prophecy, and his prophecies always come true, that Roosevelt would be the next President of the United States in spite of the international bankers and the Power Trust. [Laughter and applause.]

Mr. BLANTON. I believe we will have two on the ticket whom the gentleman from Nebraska can follow without any trouble at all, and they will be eminent statesmen I am going to follow. [Applause.]

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I did not want to enter into a discussion with the gentleman from Texas, but now that he has made the nominations for the National Democratic Party, I do not believe I will be consulted in that any more than I will be consulted in the National Republican Convention. But when the gentleman raises a question as to planks and principles and raises the question of how wet Mr. Hoover may be or how wet Mr. Smith is, then, of course, I think the suggestion requires an answer. I do not believe that Al Smith lost votes in the gentleman's State because of liquor. I think it was more a question of water, the kind of water contained in the fount when he was baptized.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BLANTON. This is the first time in its history that my State ever went Republican and it is the first time in history that my district ever went Republican, and it went for Mr. Hoover by 11,000 votes. That does not mean that they are not Democrats, but that the people refused to indorse his proposed repeal of the eighteenth amendment. It was not because of Catholicism either. What did Baltimore do, the Catholic hub of the Nation? Even Baltimore went against Governor Smith. Many of the Catholics in my State voted against him.

Mr. LAGUARDIA. I will say to the gentleman that his platform, in all likelihood, will have a wet plank in it.

Mr. BLANTON. If it does it will be over my objection. If it does it will beat the Democratic Party worse than we have ever been beaten before.

Mr. LAGUARDIA. I now say that if my party has not got a wet plank in it I will not support it. Will the gentleman say as much on the reverse side?

Mr. BLANTON. I will say I am going to do everything in my power to keep a wet plank out of our Democratic platform. I will promise the gentleman that.

Mr. LAGUARDIA. But if a wet plank goes in, what then?

Mr. BLANTON. I am still a Democrat. [Laughter and applause.] But God forbid that such a calamity should happen. It would cause millions of Democrats everywhere to refuse to support their ticket.

Mr. LAGUARDIA. Now, Mr. Chairman, I want to say that there are so many important issues that the people of this country must decide that they refuse to be separated on the wet and dry question. If prohibition had been a success, and if you had prohibition in this country to-day, it would not be an issue and we would not be talking about liquor in the face of important economic problems to solve; but in the absence of enforcement, after 11 years of complete failure, after spending millions and millions of dollars in attempted enforcement, then I say the people of this country, whether Republicans or Democrats, are not going to permit politicians to play with this question any longer, and they will demand a clear-cut declaration from both of the great parties.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. I can not yield now.

Reference was made to-day to a publication that is being distributed. Let me say that that publication comes from a group of stand-pat, black Republicans, and the next thing to follow will be a declaration on the part of the contributors to the Republican campaign fund that unless the Republican Party takes a decided stand on prohibition and puts a real, honest wet plank in their platform there will be no contributions to the Republican campaign fund.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. I can not yield now.

Mr. BLANTON. Then if it does that your Republican Party is doomed.

Mr. LAGUARDIA. I want to say that this question, this great moral issue will never be decided until the great parties take a stand on it. If one party takes the wet side and the other party takes the dry side then men of free will will vote according to their convictions and not according to a party label. [Applause.]

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. PATTERSON].

Mr. PATTERSON. Mr. Chairman, in view of the great questions which we are talking about, that will be an issue in the next campaign, I want to call your attention to one that will be an outstanding and vital one this summer and fall, in case conditions do not change, and that is the unemployment problem.

A little more than two years ago we were told by prophets that the unemployment situation was on a distinct upturn, that in a few days, or 60 days, or such a matter, the country would be back to normal. We were also told that the big industries were not going to reduce wages but were going to continue under the conditions which were in existence in October, 1929. Time and again we have heard those pronouncements and similar ones since then, yet to-day we are facing the fact, according to the latest statistics, that between seven and ten million men are out of employment, men who have no employment at all, and in addition we have another large group—no one seems to know how many—who are on part-time employment.

During this session of Congress we have passed several measures which we were told were going to relieve the country of present conditions. We see those measures getting under way, yet more and more disappointment comes to us and we begin to question how much value these measures will be.

These other questions are important and I am interested in them and their solution, but I want to say in my judgment we do have one great question in this country, one outstanding question, and one that any candidate for President or any other office in this country should think about and to which he should give serious thought, and that is the solving of the problem of unemployment. If we could solve the problem of unemployment and get our people at work that would go a long way toward solving the great questions which face this country at this time.

Just think of the great farm problem in the country. Why is not the farmer able to sell his produce? For the simple reason that the man who needs it does not have income enough to purchase it. There is hardly any other thing which you can mention but what unemployment is fundamentally at the basis of the evil.

I agree with the President, who was then Candidate Hoover, when he said in his Newark speech, September 17, 1928:

> The problem of insuring full-time work all the time is a problem of national concern.

And again in same speech—

> It is one which government only contributes to solve.

Here he takes the position that the Government has a definite responsibility. I believe that we, in response to that belief, should act immediately to carry out that responsibility. In an emergency like this we should act at once to relieve the situation, and then we should act to bring about permanent legislation so that this will not occur again.

One of the causes of the farmers' condition is the lack of income among the masses. We must act. The farmer's problem is just one big problem, but there are others caused by this unemployment, and to get out of the morass we must remove the causes which contribute to make conditions as they exist in this country to-day. For instance, you take the post offices. In practically all of the post offices the receipts are being reduced so that they are being taken from one class and put in a lower class. All of this causes more and more unemployment, and the beginning of it was brought about by unemployment. This is a national question.

We are told that in 1929 the laboring man lost about $10,000,000,000 of his income and that in 1931 he lost over $11,000,000,000. No country and no industry in a country where this is true can be prosperous, except those few protected given monopolies to oppress the masses.

In my judgment, you can organize all the corporations you want in order to bolster up big business; you can pass all the tariff legislation you want and build up animosity between our country and foreign countries and compel them to pass retaliatory tariffs; and this will only bring about more and more trouble and will not go to the root of the fundamental evil and solve the great questions which we face.

To-day you can take the prices of the different commodities which the farmer has to sell, and the reason those prices are so low is because the men who need the commodities do not have the income to purchase them. Fundamentally, that is the trouble. The trouble is that the men who need these things—millions of our people in the cities and other places—can not purchase them because they do not have the purchasing power. Those are the questions which are facing us to-day. You can have a conference at the White House every day of the week, and you can make some great pronouncement that you are going to help 20,000,000 people, but unless you put back in the hands of the great masses of the people the purchasing power you can not solve these questions which face this country.

As a Member of this Congress I would like to see something constructive done. Something should be brought about now to restore the purchasing power of our people. The Government can contribute in two ways—by starting a needful system of public works, and then evolve legislation to prevent the recurrence of such a condition.

I know that the Government alone can not take up all the slack in unemployment, but we can help and should help by public works which are needed and economical, as road building and public buildings. All of this will stimulate work and industry and scatter more money among our people, which will increase purchasing power, which is sorely needed at this time, and will benefit business, banking, debtors, and everyone.

Also, there ought to be some permanent legislation whereby we will prevent a recurrence of such a condition.

The administration that is in power now, it seems to me, is going right along just as if this is an evil that has to come to us every so often, and the only thing we can do about it is to blindly go through it, with the hope we will never have such a condition to contend with again or with the hope the time may be prolonged after we do get through with it.

It has been 27 months since the trend started downward, and according to the statistics I do not think anyone has estimated the unemployed in this great country to-day at less than it was at any time previous to this time. In other words, so far as we know, and in spite of all the money that has been appropriated to bolster up big business, we are still on the downward trend, or certainly no signs of an upward trend.

Again, I say, I believe Congress should make some kind of temporary provision to deal with this question immediately and then formulate something of a permanent nature to see that such a condition as this does not come upon us again. For instance, you take this argument that the Government ought to stay out of business is stressed until big business wants the Government in business on its side, and then a demand comes. In my humble judgment the impo-

tency of big business to deal with the situation is stressed in the demand for the Finance Corporation.

Mr. PATMAN. Will the gentleman yield for a question?

Mr. PATTERSON. My time is short, but I yield to the gentleman for a question.

Mr. PATMAN. What does the gentleman think about paying off the adjusted-service certificates? That would put $2,200,000,000 in circulation.

Mr. PATTERSON. I have supported that legislation all the time, and I am in favor of it. I am in favor of anything to increase the income of our people in this country; and, too, I have always voted with the soldier and service man on such legislation, and expect to continue. I believe the Congress and the people ought to formulate some permanent machinery, a national council or something of that sort, to deal with this situation and see that it shall not occur again.

As I have said, big business gets alarmed when we talk about the Government going into business or seeing after the masses of the people. I do not believe that the Government should go into business on the side of any special group, but government should see that all have an equal chance, and that is not the case now. Big business has never shown its impotency more than it has this year and the past two to handle such a situation. During all this time big business has not offered one constructive measure to bring us out of this period of depression, and they came at the beginning of the Congress appealing to the country and to the Congress to help them bolster up their bonds and their finances.

We can not get out of the depression in that way. I introduced some bills providing for public works at the opening of the present Congress, and I am introducing another one this afternoon. I believe we ought to take action along this line as a temporary measure and then begin now to formulate a policy or program to see that such a thing does not happen in the future.

I do not believe it is consistent with Americanism to see our people in this situation. I do not believe in the doctrine of overproduction that we have heard preached so much. We need only to point to the millions who are hungry and poorly clothed to see that it is not a question of overproduction, but is a question of underconsumption.

The great question before us to-day is to restore the purchasing power of our people, and to do this we have come to the place where we should start public works. I regret that we have come to this place by the impotency of those who could have saved us and whose responsibility it was to deal with the matter. I for one believe we should meet it courageously and promptly, and I am ready. [Applause.]

The laboring man is one of our bulwarks of safety in the Republic and when he has the income he never goes on a strike. He always does his part in the purchasing world. If you make the laboring man and farmer prosperous, you always have a prosperous country. If we could to-day restore the loss of wage to our people who work and the income of the person who gets a salary, the goods on the shelves will begin to move at once and the farmer can begin to sell more of his product at a living wage. The person who works to-day, whether he draws a wage or a moderate salary, his interest is directly woven and interwoven with the small business man and the farmer and there is no prospering of one without the other, and the business man's business is founded on the well-being of both groups. Put the farmer and those who work so that they will get their share of the national income and we all prosper, and not until then.

In my judgment, this whole catastrophe could have been averted had there been a better division of income among the masses of people who work in whatever line they may. In other words, capital had appropriated almost all of the benefits of science, invention, and improved machinery, and consequently we had stagnation. To illustrate, in 1899 wages were nearly 25 per cent of commodities manufactured and in 1929 only a little more than 16⅔ per cent.

We are told that from 1920 to 1929 the returns to the capitalist increased 72 per cent, while the returns to labor increased only 13 per cent, and the returns in dividends increased 285 per cent. And again the millionaire classes increased by more than 600 per cent. These conditions bring to our mind more and more the importance of remedying these abuses and the suffering with which we are afflicted to-day. While all these conditions of concentration of wealth were going on into the hands of the few and the laboring man's income was being curtailed in proportion to the income of the coupon clippers and international bankers and promoters, we find the farmer's income going down until to-day the farmer has come to an impossible condition, and we must act on his behalf, and in my judgment if we will give him equal opportunities and remove the discriminations, which is all he asks, he will come again, even though he is now pressed down lower than at any previous time. One step in this program is to restore the purchasing power of our people by giving them an opportunity to work and earn.

We must also lighten the burden of taxation on the farmer and working man, and lighten the burden of debt. These three things can be done and must be done to save America. We should this day pledge ourselves to a solution of these and act now with wisdom and courage in the interest of the great masses of our people.

I introduced on the opening of Congress some bills to help do this and am introducing another to-day which I believe will help alleviate the present crisis in which we find ourselves and do it speedily if enacted into law.

Then I am introducing a bill soon which I believe contains the principle which will prevent a recurrence of these terrible conditions.

I hope this Congress and the administration can and will join nonpartisanly in a program like this and relieve the downtrodden of our country in every walk of life, reaching out on the small farms the working people, the professional and small business people, and then we shall see real prosperity. And if we will to-day enter solemnly on this duty, we can do it, and in this outstanding accomplishment of the century there would be glory enough for all, and our beloved country will return to its ancient ideals, and there will be a reign of prosperity, peace, and happiness through our land that will be reflected in all the world. This is our challenge; this is our opportunity. May we be given wisdom and faith to guide us and courage to sustain us through this trying hour that we may bring our beloved country to its high estate. [Applause.]

Mr. PALMISANO. Mr. Chairman, I yield two minutes to the gentleman from Virginia [Mr. LANKFORD].

Mr. LANKFORD of Virginia. Mr. Chairman, several days ago in another body Dr. Arthur Dean Bevan made the statement before a certain committee that 90 per cent of the doctors of this country are bootleggers. I rise to deny this charge and to read a telegram from a very distinguished member of the medical profession in my home city, Norfolk, Va.:

NORFOLK, VA., *February 4, 1932.*

HON. MENALCUS LANKFORD,
House of Representatives:

In response to accusation by Doctor Bevan that doctors were bootleggers, I know of very few who even charge for prescriptions. For 10 years I have prescribed without making the first charge. The Government is allowing such inferior liquor to be put out that one can hardly give it away. It is a crime when liquor is badly needed to use such stuff on humans. The graft is in the liquor, not the doctor. Out of justice, please read on the floor.

Dr. JOHN W. WINSTON.

I may say in conclusion that I regard this statement of Doctor Bevan as a slander upon the honorable medical profession, not only of my own city but throughout the country. [Applause.]

The Clerk, reading the bill, read as follows:

SEC. 2. No person shall in any way use or display the label, brand, mark, name, or other character adopted by any such union or association as provided in section 1 of this act without the consent or authority of such union or association; or counterfeit or imitate any such label, brand, mark, name, or other character,

or knowingly sell, dispose of, keep, or have in his possession with intent to sell or dispose of any goods, wares, merchandise, or other products of labor upon which any such counterfeit or imitation is attached, affixed, printed, stamped, or impressed, or knowingly sell, dispose of, keep, or have in his possession with intent to sell or dispose of any goods, wares, merchandise, or other products of labor contained in any box, case, can, or package to which or on which any such counterfeit or imitation is attached, affixed, printed, painted, stamped, or impressed. If copies of such device have been filed, the union or association may maintain an action in the Supreme Court of the District of Columbia to enjoin the manufacture, use, display, or sale of counterfeit or colorable imitations of such device, or of goods bearing the same, or the unauthorized use or display of such device or of goods bearing the same, and the court may restrain such wrongful manufacture, use, display, or sale, and every unauthorized use or display by others of the genuine devices so registered and filed if such use or display is not authorized by the owner thereof, and may award to the plaintiff such damages resulting from such wrongful manufacture, use, display, or sale as may be proved, together with the profits derived therefrom.

Mr. BLANTON. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 3, line 3, strike out the words "may restrain such wrongful manufacture, use, display, or sale."

Mr. BLANTON. Mr. Chairman, I want to deny the allegation made by my good friend from New York, Mr. LAGUARDIA, that the prohibition law is a failure. How many persons has he seen around the Capitol this morning or to-day under the influence of liquor? Not one.

Mr. LAGUARDIA. Nor before prohibition either.

Mr. BLANTON. How many persons has he seen in Washington to-day under the influence of liquor? Not one.

I want to say this to my colleague—I have been here some time; not as long as some, but a pretty good time—I now have to wear glasses, and my hair is turning a little gray since I have been here, but not since January 16, 1920, have I seen a Member of Congress take one drink, not one; 435 Congressmen and 96 Senators. Since the law went into effect I have not seen one Member on either side of the Capitol take a drink; not one. Of course, some may drink, but not here. You tell me that prohibition is not a success. Before that time we had several hundred saloons in Washington, and one right under this House Chamber in the Capitol. Yet you say it is not a success. National prohibition is a success.

Mr. LAGUARDIA. The legislation then was just as good as it is now.

Mr. BLANTON. When prohibition was passed there were 300 saloons in this city operating all the time. Just a few years before when the Jones law was passed there were 600 saloons in Washington, and you could not go down town without passing one on every corner. They violated the law every day. When States passed a law against selling to minors, the saloons sold to minors just the same. When States passed a law that they should not sell to drunkards, saloons sold to drunkards just the same. When States passed a law that they should close their doors at a certain hour, they did close their front doors but they sold on behind closed doors until daylight, and that was worse than if they had kept their front doors open.

I want to say that conditions have improved, and you now find thousands of men in every city who on Saturday night go home with their full pay check and give it to their wives for the benefit of their families, whereas they used to waste it in saloons and never take it home. You find them sober back at work Monday morning.

Where is the man who says that it is not a success? Wet politicians only say it. I have watched the attempts for the last week that have been made to hamstring the Attorney General of the United States, to hamstring Colonel Woodcock, the head of the prohibition force, with every kind of a question on earth, attempting to retard their work and keep them from doing their duty. I want to say it is time for men here to support and defend the Constitution, to get up and defend it when it is attacked. I am going to defend it every time it is attacked. [Applause.]

Mr. PALMISANO. Mr. Chairman, I am glad the gentleman from Texas has told the people that all of the 435 Members here are law-abiding citizens.

Mr. BLANTON. I do not say that some of them may not take a drink. But I do say that I have not seen any Member take a drink since January 16, 1920, when prohibition went into effect.

I went to a banquet last Saturday night, one of the finest banquets I ever attended. There were nearly a thousand of splendid citizens of this great city around the festive board. I never saw a drink taken or a single violation of law at that big banquet. These Washingtonians were all high-class men who believe in respecting and upholding the law. While some of them may drink, they do not violate the law by publicly drinking in this city, and I take my hat off to them as splendid citizens who believe in law and order. [Applause.]

Mr. PALMISANO. I call the attention of the gentleman from Texas to the fact that in my maiden speech here in 1927 I requested the gentleman to offer an amendment to strike out section 29 of the Volstead Act and provide that Members of Congress and of the judiciary and the district attorneys who are convicted or acquiesce in violation of the law should be impeached. The gentleman has not introduced that amendment.

Mr. BLANTON. I have introduced House Joint Resolution 83 and have it right here to do that very thing. It is now pending before the Committee on the Judiciary, and I want the gentleman from Maryland to help me pass it. My Joint Resolution No. 83 provides that it shall be cause for impeachment and removal from office and dishonorable discharge from the service and discharge from Government employment, respectively, for any executive officer, member of the judiciary, Senator, Representative in Congress, officer or enlisted man in the Army, Navy, Marine Corps, and Coast Guard, or any employee of the Government of the United States, to purchase intoxicating liquors from a "bootlegger," as that term is commonly understood, or to manufacture, sell, or transport intoxicating liquors within, or to import the same into, the United States for beverage purposes, or to conspire with any person to violate the eighteenth amendment to the Constitution of the United States and laws passed in enforcement thereof. I invite all of my colleagues to read this House Joint Resolution 83 in full. They will find it strong enough to meet all objections. It calls attention to the fact that all of the above have taken a solemn oath to support and defend the Constitution of the United States and that they should keep their oath or quit drawing a Government salary.

Mr. LAGUARDIA. Mr. Chairman, I rise in opposition to the pro forma amendment. I am sure that every colleague of the gentleman from Texas [Mr. BLANTON] will agree with him sympathetically in his efforts to defend the Constitution of the United States, but defending the Constitution of the United States by denying existing facts does not help very much. What the gentleman says about the saloons in the District of Columbia in preprohibition days is quite true. Now, instead of having the saloons, we have the speak-easies, The gentleman remembers it was not very long ago when he himself was shocked by the revolting conditions exposed by certain newspapermen here showing the flagrant violations of the prohibition laws in the District of Columbia.

Mr. BLANTON. And that is the reason I say that Mr. Hoover is a wet. If he were not, he would not permit such violations of the law to exist, as he is the chief enforcement officer of the Nation, and the duty rests upon his shoulders to enforce all laws.

Mr. LAGUARDIA. And I saw the gentleman from Texas as a lone hand force a commissioner out because he was not obeying the law.

Mr. BLANTON. But it had to be forced, did it not?

Mr. LAGUARDIA. Yes; and the gentleman from Texas is just as helpless in attempting to enforce prohibition in the District of Columbia as are all the Army and Navy and other forces of the United States Government in trying to enforce it in a land of 120,000,000 people, when a majority of them are rebelling and want to see it repealed.

Mr. BLANTON. At least I am upholding the arms of the enforcement officers and not pulling them down.

Mr. LAGUARDIA. The gentleman is not upholding the arms of the officers when he takes the floor and denies existing facts and attempts to becloud the issue by saying that the law is enforced in the District of Columbia. I submit to any intelligent, impartial man or woman in the city of Washington who has eyes and knows what is going on whether the law is being enforced in Washington any better than it is enforced in any city in Texas, or in any other city of the United States.

Mr. BLANTON. And how about the shooting of these little girls down here, and the man who was killed on Saturday night. We are having murder in the District of Columbia.

Mr. LAGUARDIA. Absolutely; the gentleman is right; and it is all the result of gin-crazed people, brought about by prohibition. We never had such conditions before prohibition. [Applause.]

Mr. BLANTON. Oh, we have had murders and rape and burglaries and robberies and arson and every crime known in the annals of criminology happening regularly in Washington, New York, Philadelphia, Baltimore, and Chicago long before we have had prohibition, and when open saloons flourished everywhere. These late crimes were committed doubtless by New York and Chicago gangsters who are absolutely sober.

Mr. LAGUARDIA. Absolutely; gangsters, criminals, and racketeers who have made money out of prohibition. Those are the conditions we are seeking to eliminate. When the gentleman from Texas takes the floor in defense of the Constitution, in which we all sympathize, at least he should not deny existing, tangible facts, such as he himself enumerates. This question will never be settled until you take liquor and put it under proper Government regulation. At this very moment, when this Congress is struggling with a deficit of $2,000,000,000, when we do not know to what sources of revenue we can turn for taxes, we are permitting hundreds of millions of dollars to go into the pockets of outlaws and violators of the law, criminals who sell poisoned hootch, when instead we should be taxing wholesome wine and beer and putting it under proper Government regulation.

Mr. BLANTON. What is proper Government regulation?

Mr. LAGUARDIA. It is putting it under license and taxing it and seeing that it is pure and regulating its sale.

Mr. BLANTON. And would they obey that any more than they obey the present Government regulations? If liquorites will not support and obey present Government regulations, they will not obey any others.

Mr. LAGUARDIA. Of course. They will be compelled to.

Mr. BLANTON. Who would compel them? Would the gentleman from New York? Then, at least, we would have some help that we have not now. If we can compel them to obey the gentleman's proposed Government regulations, we can equally well compel them to obey the present constitutional Government regulations.

Mr. LAGUARDIA. The United States is the only country that has not abandoned prohibition. I repeat—and shouting can not put down existing facts—prohibition is not and can not be enforced. There is just as much consumption of alcohol to-day in the United States as there was 13 years ago, with the difference that a great deal of it is unwholesome, and some of it is poison. It is not taxed; it is not regulated. We have created a criminal class, and conditions are so unbearable that we simply can not continue under the present system brought about by prohibition.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. McCORMACK. I call the attention of the gentleman to the fact that in 1909 the Federal Government alone took in in revenue from the basic industry of liquor, beer, and wine, $483,000,000, which we are losing to-day.

Mr. LAGUARDIA. And that does not take into consideration the license fees paid municipalities and the State excise taxes.

Mr. BLANTON. And I call attention to the fact that the organized liquor traffic has cost $483,000,000,000 in wrecked lives, wrecked homes, wrecked orphans, and wrecked hopes and wrecked ambitions.

The CHAIRMAN. The time of the gentleman from New York has expired. The question is on the amendment offered by the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, that was a pro forma amendment, and I ask unanimous consent to withdraw it.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk concluded the reading of the bill.

Mr. PALMISANO. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to. Accordingly the committee rose, and the Speaker having resumed the chair, Mr. BANKHEAD, Chairman of the Committee of the Whole House on the State of the Union reported that that committee had had under consideration the bill H. R. 2173 and had directed him to report the same back to the House with the recommendation that it do pass.

Mr. PALMISANO. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

EXEMPTION OF BUILDING AND LOAN ASSOCIATIONS FROM BEING ADJUDGED BANKRUPTS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent for the immediate consideration of a resolution (S. Con. Res. 15), which is on the Speaker's desk.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the immediate consideration of a Senate concurrent resolution, which the Clerk will report.

The Clerk read the concurrent resolution, as follows:

Senate Concurrent Resolution 15

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (S. 2199) entitled "An act exempting building and loan associations from being adjudged bankrupts," be rescinded, and that in the reenrollment of the said bill the Secretary of the Senate be, and he is hereby, authorized and directed to make the following corrections, namely: On page 1 of the engrossed bill, line 8, strike out the comma after the word "except"; on page 1, line 9, insert a comma after the word "association"; and on page 2, line 5, strike out the word "of" and insert in lieu thereof the word "or."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The concurrent resolution was agreed to.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mrs. NORTON on account of illness.

DISTRICT OF COLUMBIA COMMISSION, GEORGE WASHINGTON BICENTENNIAL

The SPEAKER. The attention of the Chair has been called to the fact that in the passage of the bill (S. 1306) to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial, some amendments were offered, which will necessitate the change of section numbers. Without objection, the Clerk will be authorized to change the section numbers accordingly.

There was no objection.

ORDER OF BUSINESS

Mr. MICHENER. Mr. Speaker, the gentleman from New York [Mr. SNELL], the minority leader, is momentarily absent from the floor, but the gentleman is interested in ascertaining if it is not possible to let the so-called "lame-duck" amendment, which is set for Friday, February 12, go over until next week.

Mr. RAINEY. I would be very glad to do that, but the Committee on Appropriations will have a bill ready on Tues-

day of next week, and we would like to go along with the "lame-duck" resolution. We can postpone a vote on it until Saturday, but that was the day fixed with the consent of everybody on the floor.

Mr. MICHENER. Yes; I was present, but it has developed that on account of Lincoln's birthday a great many Members desire to be absent on that day and the following day.

Mr. RAINEY. That was developed on the floor at the time the date was fixed and it was switched around and we put the Private Calendar before that, and I think that date ought to stand in view of the condition of the business of the House. Members ought to be able to get back here by Saturday, and we can wait until Saturday for a vote.

Mr. MICHENER. If that is the situation, why can we not proceed now with the Interior Department appropriation bill. The committee is here day after day, ready to call the bill up. The House meets and adjourns to-day at 3.30, and on other occasions in like manner. It seems to me if that is the situation of the calendar and the program, we should not compel many Members to forego commitments which have been made with reference to Lincoln's birthday and the day following.

Mr. RAINEY. But we had that agreement and the Members had an opportunity to object. I think we had better proceed.

Mr. MICHENER. Of course, the gentleman has it within his power.

Mr. RAINEY. I would rather not change the program now.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 70. An act granting the consent of Congress to the board of county commissioners of Mahoning County, Ohio, to construct a free overhead viaduct across the Mahoning River at Struthers, Mahoning County, Ohio;

H. R. 225. An act providing for payment of $25 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States;

H. R. 474. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 4695. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.;

H. R. 4696. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River southerly from the Fort Belknap Indian Reservation at or near the point known and designated as the Power-site Crossing, in the State of Montana;

H. R. 5131. An act to extend the time for completing the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.;

H. R. 5471. An act authorizing Sullivan County, Ind., to construct, maintain, and operate a public toll bridge across the Wabash River at a point in said county to a point opposite on the Illinois shore;

H. R. 5478. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 5626. An act authorizing the States of Minnesota and North Dakota, the county of Polk, Minn., the county of Grand Forks, N. Dak., or any one or more of them, to construct, maintain, and operate a free highway bridge across the Red River of the North at or near Bygland, Minn.;

H. R. 5878. An act granting the consent of Congress to the Louisiana Highway Commission and the Missouri Pacific Railroad Co., and the Louisiana & Arkansas Railway Co. to construct, maintain, and operate a combination highway and railroad bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 6663. An act to reserve certain land on the public domain in Utah for addition to the Skull Valley Indian Reservation;

H. R. 7225. An act granting the consent of Congress to the Board of County Commissioners of Allegheny County, Pa., to construct, maintain, and operate a free highway bridge across the Monongahela River between the city of Pittsburgh and the borough of Homestead, Pa.; and

H. R. 7248. An act authorizing the modification of the existing project for the Willamette River between Oregon City and Portland, Oreg.

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 201. An act granting the consent of Congress to the State of South Carolina to construct, maintain, and operate a bridge across the Waccamaw River;

S. 2278. An act authorizing the Secretary of War to reduce the penalty of the bond of the Brazos River and Harbor Navigation District, of Brazoria County, Tex., furnished as surety for its doing certain work on the improvement of Freeport Harbor, Tex.;

S. 2406. An act for the relief of Harvey K. Meyer, and for other purposes; and

S. 2684. An act for the relief of F. P. Case.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 37 minutes p. m.) the House adjourned until to-morrow, Tuesday, February 9, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Tuesday, February 9, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON INSULAR AFFAIRS

(10 a. m.)

Philippine independence.

COMMITTEE ON PATENTS

(10 a. m.)

Trade-marks.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Interstate commerce act, section 15a—H. R. 7116 and H. R. 7117; recapture clause.

COMMITTEE ON THE DISTRICT OF COLUMBIA—SUBCOMMITTEE ON PUBLIC UTILITIES

(10.30 a. m.)

Merger of street railway corporations in the District—H. J. Res. 154.

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

Marine Corps personnel.

COMMITTEE ON FOREIGN AFFAIRS

(10.30 a. m.)

Shipping of armaments—H. J. Res. 270.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PALMISANO: Committee on the District of Columbia. H. R. 5321. A bill to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan police force and fire department of the District of Columbia, and for other purposes,' approved May 11, 1892"; without amendment (Rept. No. 377). Referred to the House Calendar.

Mr. PALMISANO: Committee on the District of Columbia. H. R. 5651. A bill to amend chapter 15 of the Code of Law

for the District of Columbia relating to the condemnation of land for public use; with amendment (Rept. No. 378). Referred to the Committee of the Whole House on the state of the Union.

Mr. POU: Committee on Rules. H. Res. 133. A resolution providing for the consideration of Senate Joint Resolution 14; without amendment (Rept. No. 379). Referred to the House Calendar.

Mr. IGOE: Committee on Interstate and Foreign Commerce. H. R. 8163. A bill granting the consent of Congress to the State of Illinois to construct a free highway bridge across the Pecatonica River at Harrison, in Winnebago County, State of Illinois; with amendment (Rept. No. 381). Referred to the House Calendar.

Mr. IGOE: Committee on Interstate and Foreign Commerce. H. R. 8171. A bill granting the consent of Congress to the State of Illinois to construct a free highway bridge across the Kankakee River at Momence, in Kankakee County, State of Illinois; with amendment (Rept. No. 382). Referred to the House Calendar.

Mr. IGOE: Committee on Interstate and Foreign Commerce. H. R. 8236. A bill granting the consent of Congress to the State of Illinois to reconstruct a free highway bridge across the Fox River at Geneva, in Kane County, State of Illinois; with amendment (Rept. No. 383). Referred to the House Calendar.

Mr. IGOE: Committee on Interstate and Foreign Commerce. H. R. 8237. A bill granting the consent of Congress to the State of Illinois to construct a free highway bridge across the Fox River 5½ miles south of McHenry, in McHenry County, State of Illinois; with amendment (Rept. No. 384). Referred to the House Calendar.

Mr. IGOE: Committee on Interstate and Foreign Commerce. H. R. 8238. A bill to extend the times for commencing and completing the construction of a free highway bridge across the Fox River at Algonquin, in McHenry County, State of Illinois; with an amendment (Rept. No. 385). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 8250. A bill granting authority to the Texas State Highway Commission to maintain and operate, as constructed, a free highway bridge across Trinity River between the counties of Navarro and Henderson, in the State of Texas; with an amendment (Rept. No. 386). Referred to the House Calendar.

Mr. IGOE: Committee on Interstate and Foreign Commerce. H. R. 8324. A bill granting the consent of Congress to the State of Illinois to construct a free highway bridge across Rock River at Byron, in Ogle County, State of Illinois; with an amendment (Rept. No. 387). Referred to the House Calendar.

Mr. IGOE: Committee on Interstate and Foreign Commerce. H. R. 8327. A bill granting the consent of Congress to the State of Illinois to construct a free highway bridge across Rock River at Oregon, in Ogle County, State of Illinois; with an amendment (Rept. No. 388). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. S. 2639. An act to extend the time for the construction of a bridge across the Missouri River at or near Poplar, Mont.; without amendment (Rept. No. 389). Referred to the House Calendar.

Mr. SMITH of Idaho: Committee on the Public Lands. H. R. 6659. A bill for the inclusion of certain lands in the Coeur d'Alene and St. Joe National Forests, State of Idaho, and for other purposes; with amendment (Rept. No. 390). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BLACK: Committee on Claims. H. R. 1226. A bill for the relief of Edna M. Gilson; without amendment (Rept. No. 376). Referred to the Committee of the Whole House.

Mr. HARE: Committee on War Claims. H. R. 2026. A bill for the relief of the legal representatives of Cobb, Blasdell & Co.; without amendment (Rept. No. 380). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5891) for the relief of W. H. Comrie, jr.; Committee on World War Veterans Legislation discharged, and referred to the Committee on Claims.

A bill (H. R. 8855) for the relief of Samuel Renville; Committee on Indian Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 8856) for the relief of John M. Green; Committee on Indian Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 8857) for the relief of Lydia Wakanna; Committee on Indian Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 8858) for the relief of George Henry; Committee on Indian Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 8859) for the relief of Joseph Redwing; Committee on Indian Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 8860) for the relief of Abraham Redwing; Committee on Indian Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 8861) for the relief of Ray Whipple; Committee on Indian Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 8862) for the relief of Delia Whipple; Committee on Indian Affairs discharged, and referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McSWAIN: A bill (H. R. 8972) to authorize the Secretary of War to acquire, exchange, transfer, and sell certain tracts of real estate, and for other purposes; to the Committee on Military Affairs.

By Mr. COLTON: A bill (H. R. 8973) to provide for the disposition of asphalt, gilsonite, elaterite, and other like substances on the public domain; to the Committee on the Public Lands.

By Mr. PURNELL: A bill (H. R. 8974) authorizing the packing of oleomargarine and adulterated butter in tin and other suitable packages; to the Committee on Agriculture.

By Mr. LOZIER: A bill (H. R. 8975) to amend section 91 of the Judicial Code, as amended, so as to create a new division in the western judicial district of Missouri; to the Committee on the Judiciary.

By Mr. MAJOR: A bill (H. R. 8976) directing the Department of Justice to furnish statement as to cost of prohibition enforcement; to the Committee on the Judiciary.

By Mr. COLLINS: A bill (H. R. 8977) for the erection of a public building at Louisville, Winston County, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. DIES: A bill (H. R. 8978) to clarify the application of the contract labor provisions of the immigration laws to singers and choristers; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 8979) to liberalize the disability allowances for World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. LEHLBACH: A bill (H. R. 8980) to provide for the sale of a portion of the site of the post-office and custom-house building in Newark, N. J., to the city of Newark for use as a public street; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8981) to provide for the sale of an easement for a railway right of way over the post-office and

customhouse site at Newark, N. J.; to the Committee on Public Buildings and Grounds.

By Mr. BLOOM: A bill (H. R. 8982) to give certain civil-service employees of the War Department credit, under the retirement act of May 22, 1920, and such act as amended, for service rendered as telephone operators between March 1, 1918, and August 15, 1925, inclusive; to the Committee on the Civil Service.

By Mr. PATTERSON: A bill (H. R. 8983) authorizing a bond issue for the relief of unemployment, providing for the expenditures thereof, creating a Department of Public Work, and for other purposes; to the Committee on Ways and Means.

By Mr. SIROVICH: A bill (H. R. 8984) to authorize the licensing of patents owned by the United States; to the Committee on Patents.

By Mr. DOUGLASS of Massachusetts: A bill (H. R. 8985) for the improvement of Boston Harbor, Boston, Mass.; to the Committee on Rivers and Harbors.

By Mr. McCORMACK: A bill (H. R. 8986) for the improvement of Boston Harbor, Boston, Mass.; to the Committee on Rivers and Harbors.

By Mr. HORR: A bill (H. R. 8987) to amend the national prohibition act, as amended and supplemented; to the Committee on the Judiciary.

By Mr. LOVETTE: A bill (H. R. 8988) for the relief of unemployed; to the Committee on Labor.

By Mr. SHALLENBERGER: A bill (H. R. 8989) to insure payment of bank deposits in national banks and member banks of the Federal reserve system; to the Committee on Banking and Currency.

By Mr. GRISWOLD: A bill (H. R. 8990) to authorize the purchase of tobacco from funds heretofore or hereafter appropriated for the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mrs. NORTON: A bill (H. R. 8991) to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Laws of the District of Columbia to maintain their principal office and places of business within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BLOOM: A bill (H. R. 8992) to amend the naturalization laws in respect of residence requirements, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. CARTWRIGHT: A bill (H. R. 8993) to liberalize the disability allowances for World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. GARBER: A bill (H. R. 8994) providing for the purchase of a site and the erection of a public building thereon in the city of Cherokee, Okla.; to the Committee on Public Buildings and Grounds.

By Mrs. NORTON: A bill (H. R. 8995) to authorize the Commissioners of the District of Columbia to readjust and close streets, roads, highways, or alleys, in the District of Columbia, rendered useless or unnecessary, and for other purposes; to the Committee on the District of Columbia.

By Mr. COLLINS: Joint resolution (H. J. Res. 279) classifying certain official mail matter; to the Committee on the Post Office and Post Roads.

By Mr. DAVENPORT: Joint resolution (H. J. Res. 280) to create a commission on the coordination of Federal and State taxation, and for other purposes; to the Committee on Ways and Means.

By Mr. BLOOM: Concurrent resolution (H. Con. Res. 18) granting the consent of Congress for the temporary removal to the Corcoran Art Gallery of certain portraits in the Capitol Building; to the Committee on the Library.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

House Joint Memorial No. 2, of the State of Arizona; to the Committee on Indian Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 8996) granting a pension to Martin W. Westbay; to the Committee on Pensions.

By Mr. CANFIELD: A bill (H. R. 8997) granting an increase of pension to Ruth J. Long; to the Committee on Pensions.

By Mr. CARTWRIGHT: A bill (H. R. 8998) granting a pension to Georgia L. Spelce; to the Committee on Pensions.

By Mr. CHAPMAN: A bill (H. R. 8999) granting a pension to Bishop Creech; to the Committee on Pensions.

By Mr. COLLINS: A bill (H. R. 9000) to authorize the Secretary of War to pay to R. B. Baugh, doctor of medicine, certain money due him for services rendered as a member of the local board of Smith County, Miss.; operated during the World War; to the Committee on Claims.

By Mr. DARROW: A bill (H. R. 9001) granting a pension to Anna M. D'Autrechy; to the Committee on Pensions.

By Mr. DE PRIEST: A bill (H. R. 9002) for the relief of Harry T Brewer; to the Committee on Military Affairs.

By Mr. DIES: A bill (H. R. 9003) for the relief of Walter M. Rowlett; to the Committee on Military Affairs.

By Mr. EVANS of Montana: A bill (H. R. 9004) for the relief of Agnes C. Reder; to the Committee on the Public Lands.

By Mr. FINLEY: A bill (H. R. 9005) for the relief of Clarence W. Brown; to the Committee on Military Affairs.

By Mr. FULLER: A bill (H. R. 9006) granting a pension to Oma B. Brewer; to the Committee on Pensions.

Also, a bill (H. R. 9007) granting a pension to Bertha Davison; to the Committee on Pensions.

By Mr. GOODWIN: A bill (H. R. 9008) providing compensation to M. J. Harbinson for injuries sustained while in the Government service at and on the Belknap Reservation, Mont., engaged as a moundsman; to the Committee on Claims.

Also, a bill (H. R. 9009) for the relief of A. N. Ross; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 9010) granting an increase of pension to Mary A. Swing; to the Committee on Invalid Pensions.

By Mr. GUYER: A bill (H. R. 9011) granting an increase of pension to Nancy J. Limes; to the Committee on Invalid Pensions.

By Mr. HALL of Mississippi: A bill (H. R. 9012) for the relief of George E. Wilson; to the Committee on Claims.

Also, a bill (H. R. 9013) for the relief of J. B. Herrington; to the Committee on Claims.

By Mr. HADLEY: A bill (H. R. 9014) for the relief of Robert Sydney Stapleton; to the Committee on Naval Affairs.

By Mr. HASTINGS: A bill (H. R. 9015) granting an increase of pension to Peggy Shade; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9016) granting a pension to Francis M. Weddle; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 9017) granting a pension to Clara Fruin; to the Committee on Invalid Pensions.

By Mr. HORR: A bill (H. R. 9018) for the relief of Robert Emil Taylor; to the Committee on Military Affairs.

By Mr. HOWARD: A bill (H. R. 9019) for the relief of Anna R. Brown: to the Committee on Claims.

By Mr. JOHNSON of South Dakota: A bill (H. R. 9020) granting a pension to Louisa F. Jennings; to the Committee on Invalid Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 9021) granting a pension to Bess B. Mills; to the Committee on Pensions.

Also, a bill (H. R. 9022) to correct the military record of Joseph A. Roland; to the Committee on Military Affairs.

Also, a bill (H. R. 9023) granting a pension to Mammie Smothers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9024) granting a pension to Gertrude A. Foley; to the Committee on Pensions.

By Mr. KEMP: A bill (H. R. 9025) for the relief of the heirs of James and Porter Henry; to the Committee on War Claims.

By Mr. LEWIS: A bill (H. R. 9026) to reimburse the city of Frederick, Md., for moneys paid to a Confederate army on July 9, 1864, under penalty of burning such city; to the Committee on War Claims.

By Mr. LUDLOW: A bill (H. R. 9027) granting a pension to Albert Lemons; to the Committee on Pensions.

By Mr. McFADDEN: A bill (H. R. 9028) granting a pension to Harriet B. Gilmore; to the Committee on Invalid Pensions.

By Mr. McGUGIN: A bill (H. R. 9029) granting a pension to Mary J. Whistler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9030) for the relief of Andy M. Swanson; to the Committee on Naval Affairs.

Also, a bill (H. R. 9031) for the relief of D. H. Robinson; to the Committee on Military Affairs.

Also, a bill (H. R. 9032) for the relief of Karl Keith Sherman; to the Committee on Naval Affairs.

By Mr. McKEOWN: A bill (H. R. 9033) for the relief of William F. Trice; to the Committee on War Claims.

By Mr. MEAD: A bill (H. R. 9034) for the relief of Allen F. Maclean; to the Committee on Military Affairs.

By Mr. MOREHEAD: A bill (H. R. 9035) for the relief of the heirs of Wells C. McCool; to the Committee on War Claims.

By Mr. MURPHY: A bill (H. R. 9036) granting an increase of pension to Margaret B. Kerr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9037) granting an increase of pension to Mary A. Greer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9038) granting an increase of pension to Margaret Hendershot; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 9039) granting a pension to Albert A. Latulippe; to the Committee on Pensions.

By Mr. NOLAN: A bill (H. R. 9040) for the relief of Oscar W. Behrens; to the Committee on Naval Affairs.

Also, a bill (H. R. 9041) granting an increased annuity to Thomas A. Kelly; to the Committee on the Civil Service.

By Mr. PRATT: A bill (H. R. 9042) granting a pension to Kate H. Snyder; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 9043) granting an increase of pension to Emeline J. McLane; to the Committee on Invalid Pensions.

By Mr. ROBINSON: A bill (H. R. 9044) granting an increase of pension to Amelia J. Wharram; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 9045) granting a pension to Susan J. Raab; to the Committee on Invalid Pensions.

By Mr. SUTPHIN: A bill (H. R. 9046) for the relief of Daniel J. Gallagher, jr.; to the Committee on Military Affairs.

By Mr. SWICK: A bill (H. R. 9047) granting an increase of pension to Salena Hendrickson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9048) granting an increase of pension to Anna Trimbur; to the Committee on Invalid Pensions.

By Mr. TABER: A bill (H. R. 9049) granting a pension to Electa Wood Jones; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H. R. 9050) granting an increase of pension to Hezekiah C. Rice; to the Committee on Pensions.

Also, a bill (H. R. 9051) granting a pension to Robert Garrett; to the Committee on Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 9052) granting a pension to Esther Simpson Bingham; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Texas: A bill (H. R. 9053) for the relief of Carl C. Baxter; to the Committee on Military Affairs.

By Mr. YON: A bill (H. R. 9054) granting a pension to Harry F. DeBroux; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1405. By Mr. ADKINS: Petition of citizens of Mattoon, Ill., protesting against any measure that will modify, resubmit to the States, or repeal the present prohibition law; to the Committee on the Judiciary.

1406. By Mr. ALDRICH: Petition of Walter Blackburn and 60 others, of Westerly, R. I., protesting against passage of Senate bill 1202; to the Committee on the District of Columbia.

1407. By Mr. AYRES: Petition of Friends and the Woman's Christian Temperance Union of Argonia, Kans., supporting the prohibition law and its enforcement; to the Committee on the Judiciary.

1408. By Mr. BACON: Petition of sundry citizens of Freeport, N. Y., circulated at Freeport Methodist Episcopal Church, opposing modification of prohibition law and resubmission or repeal of eighteenth amendment; to the Committee on the Judiciary.

1409. Also, petition transmitted by chapter of Woman's Christian Temperance Union of Beechhurst, Long Island, containing 38 names, opposing modification or repeal of prohibition laws; to the Committee on the Judiciary.

1410. By Mr. BLOOM: Petition of the National Guard Association of the State of New York, favoring the erection of a memorial at Washington, D. C., or in any other place in the United States, to the National Guard of the United States that served in the World War; to the Committee on the Library.

1411. Also, petition of Federal Postal Employees' Association (Inc.), of Denver, Colo., emphatically protesting any reduction in the compensation of Federal employees; to the Committee on the Civil Service.

1412. Also, petition of residents of Brooklyn, N. Y., opposing the passage of the compulsory Sunday observance bill, S. 1202, providing for the closing of barber shops on Sunday in the District of Columbia, or any other compulsory religious measures that have been or shall be introduced, such as House bill 8092; to the Committee on the District of Columbia.

1413. By Mr. BOILEAU: Petition of H. J. Secord and 50 other members of the Veterans of All Wars of America, requesting the repeal or modification of the national prohibition laws; to the Committee on the Judiciary.

1414. By Mr. BRUNNER: Resolution of the Long Island Real Estate Board, protesting against the enactment of any bill by Congress which would restore the stamp tax of 50 cents per $500 on real-estate transfers, etc.; to the Committee on Ways and Means.

1415. Also, resolution of the National Association of Postal Supervisors, protesting against the passage of any measures by Congress which would tend to reduce the salaries of Federal employees; to the Committee on the Civil Service.

1416. Also, resolution of the Forest Hills Civic Association, Forest Hills, N. Y., indorsing House bill 7620, to create Federal home loan banks and urging Congress to favorably pass same; to the Committee on Banking and Currency.

1417. By Mr. BURDICK: Petition of Lois C. Hedly and 42 other residents of Portsmouth, Newport, and Middletown, R. I., opposing repeal, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

1418. By Mr. CLARKE of New York: Petition of Mrs. K. M. Cotter and 42 members of Court St. Mary, No. 929, of Hancock, N. Y., opposing enactment of Federal department of education bill and infancy and maternity bill, House bills 4757 and 4739, respectively; to the Committee on Education.

1419. Also, petition of 48 members of the Woman's Christian Temperance Union of Deposit, and W. H. Richards and 26 citizens of Oneonta, all of the State of New York, opposing modification, resubmission, or repeal of the eighteenth amendment and prohibition laws; to the Committee on the Judiciary.

1420. By Mr. CONNERY: Memorial of Reserve Officers' Association of the United States, protesting against cut of appropriations to carry out the provisions and policy of the national defense act; to the Committee on the Judiciary.

1421. By Mr. CRAIL: Petition of Compton Woman's Christian Temperance Union, of Compton, Calif., strongly opposing any efforts to repeal, revise, resubmit, or nullify the eighteenth amendment; to the Committee on the Judiciary.

1422. By Mr. DALLINGER: Petition of Mrs. J. Augustus and six other citizens of Arlington, Mass., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

1423. By Mr. DAVENPORT: Petition of 131 residents of Camden, N. Y., opposing any change in the prohibition law; to the Committee on the Judiciary.

1424. By Mr. GARBER: Petition of the National Federation of Post Office Clerks, Local No. 81, Pittsburgh, Pa., setting forth the conditions of employment with regard to substitute postal employees; to the Committee on the Post Office and Post Roads.

1425. Also, petition of the Nowata County (Okla.) Central Committee, protesting against extension of any further moratoriums on debts owed us by foreign nations or against any further revision thereof; to the Committee on Foreign Affairs.

1426. Also, petition of the public defense committee of the Okmulgee (Okla.) Chamber of Commerce, urging continuance of the citizen's military training camps and the military training provided in the Reserve Officers' Training Corps; to the Committee on Appropriations.

1427. Also, petition of reserve officers of Payne County, Okla., supporting appropriations for national defense; to the Committee on Appropriations.

1428. Also, petition of the O. K. Cooperative Milk Association (Inc.) Oklahoma City, Okla., protesting against the repeal of the agricultural marketing act or any amendment abolishing the Federal Farm Board or transferring the functions of same to any other Government department and expressing appreciation of the efforts of the Federal Farm Board in assisting farmer-owned and farmer-controlled cooperative marketing organizations; also protesting against bringing into cultivation any new areas of farm lands by Government construction of irrigation or reclamation projects; to the Committee on Agriculture.

1429. Also, petition of the Alva (Okla.) Roller Mills, urging support of House bill 48; to the Committee on Banking and Currency.

1430. Also, petition of Victory Post, No. 4, American Legion, Department of the District of Columbia, urging passage of Senate bill 2263, transferring veterans, wives of disabled veterans, and widows of deceased veterans now employed on temporary appointments in the Census Bureau to the classified civil service; to the Committee on the Civil Service.

1431. Also, petition of the chamber of commerce and agriculture, McAlester, Okla., urging support of House bill 5659, authorizing the Department of Justice to investigate the revolutionary activities and propaganda of the communists in the United States; also urging support of House bill 1967, providing for strengthening the immigration laws to prevent the admission of communists into the United States and providing for the immediate deportation of all alien communists; to the Committee on Immigration and Naturalization.

1432. By Mr. GILLEN: Petition of Fort Harrison Post, No. 40, American Legion, Terre Haute, Ind., relating to local and special hospitalization of disabled veterans; to the Committee on World War Veterans' Legislation.

1433. By Mr. GLOVER: Resolution of Grand Avenue Methodist Episcopal Church, of Stuttgart, Ark.; to the Committee on the Judiciary.

1434. By Mr. GOLDSBOROUGH: Petition supporting the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

1435. By Mr. GREENWOOD: Petition of Isaac Wampler, of Odon, Ind., and 71 other citizens, protesting against the enactment of any law which provides for compulsory Sunday observance; to the Committee on the District of Columbia.

1436. By Mr. HOCH: Petition of C. A. Berkeheiser and 128 other citizens of White City, Kans., urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1437. Also, petition of First Methodist Episcopal congregation of Madison, Kans., representing 500 people, urging the Congressman to vote against resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and to vote for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

1438. Also, petition of members of the Local Institute of Burlingame, signed by Bess Cones McRae and 132 other citizens of Burlingame, Kans., urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1439. Also, petition of members of the Queen Ester Class, Methodist Episcopal Sunday school, of White City, Kans., membership of 55, urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1440. Also, petition of members of the Sans Souci Club, of White City, Kans., membership of 30, urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1441. Also, petition of members of the Methodist Episcopal Sunday school of Le Roy, Kans., urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1442. Also, petition of members of the Methodist Episcopal Church of Michigan Valley, Kans., urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1443. Also, petition of members of the United Presbyterian Sunday School of Emporia, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1444. Also, petition of members of the Methodist Episcopal Sunday school of Piedmont, Kans., representing 21 people, urging the Congressman to vote against resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and to vote for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

1445. Also, petition of members of the Woman's Christian Temperance Union, of Emporia, Kans., urging the Congressmen to vote against resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and to vote for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

1446. Also, petition of Sybil L. Pocock and 45 other citizens of Le Roy, Kans., urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1447. Also, petition of Fred L. Chamberlin and 44 other citizens of Eureka, Climax, Severy, Hamilton, and Fall River, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

1448. Also, petition of members of the official board of the Methodist Episcopal Church of Osage City, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

1449. By Mr. HOPE: Petition of Reba Spence and 60 others, of Lewis, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1450. Also, petition of Jennie Field and 52 others, of Arnold, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1451. Also, petition of Lora Adams and 180 others, of Ness City, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1452. Also, petition of Mrs. T. B. Turner and 26 others, of Hazelton, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1453. Also, petition of Della Mathis and 43 others, of Burdett, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1454. Also, petition of Mrs. W. E. Wray and 20 others, of Brownell, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1455. Also, petition of Mrs. Will Weltmer and 44 others, of Hanston, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1456. Also, petition of Leonore Duncan and 52 others, of Alden, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1457. Also, petition of Nellie Howell and 97 others of Ashland, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1458. Also, petition of Mrs. G. G. Hays and 45 others, of Utica, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1459. Also, petition of Mrs. D. F. Thompson and 32 others, of Jetmore, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1460. Also, petition of Dora Bloom and 114 others, of Anthony, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1461. Also, petition of Don E. Smith and 229 others, of Greensburg, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1462. Also, petition of Robert Hood and 214 others, of Sterling, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1463. Also, petition of J. W. Bergen and others, of Ransom, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1464. Also, petition of Josephine Stewart and Mrs. George McNabb, of Nashville, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1465. Also, petition of Genevieve Kempner and Cora Kepner, of Nickerson, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1466. Also, petition of Maggie Chenoworth and Elsie M. Showalter, of McCracken, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1467. By Mr. HUDDLESTON: Petition of Mrs. V. Pennington and numerous other residents, of Birmingham, Ala., favoring the maintenance of the prohibition laws; to the Committee on the Judiciary.

1468. By Mr. JOHNSON of Texas: Petition of Sweetwater Board of City Development, Sweetwater, Tex., opposing Federal tax on automobiles; to the Committee on Ways and Means.

1469. Also, petition of Texas Cotton Cooperative Association, favoring continuance of Federal farm marketing act; to the Committee on Agriculture.

1470. Also, petition of Claud L. McIver and 890 ex-service men of Madison and Leon Counties, Tex., favoring immediate payment in cash of the adjusted-service certificates; to the Committee on Ways and Means.

1471. Also, petition of the president and members of the executive board of Local Union 183, Jorneymen Barbers' International Union of America, Austin, Tex., favoring House bill 5495; to the Committee on the Post Office and Post Roads.

1472. Also, petition of the president and members of the executive board of Journeymen Barbers' International Union of America, of Austin, Tex., favoring legislation within the District of Columbia making it unlawful to keep barber shops open on Sunday; to the Committee on the District of Columbia.

1473. Also, petition of American Legion and American Legion Auxiliary of Bryan, Tex., favoring widows' and orphans' pension bill; to the Committee on World War Veterans' Legislation.

1474. By Mr. KELLER: Resolution of the Zeigler Central Labor Union, of Zeigler, Ill., guaranteeing bank deposits; to the Committee on Banking and Currency.

1475. Also, petition of the citizens of Logan, Ill., favoring payment of the bonus certificates; to the Committee on World War Veterans' Legislation.

1476. Also, petition of the Ladies' Home Missionary Society of Steeleville, Ill., opposing any repeal of the eighteenth amendment; to the Committee on the Judiciary.

1477. By Mr. LAMNECK: Petition of William Resch, Joe Sommers, Mary Wethmueller, and others, petitioning Congress to enact at this time such legislation as is necessary to curb the activities of the growing monopolistic organizations throughout the country commonly known as the chain-store

system; to the Committee on Interstate and Foreign Commerce.

1478. Also, petition of Geo. O. Fenniken, Mrs. R. H. Beymer, John Bader, and others, petitioning Congress to enact at this time such legislation as is necessary to curb the activities of the growing monopolistic organizations throughout the country commonly known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

1479. Also, petition of C. A. Withrow, J. W. Thomas, Mrs. J. W. Thomas, H. W. Albright, and others, petitioning Congress to enact legislation which is believed to be necessary at this time to curb the activities of the growing monopolistic organizations throughout the country commonly known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

1480. Also, petition of Fred Raine, G. L. Wright, Robert C. Loucks, and others, petitioning Congress to enact legislation which is believed to be necessary at this time to curb the activities of the growing monopolistic organizations throughout the country commonly known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

1481. Also, petition of Steward M. Rush, Wesley Hummel, W. H. Snyder, and others, petitioning Congress to enact legislation which is believed to be necessary at this time to curb the activities of the growing monopolistic organizations throughout the country commonly known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

1482. By Mr. LINDSAY: Petition of Associated Hotel Operators, favoring the modification of the Volstead Prohibition Act; to the Committee on the Judiciary.

1483. Also, petition of Chamber of Commerce of the State of New York, favoring the passage of Senate bill 482; to the Committee on Merchant Marine, Radio, and Fisheries.

1484. Also, petition of the American Agricultural Chemical Co., opposing Muscle Shoals legislation; to the Committee on Military Affairs.

1485. Also, petition of Federation of Jewish Women's Organizations (Inc.), of Greater New York, favoring the passage of legislation by the Congress in amending the immigration laws that lawfully married couples—one party an American citizen and the other a foreigner—be permitted entry into the United States on the nonquota basis; to the Committee on Immigration and Naturalization.

1486. Also, petition of the Chamber of Commerce of the State of New York, favoring the passage of Senate bill 1676 and House bill 4726; to the Committee on Interstate and Foreign Commerce.

1487. By Mr. MANLOVE: Petition of R. S. Drake, G. L. Paschat, Troy Williams, R. W. Arnold, Flora Fulp, John Benton, J. A. Crowell, Elmer Parks, Nora Hood, J. F. Moore, W. O. Gray, and 165 others, requesting Congress to issue non-interest-paying bonds in small denominations to be used in payment of debts in a similar manner in which United States currency is now used; to the Committee on Banking and Currency.

1488. By Mr. McLAUGHLIN: Petition of Jennie E. Lipe and 19 other residents of Manistee, Mich., protesting against modification, repeal, or resubmission to the States of the eighteenth amendment; to the Committee on the Judiciary.

1489. By Mr. MILLARD: Petition signed by citizens of Westchester County, in the State of New York, requesting support for the citizens' military training camps; to the Committee on Appropriations.

1490. By Mr. MOREHEAD: Petition of persons seriously objecting to the Copeland Sunday bill for the closing up of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

1491. By Mr. MURPHY: Petition of A. P. Rose, secretary Smithfield Grange, Smithfield, Ohio, and 32 other members of that grange, asking that all international disputes be settled by arbitration, and that the Army and Navy appropriations be cut to the lowest notch; to the Committee on Appropriations.

1492. Also, petition of Carl E. Sutton, of Steubenville, Ohio, and 24 other oil producers of eastern Ohio, asking that a duty of $3 per barrel be placed on crude oil and its by-products and insisting that our Navy, Army, and all our Federal departments use oil and its by-products produced in the United States; to the Committee on Ways and Means.

1493. By Mr. NELSON of Maine: Petition of L. J. Lord and 45 other citizens, of Frankfort, Me., urging Federal regulation of highway trucks and bus lines to place them on a parity with railroads; to the Committee on Interstate and Foreign Commerce.

1494. By Mr. PRATT: Petition of Highland Grange, No. 288, of Highland, Ulster County, N. Y., representing about 200 persons, urging retention of the prohibition amendment and opposing modification, repeal, or resubmission to the States; to the Committee on the Judiciary.

1495. Also, petition of 16 members of the Woman's Christian Temperance Union of Port Ewen, Ulster County, N. Y., urging retention of the prohibition amendment and opposing modification, repeal, or resubmission to the States; to the Committee on the Judiciary.

1496. Also, petition of 25 residents of Wallkill, Ulster County, N. Y., urging retention of the prohibition amendment and opposing modification, repeal, or resubmission to the States; to the Committee on the Judiciary.

1497. Also, petition of 28 members of Lloyd Woman's Christian Temperance Union, of Highland, Ulster County, N. Y., opposing resubmission of the prohibition amendment to the States, and praying for law enforcement and education in law observance; to the Committee on the Judiciary.

1498. By Mr. RAINEY: Resolution of Federal Postal Employees Association (Inc.), of Denver, Colo., in the matter of reduction in the compensation of Federal employees; to the Committee on Rules.

1499. By Mr. ROBINSON: Petition signed by L. W. Lansing, of Dyersville, Iowa, and 10 other citizens of that community, strongly urging the support and passage of House bill 7797; to the Committee on Agriculture.

1500. By Mr. RUDD: Petition of the Rockaway Bird Club, Rockaway, Long Island, N. Y., favoring the establishment of the Everglades national park in Florida; to the Committee on the Public Lands.

1501. Also, petition of the Chamber of Commerce of the State of New York, opposing the passage of Senate bill 3215; to the Committee on Banking and Currency.

1502. Also, petition of the American Society for the Prevention of Cruelty of Animals, New York City, favoring the establishment of the Everglades national park in Florida; to the Committee on the Public Lands.

1503. Also, petition of E. F. Hutton & Co., New York City, opposing the passage of the Capper bill (S. 96) and similar bills now pending in the House of Representatives; to the Committee on Banking and Currency.

1504. Also, petition of the Chamber of Commerce of the State of New York, favoring the passage of Senate bill 482, enacting Federal legislation that will make effective the international code of carriage of goods by sea; to the Committee on Merchant Marine, Radio, and Fisheries.

1505. Also, petition of the Chamber of Commerce of the State of New York, favoring the passage of Senate bill 1676 and House bill 4726, providing for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States; to the Committee on Interstate and Foreign Commerce.

1506. Also, petition of the Chamber of Commerce of the State of New York, opposing the passage of Senate bill 3215; to the Committee on Banking and Currency.

1507. Also, petition of the American Agricultural Chemical Co., New York City, protesting against enactment of any legislation now before the Military Affairs Committee for the disposition of Muscle Shoals; to the Committee on Military Affairs.

1508. Also, petition of Associated Hotel Operators, favoring the modification or revision of the prohibition laws of the United States; to the Committee on the Judiciary.

1509. Also, petition of Latham Litho & Printing Co., Long Island City, favoring Everglades national park in Florida bill; to the Committee on the Public Lands.

1510. Also, petition of James H. Cruikshank, 45 Nassau Street, New York City, and William G. L. Betsch, 339 Washington Avenue, Brooklyn, N. Y., favoring the passage of the Everglades national park in Florida bill; to the Committee on the Public Lands.

1511. By Mr. SANDERS of New York: Petition of Mrs. Fred Cowen and other citizens of Medina, N. Y., supporting the prohibition law and its enforcement, and against modification, resubmission, or repeal; to the Committee on the Judiciary.

1512. Also, petition of Grace O. Young and others, urging the support of the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1513. Also, petition of F. Loraine Miller and other citizens of Medina, N. Y., supporting the prohibition law and its enforcement, and against modification, resubmission, or repeal; to the Committee on the Judiciary.

1514. By Mr. SMITH of West Virginia: Resolution of the Bluefield Chamber of Commerce, Bluefield, W. Va., favoring a tariff on imported fuel oils; to the Committee on Ways and Means.

1515. Also, resolution adopted by the members of the West Virginia Hotels Association, in behalf of the modification of the national prohibition act; to the Committee on the Judiciary.

1516. Also, resolution of the Dunbar Woman's Christian Temperance Union, Dunbar, W. Va., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

1517. By Mr. SNOW: Petition of Otis Flannery and other citizens of Fort Fairfield, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1518. Also, petition of F. H. Haines and other citizens of Fairmount, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1519. Also, petition of A. W. Larson and other citizens of Jemtland, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1520. By Mr. STOKES: Memorial of the Philadelphia Board of Trade, favoring adherence to the Permanent Court of International Justice; to the Committee on the Judiciary.

1521. Also, memorial of the Philadelphia Board of Trade, asking for reduced Federal expenses and protesting against passage of the La Follette-Costigan bill; to the Committee on Expenditures in the Executive Departments.

1522. By Mr. SWICK: Petition of West Side Woman's Christian Temperance Union, New Castle, Lawrence County, Pa., opposing the approval of Congress for the proposed resolution to submit the eighteenth amendment to the State legislatures or conventions for repeal; to the Committee on the Judiciary.

1523. Also, petition of Woman's Missionary Society, Presbyterian Church, Mars, Butler County, Pa., opposing the proposed resolution to submit the repeal of the eighteenth amendment to the State legislatures or State conventions for ratification; to the Committee on the Judiciary.

1524. By Mr. TEMPLE: Petition of Frank Litter, R. D. 3, Canonsburg, Pa., supporting House bill 6041, increasing the rate of pensions for veterans of Indian wars and widows of veterans of Indian wars; to the Committee on Pensions.

1525. Also, petition of Jessop Steel Co., Washington, Pa., protesting against a tax on automobile vehicles, trucks, accessories, and tires; to the Committee on Ways and Means.

1526. By Mr. WATSON: Petition of the Makefield Woman's Christian Temperance Union, Dolington, Pa., opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

1527. By Mr. WEAVER: Petition of citizens of Henderson County, N. C., opposing Sunday observance law; to the Committee on the District of Columbia.

1528. By Mr. WELCH of California: Petition of the board of supervisors of the city and county of San Francisco, favoring the establishment of a postgraduate naval school at Berkeley, Calif.; to the Committee on Naval Affairs.

1529. By Mr. WOLVERTON: Petition of various citizens of Elmer, Yorktown, Daretown, and Woodstown, N. J., supporting the eighteenth amendment and its enforcement; to the Committee on the Judiciary.

SENATE

TUESDAY, FEBRUARY 9, 1932

(Legislative day of Friday, February 5, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the President of the United States.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Several messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on February 8, 1932, the President had approved and signed the act (S. 355) providing for the participation of the United States in A Century of Progress (the Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the bill (S. 2173) to authorize associations of employees in the District of Columbia to adopt a device to designate the products of the labor of their members, to punish illegal use or imitation of such device, and for other purposes.

The message also announced that the House had passed the bill (S. 1306) to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 12. Concurrent resolution to authorize the Committee on Finance to have printed additional copies of the hearings on sale of foreign bonds or securities in the United States; and

S. Con. Res. 15. Concurrent resolution to correct certain errors in the reenrollment of the bill (S. 2199) exempting building and loan associations from being adjudged bankrupts.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 149) to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg., and it was subsequently signed by the President pro tempore.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Blaine	Capper	Cutting
Austin	Borah	Caraway	Dale
Bailey	Bratton	Carey	Dickinson
Bankhead	Brookhart	Connally	Dill
Barbour	Broussard	Coolidge	Fess
Barkley	Bulkley	Copeland	Fletcher
Bingham	Bulow	Costigan	Frazier
Black	Byrnes	Couzens	George

Glass	Kendrick	Oddie	Townsend
Glenn	Keyes	Patterson	Trammell
Goldsborough	King	Pittman	Tydings
Gore	La Follette	Reed	Vandenberg
Hale	Lewis	Robinson, Ark.	Wagner
Hastings	Logan	Robinson, Ind.	Walcott
Hatfield	McGill	Schall	Walsh, Mass.
Hawes	McKellar	Sheppard	Walsh, Mont.
Hayden	McNary	Shipstead	Waterman
Hebert	Metcalf	Smith	Watson
Howell	Morrison	Smoot	Wheeler
Hull	Moses	Steiwer	White
Johnson	Neely	Stephens	
Jones	Norris	Thomas, Idaho	
Kean	Nye	Thomas, Okla.	

Mr. FESS. I desire to announce that the junior Senator from California [Mr. SHORTRIDGE] is still detained from the Senate by illness. I ask that this announcement may stand for the day.

Mr. GEORGE. I wish to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

REPORT OF THE ALIEN PROPERTY CUSTODIAN

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Judiciary:

To the Congress of the United States:

In accordance with the requirements of section 6 of the trading with the enemy act, I transmit herewith for the information of the Congress, the annual report of the Alien Property Custodian on proceedings had under the trading with the enemy act for the year ended December 31, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *February 9, 1932.*

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram from William Shea, of New York City, N. Y., which was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

[Telegram]

NEW YORK, N. Y., *February 9, 1932.*

Vice President CURTIS,
Washington, D. C.:

Discontinue Herculean efforts to stabilize unless Whitney and his crowd are prevented from nullifying same. Examine statistics, January 30, short sales and known tactics in first week of February drive against agricultural interests, granger railroads, and farms supply companies. In last week more Case threshing machine sold than total floating supply. Is this liquidation or short selling? Committee of both Houses get on the job.

WILLIAM SHEA.

Mr. BYRNES presented a concurrent resolution adopted by the general assembly of the State of South Carolina, memorializing Congress to call upon the President to designate a day on which the people of the Nation shall meet in their respective places of worship to ask the Supreme Being for divine guidance through these perilous times, which was ordered to lie on the table. (See concurrent resolution printed in full when laid before the Senate by the President pro tempore on the 2d instant, p. 3061, CONGRESSIONAL RECORD.)

Mr. ROBINSON of Arkansas presented a letter, in the nature of a petition, from Dr. Marie Millikin Long, of Millikin, La., praying that an appropriation be made for enforcing the grain standards act, so as especially to include cottonseed, which was referred to the Committee on Appropriations.

Mr. JONES presented a memorial of sundry citizens of Colville, Wash., remonstrating against the passage of any measure increasing the alcoholic content of legalized beer, returning to the States the control of the liquor traffic, or the resubmission of the eighteenth amendment of the Constitution to any referendum, which was referred to the Committee on the Judiciary.

Mr. McGILL presented petitions and papers, in the nature of petitions, from Rev. G. F. Hoy, the Ministerial Alliance, Quindaro Christian Church, of Kansas City; the Men's Class, College Hill Methodist Episcopal Chuch, of Wichita; Mr. and Mrs. T. A. Broadbent, of Beloit; the Gordon Woman's Christian Temperance Union, of Wichita; the Greenwood County Woman's Christian Temperance Union, of Fall River; the Woman's Christian Temperance Union of Severy; the Christian Bible School and the Methodist Episcopal Sunday school of Ransom; Mr. and Mrs. J. M. Hughes and 13 others, of Hamilton; Essie M. Thomas and 39 others, of Climax; Mrs. E. J. Johnson and 14 others, of Hamilton; the Woman's Christian Temperance Union (59 names) of Anthony; the Friends' Church (54 names) of Galena; the Epworth League of Ransom; the Christian Science Society (21 names) of Ness City; Essie W. Kelly (38 names), of Wichita; the Farmers' Union, Livingston Local, No. 1984, of St. John; the Woman's Christian Temperance Union of Nickerson; Rev. E. S. Roberts and the Second Presbyterian Church, of Emporia; the Baptist Women's Missionary Society of Ness City; J. C. Potter and 41 others, of Nickerson; Mrs. Louis Bang and 44 others, of Emporia, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, and protesting against a proposed resubmission of the eighteenth amendment to State conventions or legislatures, which were referred to the Committee on the Judiciary.

Mr. WATSON presented memorials signed by 145 citizens of Bloomington and Elnora, in the State of Indiana, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. BARBOUR presented a memorial of sundry citizens of Morris County, N. J., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which was referred to the Committee on the District of Columbia.

He also presented petitions of sundry citizens of Alloway, Salem, and Camden County, in the State of New Jersey, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Short Hills, N. J., praying that nothing be done by the Government that might involve the United States in war in the Far East, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented resolutions adopted by the Woman's Foreign Missionary Society of North Branch; the First Wesleyan Methodist Church, of Topeka; and the Woman's Christian Temperance Union of McLouth, in the State of Kansas, favoring the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented petitions numerously signed by sundry citizens of McLouth, Monument, Topeka, and Wellington, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Chicago, Cicero, and Highwood, in the State of Illinois, praying for the passage of the so-called Capper-Kelly resale price bill, which were referred to the Committee on Interstate Commerce.

Mr. FESS presented a petition of sundry citizens of North Baltimore, Bloomdale, Findlay, and Van Buren, all in the State of Ohio, praying for the passage of House bill 7230, granting uniform pensions to widows, children, and dependent parents of certain war veterans, which was referred to the Committee on Pensions.

He also presented a memorial of sundry citizens of Ashtabula, Ohio, remonstrating against the burden of present and proposed Federal taxation and favoring a reduction in the cost of maintaining the Federal Government, which was referred to the Committee on Appropriations.

He also presented the petition of the Business and Professional Women's Club of Wooster, Ohio, praying for the

ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of Lisbon, Ohio, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Woman's Christian Temperance Union of Hancock County, Ohio, protesting against the proposed repeal, modification, or annulment of the eighteenth amendment of the Constitution or its resubmission to State conventions or legislatures, which were referred to the Committee on the Judiciary.

He also presented memorials numerously signed by sundry citizens of the State of Ohio, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the Judiciary.

PROPOSED REDUCTION OF FOREST-RESERVE GRAZING FEES

Mr. CAREY presented two telegrams relative to forest-reserve grazing fees, which were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

[Telegram]

CHEYENNE, WYO., *February 7, 1932.*

United States Senator ROBERT D. CAREY,
Washington, D. C.:

On behalf of the Shoshone Stock Association of Lovell, Bighorn County, we urge passage your resolution proposing 50 per cent reduction forest-reserve grazing fees.

HANS HANSEN,
Secretary-Treasurer, Lovell, Wyo.

[Telegram]

CHEYENNE, WYO., *February 6, 1932.*

United States Senator ROBERT D. CAREY,
Washington, D. C.:

On behalf of those cattlemen users of the national forests in the State of Wyoming, the Wyoming Stock Growers' Association urge a 50 per cent reduction in grazing fees for a period of one year. Demoralized markets and the serious conditions confronting cattle growers at this time necessitates prompt relief.

RUSSELL THORP.

REMONETIZATION OF SILVER

Mr. WHEELER presented three letters on the silver question, which were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

SAN ANTONIO, TEX., *January 27, 1932.*

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.

DEAR SIR: I have read with much interest what you have had to say about the use of silver as money. In this connection, I inclose copy of a talk I recently made before the local post of the American Legion, and hope you will do me the honor to read it, and also to send me copies of all speeches and interviews you have made recently on the subject of silver money.

For your information, I also inclose copies of certain correspondence I have had over a period of several years on this same subject.

Very truly yours,

CHAS. M. DICKSON.

CHICAGO, *January 27, 1932.*

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.

DEAR MR. WHEELER: I have read with interest the recent news story in the United States Daily regarding your views on the question of remonetizing silver. I fully agree with you that such action would be of great benefit to farmers. What we need is a larger volume of money, particularly of basic money, and silver could easily supply this.

I am inclosing herewith a booklet which I recently wrote for the American Farm Bureau Federation on the money question, in which I believe you will be interested.

Yours sincerely,

C. V. GREGORY, *Editor.*

ELIZABETHTON, TENN., *January 8, 1932.*

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.

MY DEAR SENATOR WHEELER: In looking for means of relief in the present situation, it seems a shame some of our supposed leaders will not accept more seriously the suggestions contained in your statement in the press early this week.

As a business man and investor, I know that the continued rise in the value of the gold dollar and the steady fall in the value of everything else in which the people of the world deal is the cause of the present economic and financial crisis, and that until something like the free coinage of silver is put into effect the farmer and the business interests of the world who owe money are bound to suffer.

I write to heartily commend the bill you have introduced and wish I might hope for its speedy passage.

With the season's greetings, I am,

Yours very truly,

S. W. DUNGAN.

PHILIPPINE INDEPENDENCE

Mr. HAWES. Mr. President, Gen. Emilio Aguinaldo, President of the last Philippine Republic and commander of the armies of the Philippines, who took his oath of allegiance to the United States and has faithfully kept that oath and been the friend and adviser of each of our Governors General, has requested me to convey a message to the President of the United States and to the Congress. It came in the form of a cable, which I ask may be inserted in the RECORD and referred to the Committee on Territories and Insular Affairs.

There being no objection, the cablegram was referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

MANILA, *February 9, 1932.*

Senator HARRY B. HAWES,
Washington, D. C.:

Please convey to President and Congress the following message: "Association of Veterans of the Revolution, assembled in annual meeting, reiterates its hope that American people and Government, especially the descendants of patriots of American Revolution, will consider time has come to give Filipino people complete control of their affairs and privilege to join great family of free nations. We are not unaware of permanent benefits derived from our association with America. Gratefully our country shall always remember them. We submit that declared purpose of America in coming to Philippines has been fulfilled due to combined efforts of Americans and Filipinos. The controversies which naturally arise out of harmful indetermination of our political status are far from serving the best interests of both peoples and must be ended with definitive solution. Having acquired sufficient experience in handling our national affairs, and in view tempered but determined resolution of our people to face hardships and risks, political and economic, of independent existence, we trust we shall succeed in discharging responsibilities of new situation."

EMILIO AGUINALDO.

RELIEF OF UNEMPLOYMENT

Mr. VANDENBERG. Mr. President, in the nature of a petition I submit a letter from the Grand Rapids Association of Commerce bearing upon the pending relief bill. It typifies a somewhat extensive Michigan viewpoint, and since other and different exhibits from Michigan have been submitted from time to time by the proponents of this legislation, I ask that the body of the letter be incorporated in the RECORD. I ask similar publication for a telegram, in the nature of a petition, from a prominent citizen of Three Rivers, Mich.

There being no objection, the letter and telegram were ordered to lie on the table and to be printed in the RECORD, as follows:

In behalf of the business and professional interests of Grand Rapids, the Grand Rapids Association of Commerce desires to urge your strenuous objections to the Senate bill which would make Federal appropriations for relief of unemployed persons.

In the referendum recently conducted by the Chamber of Commerce of the United States the Grand Rapids Association of Commerce voted full strength in opposition to Federal appropriations for relief, believing that relief should be provided by voluntary subscriptions and local governments.

This organization believes that this question should be settled as promptly as possible, because it has a retarding effect upon local provisions for relief.

Please inform us if there is any way in which we can help to oppose direct Federal relief by appropriation from the Federal Treasury.

A. T. MCFADYEN,
Secretary Grand Rapids Association of Commerce.

[Telegram]

Three Rivers Chamber of Commerce directors voted unanimously against Federal relief for unemployment. As its president and as a business man and newspaper publisher, I earnestly plead against enactment of such appropriation. We all plead for a return to aggressive individualism and call attention to the fact that Michigan communities are caring for relief work, providing employment for needy, and preserving us from influence of miserable dole and the subsequent demoralizing effects on human ability to provide a

livelihood. It seems to me now is the critical time to preserve the very elements of substantial ability of each individual to care for himself which has made the United States of to-day.

WM. H. SHUMAKER,
Publisher Three Rivers Daily Commercial.

REPORTS OF COMMITTEES

Mr. BORAH, from the Committee on the Judiciary, to which was referred the bill (H. R. 6304) to transfer Lavaca County from the Houston division to the Victoria division of the southern district of Texas, reported it without amendment and submitted a report (No. 197) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 1768) to provide for the opening and closing of roads within the boundaries of the District of Columbia workhouse property at Occoquan, Fairfax County, Va., reported it without amendment and submitted a report (No. 198) thereon.

Mr. McGILL, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2265) to extend the time for repayment of certain loans to farmers for the crop of 1931, reported it with an amendment and submitted a report (No. 199) thereon.

Mr. BINGHAM, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 3541) to authorize the St. Thomas Harbor Board, Virgin Islands, to issue bonds for the purpose of acquiring and installing a dry dock in the harbor of St. Thomas, reported it without amendment and submitted a report (No. 200) thereon.

ENROLLED BILLS PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 8th instant that committee presented to the President of the United States the following enrolled bills:

S. 201. An act granting the consent of Congress to the State of South Carolina to construct, maintain, and operate a bridge across the Waccamaw River;

S. 2278. An act authorizing the Secretary of War to reduce the penalty of the bond of the Brazos River and Harbor navigation district, of Brazoria County, Tex., furnished as surety for its doing certain work on the improvement of Freeport Harbor, Tex.;

S. 2406. An act for the relief of Harvey K. Meyer, and for other purposes; and

S. 2684. An act for the relief of F. P. Case.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARBOUR:

A bill (S. 3577) for the relief of Rolando B. Moffett; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 3578) granting an increase of pension to Moreen Petree (with accompanying papers); to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 3579) for the relief of R. T. Hurdle; to the Committee on Claims.

By Mr. DILL:

A bill (S. 3580) granting a pension to Nellie Haag; to the Committee on Pensions.

By Mr. ROBINSON of Indiana:

A bill (S. 3581) for the relief of George B. Fall; to the Committee on Finance.

By Mr. SHIPSTEAD:

A bill (S. 3582) for the relief of John M. Finkelson; to the Committee on Finance.

By Mr. CAPPER:

A bill (S. 3583) to provide for the licensing and regulating of private employment agencies in the District of Columbia, and for other purposes; and

A bill (S. 3584) to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BINGHAM:

A bill (S. 3585) relating to the granting of Federal aid to State and Territorial homes for the support of disabled soldiers and sailors of the United States; to the Committee on Finance.

By Mr. JONES:

A bill (S. 3586) authorizing the employment of professional and technical services in the designing, planning, and construction of public buildings; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON:

A bill (S. 3587) to prohibit financial transactions with any foreign government in default on its obligations to the United States; to the Committee on the Judiciary.

By Mr. McNARY:

A bill (S. 3588) for the incorporation of the Klamath Indian Corporation, and for other purposes; to the Committee on Indian Affairs.

By Mr. McKELLAR:

A bill (S. 3589) to amend section 321 of title 18 of the United States Code; to the Committee on Post Offices and Post Roads.

CHANGE OF REFERENCE

On motion of Mr. SMITH, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 3495) for the relief of Capt. Alexander C. Doyle, and it was referred to the Committee on Claims.

RELIEF OF UNEMPLOYMENT—AMENDMENT

Mr. HAYDEN submitted an amendment intended to be proposed by him to the so-called Black substitute to the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT TO AGRICULTURAL APPROPRIATION BILL

Mr. JOHNSON (for Mr. SHORTRIDGE) submitted an amendment intended to be proposed to House bill 7912, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 80, strike out lines 1 and 2, and insert in lieu thereof the following:

"For the control and prevention of spread of the European corn borer, including road-patrol work, $."

MERGER OF STREET RAILWAYS IN THE DISTRICT

Mr. TYDINGS submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 13) to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes, which was referred to the Committee on the District of Columbia and ordered to be printed.

INTERSTATE TRANSPORTATION BY MOTOR CARRIERS

Mr. TYDINGS submitted two amendments intended to be proposed by him to the bill (S. 2793) to regulate the transportation of persons and property in interstate and foreign commerce by motor carriers operating on the public highways, and for other purposes, which were referred to the Committee on Interstate Commerce and ordered to be printed.

THE POLITICAL SITUATION—ARTICLE BY ELLIOTT THURSTON

Mr. CUTTING. Mr. President, I ask leave to have inserted in the RECORD an article by Elliott Thurston on the political situation, appearing in the Philadelphia Record.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Record, February 7, 1932]

COALITION RULE IN WASHINGTON—PRESIDENTIAL YEAR PRESENTS PHENOMENON OF REPUBLICAN ADMINISTRATION WORKING OUT PROGRAM WITH AID OF DEMOCRATIC LEADERS—PROGRESSIVE SCHEMES TO SPEED ECONOMIC RECOVERY AND RELIEVE HUMAN DISTRESS VIRTUALLY SCRAPPED AS "ENEMIES" STAGE LOVE FEAST IN DRIVE TO AID BIG BUSINESS AND REGAIN SOME FORM OF PROSPERITY—HOOVER'S "REELECTION STOCK" SCORES GOOD ADVANCE—LIBERALS IN CONGRESS SEE NEED OF NEW PARTY

By Elliott Thurston

WASHINGTON, February 6.—In practice if not in theory the country is witnessing, for the first time since the early dawn of the Republic, a coalition form of government.

How long it will continue, what its political effects will be are questions apart from the phenomenon now presented of a Republican administration working through Democratic leaders. It is the more striking in the year of a presidential election, when normally the two major parties are drawing up their lines for battle fought out with blunt and frank partisanship.

DEMOCRATS AIDING HOOVER

Ever since the present session of Congress began and the Democrats took over control of the House with JACK GARNER as Speaker, Democratic policy has tended more and more to coincide with President Hoover's policy. The Democrats have offered no program of their own, either as to unemployment relief, economic rehabilitation, taxes, farm problems, the tariff, or other major questions now of pressing importance. Instead they have adopted the Hoover program and, with minor and unimportant alterations, pressed it forward more vigorously and certainly more effectively than even the Republican leaders.

The political prophets who, without exception, predicted a winter of congressional storm and violent opposition to the ultraconservatism of the Hoover administration have been proved wholly mistaken, or, rather, it has become a matter of the utmost surprise that the Democratic forces, triumphant in the elections of the past two years because of their battling against Hoover, have now suddenly fallen into step behind him. It is unquestionably a source of greatest gratification to Hoover and his political associates, who are making bold once more to raise the picture of the "superman" and to take complete and exclusive credit for the program put through solely because of Democratic collaboration.

Only the progressives have put forward a separate and independent program, but they are helpless against the huge majority represented by the combination of Hoover and Democratic forces. Their program is doomed to be snowed under.

A continuation of the present coalition will mean an extraordinary triumph for ultraconservatism at an hour when new ideas, new forces, progressivism, and outright radicalism are claiming the attention of a depressed and disillusioned public. It is more than passingly curious that at such a time these forces have no spokesmen, no champions in Congress, except among a small minority of progressives, who are powerless against the Hoover-Democratic combination.

DEMOCRATS REWARDED

Peering behind the scenes of the coalition it is easy to discover that the chief figures in the combination are being rewarded as if they were members of the administration. It is no mere coincidence, certainly, that President Hoover should have named as director for the Reconstruction Finance Corporation, by far the most important emergency creation of the administration, two eminent Democrats who are closely allied with the Democratic leaders of the Senate and House. The two appointees referred to are Harvey Couch, of Arkansas, public-utility magnate, whose interests the law firm of Senator ROBINSON, of Arkansas, Democratic leader of the Senate, has long represented, and Jesse Jones, wealthy and influential Texan, who virtually underwrote the Democratic convention of 1928 and is a potent figure in the political affairs of Speaker GARNER'S State.

Another eminent and wealthy Democrat, long influential behind the scenes, who figures prominently in the creation of the Reconstruction Corporation, with its $2,000,000,000 reservoir of Government supplied or supported funds, is Bernard M. Baruch, of New York, who has for months been an intimate, confidential consultant of Hoover's, and is often in Washington for private conferences with both ROBINSON and GARNER.

OTHER PLANS SCRAPPED

It is not suggested here that ROBINSON and GARNER made any deal or trade with Hoover whereby in return for their cooperation in putting through the Hoover program they were to be rewarded by the extremely important patronage connected with the Reconstruction Corporation. It is a fact, however, that Hoover happened to choose for places upon the limited directorate of this all-powerful governmental agency, Democrats, who, respectively, are closer to and have more influence with the Democratic leaders of Senate and House than any others one can think of offhand.

It is a fact that Senate Leader ROBINSON, of Arkansas, finds upon this all-important directorate his own patron and political supporter, who is dominant in Arkansas political affairs, while Speaker GARNER, of Texas, finds on the directorate the Texas Democrat who has exerted more influence in the past in party affairs than any man from that State since the days of Colonel House.

The fact that these influential Democrats are given places upon the directorate has many implications entirely apart from suggestions that Hoover awarded patronage to the Democratic leaders in gratitude for their support of his program. For one thing the creation of the corporation becomes the central factor in the program for economic rehabilitation as long as the Democrats accept it as the primary and major step.

Having so accepted it, the Democratic leaders necessarily brush into the discard all other measures or proposals, including the entire progressive program, which is based upon the theory either that the Reconstruction Corporation is inadequate or that it is merely a boon to big business, or that it will be ineffective in relieving fundamental economic troubles or human distress arising from unemployment.

Once the Democratic leaders agreed to adopt the Hoover Reconstruction Corporation as the central factor in a relief program, measures for stimulation of public-works programs, for direct or indirect aid to the unemployed, for outright doles, or for economic rehabilitation through deliberate currency inflation, suspension of the gold standard, and, in fact, all other theories or methods of dealing with the emergency went overboard. The Democratic leaders have, in fact, already frowned upon such bills as the Costigan-La Follette measure to appropriate $375,000,000 for relief of unemployment and human distress.

HOOVER'S CHANCES AIDED

Senator ROBINSON has not come out directly against this measure, but indirectly he has exhibited hostility toward it. He has discussed with Hoover leaders the possibility of having it sent back to committee, which Senator BORAH pointed out would mean its death, or of changing it so that it would provide for restricted loans to States, perhaps under such terms that it would become inoperative if ever enacted into law.

All this is a matter of gratification to ultraconservative interests of the country as well as to Hoover and his political associates. Presumably the Democratic leaders have entered this coalition with Hoover upon the theory that it will curry favor with big business and eastern conservatives. Yet there are Democrats in the Senate and House who fail to comprehend the wisdom in this attitude. They feel that the Democratic Party, by following along obediently in Hoover's wake, is sacrificing its chances of winning the next presidential election, that it is disappointing the masses of the people who have plainly enough exhibited their dissatisfaction with the Hoover administration whenever they have had a chance to go to the ballot box in the past two years. They believe that these masses would turn with relief to a third party which offered a concrete, definite program based upon progressive principles in contrast to the ultraconservative doctrines pursued by Hoover and the Democratic leaders.

However right or wrong they may be, the fact remains that Hoover's political fortunes have begun to look much brighter as the Democrats have subordinated themselves to him and accepted his program without offering one of their own.

The present session is already two months old. It comes to an end in time for the Chicago conventions in June. Not as yet have the Democrats, despite creation of a joint committee on policy, contributed one single item to a program of their own, save perhaps the incidental measure designed to abolish the President's powers under the flexible provision of the tariff.

And this, after all, is more or less an academic matter having but a remote bearing on the vital question of the exorbitance of tariff rates and their demoralizing effect upon foreign trade, upon European recovery, and upon payment of the foreign debts, both war debts and private debts. In other words, so far as the tariff is concerned, the Democrats have dismissed it with this subordinate measure and have made no move to achieve some degree of parity between industrial and agricultural tariffs or to treat the subject broadly in the light of international economic effects.

NO ACTION ON FARM RELIEF

Similarly, on the questions of taxes and economy, the Democratic leaders, while professing to be outdoing Hoover in paring down the Budget and in adjusting new taxes where they will be least onerous, have offered no program of their own, but have accepted what Hoover has handed to them and then gone to work to make minor alterations or improvements, of which purpose he has cordially approved. No attempt has been made by the Democrats to approach the tax question from the broad standpoint of the concentration of wealth in the hands of the few, but, on the contrary, Senator ROBINSON early in the session proclaimed himself opposed to levying taxes with the purpose of bringing about a more equitable distribution of national wealth. Only relatively few progressives have tackled the question from this standpoint, and they are, as previously pointed out, impotent.

Similarly, the Democrats have offered no program for farm relief, but have apparently acquiesced in the administration's desire to perpetuate the Hoover Farm Board and let the farm-relief program go at that, despite the proven ineffectiveness of the board to better the demoralized condition of agriculture.

As for unemployment relief, the Democrats have proposed nothing save acceptance of the Hoover measures, theoretically drawn to aid big business, with the idea or hope that business will then reemploy the millions now walking the streets in futile search of jobs. No immediate help for these distressed millions is contemplated at all.

All this is not to say that the Hoover program is right or wrong, adequate or inadequate, or that another program would be better or worse, but simply to bring out the extraordinary state of affairs in which as a presidential election approaches the Hoover administration is able to win the support of Democratic leaders of Senate and House, to suppress and exterminate a rival program, dis-

senting measures, and to exercise a domination of a supposedly hostile Congress more completely than he was able to control when his own party was in the majority in both branches.

RANK AND FILE MAY REBEL

It is surprising, an unexpected development, which is causing the greatest apprehension down through Democratic ranks. The rank and file out of a sense of party loyalty and cohesion are following the leaders, who in turn are following Hoover, but many of the marchers in the ranks are uneasy, the more so as they see Hoover's political boosters, like Secretary of War Hurley, Secretary of Agriculture Hyde, and other Cabinet and administration officials rushing to the stump to take full credit for the course of events so far.

How long this union, this coalition, between the Hoover administration and the Democratic leadership will continue depends largely upon how much rebellion wells up from below in Democratic ranks, how much the public exhibits signs of impatience or disgust with this merging of rival forces.

It is being recalled that last winter, when Leader ROBINSON threatened open rebellion against the White House over the drought relief bill, Hoover sent hurriedly for Harvey Couch, the utility magnate, who in turn went into solemn and secret session with ROBINSON, and that immediately thereafter ROBINSON agreed to a compromise, which ended the danger both of Federal aid for victims of unemployment and of the extra session of Congress which Hoover sought at all costs to avoid.

It is also being recalled that for many months now Baruch has been so frequent a visitor to the White House, so constant a consultant with Hoover upon major policies, that gossip has awarded him a rôle equal to that played by House in the Wilson administration, or the silent Frank Stearns, of Boston, during the Coolidge régime.

It is worthy of passing political note that these Democratic key figures who are collaborating closest with Hoover are aligned with the "Stop Roosevelt" movement.

It is a strange political line-up thus presented. It has gone so far that one can hear grumblings among Old Guard Republican leaders because from their viewpoint Hoover finds them less important to deal with than the Democratic leaders, who have become closer to him than his own party chiefs.

It would have to be set down as a tribute to Hoover's magical political skill were it not for his repeated demonstrations of political ineptitude heretofore. It scarcely seems possible that almost overnight he has discovered the secret, learned the art. Rather it is more plausible that some other reasons, factors, and motives are behind the Democratic policy, behind their coalition with an administration whose unpopularity with the voters had given the Democrats control of the House, virtual control of the Senate, and promised to give them the Presidency in the next election. If the motive is to cater to the conservatives, to big business, with idea that these forces will desert Hoover and accept a Democratic President nominated by the Democratic Party leaders responsible for the coalition, then its political wisdom has yet to appear.

At the present time the effect has been to give new heart to Hoover's political henchmen, to send them out on the stump with rapidly reviving confidence, to obscure the Democratic Party, and to puzzle the voter who is yearning for new leadership, new direction, for vigorous action to bring about economic recovery, and to provide meanwhile for the millions of Americans in dire distress.

THE JAPAN-CHINA SITUATION

Mr. BLAINE. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the senior Senator from Minnesota [Mr. SHIPSTEAD] last Saturday night over the radio on the subject of the Japan-China situation.

The VICE PRESIDENT Without objection, it is so ordered.

RADIO ADDRESS BY HON. HENRIK SHIPSTEAD, OF MINNESOTA, ON THE JAPAN-CHINA SITUATION, FEBRUARY 6, 1932

I am delighted to speak to you this evening at the invitation of the Columbia Broadcasting System. I have been asked to discuss the Sino-Japanese question and the question of whether or not international treaties have been violated. I will say in the beginning that I do not intend to sit in judgment upon the acts of nations. I will content myself with giving you some idea of what the treaties involved are and will leave to you the decision as to whether or not the treaties have been violated.

I hope I shall be able to explain these treaties and their bearing upon the controversy in such plain language that all can understand.

China is a country of vast natural resources, valuable harbors, and a population three times that of the United States. China has never been a militaristic nation. The great powers of the world have at various times during the last half century obtained under treaties vast concessions. China claims that many of these treaties have been obtained by the threat of force if she did not yield. Under these treaties various nations have to a large extent dominated the domestic and international policies of China for years.

The Boxer Rebellion came as a result of an uprising of the people against foreign domination. The Japanese-Chinese War of 1894 was fought over Korea, which was Chinese territory. At the end of the war China ceded the peninsula of Liao Tang and the island of Formosa to Japan and paid an idemnity of $110,000,000 During the Boxer rebellion the Russians had occupied Manchuria and forced the Chinese Government to grant concessions. The Russian-Japanese War of 1904 was fought to drive Russia out of Manchuria. After that war was over China transferred to Japan the leases that she had earlier been obliged to give to Russia. Concessions were obtained for the exploitation of China by the German, French, and British Governments. In fact, there seemed to be a general understanding among the great powers that China was legitimate prey to be divided among them, and this division was limited only to the extent to which they could agree.

In protest against the exclusion of Chinese laborers from the United States boycotts were declared against American goods. This and the fact that concessions obtained by European nations in the Far East threatened to wipe out American trade in China led Secretary of State Knox in 1909 to call to the attention of the world powers the American policy of the open door as first enunciated by John Hay, Secretary of State under McKinley. The principle of that policy in short was that the United States demands that China should have an open door to trade by all nations on a basis of equality.

When the Bolsheviks took charge of the Russian Government after the World War and published the secret documents in the Russian archives we discovered that Japan and Russia had made secret treaties for the division of China for exploitation, one in 1907 and the other in 1909. The archives also show that England and France had been informed of the secret treaties and approved them. On June 28, 1909, Count Benkendorff, Russian ambassador at London, wired Iswolsky, Russian Minister of Foreign Affairs, as follows:

"Grey is very much satisfied with the step taken by the Russian Government and requests me to forward to you his best thanks. He has watched with satisfaction the development of good relations between Russia and Japan within the last years and is extremely satisfied by the confirmation of his observations as furnished by you."

I am giving you a few details of history to furnish a background against which to view present-day events. The present is always easier understood if we remember the past. In 1915, during the World War but before China entered it on the side of the Allies, Japan obtained certain treaties from China. China claimed that Japan obtained these treaties under duress and came to the peace conference at Paris with a request to her allied powers that these treaties should be invalidated. This the powers refused to do. In 1919 and 1920 the Chinese people boycotted Japanese goods, as a result of which negotiations were entered upon by Japan to give back to China Kiachow, which she had taken from Germany during the war.

In 1925 the Chinese people started a boycott against British goods as a protest against what they claimed undue interference of the British in Chinese affairs. For the past year the Chinese people have again made effective a boycott against Japanese goods. Japan within the last few months has operated with armed forces in Manchuria, claiming it was necessary for her to do so to protect the lives and property of Japanese citizens. China appealed to the League of Nations, of which body China and Japan are members. When the nations became members of the league they signed a treaty in which they agreed that if any trouble arose individual members of the league had the right to call the matter to the attention of the league for settlement. They also agreed that if there should arise between them any dispute that was likely to lead to a rupture they would submit the matter either to arbitration or inquiry by the council, and they further agreed they would not resort to war until three months after the award by the arbitrators or the report by the council. Under article 16 of that treaty they agreed that if any member should resort to war against a member of the league it should be deemed to have committed an act of war against all members of the league, and in such case all the nations agreed that they would immediately sever all trade or financial relations with the offending nation, and they would prohibit all intercourse between the citizens of the treaty-breaking state and the other members of the league. In such event they agreed further that the council of the league would recommend to the various governments concerned what military, naval, or air force the members of the league should contribute to the armed forces that were to be used to enforce the agreement made in the treaty. The members of the league also agreed that they would mutually support one another in financial and economic measures which would be taken under this article against the offending nation.

The League of Nations ordered troops to be withdrawn forthwith, and this Japan refused to do, and the league then decided to appoint a committee to investigate the matter further. In doing so the league must have been in doubt as to Japan's guilt of an act of war, otherwise they would have put into effect that provision of the league where they promise to come to the assistance of the party attacked. If that was not the reason for their refusal to invoke military assistance as provided for in the league covenant, their refusal to do so must have been on the ground that they did not care to enforce the league covenant in behalf of China. This is not an unreasonable assumption.

The governments members of the league have their right foot in their home foreign office, and their left foot in Geneva, and sometimes the right foot does not travel in the same direction as the left. The home government may have aims and policies in conflict with their obligations to the league. Home governments may also have made secret agreements inconsistent with their pledges to the league. And in view of that possibility, and in view of their past diplomatic history, that may explain why the League of

Nations failed to act more vigorously to enforce its treaties in the present controversy. As long as the disturbances were confined to Manchuria, European governments seemed to have acted listlessly if and when they acted at all. However, when the Japanese attacked Shanghai, where the various governments have huge concessions and populations, European governments have manifested greater interest. They have acted since the attack upon Shanghai more vigorously, not as members of the league but as individual sovereign nations, anxious to make it plain, however, that they consider that the United States shall take the lead.

On numerous occasions the so-called nine-power treaty has been called to the attention of Japan. This treaty was signed by nine powers and four other powers have since adhered.

NINE-POWER PACT

"ARTICLE I. The contracting powers, other than China, agree: (1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China;

"ARTICLE VII. The contracting powers agree that, whenever a situation arises which in the opinion of any one of them involves the application of the stipulations of the present treaty and renders desirable discussion of such application, there shall be full and frank communication between the contracting powers concerned."

When this treaty was called to the attention of the Japanese and Chinese Governments Japan replied that this treaty was out of date due to present conditions in China. She had from the beginning claimed that she is there to protect the lives and property of her citizens.

Both China and Japan are signers of the Kellogg-Briand treaty. Articles I and II of the text of that treaty provide:

"The high contracting parties solemnly declare in the names of their respective peoples that they condemn recourse to war for the solution of international controversies and renounce it as an instrument of national policy in their relations with one another."

"The high contracting parties agree that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means."

While this treaty provides that the parties to the treaty renounce war as a means of settling international controversies the interpretations of the text as revealed in the correspondence before the nations signed the treaty reveal that they agreed before signing the treaty that it did not deprive any nation of the right to make war in self-defense. They also agreed that every nation had the right to decide for itself whether a war in which it participated was a war in self-defense or a war of aggression. Since Japanese and Chinese both claim that they are fighting in self-defense and each in the correspondence interpreting the treaty has a right to decide that question for itself it is difficult to see how the treaty has been violated.

This may seem rather confusing to most of us, but these are the treaties written by diplomats, interpreted by diplomats, administered by diplomats, with the result that while treaties may have been violated no competent authority has to this day so decided. As a matter of fact, war has not been declared, but certainly fighting is going on. The difficulty of the situation is that while the various governments have a keen desire for peace they also at times desire something else, such as territory, trade routes, harbors, oil fields, raw materials, and areas for exploitation. When the time comes that they desire these things more than they desire peace and if these things can not be obtained by peaceful methods, we sometimes have war. As long as the peoples of the earth permit their governments to pursue policies that lead to war so long can we have no assurance of peace.

After the World War was over we discovered that secret treaties and agreements had been made between the fighting nations dividing up the earth among the victors. These secret treaties had been made by allied nations on both sides of the controversy. We now know that that war was a commercial war. If we could be informed of what are the actual desires, policies, and aims of the great powers in the present controversy over China, and if we could find out what secret understandings and agreements, if any, have been made or are being made by the various nations at the present time, we would understand the problem more clearly. Then it would be easier for us to predict future events.

In the meantime the Government of the United States is trying to protect our nationals and establish peace. Certainly we have no intention of entering a war concerning China. Certainly we can not follow the policy of going to war from time to time for the benefit of trade or for the purpose of saving this country or that foreign country. We have sufficient experiences in that regard.

China has a population of 450,000,000 people, vast natural resources, and they have in their own country and their own people inherent power to protect their own interests. If they fail to use these resources in their own defense when attacked, they can not expect us to squander ours in their behalf.

It is a strange paradox to contemplate that while we are still in the shadow of the last great war, with its death, misery, and debts, the nations of the world, with the exception of Germany, have not disarmed as they agreed to do when they signed the treaties of peace. In spite of loud protestations and peaceful intentions the nations of the world are still armed to the teeth and eager for the conquest and the loot of war. Sovereignty and justice still occupy different spheres. The law of conquest is international law. No nation has so far, in spite of peace treaties, had the courage to denounce it, and so long as the nations of the world subscribe to that law so long international relations are controlled by the law of the wolf pack, the law of the jungle, the law that says, To the strong, the swift, and the cunning belongs everything he has the power to take. The best example of this is the treaty of Versailles.

While nations have agreed to renounce war as a national policy, they have agreed that war for self-defense is all right. Under the guise of self-defense wars of conquest can still be carried on. Nations still adhere to the principle that to the victor belong the spoils. As long as nations desire the loot and spoils of war more than peace we can have no assurance of peace.

FEDERAL AID FOR UNEMPLOYMENT—ADDRESS BY SENATOR BULKLEY

Mr. BRATTON. Mr. President, I ask unanimous consent to have printed in the RECORD a very excellent address delivered by the junior Senator from Ohio [Mr. BULKLEY] over a nation-wide radio hook-up last evening, discussing the pending measure relating to Federal aid to unemployment.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

RADIO ADDRESS BY HON. ROBERT J. BULKLEY, OF OHIO, ON FEDERAL AID FOR UNEMPLOYMENT RELIEF, FEBRUARY 8, 1932

There is pending in the United States Senate a bill presented by Senators LA FOLLETTE, of Wisconsin, and COSTIGAN, of Colorado, to provide for cooperation by the Federal Government in relieving the hardship and suffering caused by unemployment. This bill authorizes the appropriation of $375,000,000 to be distributed among the States, partly in proportion to population and local emergency relief contributions, and partly by allocation in proportion to needs by a Federal board of administration created by the bill. This board would be authorized to prescribe the methods and personnel to be used by the States in the distribution of funds allocated by it and would have power to revoke allocations if, in the opinion of the board, the allocated funds were not being properly used.

A Democratic substitute to this bill will be offered, differing not at all from the La Follette-Costigan bill in the underlying purpose to relieve suffering and hardship nor in the amount made available—$375,000,000—but differing fundamentally in the placing of responsibility for the relief and its administration, and adding an additional $375,000,000 to relieve unemployment by employment.

The substitute provides for loans to the States rather than for direct contributions from the Federal Treasury. Under it a loan may be made to any State upon the certificate of its governor that the amount of the loan is necessary for emergency relief, and that it can not be otherwise obtained. The proposed Federal aid will be available only upon such representation by a governor, and it is, therefore, clear that the Federal Government will not be called upon at all except in cases of real necessity. Since many States are prevented by legal and constitutional limitations from borrowing, we recognize that it is not practicable to require from a State a repayment agreement which would be legally binding, and so we require only that any governor asking this aid shall pledge himself to do what he can by way of recommendation to the legislature and to the people of his State that advancements made to meet this emergency shall be repaid. This moral obligation may be discharged by actual payment by the borrowing State, or by a deduction in the future from such State's share of Federal aid for highway construction.

I am invited to speak to-night in support of this substitute and the Democratic attitude toward Federal cooperation in the relief of unemployment and suffering. I have been chosen for this task because I have collaborated with Senators WALSH, of Montana, and BLACK, of Alabama, in the preparation of the bill which I have just outlined, and which will be offered as a substitute for the so-called La Follette-Costigan bill. This substitute was prepared under the direction of the Democratic steering committee and the Democratic policy committee of the Senate and has been approved by those committees.

Why should there be a substitute? A short statement of the Democratic principles involved in this question will make apparent the necessity for proposing a substitute bill. We believe that the existing crisis is a national calamity and that the Federal Government has an obligation to help in relieving the incidental distress. We believe that Federal relief must be made available whenever necessary to prevent starvation and suffering. Federal aid, however, should be only a last resort. Responsibility for direct relief of the needy must always be primarily a local responsibility, and this principle must be always insisted upon throughout this great emergency. Not only must there be local responsibility for providing such relief, but there must be complete local authority in its administration and distribution, and our viewpoint is utterly opposed to the domination of local relief administration by any board or bureau in Washington. Finally, Democratic Senators want the opportunity to vote for a measure which has a chance to become law in time to relieve existing distress, and therefore want to have a bill which can be approved by the President rather than to create a futile political issue with him.

Our substitute is preferable to the La Follette-Costigan bill for four outstanding reasons:

First, because it provides work in addition to relief;

Second, because it does not provide a dole nor a gift nor an invitation to relaxation of local effort, but it does make available substantial sums as loans to States wherever the needs justify such help;

Third, because it gives the States the right to administer the relief through those experienced agencies which are already handling the situation, without any bureaucratic red tape and Federal domination of local administration; and

Fourth, because it avoids a direct invitation to a presidential veto by avoiding the La Follette-Costigan provision for the giving away of Federal money to displace what ought to be raised by local responsibility.

The proposed substitute is sponsored by Democrats, approved by the Democratic policy committee and steering committee, and has been supported by a clear and able public statement by the Democratic leader, Senator ROBINSON of Arkansas. It has therefore been called a Democratic substitute, yet there is in it nothing of partisanship; and its underlying principle of insistence upon local responsibility for direct relief is the reaffirmance of an accepted American principal rather than a partisan Democratic one. The respect which we have shown to President Hoover's recently expressed views on this subject should commend our substitute to our Republican colleagues, and there is reason to hope that many of them will join in supporting our substitute bill.

The economic dislocation is without any precedent. It is indeed a paradox that there should be hunger, want, and dire need in this land of wealth and plenty, and yet we have that picture plainly before us and we can not turn our eyes away. Testimony of competent witnesses before the Senate Committee on Manufactures demonstrates beyond a doubt that in countless communities throughout the Nation there will soon be a disastrous shortage of funds to meet the most urgent necessities in the care of the destitute. After private charity and local taxing units have done their utmost, there is still not enough in sight to carry through the year.

None of us can fail to wish that conditions were not so. None of us can fail to hope that they will not remain so long. But notwithstanding this, none of us can yet see clearly the way out of this economic dislocation nor state with confidence when we may be able to find and follow that way.

In the meantime there can be no difference of opinion that the hungry must be fed and that human suffering and dire want must be, so far as possible, alleviated. That this can be done with complete fairness and efficiency we can not hope; we can not hope that it can be accomplished without mistakes, without some measure of waste; nor can we hope to get through the crisis without some impairment of morale and self-respect on the part of those who are obliged to accept charity; without some measure of imposition practiced by a minority who are willing to take unfair advantage of a distressing situation; nor without some important exceptions be made in the strict application of the theories of our economic and political philosophy.

What we must seriously consider is how we may best meet this difficult and unprecedented task, facing the unwelcome facts just as we find them, using, as we must, existing political and social agencies, with such faults as they have, and endeavoring to accomplish the task with the greatest possible efficiency, the least possible waste and loss of morale, and with the least possible sacrifice of governmental principles which have long proven sound.

Of course, the true remedy for unemployment is employment. The substitute bill recognizes this by setting up a greatly expanded program of road construction, making Federal contributions to the States for this purpose without requiring that they be matched by State appropriations, and providing that the work on highways thereby authorized shall be done in such manner as to use the maximum amount of human labor consistent with economy, and further providing that those now unemployed shall be given preference in employment on such work. The provisions of our program in respect to this road work are in line with the policy established for the Federal Government by the Wagner Act, providing for carrying forward necessary and desirable public works as rapidly as possible during times of general unemployment. This wise policy having been established by the Federal Government, we submit that now is the time to put it into practical effect. And there can be no doubt that the practical effect of a large expenditure on road work will be to aid very substantially in mitigating the prevalent unemployment and distress.

In order that the benefits of this program may be equitably spread and may reach to the great metropolitan communities where the unemployment situation is most severe, we provide, by way of exception to the general provisions of the Federal highway act, that the funds which we now propose to make available may be expended upon highways, streets, or bridges within the limits of municipalities.

It is obvious that the soundness of this proposed step, which is nothing more than making presently effective a policy already declared and established in Federal law, will be strenuously attacked from two opposite directions. It will be contended that the expenditure of $375,000,000, even spread over a period of 18 months, will be an impossible strain upon the resources of the Federal Treasury, and that it will be difficult for the Government even by the sale of bonds to realize the funds necessary to carry out the program now proposed. It may well be admitted that a deficit in the operations of the Federal Government is to be deplored and that at the present time it is sufficiently difficult, even with the greatest economy, to avoid a substantial deficit. It should be remembered, however, that there is a sound distinction between expenditures for current expenses of Government, on the one hand, and on the other hand expenditures for capital improvements, such as the highway program contemplates.

The present method of bookkeeping at the Treasury is such that the stated deficit will be enhanced by the amount spent upon the proposed road program. But the consoling fact remains that however the Treasury books may be kept, the highways constructed will remain as a valuable asset to the people for many years after their cost may have been written off by the Treasury.

Some will, of course, urge that it is extravagant and wasteful to perform at this time work which is not urgently required, and by so doing increase the national debt, which the taxpayers must ultimately pay. It seems a sufficient answer to call attention to the plain fact that whatever bonds may be sold will be bought and held within the limits of our own country, and from the point of view of national wealth it is but a bookkeeping transaction to note that the Government is indebted to certain of its citizens who hold its bonds; whereas nothing can be more wasteful than to hold in idleness millions of capable and willing workers whose lost time can never be recovered. This wastefulness of workers' time is far more than an economic loss; it must result in such disheartenment and impairment of self-respect as to constitute a real and irreparable moral loss to the Nation.

To the extent that we succeed in justifying the increase of the public debt at this time to provide employment on public works, we expose ourselves to the opposite criticism, namely, that the amount proposed to be expended will not be sufficient to provide employment for any considerable proportion of those who need it. It is no doubt true that the expenditure of $375,000,000 will not be sufficient, of itself, to provide employment for all who are unemployed. Yet there can be no doubt that it will be a solution of the difficulty for many of those now idle, and no one can say how great may be the indirect benefits growing out of the increased purchasing power and moral encouragement of those who will be directly employed on the proposed works. It is impractical to dream of ending our unemployment crisis by any one measure, yet that should not cause us to fail in showing the courage to do whatever will be substantially helpful.

There are limits to the possibility of planning the expenditure of vast sums on public works, and it would seem the part of wisdom to test the practicability as well as the economic effect of the expenditure of $375,000,000 before committing ourselves to any larger program which might unduly strain the already difficult position of the Federal Treasury.

The provision of a considerable amount of employment either on public works, or in any other manner, will, of course, relieve measurably the necessity for charitable relief to the hungry and destitute. It will diminish the number of those needing relief not only by the number actually securing employment, but will take out of that class also their immediate families and, to some extent, other relatives, as well as those whose business will naturally be improved by the increased spending power of those employed. But we can not hope that any such program will relieve the necessity for an unprecedented amount of help to the needy for many months to come. By no means all of the unemployed have yet reached the stage of requiring charitable relief, and so the provision of additional employment may avert the necessity for such applications in the future, and to that extent it will not result in direct decrease in the number now being cared for. At best, there will be many, many thousands who will require direct relief, and this is the more apparent when we remember that many of those now receiving relief will be incapable of performing efficiently the jobs to be provided on road work. And besides there must still be a shortage of jobs for months to come.

The need of greatly increased sums to provide direct relief, and the danger that such necessary amounts will not be secured through private or other local charity, or even State aid, has been abundantly demonstrated.

We believe well justified the conclusion as to the extent of the emergency reached by Senators LA FOLLETTE and COSTIGAN and their committee, and supported by the testimony of many reputable and well-informed witnesses, both before the committee and by correspondence. While we would not wish to discourage or hamper any State or local effort made to meet the deplorable conditions, we believe it is clearly shown to be unsafe to rest the whole situation on the outcome of such efforts. The service performed by Senators LA FOLLETTE and COSTIGAN in assembling this important testimony and making the whole country conscious of the dangers of the situation is a notable one, which will not be forgotten.

It is much to be regretted that the able Senators, whose splendid efforts have focused the country's attention upon this vital subject, which so well deserves attention, should have insisted upon making available the necessary relief in a manner contrary to the best American principles. Though we disagree with the method they propose, we think they should be commended for the diligence and ability with which they have assembled the mass of evidence which so clearly shows the seriousness of our situation, and they also deserve full credit for complete sincerity in their belief that a new Federal board, with the assistance of the Children's Bureau, would be capable of instructing and leading into better methods all of the tried and experienced State and local charitable welfare administrations in the land.

No doubt these distinguished Senators will have considerable support among sincere and well-informed people for the view which they have expressed that our efforts to provide by a substitute bill for what we believe to be more sound and acceptable principles represent nothing more than quibbling over technicalities. On our side we can not admit that the differences are technical. To us it seems vital that the principles of local responsibility for direct relief and local authority in its administration must be preserved.

There are Senators who sincerely desire to make Federal funds available for this extreme emergency who nevertheless will not vote for the outright gift provided in the La Follette-Costigan bill, believing as they do that it extends practically no help to the needy but only finances a relaxation of local effort to perform a local duty. There are also Senators who can never bring themselves to believe that a Federal board should be empowered, as it would be by the La Follette-Costigan bill, to withhold relief from the starving in some locality because such a board might disapprove the manner in which local agencies might function. And there are many who believe so far in the sincerity of the President's reiterated statements in opposition to Federal gifts for direct relief as to think it is a foregone conclusion that the La Follette-Costigan bill as presented to the Senate must necessarily be vetoed. A presidential veto will make a campaign issue but will not feed the starving. It is, of course, true that the President has given no advance assurance of approval to the substitute now proposed, but he signed last winter a bill providing for Government loans to farmers in drought-stricken areas, and a similar provision was carried in the Reconstruction Finance Corporation act, recently approved. It, therefore, seems clear that there is nothing in the principle of Government loans in necessitous cases that would necessarily lead to a presidential veto.

In conclusion it is submitted that the substitute bill provides a generous measure of relief through Federal funds when such relief is absolutely necessary, and provides that under such circumstances relief may be obtained with the greatest simplicity and promptness. The substitute bill, so far from tearing down the tradition of complete local responsibility, further insists upon that sound principle to the utmost practicable limit. It maintains also the sound principle of local freedom and authority in administration and it is not inconsistent with official acts and public pronouncements of the President. It will command sound Democratic support, yet it is not a partisan proposal. We expect that it will be opposed by all who are opposed to Federal aid in any form, and it may be defeated if these opponents are aided by the immediate following of Senators LA FOLLETTE and COSTIGAN. It is to be hoped, however, that either these Senators, who have done so much toward securing needed Federal aid, will see the futility of standing on what they have themselves characterized as technical differences, or else that we may, even without their help, get enough votes to carry forward the work which they have so well begun and secure the enactment of a law that will make available Federal funds to relieve distress, if Federal funds should ever be necessary for that purpose, but only if that necessity should be clearly established.

RELIEF OF UNEMPLOYMENT

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. WALSH of Montana. Mr. President, that the emergency which confronts the country calls for Federal aid for the relief of the needy, there can remain no doubt in the minds of anyone who has read even cursorily the hearings on the pending bill or the persuasive arguments made in support of it by the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN], indorsed in that regard by the Senator from Alabama [Mr. BLACK] on yesterday. I shall spend no time, accordingly, in discussing the need of aid, but content myself with expressing my views as to the form which that aid should take.

It is my view that the occasion calls for an expanded program of public works by the Federal Government. That course is being pursued by practically every unit of government. Practically every city in the country is putting men to work in order that they may be relieved from becoming objects of charity. Practically every county is doing the same thing. The States are doing the same thing. I can see no reason at all why the Federal Government should not pursue a like policy.

That course is being pursued, as I have indicated, in the first place in order to relieve from utter destruction the morale of a large portion of our people, to preserve and protect them from degradation which is incident to the receipt of alms, and then the communities and the governments representing them feel that, as they are obliged to do something toward relieving suffering, they ought, if possible, to get something in return for the relief extended.

Before coming here last fall my colleague [Mr. WHEELER] and I made a tour through a section of Montana that for the third season is suffering from extreme drought. The drought which afflicted a great portion of the country last year has been continued in that section of our State with unabated fury. Wherever we went the people said, "Give us something to do; give us some work at which we can earn wages." The Governor of Pennsylvania, appearing before the committee holding hearings upon this measure echoed the same sentiment. He told the committee that on a tour through his State the cry everywhere was "Give us some work; give us something to do; give us some jobs."

It occurs to me, Mr. President, that the same obligation rests upon the Federal Government. An effort is being made to escape that responsibility by characterizing any effort whatever toward relief of the needy as a dole. The bill now under consideration is thus characterized about the dinner tables of the city of Washington to-day. No matter what form it takes, it is stigmatized by being denounced as a dole.

Some few years ago practically every effort that was made by anyone for the correction of hoary, old abuses in our economic and industrial system was characterized as bolshevism. For years in Great Britain as well as in this country the public has been called upon to contribute toward the care of the needy through the public purse; poor rates are not a new thing in Great Britain; they have been known for centuries; but the dole is quite a different thing. The dole is a system under which payments are made to the unemployed by the week or by the month or the day, as the case may be, whether they are actually in need or not. No one proposes anything of that kind anywhere in this country, so far as I have heard. It is proposed to supply only the needy with aid.

In order to escape these responsibilities, Mr. President, it may be news to learn that in the preparation of the Budget for this year, as the Director of the Budget tells me, no consideration whatever was given to the necessity of providing work for those who were in need or were unemployed. Last year the Congress was moved to create a fund of some $106,000,000 for that purpose, but in the preparation of the Budget for this year the condition of unemployment throughout the country was not an element that was considered at all, and, as the Director of the Budget advises us, because it was not known that at the time the appropriations would become effective at the beginning of the next fiscal year, the 1st of July, there would be any occasion for help to the unemployed. The fatuous idea that "prosperity is only around the corner" still seems to obtain in that branch of our Government.

Having in mind, Mr. President, that the problem ought to be met by an expanded program of public works, I introduced, early in the session, a resolution calling upon the Employment Stabilization Board to send to the Senate a schedule of projects that are in contemplation by various departments during the next six years, with, so far as possible, an estimate of the cost of those projects.

The report which came in obedience to that resolution shows that Congress has already authorized public works contemplating the expenditure of $993,456,570. Those are projects which have already been authorized by Congress; a survey has been made of them; an estimate of the cost of carrying on the work has been supplied, and the necessity and the advisability of making the improvements has already been passed upon by the Congress. The principal items making up the aggregate amount are road construction, flood control, reclamation, rivers and harbors, and the erection of public buildings. I have felt, however, that with respect to quite a good many of these projects the money would be expended only locally. For instance, any expenditures on flood control would be made chiefly in the States along the Mississippi River. Reclamation work would be carried on only, of course, in the Rocky Mountain region and on the west coast. Public buildings would be erected in various places and would afford some relief in the particular localities in which they were constructed.

Road construction, however, is a class of public work that would be spread all over the country; no section of the country would be exempt from the vivifying influence of an extensive road program. Accordingly, Mr. President, that was suggested as a very appropriate means of bringing much-needed relief to the various communities; not that anyone

thought that it would meet the situation at all, but the burden upon the local communities, the burden upon community chests, upon county funds, upon city funds, would, of course, be lessened to whatever extent relief was extended through the work program.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Tennessee?

Mr. WALSH of Montana. I yield.

Mr. McKELLAR. May I ask the Senator about how much of the $993,000,000, to which he has referred, would be spent during the present year on the projects enumerated?

Mr. WALSH of Montana. The resolution of the Senate requested information as to how soon operations could be undertaken on each project that should be reported. And the report indicates that in the case of most of them work could be done either immediately or within from two to four months from the time the appropriation was made available by the Congress.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. WALSH of Montana. I yield.

Mr. NORRIS. The question asked by the Senator from Tennessee was the very one I wanted to propound to the Senator; but, as I understood the question, the Senator from Montana has not answered it. Regarding the survey which shows that something over $993,000,000 was to be expended on various projects, the Senator from Tennessee asked—and that is the information I should like to obtain—has the department information that the Senator can give us as to how that $993,000,000 is divided as between the various projects?

Mr. WALSH of Montana. Oh, yes.

Mr. McKELLAR. And between the various years. In other words, what I wanted, if the Senator will permit me to interrupt him further, was to find out how much of the $993,000,000 of work to be done did the executive department expect to be done or how much had they recommended to be done this year?

Mr. WALSH of Montana. There is no recommendation as to that, so far as I know. The projects are summarized by the various departments. For instance, in the Department of Agriculture projects are authorized to the extent of $246,515,735, of which $113,879,088 are for road work and $131,055,197 are for forestry service work.

Mr. NORRIS. Does that mean roads within forests?

Mr. WALSH of Montana. That includes everything under the forestry bureau.

Flood control is represented by $213,460,100; rivers and harbors by $194,725,171, and so on down the list.

Mr. NORRIS. How much for public buildings?

Mr. WALSH of Montana. For post offices $16,357,200, and for Federal office buildings $1,125,700 in addition, an aggregate of about $18,000,000.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. WALSH of Montana. Certainly.

Mr. COPELAND. Can the Senator tell us whether or not the $993,000,000 cover items beyond those requested in the current Budget for inclusion in the current appropriation bills?

Mr. WALSH of Montana. Oh, many of these items are not covered in any appropriation bill.

Mr. COPELAND. I took pains to find out how much is included in the appropriation bills for this year for what I may call capital investment, and I found that the amount is $377,000,000. That does not include moneys which are appropriated to be used until expended. So I assume from what the Senator has said that the $993,000,000 would be beyond what might be called permanent improvements provided for in the current Budget.

Mr. WALSH of Montana. I can not say as to that. I am inclined to think that not a considerable sum of the appropriations the Senator speaks of are included in the total of $993,000,000.

Mr. NORRIS. Mr. President, may I interrupt the Senator further?

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Montana yield further to the Senator from Nebraska?

Mr. WALSH of Montana. I yield.

Mr. NORRIS. Let me say to the Senator that from a survey that I was able to make I reached the conclusion that more labor would be employed, scattered more widely over the country, by the inauguration of road-building projects than by any of the other projects. With that in view I introduced a bill on the subject. I have been informed, however, by a good many Senators with whom I have talked that my conclusions were wrong and that road-building would not give employment to labor as much as some of the other projects would.

I should like to ask the Senator if he has any information and can give us an idea about the amount of employment of labor that would result from the different kinds of projects.

Mr. WALSH of Montana. I am not able to give the Senator any information concerning these other classes of projects; but the Senator from Alabama [Mr. BLACK] yesterday gave us information from the Chief of the Bureau of Public Roads to the effect that 85 per cent of all money appropriated for public roads goes either directly or indirectly to labor.

Mr. NORRIS. If the Senator will permit me, I was not present yesterday.

Mr. WALSH of Montana. Let me say in that connection that the Senator from Wisconsin [Mr. BLAINE] the other day called attention to the fact that of the entire appropriation for road construction, 14 per cent went to labor; but that was the payment to labor employed directly. For instance, a large portion went for transportation, but, of course, the transportation employed labor; and we are informed by the reports of the Interstate Commerce Commission that something like 65 to 70 per cent of everything that is spent for transportation carried on by the railroads goes to labor. So, directly or indirectly, the chief of the bureau figures that 85 per cent of every appropriation made for road construction goes to labor.

Mr. NORRIS. I desire to add, if the Senator will permit me, that those figures bear out the brief studies I was able to make on the subject. I had in view only the taking up of projects, first, that would be general in their distribution over the country; and, second, that would give as much employment as possible to labor.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Nevada?

Mr. WALSH of Montana. I yield to the Senator.

Mr. PITTMAN. As material to that inquiry, let me say that it depends on how the money is utilized. While 85 per cent of this money is estimated to go to labor, that may be greatly increased by the manner and the plan under which it is expended.

For instance, take the funds that are being expended in the little town of Las Vegas, Nev., where there are about 4,000 idle men waiting to get the jobs of 4,000 employed men working on the Boulder Dam project. This little town naturally found it very difficult to support those men there; so they are doing their street work, alley work, and sewer work on a kind of progressive plan. They do not contract it, but they take the list of unemployed, and they will take one group of them for five or six days and pay them, and then they will take another group for five or six days and pay them. Wherever they can do pick-and-shovel work, although it is possibly not as economical as doing it with large tractors and steam shovels, that is being done; and it may be utilized with much more advantage than if the prime object is employment.

In this bill we have made an exception to the Federal highway act. There it is expressly provided that the money shall not be used in municipalities; but as there is so much unemployment in municipalities, the provisions of this bill have been extended to the construction and reconstruction

of streets, alleys, bridges, culverts, and other appurtenances to highways in municipalities.

Mr. ODDIE. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield to the Senator from Nevada.

Mr. ODDIE. I think it might be helpful at this point to call attention to the fact that in the year 1930 automotive freight on railroads exceeded 3,330,000 carloads, divided as follows:

	Carloads
Motor vehicles, parts, and tires	618,483
Gasoline	1,330,000
Iron and steel	132,700
Coal	66,000
Crude petroleum	60,000
Lubricating oil	50,000
Lumber	31,200
Crude rubber	13,000
Asphalt for roads	43,000
Brick (vitrified)	50,000
Cement for roads and bridges	236,000
Gravel, sand, and stone for roads	650,000
Miscellaneous, such as nonferrous metals, paints, and upholstery materials	50,000

Making a total of 3,330,383 railroad carloads of freight.

From these figures we can easily estimate the enormous quantity of labor employed in the road-building and automotive industries in the United States, and in the transportation of the products of these industries on the railroads.

Mr. WALSH of Montana. Mr. President, I was about to say that some such system as that referred to by the senior Senator from Nevada is being quite generally observed in the employment of labor throughout the country for the purpose of relieving the unemployment situation. In some places it takes one form and in some places it takes another.

The mayor of Grand Rapids appeared before the committee holding hearings upon this bill and told of the system that was observed in his city. They utilized a very large number of men, utilizing machinery only to a very limited extent; and, according to his contention, the work was carried on more economically than though it was contracted to a large contractor who would employ powerful machines in the work.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield.

Mr. COPELAND. I think the statement made by the Senator that 85 cents of every dollar goes to labor is very conservative, because in a recent conversation with the commissioner of public works in my State he said that the proportion was 90 cents out of every dollar. He spoke about quarrying stone for making cement and the coal needed to burn that mixture; and so when the dollar was analyzed he was quite convinced that 90 cents of every dollar for road building really goes for the payment of labor.

Mr. WALSH of Montana. The junior Senator from Wisconsin [Mr. BLAINE], to whom I referred a few moments ago, the other day objected to the road-construction feature of the substitute that is offered for the pending bill upon the ground that the program could not be set in operation for some considerable time after it was authorized. That matter, however, seems to be quite completely covered by the testimony of Mr. MacDonald, the Chief of the Bureau of Public Roads, before the Senate Committee on Post Offices and Post Roads only a few days ago. I read from the hearings on Senate bill 36, as follows.

Mr. NORRIS. What page?

Mr. WALSH of Montana. Page 74:

The CHAIRMAN. Now, Mr. MacDonald, we do not know, of course, what Congress will do in the way of appropriations, but assuming Congress provided approximately what was provided last year for road work, could the number of men who were employed in that program last year be profitably put to work this year?

Mr. MACDONALD. It would be possible. I testified before the Senate it would be possible to do the same amount of work done last year. In the first six months of 1931 a program, Federal-aid program, was started, of $256,000,000, and that employed during the peak months just a little short of 400,000 men. I have the statement of employment by months, if you desire it in the record.

I pause here to remark, before proceeding further, that, of course, when 400,000 men were thus taken out of employment there were just 400,000 men less to be taken care of by the local charity organizations or by the local governments.

The CHAIRMAN. I think it would be wise to put that in the record.

Mr. MACDONALD. I will submit that statement by months, covering both State and Federal aid projects, and men employed on maintenance work. The employment on maintenance and betterments takes less money to provide labor than construction work, requiring material. About $128 per man month is required on maintenance and betterment work, and the larger the construction program that is carried through with the Federal-aid funds, the more betterment and maintenance work can be carried on by the States.

Senator HAYDEN. When you say a program of $256,000,000 was undertaken last year, and you say that it could be continued at about the same rate this year, do you mean by that that the State highway departments in cooperation with the Bureau of Public Roads have worked out plans in such detail that work could proceed immediately to that extent?

Mr. MACDONALD. That would be my judgment; yes, sir.

Senator HAYDEN. Have the State highway departments generally anticipated the future in the way of making out plans for new road construction this year to a greater extent than they did last year?

Mr. MACDONALD. There has been more pressure on the State highway departments this year to find work. There is more work this winter, for example, than last winter, meaning that we are partially exhausting our funds for winter work, and will not have them during the summer months when ordinary labor is being used to the greatest extent.

Senator HAYDEN. I am sure it is the desire of the Committee on Post Offices and Post Roads to authorize no expenditure except when assured that use will be made of the money immediately to put the men to work. Is it your opinion that Congress could repeat this year what we did last year and be sure such was the case?

Mr. MACDONALD. It is my judgment that a program equal to that of last year could be carried out.

Senator HAYDEN. Do you estimate that such a program could be increased to a material extent?

Mr. MACDONALD. It could be increased to some extent by letting larger paving contracts, but that takes the money proportionately more rapidly than it gives direct employment. Because of the stringency of the financial situation, Federal and State, we should try to employ more labor with less money, and that is going on now. I think more labor would be employed with less money this winter; for example, Mr. Dillman, of Michigan, testified as to the number of men they had employed by providing for hand labor, doing the winter bridge work and work of that character, and by requiring more hand labor, we could probably increase it—it is not economical to do paving work with hand labor.

So that it appears from the testimony of Mr. MacDonald that work could proceed immediately when the appropriations are made.

Mr. LOGAN. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Kentucky.

Mr. LOGAN. But Mr. MacDonald is only talking about the amount of the appropriation last year. The Senator is discussing the matter on the idea that only two things are necessary to build roads. I think there are three that must be considered, and it is the third about which I should like to have information.

We must have labor; we must have money; but there is one other thing that is absolutely necessary, and that is experienced or trained engineers. When we reach the point where we do not have the engineers to supervise the work, we can go no farther without wasting our money. What about the trained engineers that are available?

Mr. WALSH of Montana. The good roads act was passed in 1916; and I had assumed that long before this time every State had some kind of a State highway commission, and that long before this time it had at its command engineers adequate to do the work with which it is charged, both by the Federal and by the State Governments. There would be no difficulty whatever about getting engineering service in the State of Montana.

Mr. LOGAN. That is very true. They can do the work; for instance, they may be prepared to spend $20,000,000 a year; but if we increase that by four or five millions I think some of the States would have great difficulty in finding engineers to supervise the work.

In my own State we have been forced to go outside of Kentucky and employ engineers in other States, because we did not have them in the State; and of late we have had some difficulty in securing them. I do not know how it is just now. Not having been in close touch with the road situation for the last four or five years, I am not positive about it.

Mr. WALSH of Montana. I had supposed that the general depression had affected the engineering profession just about the same as it had every other line and that engineers were looking for jobs.

Mr. LOGAN. That is probably true, Mr. President. I just wondered if the Senator had any direct information on that point.

Mr. WALSH of Montana. No; I have not.

Mr. HAYDEN. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Arizona.

Mr. HAYDEN. I might add for the information of the Senator from Kentucky that there was testimony before the Committee on Post Offices and Post Roads that this year, 1932, had seen a greater number of engineers out of employment than at any other time since road work began in the United States. With the programs that have been carried on heretofore, there has been a gradual increase in the number of trained engineers capable of carrying on that work. There has been, however, a rapid drop in road work this year, which is best illustrated by the fact that the Federal Government paid out to the States in 1931 $244,000,000 in Federal aid, whereas in 1932, this year, the testimony of the chief of the Bureau of Public Roads is that there will be available only $130,000,000. That shows clearly upon its face that there will not be as many contracts let, and consequently many engineers will be out of employment. The talent is here to carry on the program proposed in the substitute.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I did not quite understand what was the Federal Government's proportion of the $256,000,000 of work that Mr. MacDonald testified could be done this year, as it was appropriated for last year. Was it $80,000,000? Was that the Federal Government's part?

Mr. WALSH of Montana. The Senator will remember that in addition to the general appropriation of $125,000,000 there was an emergency appropriation of $80,000,000, three million for forest trails, and three million more, making eighty-six million, in addition to the $125,000,000, as my recollection serves me now; so that that made something like two hundred million or a little over. He speaks about a $256,000,000 program, so that I assume that this includes only the contribution of the Federal Government to which he refers here.

Mr. LA FOLLETTE. I notice that the Senator from Arizona [Mr. HAYDEN] stated that Federal aid to the extent of $80,000,000 last year resulted in a total of $256,000,000 worth of road work in the several States. I was a little confused as to whether he referred to the $80,000,000 as the Federal Government's portion of the $256,000,000 concerning which Mr. MacDonald was testifying or whether he had omitted some part of the Federal Government's portion of that in giving the figures of $80,000,000.

Mr. HAYDEN. Mr. President, will the Senator from Montana yield?

Mr. WALSH of Montana. I yield to the Senator from Arizona.

Mr. HAYDEN. The total payments to States under Federal aid of all kinds in the calendar year 1931 was $244,000,000. Of that amount $80,000,000 was an emergency appropriation which could be used by the State to match Federal aid. That explains the statement made by Mr. MacDonald that by the use of this $80,000,000, which may be available to the States from other Federal funds and from their own funds, it made a total expenditure of about a quarter of a million dollars. That was the effect of it. But the $80,000,000 is only a part of the total sum paid out by the Federal Government.

Mr. LA FOLLETTE. Then, as I understand it, this $256,000,000 which is being discussed on pages 74 and 75 of the hearings is the Federal Government's portion of the contribution. Does the Senator have any information as to how much the States spent in connection with carrying out that program?

Mr. HAYDEN. The total State expenditures were much over a billion dollars.

Mr. LA FOLLETTE. I mean on Federal-aid highways systems alone.

Mr. HAYDEN. I think that statement is still correct. The State expenditures have always been more than double the Federal expenditures on Federal aid. But the point to be made in connection with the pending amendment is that there exists in each State a well-equipped, efficient State highway department which is perfectly capable of taking any such sum of money we are prepared to appropriate and using it immediately on road work. There is no question about the engineering talent or the organization. Everything is there to do the work, and they have made advance plans whereby contracts can be immediately advertised for and let, so that the work can be carried on in the most efficient manner.

Mr. WALSH of Montana. Mr. President, quite a number of gentlemen giving their attention to public-welfare problems associated themselves in an organization called the steering committee of the Social Work Conference on Federal Action. They examined quite carefully into this matter of road construction as a measure of unemployment relief and have prepared a rather interesting report. I send to the desk and ask that there be incorporated in the RECORD as a part of my remarks a list of the gentlemen thus associated.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MEMBERS OF THE STEERING COMMITTEE OF THE SOCIAL WORK CONFERENCE OF FEDERAL ACTION

Linton B. Swift (chairman), executive secretary Family Welfare Association of America, New York City; Benson Y. Landis, secretary, National Country Life Association, New York City; Frank Bane, director, Association of Public Welfare Officials, Washington, D. C.; Howard S. Braucher, secretary, National Recreation Association, New York City; Allan T. Burns, executive director, Association of Community Chests and Councils, New York City; C. C. Carstens, executive director, Child Welfare League of America, New York City; Joanna C. Colcord, director, charity organization department, Russell Sage Foundation, New York City; Miss Helen Crosby, Family Welfare Association of America, New York City; John A. Fitch, professor of industry, New York School of Social Work, New York City; David H. Holbrook, secretary, National Social Work Council, New York City; Paul U. Kellogg, editor the Survey, New York City; H. L. Lurie, director, Bureau of Jewish Social Research, New York City; Rev. Dr. John O'Grady, secretary, National Conference of Catholic Charities, Washington, D. C.; and Walter M. West, executive secretary, American Association of Social Workers, New York City.

Mr. WALSH of Montana. They appointed a subcommittee to prepare a report on the subject, and that committee's report I have here. The committee consisted of Prof. John A. Fitch, of the New York School of Social Work; Benson Y. Landis, secretary of the National Country Life Association; and the Rev. John O'Grady, of the Catholic University of America, with the assistance of Otto Mallory, of Philadelphia, who always has given much study to this subject.

The report is somewhat lengthy, but it is so powerful in its arguments and so informative in the facts related that, at the risk of being tedious, I shall undertake to read it to the Senate. It is as follows:

REPORT OF SUBCOMMITTEE ON PUBLIC WORKS OF THE STEERING COMMITTEE ON UNEMPLOYMENT AND FEDERAL AID

ROAD BUILDING AND UNEMPLOYMENT RELIEF

It is a well-recognized fact that an enlarged road-building program offers the best opportunity for the employment of labor during the depression. The estimated expenditures for rural highways for the calendar year 1930 were $1,610,569,000, and the expenditures for 1931 were $1,644,917,000. The estimate for 1930 includes $105,648,000 of Federal funds. The estimate for 1931 includes $259,897,000 Federal funds, an increase of $154,000,000 over 1930.

I think that gives the figures about which the Senator from Wisconsin asked. There is there given the aggregate amount, and the contribution made by the Federal Government.

Labor has received a greater amount of benefit from road work during the past two years than for any other form of public work. When Congress made available its increased Federal-aid appropriation and the special emergency fund for road building the States availed themselves immediately of the larger funds, and there was a steady increase in the number of men employed on Federal and State road programs from 148,600 in January, 1931, to 365,000 in June. In view of the fact that for every person employed directly in road work at least two other persons are employed indirectly by industries supplying and transporting road material and equipment, it is perfectly safe to assume a total of 1,095,000 were given employment in road work by Federal-State road projects last June. The influence of road construction on the employment of labor becomes very apparent when we compare the above figures with the estimate of 45,000 employed directly and indirectly on Federal public-building projects.

Note, Mr. President, that there were 45,000 employed on building projects; 1,095,000, either directly or indirectly, on road work, 365,000 being employed directly on road work.

FORECAST OF 1932 STATE AND LOCAL ROAD-BUILDING PROGRAMS

Federal, State, and local road-building programs have been a large element in unemployment relief in the country during the past two years. The increased Federal appropriation of $50,000,000 and the special emergency fund of $80,000,000 satisfied a most useful purpose in enabling the States to carry on and to a limited extent to expand their programs. As a matter of fact the increased Federal appropriation did not mean a proportionate increase in the total road-building program of the country. It brought an increase of only $34,000,000, which meant a drop of $120,000,000 in State and local expenditures for this purpose. Information on hand indicates a further falling off in State and local expenditures for next year. The following States estimate that there will be a decrease in their State road funds in 1932 over 1931: Alabama, Arizona, Florida, Idaho, Iowa, Kansas, Minnesota, Missouri, North Carolina, South Carolina, South Dakota, Tennessee, and West Virginia. The following excerpts from letters received within the past month from heads of State highway departments are indicative of the conditions in a few States. The State highway engineer of South Carolina writes: "I am afraid that the present outlook for highway construction work in this State during the coming winter is not so encouraging. Until now it has, I believe, aided materially to help relieve unemployment, but no new construction contracts of any consequence have been awarded since August 30, and those are nearing completion along with all previous contracts. It appears to me that unless the money market and the general financial conditions of the State improve considerably within the next month or so this department will be unable to sell any more bonds in time to get additional construction work under way before spring, unless, of course, the Federal Government makes some appropriation to the State for such work in addition to the regular Federal-aid allotment."

The chief engineer of the State highway commission of Iowa writes: "The highway funds available will not permit us to put on any special program for these winter months. Very little highway work of any kind is being done by the cities and towns in this State, other than purely maintenance work. Street improvements in cities and towns in this State are paid for by special assessments against abutting and adjacent property. Under present economic conditions owners of adjacent property are not willing to have additional assessments levied against their property. The counties may carry on a small amount of bridge work during the winter. However, their highway funds have already been depleted by contracts let in the interest of relieving unemployment, so that they have little or no funds available with which to carry on any special winter program."

The chief engineer of the Kansas Highway Commission writes: "This department finds itself confronted with the necessity of working along in line with its construction income. Just now our whole construction activities are on the downward trend, due to the closing of last year's contract season and the necessity that we do not start our new construction work until we have the finances."

LARGER FEDERAL PROGRAM NEEDED

When Congress appropriated its $80,000,000 emergency roads fund last year to aid the States in matching the regular Federal-aid fund it provided that the emergency fund should be repaid out of the Federal-aid allotments over a period of five years. This would leave approximately $130,000,000 to be allocated to the States for 1932.

In order to make the same contribution as last year for road work within the States, the Federal Government will have to add an emergency fund of $124,000,000 to the regular Federal-aid fund of $130,000,000. However, in order to maintain last year's pace in road building, the States will need a much larger amount of Federal aid.

PROBABLE DECREASE IN LOCAL TAX RESOURCES

It has already been noted that there was a falling off of $120,000,000 in State and local road expenditures last year. The chances are that there will be a further falling off next year. The cost of local road construction and repair comes largely from taxes on real property and the sale of bonds. There is bound to be a considerable decrease in income from these two sources next year. The cost of State road construction comes from the motor-vehicle license fees, gasoline taxes, and Federal aid. There is a tendency to divert the gasoline tax and the motor-vehicle fee to other purposes in order to decrease taxes on real property. In order to maintain the same pace in road building as last year, the States will therefore need an increased Federal-aid appropriation. The increase might be taken care of by a further addition to the emergency fund. If, as in all probability will be the case, there should be the same falling off in local and State receipts for road construction, the sum of $116,000,000 should be added to the emergency fund to take care of this decrease. The total emergency fund this year should, therefore, be $240,000,000, which, added to the regular appropriation of $125,000,000, would make the total Federal-aid appropriation $365,000,000.

The emergency appropriation for this year would be on the same basis as the appropriation of last year. It would be repaid out of future Federal-aid appropriations. It was specified that last year's emergency fund should be repaid over a period of five years. It would be well to extend to 15 years the period for the repayment of this year's emergency fund. No State would be under any compulsion to avail itself of the emergency fund except it desired to do so. It is simply intended for those States that desire to maintain the same pace in road building as last year and can not secure the funds in any other way.

In an address before the American Association of Highway Officials at Salt Lake City September 29, 1931, Mr. Thomas H. McDonald stated: "In five months the $80,000,000 advance fund, together with $160,000,000 regular Federal-aid and State funds, totaling $240,000,000, had been put under way on wholly new work to provide employment in all the States. * * * Had it not been for the $80,000,000 emergency Federal appropriation for 1931 the total of the year's construction program would have fallen off by very much more than the amount of this fund for two reasons: First, a number of the States, because of the accelerated program of the preceding year and for other causes, were not able to meet the regular Federal aid in full; and, secondly, the proceeds of bond issues in a number of States which had helped to swell the construction program for 1930 were exhausted." A result of the emergency fund was to bring the Federal-aid program to the same point on May 30 as had been reached at the end of September of last year. There is, therefore, good reason for believing that a much larger Federal aid and emergency fund could have been used to good account. If the regular Federal-aid and emergency funds had been obligated in five months, the chances are that twice the amount could have been obligated before the end of the year. There is a question, however, as to whether additional funds over and above the amount necessary to maintain last year's pace in road construction should not call for a more flexible arrangement than that required by the present highway act. Why should not these additional funds be used in promoting State and local projects not provided for under the existing Federal-aid program.

EMERGENCY STATE PROGRAMS

A number of States have given special thought to unemployment relief in their road-building programs. They are planning certain types of road work that can be widely distributed. In some States consideration is given to the relief needs of different communities in the distribution of road work. The States that are planning road work as part of their programs of unemployment relief are giving special thought to the types of work that can be carried on during the winter months. An effort is being made to adjust the program to the needs of larger cities as well as the smaller cities and the rural communities.

Among the States that are giving special thought to road programs as a measure of unemployment relief are Pennsylvania, Ohio, Michigan, New Jersey, Delaware, Oregon, and Nebraska.

On August 15 the State of Pennsylvania added 20,000 miles of township roads to its highway system. Construction work was started immediately on 1,700 miles of roads in 66 counties of the State. Work was also begun this fall in the reconditioning of 5,000 miles of road taken over by the highway department. The construction of the 1,700 miles is carried on by departmental forces as a part of the unemployment relief program of the State. A total of $67,000,000 will be expended by the State highway department in the fiscal year 1931–32. There is no limit to the amount that could be used in reconditioning and building rural highways in the State. The secretary of highways of Pennsylvania believes in extending road expenditures over a broader territory rather than in concentrating on a limited mileage of high-class road. "We want more roads," he contends, "rather than a few high-grade roads."

The Highway Department of Pennsylvania cooperates with the various local relief organizations in the relief of unemployment. In this connection Governor Pinchot has issued the following instructions to the secretary of highways of the Commonwealth: "You and I have discussed a number of times the question of unemployment relief in connection with the construction of roads. * * * The policy on which we have agreed and which I should like to have enforced at once by special order to highway superintendents in each county is as follows: I want the construction of highways under this administration and under the great need for work to result not only in producing roads but also in relieving the distress of many people, especially in the country, who are willing to work but who are without work and unable to get it. I want the neediest cases given first consideration. By that I mean men

with large families dependent upon them. Since the engineers and superintendents of the highway department are necessarily less familiar with needy cases in each county than the local unemployment committee or other residents, it would be well to direct your men to confer with local advisers in selecting the worthy cases." In a great many cases it has been impossible to care for all the requests for employment. Under such circumstances the work is staggered so as to give employment to a larger number of men.

That, as we were told by the Senator from Nevada [Mr. PITTMAN], is the case on the Boulder Dam work.

Mr. PITTMAN. Not on the Boulder Dam work, but in the town of Las Vegas.

Mr. WALSH of Montana. Incident to the Boulder Dam work.

Mr. PITTMAN. Yes.

Mr. WALSH of Montana. I continue reading:

"Despite the volume of work distributed throughout the State (which would have been greater had funds permitted) cases of dire distress were reported," writes the secretary of highways, "and the department took another step for relief. Two and three day shifts were inaugurated where conditions seemed to warrant this, aiding twice the number of families." A foreman who chose to disregard the "neediest-case instructions was dismissed." In October the highways department employed 22,000 men directly. In its rural-highway program it can maintain a steady pace during the winter months. Its only limitation will be the limitation of funds.

"In order to provide winter unemployment relief for approximately 30,000 workers," writes the State Highway Commissioner of Michigan, "this department is rapidly placing under construction a $10,000,000 winter road-construction program consisting mostly of grading, drainage structures, grade separations, and bridges. In order to insure that the work as specified shall be carried on this winter the department has estimated the amount of each contract that can be carried on during the winter and is requiring that the contractor shall have the percentage as estimated completed on or before April 1, 1932.

"The department is including in the special provisions set up in the proposals that a definite amount of equipment be used, stipulating some work for hand labor. * * * In order to provide the maximum number of men with work the department requires that to the fullest extent possible all employees on State highway projects shall work part time either three days a week or alternate weeks. In connection with employment it is specified that the contractor shall employ not less than 75 per cent of all labor used on the work from lists of unemployed furnished by the State employment commission through its local committees and that a minimum wage of 35 cents an hour be paid.

"Projects are being placed as far as possible according to the urgency of the need for unemployment relief. While all sections of the State are being granted a portion of the work the need for relief is most acute in the southern part of the Peninsula."

The sum of $10,000,000 looks very big, but it is very small when we compare it with Michigan's unemployment problem. A conservative estimate places the number of unemployed in Michigan on November 1, 1931, at at least 350,000. Of this number 119,000 are in the city of Detroit, and the balance scattered throughout the State. Over 103,000 families were receiving assistance from public funds in October, 1931. The chances are that this number will increase over 25 per cent before January if the experience of 1930 can be taken as a guide. Eighteen communities in the State have indicated that their local funds will be insufficient to meet their needs, and 62 communities have indicated that great difficulty will be experienced in meeting relief needs this winter.

On September 1, Ohio initiated a three and one-half million dollar bridge program as a winter relief measure. "Our efforts," says the chief engineer of bridges of the State, "have been to select projects which were very deserving in light of the traffic needs and at the same time so locate the same as to provide employment where most needed. * * * The outstanding feature of specifications will be mandatory winter construction with completion by specified date. * * * The labor situation will be handled through local nonpartisan relief committees, with whom the contractor will be bound to cooperate, paying a minimum wage which varies from 35 cents for the bulk of the counties to 50 cents in Cuyahoga County."

The maintenance department of the New Jersey State Highway Commission has endeavored to make its work a part of a State relief program for unemployment. The number of men employed in the maintenance department has been increased from 700 last year to 2,000 this year. It is planned to increase the number to 3,000 during the winter months. The commission has been able to meet the limitations placed upon it in regard to the use of its own forces for construction work by having the work done directly by the maintenance department. In carrying out its winter program, hand labor will be used as much as possible. Men will be employed on recommendation of the local relief committees and the State relief director. When necessary, the work will be staggered. With larger funds, it is believed that the New Jersey program could be extended very greatly. If the funds were on hand the present State highway system could be extended. The State highway commission would then be in position to carry on the same type of program as Pennsylvania.

The chief engineer of the State Highway Department of Delaware writes: "Our department is taking active measures to help relieve unemployment during the winter, particularly in the vicinity of Wilmington. We are letting out several grading contracts close enough to the city to use city labor which otherwise would not have been let until spring, or possibly for another year or two. * * * We are letting one contract for 110,000 cubic yards of borrow to be done by hand labor with an additional specification requiring this labor to be staggered with a 50 per cent turnover each week. * * * I find it difficult, however, not to look forward to our position next fall when, with so much work started early in the season, our funds will probably be exhausted. We are, however, issuing a million dollars' worth of bonds to take care of this emergency work."

The Indiana State Highway Commission has undertaken a limited roads program as a measure for unemployment relief. About 190 small jobs of road widening, straightening curves, and changing grades are being carried on this winter. As a part of its program the commission has added about 945 miles of road to the State highway system. The number of men employed by the maintenance department of the State highway commission has been increased from 1,851 on November 1, 1930, to 4,504 on November 1, 1931.

Oregon and Nebraska have launched special State-road programs for unemployment relief. Oregon has floated a $2,000,000 bond issue for the construction of rural roads. Nebraska has launched a road-building program as a relief measure in its drought-stricken area.

A SPECIAL EMERGENCY FEDERAL FUND RECOMMENDED

The road-construction programs developed by a number of States in aid of unemployment relief do not come within the purview of the present Federal-aid system. The terms under which the Federal Government aids the States in road building limits the Federal aid to 7 per cent of the rural-road mileage. In Pennsylvania, with its ninety-odd thousand miles of rural roads, this would mean that Federal aid could be granted for about 6,000 miles. If the Federal Government has assisted in building a road it can not assist in rebuilding it. By reason of the limitations of the present system of Federal aid for road building it would be well to have a special emergency fund to encourage the promotion of special road projects by the States directly or by the States and local communities.

It has been assumed that the emergency appropriation already recommended will be merely sufficient to maintain the same pace in road building that was reached last year. Over and above the projects developed last year there is a large amount of work to be done not only in improvement of rural roads but also of those close to the city that could be promoted by a special emergency Federal appropriation. This appropriation should be matched by State and local funds. A special advance might be made to those States that were unable to match the Federal appropriation. The present State programs point the way to the most effective use of the Federal emergency fund. The States are distributing their emergency road work in such a way as to reach the communities in greatest need. They are undertaking a type of work that requires a maximum of labor and the type of work that can be undertaken in the vicinity of the large cities.

Due to financial limitations the State highway departments are not making as large a contribution in aid of unemployment relief as they would desire. A number of States have closed down their road work for the winter. Even the States that are going ahead with special winter programs recognize that their funds are not equal to the task set before them.

Road work has been our best and most useful method of providing employment during the depression, and it offers our best hope in lifting the load of unemployment. It represents a safe and sound investment of funds. Its usefulness will be limited only by our willingness to invest our funds in it. Road work does not require the same long-time planning as other forms of public work, notably public buildings. At least there is sufficient work ahead in the reconditioning of rural roads and the making of our highways safer for travel to employ usefully all the money we are willing to expend for these purposes for a long time to come.

If Congress desires to make road building an effective means for providing employment during the depression there are two things it must do. First, it must see that road building is maintained at the same pace as last year. This will require an emergency appropriation of $240,000,000. Secondly, it should add a special emergency appropriation of $240,000,000 for special road programs carried out by States and local communities. This last amount would mean an average of $5,000,000 per State for special road programs. It would mean from ten to twelve million dollars in States like Pennsylvania and New York.

Mr. President, in view of what this record shows concerning work being carried on by the various States to aid unemployment, I repeat that the obligation is upon the Federal Government to do its share.

Governor Pollard, of the State of Virginia, having the same views, communicated with the governors of all the States for the purpose of ascertaining their attitude concerning an extended road-construction program. I have here a summary of the replies received by Governor Pollard

from the governors of a large number of States, which I ask may be incorporated in the RECORD.

Mr. NORRIS. Mr. President, I wonder if the Senator would not be willing to read the summary. We are always interested in anything Governor Pollard does.

Mr. WALSH of Montana. I shall be glad to do so. It reads as follows:

DIGEST OF THE REPLIES OF OFFICIALS OF VARIOUS STATES TO THE LETTER OF GOV. JOHN GARLAND POLLARD, OF VIRGINIA, WITH REFERENCE TO A PLAN FOR ALLEVIATING UNEMPLOYMENT CONDITIONS THROUGH THE ADVANCE OF FEDERAL AID ROAD MONEY TO THE STATES

ARIZONA

Gov. George W. P. Hunt states that the plan as proposed by Governor Pollard would be extremely helpful in Arizona. He suggests that to be valuable the aid should be forthcoming promptly.

Hon. C. E. Adams, chairman, Arizona Highway Commission, indorses the plan, and states that, in his opinion, there should be a further addition in the fact that this money that is to be made available should be 100 per cent Federal aid and portion of this money that is to be made available would be allotted on force accounts.

ARKANSAS

Gov. Harvey Parnell, of Arkansas, wrote Governor Pollard that he was in hearty accord with his ideas. He suggests one additional provision, namely, that any extra Federal aid allowed a State could be matched against regular Federal aid the same as was done in 1931, and under H. R. 14804, Public, No. 550, Seventy-first Congress. He states that unless the Federal Government can allow the extra Federal aid to be matched against regular Federal aid it would be of little use to Arkansas. He states that all Members of the Arkansas delegation in Congress are willing to make strenuous effort for the measure.

FLORIDA

Gov. Doyle E. Carlton describes the plan as a very practical suggestion and pledges his cooperation.

IDAHO

Gov. C. Ben Ross is in favor of a program of direct appropriation from the Federal Government to carry on the road work to alleviate unemployment during next 12 months. He believes that the time of repayment should spread over a period of more than 10 years, and states that in his territory road funds can be expended as economically in the winter months as in the summer months.

ILLINOIS

Chief Highway Engineer Frank T. Sheets states that if increased Federal funds become available their construction budget could be increased proportionately. Such a course would be helpful and his State would favor it. According to Mr. Sheets, Illinois is heartily in favor of increased appropriation for road purposes.

KANSAS

Gov. Harry H. Woodring states that the plan would be most helpful to Kansas and pledges his cooperation for its consideration. He states that in his section funds could be used in the winter as well as summer.

KENTUCKY

Gov. Flem D. Sampson writes that the plan seems to him to be in every way sound and desirable, and it is his belief that if adopted it would serve the interests of the people in Kentucky.

MICHIGAN

Gov. Wilber M. Brucker writes that he is in hearty agreement with the proposal and is of the opinion that it will be of distinct value in promoting unemployment relief. The assurance of additional Federal funds would make it possible to complete certain road projects at an earlier date than otherwise could be expected.

MISSISSIPPI

Gov. Theodore G. Bilbo thinks the idea is a splendid one and that it would help conditions in his State materially. His cooperation is pledged.

MONTANA

Gov. J. E. Erickson has discussed the matter with Montana's Representatives in Congress, and he is of the opinion that the Montana delegation will be in accord with some such policy. He states that the unemployment situation in his section is not as acute as in some others but that there is a great deal of suffering from last summer's drought. He is in favor of putting idle men to work on the highways and other public improvements.

NEVADA

Gov. F. B. Balzar is in hearty sympathy with the suggestion and hopes that such legislation will be enacted.

NORTH CAROLINA

Hon. E. B. Jeffress, chairman of the State Highway Commission, states that the Highway Commission of North Carolina is in agreement generally with the proposition and that his State could use additional Federal aid to a great advantage, especially if it did not have to be matched with State funds.

NORTH DAKOTA

Gov. George F. Schafer will be glad to join in a request that this legislation be enacted, as it is his opinion that this method of providing unemployment relief is less burdensome than other methods. He states that highway construction is the most practical way of meeting the unemployment situation.

OREGON

Gov. Julius L. Meyer states that the plan as suggested by Governor Pollard is worthy of consideration, and in his judgment possesses considerable merit. He states that it is from the employment of hand labor that Oregon gets the greatest amount of relief and the largest and most general distribution of funds. He suggests that as far as Oregon is concerned, the funds available should not be conditioned on their being matched by State funds.

PENNSYLVANIA

Gov. Gifford Pinchot writes that at first blush his impression is very strongly in favor of the plan, but he asks further time to consider.

TENNESSEE

Gov. Henry H. Horton writes that the plan seems to him altogether commendable and that it would do much to relieve unemployment in his State. He pledges his cooperation.

TEXAS

Gov. R. S. Sterling writes that this is one way of providing employment, and that he is for most anything that will aid in this crisis.

WEST VIRGINIA

Gov. William D. Connely states that in his belief such an arrangement would be beneficial and materially aid the unemployment situation.

WISCONSIN

Gov. Philip F. La Follette advances the opinion that it is unnecessary to provide that deductions be made from future Federal aid to pay back the money. He states that if the entire sum is advanced now the Federal Government can reduce its Federal aid to roads during prosperous times.

WYOMING

Hon. Z. E. Sevison, superintendent of the State highway department, writes Gov. A. M. Clark suggesting a resolution by Congress deferring for two years the repayment of the $80,000,000 advance funds of December, 1930. He suggests a direct appropriation of probably $75,000,000 or $100,000,000 for emergency road improvement work, to be expended entirely on the Federal-aid highway system. He recognizes the advantage of having additional road funds made available.

So much, Mr. President, for that part of the substitute which provides an appropriation for road-construction work.

Mr. BLACK. Mr. President, will the Senator from Montana yield to me?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Alabama?

Mr. WALSH of Montana. I yield.

Mr. BLACK. In line with the statements made by the various governors, it might be a good idea to put in the RECORD two short paragraphs from the testimony of Governor Pinchot before the Manufactures Committee on this subject. If the Senator would like to have me do so, I can read it.

Mr. WALSH of Montana. I should be very glad to have the Senator do so.

Mr. BLACK. I read from Governor Pinchot's statement before the Committee on Manufactures as follows:

We have established six road-work camps, to which the men come and live in the camps. We have had from eight to ten times the applications for work in the camps than we could take care of.

The CHAIRMAN. Are those camps maintained by the State?

Governor PINCHOT. They are maintained entirely by the State. They are road-work camps. We shall establish other camps if we can, but the failure of the legislature to give us any more money for road building is going to interfere very seriously with that program.

I have taken the position that we ought to do whatever we can this winter to relieve distress, even if our road program next summer is destroyed. We had on December 26, 1931, 28,283 men at work on the roads. We saved the situation last summer in a great many of the counties by work on the roads, and we are doing the same in many counties now.

I may state to the Senator from Montana that at a later time, after he shall have finished, I expect to have inserted in the RECORD an article with reference to road work in Pennsylvania, which shows that they have been doing the work with a maximum amount of human labor and have secured the construction of highways at $5,000 per mile.

Mr. WAGNER. Mr. President, will the Senator from Montana yield to me?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from New York?

Mr. WALSH of Montana. I yield.

Mr. WAGNER. Before the Senator leaves this subject I think it ought to be emphasized that the Congress in an act which became a law in February of last year declared as the policy of Congress that during times of economic depression a public-works program ought to be enlarged and accelerated so as to absorb the unemployment caused by industrial slackness. If the administration, it seems to me, had followed that mandate of Congress which was enacted into law, we should not have to be pleading for an enlarged public-works program to-day in order to absorb unemployment. I think that is a fair statement of the situation, is it not?

Mr. WALSH of Montana. Yes; and again referring to the preparation of the Budget for this year, it occurs to me that in the preparation of the Budget the policy thus declared to be the policy of Congress was entirely ignored.

Now, Mr. President, I merely add, with respect to this feature of the proposed amendment, that it provides for an appropriation for road construction exactly the same as that in the bill for which it is offered as a substitute, the road appropriation to be handled under the provisions of the general Federal highways act, except that it is provided that any portion of the funds may be utilized for the improvement of roads and streets within municipalities, which is forbidden by the general act, and likewise that the funds need not be matched by the States.

Mr. BLAINE. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Wisconsin?

Mr. WALSH of Montana. I yield.

Mr. BLAINE. That exception does not include a township. It includes, I assume, villages and cities having streets and roads, but does not include a township as a municipality?

Mr. WALSH of Montana. The amendment is framed with reference to the language of the general act, and that provision of the general act, whatever it is, is declared to be nugatory, so far as this appropriation is concerned.

Mr. BLAINE. I assume that has special reference to incorporated cities and villages and not to townships? It clearly must be so.

Mr. WALSH of Montana. I am not sure how it has been interpreted, but I should think the Senator is correct about it.

Mr. BLAINE. It surely must be so, because the greater part of the mileage of Federal highways, of course, is in the country, and that means in the townships.

Mr. WALSH of Montana. I should think, accordingly, that the language would not be construed to forbid construction within a township.

Mr. BLAINE. Then let me make a further inquiry in connection with this subject. One-third, as I understand, of the $375,000,000 is to be expended in the fiscal year 1932. Is that amount to be expended upon that portion of the highways which are designated as Federal-aid highways?

Mr. WALSH of Montana. I should think it would be, because it is provided that it is to be expended in accordance with the provisions of the Federal highways act.

Mr. BLAINE. I merely wanted to be certain that that was the Senator's interpretation of the language of the act.

Mr. WALSH of Montana. I think that is correct.

Mr. BLAINE. That is my interpretation.

Mr. WALSH of Montana. Mr. President, as I have said, it was my view that the situation was to be taken care of by an expanded program of public works, but, in deference to the views of quite a number of Senators, a further provision has been included in the amendment, which, perhaps, is more directly intended as a substitute for the bill as it was reported by the committee. It was contended that while road work was desirable and helpful in a large way, it did not actually meet the situation in many of the States and in particular communities within the States. So the substitute contains a further provision for the appropriation of a like amount to be apportioned among the several States. Any State may avail itself of it by making an application for its allotment or any portion of its allotment, and it is now provided that the amount thus advanced to the State is to be repaid to the Government, the advance constituting, in effect, a loan; that is to say, the governor of the State is to certify that the amount is needed, and that it can not be supplied by the resources of the State or by private organization operating for the relief of the needy within the State.

Then the governor also makes a statement that he will use his best endeavors to secure the repayment by the State of the advances made to it; that is to say, that he will recommend repayment to the legislature, if the legislature is authorized to provide for repayment, or, if it becomes necessary to have an amendment to the constitution, that he will recommend an amendment to the constitution; but, in any case, under the amendment offered by the Senator from Nevada [Mr. PITTMAN], if provision should not be made by the State within three years for repayment, then for each of the succeeding five years one-fifth of the amount thus advanced to the State shall be deducted from any allotment of funds to the State under the general highways act. So repayment to the Federal Government is assured by the provisions of the substitute bill.

Mr. BLAINE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Wisconsin?

Mr. WALSH of Montana. I yield.

Mr. BLAINE. In that connection, may I suggest that the $80,000,000 emergency appropriation is to be deducted from the State's share within a 5-year period? So the result would be under this provision that there would be at least two years, if not three, during which there would be a double deduction.

Mr. WALSH of Montana. Quite so.

Mr. BLAINE. That is a deduction on account of the State's share of the $80,000,000 and a deduction on account of the State's share of the $125,000,000 provided in this proposed amendment.

Mr. WALSH of Montana. Provided the State called for the money; provided the State, in effect, borrowed it from the Government.

Mr. BLAINE. Provided the State called for it.

Mr. WALSH of Montana. And for so much as it called for.

Mr. BLAINE. So that, as a result, after five years, there would be a diminishing amount of Federal aid to the several States, which would contract the availability of funds for the absorption of labor.

Mr. WALSH of Montana. Exactly; to such extent as the States borrowed. Of course, however, we are hoping that after the lapse of at least three years the situation will be somewhat improved, even though prosperity is not "just around the corner" at the present time.

Mr. BLAINE. If the Senator will pardon the suggestion, he is very optimistic, and I was wondering if he were basing his optimism on the prospects in the next presidential campaign.

Mr. WALSH of Montana. That will contribute, I am sure.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Nevada?

Mr. WALSH of Montana. I yield.

Mr. PITTMAN. I will state that, under the amendment which has been accepted and is now a part of the proposed substitute, no deduction by the Government from the Federal appropriations for aid of the States in highway construction will commence to apply until after three years, and then only at the rate of one-fifth of the sum advanced to the States—one-fifth each year until paid. Consequently it would be from eight to nine years before the deductions would be completed, and they would never exceed one-fifth. Even if the $80,000,000 referred to were paid back in the same way as the other advance is to be paid back, it would still leave very close to four-fifths of the entire State aid from the Federal Government.

I will state further that the Governor of Wisconsin, as I read his statement, proposed that the money to be advanced by the Federal Government in addition to other appropriations for road work should be deducted from future advances by the Government, but the deductions should not be provided for at this time, because that could be done later. The amendment proposed by the Senator from Montana and others does not require any matching of the $375,000,000 at all or any repayment at any time. Therefore it was conceived that the repayment of the loans to the States for charity work as they would be paid back only one-fifth each year after three years would not be burdensome.

Mr. WALSH of Montana. Summarizing the essential differences between the pending bill and the direct-relief feature of the substitute it might be said that the bill makes a gift to the States of whatever is allotted or apportioned to them under it. The substitute makes these advances a loan to be repaid to the Federal Government.

The bill itself, as reported by the committee, puts the administration of the fund practically in the hands of a bureau in the city of Washington. The substitute puts the administration of the fund entirely in the hands of the State authorities. I spend no time in discussing the comparative merits of these two plans. I merely endeavor to point out what the difference is.

The system of administration provided by the bill reported by the committee is, however, in my judgment, open to the most serious objections. The fundamental objections to the bill were so elaborately pointed out by the Senator from Alabama [Mr. BLACK] that I pass that feature of it simply to call attention to some of the provisions which, it seems to me, make the system entirely unworkable.

I shall be very glad to have the attention of the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN], the latter apparently not being in the Chamber at this time. I desire, however, to call attention to some features of this measure which I think indicate that this bill could not possibly have been prepared by the two gentlemen named, the Senator from Colorado [Mr. COSTIGAN] being a very able lawyer and the Senator from Wisconsin [Mr. LA FOLLETTE] being an experienced legislator.

At page 7 of the bill will be found section 6, which in part reads as follows:

> Any State making application for funds under this act shall, by the agency designated or created to cooperate with the board, submit at such times as may be prescribed by the board plans for carrying out the provisions of this act within such State.

I beg to say in this matter and to give my assurance to the Senator from Wisconsin that I have no disposition to be carping in my criticism of this measure; but I am sure he will give me credit for finding substantial objection to the plan as it is recited in the bill.

Section 6 continues:

> The plans shall be subject to the approval of the board—

That board, as has been indicated, consists of the Chief of the Children's Bureau in the Department of Labor, the Director of Extension Work in the Department of Agriculture, the chief of the vocational rehabilitation service of the Federal Board for Vocational Education, and two members to be appointed by the President; but later on it is provided that the Chief of the Children's Bureau in the Department of Labor shall be charged with the administration of this act, subject to the supervision of the board, so that the Chief of the Children's Bureau is really the active agent in the administration of the fund that is created by the act.

> The plans shall be subject to the approval of the board and shall, within the discretion of the board, include the following:

Now, these are the plans:

> (1) An estimate of the amounts appropriated or otherwise made available, and of the amounts actually expended, for emergency relief by public and private agencies in the State for the calendar years 1929, 1930, and 1931.

Subdivision (2) is as follows. Now, this is the plan:

> (2) An estimate of the amounts necessary to meet the needs of emergency relief in the State in the calendar year 1932 and, upon call of the board, in the calendar year 1933; (3) provision for adequate State administrative personnel, whose qualifications to administer relief activities shall meet with the approval of the board.

Subdivision (b) of this section provides that—

> The Children's Bureau may, and at the request of the board shall, make such investigations as may be necessary to verify the statements and confirm the plans submitted by the State agency.

Then section 7, immediately following, provides:

> Within the limits of the apportionment made to any State on the basis of population the board may certify the payment to the State of not more than 40 per cent of the difference between estimated emergency relief expenditures in the State for the calendar year 1929 and the estimated needs of the State for the calendar year 1932 or 1933, as the case may be.

So, Mr. President, the governor of the State, in order to get the relief provided for by the bill, must certify the amount which was expended by the State for the calendar year 1929 for relief work; and that, I take it, is assumed to be a normal year.

Mr. LA FOLLETTE. Mr. President, will the Senator suffer an interruption at that point?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Wisconsin?

Mr. WALSH of Montana. I yield.

Mr. LA FOLLETTE. May I say that at the time both of the original bills were introduced they provided for taking the calendar year 1928 as the normal year against which to make comparisons in order to endeavor to arrive at an estimate of the emergency relief load due to unemployment. However, the testimony developed that the figures for relief in 1928 were not readily available, either in the localities or in the States, inasmuch as there had never been any particular attention paid to the amount of moneys provided for private and public charities and relief work in 1928 and years prior to that time. Therefore, the substitute bill—that is, the new bill, the joint bill—took the year 1929 as being the one year for which figures were available, and which, according to the testimony, could be considered to be almost as good a base year for normal expenditures as 1928.

Mr. WALSH of Montana. Then the governor of the State, as I take it, is required in the first place to submit a statement concerning the amount that was expended in his State during the year 1929 for emergency relief work, and then he is to submit an estimate of the amount which it is expected will be needed for similar work in 1932 or 1933, as the case may be; and 40 per cent of that difference is allotted to the State.

Mr. COSTIGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. WALSH of Montana. Yes.

Mr. COSTIGAN. Will the Senator from Montana permit me to add to what was said by the Senator from Wisconsin that Mr. Hurlin, an expert statistician associated with the Russell Sage Foundation, particularly recommended for statistical reasons that 1929 be taken as the proper year for comparison?

Mr. WALSH of Montana. It is quite aside from what I have to say whether 1928 is taken or whether 1929 is taken. The point is that the governor is required to make a statement concerning the amount that was expended in his State for relief work during 1929, as the bill now reads, and then he is to make an estimate of the amount that is necessary for 1932 or 1933, as the case may be; and the difference between those two amounts represents the increased demand that is to be made upon the State. When he does that the Children's Bureau may, and at the request of the board shall, make such investigations as may be necessary to verify the statements and confirm the plans that have been made. In other words, the Children's Bureau will have to send to the State of Montana or to the State of Wyoming or to the State of New York and check up every city and community in the State in order to ascertain whether or not the governor has given the correct figures; and some little girl who has just taken a course in some social-service school will go out to the State of New York, and, after an exhaustive survey all over the State of New York to ascer-

tain how much money was spent for emergency work in that State in the year 1929, will come back and report that the governor of the State is all wrong; that he has his figures altogether too high or too low, as the case may be.

Mr. COSTIGAN. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield. I desire to inquire, however, in the first place, how many inspectors will be necessary, what kind of an army we would have to have here to gather up these facts or to verify any statements of that character made by the governors of the States?

Mr. COSTIGAN. Mr. President, may I ask the Senator from Montana whether, in his judgment, the provisions which he has read are more stringent than those in the laws, frequently passed by the Congress, relating to Federal aid in the construction of public roads?

Mr. WALSH of Montana. Of course, the legislation regarding public roads is rather an old story. It has been in operation now for 16 years. However, I call attention to the fact that this, as I view it, contemplates the organization here in the city of Washington of an enormous force of inspectors who are to go about the various States to ascertain the situation.

So, you will observe, subdivision (2) provides for—

An estimate of the amounts necessary to meet the needs of emergency relief in the State in the calendar year 1932 and, upon call of the board, in the calendar year 1933.

The governor estimates that so much is necessary. An inspector will be sent out to the State to check up on whether or not that amount is actually necessary; and a controversy will thus be precipitated between an inspector sent out and the authorities of the State who certify with respect to this matter.

There is another provision of that part of the bill to which I desire to call attention.

Another condition in section 6 is that the plans shall make—

(5) Provision satisfactory to the board for securing the benefits contemplated by this act to persons within the State, irrespective of the period of residence within the State.

That is to say, the State can not get a dollar unless it submits plans by which it is going to take care of people who are within the State who are not residents of that State.

That may be a very wise thing to do, Mr. President; but we all realize that for centuries the contrary doctrine has been upheld by all the States, dating back from the old New England laws. Each town took care of the residents of that town who were poor and needy, and no nonresident of the town could claim a dollar of it; and that is the law now in most of our States. The counties are called upon to take care of the needy in my State, and they make appropriation accordingly; but they refuse to give any relief or aid to people who are not residents of the county, and they are enjoined to do so under the law. So that no State can get any benefit from this law that will not agree to take care of people who are nonresidents of the State, contrary to the policy of the State.

Having made that provision, however, the bill then, at pages 10 and 11, takes further care of these people who are nonresidents of the State, for subdivision (b) of section 10 provides:

The board is authorized, either in cooperation with the several States, through special grants or otherwise, or by such other means and agencies as it may determine, to make payments out of the reserve fund for the purpose of extending relief to migratory workers and their families, who, by reason of inability to establish legal residence within any State, are unable to qualify for benefits under any State-relief plan.

Mr. COSTIGAN. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield.

Mr. COSTIGAN. I do not desire to interrupt the informative discussion of the Senator from Montana, but at this point I venture to ask whether he has given consideration to the testimony taken by the Committee on Manufactures with respect to what is known as the migratory or transitory problem, which was discussed by me last week?

Mr. WALSH of Montana. I remember reading the testimony of the gentlemen who spoke in regard to it.

However that may be, in the first place, under the bill a State could not get any portion of this fund unless the plans which it submitted provided for taking care of the nonresidents as well as the residents of the State. But the bill provides, in addition to that, that the board itself may make just such provision as it sees fit to take care of the unemployed of the State. In other words, there will be the distribution of money directly by the Federal authority here in the city of Washington to those who happen to be in the State of Montana, who are not residents there, or who happen to be in the city of New York, who are not residents there. We all realize that there are probably thousands of people in the city of New York who are not residents of the city of New York, and many of them may be in need of aid. That aid will be given to them directly from the bureau here in Washington, if the board sees fit to so direct.

What I have said does not cover by any means, in my judgment, the only objections to the system of distribution proposed by the pending bill. I refer to these objections as indicating what I think was only hasty consideration of the frame-up of the measure.

Mr. President, I now venture to appeal to the authors of the bill to give their support, and the support of their friends whom they can influence, to the substitute which has been offered. There is a very decided majority of this body, I am sure, in favor of a plan of Federal relief in the present situation. I believe there is an overwhelming majority of the Senate that is in favor of an expanded road-construction program, to all of whom the substitute ought to make a strong appeal.

The authors of the bill undoubtedly realize that there is on this side of the Chamber a deep-seated hostility, its roots extending away back into the historic past, against enlarging the field of Federal operation or intrusting a Federal authority with functions which belong in a realm which the States have always heretofore almost exclusively considered as their own. A very wholesome dread pervades the entire country against the multiplication of bureaus and other agencies of government here in Washington.

Why should we divide our forces at this particular time? I make bold to say that I feel confident that the authors of the bill are entirely with us upon that feature of it. They have done a grand piece of work in forcing public attention to this all-important problem, and they would add to the credit that is due to them by now giving their support to a measure which stands some chance of having the approval of this body and of passing an Executive veto.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. BLACK] in the nature of a substitute, as modified.

Mr. TRAMMELL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Kean	Sheppard
Austin	Cutting	Kendrick	Shipstead
Bailey	Dale	Keyes	Smith
Bankhead	Dickinson	King	Smoot
Barbour	Dill	La Follette	Steiwer
Barkley	Fess	Lewis	Stephens
Bingham	Fletcher	Logan	Thomas, Idaho
Black	Frazier	McGill	Thomas, Okla.
Blaine	George	McKellar	Townsend
Borah	Glass	McNary	Trammell
Bratton	Glenn	Metcalf	Tydings
Brookhart	Goldsborough	Morrison	Vandenberg
Broussard	Gore	Moses	Wagner
Bulkley	Hale	Neely	Walcott
Bulow	Hastings	Norris	Walsh, Mass.
Byrnes	Hatfield	Nye	Walsh, Mont.
Capper	Hawes	Oddie	Waterman
Caraway	Hayden	Patterson	Watson
Carey	Hebert	Pittman	Wheeler
Connally	Howell	Reed	White
Coolidge	Hull	Robinson, Ark.	
Copeland	Johnson	Robinson, Ind.	
Costigan	Jones	Schall	

The VICE PRESIDENT. Eighty-nine Senators having answered to their names, a quorum is present.

Mr. BULKLEY obtained the floor.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. BULKLEY. I yield to the Senator from Alabama.

Mr. BLACK. Mr. President, at this point, following the very informative discussion by the Senator from Montana [Mr. WALSH] on the question of unemployment, I ask unanimous consent to have inserted in the RECORD the testimony of Mr. George W. Welsh, city manager of Grand Rapids, Mich., before the Committee on Manufactures, as it appears on pages 270 to 275 of the hearings. I do this because Mr. Welsh states that in his city the authorities have utilized the employment of men with wheelbarrows, picks, and shovels; that all who are able to work have been taken care of; and his testimony is a very excellent discussion of the problem.

I desire also to have printed in the RECORD immediately following that testimony an article appearing in the October issue of the Highway Engineer and Contractor on the subject "Pennsylvania's $100,000,000 Road Program," by Rollin Stone. This article shows that roads are being built in Pennsylvania, with a maximum of human labor, at $5,000 per mile.

Both of these matters I ask to have inserted are very interesting, and it is for that reason that I want them to appear in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT OF GEORGE W. WELSH, CITY MANAGER OF GRAND RAPIDS, MICH.

The CHAIRMAN. Will you please give your full name to the stenographer?

Mr. WELSH. George W. Welsh, Grand Rapids, Mich.

The CHAIRMAN. Are you city manager of Grand Rapids?

Mr. WELSH. Yes, sir; for three years.

The CHAIRMAN. Have you been giving consideration to the problems of unemployment and its relief in Grand Rapids?

Mr. WELSH. Yes, sir.

The CHAIRMAN. Will you give the committee the benefit of such information as you have concerning the amount of unemployment in Grand Rapids at present as compared with 1928 or 1929 and the manner in which unemployment relief has been provided in your city?

Mr. WELSH. In Grand Rapids the problem of unemployment relief is a problem of the municipality.

The CHAIRMAN. You have no private charitable organizations?

Mr. WELSH. We have several organizations, such as a community chest, which raises money, as in former years, for character-building agencies. The problem of direct relief due to unemployment has been assumed entirely by the municipality. That differs, of course, with the testimony of Mr. Dykstra that his city is taking part of the load, and of Mr. Ryerson that private enterprise is taking part of the load. In our case the city does it all.

In regard to the increase, the figures that I have bear no relation to the unemployment problem. We deal only with those who are in immediate need and only after a thorough investigation as to whether they have any other resources, so that the number of people to whom we are giving relief would not be an accurate estimate as to those who are out of employment.

In 1928 and 1929, which were normal years, the welfare department of the city spent for administration and material relief $51,000.

In 1930 we spent $297,665.10, and from April 1 to December 31 of this year $631,948.49. That is money spent directly for relief and does not represent money which has been spent for public projects or made work, on which part of our relief load has been placed.

The CHAIRMAN. How much have those expenditures been?

Mr. WELSH. I have not a list of them.

The CHAIRMAN. Can you approximate them?

Mr. WELSH. Yes; we are spending this year on one project $435,000.

The CHAIRMAN. Is that a project which you would ordinarily have undertaken, or was it undertaken in part for the purpose of providing employment?

Mr. WELSH. For the purpose of providing employment and to relieve us of the financial burden. For instance, during the winter of 1930, we spent $130,000 for snow removal, using that to relieve the welfare department, which at that time was short of funds. This represents perhaps 50 per cent more than would normally have been done. In other words, we did the job better and more of it because we had the money in our street-service department, and in various departments of the city we did likewise during the early part of the depression.

The CHAIRMAN. Can you tell the committee what standard of work relief is given to those who are receiving this direct aid?

Mr. WELSH. In Grand Rapids we insist that every able-bodied citizen asking for relief—after having a physical examination by our own physicians as to whether he is capable of doing heavy work or light work or no work at all—be required to perform some public work and give the relief that is necessary for his family.

The average cost at the present time for material relief per family is something over $6.25 per week.

The CHAIRMAN. Per family?

Mr. WELSH. Per family; yes. In addition to that, we count medical relief and hospitalization at the present time as part of our relief program.

For instance, since April 1 up to December 31, in addition to $631,000, we have spent $116,000 on medical relief, hospitalization, maternity cases, and various other cases.

Senator HATFIELD. Over what period of time?

Mr. WELSH. April 1 to December 31.

The CHAIRMAN. How many families or heads of families are receiving aid?

Mr. WELSH. At the present time heads of 3,600 families are working for their direct relief.

The CHAIRMAN. How does that compare with a year ago?

Mr. WELSH. It is greater.

The CHAIRMAN. How much?

Mr. WELSH. I should think close to one-third. We supplement what we are doing by seeing that those in need of relief are placed on public projects where we have money available for the projects. We do not encourage projects that do not give the maximum amount of labor.

The CHAIRMAN. What type of projects have you been undertaking?

Mr. WELSH. We have used many types of projects—improvement of parks, opening of dead-end streets, grading of unimproved streets, and so forth—where the work can be done without the expenditure of moneys for materials. We have laid over 10 miles of water mains, our water department paying for the mains out of their funds and we supplying the labor.

The $435,000 item mentioned previously was for the completion of trunk sewers.

We do no projects that can not be done with the maximum of labor and the minimum of material and equipment. In other words, our equipment consists almost entirely of wheelbarrows, shovels and picks, and planks to roll the wheelbarrows on, and in doing our park work using only such equipment as the city already possesses.

We had a very interesting experiment in the past month, competing with the contractors on sewer projects, competing with the engineer's estimate of the cost of the job—something over $7,000. By using no machinery we have completed the job under the estimate of the engineers and have taken care of 40 families on that job.

Senator COSTIGAN. Do you pay a minimum city wage in such cases?

Mr. WELSH. We pay 40 cents an hour.

Senator HATFIELD. That is for common labor?

Mr. WELSH. Yes; all labor that is welfare labor.

Senator HATFIELD. Most of it is common labor?

Mr. WELSH. Yes.

Senator COSTIGAN. Is that under a charter provision or a rule you have established?

Mr. WELSH. No; the city has always let public works out on contract. What we are trying to do now is have the city do the work using welfare labor and using the maximum amount of man power as against machinery.

Senator COSTIGAN. Who determines the hourly wage?

Mr. WELSH. The city commission.

Senator HATFIELD. How do you raise this money—by taxation or bond issue?

Mr. WELSH. Bond issue.

The CHAIRMAN. Is there any debt limit for cities in the State of Michigan?

Mr. WELSH. Yes.

The CHAIRMAN. What is the limit?

Mr. WELSH. We are well within our limit. The Michigan statute allows 10 per cent of the assessed valuation. That would allow us, in Grand Rapids, something over $26,000,000, against which we have at the present time outstanding bonds, minus our sinking fund, a little over $9,000,000.

The CHAIRMAN. How much of those issues is due to the employment-relief program?

Mr. WELSH. Well, we are allowed to issue, under special State provision, one-fourth of 1 per cent for emergency relief—one-fourth of 1 per cent of our assessed valuation. On that basis we have issued something over $700,000 worth of bonds. We have issued $435,000 for sewer construction, and have just recently passed and will be asking for $1,750,000 to continue that program.

The CHAIRMAN. Are these new sewer projects, or are you relaying some of the old sewers?

Mr. WELSH. It is largely new. It is the completion of a sanitary system started some time ago.

Senator HATFIELD. When will that be completed?

Mr. WELSH. We figure that it will take the better part of a year or more, if we get the money. We have to sell the bonds.

Senator HATFIELD. It is pretty hard to sell bonds at the present time?

Mr. WELSH. We will know within a week or two.

The CHAIRMAN. I think that is all. Thank you very much, Mr. Welsh.

Mr. DYKSTRA. Mr. Chairman, I would like to have my testimony understood as discussing purely and solely the question of emergency unemployment relief. I took into consideration no such projects as Mr. Welsh has—either water, sewer, or bond projects of any sort—in which we have, of course, absorbed a tremendous

amount of labor. But I threw that all out and confined myself to immediate emergency relief which could not be considered under any other head.

The CHAIRMAN. I so understood your testimony.

Mr. WELSH. We have tried to keep the cost of emergency relief outside of our usual expenditures; and, as Mr. Dykstra has said, we have supplemented it to such an extent that the exact amount does not represent the actual needs, because we have used these other projects, as in Cincinnati.

I would like to say, however, that I have read over the bills, and while I am glad to see the Government is taking an interest, I am opposed to the handing out of money; we do not have that in Grand Rapids, and it would change our entire system. I believe that the only remedy for unemployment is work. I believe it would be possible for the Government to provide that work just as we have been doing in Grand Rapids.

The CHAIRMAN. By the public-works program?

Mr. WELSH. No; I believe——

The CHAIRMAN. Or do you mean by making available to the city money for made-work programs?

Mr. WELSH. I would not advocate the usual type of made-work programs where a small amount of that appropriated goes for labor and a large amount goes for material. I believe that the plan we have tried out for two years in Grand Rapids could be extended to the States and to the National Government. I would make this army of unemployed a work army. I believe that the Government could find projects enough throughout the country to take these men out of the city—Mr. Ryerson's 10,000 single men—and put them on projects using labor only. The work that every one of our men does is on work that requires no outlay for material or machinery—just work they can do with shovels, wheelbarrows, picks, and planks to run wheelbarrows on. We have kept over 3,000 men employed every day.

We have been running over two years, and I believe it would be possible for the Government to do the same thing at the minimum of cost.

We have the single man's problem as they have in the larger cities, where it costs less than $2 a week to maintain these men. If they were given useful and helpful labor in return for that, I think it would be a wise thing to do.

I think if married men were taken and put to work and the proceeds of their labors sent back to the cities to maintain their families, so they would feel they were really earning what they were getting, that would be the wise thing to do. I think it should be done. I believe that a program could be worked out through the Army organization, the Army engineers, and other resources that the Government has, so that instead of supporting these people, having them idle in the cities, they would be out doing some useful work in return for the relief they are getting.

We have many miles of major water mains; we have improved streets and parks and have had no difficulty in finding enough legitimate projects.

I believe the Government could do the same thing, and perhaps encourage the States to carry some of the load. I would like to emphasize, as Mr. Dykstra has, that it is not so much a question of what have we done, but what are we going to do. Are we going to be able to sell bonds? If the balance of the President's program has the effect of solving that problem, our city is in a position to carry on. We are not over our bonded limit. It has not been a tremendous tax burden because the bonds have been issued over a period of three years. It will be a burden three years from now. If we could be assured of sufficient money to amortize them over a period of 15 years, we would be prepared to go through this for the next 3 or 4 years.

But if the purpose of your bills is to hand us money, and we have to hand it out, it would disrupt the system we have at the present time, and perhaps the advertisement of the fact the Federal Government will spend this money will increase our load.

Senator COSTIGAN. You do not find anything in the bills calling on localities to do more with Federal funds than they are now doing?

Mr. WELSH. No.

Senator COSTIGAN. Do you see any inconsistency between an emergency program for immediate need and a public-works program?

Mr. WELSH. I doubt if you were to appropriate money to build buildings and that sort of stuff—well, the cost would be so great, and the need at the present time is to see that these people do not suffer. If the maximum amount you appropriated was to be spent in labor and not in materials, that would be the desirable thing. I do not know what the size of the problem is in the country, but it must be a big one.

Senator COSTIGAN. You do recognize an immediate emergency in the Nation as a whole?

Mr. WELSH. Yes.

Senator COSTIGAN. Which calls for some form of national action?

Mr. WELSH. Yes; the responsibility can not be the municipality's alone.

Senator COSTIGAN. What the committee is now considering is an emergency program for the prevention of suffering and starvation. The long-time program to which you refer, of keeping the idle employed, is not necessarily inconsistent with the first suggestion, is it?

Mr. WELSH. Except that I think it would be better to employ them and let them earn the relief for their families than to give the relief and leave them idle; in other words, every dollar that we have raised by bond issue, outside of those families where there is no able-bodied breadwinner, has gone into groceries and fuel which have been converted through labor into relief. They have been earning what they have received. I think that some such plan as that is feasible, and your money would go farther.

Senator COSTIGAN. If Federal funds were made available to you for relief purposes, you would desire to expend them in that fashion?

Mr. WELSH. Yes. I presume under the bill we would get something like $300,000 in a year, but I would like to know where we will get the balance.

PENNSYLVANIA'S $100,000,000 ROAD PROGRAM

By Rollin Stone

Road programs of 20,000 miles and budgets of $100,000,000 and maintenance schedules of more than 33,000 miles sound like drunken engineers in Utopia. But that is what they're saying in Pennsylvania—and meaning it, too.

Pennsylvania recently took over 20,000 miles of roads from the townships, adding them to her thirteen thousand-odd miles of State highways. Of the sum total, about 12,000 miles were improved and about 3,000 miles are on the 1931 working schedule. Of the 1931 program, some 800 miles were given a "light-type" treatment which must be followed up immediately to obtain a permanent improvement, and avoid loss of work done to date.

So Pennsylvania is working out plans to improve the greatest mileage of roadways in the history of any Commonwealth and sets new marks for many a country to shoot at. Gov. Gifford Pinchot has ordered it, and Secretary of Highways Sam Lewis and Chief Engineer Sam Eckels have promised to do it. Neither will leave anything undone to make good.

In the matter of finances, the department was looking forward to about $130,000,000 for a fiscal biennium at the outset of the administration, which took office in January, 1931. Federal aid made a contribution and counties added funds. The new administration was badly cramped for cash at the outset as the old one had obligated every penny in hand and no new funds were in sight until the new year—June 1—had turned. In the face of such difficulties and largely on the strength of Federal aid, the department wrangled through a program of 3,000 miles. Many an experienced contractor stood by with bulging eyes.

So the new season is faced with the confidence inspired by ready cash—an unobligated pocketbook. Relief of slack labor is a serious factor in the program and Governor Pinchot is taking a personal interest in the machinery of the program.

One of the revolutionary phases of Pennsylvania's new road program is the type or types of roads that are planned. It must be puzzling to even the neophyte in construction that 20,000 miles and $100,000,000 be mentioned in the same breath. Speeches and published announcements and bits of conference echo all confirm it. The actual tabulated program is still on the conference board, but public promises by high officials have virtually told it. It remains only for the routine announcement and the detailed workings to be brought forth.

Between $5,000,000 and $10,000,000 has been spent, obligated, or budgeted for equipment and maintenance materials within a few months. The following description of types and methods will confirm the obvious need of more.

When the 20,000 miles of township roads were transferred by legislation to the department of highways, the department, in anticipation, had already made a state-wide survey of native materials—stone, sand, gravel, red dogs, slag. All sources were classified and spotted by the laboratory.

Without a real program at this stage, the department hastily began what amounted to a makeshift program in order that the season be not lost. This resulted in the construction of—unreal though it may sound—$5,000 per mile road. Virtually all the work was done by the department with greatly expanded forces.

Not that contractors were pushed aside. The department went into conference with them, told them the whole story, showed them the program and the bank balance. "We would be very happy to place large mileages with contractors," officials said. "It would remove some of our anxiety that snow will fly before we get these 1,700 miles completed. We are not worried about the work now under contract—the so-called Federal-aid program. We kept schedule on that and got our money."

Then came the question: "Will you contractors undertake some of this work on the condition that our estimates, which are very, very close, be the final word? Will you promise, if we show you these estimates, to bid on sample jobs and keep your bids under the estimates? Will you also promise to keep our time schedule?"

A few were willing and a few jobs were advertised for bids. As this is written, the bids have been opened a few hours, three of the low bidders were too high and bidders were scarce on the others. The high bids have been rejected. The department will do the work.

In the past several years concrete has been undisputed king in Pennsylvania highway circles. Macadam types have been unpopular. In many localities the people have protested loudly when the State advertised for macadam bids. They even offered to put up the necessary funds to pay the difference. Contractors responded right nobly to the urge and became very expert in the art of pouring concrete roads. In Pennsylvania the trend this season is distinctly macadam, and of a type that even the memory of old contractors does not recall.

Just how this huge program for 1932 will be carried out not even the Pennsylvania Department of Highways is willing to say right now. Whether or not contractors take a large hand in the construction is believed largely a problem for the contractors, who will have to learn in a great hurry the art and science of good

roads at low prices with operations and costs on a par with radio time—"20 seconds past noon, exactly."

Some have been gleaned by observers, who watched the department with its own forces build roads at $5,000 and less per mile. Sometimes it was much less, too.

One of the factors decidedly not a problem was the great number of men. These were to be had, of course, with ease. Labor rates were 30 cents to 40 cents. The department had, in a typical week, 17,000 men on its maintenance pay roll. Maintenance, here, was a misnomer, of course.

The next factor was not so easy at first—equipment. With the bulk of the work being done by hand labor and with local materials, plus speed, speed, speed, to beat the season, equipment in huge quantities was called for. The Pennsylvania department has for many years been among the best-equipped organizations in the country. But it had a heavy maintenance schedule and could not release all its equipment for construction.

New equipment was bought and much was rented. Rental was a needed boost to idle owners, incidentally. Hand tools were in demand as never since the war.

With a program of 1,700 miles to study, it seems safe to forecast a better understanding of "low-cost-type" macadam with native materials. In a program of 20,000 miles the field seems wide open to all comers willing to qualify.

The magic formula of the new type is: Minimum grading, reasonable brushing out, base course of stone to depth required by subsoil, surface course, and surface treatment. Widths variable, 14 feet upward, as traffic requires. Plans: None (economy).

Mention was made that the need for more equipment would be obvious as the magnitude of this program became apparent. Let it be said that a look just ahead reveals another program for another season. Furthermore, programs may come and go, but maintenance is with us always.

Mr. BULKLEY. Mr. President, I rise in support of the amendment in the nature of a substitute which is now pending, in the preparation of which I collaborated with the senior Senator from Alabama [Mr. BLACK] and the senior Senator from Montana [Mr. WALSH.] These distinguished Senators have so fully and so capably discussed the substitute that I find but little remains to be said, and I shall detain the Senate only a few moments.

I understand that the question underlying all the discussion is the question of whether we have arrived at the point where Federal aid for unemployment relief is really necessary. It would seem that no one contends that relief to the hungry and destitute is primarily a Federal obligation. As I read the hearings before the Committee on Manufactures, practically every witness declared that the obligation to take care of those in need is primarily a local obligation, and even those who under the existing circumstances stated that it is necessary for the Federal Government to lend assistance at this time also testified that that action ought to be taken only as a last resort. The very form of the pending bill shows the encouragement that its authors desire to give to local efforts to obtain contributions from local sources and State aid. So I take it that it is not necessary to argue that the Federal Government should be involved in the situation only as a final and a last resort.

Has the time come when Federal aid is necessary? Have local and State agencies so broken down as to convince us that we, representing the Federal Government, must take action? Or is such breakdown in immediate prospect?

Mr. President, I believe that it is in immediate prospect. I believe that the evidence taken before the Committee on Manufactures demonstrates beyond a doubt that such a breakdown is near; that if the Federal Government does not stand ready to give some aid in this situation, there will be actual starvation in many communities in the near future.

Speaking particularly concerning the witnesses representing the State of Ohio, who appeared before that committee, I can vouch for them as excellent, responsible men. Their words are to be relied upon. They would not exaggerate a situation, and they did not. Their statements are conservative and are well supported by the evidence which they produced. The conditions in the metropolitan communities of Ohio are even worse to-day than at the time the evidence was taken. There is but little acute distress in the rural communities in Ohio, but in the great cities conditions are getting worse, the number dependent upon charity is increasing and the funds available for taking care of them are being very rapidly diminished.

The crisis is not far off. From a very well-informed source in my State I have the estimate that for the year 1932, matching the needs of the State of Ohio for relief to the hungry and distressed against all of the funds from every source which are now in sight, there will be a shortage for the calendar year of some $21,000,000 for the State.

Mr. WALSH of Massachusetts. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Massachusetts?

Mr. BULKLEY. I yield.

Mr. WALSH of Massachusetts. May I inquire of the Senator whether or not the welfare work is performed by municipalities or by the State government in his State?

Mr. BULKLEY. It is performed by different agencies, the most important part being by local charitable organizations which have functioned for a long time. In Cleveland, for example, there has been cooperation between the welfare federation, the Jewish charities, and the municipality. The county has contributed to poor relief also.

Mr. WALSH of Massachusetts. Do the county treasury and the cities and towns appropriate funds for the use of official boards or public agencies which distribute those funds?

Mr. BULKLEY. They have paid money in many cases. The practice is not uniform throughout the State, but in many cases the distribution is made through established charitable organizations.

Mr. WALSH of Massachusetts. Do not all the cities and towns maintain welfare boards or boards that are known in some localities as overseers of the poor, to take care of the destitute?

Mr. BULKLEY. Yes; but there is an emergency now that has required more than such boards have been able to handle.

Mr. WALSH of Massachusetts. Have not such municipalities and communities increased those appropriations because of the increased demand for food and clothing from those in want?

Mr. BULKLEY. In some cases, yes; and in others additional appropriations have been voted down. Tax levies have been approved in some counties and voted down in others.

Mr. WALSH of Massachusetts. Has the Legislature of the State of Ohio appropriated any money to be distributed among the municipalities of Ohio for relief work in conjunction with appropriations made by the local communities?

Mr. BULKLEY. I take it the Senator is referring to State funds?

Mr. WALSH of Massachusetts. Yes.

Mr. BULKLEY. No; that is not the case. The State legislature has authorized communities to borrow for that purpose.

Mr. WALSH of Massachusetts. But the State of Ohio, through State appropriations, has made no effort to reimburse or help the welfare work being carried on by the various local communities?

Mr. BULKLEY. Not from State funds. That is one issue which is being raised in the State now. The governor is being urged to call an extra session of the legislature.

With respect to the $21,000,000 deficiency to which I just referred, it is not yet certain that that deficiency can not be supplied by local contributions through the action of the State and the municipal organizations within the State, with the help of local charity. I say it is not certain that it can not be raised, but it is so doubtful that I do not believe the Federal Government should leave such a situation without providing at least the possibility for help in case of urgent necessity.

Mr. President, I believe that the testimony to the effect that local and State aid is not going to be adequate and that serious emergencies are about to arise has been so complete and so convincing that it would be but a repetition for me to go farther along that line. I sincerely hope that the Senate is going to take the view that the situation is bad enough to justify Federal aid.

I turn now to the amendment in the nature of a substitute which is here pending. It is in two parts, one intended to

relieve unemployment by employment through an expanded program of road building; the other part a more direct substitute for the pending bill, providing for the advancement by the Federal Government of amounts requisitioned by governors of States, supported by their statements that the funds are necessary for emergency relief and can not be obtained in any other manner.

As to the first part of the bill, the road-building program, I want to invite attention to the fact that it is within the policy already established by the Federal Government and is within the policy commended and advocated by the President of the United States. I refer first to the Wagner Act, approved just one year ago to-morrow, for a declaration of Government policy on this question. I read from that act as follows:

For the purpose of aiding in the prevention of unemployment during periods of business depression and of permitting the Government to avail itself of opportunity for speedy, efficient, and economical construction during such periods, the President may direct the construction agencies to accelerate during such periods, to such extent as is deemed practicable, the prosecution of all authorized construction within their control.

And again:

It is hereby declared to be the policy of Congress to arrange the construction of public works so far as practicable in such manner as will assist in the stabilization of industry and employment through the proper timing of such construction, and that to further this object there shall be advance planning, including preparation of detailed construction plans, of public works by the construction agencies and the board.

As to the attitude of the administration on this question I refer to a statement made by the President of the United States about one year ago, on the 3d day of February, 1931. I quote:

In the matter of unemployment outside of the drought areas important economic measures of mutual self-help have been developed, such as those to maintain wages, to distribute employment equitably, to increase construction work by industry, to increase Federal construction work from a rate of about $275,000,000 a year prior to the depression to a rate now of over $750,000,000 a year, to expand State and municipal construction—all upon a scale never before provided or even attempted in any depression.

Again, in his annual message on the 8th of December last, reference is made by the President to the same policy, as follows:

As an aid to unemployment the Federal Government is engaged in the greatest program of public-building, harbor, flood-control, highway, aviation, merchant and naval ship construction in all history. Our expenditures on these works during this calendar year will reach about $780,000,000 compared with $260,000,000 in 1928. Through this increased construction, through the maintenance of a full complement of Federal employes, and through services to veterans, it is estimated that the Federal taxpayer is now directly contributing to the livelihood of 10,000,000 of our citizens.

If we do not adopt an expanded road-construction program or a program providing some other expansion of public works, there will not be expended during the year 1932 anything like the amount of expenditure which the President commended during the year 1931. So the program here suggested is within the policy declared by Congress and within the policy declared and approved by the President.

Now, as to the second part of the program, the advancement of money to States to take care of deficiencies in State and local relief for the hungry and destitute. Like the Senator from Montana [Mr. WALSH] I appeal to the Senators who are the authors of the bill to accept our amendment, lest the splendid work which they have done in showing the necessity for Federal aid be lost by a presidential veto.

Of course, I do not speak for the President; but I have come to the conclusion that a measure like the bill now pending, if not amended, would necessarily be vetoed by him, and I am going to read from official statements of the President so that Senators and citizens may draw their own conclusions. I turn first to a statement which the President made on the 3d of February, a year ago. He was referring to a certain measure then pending before Congress which he characterized as a proposal to appropriate money from the Federal Treasury for charitable purposes, and there is no question but that the pending bill provides for appropriations from the Federal Treasury for charitable purposes. Referring to the measure then pending, he said:

This is not an issue as to whether people shall go hungry or cold in the United States. It is solely a question of the best method by which hunger and cold shall be prevented. It is a question as to whether the American people on one hand will maintain the spirit of charity and mutual self-help through voluntary giving and the responsibility of local government as distinguished on the other hand from appropriations out of the Federal Treasury for such purposes. My own conviction is strongly that if we break down this sense of responsibility of individual generosity to individual and mutual self-help in the country in time of national difficulty and if we start appropriations of this character we have not only impaired something infinitely valuable in the life of the American people but have struck at the roots of self-government. Once this has happened it is not the cost of a few score millions but we are faced with the abyss of reliance in future upon Government charity in some form or other. The money involved is indeed the least of the costs to American ideals and American institutions.

Again in the same statement the President said:

But, after and coincidently with voluntary relief, our American system requires that municipal, county, and State governments shall use their own resources and credit before seeking such assistance from the Federal Treasury.

In another passage in the same statement he said:

I will accredit to those who advocate Federal charity a natural anxiety for the people of their States. I am willing to pledge myself that if the time should ever come that the voluntary agencies of the country, together with the local and State governments, are unable to find resources with which to prevent hunger and suffering in my country I will ask the aid of every resource of the Federal Government, because I would no more see starvation amongst our countrymen than would any Senator or Congressman. I have the faith in the American people that such a day will not come.

The American people are doing their job to-day. They should be given a chance to show whether they wish to preserve the principles of individual and local responsibility and mutual self-help before they embark on what I believe is a disastrous system. I feel sure they will succeed if given the opportunity.

Practically the same opinion is expressed in the annual message of the President of last December, in the following language:

I am opposed to any direct or indirect Government dole. The breakdown and increased unemployment in Europe is due in part to such practices. Our people are providing against distress from unemployment in true American fashion by a magnificent response to public appeal and by action of the local governments.

It is not my purpose to endeavor to interpret the word "dole." I am not terrified by the word, but I am conscious that it is more or less obnoxious to different people, according to their own points of view. I do not have any doubt, however, that the form of Government assistance, the gift of Government money for charitable purposes, as provided in the pending bill, comes within the President's definition of a dole, and is exactly what he intended to condemn by that message.

Whether or not we agree in all respects with what the President has said in those statements, we know that he sincerely believes in what he has said. We know that he has the power to veto what we do, and we know that, unless Federal relief is presented in such form as to avoid the serious objections which he finds, there will be nothing available to feed the hungry and the destitute. I sincerely hope that these expressions of the President, representing as they do the views of a large proportion of the people of the country, and representing the views of the Chief Executive, will have to be respected if anything practical is to be done.

It therefore seems to me necessary, if we believe in actually providing for the relief of suffering, that we must make the provision in such form that it will be available only as a loan and only if the absolute necessity is clearly shown.

In the event the absolute necessity shall arise, the President has indicated in one of the quotations which I have just made that he will not fail to approve cooperation by the Federal Government.

How can we be sure that our appropriations will be safeguarded and will not be used except in the case of real and extreme necessity? Perhaps nothing could be thought of that would be safer than the proposal of the substitute amendment. Under it the governors of the sovereign States

are required to ask for help from the Federal Government, and, in asking for it, they are required to make a statement that it is necessary for emergency relief and that funds can not be secured in any other way. If we can not trust the governors of our States we can not know whom to trust. If the governor of a State will make such a certificate or make such a statement to the Secretary of the Treasury, we must presume that the emergency is really at hand, and, whenever it is really at hand, our substitute provides for the availability of the funds with the greatest possible promptness and simplicity. There is no bureaucratic red tape about it. The funds are there to be had upon a very simple statement or certificate by the governor.

I shall say only a few words about the principle involved in the domination of a Federal bureau over State agencies in the administration of emergency relief. We must remember that to-day the local agencies are functioning throughout the land. They have had experience, some of them running over many years and through times both good and bad. They are the agencies that are in touch with the present needs and the present necessities; they are the agencies which necessarily have to carry on. I submit that we can better trust those local agencies which, in turn, are trusted by the people of the States and by the governors of the States, than to presume that a newly organized Federal board can teach those agencies better how to perform their work than they have learned through years of experience.

On the theory of the substitute amendment that the States assume a moral responsibility, which may be enforced later on in the discretion of Congress by withholding advancements for road construction within the respective States, they must be accorded the right and the liberty to administer those funds as they see fit, and we must believe in their competence to do that.

Many years ago Thomas Jefferson said some things about the relation of Federal and State Governments. I quote from him as follows:

> Our citizens have wisely formed themselves into one Nation as to others, and into several States as among themselves. To the united Nation belong our external and mutual relations; to each State severally the care of our persons, our property, our reputations, and religious freedom.

"The care of our persons" is specifically included. It is a State responsibility and not a Federal responsibility.

I quote again from Thomas Jefferson concerning the tendencies of Federal officeholders and the disadvantage accruing from operations conducted by them:

> Our country is too large to have all its affairs directed by a single government. Public servants at such distance, and from under the eye of their constituents, must, from the circumstances of distance, be unable to administer and overlook all the details necessary for the good government of the citizens, and the same circumstances, by rendering detection impossible to their constituents, will invite the public agents to corruption, plunder, and waste.

Mr. President, those statements were made more than 130 years ago. I do not think they can be improved upon to-day. The administration of funds provided in this crisis to help the needy and relieve suffering should be in accordance with those undying principles.

Mr. BLAINE. Mr. President, I desire to direct my attention to the question of highway aid by the Federal Government as a factor in the present unemployment situation.

I shall not engage in any assumptions. I shall undertake to discuss the matter from the standpoint of the facts as I gather them from the record.

If we undertake an analysis of Federal aid in highway construction on the basis of percentages, the amount of money that labor receives directly or indirectly, we are simply dealing with delusions and illusions. We need not approach the matter from that standpoint at all. We can approach it from the standpoint of actual experience in the past—no guesswork, no illusions, and no delusions.

Of course, Mr. President, I am in favor of extending more Federal aid in the construction of our highways than is presently available or proposed by the substitute. I am sure Senators are familiar with the fact that the Federal highway aid that now goes to the States embraces only 7 per cent of the post roads of the States; and under the Constitution Congress has the power, and in my opinion it is its duty, to provide for construction and maintenance on all post roads.

However, under the law and under the proposed amendment only 7 per cent of the highways of the respective States are to be affected by the proposed authorization for an appropriation. That alone indicates that Federal-aid construction is not a great factor in the relief of unemployment.

Let us go back to the year 1930. Senators will recall that at that time Congress had increased the Federal aid for highway construction from $75,000,000 annually to $125,000,000 annually, or an increase of $50,000,000.

On December 20, 1930, my colleague [Mr. LA FOLLETTE] placed in the RECORD the information that had been furnished him by the Bureau of Roads under the Department of Agriculture, showing that the total number of additional men employed by reason of this $50,000,000 annual increase was only 5,618 men per month.

I repeat, $50,000,000 added 5,618 men per month on an average to the pay roll. I am speaking now of men employed directly in highway construction. The six months for which the report was made were the peak months of highway construction, the months when the largest number of men were employed, with the sole exception of the month of July. The director evidently did not give my colleague the experience for the remainder of that year; but we all know that highway construction is retarded, beginning in the fall and continuing through the winter, until conditions become suitable for highway construction in the spring. At least, that is the situation in the northern tier of States.

Now let us follow this just a little further.

Of the $375,000,000 proposed, and that is to be paid over a period of presumably three years, at least, only $125,000,000 is available for the fiscal year ending June 30, 1932; but assuming that the whole $375,000,000 were available, on the actual experience of 1930 we would have seven and one-half times as many men employed per month. Seven and a half times $50,000,000 is $375,000,000. That would mean a total of an average of 42,135 additional men per month directly employed in highway construction. It is proposed, however, that only $125,000,000 of the amount shall be used for this year. That is only one-third of the gross sum. So we would have in fact only 14,045 men per month directly engaged in highway construction.

The Director of the Bureau of Roads testified at a hearing before the Committee on Post Offices and Post Roads of the Senate in January of this year to this effect (p. 71 of the hearing):

> Mr. MACDONALD. We estimate the equivalent of two persons paid wages indirectly for one person paid wages directly on the road, but the wages are higher.

Accepting that testimony to be a correct statement of the fact, the experience of 1930 demonstrates that all available extra men under the amendment, the unemployed who will be employed directly and indirectly, are only 42,135 men per month. That will be only during the peak of construction, and there will be a diminishing number during the remainder of the year.

Mr. BLACK. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Alabama?

Mr. BLAINE. I yield.

Mr. BLACK. The Senator will observe in the bill that they are permitted to spend $125,000,000 between now and July 1. The Senator will also understand that in order for the road funds to be expended between now and July it would probably be a fair average to say that the expenditure would begin on April 1. Probably the Senator thinks it might be longer; but, that being true, we would have the months of April, May, and June, or a period of three months. I have been informed by the Highway Department—as I stated to the Senator, I can not vouch for its absolute credibility—that this $125,000,000 would employ over a million men for one month; and for three months it would, therefore, employ three hundred and some odd thousand.

Of course, if it were to be extended until January 1, then it would be a smaller number; but I simply desired to call the Senator's attention to the fact that they are permitted to spend it between now and July 1.

Mr. BLAINE. Of course, from now until April 1 is a long time for a man who is starving to wait for something to eat.

Mr. BLACK. Will the Senator yield further?

Mr. BLAINE. I yield.

Mr. BLACK. I agree with the Senator absolutely; but if the bill which the Senator is evidently speaking for becomes the law, the bureau, with its red tape, will not have to issue a dollar to feed a starving person until 60 days after all the red tape has been complied with in any State of the Union.

Mr. BLAINE. If that is the Senator's objection to the bill, I respectfully suggest that he shorten the time.

Mr. BLACK. I will state to the Senator that to attempt to shorten the time of a bureau's action is to attempt an impossible task. That, however, is simply one of the objections.

Mr. BLAINE. Mr. President, I am not going to be drawn from the course I have set for my remarks by a discussion of the bureaus and departments. I do not know what the Director of the Bureau of Roads stated to the Senator from Alabama, but I do know that the experience of 1930 shows that under the $50,000,000 additional appropriation there were directly employed, on an average, 5,618 men per month for six months. Those were the months of April, May, June, August, September, and October.

Now, let me turn to a more recent experience.

Mr. LOGAN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. BLAINE. I yield.

Mr. LOGAN. Did I understand the Senator in his last statement to say that the road department reported that that $50,000,000 enabled them to employ 42,000 men per month? Is that what the Senator said?

Mr. BLAINE. No. I should have added, taking the statement of the Director of the Bureau of Roads on the experience of 1930, the $375,000,000 additional under this bill would employ 42,135 men per month for six months.

Mr. LOGAN. The Senator would not really take the whole $375,000,000 to employ 42,000 men?

Mr. BLAINE. That is spread over three years, Mr. President.

Mr. LOGAN. Yes; I see.

Mr. BLAINE. Mr. President, I want to make myself clear. I do not want to repeat; but it is a matter of multiplication and division. The Bureau of Roads reported the number of additional men employed, due to the $50,000,000 appropriation. The total of those men for the six months, of course, is not what was employed, but it was the average per month that was employed. That was 5,618 men; and if we take the $375,000,000, we have seven and one-half times as much money available, that would equal 42,135 men; that is, 42,135 men on an average per month. But there is available only one-third of that, so that leaves 14,045 on an average per month.

I have been speaking of the men employed directly. The Bureau of Roads states that it stands 2 to 1. Therefore all of the men who would be employed, directly and indirectly, accepting the experience of 1930, under the increase provided in the proposed amendment of $125,000,000, would be 42,135 men per month.

Mr. LOGAN. I thank the Senator.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. WALSH of Montana. I remember a very interesting discussion in this body a great many years ago, in which it was disclosed that a certain department of the Government was asked for some information by one Senator, and he got the information and gave it to the Senate. The same department was asked for the same information by another Member of the Senate, and he got quite a different result. It was proposed that the Senate average up the two to find out what the fact was.

I called attention a little while ago to the testimony of Mr. MacDonald, the gentleman to whom the Senator is now adverting, in which he stated:

> In the first six months of 1931 a program, Federal-aid program, was started, of $256,000,000, and that employed during the peak months just a little short of 400,000 men.

That is a little better than one and one-half men per thousand dollars. If that is the case, $50,000,000 would put about 75,000 men to work.

Mr. BLAINE. Mr. President, if the Senator will just for a moment observe the table on page 74 of the recent hearings——

Mr. WALSH of Montana. I have it before me.

Mr. BLAINE. He will find that the Chief of the Bureau of Roads was talking about a stage army when he gave the total. These men under this table have marched past twelve times, and the 400,000 to whom he referred during the peak month was 389,949 men. That was the grand total of men employed under forest, park, Federal aid, and State aid for the peak month.

Mr. WALSH of Montana. Whatever it was, it was one and one-half men per thousand.

Mr. BLAINE. We do not know how much money of the total was spent during that month.

Mr. WALSH of Montana. This is a 6-month program.

Mr. BLAINE. But the Senator must appreciate that this larger number of men produced a larger program, and that whole program was spread out over the whole year. He will find that in January of the same year there were only 148,600 men employed. The Chief of the Bureau of Roads was talking, in the paragraph the Senator quoted, of the total number of men employed by the Federal Government and State governments for the peak month of construction, and that would be the peak month of payment out of the total fund. So the Senator can not make a comparison respecting the number per thousand unless he has the exact number of dollars that were paid out during that month.

The Senator from Montana made a very interesting comment, in which he referred to the head of a department giving information to one Senator and different information to another Senator. I had that in mind, so I undertook to carry out a little problem of proving or disproving the statements submitted. I went to the testimony given by the Director of the Bureau of Roads before the Committee on Post Offices and Post Roads only recently. Senators will find on page 74 a statement as to the number of men engaged each month under the regular Federal-aid appropriation. That is, giving now the experience of the department in 1931, the regular appropriation was $125,000,000. The emergency appropriation was $80,000,000.

Under the regular appropriation there was expended, according to the table on page 73, $121,404,000. That $121,000,000 was used as Federal aid, known as the regular aid, not the emergency aid.

If Senators will add up the total number of men employed for the 12 months of 1931 under the regular aid appropriation, they will find that the average number of men employed in 1931 under the $121,000,000 appropriation was 35,438. That was the average, and that is the only way by which we can determine how many men are going to be employed under this present appropriation.

I assume these are facts. I assume that the director of roads, when he inserted the table in his testimony, was telling the truth. He did not tell it to one Senator, he told it to all Senators, and he told it to everybody who desired to read the table. These seem to be uncontroverted facts, facts which can not be broken down by any suggestion.

Let us do a little figuring on the experience of 1931. Under the regular program, with a little over $121,000,000 expended, there were employed per month an average of 35,438 men directly on Federal-aid projects. Three hundred and seventy-five million dollars is three and a half times $121,000,000 in round numbers.

We can take a shorter course than pursuing it along that line, however. I prefer to make myself perfectly clear and have the RECORD clear. If the whole $375,000,000 was expended on the basis of the experience of 1931, there would be employed directly 106,314 men per month. But it is proposed to expend only one-third of the $375,000,000 for 1932, and therefore we go back to the figure I originally stated, 35,438 men per month, directly employed.

Assuming that there are two men indirectly employed to one man directly employed, under the $121,000,000 expenditures on regular Federal-aid projects, there were employed 106,314 men per month, directly and indirectly. When we are speaking of employment indirectly, we must go back to the concrete mills, we must go back to the raw materials which go to the concrete mills, we must go to the stone quarries, to the gravel pits, to the lime kilns; we must go back to all those, and to the railroads. When gentlemen speak of indirectly employed men they include presidents, managers of corporations which have charge of cement mills, railroads, aggregate supplies, and all other corporations furnishing any material whatsoever. Those are included in the 2 to 1 proposition.

Let us make a little check to see how nearly Mr. MacDonald, the Chief of the Bureau of Roads, told the truth when he reported to my colleague and when he reported before the committee. In making this check I find that he was correct almost to the fraction, and it is easy of computation. On the basis of the experience of 1931, with an expenditure of $121,000,000 of the regular highway fund, there were employed 106,314 men as an average per month, directly and indirectly. Mr. MacDonald has made no mistake respecting that proposition.

Take the basis of the experience of 1930 and the report Mr. MacDonald made to my colleague, and Senators will find almost the same result. The $121,000,000 expended in 1931 is two and four-tenths times the $50,000,000 expended in 1930. Therefore, we have the result that under the experiences of 1930, on the basis of the amount to which I have referred, there would have been employed, directly and indirectly, 101,124 men per month on an average. Taking identically the same basis and the statement of the Director of the Bureau of Roads, under the program of 1931 there would be employed 106,314 men, on an average, per month, directly and indirectly, and Mr. MacDonald explains very clearly to my mind that there would have been more men employed in 1931 than there were in 1930, out of the same identical appropriations, because of the fact that wages were higher in 1930 than 1931, thus accounting for the few thousand difference in the number of men employed on the average per month. So Mr. MacDonald, the Chief of the Bureau of Roads, has not told my colleague one thing and put in the record another thing, or told some other Senator a different thing. When we check on the report he has made respecting the number of men employed under the appropriation to which I have referred, we find that his statements are correct—at least, as nearly correct as the magnitude of the highway projects permits.

Mr. President, from the standpoint of emergency relief, the $125,000,000 that is to come out of the $375,000,000 will employ but very few of the total unemployed. Therefore, I do not consider the amendment respecting highway improvement important from the standpoint of the relief of unemployment. I do consider it important from the standpoint of what the Federal Government ought to consider in the building of post roads under the Constitution of the United States. So may I suggest to the Senator from Montana [Mr. WALSH] and the Senator from Alabama [Mr. BLACK] that if they will strike out all of their amendment, excepting the provision relating to additional funds for Federal-aid highway construction, I shall be very glad to support it.

Mr. COUZENS. Mr. President, I offer an amendment to the pending bill and ask to have it lie on the table.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

EXECUTIVE SESSION

Mr. BORAH. Mr. President, I understood that we have an agreement for an executive session at this hour.

Mr. McNARY. No, Mr. President; the agreement is in form merely an understanding——

The PRESIDENT pro tempore. There is no such unanimous-consent agreement of record.

Mr. McNARY. Mr. President, as I was explaining, there is no unanimous-consent agreement. Of course, no one understands that there is. There was merely an understanding that we would this afternoon take up the nominations for the Tariff Commission, and I therefore move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate several messages from the President of the United States submitting nominations, which were appropriately referred.

(For nominations this day received, see the end of Senate proceedings.)

CALL OF THE ROLL

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Kean	Sheppard
Austin	Cutting	Kendrick	Shipstead
Bailey	Dale	Keyes	Smith
Bankhead	Dickinson	King	Smoot
Barbour	Dill	La Follette	Steiwer
Barkley	Fess	Lewis	Stephens
Bingham	Fletcher	Logan	Thomas, Idaho
Black	Frazier	McGill	Thomas, Okla.
Blaine	George	McKellar	Townsend
Borah	Glass	McNary	Trammell
Bratton	Glenn	Metcalf	Tydings
Brookhart	Goldsborough	Morrison	Vandenberg
Broussard	Gore	Moses	Wagner
Bulkley	Hale	Neely	Walcott
Bulow	Hastings	Norris	Walsh, Mass.
Byrnes	Hatfield	Nye	Walsh, Mont.
Capper	Hawes	Oddie	Waterman
Caraway	Hayden	Patterson	Watson
Carey	Hebert	Pittman	Wheeler
Connally	Howell	Reed	White
Coolidge	Hull	Robinson, Ark.	
Copeland	Johnson	Robinson, Ind.	
Costigan	Jones	Schall	

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

REPORTS OF COMMITTEES

Mr. SMOOT. Mr. President, from the Committee on Finance I report back favorably the nomination of Hon. Ogden L. Mills, of New York, to be Secretary of the Treasury, vice Andrew W. Mellon. I ask unanimous consent for the present consideration of the nomination.

The VICE PRESIDENT. Let it be reported.

The Chief Clerk read the nomination of Ogden L. Mills, of New York, to be Secretary of the Treasury, vice Andrew W. Mellon.

The VICE PRESIDENT. Is there objection to the present consideration of the nomination?

Mr. NORRIS. Mr. President, I do not know of any reason why we should make an exception of this nomination. I think it ought to go over.

Mr. SMOOT. Does the Senator object?

Mr. NORRIS. I object.

The VICE PRESIDENT. The nomination will be passed over.

Mr. SMOOT also, from the Committee on Finance, reported favorably the nomination of Arthur A. Ballantine, of New York, to be Under Secretary of the Treasury, vice Ogden L. Mills, which was placed on the Executive Calendar.

He also, from the same committee, reported favorably the nomination of Gerald A. Jewett, of Des Moines, Iowa, to be collector of internal revenue for the district of Iowa in place of Lars E. Bladine, resigned, which was placed on the Executive Calendar.

Mr. WATSON, from the Committee on Finance, reported favorably the nomination of Fred A. Bradley, of Buffalo, N. Y., to be collector of customs for customs collection district No. 9, with headquarters at Buffalo, N. Y. (reappointment), which was placed on the Executive Calendar.

Mr. WATERMAN, from the Committee on the Judiciary, reported favorably the nomination of Charles A. Patton, of Colorado, to be United States marshal, district of Colorado, to succeed Richard A. Callen, whose term expired February 14, 1931, which was placed on the Executive Calendar.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were placed on the Executive Calendar.

TREATIES

Mr. BORAH. Mr. President, I ask that the treaties on the calendar may go over, at the request of the Senator from Montana [Mr. WALSH].

The VICE PRESIDENT. Without objection, it is so ordered.

FEDERAL FARM BOARD

The Chief Clerk proceeded to read the nominations for the Federal Farm Board.

Mr. McNARY. Mr. President, I hope these nominations can be disposed of this week. I have an understanding to that effect with the senior Senator from South Dakota [Mr. NORBECK]. I ask that for the present the nominations may go over.

The VICE PRESIDENT. The nominations will be passed over.

UNITED STATES TARIFF COMMISSION

The Chief Clerk read the nomination of Ira M. Ornburn to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1933.

Mr. NORRIS obtained the floor.

Mr. ODDIE. Mr. President, will the Senator yield? I expect to be called out of the Chamber in a few moments, and for that reason I ask him to yield.

Mr. NORRIS. Very well; I yield.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. ODDIE. I ask unanimous consent that the nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, it is so ordered.

THE ARMY

Mr. REED. Mr. President, I make the same request with regard to Army nominations.

The Chief Clerk read sundry nominations of officers in the Army.

The VICE PRESIDENT. Is there objection? The Chair hears none, and these nominations are confirmed.

GEORGE A. MAUK

Mr. ASHURST. Mr. President, I make a similar request respecting the nomination of George A. Mauk to be United States marshal, district of Arizona. I ask that it be confirmed at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the nomination is confirmed. That completes the calendar, except the nominations to the United States Tariff Commission.

UNITED STATES TARIFF COMMISSION—IRA M. ORNBURN

Mr. NORRIS. Mr. President, is the nomination of Mr. Ornburn before the Senate now?

The VICE PRESIDENT. It is before the Senate at this time.

Mr. NORRIS. I notice, and I suppose the Senate takes notice of the fact, that these nominations have been confirmed and taken up out of their order on the ground, as the Senator from Nevada [Mr. ODDIE] stated, that Senators were expecting to be compelled to leave the Chamber soon.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. NORRIS. Not just now. All Senators were aware of the fact that I probably had something to say about the Ornburn nomination.

Mr. ASHURST. Mr. President, I think the Senator ought to yield to me.

Mr. NORRIS. Very well.

Mr. ASHURST. I am remaining because the senior Senator from Nebraska is going to speak. That is the one reason why I am going to remain.

Mr. NORRIS. I am sorry that even the Senator from Arizona is going to be disappointed. Senators need not leave the Chamber, because I expect to occupy only a few moments.

Mr. President, I have no personal acquaintance with the nominee, Mr. Ornburn. I have no personal knowledge as to any of the serious charges which have been made against him. I have no ill will; I have no interest whatever in the nomination except the interest that we all have and that the country has.

The Tariff Commission is an exceedingly important and powerful body, and its duties bring it into direct contact with the interests of all classes of people. Therefore, we should make no mistake if we can possibly avoid it.

So, Mr. President, I am going to make a motion that this nomination be recommitted to the committee. I do that because, in my judgment, the committee has not made a sufficient investigation of the fitness of this nominee. I want to be perfectly fair, and say that it may be that all the charges that have been sent to me and that I have read as having been sent to other Senators are unfounded; I am not backing up any of them, but they come from apparently well-authenticated sources. One thing I do not like about them is that most of them are confidential, and for various reasons the persons making them do not want their names used, at the present time at least, on the floor of the Senate. I realize that that takes away a great deal of the force of any objection, and were it not for the fact that various letters and telegrams that I have seen in regard to this nominee apparently come from a very high class of people—the communications are well written—and from people who apparently on the face of things are well acquainted with conditions, I would not make any suggestion regarding the nomination.

I do not want to discuss at this time, if it can possibly be avoided, the charges themselves. I think most Senators know what they are or have a general idea of their nature, and for fear that they might not be substantiated on investigation I prefer not to go into them. It seems to me, however—and I have talked with several members of the committee who have agreed with me—that this nomination ought to be recommitted to the committee so that an opportunity may be afforded to examine into it.

For instance, I have to-day a telegram in which it is said:

A Connecticut newspaper is investigating serious and apparently reliable statements connecting Mr. Ornburn—

With various things that are set out.

Mr. WATSON. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Indiana?

Mr. NORRIS. Yes.

Mr. WATSON. I want to say that there were no important charges made against Mr. Ornburn in the Finance Committee. The only charges made were, first, that his Democracy might be questioned——

Mr. NORRIS. I have no interest in that charge, I will say to the Senator.

Mr. WATSON. We on our side did not have any interest in it, either.

Mr. NORRIS. I have no interest in that whatever.

Mr. WATSON. Secondly, that he was at least appointed with the understanding that he was the representative of labor. That question was raised before the committee, but we disposed of both of those alleged charges, if I may use the term, to the entire satisfaction of the members of the

committee. If there be any charges against him aside from those two, they were not made plain to the committee at all.

Mr. NORRIS. Mr. President, I have no interest in the second charge. I understand that this nominee is a union-labor man and is backed by labor, although that is contradicted by a great many labor men. It is not sufficient to put a man on the Tariff Commission because he is a labor man; that does not qualify him for the position. I do not suppose anyone will question the fact that I have, I think, always been a consistent friend of union labor; but, if I thought he was unfit, I would not permit a nominee in the case of an office of this kind to be confirmed, if I could prevent it, although he was backed by all the labor men in the United States. I am not even saying, as I hope Senators will understand, that he is unfit, but I am saying that if half of what is said about him in the letters that I have read is true, then he is unfit and his nomination ought not to be confirmed. He might be fit for some other position, but not for this one.

Mr. SMOOT. Mr. President——

Mr. NORRIS. I yield to the Senator from Utah.

Mr. SMOOT. I want to say to the Senator and to the Senate that I do not know of any nomination that ever came before the Finance Committee with a greater number of indorsements from labor organizations, officials of States, and business men of affairs. I do not know of anyone since I have been a member of the Finance Committee that had a longer string of indorsements than had Mr. Ornburn.

Mr. NORRIS. I think it is quite probable that he does have such indorsements; I have not seen them; but from the very nature of the case he would be, I presume, and is indorsed by labor unions from all parts of the country, by men who never knew him before, because he is a labor candidate; and that is perfectly natural.

Mr. BINGHAM. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Connecticut?

Mr. NORRIS. I have already yielded to the Senator from Utah. I will yield to the Senator from Connecticut when the Senator from Utah has concluded.

Mr. SMOOT. If the Senator from Connecticut desires to ask a question, I will yield to him.

Mr. BINGHAM. Mr. President, does the Senator not know that Mr. Ornburn was indorsed by the executive committee of the American Federation of Labor, by men who not only knew him but who worked with him for years, and who have the highest regard for his ability?

Mr. NORRIS. No.

Mr. BINGHAM. However, that is true.

Mr. SMOOT. That is true.

Mr. NORRIS. That all may be true.

Mr. BINGHAM. It is in the record.

Mr. NORRIS. I do know that a great many labor men—and I have had letters from some of them—have told me of the manner in which many of these indorsements were obtained, and under what circumstances they were obtained, and upon due consideration they are opposed to him and do not themselves believe that he ought to be confirmed.

Mr. BINGHAM. Mr. President, will the Senator yield further?

Mr. NORRIS. Yes; I yield.

Mr. BINGHAM. Since the Senator is so interested in opposing this nominee, how could it happen that he did not read in the RECORD of February 5 the letter from William Green, president of the American Federation of Labor, addressed to the Vice President, saying:

> Mr. PRESIDENT: I am writing to advise you that the executive council of the American Federation of Labor, which is now meeting at the headquarters of the American Federation of Labor in this city, unanimously indorsed the appointment of Mr. I. M. Ornburn as a member of the United States Tariff Commission.
>
> I am directed by the executive council to write you, earnestly requesting that the Members of the United States Senate vote in favor of the confirmation of the appointment of Mr. Ornburn. The members of the executive council have known Mr. Ornburn for many years.

The Senator from Nebraska replies that the labor people backing him do not know him. To go on with Mr. Green's letter:

> He has been prominent in the councils of the American Federation of Labor and is held in high esteem and high regard by his associates.
>
> We feel that his training in the field of labor and his knowledge of wages and the relations of wages to tariff schedules fit him in a very large way to serve with distinction and honor as a member of the United States Tariff Commission.
>
> Respectfully submitted.
>
> WM. GREEN,
> *President American Federation of Labor.*

Surely, Mr. President, that ought to persuade the Senator that the labor men who are backing Mr. Ornburn are not people who do not know him.

Mr. NORRIS. Mr. President, if the Senator has finished, let me say, taking the statement as he has read it, that the members of the executive council knew Mr. Ornburn personally, I wonder if Mr. Green ever saw him? There is nothing in the letter to indicate that he ever did; there is nothing in it to show that Mr. Green ever read a thing the nominee ever wrote or knew of anything he ever did or heard anything he ever said. The Senator from Connecticut wonders why I have not read that letter. Well, I arrived in the city to-day a little before 12 o'clock. That is the reason I have not read it.

I congratulate labor in the United States on its new champion, the Senator from Connecticut. He is willing to swallow this man just because labor wants him. That is a new step he is taking in his official and public career as a statesman in this great body.

Mr. BINGHAM. Mr. President, is it a fair question to ask the Senator from Nebraska, the distinguished Senator from Nebraska, if he is opposing the nominee merely because labor wants him appointed?

Mr. NORRIS. Yes; that is a fair question; but from what I have said everyone knows that I am not opposing him; I have stated I do not know anything about this nominee; but he is nominated here for one of the most important places under the United States Government, and there are charges made, as this newspaper telegram says, apparently well authenticated——

Mr. BINGHAM. What newspaper is it from?

Mr. NORRIS. I do not know—a prominent Connecticut newspaper.

Mr. BINGHAM. Are all the Senator's newspaper communications and letters anonymous as well?

Mr. NORRIS. No; not all of them.

Mr. BINGHAM. Does not the Senator know what newspaper it was?

Mr. NORRIS. No; I do not. Unfortunately, I do not read Connecticut newspapers; there are too many of them, and they stand for the same things that the Senator stands for, and I can not waste my time on them.

Mr. BINGHAM. It is quite true that all of them, with but one exception, are in favor of this nomination, and that exception is not a creditable one, and if the Senator knew a little more about Connecticut newspapers, that he is now trying to talk about, he would appreciate that fact.

Mr. NORRIS. Now, Mr. President, as a Member of this body trying to do his duty, these charges have been coming to me by wire and by letter, some from men who confess they are afraid to give their names and have their names made public. One reason they give for the charges, a reason that heretofore I have paid no attention to, is that a great political conspiracy is behind this nomination. I never had a suspicion in my mind that there was any foundation for it, and I paid no attention to it, as I have said, until the Senator from Connecticut comes to the defense of a labor man. It is the greatest curiosity that I have seen for many a day.

Mr. President, I have not any interest in this matter, but if it will do the Senator from Connecticut any good or be any satisfaction to him, I will say to him that neither Mr. Green nor all the organizations of labor in the United States have any more control over my vote than anyone else. I am

almost invariably in sympathy with what they are trying to do, but my vote is my own, and if they favor for important public office somebody as to whom it seems to me it is our duty to make a further investigation in order to ascertain whether or not he is qualified, I want that investigation made, no matter who is behind the nominee.

Mr. MOSES and Mr. ROBINSON of Arkansas addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield first to the Senator from New Hampshire.

Mr. MOSES. If the Senator from Nebraska will permit me to add to the anomaly of which he has spoken, let me say that I, too, hope that Mr. Ornburn may be confirmed, not because I know him, for I do not know him any better than does the Senator from Nebraska, but because I am wholly unwilling, upon the basis of anonymous charges such as those suggested by the Senator from Nebraska, to have a nomination recommitted to a committee which has already given it consideration. The fears of people in Connecticut lest their names may become known are the fears of assassins.

Mr. NORRIS. I did not know they had any such people in New England.

Mr. MOSES. Not in northern New England.

Mr. NORRIS. If they have them in Connecticut, they may escape some day and get over into New Hampshire.

Mr. MOSES. Our frontiers are guarded.

Mr. NORRIS. But they are not sufficiently guarded to prevent a bandit from Connecticut getting over into New Hampshire, I suppose.

Mr. MOSES. Well, they would have to travel through two States, before they got there.

Mr. NORRIS. It appears, then, that the Senator must be aware of the fact that they have such desperate characters in Connecticut that it is necessary to guard the boundary line of New Hampshire to keep that State from being contaminated by an exodus which it is feared might go out of Connecticut.

Mr. MOSES. On the contrary, the Senator from Nebraska, as usual, misunderstands me. When I said the "fear of assassins," I meant the fear of assassins who lurk somewhere in the outskirts and do not wish themselves to be known.

Mr. NORRIS. As I have heretofore said, ninety-nine times out of a hundred I pay no attention to anonymous communications, but there are many instances where anonymous communications, coming from men who for their own protection did not want it known that they were opposing this or favoring that, have resulted, upon investigation, in the establishment of the truth which they alleged. I want to say, Mr. President, that I have made what I believe to be only a fair request, for it has been admitted by a member of the committee that the various charges contained in these communications have not been investigated by the committee. If the nomination were recommitted, it would be no disrespect to the committee. Nominations have been recommitted to the committee of which I am a member very often. If I thought a complete investigation or a fair one had not been made, I never objected to it. But now there immediately comes the suggestion, "Why, this man is recommended by union labor and must be confirmed." That may be sufficient reason for some; it is not for me.

Mr. ROBINSON of Arkansas. Mr. President——

Mr. NORRIS. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. I was just about to say, in the time of the Senator from Nebraska, that those of us who have not seen the charges to which he has referred labor under a very great disadvantage.

Mr. NORRIS. I realize they do.

Mr. ROBINSON of Arkansas. So far as I know, no such or similar communications have been received at my office. It is quite difficult to determine what action should be taken until the basis of the charges and the nature of the charges are made known.

Of course, it appeals to me very forcefully that the real question to be determined in a case of this kind is the fitness and qualifications of the candidate—whether he measures up to the standard fixed by the statute. If there are charges which involve moral turpitude, or charges which question his capacity to perform the functions of this office in an efficient manner, those charges ought to be investigated.

Mr. NORRIS. And they ought to be investigated by a committee.

Mr. ROBINSON of Arkansas. Yes.

Mr. NORRIS. I do not even want to make them on the floor of the Senate.

Mr. WATSON and Mr. MOSES addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I can not yield to more than one Senator at a time.

Mr. MOSES. I should like to make a privileged motion.

Mr. WATSON. Will the Senator yield for a motion to proceed to the consideration of executive business in secret session, in order that the Senator may disclose these charges? We do not know what they are.

Mr. NORRIS. If the Senate desires to take that course, I have no objection.

Mr. MOSES. That is the motion I wanted to make.

Mr. WATSON. The Senator is quite unwilling to make the charges in open session; and in order that we may vote intelligently on the Senator's motion, certainly he is entitled to present them to the Senate.

Mr. NORRIS. I have no objection to the Senate taking that course.

Mr. WATSON. Then I make the motion.

The VICE PRESIDENT. Is the motion seconded.

Mr. REED. I second the motion.

The VICE PRESIDENT. The Sergeant at Arms will clear the galleries and close the doors.

The Senate, with closed doors, proceeded to consider the nomination. After 40 minutes the doors were reopened.

Mr. COSTIGAN. Mr. President, following the meeting of the Finance Committee at which the nominations of Mr. O'Brien and Mr. Ornburn were considered I made the following statement which I desire to repeat for RECORD purposes:

After full consideration, I have concluded that it is my duty to withhold official approval from the two nominations for the Tariff Commission. My vote will be cast against both.

Without attempting to impose my convictions on any other person, it may perhaps be suggested that after a number of years of association with the Tariff Commission and its problems I am to some extent acquainted with both. Incidentally the ability of the commission to function will not be impaired and there will be some slight economy if the present nominees are not approved.

The issue is not personal but public. It is at last almost universally recognized that more liberal commerce is of basic importance to the prosperity, peace, and happiness of the world. Yet constantly the United States and other nations, through tariff legislation and tariff commissions, are pressing forward in the race toward higher and in the long run war-inviting tariff barriers. There is no way to improve this unhappy situation except by changing our course.

There is nothing personal in this reference to the two nominees, except that in my judgment they will not correct the less than first-class reputation of the commission for scientific disinterestedness.

I hope before long to discuss before the Senate the public aspects of the tariff and the Tariff Commission. Suffice it to say at this time that it would usually appear not to be in the public interest to confirm Tariff Commission nominations until President Hoover undertakes to fulfill the hopes with respect to that commission held out in 1930 and demonstrates his determination genuinely and thoroughly to reorganize the commission in accordance with independent, impartial, and scientific standards, with a view to which the commission was originally created.

May I add, Mr. President, what every Member of this body knows, that when the United States Tariff Commission was originally created it was designed to be an independent and disinterested fact-finding governmental agency. More recently the disposition of those supporting appointments has been to seek representatives of the two major political parties who will present, in opposition to each other, the respective views of such political parties. The commission, as now con-

stituted, is regarded by many as a proper public forum if it has commissioners on the one side representing high-tariff views and commissioners on the other side representing moderate or low-tariff views. We have seriously departed from the original conception of the Tariff Commission. Because of this unfortunate change of policy, as well as on the other grounds assigned, I desire my vote to be recorded against both nominees before the Senate to-day.

The VICE PRESIDENT. The question is on advising and consenting to the nomination of Ira M. Ornburn to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1933. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JONES (when his name was called). I promised to take care of the senior Senator from Virginia [Mr. SWANSON] during his absence. I do not know how he would vote on this nomination. Therefore I withhold my vote. If at liberty to vote, however, I should vote "yea."

Mr. LOGAN (when his name was called). I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I therefore withhold my vote.

Mr. McNARY (when his name was called). I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. Upon inquiry, I am advised that that Senator would vote as I intend to vote. Therefore I feel at liberty to vote and vote "yea."

Mr. VANDENBERG (when his name was called). On this vote I am paired with the junior Senator from Georgia [Mr. HARRIS], who is unavoidably absent. I understand that if present he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. BARKLEY (after having voted in the affirmative). I have a general pair with the senior Senator from Colorado [Mr. WATERMAN]. I understand that if present he would vote as I have already voted. Therefore I allow my vote to stand.

Mr. JONES. I find I can transfer my pair with the senior Senator from Virginia [Mr. SWANSON] to the senior Senator from Colorado [Mr. WATERMAN]. I do so and vote "yea."

Mr. GLASS. I wish to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is necessarily detained from the Senate on official business in attendance upon the sessions of the peace conference at Geneva, Switzerland.

Mr. FESS. I wish to announce the following general pair:

The Senator from California [Mr. SHORTRIDGE] with the Senator from Louisiana [Mr. LONG].

The result was announced—yeas 70, nays 9, as follows:

YEAS—70

Ashurst	Carey	Howell	Sheppard
Austin	Connally	Jones	Smith
Bailey	Coolidge	Kean	Smoot
Bankhead	Copeland	Kendrick	Steiwer
Barbour	Couzens	Keyes	Stephens
Barkley	Dale	Lewis	Thomas, Idaho
Bingham	Dickinson	McGill	Thomas, Okla.
Black	Dill	McNary	Townsend
Blaine	Fess	Metcalf	Trammell
Borah	Fletcher	Moses	Tydings
Bratton	George	Neely	Vandenberg
Brookhart	Glenn	Oddie	Wagner
Broussard	Goldsborough	Patterson	Walcott
Bulkley	Hale	Pittman	Walsh, Mass.
Bulow	Hastings	Reed	Watson
Byrnes	Hatfield	Robinson, Ark.	White
Capper	Hayden	Robinson, Ind.	
Caraway	Hebert	Schall	

NAYS—9

Costigan	Hull	McKellar	Nye
Frazier	La Follette	Norris	Wheeler
Glass			

NOT VOTING—17

Cutting	Hawes	Morrison	Walsh, Mont.
Davis	Johnson	Norbeck	Waterman
Gore	King	Shipstead	
Harris	Logan	Shortridge	
Harrison	Long	Swanson	

So the Senate advised and consented to the nomination of Ira M. Ornburn to be a member of the Tariff Commission.

Mr. WATSON. I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the testimony of Mr. Ornburn before the Finance Committee.

The PRESIDENT pro tempore. Is there objection?

Mr. NORRIS. Since the Senator himself wanted to go into closed executive session and he offered that in executive session, he ought to stand by the closed executive session action, and I object.

The PRESIDENT pro tempore. Objection is made. The clerk will call the next number on the calendar.

ROBERT LINCOLN O'BRIEN

The Chief Clerk read the nomination of Robert Lincoln O'Brien to be a member of the United States Tariff Commission.

The PRESIDENT pro tempore. The question is, Shall the Senate advise and consent to this nomination? [Putting the question.] The ayes have it, and the Senate advises and consents to the nomination.

INTERIOR DEPARTMENT

The Chief Clerk read the nomination of Frank P. Light to be register, land office, Lakeview, Oreg.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Guy Francis Barnes to be register, land office, Pierre, S. Dak.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed. That completes the Executive Calendar.

RELIEF OF UNEMPLOYMENT

The Senate returned to legislative session and resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. McNARY obtained the floor.

Mr. FESS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Ohio?

Mr. McNARY. I yield the floor to the Senator from Ohio.

The PRESIDENT pro tempore. The Senator from Ohio is recognized.

Mr. McNARY. Mr. President, will the Senator from Ohio yield to me?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Oregon?

Mr. FESS. I yield.

RECESS

Mr. McNARY. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 4 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, February 10, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 9 (legislative day of February 5), 1932

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY TO JAPAN

Joseph C. Grew, of New Hampshire, now ambassador extraordinary and plenipotentiary to Turkey, to be ambassador extraordinary and plenipotentiary of the United States of America to Japan.

FOREIGN OFFICER (UNCLASSIFIED), VICE CONSUL OF CAREER, AND SECRETARY IN THE DIPLOMATIC SERVICE

John W. Carrigan, of California, to be a Foreign Service officer, unclassified, a vice consul of career, and a secretary in the Diplomatic Service of the United States of America.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 9 (legislative day of February 5), 1932

MEMBERS OF THE UNITED STATES TARIFF COMMISSION

Ira M. Ornburn to be a member of the United States Tariff Commission.

Robert Lincoln O'Brien to be a member of the United States Tariff Commission.

UNITED STATES MARSHAL

George A. Mauk to be United States marshal, district of Arizona.

REGISTERS OF THE LAND OFFICE

Frank P. Light to be register of the land office, Lakeview, Oreg.

Guy Francis Barnes to be register of the land office, Pierre, S. Dak.

APPOINTMENT IN THE REGULAR ARMY

Col. Frederick William Coleman to be Chief of Finance, with rank of major general.

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS OF THE ARMY

GENERAL OFFICERS

Brig. Gen. Henry Alden Shaw to be brigadier general, auxiliary, reserve.

Brig. Gen. Luke Henry Callan to be brigadier general, reserve.

APPOINTMENT IN THE OFFICERS' RESERVE CORPS OF THE ARMY

GENERAL OFFICER

Arthur William Desmond to be brigadier general, reserve.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Second Lieut. Joseph Farrell Haskell, to Cavalry.

PROMOTIONS IN THE REGULAR ARMY

Donald Gardner Stitt to be captain, Air Corps.

Thomas Edward Pickett Barbour to be first lieutenant, Infantry.

POSTMASTERS

ALABAMA

John Thompson, Altoona.
Gus L. Camp, Arab.
Thomas P. Bonner, Ashland.
Frances R. Gresham, Autaugaville.
Maude A. Bosarge, Bayou Labatre.
Wert W. James, Brent.
Lawrence L. Mallette, Dozier.
Mary I. Hogan, East Tallassee.
Ada M. Burks, Fairfield.
Lonnie W. Johnston, Hanceville.
Stephen H. Murphy, Huntsville.
Roy M. Boak, Lineville.
Ruth K. Bullard, Lockhart.
Jake E. Wallace, Maplesville.
James Alexander, Marion Junction.
George B. Butler, New Hope.
James L. Ragland, Pell City.
Emerson E. Etheredge, Town Creek.
Edna Young, Warrior.
Charles S. Prescott, Wedowee.

CALIFORNIA

Clifford M. Barnes, Big Creek.
Robert E. Thomas, Clovis.
Maude D. Cunningham, Goleta.
Charles E. VanDerOef, Hawthorne.
Donald I. Castile, Le Grand.
Jerome B. Frisbee, Lindsay.
Joseph A. Wilson, Manteca.
Ambrose E. Daneri, Merced.
Algera M. Rumsey, Saugus.
Ruby Vinten, Terminal Island.
John J. Blaney, Weaverville.
Alfred T. Taylor, Westwood.

DELAWARE

Benjamin F. Simmons, Dover.
William H. Morris, Greenwood.
Howard Schweitzer, Hartly.

FLORIDA

Nina K. Berkstresser, Hawthorn.
Mary E. Johnson, Lake Butler.
Eugene D. Rosenberger, Micanopy.
William E. Burch, Palmetto.
Lena M. Powers, Wabasso.

HAWAII

John I. Silva, Eleele.
Manual J. Carvalho, Makaweli.

ILLINOIS

Esther V. Wheeler, Ashmore.
Fred W. Pitney, Augusta.
Guilford M. Humphrey, Beardstown.
Lewis A. Roberts, Blandinsville.
Thomas R. Pearce, Chillicothe.
Harry M. Bennett, Clayton.
Thomas F. Wharrie, Coal City.
Robert L. Endicott, Crossville.
Carroll C. Porter, Dahlgren.
William E. Mickle, Emden.
Perry Westerfield, Frankfort Heights.
Bennett F. Henderson, Georgetown.
Charles O. Selfridge, Good Hope.
John R. Hanlon, Grant Park.
Silas H. Rich, Gridley.
John E. Nelson, Hamburg.
Olive Whitworth, Harvel.
Ina R. Stout, Hopedale.
Alice P. Bradley, Illiopolis.
Grace McKee, Kirkland.
Joseph V. Campeggio, Ladd.
William T. Bedford, La Salle.
Elizabeth K. Welch, Lexington.
William P. Volz, Lockport.
Mayme F. Brooke, Matteson.
George T. Schuler, Mounds.
Marion F. Stewart, Moweaqua.
Frank H. Creswick, Mulberry Grove.
Hugh F. Britt, Olmsted.
Robert R. Banta, Oquawka.
Frank Wooley, Oswego.
David R. Bennett, Panama.
Charles B. Switzer, Piper City.
John S. Burnett, Pittsburg.
Reuben D. Coffin, Pleasant Plains.
Homer H. Cravens, Plymouth.
Benjamin F. Bosley, Ransom.
William J. Parsons, Silvis.
Charles E. McPheeters, Sullivan.
John P. Mathis, Vienna.
Ernst W. Loehr, Waterloo.
Ralph K. Crawford, West Point.
Arthur P. Welborn, Woodlawn.

MARYLAND

Stella B. Johnson, Fort Hoyle.
Luther Bennett, Goldsboro.
Harry M. Jones, Leonardtown.
Guy M. Coale, Upper Marlboro.
Lafayette Ruark, Westover.
Addie D. Rayne, Willards.

MASSACHUSETTS

Frederick H. Green, Ashburnham.
Hazel M. Cairns, Bernardston.
John J. Downey, Blackstone.
Lewis R. Holden, Bondsville.
Thomas Carroll, Bridgewater.
Carl H. Carlson, Franklin.
J. Francis Megley, Holbrook.
Albert F. Newell, Holden.
Carroll L. Bessom, Mansfield.
Edna L. Young, Middleton.
William H. Anderson, Monson.
Karl F. Koch, Montague City.
Alice K. Briggs, North Easton.
Wilfred J. Tancrell, North Uxbridge.
Mark A. Putnam, Rutland.
Edward L. Chapin, Southbridge.

Harry S. Tripp, Spencer.
Susan F. Twiss, Three Rivers.
Alexander Wylie, Webster.

MINNESOTA

Edwin A. Rolloff, Balaton.
Edgar Stivers, Dodge Center.
Lewis F. Hodgson, Donnelly.
Charles E. Cater, jr., Herman.
Thomas J. Godfrey, Hibbing.
August C. Lysen, Lowry.
Will G. Mack, Plainview.
James A. Christenson, Preston.
Norman Hanson, Renville.
Arthur C. Omholt, Sacred Heart.
Harry H. Johnson, Spring Valley.
Hugh R. Smith, Wabasha.
Frank H. Wherland, Welcome.

MISSOURI

John L. Esser, Boonville.
Joe D. Scott, Bunceton.
John T. Garner, Carrollton.
Edward J. Schmidt, Centralia.
Anna B. Thomas, Corder.
Homer Beaty, Drexel.
Ralph E. Johnson, Elmer.
Mandana A. Schriefer, Fornfelt.
Thomas A. Scott, Greenfield.
Harley C. Shively, Hamilton.
George Scott, Higginsville.
Raymond F. Gasche, Hillsboro.
Jennette M. Boisseau, Holden.
William E. Duff, Houston.
John W. Rissler, Houstonia.
Myrtle V. Duncan, Iberia.
Ray C. Waddill, Kirksville.
John A. Richmond, La Belle.
William T. Robinson, La Plata.
William O. Landrum, Mountain View.
Leslie R. Millsap, Mount Vernon.
Charles E. Curtice, Neosho.
Celia F. Kerr, New Madrid.
Henry O. Hopp, Oronogo.
Bruce C. Maples, Ozark.
James W. Fleming, Parkville.
William A. Porter, Plattsburg.
Richard A. Gehrig, Salisbury.
George S. Carnes, Trenton.
Harry N. Lutman, Versailles.
Fletcher G. Smart, Webb City.
Charles Hawker, Wheeling.
Cornelius F. Strack, Wright City.

NEBRASKA

Fred H. Carlson, Alliance.
Edgar W. Meth, Arthur.
Daniel C. Leach, Bayard.
Samuel H. Wolfe, Lodgepole.
Joseph H. Harrison, Ravenna.
Edwin S. Garber, Red Cloud.
Leon M. Suchanek, St. Paul.
Catherine Honey, Uehling.

NEW JERSEY

Elmira L. Phillips, Andover.
John G. Stoughton, Bergenfield.
Rena S. Duffield, Cedarville.
Alonzo P. Green, Chester.
John B. W. Berry, Clementon.
Frank E. Gersie, Clifton.
Reuben Coyte, Coytesville.
Wilfred T. Sullivan, Delawanna.
Anna Heus, Demarest.
Charlotte S. Hurd, Dover.
George Oberle, Edgewater.
John P. Adair, Highlands.
Harold R. Fife, Linwood.
Andrew Bauer, Little Ferry.
Walter D. Finch, Mahwah.
Thomas Post, Midland Park.
Arthur F. Jahn, Ridgefield.
Richard T. Beak, Shrewsbury.
Edward C. Francois, Union City.
Frank R. Parry, Waneque.
Herman H. Ahlers, West New York.
Harry C. Lussy, Wharton.
Velma M. Kitchell, Whippany.
Richard Van Iderstine, Wyckoff.

NORTH CAROLINA

John B. Lonon, Ashford.
Lester G. Hales, Bladenboro.
Abner W. Smith, Boone.
Charlie S. DeLoatch, Conway.
Alice W. Starr, Creswell.
William C. Thorne, Elm City.
Pat L. Whitehead, Enfield.
Andrew J. Runion, Hot Springs.
Leah J. Franck, Jacksonville.
John A. Klein, Morehead City.
John H. Williams, Pikeville.
Jacob H. Quinn, Shelby.
Asa C. Parsons, Star.
Mae A. Elliott, Union Mills.
Fred L. Wimer, Whitakers.
William P. King, Windsor.

NORTH DAKOTA

Theodore A. Marquardt, Cooperstown.
Arthur Nelson, Courtenay.
Genevieve Gregor, Dawson.
Albert E. Gutekunst, Drayton.
Orna F. Leedy, Goodrich.
Mary A. Manning, Jud.
Joseph H. Huseby, Leeds.
Donald B. McDonald, Maxbass.
Elizabeth J. Olson, Medina.
Ole S. Aaker, Minnewaukan.
Ivah A. Miller, Nome.
Otto Sougstad, Northwood.
Oscar M. Thompson, Rolette.
Forrest Daniel, Sykeston.
Clarence B. Stinson, Warwick.

PORTO RICO

Agustin Carbonell, Caguas.

RHODE ISLAND

Mary V. Nichols, Bradford.
Robert Liptrot, Greystone.
Hartzell R. Birch, Kingston.
Frank A. Rixford, Woonsocket.

SOUTH DAKOTA

Willard O. Dailey, Bison.
Arthur D. Flagg, Buffalo.
Charles S. Kingsbury, Dallas.
Florence Holden, Lake Andes.
Sylvester Eisenman, Marty.
William Kayser, Parkston.
William Zwicky, Rapid City.

UTAH

Ezra P. Jensen, Garland.
Lee N. Gledhill, Gunnison.
Maranda Young, Heber.
Joseph C. Frost, Riverton.
Norman G. Allan, Wellsville.

VERMONT

Douglas C. Montgomery, East Arlington.
Lyman H. Leach, Essex Junction.
William F. Braley, Hartford.
Dora W. Brown, Lunenburg.
Murray K. Paris, Lyndon.
Truman E. Wheeler, Lyndonville.

Walter W. Wright, North Troy.
Charles W. Humphrey, Poultney.
Earle H. Bishop, West Rutland.
Belle H. Covell, Williamstown.

WASHINGTON

Charles P. Stapp, Anacortes.
Fred H. Tonkin, Black Diamond.
Charles C. Mulligan, Kirkland.
Curtis B. Bay, Lynden.

WISCONSIN

Edward F. Sweeney, Whitewater.

WEST VIRGINIA

Charles L. Evans, Benwood.
Otto Sharitz, Berwind.
Daisy I. Valley, Coalwood.
Howe Stidger, Farmington.
Wilbur Dolly, Franklin.
Thelma Taylor, Gauley Bridge.
Reuben Williams, Glen Rogers.
Ada F. Rush, Hundred.
Millard F. Forgey, Kingston.
Pete A. Spurlock, Logan.
James D. Charlton, Mannington.
Austin H. Brown, Newell.
Oscar S. Lindamood, Omar.
Lawrence Lipscomb, Parsons.
Bonnie Hanshaw, Peach Creek.
Jesse M. Wood, Worthington.

WYOMING

Johan O. Hedemann, Columbine.
C. Golden Welch, Cowley.
Robert A. Hoover, Green River.
Calloway Gillespie, Rock River.
Harold T. Duffy, Wheatland.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 9, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, be near all who are prosperous and happy and take not their blessings away. Let their songs of joyous life continue; but, Heavenly Father, may they break forth, cheering the lives of others, lifting their burdens as they struggle on these days. As on they go looking downward, wearying along the road, waiting for the night to come, bless them and help them. To those who have been blessed with the tokens of complacency, ease, and luxury, deliver them from all ignoble views of life. O let Thy Spirit pervade their very souls; and where the night reigned, let the star rise, and may they hear no longer just the babble of self-interest. Teach all mortals that Thy truth is a strange commodity—the more that is sent away, the more there is at home. In the name of the world's Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On January 27, 1932:

H. J. Res. 230. Joint resolution making an appropriation to enable the United States of America to make payments upon subscriptions to the capital stock of the Reconstruction Finance Corporation.

On February 2, 1932:

H. J. Res. 251. Joint resolution making an appropriation for expenses of participation by the United States in the general disarmament conference at Geneva, Switzerland, in 1932;

H. J. Res. 261. Joint resolution making an appropriation to enable the Secretary of the Treasury to pay for subscriptions to the capital stock of Federal land banks; and

H. R. 6660. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1932, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1932, and for other purposes.

On February 4, 1932:

H. R. 6596. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 12. Concurrent resolution to authorize the Committee on Finance to have printed additional copies of the hearings on sale of foreign bonds or securities in the United States.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, announced that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 149. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did, on February 8, 1932, present to the President, for his approval, bills of the House of the following titles:

H. R. 70. An act granting the consent of Congress to the Board of County Commissioners of Mahoning County, Ohio, to construct a free overhead viaduct across the Mahoning River at Struthers, Mahoning County, Ohio;

H. R. 225. An act providing for payment of $25 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States;

H. R. 474. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 4695. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.;

H. R. 4696. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River southerly from the Fort Belknap Indian Reservation at or near the point known and designated as the Power-site Crossing, in the State of Montana;

H. R. 5131. An act to extend the time for completing the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.;

H. R. 5471. An act authorizing Sullivan County, Ind., to construct, maintain, and operate a public toll bridge across the Wabash River at a point in said county to a point opposite on the Illinois shore;

H. R. 5478. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 5626. An act authorizing the States of Minnesota and North Dakota, the county of Polk, Minn., the county of Grand Forks, N. Dak., or any one or more of them, to construct, maintain, and operate a free highway bridge across the Red River of the North at or near Bygland, Minn.;

H. R. 5878. An act granting the consent of Congress to the Louisiana Highway Commission and the Missouri Pacific Railroad Co. and the Louisiana & Arkansas Railway Co. to construct, maintain, and operate a combination highway and

railroad bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 6663. An act to reserve certain land on the public domain in Utah for addition to the Skull Valley Indian Reservation;

H. R. 7225. An act granting the consent of Congress to the Board of County Commissioners of Allegheny County, Pa., to construct, maintain, and operate a free highway bridge across the Monongahela River between the city of Pittsburgh and the borough of Homestead, Pa.; and

H. R. 7248. An act authorizing the modification of the existing project for the Willamette River between Oregon City and Portland, Oreg.

SURPLUS ARMY CLOTHING

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMASON. Mr. Speaker, as a member of the Committee on Military Affairs, I am requested by the chairman [Mr. McSWAIN] to make a brief statement for the information of the Members.

At a recent meeting of the committee there appeared a delegation from the American Legion making request to our committee for some reasonable disposition of surplus Army clothing to the needy and unemployed. After an exhaustive hearing on the subject the committee made a recommendation to the War Department which has been accepted.

There are several millions of dollars' worth of surplus Army clothing on hand in warehouses all over the country bought during the World War. The rehabilitation committee of the American Legion made the request that this clothing be sold at a very nominal price through the American Legion and distributed among the needy throughout the country. To that end the committee unanimously requested of the War Department a reduction in current prices of 50 per cent, which prices were already very low. The committee thought it would be inadvisable to try to undertake any legislation on the subject because the winter would probably be over by the time the necessary legislation was passed, and there is great need right now for this assistance. The current price quoted by the War Department for this surplus clothing, if I may illustrate, was 40 cents for a suit of woolen underwear, 50 cents for a pair of shoes, and 6 cents for a pair of socks. On the recommendation of the committee those prices were reduced 50 per cent, certainly making a very nominal price for these articles.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for one additional minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMASON. This would mean 3 cents for a pair of woolen socks, 20 cents for a first-class suit of woolen underwear, 25 cents for a pair of good Army shoes, and other prices in the same proportion.

The plan of the War Department is—and I am giving this for the information of the House, so that the Members may act accordingly—that this clothing shall be distributed through the corps area commanders of the respective districts, and also application may be made to the governors of the respective States. The War Department, I am sure it is unnecessary to say, will so safeguard the distribution of this clothing that it will be equitably distributed throughout the different States and where the need is most felt.

With your permission, I will read the acknowledgment received this morning by the committee from the Secretary of War:

WAR DEPARTMENT,
Washington, February 8, 1932.

Hon. JOHN J. McSWAIN,
Chairman Committee on Military Affairs,
House of Representatives, Washington, D. C.

MY DEAR MR. McSWAIN: Receipt is acknowledged of your letter of February 4, with which you inclosed a resolution adopted by the Committee on Military Affairs suggesting that the Secretary of War sell surplus clothing to charitable organizations for the relief of the needy at prices equal to 50 per cent of the prices now prevailing.

Your letter and this resolution have received the very careful consideration of the War Department, and I am happy to say that your suggestion is acceptable to me and to the Assistant Secretary of War, Mr. Payne, and that appropriate instructions will be issued immediately to all corps area commanders.

With very kindest regards, I am, sincerely yours,

PATRICK J. HURLEY,
Secretary of War.

[Here the gavel fell.]

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to proceed for one additional minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. UNDERHILL. Will the gentleman yield?

Mr. THOMASON. Yes.

Mr. UNDERHILL. Will the money received be turned back to the Treasury?

Mr. THOMASON. Yes. The American Legion posts throughout the country have some funds and they expect to undertake to secure further money. Of course, those posts, both large and small, even with a small amount of money, can provide quite a lot of clothing under these conditions for distribution among suffering people in their immediate communities.

Mr. SNELL. Will the gentleman yield?

Mr. THOMASON. Yes.

Mr. SNELL. Does the statement which the gentleman has filed in the RECORD show what clothing is available for distribution?

Mr. THOMASON. The War Department will be glad to furnish that information.

Mr. SNELL. But that is not shown in the department's letter?

Mr. THOMASON. No; it is not in the letter, but the committee had available a list of the clothing that is of practical use, such as overcoats, socks, woolen underwear, shoes, gloves, and caps, of all of which there is a very large quantity. They are the principal things and the kind most needed.

Mr. SNELL. As the committee has that information, why would it not be a good idea to put it in the RECORD.

Mr. THOMASON. I will be very glad to do so. The rehabilitation committee of the American Legion had previously taken this up with the War Department, and that is what brought about this request from the committee for a reduction in prices.

Mr. MONTET. Will the gentleman yield?

Mr. THOMASON. Yes.

Mr. MONTET. Will the gentleman state for the benefit of the membership whether relief organizations other than the American Legion will have the privilege of this reduced price?

Mr. THOMASON. I may say that although this action was inspired by the American Legion and our committee was strong in its commendation of the splendid work being done by that great organization, yet the committee in its recommendation to the Secretary of War asked that other relief organizations, approved by the War Department, also have the privilege of availing themselves of this clothing. This clothing will be distributed to the needy regardless of whether or not they are ex-service men. I am making this statement for the benefit of the Members so that they may act accordingly. They can get information through the rehabilitation committee of the American Legion or through the War Department. The application for these clothes will, I understand, be made to the corps area commanders in each district, and likewise to the governors of the different States. I can not too highly praise the fine and unselfish service being done by the American Legion to relieve suffering throughout the country. [Applause.]

Mr. SNELL. Mr. Speaker, I ask unanimous consent that the gentleman may extend his remarks by including certain data in possession of the Military Affairs Committee.

The SPEAKER. The gentleman from New York asks unanimous consent that the gentleman from Texas may extend his remarks by including certain data in possession of the Military Affairs Committee. Is there objection?

There was no objection.

Mr. THOMASON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I wish to explain in more detail the plan whereby certain surplus Army clothing purchased during the World War is to be sold to the American Legion and other organizations to be used for relief purposes.

The classes of clothing available and the prices at which they will be sold are as follows:

Caps	$0.10
Woolen underwear	.20
Shoes	.25
Gloves	.10
Mittens (canton flannel)	.02½
Overcoats	1.00
Leggings	.05
Socks (wool; heavy)	.03
Breeches (wool; new)	.25
Breeches (wool; reclaimed)	.12½

Prices quoted for shoes, gloves, leggins, and socks are for pairs and the price on underwear is for a 2-piece suit. All of the clothing is unused, except in the one instance specified. Under these prices a man can be comfortably outfitted for $2.

The rehabilitation committee of the American Legion recently requested the Committee on Military Affairs to make some reasonable disposition of the surplus supplies of Army clothing so that the Nation's needy could have the use of it. A thorough investigation of the whole plan was made by the committee, after which it recommended to the War Department that a reduction of 50 per cent be made in the prices, which were already low.

The resolution of the committee is as follows:

Resolved, That it is the sense of the Committee on Military Affairs that surplus clothing supplies be sold by the Secretary of War to the American Legion and to such other relief organizations as the Secretary of War may recognize as coming within the terms of the law at prices of 50 per cent below the prices stated to this committee by the Assistant Secretary of War at the meeting of said committee on February 2, 1932.

Under date of February 4, 1932, the Hon. JOHN J. MCSWAIN, chairman of the committee, transmitted the resolution to the Secretary with the following statement:

While I recognize that this resolution has no force of law whatsoever, I am informed and persuaded to believe that it will be accepted as advisory and persuasive in inducing you and the Assistant Secretary of War to sell surplus clothing supplies under existing law at prices representing 50 per cent of the prevailing prices already fixed by you.

If my impression and belief be justified, I shall be pleased to have a reply from you to that effect immediately, and if it be as I anticipate, then no further efforts at legislation will be necessary, and, so far as I am concerned, no further efforts at legislation will be made. I believe that all who have thought of legislation will be happy if you will accept this suggestion of the committee.

In reply thereto Mr. MCSWAIN received a letter from the Hon. Patrick J. Hurley, Secretary of War, reading in part, as follows:

Your letter and this resolution have received the very careful consideration of the War Department, and I am happy to say that your suggestion is acceptable to me and to the Assistant Secretary of War, Mr. Payne, and that appropriate instructions will be issued immediately to all corps area commanders.

I am informed by the Secretary that he has so instructed the corps area commanders and that arrangements are such now that the Legion posts and other approved relief agencies can take immediate steps to secure the clothing for the needy of their communities.

Under the terms of the plan the relief agencies must be certified to the corps area commanders by the governors of the respective States. It was felt that such precautions should be taken to prevent organizations that could not or would not distribute this clothing to the actual needy persons from obtaining it, as well as prevent reselling or profiteering. After the governor of a State has approved an organization it may place its order with the corps area commander. He will transmit it to Washington. The clothing will be sent from one of the 15 depots scattered throughout the country where it is now held.

I am assured that every effort will be made to promptly ship the clothing from the nearest depot, but that the orders must be handled through Washington on account of the fact that all sizes of clothing of the various kinds are not available at all depots. The War Department will make no charge for handling, but the Legion post or other agency must pay the actual cost of transportation.

The clothing is all in excellent condition, I am informed, and is of the kind which will be most valuable in relieving suffering of unemployed men. Most of it is available in a wide range of sizes, with the exception of shoes. Unfortunately, the shoes left in these surplus stocks are mostly of very small or very large sizes.

The War Department and Legion agree to see to it that only the needy and deserving receive these clothes. Merchants will not suffer because the unemployed have no money with which to buy. The Government has these clothes on hand, which sooner or later must be disposed of in some way, and certainly there was never a time when they could be put to better use. It can not be said this is a dole. Many men will not accept charity. Under this plan a man will receive aid from his buddies and friends, and suffer no humiliation.

The American Legion deserves the credit for fostering this plan, which I consider a very sound one and which I am convinced will do a lot to relieve suffering in many parts of the United States. The plan is not limited to Legion posts, however, and it is the intention of those sponsoring it that the beneficiaries be given this relief whether they are veterans or not. In most cities and towns the Legion is undoubtedly organized to carry on this work efficiently, but in communities where it can not undertake it, other organizations should avail themselves of the privilege of buying this stock of clothing for the needy at prices which are very nominal.

I feel that the prices are so low that the benefits of the plan may extend to every city and town in the country. A Legion post, or any other approved relief organization, by raising a sum as small as $50 may buy enough clothing to care for a sizeable group of jobless men. It is far better that this clothing be used to benefit some of our millions of unemployed than that it remain unusued in Army warehouses. The committee was assured by the War Department that the stocks offered for sale are surplus, and that this plan in no way affects the clothing kept as reserve stock for the Army. The money paid for the clothing will go to the United States Treasury.

It is to be hoped that all Members of Congress will lend their Legion posts every assistance in acquiring information about this plan, to the end that the clothing may be fairly distributed in all those sections of the country where it is needed and that the distribution may be made quickly before the winter is over. The supply of some of the items is limited, but I believe that there is a sufficient amount offered to care for the demand. Legion posts and the other agencies which desire to take advantage of the plan should communicate at once with their corps area commanders and with the governors of their States. I would urge them to estimate their actual requirements carefully so that the supply can be distributed equitably throughout all the States and in the communities where the need is greatest.

The Legion has rendered the country a patriotic and unselfish service in sponsoring this program, and I can not too highly praise the great work it is doing for the needy and unemployed.

PRINTING SENATE COMMITTEE HEARINGS

Mr. STEVENSON. Mr. Speaker, there is a Senate concurrent resolution on the Speaker's desk which the Senate has sent over, authorizing the printing of certain hearings for the Senate, which I was asked to get up promptly. I therefore ask unanimous consent that this Senate resolution may be taken up and concurred in, as a matter of courtesy to the Senate.

The Clerk read the concurrent resolution, as follows:

Senate Concurrent Resolution 12

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the printing act approved March 1, 1907, the Committee on Finance of the Senate be, and is hereby, empowered to have printed 2,000 additional copies of the hearings held before the committee during the current session on sale of foreign bonds or securities in the United States.

The SPEAKER. Is there objection to the present consideration of the Senate concurrent resolution?

There was no objection.

The concurrent resolution was agreed to.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8397) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8397, with Mr. O'CONNOR in the chair.

The Clerk read the title of the bill.

Mr. STAFFORD. Mr. Chairman, when the committee rose there was pending a motion which I had made to strike out the last word to get some information as to the expenditures in the paragraph that had just been read, and I yielded to the gentleman from Colorado to make a motion to rise. I now ask recognition on that amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes.

Mr. STAFFORD. The report shows that there is a reduction in one item under the budgetary estimate of $41,000, but an increase in another item of $18,000 over the appropriation of last year, although this last increase is what the Budget recommends. Will the gentleman from Oklahoma [Mr. HASTINGS], who, I believe, has special acquaintance with this subject, inform the committee as to the reason for the cut in one instance and the increase of the appropriation in the other?

Mr. HASTINGS. I will say in reply to the inquiry that we cut the estimate $41,000 below the Budget, because we felt that would be sufficient. We did this in the interest of economy. In the other instance the appropriation is from tribal funds, and we allowed the estimate of the Budget.

Mr. STAFFORD. I stated that in one instance you allowed the estimate of the Budget, which was $18,000, however, above the appropriation of last year.

Mr. HASTINGS. The other is a gratuity appropriation, and we cut that $41,000 in the interest of economy, believing that the $100,000, properly utilized, would be sufficient for this purpose during the coming year, in view of the fact that expenditures for this purpose have been made from year to year. The committee felt, upon careful consideration, that the $100,000 would be sufficient for this purpose, and we therefore reduced the estimate by the sum of $41,000.

Mr. STAFFORD. It is merely a deferment of some activity to another time when the Treasury can better afford the expenditure.

Mr. HASTINGS. That is a proper explanation.

The pro forma amendment was withdrawn.

The Clerk read as follows:

For necessary miscellaneous expenses incident to the general administration of Indian irrigation projects, including pay of employees and their traveling and incidental expenses, $102,000.

Mr. KETCHAM. Mr. Chairman, I move to strike out, in line 4, page 25, the words "Indian irrigation projects," a pro forma amendment, and ask unanimous consent to proceed for five additional minutes.

Mr. TAYLOR of Colorado. Mr. Chairman, I want to announce to the committee that this is the last consent I shall give; we must get through with this bill. To-morrow is taken up, as well as the rest of this week. I propose to run until 5.30 this afternoon and see if we can finish the consideration of this bill. If we accede to requests to talk on various extraneous matters, we can not do this. So I feel that we must object to any further requests for general debate. This bill has been before the House for about two weeks, and I hope it will meet with the consent of Members on both sides of the House to decline further unanimous-consent requests with respect to the discussion of any matters outside of the bill.

The CHAIRMAN. The Chair understands the gentleman does not ask unanimous consent to speak out of order, but to speak for five additional minutes with reference to the bill.

Is there objection?

There was no objection.

Mr. KETCHAM. Mr. Chairman, the Members will recall that some of us have been taking an unusual interest in irrigation projects in general during the last few sessions of the Congress. We have felt that additions to our farming areas in these times of surplus production is not sound public policy.

In the few minutes at my command this morning I want to present some suggestions along the same line in connection with the Indian irrigation projects.

The hearings before the subcommittee, on pages 309 to 425, deal with the whole subject of Indian irrigation projects very fully indeed, and I would especially urge you to read these hearings if you are interested. Every member of the subcommittee is to be commended for the special interest taken in this activity. Every one of them developed very valuable information.

Indian irrigation projects have been developed for many years. Real Government interest and encouragement began about 1890 and has continued increasingly since that time.

There are at present 45 irrigation projects on Indian reservations. These are divided into 168 units, of which 117 are practically complete. Twenty are in process of building, while 31 are still to be examined. In 1914 the reimbursable principle was established and applies except as to land irrigated by the Indians.

With this preliminary statement, I would like to have the attention of the committee while I present a few facts which I hope will challenge your interest on this proposition.

I hold in my hand a map which gives the picture in outline of the Indian irrigation districts of the United States. They were originally numbered from 1 to 5, but have now been combined into four districts—1 and 2 being combined into one. The red lines indicate the separations of the irrigation districts.

There are, as I have said, 45 irrigation projects on these Indian reservations, 168 units, of which 117 are practically complete, 20 in process of building, and 31 still to be examined.

Now, on 104 of these irrigated reservations Indian farmers are located to the number of 7,378 families. They irrigate 127,000 acres of the total of 735,000 acres under canal construction—or about 17 per cent. The average per family is 17 acres. One hundred and six thousand acres, or 14 per cent, are leased, and 188,000 acres, or 25 per cent, are owned by whites. Total utilized, 56 per cent. Thus 44 per cent of the acreage under canals is not utilized up to the present time.

To June 30, 1931, we have invested in these Indian irrigation projects $44,900,000 net, in surveys, construction, operation, and maintenance.

In construction costs, 16 out of the 117 units have reimbursed the Government $1,556,000 out of the total of $38,000,000, or 4 per cent.

Now, I would like to submit the problem to our mathematical experts. This single year's construction program calls for $1,424,000. If we have only collected $1,556,000 in the whole history of these projects, how many years will it take for the United States to catch up with the payments that are being made?

Mr. STAFFORD. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. STAFFORD. Has the gentleman compared the figures to show the percentage of collections on irrigation projects outside of Indian reservations?

Mr. KETCHAM. That will be a subject to be taken up at a later time. For the present, I want to confine myself to this.

In addition, bear in mind, to the net investment of $4,900,000 in these projects, to date we have $33,000,000 more estimated to complete the program, or a total when completed of nearly $78,000,000. When the total is expended we will have put into these projects $78,000,000. That is a little bit over $10,000 for every Indian family, and when it is remembered that only 1 acre out of 6 on these irrigation projects is now utilized for the Indians alone, and, furthermore, that when the program as outlined shall be completed that that ratio will increase from 1 to 10, unoccupied, it certainly seems that the time has come when the Congress ought to survey this whole situation and think it through very carefully. In that connection I particularly commend all that has been done by the committee, and I am very much pleased now to know that the Bureau of Indian Affairs has taken hold of this matter in a constructive way, and that a distinguished engineer has been placed in charge of this work. All that can be done, I think, has been done; but I think Congress has a responsibility in this connection.

During the progress of this debate it is my purpose to pick out one or two glaring examples of how we have overdone this matter of expanding Indian irrigation projects, and I shall have some definite suggestions to offer as we proceed; and those of you who are interested in economy, those of you who are interested in declaring that we ought not to embark on additional irrigation projects, either on Indian or other lands, until there is some favorable readjustment of our present production system, I ask to give me your earnest consideration.

Mr. LEAVITT. Mr. Chairman, will the gentleman yield?

Mr. KETCHAM. I shall a little later on.

Mr. LEAVITT. I just wanted to ask the gentleman how many of these Indian irrigation projects he has ever seen?

Mr. KETCHAM. I have been through two or three of them in the gentleman's section.

Mr. LEAVITT. On the train?

Mr. KETCHAM. Yes; but I have visited some of the others just casually. I have made no very extended observation of them, and am simply presenting the subject from the standpoint of figures, and I am sure they must challenge the thoughtful attention of my good friend who is vitally interested in this topic.

On the humanitarian side, to those of you for whom the Indian has a special appeal—and I count myself in that number—may I say that the bill under consideration carries over $20,000,000 for the Indians of the country in the various items under the bill, and so, being in favor of these items, and most of the items that are found in the irrigation projects, certainly no one can say that we are now assuming any attitude of hostility. I think the challenge is distinctly up to us in examining carefully these various projects to particularly scrutinize the items carrying new projects that are advanced for consideration, and there are one or two of them in the bill under consideration.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. LEAVITT. Mr. Chairman, I move to strike out the last word. The gentleman from Michigan [Mr. KETCHAM] has attempted to apply cold mathematics to a question which includes human elements that can not be measured by any such mathematical rule. We must remember in connection with the Indian problem that the duty of this Government lies along one direction at least, and that is to train the Indians and develop the resources they have at their command so that they can ultimately become self-supporting citizens of the country. The gentleman states that he has gone through on the train two or three of the reclamation projects on Indian reservations, and has casually come in contact with perhaps some others. There is a situation the House must keep in mind in considering this entire question, and that is that there exist many of these reclamation projects on Indian reservations of the West loaded down with charges that never should have been applied against these lands, so far as any payment by the Indian is concerned.

When you put such charges against lands that belong to Indians who are not trained to use those irrigated lands, and then let those charges accumulate year after year, you make it impossible for those Indians to succeed. In addition to that, the Government has done another thing. Because of this mathematical consideration of this problem they stopped in the middle of the development of some of the projects on Indian reservations. While they have built dams and ditches, they have not built those works to a point where there is a supply of water adequate to enable the Indian successfully to irrigate the land. I can take you to many a place where Indian irrigation projects on Indian reservations are only partly under construction. They never were completed, never were capable of putting adequate water on the lands. Flumes have fallen down and gone into disrepair, and yet charges against that Indian tribe are included in the figures the gentleman from Michigan has presented to-day to this committee.

Now, instead of considering stopping projects on Indian reservations we should be considering the way to proceed to give the Indians the benefit of the irrigated lands necessary in connection with their grazing lands, to enable them to succeed in the agricultural and livestock businesses.

Let me give one or two illustrations. On the Fort Peck Indian Reservation in Montana there is a situation where they have a great area of first-class grazing land, but they are not able in dry years such as we have had recently to produce sufficient hay to supplement their grazing land, to enable them to go ahead in the production of livestock, upon which they depend. There is a partially completed reclamation project on their reservation. In Montana alone there are several such instances.

The time should be postponed when the Indians will have to pay back the heavy accumulation of charges. We should go ahead and complete projects by units, and the Indians should be trained to use such lands.

Mr. KETCHAM. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. KETCHAM. Is it not a fact that under the procedure of the Bureau of Indian Affairs no Indian on irrigated lands is pressed for collection, unless the land is leased? If he actually operates the irrigated land, is he pressed for collection of those charges?

Mr. LEAVITT. At the same time, those charges lie against that land. I have introduced a bill which I hope to have considered this session which will definitely postpone those payments.

[Here the gavel fell.]

Mr. LEAVITT. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. LEAVITT. I ask for this additional time only because the gentleman from Michigan [Mr. KETCHAM] has served notice that he intends to take up these items in the various places where they appear through this bill, item by item. I want the Members to understand some of these problems in advance, because if they are presented from a mathematical angle they look one way, and if they are presented from the needs of the Indian they look entirely otherwise.

Let me repeat that we are here considering a problem that has to do with the Indian population, a population that are wards of the Government of the United States. Let us recall that no Indian tribe that I know of ever asked in past years, at the beginning of construction of irrigation projects years ago, for the construction of those projects now charged against them. Many of these projects were built under the Reclamation Service before the Indian Service took over that work at all. Then in 1914 Congress passed an act that made those old costs reimbursable. You loaded these Indians down and then did not accept the responsi-

bility of completing the projects so that the Indians could succeed; never accepted the responsibility of putting among those Indians trained men who could lead them to success in the handling of the irrigated lands; left out of the picture many of the essential things. Now, under the leadership of the Indian Bureau we are attempting to put into the field an organization that will make these Indians able to farm their lands and that will ultimately enable them to go forward and reach the objectives that are desired. We should see that they are not unjustly treated. It will require study and enlargement of many of these projects in order that this justice may be reached.

In the last Congress I introduced a bill which came to the floor, which called for a study and determination as to the old reimbursable charges. Many of them should be completely charged off. The Government should charge the expenditures to the education of the Indians or charge them to profit and loss. The Indian, with the slate wiped as clean as possible and put in as fair condition as possible, should be trained and encouraged to use the irrigated lands, and we should make it possible for him to do so.

Instead of attacking the Indian irrigation projects from the standpoint that they might bring some new land into cultivation, we ought to be considering this question from the standpoint of building a great portion of our population, the Indian race, who are wards of this Government, into the place that they ought to occupy in our citizenship, of self-supporting, self-respecting men and women under the American flag.

Mr. HASTINGS. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. HASTINGS. Is it not a fact that within the last 40 or 50 or 60 years, by agreements, treaties, and so forth, the areas which the Indians at one time had have been greatly reduced, and therefore a more intensive cultivation of the land is necessary?

Mr. LEAVITT. That is true.

Mr. HASTINGS. I would also like to ask the gentleman if it is not true that these appropriations must be made in order to preserve the water rights to the Indians, or else they will be forever lost to them?

Mr. LEAVITT. Of course, the Supreme Court has held that they can not lose their water rights through nonuse but that those rights will continue, largely, to exist. At the same time, the use of the water on that land is a necessity in the development of those people.

Mr. HASTINGS. Of course; but if the water is appropriated and used for other purposes, the Indians will have an awfully hard time of ever getting any of it back.

Mr. LEAVITT. That is true. It would require court action and long delay.

Mr. KVALE. Will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. KVALE. Does the gentleman have at hand any figures that will show the proportion of irrigated lands that are being held by the Indians as against those held by other citizens?

Mr. LEAVITT. I have not that in acreage, but the amount under Indian ownership would be very small in comparison.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

For improvements to the Fort Hall irrigation project, Idaho, including payment of damage claims and purchase of rights of way, as authorized by and in accordance with the provisions of the act of February 4, 1931 (46 Stat. 1061), $332,500, reimbursable as provided in said act: *Provided*, That no part of this appropriation shall be available for expenditure until repayment contracts shall have been entered into in accordance with the provisions of said act.

Mr. KETCHAM. Mr. Chairman, I move to strike out the paragraph. Gentlemen of the committee, in the paragraph under consideration is the real object of the fight I want to make this afternoon, and so for about three or four minutes I would like to have your very careful attention. In a word, this item provides for launching into a new project of irrigation upon Indian lands.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. KETCHAM. I have but a few minutes.

Mr. SMITH of Idaho. Merely in the interest of accuracy I wish to state that this project has been under construction for 25 years. It is not a new project in any sense of the word.

Mr. KETCHAM. Not this particular item. This is a new project in accordance with legislation passed in February of 1931 and is an addition to the Fort Hall Reservation. It provides for the bringing in of 30,000 acres of land and is a new legislative proposition.

Now, gentlemen, in a word—and I wish you would listen carefully, because in five minutes' time I can not go into a full argument of this matter—let me say that this item carries $332,500 as the initial appropriation in a program that will eventually call for the expenditure of $2,500,000. Of course, if I were convinced or thought that the Indians upon the Fort Hall Reservation were not now adequately cared for, if there were a real demand for this proposition, if an adequate study of the situation had been made so far as the wishes of the Indians involved in this situation are concerned, my attitude would be entirely different.

But now is the time—as we ought always to do in all of these irrigation projects—to consider it upon its real merits, because all of you know that when once a project has been initiated and the first appropriations have been made it is practically impossible to stop the proposition. So I am taking the time this afternoon to call your attention to this particular thing. I wish we all had the time to go over the hearings. If that were possible I would then leave it without debate to every thoughtful man in this room, with every kind of sympathy and full appreciation of our duty to the Indians, as to whether or not the project ought to be launched. But, men, in five minutes' time it is absolutely impossible to present the data.

Mr. MAY. Will the gentleman yield?

Mr. KETCHAM. For a brief question; yes.

Mr. MAY. The position the gentleman takes is that the expenditure of additional funds on the extension of this project is not now justified?

Mr. KETCHAM. Not now justified. Now, gentlemen, in support of my contention may I say that upon the Fort Hall Reservation at the present time there is a total of 387 Indian families and there are already available for those 387 families 65,000 acres, and the Indians there, the whole 387 of them, are only irrigating 13,600 acres. Yet here is a proposition asking us to make an initial appropriation of $332,500 and an ultimate appropriation of $2,500,000, when the record itself shows that only 13,000 acres out of the present available 65,000 acres are to be used. If the problem were submitted to the Indians themselves it is a very grave question as to whether or not they would accept or be willing to enter into the preliminary contracts that are necessary in order to initiate this new project.

Therefore, men, I just want to lay this situation clearly before you, and only wish the chairman of the subcommittee had not imposed his limitation of time so we might have an opportunity to go into this thing and examine it fairly and squarely from the standpoint of the need of the Indians, and in view of the present economic situation, whether or not an expenditure of $300,000 as the initial one and an ultimate expenditure of $2,500,000 should be required in connection with this project.

If you do not believe this ought to be done, to-day is the day to act, because if this appropriation is passed that sets the project up; and, of course, you know what the appeal will be to go on and complete the work that has already been started. So, gentlemen, I have taken this little time this morning, not out of any spirit of unfriendliness to any person, but in order that we may lay this proposition once for all squarely before the House in order that it may determine what its policy shall be. So far as I am concerned, I think we ought to call a halt until at least the lands that are available for cultivation—65,000 acres with only 13,000 now actually irrigated by the Indians—are in use.

I submit to you that this is worthy of consideration in these days when we are talking so much about economy and when we are especially urged against initiating new projects.

[Here the gavel fell.]

The CHAIRMAN. Will the gentleman from Michigan advise the Chair whether he offered his amendment as a pro forma amendment?

Mr. KETCHAM. No, Mr. Chairman. This is a real amendment.

The Clerk read as follows:

Amendment by Mr. KETCHAM: Page 27, line 16, strike out the paragraph from line 16 to line 24, inclusive.

Mr. FRENCH. Mr. Chairman, the gentleman from Michigan [Mr. KETCHAM], usually very accurate in his statements, has succeeded this time in his address in building up a straw man which he has succeeded very effectually in knocking to pieces.

As a matter of fact, the area to which the gentleman refers does not include or carry one dollar of appropriation in the pending bill. The item carried in the pending bill provides for a continuation of work that has been under way for many years. It carries $332,500. In addition to the area to which this money refers, there is an area of 30,000 acres of land known as the Michaud Flats. This area we do not propose to reclaim at this time. This area represents land as to which there is some opposition on the part of the Indians, and the gentleman correctly stated a feature of certain Indian opposition, but he did not apply it to the proper acreage.

So far as the money in this bill is concerned, we are proposing to do two things only so far as construction may be concerned. First, we propose to improve the channel of a river, which instead of a canal is utilized for some 40 miles in carrying water from the irrigation reservoir to the land itself. In part, then, it proposes additional canals and water for lands already served with water, but inadequately served.

If the gentleman from Michigan will turn to the hearings on page 365——

Mr. KETCHAM. I may say I have read them many times with great care.

Mr. FRENCH. I can see the gentleman did not read this page, or if he did, he was not thinking of the question and the answer. The question that was asked by Mr. HASTINGS was this:

First, the project contemplates a development of a water system that will furnish an adequate water supply for Indian lands that are now partially served, and for which we do not have definite information as to the acreage and cost of the present water supply system, and the proposed cost upon the basis of additional water.

Turning to the next page the answer is by Mr. Post:

1. Present Fort Hall project: Total area, 60,000 acres, all under constructed ditches; construction cost $1,918,000; existing repayment contracts limit further construction expenditure chargeable to these 60,000 acres; sum necessary to compete, $332,500; present actually irrigated area, 30,000 acres.

Mr. KETCHAM. Will the gentleman yield at that point?

Mr. FRENCH. Not yet. The gentleman did not follow on to the next question. The next question was—

The proposition contemplates a possible ultimate water supply to an area of land known as the Michaud Flats, embracing some 30,000 acres of land.

The answer on the next page was:

The cost of carrying water to the 30,000 acres at Michaud Flats is estimated at $2,100,000.

We are not appropriating money for the Michaud Flats in this bill. We are appropriating money for the purpose to which I have referred. We have gone over this question carefully. The gentleman, usually so accurate in his statements and his studies of problems, is simply wrong upon this proposition. The bogey man he has built up is the Michaud Flats area for which we are not appropriating money. The gentleman is simply confusing the situation.

Mr. KETCHAM. The gentleman out of his own mouth destroys his own case, because if the gentleman will read this paragraph alone it says, "In accordance with the provisions of the act of February 4, 1931," and if the gentleman will read that act he will find that that has in contemplation this very project, and goes into it with great care and with great particularity as to all the things that will be accomplished, and surely the gentleman, who is always preeminently fair, would not go so far as to say that if this project is passed this afternoon and we start on this project, eventually two and a half million dollars will not be spent on this work. The gentleman is altogether too fair to make such a statement. That is the very purpose of it, and that is the very reason the bill making the authorization was passed last year, and if the gentleman will get the debate and read the plea made by my distinguished colleague from Idaho on the matter that will indicate the reason for it. I tell you, men, we ought to examine this carefully, much more carefully than we can to-day under the 5-minute rule.

Mr. FRENCH. Mr. Chairman, I want simply to remind the committee of this fact. The bill to which the gentleman referred provided for carrying on this general program, including the Michaud Flats.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, I ask for one more minute to complete the statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. FRENCH. But the committee has not approved of the Michaud Flats idea, and it has not brought in one dollar to apply to the Michaud Flats area.

Mr. MAY. Will the gentleman yield?

Mr. FRENCH. I shall be pleased to yield.

Mr. MAY. What amount of the irrigated territory, in proportion to the population of Indians, is already available for cultivation without the extension of this project?

Mr. KETCHAM. Sixty-five thousand acres is now available.

Mr. FRENCH. Something like 60,000 acres.

Mr. MAY. How many Indians occupy this territory?

Mr. KETCHAM. Three hundred and eighty-seven families.

Mr. FRENCH. A population of about 2,000. A word further with regard to the item in the bill. We seek to provide a means for adequate water supply to acreage that theoretically is receiving water but does not have enough.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. KETCHAM].

The question was taken; and on a division (demanded by Mr. KETCHAM) there were 33 ayes and 45 noes.

So the amendment was rejected.

The Clerk read as follows:

For operation and maintenance of the irrigation systems on the Flathead Indian Reservation, Mont., $12,000; for continuation of construction Camas A betterment, $2,000; completing construction of Lower Crow Reservoir, $135,000, together with the unexpended balance of the appropriations for continuing construction of the Flathead irrigation system contained in the Interior Department appropriation act for the fiscal year 1932; continuing Pablo Reservoir enlargement, $85,000; lateral systems betterment, $20,000; miscellaneous engineering, surveys, and examinations, $5,000; for continuing the construction of a power distributing system, $55,000; enlargement of Tabor feed canal, $22,000; beginning construction of pumping plant, $100,000; in all, $436,000: *Provided*, That the funds made available herein for continuation of construction shall be subject to the reimbursable and other conditions and provisions of said acts: *Provided further*, That upon execution by the Jocko district of repayment contract in pursuance to existing law, the operation and maintenance charges for such district for the irrigation season of 1932 shall be covered into construction costs.

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word. Now, continuing the discussion of a moment ago, I want to call your attention to the paragraph in which my good friends from Montana are very much interested. I am not attempting to make any change in this particular item, but I want to call attention to some facts in the hope that when all Members shall read the RECORD, if they do, and see this particular item set out, they may be challenged to study

the question, and proper action may be taken, at least in the next bill.

I call particular attention to this exceptional item. In the first place there are upon that Flathead Reservation 41 Indian families actually irrigating the land. Get that idea in your mind—41 Indian families on this reservation.

These 41 families irrigate 1,392 acres. The total available acreage is 112,500.

We have expended on that proposition $6,436,000, and the estimate is for $2,619,000 to complete.

Of course, it is idle to say that you ought to stop development on this particular proposition. It is begun, and nothing I could say could persuade Congress that it ought to be stopped, and there are, perhaps, good arguments on that side.

But I am calling attention to this as an illustration so that some adequate picture may be placed in your mind as a guide for future action.

Now, so far as the repayment is concerned, out of $6,000,000 there was repaid something like $90,000. I do not understand that a cent of this has come from the Indians. There have been repayments for operation and maintenance of $538,000.

Upon the basis of $90,000 repayment, and with the total expenditure running very close to $10,000,000, I again challenge the mathematicians of the House to figure out about how long it will be, if ever, before we are going to get any return for the money invested. Grant, as the gentleman from Montana [Mr. LEAVITT] suggests, that we ought to write off the charges written against the Indians in the olden days, even so, I have taken a minute of time to call attention to the extreme situation in this particular project in which our Montana friends are so vitally interested, and of which they are justly proud, not because of extreme enmity toward them or the Indians, but simply on the proposition that in view of these expenditures of money to-day we ought to be careful about launching new projects and survey them carefully and be sure that they meet an adequate public need before the money is expended in launching the projects. I withdraw the pro forma amendment.

Mr. FRENCH. Mr. Chairman, I think the gentleman does not make any contention touching the item. The members of the committee have most earnestly and carefully gone over the items submitted, with the thought of eliminating expenses wherever possible. In this particular case, to which the gentleman has referred, we include $100,000, not because the members of the committee wanted to do it, but because a project is already under way that we can not control in this bill, and unless we make an appropriation of $100,000 for the beginning of a power plant, laying the foundations for it, ultimately when the area will be flooded it will cost the department vastly more than the amount we have included now. The proposed site will be flooded on account of construction work already on the way and which we can not stop economically. I realize that is why the gentleman is not contesting the point. He knows that we are up against a proposition that can not be met initially.

Mr. KETCHAM. Will the gentleman yield?

Mr. FRENCH. I yield.

Mr. KETCHAM. The gentleman has made a fine speech in support of the very contention I have been making—that is, that when we get a thing started there is no stopping it. I agree with the gentleman, and the committee has done exceptionally well with the situation which has been committed to their hands, but what I am undertaking to do is to call the attention of the Members to the fact that we ought not to launch another Flathead proposition until we are sure we can see the end from the beginning. We can not save $6,000,000 now, because it is under way; but the gentleman has made a fine, eloquent speech and he has made the very best argument in support of the contention which I have been advancing. I certainly thank the gentleman for supporting my viewpoint.

Mr. FRENCH. The credit goes both ways. I thank the gentleman for his remarks.

The pro forma amendment was withdrawn.

The Clerk read as follows:

For surveys and investigations for the construction of a dam or dams across the Owyhee River, or other streams within, or adjacent to, the Duck Valley Indian Reservation, Idaho and Nevada, as authorized by and in accordance with the act of February 28, 1931 (46 Stat., p. 1458), $15,000.

Mr. KETCHAM offered the following amendment:

Page 30, line 18, after the word "investigations," strike out the word "for" and insert in lieu thereof "of the feasibility of."

Mr. KETCHAM. Mr. Chairman, this is a project similar to the area upon which the committee just voted. I am not moving to strike out this provision, although it is the beginning that eventually may lead to an appropriation, but I have read the hearings very carefully two or three times on this proposition, and as far as I am concerned I would like to have the investigation made, but I would not like to have it written into this particular appropriation that these surveys and investigations are for the construction of a dam or dams across the Owyhee River or other streams. I would like to have the investigation made as to the feasibility of the proposition.

Mr. MURPHY. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. MURPHY. Did the gentleman read the hearings closely?

Mr. KETCHAM. I did.

Mr. MURPHY. Did the gentleman notice that this is the place which the former chairman of this subcommittee visited as the special representative of the Interior Department?

Mr. KETCHAM. I did, and I have read his very fine report. It was complete and convincing.

Mr. MURPHY. He made a splendid report. I am sure the gentleman caught the spirit of that report; that it was an effort to get some real, dependable data on which the committee and Congress and the Department of the Interior could rely. There is a limited water supply in that country and the watershed is limited. There is a demand for water farther down this river, and the Indians who live at this place which the gentleman is speaking of are asking that something be done to settle the rights that they enjoy, and they should have them, because the Government placed them up there. If after the investigation is had they find that they can not supply enough water from the watershed to take care of the rights of the Indians at this point and also to take care of the rights of the people who will come under the Owyhee irrigation project, then we will have something definite and certain to go on. I do hope that the gentleman will not oppose this item any further. I think it is very necessary.

Mr. KETCHAM. I am not opposing the item.

Mr. MURPHY. I want the gentleman to understand what it is to do.

Mr. KETCHAM. Oh, I understand it, and I am in favor of the investigation being made, but I want to avoid a definite commitment on the construction of a dam until the investigation is made. I am for the investigation. More than that, I assure the gentleman that my amendment is almost in the identical language proposed to the committee by Secretary Wilbur.

Mr. HASTINGS. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. HASTINGS. This does not commit the Government definitely, but, as the gentleman from Ohio [Mr. MURPHY] says, this is for surveys and investigations, and it is in order to protect the rights of the Indians. I will be glad if the gentleman will read what Chief Engineer Walters said about the water rights of the Indians. The committee went into this very thoroughly and we carefully weighed this language, and we carefully considered this particular amendment which the gentleman is now offering, and the committee thought it inadvisable to put that language in the bill. The committee thought that in order to preserve the rights of the Indians this survey and investigation should be made. That is as far as this commits the Government.

Mr. KETCHAM. Now, if the gentleman representing the majority, the gentleman from Oklahoma [Mr. HASTINGS],

and the gentleman representing the minority, the gentleman from Ohio [Mr. MURPHY], will say that it is their understanding of the proposition that the adoption of this item does not commit in any way the House of Representatives, to a construction program which may run into millions of dollars, I have absolutely no objection to the item.

Mr. HASTINGS. I will state unquestionably that that is true, unless there is some further legislation upon it or an appropriation made for it.

Mr. KETCHAM. Does the gentleman from Ohio also say that that is his understanding?

[Here the gavel fell.]

Mr. KETCHAM. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. KETCHAM. Is it the understanding of the gentleman from Ohio [Mr. MURPHY] that the statement made by the gentleman from Oklahoma [Mr. HASTINGS] is that this will not commit nor bind the Congress of the United States in any way to the construction of a dam, but simply provides for the necessary investigation in the matter and that we are not committed to the dam by it in any way?

Mr. MURPHY. That is my understanding, I will say to the gentleman, and I would like to have the gentleman ask for a couple of additional minutes so that I may tell him something more about the dam and the necessity for making the investigation.

Mr. KETCHAM. I may say I have read it many times with a great degree of interest.

Mr. Chairman, in view of the statements made by the gentleman from Oklahoma [Mr. HASTINGS] and the gentleman from Ohio [Mr. MURPHY] I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. ARENTZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nevada offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ARENTZ: On page 30, line 23, strike out the period, insert a comma, and add "to be made immediately available."

Mr. ARENTZ. Mr. Chairman, there is no particular need of going into details regarding this amendment except to say that the investigation is now under way and about completed; that the $15,000 which has been appropriated is to cover the cost of this investigation and it will be necessary to make it immediately available so that the work can be completed. The hearings will testify as to the truth of what I am saying.

I refer you particularly to the following, an extract from the hearings on this bill on page 413 of the committee hearings; these remarks were made by Mr. Louis Cramton, who is making a special report on this project:

I find that those Indians are now and for many years have been making the fullest possible use of water of the Owyhee for irrigation, and they have for many years been asking construction of storage to enable them to secure more beneficial use of these waters. Inasmuch as they now have no water for irrigation purposes later than early June, their efforts to provide hay for winter feed of their range stock is seriously handicapped. While there may be difference of opinion as to the amount of water which it is feasible or proper to store for their use, I find no one in the Bureau of Indian Affairs, the Bureau of Reclamation, or those interested in the Owyhee project who does not admit that these Indians are entitled to some storage, if there is a feasible dam site.

Mr. TAYLOR of Colorado. Mr. Chairman, I see no objection to the gentleman's amendment. It seems to be appropriate and, therefore, I do not oppose it.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Nevada.

The amendment was agreed to.

The Clerk read as follows:

For reimbursement to the reclamation fund the proportionate expense of operation and maintenance of the reservoirs for furnishing stored water to the lands in Yakima Indian Reservation, Wash., in accordance with the provisions of section 22 of the act of August 1, 1914 (38 Stat. 604), $11,000.

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent to reserve the right to return to this item on page 33 later on during the consideration of this bill for the purpose of considering an item that was recommended by the Budget but which the committee did not insert in the bill. I want to reserve the right, if we so desire, to offer an amendment later on.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent to reserve the right to return to this paragraph later on, if the committee sees fit to do so. Is there objection?

There was no objection.

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word. Now, gentlemen, in connection with this item and one other item, I am going to repeat in general terms what I have said on two or three other occasions this afternoon and then that will conclude what I have to say on these irrigation projects, the whole purpose being to make available in the record a sort of statement as to the general plan and scope of them and the necessity of examining carefully any future projects of this sort before they are launched. With that idea in mind I call your attention particularly to the item for which future consideration has just been asked. On that reservation there are 169 Indian families; there are 200,000 acres in the project, and 11,659 acres are farmed by the Indians; 151,000 acres are under canals, and, mind you, less than 12,000 acres are actually cultivated by the Indians. In addition, 95,000 acres are leased by the whites. The cost of this project when it shall be completed runs to the tidy sum of $11,348,000. I think, having said that much, I ought to turn around to the other side of it and say that of all the projects on Indian reservations this is the most hopeful and this is the best one from the economic viewpoint, because this one project has returned over 75 per cent of all the repayments that have ever been made in all the history of Indian irrigation projects upon original construction. So that tribute ought to be paid to this particular reservation. But I again want to nail this point down: What is the necessity of expanding further this kind of work so long as only 11,000 acres out of a total available of 151,000 acres—a ratio of about 1 to 15 of acres occupied to acres available—are now being farmed by Indians?

So I would like to have you read the report, study it carefully, and, if you please, at some future time, when it shall be proposed to launch some of these other projects, that we have some facts upon which to base our judgment as to whether or not we ought to vote favorably upon a proposition of that kind.

Mr. GILCHRIST. Will the gentleman yield?

Mr. KETCHAM. I will be glad to yield.

Mr. GILCHRIST. What is the gentleman's opinion as to these appropriations contributing further to agricultural surpluses?

Mr. KETCHAM. I may say to the gentleman from Iowa that earlier in the afternoon I referred to that incidentally, but, of course, these Indian projects are relatively small. However, I will say to the gentleman that during the course of my remarks I referred to a contemplated addition of 30,000 acres on one of the Idaho projects which would produce Idaho potatoes that find their way to the House restaurant and take the place of the potatoes which come from Michigan. Of course, they are not to be compared with Michigan potatoes, but that simply shows that here are 30,000 acres of land that may be used for the purpose of raising potatoes which will displace Michigan potatoes.

Mr. SMITH of Idaho rose.

Mr. KETCHAM. I know what the gentleman from Idaho is going to say about his Idaho potatoes, but the gentleman has never eaten Michigan potatoes.

Mr. SMITH of Idaho. It is certainly unfortunate that the gentleman does not state facts instead of dealing in fancy.

Mr. GILCHRIST. Mr. Chairman, I rise in opposition to the pro forma amendment.

I will address the interrogation to the gentleman from Idaho which I have propounded as to whether these appropriations bring in further lands that will contribute further to the production of agricultural sulpluses. I see the gentleman differs from the gentleman who just had the floor.

Mr. SMITH of Idaho. I would say absolutely not, because these are Indian lands and the Indians must be put in a position where they can produce their own foodstuffs. There are very few commodities of any kind that are raised on Indian reservations that are not consumed either by the Indians themselves or by the people living close by.

Mr. FRENCH. Mr. Chairman, may I, from the committee, say just a few words in answer to the gentleman? It has been the very constant policy of our committee to avoid including new money to bring in new lands. Where we have included some money that will have the effect of making available more land it is because we are tied into a proposition that is already a going concern and we can not turn back without very serious economic loss; or, in one or two instances, where we are carrying money for supplemental water to lands that are already inadequately reclaimed.

I think all members of the subcommittee will agree that these are the principles that we have recognized, and we have turned our faces against bringing in new acreage and new lands.

Let me say further with regard to Indian lands, the policy that has been adopted, and has been followed for some years, of reclaiming lands where the Indians themselves were not primarily interested in farming individually is a policy that has had regard for the long-time welfare of the Indians. Indians have been located upon lands by Congresses long before our time. These lands are in areas that are drawing water from one great watershed where there are other lands owned by white people. If the Members of this Congress and the Congresses of preceding years were to be content with saying that Indians, because they are not interested in going out and raising fruit and potatoes and agricultural products generally, through irrigation, shall not be entitled to have the Government, which is the guardian, you might say, of these Indians, husband their property, reclaim their lands, we will not be doing our duty to them, because in a comparatively few years, or in another generation, at least, practically all the water will be diverted upon lands owned by the white people. What, then, will be the answer of the Congress of the United States to Indian children born now who will say, "You, the Government, the guardian of the affairs of the Indians, were blind to the very interests that ought to have addressed themselves most seriously to you, in not providing some system of irrigation when water was available for lands that you arbitrarily gave to our forefathers"?

This has been the thought that has been in the mind of the members of our committee—trying to do the right thing by the Indian and trying, on the other hand, not to do the unjust thing toward agriculture in these trying times.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Appropriations herein for irrigation and drainage of Indian lands shall be available only for expenditure by and under the direction of the Commissioner of Indian Affairs, except for such engineering and economic studies and construction work as the Secretary of the Interior decides may be more advantageously performed by the Bureau of Reclamation.

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word. I want to call attention to the last one of these projects. This is what is known as the Wind River Reservation. I present the facts as they appear in the hearings concerning that project. There are upon the Wind River Indian Reservation 201 Indian families. There are in the project 78,600 acres, of which 5,740 are under canal and 10,263 acres actually farmed by the Indians, or practically 1 acre out of every 5½ available is actually tilled by the Indians.

There are 2,398 acres leased by Indians. I do not have the record of white ownership. In fact, in a large number of projects the white ownership is in excess of the Indian ownership.

In this particular project we have already expended $2,294,000, and we are obliged to spend $1,097,000 more, making a total expenditure for the welfare of these Indians of $3,386,000.

I want to place these facts in the RECORD this afternoon so that Members of the House, as they are thinking of this one proposition, may have the basis of facts produced from the hearings themselves upon which they might consider their conclusions. Of course, you might say that we could get it from the hearings, but, in my experience, you do not go into the hearings very fully unless you are interested.

Mr. LANKFORD of Virginia. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. LANKFORD of Virginia. The gentleman has referred to the large quantity of land available. I would like to inquire if that can be cultivated without irrigation or does it require irrigation?

Mr. KETCHAM. In every instance I have mentioned the acreage is now under canals and could be irrigated.

Mr. SMITH of Idaho. I want to say that the gentleman is attempting to make a comparison here which is unjust against the irrigation projects. The Indians are allotted as much as 160 acres; and if they cultivate 10 per cent, they may be exhausting their financial ability to cultivate more. It may be impossible for them to cultivate 60, 80, or 100 acres, as they may have to start in slowly on account of their poverty. The comparison made by the gentleman from Michigan is misleading.

Mr. KETCHAM. May I say in response that at the beginning I made my position clear. I said that I had no prejudice against the Indians. I said that the committee had given careful consideration and study to the question.

Mr. SMITH of Idaho. Does the gentleman wish to reflect upon the industry, ability, and intelligence of men who represent the districts where these projects are located and the members of the committee who have frequently visited the Indian reservations and have studied these projects?

Mr. KETCHAM. I tried to make my position clear. I praised the thoroughgoing work of the committee and the splendid work of the Bureau of Indian Affairs and the work of the able engineer who has been at the head of it. But I am sure the gentleman can not controvert the assertion that there has been waste. When once started these projects, like Tennyson's brook, "go on forever."

While the gentleman is on his feet pleading so eloquently for the Indians may I make this little observation, that I think possibly there is a little plea for the whites who have gotten in on the Indian lands as well. That is all commendable, coming from the gentleman's viewpoint; but from the standpoint of the country at large, all I have sought to accomplish is to bring within your purview some of the facts and ask you to give them further consideration.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the amendment.

I tried to secure information privately from one of the members of the subcommittee as to the arrangement that the Bureau of Indian Affairs makes with the white settlers for the utilization of these irrigated projects, but I was unable to secure the information.

Has any member of the committee any information as to what terms are exacted from the white settlers for the utilization of these Indian irrigated lands?

Mr. HASTINGS. Of course, the gentleman from Idaho [Mr. FRENCH] can answer much better than I, but there is a system of leases which are made for a certain length of time, under certain rules and regulations of the department, and those leases must be approved by the department.

Mr. STAFFORD. Is there any uniform lease, or do the terms of the leases vary? What privileges has the white man to go on these irrigated projects and avail himself of these lands that are awaiting settlement?

Mr. FRENCH. May I answer the gentleman?

Mr. STAFFORD. The gentleman from Michigan [Mr. KETCHAM] has called the attention of the committee to a large amount of acreage that is undeveloped. I would like to know, and I think other members of the committee would likewise wish to be informed, as to the terms that are exacted for white settlers going on this large acreage of Indian lands.

Mr. FRENCH. The gentleman's question calls for a two-fold answer. In the first place, it refers to lands that are interspersed among or adjacent to Indian lands but that are owned by whites. As to those lands, the white settlers pay their full share of construction costs and operation and maintenance, and as to them there is no plan by which their payments may be deferred. If there should be any delinquencies whatever, it would be a matter for the Government itself to take notice of and enforce payment. Payments, however, on lands in white ownership are kept up very generally as to the amounts that are due. On June 30, 1931, out of $14,993,572 expended on account of white lands, $1,188,666 had fallen due, and of this amount only $141,060 remained unpaid.

Now, with regard to the other part of the gentleman's question, many of the Indians are not able to farm the lands that are owned by them, and the Government, through the Indian Office, arranges for lessees to take over the land. Of course, each particular tract is a problem by itself. The individual lessee makes a lease contract with the Government for the rental of the land, and the lessee pays rental and keeps up the operation and maintenance charges of the land. I should say, however, that as regards the cost of construction, that item does not fall due so long as the land is owned in trust for the Indians. It attaches to the land, in the sense that it is an obligation upon the land. If the land shall be sold, then the Government at once looks to the purchaser for the collection of the moneys that have attached to the land for the cost of reclamation.

Mr. STAFFORD. Then, as I understand the position of the gentleman, it is that these white settlers are more or less squatters, under temporary tenure; they are not permanent settlers on these Indian irrigated lands?

Mr. FRENCH. They are not squatters in the sense that they ever hope to acquire the land. They are renters who go upon the land because the land is inviting and the Indians are not capable of farming the lands themselves.

Mr. STAFFORD. In most instances do those white settlers have other lands which they cultivate?

Mr. FRENCH. Usually not.

Mr. STAFFORD. Then they are a rather shiftless sort of people, who migrate from time to time? They only have a temporary lease?

Mr. FRENCH. Oh, no, no. The leases are for several years, as a rule; sometimes as long as 10 years, and the lessees are responsible people.

Mr. STAFFORD. But those white settlers can not look forward to ever having a permanent home on these tracts of land?

Mr. FRENCH. No; not unless those lands should be acquired in one of two ways—either through the Indian receiving patent in fee to the land and selling it or through the Indian owner dying and the white man, through the probate court, acquiring the land.

Mr. STAFFORD. What is the usual size of these lands cultivated by the whites?

Mr. FRENCH. It depends on the type of agriculture. In a country where a great amount of grain or alfalfa is raised, the acreage would run 40, 80, and 160 acres; in some instances possibly more; in fruit areas less.

Mr. STAFFORD. Do they erect any homes on those lands?

Mr. FRENCH. Sometimes they do and sometimes they do not. They ought to live, and usually do live, near the land. With irrigated land they must live very near the land or upon the land. I have driven through reservations time and again and I have seen homes. Of course, the homes are not the type of homes that a man would build if he were building upon his own land.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FRENCH. May I say it is the policy of the Indian Office and it is the policy of the committee to insist to the extent possible that the Indians themselves do their own farming. In other words, we do not want to encourage tenancy. We do not want to encourage the Indians in a policy of leasing out their lands, receiving their rentals, and existing merely upon their rentals.

Mr. STAFFORD. But how successful has the Government been in trying to induce the Indians to work when they do not wish to work?

Mr. FRENCH. You point out a very difficult problem, and it depends upon the section of the country under consideration. In the southwestern part of the United States the Indians naturally take to agriculture under irrigation. I have seen canals that Indians built before America was discovered. It is an easy proposition to encourage the Indians there to engage in agriculture upon reclaimed lands. In the Northwest, however, it is not such an easy proposition. It is a proposition, in fact, new to the whites, and it is a proposition that does not appeal to the average Indian, and the proportion is comparatively small, but even there it depends upon the individual group with regard to the tendency of the Indians to take part and farm the lands themselves. The policy of the department is in every possible way to encourage the Indians to do just that thing.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

EDUCATION

For the support of Indian schools not otherwise provided for, and other educational and industrial purposes in connection therewith, including tuition for Indian pupils attending public schools, $3,521,500: *Provided*, That not to exceed $15,000 of this appropriation may be used for the support and education of deaf and dumb or blind, physically handicapped, or mentally deficient Indian children: *Provided further*, That $4,500 of this appropriation may be used for the education and civilization of the Alabama and Coushatta Indians in Texas: *Provided further*, That not more than $10,000 of the amount herein appropriated may be expended for the tuition of Indian pupils attending higher educational institutions, under such rules and regulations as the Secretary of the Interior may prescribe, but formal contracts shall not be required, for compliance with section 3744 of the Revised Statutes (U. S. C., title 41, sec. 16), for payment of tuition of Indian pupils attending public schools, higher educational institutions, or schools for the deaf and dumb, blind, physically handicapped, or mentally deficient: *And provided further*, That not to exceed $10,000 of the amount herein appropriated shall be available for educating Indian youth in stock raising at the United States Range Livestock Experiment Station at Miles City, Mont.

Mr. LEAVITT. Mr. Chairman, I move to strike out the last word in order to ask a question of the chairman of the committee. I have received a number of letters and telegrams that indicate a considerable shortage this year in the amount of money available to pay tuition for Indian children in the public schools.

One of the telegrams will perhaps interest the committee, and I will read it. It is from Lodge Grass, Mont., which is on the Crow Indian Reservation:

Notified hot lunches Crow children discontinued. Indian home conditions poorer this year. Unusual amount snow and winter weather now. Children coming to school on bus have 9-hour day. Discontinuing hot lunches will lower attendance. Decrease teaching results deprive child. Hot nourishing meal needed. Solicit help for appropriations.

I presented that to the Commissioner of Indian Affairs and action was taken that will continue the giving of those lunches in that particular place, but it outlines a situation that is not unusual, as these matters have come to my attention. The shortening down of the appropriations for Indian children in public schools is resulting, and is sure to result, in decreasing the number that can go to school. The development of the idea among the Indians that their children should go to the public schools, in my judgment, deserves a great deal of encouragement. There is, as I understand it, no real decrease in this bill in that particular item, but there is in it no provision for an increase to meet the

added costs that are sure to be required during the next school year. Is there any information that can be given as to what is expected in that regard?

Mr. HASTINGS. We did not have any additional information. As the gentleman from Montana knows, this amount is the amount that was estimated by the Bureau of the Budget, and the committee did not decrease it. Of course, if during the year it is found that an additional amount may be necessary, the Indian Bureau can apply to the proper officials, have an estimate made for them, and then it can be cared for in a deficiency bill. But the committee allowed the entire amount that was estimated by the Bureau of the Budget for this purpose.

Mr. LEAVITT. My information is that there was a shortage of $58,000 or $60,000 this year, making it impossible to put in some of the schools Indian children for whom applications were made. I am very glad to hear that the policy of the committee is sympathetic with the idea that there will be an increase in this amount in a deficiency appropriation if the Indian Office makes the proper showing.

Mr. HASTINGS. And it is found to be necessary.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment. This is the item which provoked considerable discussion when the appropriation bill for last year was under consideration, especially anent that provision which seemed to be a new policy, namely, that of encouraging Indians to attend the higher public schools. It is generally conceded that it is a policy that should be encouraged, and yet I find here this restriction, that not more than $10,000 of this $3,521,000 may be availed of for that purpose.

Mr. LEAVITT. I think the gentleman is referring to the $10,000 limitation for educating Indian youth in stock raising at the United States Range Livestock Experiment Station at Miles City, Mont. However, that is an item which will, as the years go by, necessarily have to be increased, but I was referring particularly to the payment of tuition of Indian children in the public schools.

Mr. STAFFORD. I stand corrected. The gentleman has pointed out my error. However, I ask how much has been estimated, out of this $3,500,000, for the payment of the tuition of Indian children in higher education. It is an innovation in the policy of the administration of the affairs of the Indian Bureau, but one which I believe should be encouraged. However, I take issue with the statement of the gentleman from Oklahoma [Mr. HASTINGS] when he attempts to shift the question by saying they can come to Congress next year for a deficiency. Every department of the Government, including the Bureau of Indian Affairs, has been served with notice that they shall keep within the Budget estimates, and the subcommittee handling the Interior Department appropriation bill has agreed to the Budget estimate. When a committee of the Congress has agreed to the Budget estimate what excuse would there be for a department to exceed the Budget estimate?

Mr. HASTINGS. When this item was reached, we did not have any estimate for any higher amount; the Indian Bureau did not ask the committee for any more, and it did not ask for an enlarged appropriation.

Mr. STAFFORD. I agree.

Mr. HASTINGS. There was no request made to the committee for an increased appropriation. Now, suppose the gentleman himself had been sitting on this subcommittee and had been a member of it, would he have thought it proper to have voluntarily increased the amount over the amount contained in the estimate?

Mr. STAFFORD. Not at all, and I compliment the gentleman, but I criticize his statement that if it is found necessary that more funds shall be given that they shall come in and ask for a deficiency, because the gentleman knows that every department of the Government has been told to keep within the Budget estimate, and there would be no excuse for any of the departments exceeding those estimates.

Mr. HASTINGS. As a member of this committee and as a Member of Congress, if I find that any item in this or in any other appropriation bill is inadequate to meet the legitimate needs and a proper showing can be made and there is a Budget estimate for it, so far as I am concerned, either as a member of this committee, a member of any other committee, or as a Member of this House, I will sympathetically consider it.

Mr. STAFFORD. Now, Mr. Chairman, I wish to ascertain how much of this appropriation is being estimated for this commendable work of allowing Indian youth to be educated in our higher schools?

Mr. HASTINGS. That is $10,000. The item of $10,000 to which the gentleman refers, for educating Indian youth in stock raising at the United States Range Livestock Experiment Station at Miles City, Mont., is a separate item.

Mr. STAFFORD. Then I was correct in my original statement and I withdraw the acknowledgment that I was in error.

Mr. FRENCH. If the gentleman will turn to page 429 of the hearings——

Mr. LEAVITT. Does the gentleman mean that there is only $10,000 for the payment of tuition of Indian children in public schools?

Mr. FRENCH. No; for higher education. I have the itemization here. Upon page 429 of the hearings it appears we have allowed the entire estimate of $10,000 for education in higher institutions. We have allowed, in addition to that, $10,000 for the Miles City experiment station, where training is going on. We have allowed for day schools and general, $516,000; for boarding schools, $2,340,000; for day-school tuition, $470,000; for tuition, incapacitated Indians, $15,000. This is the general program we are providing for in the bill.

Mr. STAFFORD. My criticism against the recommendation of the committee is that the committee has been too parsimonious altogether in allotting the amount for education of our Indian youth in our higher schools. Ten thousand dollars is nothing compared with the needs of the occasion. Why not increase that amount and cut down the appropriation in some other particular? Ten thousand dollars for high-school education for all the Indian youth in the United States is ridiculously low.

Mr. FRENCH. This is the first time this item of $10,000 has been carried in the bill. Not much money has been used from the general fund heretofore. We are beginning, you might say, to expand education among Indians along this line, and the $10,000 is the amount recommended by the Budget for this particular purpose.

Mr. HASTINGS. Of course, if the gentleman will permit, he does not understand the expenditure of this appropriation.

Mr. STAFFORD. I thank the gentleman for that compliment.

Mr. HASTINGS. The gentleman does not understand the language.

Mr. STAFFORD. Oh, I entered into the discussion of this matter last year.

Mr. HASTINGS. Wait a minute.

Mr. STAFFORD. In my time I will be glad to.

Mr. HASTINGS. I will get the gentleman a minute more.

Mr. STAFFORD. It will take more time than that.

[Here the gavel fell.]

Mr. HASTINGS. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin may have two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HASTINGS. If the gentleman from Wisconsin will permit, all of the money that is appropriated for tuition purposes in public schools is allocated to that purpose. The Indian children may go to lower-grade public schools or the high schools. This particular $10,000 is for the purpose of giving them a still higher education above the high school, and I say again the gentleman is mistaken in the construction that should be placed upon this language, because every Indian pupil that attends a public school, if

there is a high school available, can attend it. This $10,000 is to enable Indian pupils to go still higher in securing an education.

Mr. STAFFORD. When this question was under discussion a year ago, I recall very distinctly that my colleague the gentleman from Wisconsin [Mr. SCHNEIDER] participated in the debate, and I was rather surprised to find that as far as Wisconsin was concerned the condition on the Menominee Indian Reservation was that there was very little money being used for the education of the Indian youth in our public high schools.

Mr. SCHNEIDER. As the gentleman will recall, there was a provision in that bill for lending money to Indian pupils to go to the University of Wisconsin, and that has been taken advantage of. I do not know whether it is in this bill or not. I presume it is. However, I want to call the attention of the gentleman to the fact, if he will yield just at this time——

Mr. STAFFORD. Yes; I am always pleased to yield to my colleague from Wisconsin.

Mr. SCHNEIDER. I want to call the gentleman's attention to the fact that the amount for tuition for Indian children in the public schools is inadequate. There are more Indian children going from the boarding schools to the public schools each year. There is a desire on the part of the Indian child to go to the public school, but the Congress and the Bureau of Indian Affairs have not provided the means to give the Indian a white man's education. They seem to cling, and so does the Congress, to the old system of boarding schools or the Indian education that has brought the Indian nowhere. The boarding schools have proven an absolute failure.

Mr. STAFFORD. I welcome the statement of the gentleman, and my own position is confirmed by one who knows the actual conditions.

Mr. MURPHY. Mr. Chairman, I move to strike out the last two words.

I am just a bit puzzled at the colloquy that has just taken place on the $10,000 item that appears in this bill. If this Government could contribute $10,000 to help some poor boy whose skin is not red and is not called an Indian and help him to get started somewhere in one of the higher schools of learning, I think everyone here would be in favor of such an expenditure; but this $10,000 is to be used for the Indian that has ambition enough to want to go to school farther than we now have school facilities for him.

This is really a new experiment, this $10,000 to help the Indian who really wants higher education and is competent to receive the same.

I have been on this committee for a number of years, and I have listened to many pleas made on behalf of the poor Indians. We do mighty well for the Indian. We are spending also $100 per capita more this year for the Indian children in the schools of this country than we spent in 1925.

Mr. SCHNEIDER. Can the gentleman tell me where that is spent?

Mr. MURPHY. In the boarding schools. This is a new policy being worked out in the Indian Bureau, of taking care of children in the public schools. You must understand, gentlemen of the committee, that there are many communities around the Indian reservation that do not welcome the Indian children in the public schools.

For reasons best known to these folks, these communities near the Indian reservation do not want them.

Through the policy now being worked out in the Indian Bureau, the children are being sent to the public school, and the bureau finds that it is one of the best moves that has yet been made to really bring civilization to the Indians.

This $10,000 item is intended to help any Indians who really want to be helped. I wish we had items of this kind to help the poor white boy who has an ambition to get somewhere. [Applause.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Albuquerque, N. Mex.: For 850 pupils, $286,500; for pay of superintendent, drayage, and general repairs and improvements, $25,000; for repairs to heating system, replacement of two boilers, rehabilitation and extension of steam mains, $12,000; for deep well and equipment, $5,000; for hog and poultry houses, $3,000; in all, $331,500.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I wish to inquire generally, whether the attendance of these schools is diminishing or increasing and, if increasing, whether it is general or only in isolated cases? I may say that I visited this Albuquerque school some years ago when I was passing through the State on my way to the coast.

Mr. HASTINGS. I do not have the figures as to this school at hand, but generally speaking, they are crowded. We do not have sufficient capacity for all pupils. I have one school in mind, where we appropriated for a capacity—the Haskell Institute at Lawrence, Kans.—we appropriated on a capacity basis of 900, and my recollection is that the attendance showed 1,012. In other words, there were in attendance 112 above the capacity. You will find in the hearings that we asked the question of each school as to the actual attendance. They are really crowded above capacity, sometimes 25, sometimes 50 or more over the capacity.

Mr. STAFFORD. I assume that that is due to the increase in population of the Indians as a whole.

Mr. HASTINGS. That is one reason, and the second is that the Indians are becoming more accustomed to attending boarding schools. It is much easier now to encourage them through their parents to have their children attend boarding schools.

Mr. STAFFORD. Can the gentleman inform us whether there is a tendency on the part of the parents to have their children attend the public schools or the boarding schools?

Mr. HASTINGS. Well, I have very decided views about that. I hesitate to take up the time of the committee, but let me answer it in this way. It will take some little time to fully discuss it. It differs with every Indian tribe. In a good many tribes they do not have sufficient food at home, in some cases not sufficient clothing, in others no money to buy books, and under those circumstances it is difficult to induce the Indian children to attend the public schools.

Now, if a child is undernourished or does not have sufficient clothing or books, under those circumstances, let me say to the gentleman, it is next to impossible to get the Indian children to attend public schools. If they are compelled to attend public schools in preference to going to boarding schools, they are denied the privilege of an education.

Mr. STAFFORD. Because of the natural pride to be as well dressed as those who are attending public schools?

Mr. HASTINGS. Yes. If the gentleman will permit me, I thank the gentleman for his interest and for his constructive study of the Indian question; but I would have to answer the question of the gentleman by saying that in each case he would have taken into consideration local conditions in practically every Indian tribe. Conditions differ with the several Indian tribes.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. SCHNEIDER. Is it not true that the Bureau of Indian Affairs now is taking hundreds and thousands of Indian children out of their homes and transporting them hundreds and thousands of miles and putting them into boarding schools against the will of the parents?

Mr. HASTINGS. If it is against the will of the parents, I have never heard of it. It has never been brought to the attention of the committee nor to my attention. No investigation before our committee ever disclosed that state of affairs. Now, I say to the gentleman that I represent a district that at one time was all Indian. Oklahoma has one-third of the Indians of the United States, and there has never been a single complaint that the Bureau of Indian Affairs has, against the will of the parents or the guardian or those having the Indians in charge, forced them away from the public schools to go to boarding schools, but in all cases they preferred to go.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Tomah, Wis.: For 350 pupils, $112,500; for pay of superintendent, drayage, and general repairs and improvements, $18,000; for repairs to central heating plant and extension of steam mains, $6,000; in all, $136,500.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

Last year, in the consideration of this paragraph and the one preceding, some criticism was lodged against the committee for the attitude of the National Government in not providing proper hospitalization for the Indians located on the reservation at Tomah, Wis. Can the gentleman acquaint the committee as to whether that situation has been corrected in any way by the building of a hospital or the like? I believe there were some plans made for taking care of that situation by authorizing the building of a hospital at or near Tomah.

Mr. HASTINGS. I am not certain, but my recollection is there was one built there last year. There is a hospital there now.

Mr. STAFFORD. I believe it was constructed under an appropriation authorized in last year's appropriation act, but my memory is somewhat at fault.

Mr. HASTINGS. May I invite the gentleman's attention to the item under the health items where we have appropriated $27,000 for the support of that hospital at Tomah? The gentleman will find that farther on in the bill.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Colorado: Ute Mountain Hospital, $12,000; Ignacio Hospital, $18,000; for physician's quarters, $7,000; in all, $25,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

During the general debate on the bill the chairman stated the consideration of the different items would be left for the 5-minute rule. I notice the budgetary officer reduced the appropriation of last year from $4,050,000 to $3,310,000, and the committee further reduced it about $100,000.

Mr. HASTINGS. Ninety-seven thousand.

Mr. STAFFORD. Ninety-seven thousand dollars over the budgetary officer's recommendation, or a total reduction of $837,000 for health purposes. Will some member of the committee make an explanation of that very obvious large reduction in the appropriation made last year?

Mr. HASTINGS. The large reduction which the gentleman refers to is in construction. There are no new hospitals provided for. Last year there were two large hospitals, one in New Mexico and one for the Sioux, which totaled $750,000, and perhaps others that I do not recall; but in any event, the reason for the reduction is that this new construction is not provided for.

Mr. STAFFORD. There has been no radical reduction for the operation of the hospitals.

Mr. HASTINGS. No. I will call attention to three items. We reduced it under the Budget $97,000. The hospital provided for down in New Mexico has not been constructed, and the Budget estimate was for $45,000 for maintenance. It will not be constructed in time to use that $45,000, so we save that amount.

The same is true with reference to the Sioux hospital. That is $90,000. Then there was a saving of $7,000 in physicians' quarters at one of these hospitals, and those three items amount to $97,000, which is the reduction below the bureau's estimate.

Mr. STAFFORD. The explanation made by my friend from Oklahoma shows that there is no radical or drastic cut in the appropriations for maintenance. I withdraw the pro forma amendment.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Provided, That nonreservation boarding schools receiving specific appropriations shall contribute on a per diem basis for the hospitalization of pupils in hospitals located at such schools and supported from this appropriation.

Mr. GOSS. Mr. Chairman, I ask unanimous consent that the proviso in lines 19 to 22 be transposed to the proviso starting in line 23 and ending in line 5, page 50, by striking out the word "further" in line 23 and adding the word "further" after the proviso in line 19.

Mr. HASTINGS. And that the two provisos be transposed?

Mr. GOSS. That the two provisos be transposed; yes. The reason for doing this is that the 10 per cent of the foregoing amounts might be construed as applying to nonreservation boarding schools receiving specific appropriations and which contribute on a per diem basis for hospitalization and that they might withhold 90 per cent. If the consent I have asked is granted, I understand what I propose to do will be in line with what the department is doing and that the committee has no objection.

The CHAIRMAN. The Chair would suggest to the gentleman from Connecticut that the more proper way to do that would be to move to strike out the first proviso and then move to insert it after the second proviso.

Mr. GOSS. Mr. Chairman, I have prepared such an amendment, which I now offer.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Goss: Page 49, strike out lines 19 to 22.

The amendment was agreed to.

The Clerk read as follows:

Provided further, That 10 per cent of the foregoing amounts shall be available interchangeably for expenditures in the various hospitals named, but not more than 10 per cent shall be added to the amount appropriated for any one of said hospitals or for any particular item within any hosiptal, and any interchange of appropriations hereunder shall be reported to Congress in the Annual Budget.

Mr. GOSS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Goss: Page 49, line 23, strike out the word "further," and after the word "Budget," in line 5, page 50, insert a colon and add the following: "*Provided further*, That nonreservation boarding schools receiving specific appropriations shall contribute on a per diem basis for the hospitalization of pupils in hospitals located at such schools and supported from this appropriation."

Mr. HASTINGS. Mr. Chairman, the committee has no objection to this amendment.

Mr. STAFFORD. Will the gentleman from Connecticut yield?

Mr. GOSS. Yes.

Mr. STAFFORD. What is the real purpose to be accomplished by the transposition of the provisos?

Mr. GOSS. If the gentleman will turn to line 23, page 49, he will notice that 10 per cent of the foregoing amounts shall be available interchangeably for expenditures in the various hospitals named. As I read that language the words "foregoing amounts" might refer to the specific appropriations and the per diem basis in the proviso just at the head of the one we are discussing. If the provisos are transposed, then that 10 per cent would not be applicable to the nonreservation boarding school appropriations available for hospitals, and it is my opinion that it is the intention of the committee to have only the 10 per cent of the amount for the hospitals apply to them.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

The Clerk read as follows:

There shall be available for health work among the several tribes of Indians not exceeding $225,000 of the tribal trust funds authorized elsewhere in this act for support of Indians and administration of Indian property: *Provided*, That not more than $7,500 of such amount may be expended for new construction in connection with health activities at any one place.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. What is the purpose of segregating $225,000 of the trust funds? Is it the general rule to utilize the trust

funds of these Indian tribes for this purpose that have trust funds available?

Mr. HASTINGS. That is correct.

Mr. STAFFORD. Is it prorated according to the amount of the trust fund or is it just arbitrarily determined by the Commissioner of Indian Affairs?

Mr. HASTINGS. It is determined by the Commissioner of Indian Affairs, and it is only used where they have trust funds that are available for such purpose. Of course, if an Indian tribe does not have any trust funds at all it is taken out of the Federal Treasury altogether. For instance, among the Osages in Oklahoma or among any other of the tribes that have large trust funds to their credit this money is used for the benefit of the Indians.

Mr. STAFFORD. Right there, is it the policy of the Congress where an Indian tribe has ample trust funds to require that these funds shall be used exclusively for the care and conservation of the health of the Indians or do we also supplement the allotment of trust funds for health purposes by specific appropriations?

Mr. HASTINGS. I know of no case where it is not supplemented by additional appropriations from the Federal Treasury. There may be some exceptions, but I do not recall any.

Mr. MURPHY. I would call the gentleman's attention to the bill that was passed the other day appropriating $25 per capita for the Chippewa Tribe of Indians out of their trust fund in addition to what we are now appropriating.

Mr. STAFFORD. The gentleman's reply does not meet the interrogation point in my mind. For instance, in the case of the Osages, where they have a very large trust fund, I am trying to ascertain the policy of the Government as to supplementing the work of conservation of health by voting individual money.

Mr. HASTINGS. Let me tell the gentleman about the Osages. In that case there is no money taken out of the Federal Treasury. The appropriation for the current year was $259,000 and the amount carried in this bill is $175,000, but it is taken altogether out of tribal funds, because they have sufficient tribal funds. So far as I know, this is the only exception, and this did not occur to me a moment ago. If the gentleman will look at the report, he will find that we take money out of tribal funds for various purposes, including health work, schools, and for the preservation of Indian property, amounting approximately to $2,400,000. We have been pursuing this policy for 25 years, and wherever trust funds reach the vanishing point then we make the appropriation directly out of the Federal Treasury. This is the distinction that is made. In all cases, so far as I know, without any discrimination, wherever there are sufficient trust funds we appropriate the money from the tribal funds, but whenever they are exhausted, of course, or reach the vanishing point then we make the appropriation out of the Federal Treasury.

Mr. STAFFORD. The gentleman has given informative facts which I wished to acquire, and I do not believe this question has ever been presented before to the committee.

Mr. HASTINGS. I do not think it has ever been discussed before.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Medical relief in Alaska: To enable the Secretary of the Interior, in his discretion, and under his direction through the Bureau of Indian Affairs, with the advice and cooperation of the Public Health Service, to provide for the medical and sanitary relief of the Eskimos, Aleuts, Indians, and other natives of Alaska; erection, purchase, repair, rental, and equipment of hospital buildings; books and surgical apparatus; pay and necessary traveling expenses of physicians, nurses, and other employees, and all other necessary miscellaneous expenses which are not included under the above special heads, $281,800, to be available immediately.

Mr. THURSTON. Mr. Chairman, I move to strike out the last word. May I inquire of the chairman of the committee if it is the policy of the Interior Department to include a building program along with the annual maintenance of a given activity? I direct the gentleman's attention to line 19, providing for the erection, purchase, and repair of buildings, and then subsequently there is provision for maintenance. Will this mean there can be a building program initiated under this bill?

Mr. HASTINGS. If the gentleman will permit, of course, this could not permit of any large construction. It is almost entirely for rental and repair of what few scattered hospitals they have. This item carries only $281,800, and that covers the entire Territory of Alaska, which, as the gentleman knows, is about as big as the United States.

Mr. THURSTON. But I am particularly inquiring as to a policy which would permit the erection of buildings. The word "erection" is set off by itself in line 19 of this page, and I wondered if it is the policy to have a building program included and covered up in a supply bill.

Mr. STAFFORD. If the gentleman will permit, from my general acquaintance with the bill, I hardly think it is purposed to allow any amount for original construction out of this item. It has merely been carried along in prior years in this way and has no such purpose, I believe, at the present time.

Mr. HASTINGS. I have looked up the details or the breakdown of this item and I find there is no new construction provided for in the item.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Northern Cheyennes and Arapahoes, Montana (article 7, treaty of May 10, 1868, and agreement of February 28, 1877), $75,000.

Mr. TILSON. Mr. Chairman, I move to strike out the last word for the purpose of getting some information. We are beginning here with appropriation items for fulfilling treaties with the Indians of various tribes. What kind of treaties and obligations have we still existing with these Indian tribes?

Mr. HASTINGS. These various treaties referred to, the gentleman will find, were entered into, and the Government agreed to pay these several tribes these amounts.

Mr. TILSON. Are they annuities or debts owing to the Indians? I have not had time to look up the treaties.

Mr. HASTINGS. They are treaties made at an early date. We have not made treaties with the Indians since March 3, 1871. On that date the Government changed its policy of dealing with the Indians. Prior to that time we negotiated treaties with them. Subsequent to that time, for 25 years we made agreements, and for the last 25 or 30 years we have been legislating directly. Treaties, agreements, and legislation, all have the same binding effect and force. Congress can repeal the treaties, it can repeal an agreement, and it can repeal the law.

Therefore, if we agree to pay them a certain annuity in a treaty, it has been carried annually, and you will see that these amounts are carried every year in the bill—last year and this year and years before. I do not think there is any change in language in the several bills—the language is the same and the amounts are the same. Congress makes the appropriation to carry out the treaty stipulations made with the Indians years ago.

Mr. TILSON. It amounts to more than half a million dollars in this group of items.

Mr. HASTINGS. The first four or five lines of this paragraph is an appropriation to pay for the Indian Service throughout the country.

Mr. GOSS. On page 53, line 9, the gentleman will find what the gentleman from Connecticut is referring to.

Mr. TILSON. The summing up paragraph reads—

In all, for said treaty stipulations, not to exceed $571,300.

This is a considerable sum to pay year after year and apparently go on paying forever.

Mr. HASTINGS. Well, you must pay it as long as the treaties are in force and effect. It is unthinkable that the United States should ever fail to appropriate to comply with the terms of a treaty.

Mr. TILSON. Oh, no; we must not fail. We should fully comply with the letter of these treaties and the spirit as well; and this was the reason prompting my inquiry.

Mr. HASTINGS. In each item there is reference to the law which shows how the Government is obligated.

Mr. COLE of Iowa. Is it not true that there are Indian treaties under which we have to pay annuities in perpetuity?

Mr. HASTINGS. That is true.

Mr. STAFFORD. In perpetuity, so long as the Indian lives. Is there any qualification based on their becoming able to support themselves?

Mr. HASTINGS. That is always done, unless it is afterwards capitalized by subsequent agreement.

Mr. COLE of Iowa. There have been agreements to abrogate a treaty and pay them a stipulated amount.

Mr. HASTINGS. Yes; by subsequent agreement.

Mr. TILSON. After the annuity is capitalized and paid we should have to do something about it if subsequently they came into a poverty-stricken state.

Mr. HASTINGS. Congress undoubtedly would, under those circumstances.

The pro forma amendment was withdrawn.

The Clerk read as follows:

For the support of the Osage Agency, and for necessary expenses in connection with oil and gas production on the Osage Reservation, Okla., including pay of necessary employees, the tribal attorney and his stenographer, one special attorney in tax and other matters, and pay of tribal officers; repairs to buildings, rent of quarters for employees, traveling expenses, printing, telegraphing and telephoning, and purchase, repair, and operation of automobiles, $175,000, payable from funds held by the United States in trust for the Osage Tribe of Indians in Oklahoma.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. I do this for the purpose of inquiring if there has been any stipulation as to what amounts should be paid for automobiles. In the bill which was considered recently the gentleman from Mississippi, chairman of the subcommittee [Mr. COLLINS], gave notice to the House that he intended to offer that amendment to all appropriation bills. I would like to inquire if that is included in this bill or not?

Mr. HASTINGS. The chairman of the subcommittee, the gentleman from Colorado [Mr. TAYLOR], has an amendment to offer at the proper place which will cover all of this, and will cover this automobile, as far as this tribe is concerned, also; that is, it will be a general amendment.

Mr. GOSS. In connection with automobiles?

Mr. HASTINGS. Yes.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. TAYLOR of Colorado. It will come at the end of the bill.

Mr. GOSS. We may not be able to return to this particular paragraph.

Mr. STAFFORD. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. STAFFORD. Is the proposed amendment substantially in the same language and does it contain the same limitations as that carried in the agricultural appropriation bill?

Mr. TAYLOR of Colorado. Yes. The understanding is we hope to come to some unanimity on this automobile business in all of our appropriation bills. We may have to thresh it out in the Senate somewhat, but the amendment which I have here to offer at the end of the bill covers automobiles all the way through all the activities of this department.

Mr. STAFFORD. It limits the amount which any department may use for the purchase of an automobile to $750?

Mr. TAYLOR of Colorado. Yes.

Mr. STAFFORD. May I inquire further whether this is the action of the full committee in determining that policy, or is it merely the conclusion of the subcommittee which has charge of this bill?

Mr. TAYLOR of Colorado. Oh, I understand this is the will of the full committee, the entire Appropriations Committee, for all appropriation bills. They are not singling out this bill. It is a policy that we are attempting to initiate in Congress for a limitation upon this automobile business. The automobile business in the Government service is coming to be an enormous expense.

Mr. STAFFORD. When the amendment was originally offered by the gentleman from Mississippi [Mr. COLLINS] to the Agriculture Department appropriation bill no reference was made in the discussion to the fact that it was the determination of the full committee as a committee policy.

Mr. MURPHY. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. MURPHY. As far as the Interior Department Subcommittee on Appropriations is concerned, this matter has never come to our attention at all and it has not been considered by the entire Committee on Appropriations.

Mr. GOSS. I understand from the gentleman from Colorado that the entire committee had passed upon this. I now understand the gentleman from Ohio to say that the committee has not had the matter brought to its attention.

Mr. MURPHY. I may say, to clear the atmosphere, that that amendment applied to the Agriculture Department appropriation bill. It was the sense of our committee that the same thing would apply to all subcommittees and the bills that we were handling.

Mr. HASTINGS. It was therefore discussed in connection with the Agriculture Department appropriation bill.

Mr. MURPHY. It was discussed in connection with that bill, but not in connection with the Interior Department bill.

Mr. GOSS. The entire committee is going to support the program of limiting the purchase of automobiles to $750 in all departments?

Mr. MURPHY. I would not want to go that far.

Mr. GOSS. Well, how far do we go?

Mr. MURPHY. We are going along with the chairman of our subcommittee.

Mr. TAYLOR of Colorado. I object to discussing the amendment until it has been offered.

Mr. GOSS. Well, the gentleman says he intends to offer it later, but we are making an appropriation for $175,000 for the purpose of the operation of automobiles, and we are right there now. I do not know what the gentleman will do later. We are right here now discussing this very matter.

Mr. TAYLOR of Colorado. Well, we have been discussing this matter. We have taken it up with the chairman of the main committee and with the ranking member, the gentleman from Indiana [Mr. WOOD], and this amendment which we have worked out among ourselves is our idea of what ought to go into all appropriation bills.

Mr. GOSS. But we have not had the benefit of the amendment, and yet we are right at this part of the bill which is making appropriation for automobiles.

Mr. TAYLOR of Colorado. But this amendment applies all the way through this bill and is to apply to all of these bills. It is not only in connection with the Bureau of Indian Affairs but it is in connection with the national parks and the Geological Survey and all other bureaus. There is no use putting in this amendment at this time.

[Here the gavel fell.]

Mr. HOGG of Indiana. Mr. Chairman, I move to strike out the paragraph for the purpose of calling the attention of the membership to the enormous sum that is being expended by every department of the Government for traveling expenses. In the Agriculture Department appropriation bill just passed, nearly $4,000,000 was appropriated for traveling expenses. That is enough to take an army of 40,000 men across the Nation from Washington, D. C., to San Francisco.

In the present bill $1,331,266 is appropriated. It is time that the House should realize this amount should be materially lessened.

I desire to further call the attention of the House to the statement which was recently published by the Bureau of the Budget, wherein it showed that 732,460 people were employed in the executive branches of our Government. In the days of John Adams there were 5,200 people in the employ of all branches of the Government. At the beginning of Lincoln's administration there were only 40,000. To-day in all branches of National Government more than 800,000 are employed. We can best serve the country by diminishing the number of Government commissions and unnecessary employees.

Mr. SWING. Will the gentleman yield?

Mr. HOGG of Indiana. I yield to the gentleman from California.

Mr. SWING. Does the gentleman contend that by reducing these items we will be saving the taxpayers of his district any money?

Mr. HOGG of Indiana. I am not interested in the taxpayers of my district alone. I have offered amendments to save money for the taxpayer directly affecting expenditures in the district which I represent. The number of employees in the executive branch of the National Government alone, with their salaries and the number in each salary class, is as follows:

(Compiled in January, 1932, from latest available information)

Salary (annual)		Number in group	Salary cost for group
Not less than—	But less than—		
Total		732,460	$1,055,970,636.55
0	$1,000	124,678	43,309,021.57
$1,000	$1,100	56,883	18,038,396.80
$1,100	$1,200	12,157	12,319,482.44
$1,200	$1,300	37,558	32,243,740.84
$1,300	$1,400	20,243	21,647,211.78
$1,400	$1,500	24,643	28,273,105.49
$1,500	$1,600	24,044	32,562,998.76
$1,600	$1,700	28,389	43,120,969.84
$1,700	$1,800	20,028	32,712,739.90
$1,800	$1,900	35,690	62,612,587.73
$1,900	$2,000	32,776	60,060,268.58
$2,000	$2,100	24,186	48,530,825.91
$2,100	$2,200	116,759	242,864,839.74
$2,200	$2,300	13,078	28,858,487.00
$2,300	$2,400	25,374	57,547,533.82
$2,400	$2,500	23,225	56,202,844.98
$2,500	$2,600	49,138	22,726,480.52
$2,600	$2,700	15,116	39,285,484.19
$2,700	$2,800	6,493	17,498,195.00
$2,800	$2,900	5,047	14,067,523.30
$2,900	$3,000	3,984	11,265,440.00
$3,000	$3,100	3,512	10,331,218.00
$3,100	$3,200	1,803	5,459,319.44
$3,200	$3,300	4,484	14,335,643.00
$3,300	$3,400	2,343	7,692,167.00
$3,400	$3,500	1,825	6,199,120.15
$3,500	$3,600	1,987	6,916,494.00
$3,600	$3,700	1,358	4,841,023.53
$3,700	$3,800	936	3,352,002.00
$3,800	$3,900	2,875	10,864,987.00
$3,900	$4,000	251	976,562.00
$4,000	$4,100	1,578	6,341,012.40
$4,100	$4,200	153	627,204.04
$4,200	$4,400	872	3,613,827.50
$4,400	$4,600	722	3,171,917.50
$4,600	$4,800	2,250	10,259,866.00
$4,800	$5,000	1,286	6,148,193.00
$5,000	$5,200	919	4,573,104.00
$5,200	$5,400	374	1,941,870.60
$5,400	$5,600	311	1,679,452.80
$5,600	$5,800	905	5,033,770.80
$5,800	$6,000	303	1,758,719.00
$6,000	$6,500	698	4,218,775.00
$6,500	$7,000	309	1,997,424.60
$7,000	$7,500	244	1,710,830.00
$7,500	$8,000	150	1,111,033.00
$8,000	$8,500	133	1,047,672.00
$8,500	$9,000	40	344,500.00
$9,000	$10,000	138	1,243,350.00
$10,000	$11,000	134	1,340,000.00
$11,000	$12,000	6	66,000.00
$12,000	$15,000	41	494,900.00
$15,000	Up	31	530,500.00

[Here the gavel fell.]

Mr. LOOFBOUROW. Mr. Chairman, I move to strike out the last word. I want to ask the members of the subcommittee about this mining trustee.

Mr. HASTINGS. I think I am pretty familiar with that, and I will say to the gentleman that they have a lot of segregated coal lands that have not been sold. I may be mistaken about the acreage, but I think there are 300,000 or 400,000 acres of coal deposits, and this mining trustee is paid from the tribal funds for looking after the leases, the collection of royalties, and other things that are incident to the collection of royalties.

Mr. LOOFBOUROW. Has he anything to do with oil leases?

Mr. HASTINGS. Nothing whatever.

Mr. LOOFBOUROW. The only tribe that has any funds is the Seminole Tribe, is it not?

Mr. HASTINGS. The Seminole Tribe and the Choctaw Tribe have small amounts. I have those figures in my office and I will put them in the RECORD. The Seminoles have, I should say, approximately $200,000.

Mr. LOOFBOUROW. I am curious to know about this mining trustee, because questions are all the time coming up about oil leases, and if this mining trustee has any jurisdiction over oil leases I would like to know it.

Mr. HASTINGS. He does not have any jurisdiction over oil leases.

Mr. LOOFBOUROW. None whatever?

Mr. HASTINGS. None whatever. Let me say to the gentleman that a nonrestricted Indian makes his oil leases just a white man makes his oil leases; but if he is a restricted Indian the lease is initiated through a subordinate official of the Interior Department, and then it is sent to the department for approval.

Mr. LOOFBOUROW. But this mining trustee has nothing whatever to do with that?

Mr. HASTINGS. Nothing whatever.

Mr. FRENCH. Mr. Chairman, I move to strike out the last two words. In the matter of the proposed amendment touching a limitation on the prices of automobiles that may be purchased, I have understood just now from the chairman of the subcommittee that an amendment will be proposed. I understand that in a general way it is along the general lines of the amendment that was added to the agricultural appropriation bill.

Members will recall that that amendment was added not by the subcommittee on the agriculture bill, but it has been approved by the House, and I assume that our chairman proposes to follow what he assumes to be the will of the House in offering a somewhat similar amendment.

So far as I am personally concerned I think the amendment that was adopted by the House the other day went altogether too far in accomplishing that which the authors of it sought to accomplish; in other words, I think it went so far as to do the uneconomical thing in forcing this Government to use light-weight cars, for instance, that might be bought for $750, in places where you ought to use cars that would cost several hundred dollars more than that and which if bought would result in economy. I do not care to discuss the question at this particular time, but I do think that amendment went too far. In view of the fact that the question has been raised as to whether or not the same amendment is to be proposed to this bill, it seems to me we ought to think of it as applied to the services that are performed by the Interior Department, such work as is carried on by the National Park Service, by the Geological Survey, by the Reclamation Service, and by the Public Land Office where cars will be used over rough terrain, where you have mountains to climb, and where oftentimes, in cases of emergency, you have speed to make, and where it would be the uneconomical and unwise thing to limit the departments to the use of types of cars that could be purchased for $750.

Mr. STAFFORD. Will the gentleman yield?

Mr. FRENCH. I shall be glad to yield.

Mr. STAFFORD. I rise again to try to have the atmosphere clarified as to whether the proposal which the chairman of the subcommittee is going to offer is the result of full committee action or is it merely the result of the action of the subcommittee? The chairman of the subcommittee stated that the full committee had determined on this policy as to all appropriation bills, but that was controverted by the gentleman from Ohio, the ranking Republican member of the subcommittee. If it is the committee's action, I would like to know it in determining my policy on this question.

Mr. TAYLOR of Colorado. Let me say that we talked this matter over.

Mr. STAFFORD. Who are "we"?

Mr. TAYLOR of Colorado. I may say the 35 members of the Appropriations Committee of the House of Representatives. I do not know whether all were there or not, but two or three times the question arose as to what ought to be done about automobiles. We have talked it over at various times, and it is my understanding that we rather delegated to the chairman of the committee and the ranking

member of it, Mr. WOOD, the authority to work out some fair and concrete action. I understand the proposed amendment I have here is the same one that was adopted on the agricultural bill. That is my understanding.

Mr. STAFFORD. Did the full committee ever consider the objections just raised by the gentleman from Idaho, that whereas in city districts, over well-paved roads, light automobiles might be serviceable, yet in services requiring hard usage it would not be economical to purchase a light automobile that could not stand the wear and tear that would be necessitated by the service.

Mr. TAYLOR of Colorado. Let me ask the gentleman if he does not think it would be better for us to discuss this when we reach it instead of at this time.

Mr. STAFFORD. I think it is informing even now to get our minds fixed upon the subject rather than to consider it as it was considered when the Department of Agriculture appropriation bill was under consideration, and have it thrown at us without knowing the form of the amendment and then have it gulped down by a large body of the membership without knowing what they were doing.

Mr. GOSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. I understand that if we pass this paragraph now, where we are discussing appropriations for automobiles, and go on with the bill, that the gentleman later on is going to offer an amendment that may interfere with this amount. Would we have the privilege of returning to the paragraph or what would be the status in that respect?

The CHAIRMAN. The Chair will answer the parliamentary inquiry. Once the paragraph is passed it can not be returned to except by unanimous consent, and no amendment would be in order except by unanimous consent.

Mr. GOSS. So that the amendment which the gentleman may offer later on would not pertain to this particular paragraph unless the gentleman obtained unanimous consent.

The CHAIRMAN. The Chair has no knowledge of what amendment the gentleman from Colorado proposes to offer and can not answer that question.

Mr. GOSS. But the gentleman could not offer any amendment that would change this particular paragraph.

The CHAIRMAN. The Chair does not propose to answer that question until the amendment is offered.

Mr. GOSS. Mr. Chairman, I offer an amendment. In line 9 change $175,000 to $250,000.

The Clerk read as follows:

Amendment offered by Mr. Goss: On page 57, in line 11, strike out "$175,000" and insert in lieu thereof "$250,000."

Mr. GOSS. Mr. Chairman, the committee has been informed that later on in the day or at the end of the bill the gentleman in charge of the bill is going to offer an amendment which, if we understand the gentleman correctly, may limit the purchase price of new automobiles to $750. If it is the desire of the committee not to have such a limitation, I am offering this amendment to increase the amount by $75,000, so that if in the judgment of the committee we could purchase higher-priced cars, we then would be in a position to purchase such better articles in the form of automobiles. I trust the amendment will pass, so that the House may have the benefit of having higher grade and better automobiles for this particular department.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. GOSS. I yield.

Mr. BLANTON. I would like to get the angle of the gentleman. Is the gentleman doing this for the benefit of the Indians or for Government service, or for the benefit of the employees who ride in the automobiles, or for the benefit of the automobile manufacturers?

Mr. GOSS. I would say to the gentleman that I am doing this for the benefit of the Government service for this reason. I do not think we can sit here and say that no car of higher price than $750 is the most economical to run over mountainous roads and through deserts and in various other places. A higher-speed car or a higher-powered car, costing a few hundred dollars more, might answer the purpose better.

Mr. BLANTON. The ordinary employee of the Government who is out in the field service can use a $600 Ford or a $600 Chevrolet or some other car of that stamp for about one-half the cost of upkeep and maintenance in comparison with a car of higher price, and he can get a car of this kind fixed anywhere along the road if something happens to it. He can get it repaired in an ordinary blacksmith shop, if there are any left in the country. He can get it fixed by any ordinary mechanic along the road. If he gets a higher-priced car, the chances are that when some little thing happens to the machine he has to send it to some big city where they have a special service department. I know of an instance where something happened to a little spring that is on the timer, and the Government employee, who had a higher-priced car, did not know what was the matter with it. A mechanic, who knew something about such matters, fixed it in two minutes.

Mr. GOSS. The gentleman may be right, but as one legislator I do not feel like stating that only one-priced car would fit all the needs under all conditions in mountainous country, in rocky country, or in a country where there are various brooks and streams or deserts. I think this should be left to the discretion of those who have had experience in these matters.

Mr. BLANTON. Has the gentleman had any practical experience in these matters?

Mr. GOSS. Yes; I have driven over the mountains and the plains of the West.

Mr. BLANTON. In the higher-priced cars?

Mr. GOSS. And also in Fords and Chevrolets.

Mr. BLANTON. My experience has been that you can manipulate Fords and Chevrolets with a much smaller maintenance and operating charge, and this would mean a great deal of saving to the Government.

Mr. BLACK. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. BLACK. The economists ought to go one step further and require all men in the Indian Service to use nothing but Indian motor cycles.

Mr. GOSS. Yes; we might reduce it still further, but I am for going up into the little higher priced cars.

Mr. PARSONS. Will the gentleman yield?

Mr. GOSS. Yes.

Mr. PARSONS. What are the makes of cars in the $750 class at the present time?

Mr. GOSS. I assume the Ford and Chevrolet. I do not know of any other particular make—perhaps the Plymouth.

Mr. BLANTON. Will the gentleman yield further?

Mr. GOSS. I yield.

Mr. BLANTON. After that facetious remark of the "chief justice from New York" [Mr. BLACK] I suggest to our friend Mr. George Rothwell Brown that he take back what he said to the effect that there are no real humorists left in the House.

Mr. PARSONS. Does the gentleman know whether there is any concerted action on the part of certain Members to limit the price of these cars for the benefit of automobile manufacturers?

Mr. GOSS. That may be so. I can not answer that.

Mr. HASTINGS. In Oklahoma we appropriate $175,000 to administer the affairs of the Indians out of their own funds. I take it the gentleman does not intend by his amendment to appropriate $75,000 additional out of the tribal funds to buy automobiles.

Mr. GOSS. We give them that privilege. They do not have to spend the money because we appropriate it.

Mr. HASTINGS. It does not give the individual the right.

Mr. GOSS. But you are going to offer an amendment that would not allow them to buy any automobile of higher price than $750.

Mr. HASTINGS. The gentleman certainly is not serious in wishing to appropriate $75,000 to buy automobiles to administer the affairs of 2,200 Indians.

Mr. GOSS. If you will offer your amendment and get it before the House, it would stop a lot of this argument.

Mr. CLANCY. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, the amendment of which I hold a copy in my hand is to be offered by the gentleman from Colorado [Mr. TAYLOR]. He says he will introduce it later. I take it from a hasty reading that it is practically the same amendment which was tied to the agricultural bill, on motion of the gentleman from Mississippi [Mr. COLLINS], with the exception that it does not apply to the Cabinet member's automobile, which was undoubtedly made because of my objections.

The Secretary of Agriculture gave me a memorandum, which I read to the House several days ago, protesting against the similar Collins amendment. The Secretary of Agriculture's memorandum said it would wreck the auto service of the Bureau of Public Roads. He said further that from the Road Bureau's long experience they had come to the conclusion that buying about a 3,000-pound car in the neighborhood of $1,000 was cheaper than to buy a lower-priced car, and, moreover, that they did not want their men to travel in an open car exposed to severe weather.

Now, the amendment prevents the use of Government automobiles between the home and the place of business. So the employees of the Bureau of Public Roads in the Rocky Mountain district and the plains of the West could not go from their cabins or their homes or hotels to their place of business, 50 or, perhaps, 100 or 300 miles away. This would wreck the Reclamation Service, it would wreck the Irrigation Service, and it would wreck the National Park Service and many Interior Department services.

Mr. BYRNS. Will the gentleman yield?

Mr. CLANCY. I yield.

Mr. BYRNS. I would like to ask my good friend from Michigan and my good friend from Connecticut if they are in favor of taking $75,000 additional out of the tribal funds of the Osage Indians for the purpose of buying automobiles for Government officials? I think an answer to that question would settle the whole proposition.

Mr. CLANCY. I will say to my good friend from Tennessee that my discussion is on the Collins and Taylor amendments, which will cripple the automobile service of the Government.

Now, it is stated that automobiles owned by States, counties, municipalities, and Federal Government are abused by joy riding and for private business. But what do you propose to do? In general language, which is not carefully thought out, not the deliberate result of hearings, you absolutely curtail and cripple the entire automobile service to restrict private use largely in the city of Washington. It is difficult to write any general language curtailing the use of all Federal automobiles without doing some degree of damage just to hit the abuse in Washington and other Government centers.

The reason I oppose the proposed amendment offered by the gentleman from Colorado [Mr. TAYLOR] is that it will do untold damage and is not carefully prepared.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was rejected.

The Clerk read as follows:

For the construction, repair, and maintenance of roads on Indian reservations not eligible to Government aid under the Federal highway act, including engineering and supervision, and the purchase of material, equipment, supplies, and the employment of Indian labor, $400,000: *Provided*, That where practicable the Secretary of the Interior shall arrange with the local authorities to defray the maintenance expenses of roads constructed hereunder and to cooperate in such construction.

Mr. LEAVITT offered the following amendment:

On page 59, line 6, after the word "construction," strike out the period, insert a semicolon and the following: "*Provided further*, That not more than 20 per cent of the amount expended on any project under this appropriation shall be expended for any purposes other than Indian labor."

Mr. LEAVITT. Mr. Chairman, the purpose of that amendment is to make certain that what Congress had in mind in authorizing this appropriation is always carried out. When the authorizing act was passed it was very plain that the intention of Congress was to provide two things. One was the improvement of the Indian reservations through road building, and the other, of greatest importance, was labor for the Indians. My fear is that as the years go by there will be a tendency to spend too much of this money for the purchase of machinery and other purposes outside of the labor which we intend to supply for the Indians. I have therefore offered this amendment as a limitation.

Mr. COLTON. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. COLTON. In cases where they are unable to get sufficient Indian labor, would that not tie the hands of the bureau too much?

Mr. LEAVITT. Well, I do not know of any such case that could come under the purposes for which this money is appropriated. It was definitely appropriated, not merely to build roads on Indian reservations, but to provide labor for Indians while the roads were being constructed.

Mr. COLTON. Very often Federal-aid roads are being constructed across the reservation——

Mr. LEAVITT. Not under this appropriation.

Mr. COLTON. But I was going to say, in constructing roads leading to Federal-aid roads, there might be a situation where sufficient Indian labor could not be secured.

Mr. LEAVITT. That kind of road would be constructed under the act sponsored by the gentleman from Utah for the building of roads and trails on Indian reservations and public lands. This is an item that has but one definite purpose. The gentleman will recall the history of it. The bill came from the Senate authorizing the expenditure of $250,000 for roads on Indian reservations. It was amended in the House to provide a general authorization and projects for the use of Indian labor. It was definitely dedicated to the furnishing of that labor rather than just the construction of roads. We have two other methods under which those other roads could be constructed.

Mr. COLTON. My thought is that the bureau would probably exercise the wisest discretion in choosing labor, and would make every effort to get Indian labor, but if it could not get Indians, there ought to be authority to employ white people.

Mr. LEAVITT. I do not think they should be authorized to use this money for the building of roads where Indian labor is not available. That is the purpose of this very bill.

Mr. STAFFORD. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. STAFFORD. Do I understand the gentleman proposes to ban Indian labor if more than 20 per cent is required?

Mr. LEAVITT. No; to make certain that they can not spend more than 20 per cent of this appropriation on any project for anything except Indian labor.

Mr. STAFFORD. That means that 80 per cent shall be expended for Indian labor?

Mr. LEAVITT. Yes; in every case, at least that.

Mr. STAFFORD. Will the gentleman construe his interpretation of the word "available"? We have a great number of Indians in Wisconsin. We started a lumber mill years back at Neopit, on the Menominee Indian Reservation. We used some two or three million of the trust funds to try to give those Indians employment, but we found the proverbial nature of the Indians to be that they would not work. What assurance can the gentleman give that the Indians of his country, even if they are available in numbers, will work on these roads?

Mr. LEAVITT. Because this has been in effect for two years and it has been one of the ways of providing enough money for these Indians to live on. They do work and they work well and successfully in the construction of these roads.

That is the only purpose for which this appropriation is authorized. I am very anxious that we make sure, as the years go by, that those who administer it in the field are not allowed to forget the purpose of this particular appropriation.

Mr. LOOFBOUROW. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. LOOFBOUROW. If it can not be used for any other purpose than for the employment of Indians, Indians will be employed, will they not?

Mr. LEAVITT. Absolutely.

Mr. ENGLEBRIGHT. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. ENGLEBRIGHT. Does not the gentleman believe he can cover the intent of his amendment and yet not entirely tie the hands of the department, by using the words "where practical"? That will show the intent of Congress and the intent of the appropriation.

[Here the gavel fell.]

Mr. LEAVITT. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ENGLEBRIGHT. That is simply offered as a suggestion to the gentleman.

Mr. LEAVITT. Well, I do not believe that is required. I think it should be passed just the way it is drawn, because I want this thing to be air-tight.

Mr. LOOFBOUROW. The suggestion would let the department out. On that language they would say, "It is not practical to secure Indians," and therefore they would spend it for the employment of white persons.

Mr. LEAVITT. Exactly.

Mr. HASTINGS. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again reported the amendment.

The amendment was agreed to.

The Clerk read as follows:

For maintenance and repair of that portion of the Gallup-Shiprock highway within the Navajo Reservation, N. Mex., including the purchase of machinery, $20,000, reimbursable as provided in the act of June 7, 1924: *Provided*, That other than for supervision and engineering only Indian labor shall be employed for such maintenance and repair work.

Mr. CARTER of Wyoming. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CARTER of Wyoming: On page 59, line 13, after the period, insert the following:

"That the unexpended balance of the appropriation of $150,000 contained in the first deficiency act, fiscal year 1931, for one-half of the cost for reconstruction and improvement of the road running from Milford across the Wind River or Shoshone Indian Reservation, through Fort Washakie to the diversion dam in Wyoming, is hereby continued available until June 30, 1933: *Provided*, That not to exceed $5,000 of the said appropriation is hereby made available for payment for rights of way across Indian lands and payment of the total irrigation construction costs and accrued operation and maintenance charges on affected lands: *Provided further*, That the provision in the act of May 27, 1930 (46 Stat. 430), requiring employment of Indian labor except for engineering and supervision, shall not apply to the funds provided by the State of Wyoming."

Mr. HASTINGS. Mr. Chairman, I make a point of order against the amendment.

Mr. CARTER of Wyoming. Will the gentleman reserve his point of order?

Mr. HASTINGS. I will reserve it.

Mr. CARTER of Wyoming. Mr. Chairman, the Seventy-first Congress authorized an appropriation of not to exceed $150,000 for the building of a highway over the Shoshone Indian Reservation in Wyoming. This was not to exceed one-half of the cost of the road. Every foot of this road is on an Indian reservation. The State of Wyoming had to pay at least $150,000, and before that money was available it had to enter into a contract with the Government that it would forever maintain the road. In addition to that it had to employ Indian labor. Now, that money could not be used because there was some litigation in regard to the State's part of this road construction. One community of the State felt that the State of Wyoming was paying too much for the construction of a road over an Indian reservation. There was a lawsuit over it, and that is the reason why the State did not use that money.

This is not to increase the appropriation one bit; it is just extending it, and in addition to that we ask to limit the amount used for rights of way not to exceed $5,000. The rights of way go over some Indian reclamation lands and the construction costs run to $45 an acre, and we want to limit the amount which the Government can use in buying rights of way.

Mr. HASTINGS. Of course, that changes existing law.

Mr. CARTER of Wyoming. Does the gentleman make a point of order against the whole amendment or just against a part of it?

Mr. HASTINGS. I make a point of order against the amendment.

The CHAIRMAN (Mr. O'CONNOR). The Chair is ready to rule. The last proviso of the gentleman's amendment is sufficient to sustain the point of order, for the reason that Chapter 343, Forty-sixth Statutes at Large, the act of May 27, 1930, contains the provision that only Indian labor shall be employed except for engineering and supervision. Under this amendment it is attempted to exempt the State of Wyoming from that provision, which would clearly be legislation on this appropriation bill and would not be in order.

Therefore, the Chair sustains the point of order.

Mr. CARTER of Wyoming. Mr. Chairman, I offer the amendment with that proviso stricken out.

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CARTER of Wyoming: On page 59, line 13, after the period, insert the following: "That the unexpended balance of the appropriation of $150,000 contained in the first deficiency act, fiscal year 1931, for one-half of the cost for reconstruction and improvement of the road running from Milford across the Wind River or Shoshone Indian Reservation, through Fort Washakie to the diversion dam in Wyoming, is hereby continued available until June 30, 1933: *Provided*, That not to exceed $5,000 of the said appropriation is hereby made available for payment for rights of way across Indian lands and payment of the total irrigation construction costs and accrued operation and maintenance charges on affected lands."

Mr. HASTINGS. Mr. Chairman, I make a point of order against the amendment based on the last proviso, on the ground that it changes existing law.

Mr. CARTER of Wyoming. I do not think it changes existing law. All it does is to limit the amount they may spend for rights of way.

Mr. HASTINGS. I am informed that the existing law does not contain the proviso:

That not to exceed $5,000 of the said appropriation is hereby made available for payment for rights of way across Indian lands—

And so forth.

The CHAIRMAN. Will the gentleman from Oklahoma cite the law to which he refers?

Mr. HASTINGS. I do not have it at hand, but I am advised that the act of 1931 does not contain this proviso; that, therefore, this proviso changes that provision; that it is in addition to what was in the 1931 law; and if so, of course, it changes existing law and is subject to the point of order.

I think the gentleman from Wyoming will concede that this is an amendment of existing law.

Mr. CARTER of Wyoming. No; I do not concede that.

Mr. HASTINGS. Does the gentleman say that this proviso is in the act of 1931?

Mr. CARTER of Wyoming. No; but I do not think it is new legislation.

Mr. HASTINGS. Then the gentleman agrees that this proviso is not in the act of 1931?

Mr. CARTER of Wyoming. No; if it was in the act of 1931 I would not be offering it here.

Mr. HASTINGS. Then it is admitted by the gentleman from Wyoming that it is not in the act of 1931.

Mr. STAFFORD. Mr. Chairman, if the proviso merely places a restriction on the amount that may be expended

for a heretofore-authorized service, clearly that is within the authority of the House.

The CHAIRMAN (Mr. O'CONNOR). The Chair will state to the gentleman that his quandary is due to the fact there is included in this amendment a provision for payment for rights of way, which authority the Chair can not find in the act of May 27, 1930. The act of May 27, 1930, provides for the reconstruction and improvement of a road, and there is no mention therein of payment for rights of way.

Mr. CARTER of Wyoming. The obtaining of rights of way is incidental to the building of a road.

The CHAIRMAN. There is no provision for such expenditure in the original act, and for that reason the Chair is constrained to hold the amendment out of order and sustains the point of order.

Mr. CARTER of Wyoming. Mr. Chairman, I offer the amendment with that portion stricken out.

The Clerk read as follows:

Amendment offered by Mr. CARTER of Wyoming: On page 59, line 13, after the period, insert the following: "That the unexpended balance of the appropriation of $150,000 contained in the first deficiency act, fiscal year 1931, for one-half of the cost for reconstruction and improvement of the road running from Milford across the Wind River or Shoshone Indian Reservation, through Fort Washakie to the diversion dam in Wyoming, is hereby continued available until June 30, 1933."

Mr. CARTER of Wyoming. Mr. Chairman, the last Congress authorized and appropriated $150,000 for the building of a highway over the Shoshone or Wind River Reservation in Wyoming. The State of Wyoming had to pay an amount equivalent at least to the $150,000. Before this amount was available they had to enter into an agreement with the Government that they would forever maintain the road. A municipality in the county in which this reservation is located brought a suit against the State of Wyoming endeavoring to restrain the State from the building of this road for the reason they felt the State of Wyoming was offering too much for a 30-mile road every foot of which was in an Indian reservation. This is the reason we were not able to use the money, and all we now ask is to extend the appropriation that was provided in the act of the Seventy-first Congress.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. CARTER of Wyoming. I am pleased to yield to the gentleman.

Mr. TAYLOR of Colorado. Has the gentleman submitted this to the Bureau of Indian Affairs?

Mr. CARTER of Wyoming. I may state that this amendment was drawn by the Bureau of Indian Affairs and met with their whole-hearted approval. They drew the amendment as it was first offered.

Mr. TAYLOR of Colorado. Was not this in the deficiency bill and was it not stricken out a short time ago?

Mr. CARTER of Wyoming. Yes; it was purely out of order in the deficiency bill, because it was neither authorized by the Budget nor did it meet with the approval of the Executive at that time.

Mr. TAYLOR of Colorado. Personally, I do not know that there ought to be any objection to this matter; but, on the other hand, I do feel that this is not the way to bring in such legislation. The Bureau of the Budget has given this committee no statement about the matter, and we do not know anything about it. I do feel that any objection would be not so much to the substance as to the manner in which the gentleman is bringing in the amendment when we do not know whether it is wise legislation or not. I feel that it is a matter that should come in in a more regular way and that the gentleman should present it to the committee for its consideration before offering it on the floor of the House. If we are to permit amendments of this kind we may admit items that should not be approved.

The provision of the bill to which the gentleman is offering this amendment is a separate law that Senator Bursum, of New Mexico, handled in the Senate and I handled in the House several years ago, appropriating in perpetuity $20,000 a year for the maintenance of a road between Gallup and Shiprock in New Mexico and in Colorado—a road that took us about 15 years to get built.

I feel that the gentleman from Oklahoma was perfectly correct in objecting to this amendment as being wholly foreign and not germane to this item.

Mr. CARTER of Wyoming. The gentleman from Oklahoma has not raised a point of order on this amendment.

Mr. TAYLOR of Colorado. If the provision is necessary, it is necessary because we have got to change present law. If he does not have to change present law, the gentleman does not need this amendment.

Mr. CARTER of Wyoming. May I again state that the gentleman from Oklahoma has not raised a point of order on this amendment?

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming [Mr. CARTER].

The amendment was agreed to.

The Clerk read as follows:

For all expenditures authorized by the act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, known as the reclamation law, and all other acts under which expenditures from said fund are authorized, including not to exceed $178,000 for personal services and $16,000 for other expenses in the office of the chief engineer; $25,000 for telegraph, telephone, and other communication service; $7,000 for photographing and making photographic prints; $54,000 for personal services; and $12,000 for other expenses in the field legal offices; examination of estimates for appropriations in the field; refunds of overcollections and deposits for other purposes; not to exceed $20,000 for lithographing, engraving, printing, and binding; purchase of ice; purchase of rubber boots for official use by employees; maintenance and operation of horse-drawn and motor-propelled passenger-carrying vehicles; not to exceed $40,000 for purchase and exchange of horse-drawn and motor-propelled passenger-carrying vehicles; packing, crating, and transportation (including drayage) of personal effects of employees upon permanent change of station, under regulations to be prescribed by the Secretary of the Interior; payment of damages caused to the owners of lands or other private property of any kind by reason of the operations of the United States, its officers, or employees in the survey, construction, operation, or maintenance of irrigation works, and which may be compromised by agreement between the claimant and the Secretary of the Interior, or such officers as he may designate; payment for official telephone service in the field hereafter incurred in case of official telephones installed in private houses when authorized under regulations established by the Secretary of the Interior; not to exceed $1,000 for expenses, except membership fees, of attendance, when authorized by the Secretary, upon meetings of technical and professional societies required in connection with official work of the bureau; payment of rewards, when specifically authorized by the Secretary of the Interior, for information leading to the apprehension and conviction of persons found guilty of the theft, damage, or destruction of public property: *Provided*, That no part of said appropriations may be used for maintenance of headquarters for the Bureau of Reclamation outside the District of Columbia except for an office for the chief engineer and staff and for certain field officers of the division of reclamation economics: *Provided further*, That the Secretary of the Interior in his administration of the Bureau of Reclamation is authorized to contract for medical attention and service for employees and to make necessary pay-roll deductions agreed to by the employees therefor: *Provided further*, That no part of any sum provided for in this act for operation and maintenance of any project or division of a project by the Bureau of Reclamation shall be used for the irrigation of any lands within the boundaries of an irrigation district which has contracted with the Bureau of Reclamation and which is in arrears for more than 12 months in the payment of any charges due the United States, and no part of any sum provided for in this act for such purpose shall be used for the irrigation of any lands which have contracted with the Bureau of Reclamation and which are in arrears for more than 12 months in the payment of any charges due from said lands to the United States.

Mr. GOSS. Mr. Chairman, I move to strike out the last word, for the purpose of inquiring of the chairman of the committee, if on page 62, lines 17, 18, and 19, he intends to have the amendment he is going to offer later apply to this $40,000?

Mr. TAYLOR of Colorado. The way it was put in the agricultural bill, and the way our leaders on the Appropriations Committee have handed it to me, it applies to everything in this bill; it covers all the activities of the department. In fact, they are trying to adopt some orderly system in relation to automobiles. It may not be this one. It may be changed in the Senate or adjusted in conference. But there is a determination at both ends of the Capitol, and on both sides of the House, that there ought to be some positive system with relation to automobiles, because it has grown to such proportions that it is one of our very large

expenditures. Everybody realizes that in this uncontrolled way of purchasing automobiles there are abuses. Some of the departments apply economy, but others have high-priced cars for some subordinates.

Mr. GOSS. Has the gentleman consulted with the gentleman from Idaho and others of the subcommittee on this particular item?

Mr. TAYLOR of Colorado. All of these matters have been gone over by the committee.

Mr. GOSS. Will the gentleman state if there is any department of the Government that uses automobiles that have been taken from the bootleggers?

Mr. TAYLOR of Colorado. I do not know anything about the bootleggers.

Mr. GOSS. Has he consulted with the gentleman from Idaho on the subcommittee about this particular item?

Mr. TAYLOR of Colorado. All these matters have been considered by the committee.

Mr. HOWARD. Will the gentleman yield to me for the purpose of answering the gentleman's question?

Mr. GOSS. I yield.

Mr. HOWARD. The gentleman asked if the gentleman from Colorado knew of any department which turned over bootleggers' automobiles to that department. I will say that only an hour ago there was handed to me in my capacity as chairman of the Committee on Indian Affairs, a draft of a bill providing for that very thing—that hereafter all cars taken and condemned as bootleggers' cars, instead of being sold or given away, as has been the practice, shall instantly become the property of the Interior Department.

Mr. GOSS. Let me say to the gentleman that it costs considerable to operate Cadillacs and high-priced cars.

Mr. HOWARD. My Indians are very careful to hold down expenses in such matters, and I am sure the legislation will be enacted, because it will come to the House from my committee. [Laughter.]

Mr. GOSS. The gentleman does not think the Indians would object to riding in these high-priced cars, does he?

Mr. HOWARD. Not yet.

Mr. GOSS. I understand that this matter was discussed in the full committee, but not in the subcommittee.

Mr. TAYLOR of Colorado. Yes; we talked the matter over in the subcommittee, but we did not decide upon any definite plan and did not put any provision in the bill, but left it to the full committee, so that we could have some united and carefully considered system between the two Houses.

Mr. GOSS. The subcommittee has not had the matter before them?

Mr. TAYLOR of Colorado. No; but we talked about it.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the amendment, for the purpose of making an inquiry of the chairman. During the hearings was there any statement of the policy of the various respective services in the purchase of automobiles?

Mr. TAYLOR of Colorado. I may say that we had furnished us a list of all automobiles that had been purchased by the various bureaus of this department. Nearly all of them were inexpensive cars.

Mr. STAFFORD. I am seeking to ascertain whether the Interior Department is subject to criticism in any of their respective services for purchasing high-priced automobiles which are beyond the character required for the respective services. Here we have an appropriation of $40,000. Upon what is that predicated, as to the character of car that is supposed to be purchased? Is it a $500 car; is it a bantam car for $300? Is it a thousand-dollar car? What is the recommendation of the department as to the character of car that is necessary for the respective services?

Mr. TAYLOR of Colorado. Will the gentleman yield for me to answer his question?

Mr. STAFFORD. I will be glad to yield to the gentleman all of my time and more.

Mr. TAYLOR of Colorado. I have a table here for the entire Interior Department, a statement of automobiles, the price, the class, purchased during 1931 and 1932 and the estimated prices in 1933.

In the Indian Service there were 309 cars in 1931; the same number in 1932. The price of those cars ranged from $400 to $600.

The Bureau of Reclamation has 40 cars, ranging from $400 to $600 in 1931. In 1932 they had 45 cars, ranging from $400 to $600.

In 1933 they ask for 33 cars, ranging from $400 to $600.

In 1931 they had three cars, ranging from $600 to $800. In 1932 they had 10 cars, ranging from $600 to $800. In 1933 they ask for 10, ranging from $600 to $800.

In 1931 they had three, ranging from $800 to $1,000. In 1932 they had seven, ranging from $800 to $1,000, and in 1933 they ask for seven, ranging from $800 to $1,000.

In 1931 they had but two automobiles over $1,000. In 1932 they had three over $1,000, and 1933 they ask for three over $1,000.

I have the same table for the land office, the Geological Survey, the national parks, St. Elizabeths Insane Asylum, and the Bureau of Indian Affairs.

Mr. STAFFORD. Do those figures for the other services substantially confirm the character of cars that are used in the Indian Service?

Mr. TAYLOR of Colorado. Yes; substantially.

Mr. STAFFORD. As far as the gentleman has given the tabulation for the Indian Service I can not see that there has been any abuse whatsoever in the utilization of the appropriation for the purchase of passenger automobiles.

Mr. TAYLOR of Colorado. The only possible extravagance, if any, as far as the Interior Department is concerned would be in those cars that cost over $1,000.

Mr. STAFFORD. What is the maximum price for those two or three cars?

Mr. TAYLOR of Colorado. This statement does not show.

Mr. STAFFORD. Well, they might have been $1,200, and the gentleman would not contend that was an abuse.

Mr. TAYLOR of Colorado. The only place I could see where the Interior Department might be exceeding the limit probably is in the National Park Service. We have not come to that yet. In the National Park Service there were 11 cars purchased at over $1,000 each.

Mr. STAFFORD. What is the maximum price for those 11 cars?

Mr. TAYLOR of Colorado. I have not the figure.

Mr. STAFFORD. Suppose they were $1,200. Would the gentleman say that was an abuse?

Mr. TAYLOR of Colorado. No.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. TAYLOR of Colorado. Gentlemen, what the Committee on Appropriations is trying to do is to adopt some uniform system for all the departments and have a definite regulation. I understand that some of them have been buying much higher-priced cars than others. I feel that is not fair to the other departments or to the Government itself. We would be very glad to have the judgment of the House on what it should do, and when the matter goes to the Senate we will have to thresh it out with those gentlemen and then it will go to conference. I feel there is no use having a running-fire debate on this thing all day or indefinitely. We discussed this matter in our committee.

We have not put anything in this bill, but it is a matter that has been considered for a long time by the various members of the Appropriations Committee. We have deferred definite action on the matter to come to some concerted regulation about it. If the Members of the House are in favor of taking off the brakes and letting these departments spend whatever they please, it is up to the House to do so.

Mr. STAFFORD. Well, that is not my purpose, but I do say the House should have some hearings and some intelligent testimony upon which to act. Now, I would like to ask the gentleman this question: Has the gentleman's commit-

tee conducted any hearings on the question comprised in the gentleman's proposed amendment that the persons employed and using these cars are forbidden to use them in going to and from their work?

Mr. TAYLOR of Colorado. Our committee has not held any stated or public hearings on that matter at all.

Mr. STAFFORD. Well, I strenuously contested that proposal when it was first offered by the gentleman from Mississippi [Mr. COLLINS] as being unworkable, and I still say it is. I still say that large commercial houses that allow their employees the use of a car in business pursuits permit them to use them going to and from work, and with that provision embodied, the amendment is ridiculous and unworkable.

Mr. MURPHY. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. MURPHY. I just want to make an observation with reference to this particular bill. The Interior Department is one department of the Government that has not imposed on the Treasury of the United States in providing unusual automobiles in which to ride. Our committee spent almost four months last year visiting and inspecting the various activities of this department. At no time did we find anything about which to complain along the lines of automobiles.

If in the activities of the Interior Department they would need to go a little higher than $750, I am sure there is not a member of this subcommittee who would not want to go along with them and provide a higher-priced car for the people who are working honestly and fairly with the United States Treasury and the people. I believe all of the members of this subcommittee would want to help them get the right kind of a car. We all know it is not economy to buy a $750 car to go out over these rough mountain roads. We know they need cars that are heavier and better. But here we are charged with the responsibility of taking care of an appropriation bill. We want the Members of the House to help us, because we are dealing fairly with the House. The Interior Department has dealt fairly with the committee, and we hope you will allow us to get this bill through the House the way it is written, or as nearly as possible as written, and I feel sure that in the end you will be well pleased.

Mr. PERSON. Mr. Chairman, I move to strike out the last three words. I presume I represent the largest automobile district in the country. I think 80 per cent of the automobiles of the country are manufactured in my district. I think there are at least 15 plants manufacturing automobiles in that district, ranging in price from three hundred and some odd dollars to better than $7,000. If the price should be limited to $750, I imagine they would all have to be bought in my district, because I think it is the only district that makes cars under that value. There may be one or two that make them under that value in other parts of the country, but at least four make them under that value in my district. So I am not objecting because the business is not coming into my community. But I want to say this: That we who have grown up with the automobile industry and who have seen these cars grow and develop know that very often for $50 or $75 more than $750 you get a car that answers an entirely different purpose and does an entirely different thing 50 per cent more economically than the $750 car. We know, for instance, in this district that the Hudson car can do a certain particular thing that no other car can do so well, and we know also that the Ford car, manufactured in my district, can do a certain other thing just as well as the car that costs $500 or $1,000 more. We know they all fill their particular place. We also know that a real business institution, an institution that is run on a business plan, sits down deliberately and, with its mind working and with its pencil sharpened, determines just which car is the true economy; and I would hope that if this House is to tackle this very important subject from the point of view of economy, that it would allow some committee somewhere to sit down and find out about it from the point of view of both car and price, as business men find out about it, and that no arbitrary limit of price regardless of car as proposed use or purpose be established.

Mr. CLANCY. Mr. Chairman, I move to strike out the last four words. With a very few Members upon the floor of the House a few weeks ago the very dangerous Collins amendment was tied to the agricultural appropriation bill. The gentleman from Colorado has said it is his intention to introduce a similar amendment to the Interior Department bill late to-day, when probably there will be very few Members here. Thirty-four Members put through the other dangerous amendment, only 8 per cent of this House. We certainly do not want a similar amendment to come up without the Members knowing what it means and with only a handful of Members present to vote. That is not fair.

The Secretary of Agriculture said with regard to the amendment which was tied to the agricultural appropriation bill that it wrecked his service in the Bureau of Good Roads. These proponents say they want economy. The Secretary of Agriculture said that over a detailed cost-keeping period of six years they proved absolutely that a 3,000-pound car costing in the neighborhood of $1,000 was more economical than the lowest-priced cars.

I want also to make this point: You can not buy the lowest-priced cars in the Rocky Mountains or distant States delivered—and the freight must be counted as a part of the $750—you can not buy the lowest-priced closed cars made in the Central States in the Rocky Mountains or on the Pacific coast for $750, and I make that statement on information furnished by experts in the automotive industry.

What did the Secretary of Agriculture say with respect to this limitation of $750 which was put on the agricultural appropriation bill? He said that it meant, first, an increased cost in the operation of the cars themselves; second, that it meant an increased number of personnel to make the inspections required on Federal-aid projects, and he submitted a cost chart which I placed in the RECORD on February 2, and in that statement he concluded in this way:

It will be noted that these costs have steadily declined since 1929, when we began to use cars in the 3,000-pound class.

Not a single Member of this House can object to any intelligent amendment aimed at curbing joy riding; no intelligent Member can object to getting the lowest-priced car which is the most economical. What we want is real and not false economy.

What was the statement made by gentlemen who tied the Collins amendment onto the agricultural appropriation bill? That there are a lot of Government servants using Rolls-Royce automobiles and they aimed to prevent the practice. I stated to one of the gentlemen that the Rolls-Royce automobile is a foreign-built car and that the American Government is not buying a foreign-built car; in fact, that there is legislation curbing the right of some departments to buy foreign commodities in competition with American commodities.

What we object to is the demagogic appeal to the country that is being made by saying that Government officials are using Rolls-Royce automobiles or cars costing $4,000 or $5,000 or even more, when, as a matter of fact, the average cost of cars in the Department of Agriculture is $971.04, and there they are using the cars which experience has shown are the most economical. When the Bureau of Standards made their auto tests when we were entering the war, did they recommend the lowest-priced car? They did not. The War Department bought $10,000,000 worth of cars of one make in one purchase, which were cars of the heavier type, with heavier materials, and they are being used now in the Government service after 15 or 16 years of heavy use, which proves that the Bureau of Standards and War Department were absolutely right.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Ten per cent of the foregoing amounts shall be available interchangeably for expenditures on the reclamation projects named; but not more than 10 per cent shall be added to the amount appropriated for any one of said projects, except that should existing works or the water supply for lands under cultivation be endangered by floods or other unusual conditions an amount sufficient to make necessary emergency repairs shall become available

for expenditure by further transfer of appropriation from any of said projects upon approval of the Secretary of the Interior;

Total, from reclamation fund, $3,089,360.

Mr. THURSTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THURSTON: Page 69, line 9, strike out all of the paragraph commencing with line 9, page 69, to include all of line 12 on page 71.

Mr. SWING. Mr. Chairman, I reserve a point of order. Have we not read that paragraph and passed it?

Mr. THURSTON. Mr. Chairman, it is all one paragraph.

Mr. SWING. No; the bill is being read by paragraphs, and I make the point of order that in the reading of an appropriation bill an amendment must be offered as the bill is read, paragraph by paragraph, and therefore the amendment now offered is not in order because it is offered too late.

The CHAIRMAN (Mr. O'CONNOR). In looking through the bill the Chair finds quite a number of paragraphs ending with a semicolon, and, although these paragraphs are divided by semicolons, they are separate paragraphs, and the Chair sustains the point of order.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. We have just completed reading the various items relating to appropriations for the Reclamation Service. I notice that the committee has reduced the budgetary estimate for the total service $1,279,000. I heartily commend the committee for this generous cut, especially in view of the fact that a majority of the Members on the subcommittee come from Western States.

However, I would like to know what policy the committee followed in making this cut, and also the reason the committee voted $800,000 for continuing the Yakima project.

Mr. TAYLOR of Colorado. I will ask the gentleman from Idaho [Mr. FRENCH] to answer the gentleman's question.

Mr. FRENCH. I beg the gentleman's pardon, but I was diverted for the moment.

Mr. STAFFORD. I am asking, generally, as to the policy the committee followed in making a cut of $1,279,000, and what policy the committee followed in voting appropriations for continuing construction as, for instance, the Yakima project of $800,000, although this is $500,000 below the budgetary estimate.

Mr. FRENCH. The committee followed with regard to reclamation the policy that I indicated we had followed with respect to reclamation upon Indian lands. We endeavored not to include any new projects or carry moneys for work that could properly be stopped at this time. There were two thoughts in view: In the first place, we did not want, at a time like this, to aggravate the economic situation touching agriculture by bringing in new areas of land. On the other hand, we were admonished by the diminishing returns of the reclamation fund to make the appropriation as reasonably small as possible.

There were only three sizable projects in the reclamation part of the bill that called for construction work. One of these was Vale, Oreg., where we cut out the entire amount of $674,000, because it was felt that the unit, being reservoir, could be safely stopped at this point without working any great injury to the project that ultimately will be carried forward.

The next project that was sizable was the Owyhee project. Here we carry $1,000,000 by way of reappropriation and $1,000,000 of new money. I think the money that I refer to as a reappropriation is money that was available under the terms of the prior appropriation.

Mr. STAFFORD. Will the gentleman explain in detail, as that is the largest appropriation, the need of appropriating $2,000,000 for this project in these times.

Mr. FRENCH. The reason we had to carry that item is because here we have a project that will cost something like $17,000,000 when completed, and we are right in the midst of a construction program that, as Doctor Mead, of the Reclamation Service, advised our committee, it would be calamitous for us to stop at this particular time.

Mr. STAFFORD. What acreage will it serve when the project is developed?

Mr. BUTLER. Approximately 200,000 acres.

Mr. FRENCH. Somewhat less than 200,000 acres.

Mr. STAFFORD. And what kind of cultivation?

Mr. FRENCH. Diversified crops. It would include grain and alfalfa, fruit, potatoes, and all that kind of agriculture.

Mr. STAFFORD. Then, so far as that project is concerned, you are opening further lands for the products of agriculture that will add to the surplus now existing?

Mr. FRENCH. In part, that must be true, and in part it is furnishing more definite water supply for lands inadequately served.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin have five minutes more.

The CHAIRMAN. Without objection, it is so ordered.

Mr. FRENCH. Then, passing to the third project, where a sizable amount of money was asked, the Yakima project is much like the Owyhee project. It seemed impossible for the committee to say that we ought to stop on this project, in view of the work that has been carried forward.

Mr. STAFFORD. And how much more will be needed before the project is completed? We may not have launched deeply enough but that we might be warranted in stopping the work entirely.

Mr. FRENCH. It was the thought of the committee that this project has already drawn so large an investment from the Government that it would be unwise and uneconomic to stop at this time.

Mr. STAFFORD. That may be as to the Owyhee project, where we have not invested much for construction purposes. Can the gentleman give the amount for construction work completed up to the present time, so that the committee can judge whether it is feasible to order this work stopped?

Mr. FRENCH. Yes; I can indicate the outlay.

Mr. STAFFORD. Large industrial organizations are not spending money now for new construction. They are saving it for keeping the concern going.

Mr. FRENCH. We had expended up to June 30, 1931, on the Sunnyside and Tieton divisions of the Yakima project, that will be served by the Cle Elum Reservoir, $14,175,974.

Mr. STAFFORD. And how much more is it estimated to take to complete it?

Mr. FRENCH. The dam itself and appurtenant structures will cost $2,730,000, and by the end of the fiscal year in which we are now operating the dam will be 40 per cent completed. It will be 85 per cent completed in 1933, and it will require an expenditure of $800,000 more than we are carrying in this bill to complete the dam.

Mr. STAFFORD. How about the $2,000,000 appropriation for the Owyhee project—how far advanced is that?

Mr. SUMMERS of Washington. As to the Cle Elum Dam it is under construction at the present time. The Budget estimate was for $1,000,000 to go ahead with that construction now under way, which is contracted for. The committee, of course, for the time being has eliminated a half million dollars, which we think should be included in the bill.

Mr. STAFFORD. The gentleman from Idaho [Mr. FRENCH] has satisfactorily answered as to the Yakima project. I am now seeking information as to the Owyhee project, for which we appropriated $2,000,000.

Mr. FRENCH. Upon June 30, 1931, we had expended $6,468,636 upon this project. It is a project that will ultimately cost about $17,000,000. Upon the dam itself at the beginning of the present year we had expended $4,775,000.

Mr. BUTLER. If the gentleman will permit me, I think perhaps six million will have been expended instead of $4,775,000.

Mr. FRENCH. Yes; by the end of the present fiscal year.

Mr. STAFFORD. And it will require $11,000,000 then?

Mr. BUTLER. Approximately that.

Mr. STAFFORD. I wish to congratulate the gentleman from Oregon [Mr. BUTLER] in securing that large raid on the Treasury to go ahead with a project of that character at this time, with but a small fraction of the project completed.

Mr. FRENCH. As to these three projects our committee was governed by the outline of policy I indicated when I first started my reply to the gentleman.

Mr. GILCHRIST offered the following amendment:

Page 71, line 12, strike out "$3,089,360" and insert in lieu thereof "30 cents."

Mr. GILCHRIST. Mr. Chairman, my colleague from Iowa [Mr. THURSTON] proposed an amendment striking out several paragraphs of this bill, including much of pages 69, 70, and 71, but his amendment was held to be out of order for the reason that he had not proposed it at the end of each of the paragraphs. Now, I propose this amendment at the end of the paragraph, hoping to reach the same thing that my colleague desired to reach when he attempted to strike out the entire matter.

Mr. Chairman, in view of what is taking place over the country, in view of the fact that the Farm Board proposes that the farmers should plow up one-third of their cotton lands, in view of this vast surplus of agricultural products that is now being put upon the market, in view of what the farmers are suffering, when they are selling their products in my district at below cost, when the sheriff is selling their lands, it is time that we cut down on Government expenditures and reduce taxes, and especially appropriations which will bring more land into competition with our present farm lands in order that still greater surpluses may be produced to glut the market and prevent a fair price for farm commodities.

In a county adjoining my own the sheriff has sold one-eighth of the land in the last few years. What are the people on the other seven-eighths doing? They are just two jumps ahead of the sheriff with bankruptcy and positive want and destitution in prospect for them.

Of course, I would not have proposed this amendment if there had been leave to discuss the merits of the amendment proposed by my colleague from Iowa, but I think this is in order at this place and therefore it has been proposed.

The question was taken; and there were—ayes 4, noes 37.

So the amendment was rejected.

Mr. KETCHAM offered the following amendment:

Page 71, line 12, strike out the figures "$3,089,360" and insert "$2,939,360."

Mr. KETCHAM. Mr. Chairman, if we will observe this matter for just a moment we will see this total $3,089,000 involves all the expenditures for all the services of the bureau that have been enumerated. I have obtained the best possible information I could as to the amount that is to be set aside to be used for cooperative investigations. The paragraphs which my colleague the gentleman from Iowa [Mr. THURSTON] had in mind are the paragraphs which are used by the Reclamation Service to lay the plans and to set the stakes to launch the procedure that finally leads us to expenditures of millions and millions of dollars upon reclamation projects. Surveys are made in very innocent little proposals that come before the House, and gradually, inperceptibly, except to those who have a vital interest, they grow into millions of dollars. The gentlemen from the West are here this afternoon, not losing a single point of advantage. Advantage was taken skillfully a few moments ago to head off discussion of this proposition. That is all fair play, and it is all a part of the program. We do not find any fault with those gentlemen at all. That is their business. They are adequately representing their districts when they are fighting for the last dollar. But I come back to the larger proposition and say to you that the time has come when we ought to carefully consider every one of these new projects, and the only way we can reach them in this bill is to nip them in the bud by cutting off investigations for a year or two. [Applause.] One hundred and fifty thousand dollars reduction for investigations will do that business.

I have before me some visual proof of what I have been stating to you, and I would like my friends from the West, who are present looking on with considerable interest, to see this little picture. This came to me in one of my weekly papers, and I will tell you what it is, because you can not see it from where you are. This is a picture of the Columbia River and this is the language that is under the picture. Please listen to it:

A vast area of arid land will be put under cultivation as a result of the two dams which Uncle Sam intends to build across the wild Columbia River, harnessing the tremendous water power that is now going to waste. One of the dams will be at Cascade Rapids, pictured above, and the other will be 75 miles up the river, and barriers, which will cost about $700,000,000, will be built from the mountains on the Oregon side to the mountains on the Washington side of the river.

And here we go, if you please, with some more investigations.

In spite of the fact that for the last two or three years we have been doing our level best to head off an investigation of this project it has advanced to the stage where a news service has gone far enough to picture the identical spot where one of the dams will be built and to name the sum that Uncle Sam will incorporate in a bill.

Mr. SWING. Will the gentleman yield?

Mr. KETCHAM. I can not yield. The gentleman has had his say.

Mr. SWING. Then, Mr. Chairman, I make a point of order.

Mr. KETCHAM. I do not yield.

Mr. SWING. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SWING. The gentleman is not discussing anything in this bill when he discusses the Columbia River project because it is not included in any possible form in the investigations that are referred to here.

The CHAIRMAN. The gentleman from Michigan must confine his remarks to the amendment, and he will proceed in order.

Mr. KETCHAM. The Columbia River involves an investigation, and investigations are provided for in this particular paragraph.

Mr. SWING. The investigation to which the gentleman refers is not included in this bill.

Mr. KETCHAM. The bill includes investigations, and under the general language of this bill I maintain that the Columbia River or any other river may be investigated, and the gentleman knows it all too well.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. SUMMERS of Washington. The dam pictured is many miles below the irrigation project of the Columbia. It is a power project. Irrigation is secondary and will not develop for many years.

Mr. BUTLER. Will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. BUTLER. I will state that the Columbia River investigation is not under the Reclamation Bureau but has been conducted under the Board of Army Engineers.

Mr. KETCHAM. Exactly so. I am mighty glad the gentleman stands up here and confesses that what could not be secured in one way has been secured in another way. It shows the versatility of the men from the West. If they can not get their projects started by one means, then they do it by another.

I appeal to you men that now is the time to show the disposition of the House as to these propositions.

[Here the gavel fell.]

Mr. MURPHY. Mr. Chairman, I rise in opposition to the amendment. It looks as though we are not going to finish this bill this afternoon, else I would not impose myself on the committee at this time.

I want to call your attention to the fact that the folks in the country, to which the gentleman has referred, have a right to dream.

I wish every Member of this House could have traveled with our committee as we investigated that great basin country in the State of Washington. I wish they could have traveled with us as we traveled 300 miles over a country that was once happy and prosperous, a country that was peopled by the best American blood, a country that has gone

back to desert, a country that is filled with ghost towns, ghost farms; a country where good American men and women ventured, built, lived, and were happy until forsooth the climate changed. Perhaps you do not know about that. I wish you would study it, because it is an unusual thing and not much has been said about it and not much is known about it, save by those who are interested in that country. But it is a tragedy. It is one of the great tragedies of the Northwest. Thousands of good American people went in there and took up little farms; they built their homes and built cities, but they have entirely disappeared. Nothing but the desert is left. However, the people up there are trying to find some way whereby they can bring water onto this land. They are spending much of their own money, and they are dreaming of the day when again they can see that wonderful country blossom as it once did. [Applause.]

Mr. CLANCY. Mr. Chairman, I rise in opposition to the amendment. I would like to call attention to the fact that in these numerous items under the Bureau of Reclamation there are reclamation works going on in a number of States, not only in the Rocky Mountain States but in the Plains States—Nebraska and Wyoming. If you accept the amendment, which the gentleman from Colorado proposes to offer, you will find officers and employees working on these projects injured and handicapped most unfairly and most grievously.

Mr. KETCHAM. I will ask my colleague to forego his discussion until my amendment is disposed of.

The CHAIRMAN. The Chair understood the gentleman from Michigan to rise in opposition to the amendment offered by the gentleman from Michigan.

Mr. CLANCY. And the amendment was to cut down the appropriation for the Bureau of Reclamation. I am speaking in order.

Mr. KETCHAM. I did not want the Members to lose sight of my amendment.

Mr. CLANCY. If the amendment proposed by the gentleman from Colorado is adopted, it will mean that in these Rocky Mountain services at the end of the day's work officers and employees will be 5, 10, 15, 20, or 30 miles away from their homes; and, according to the exact language of the amendment, they must not travel in a Government-owned automobile from their place of work to their homes, or from their homes to their place of work; and, in the first place, they can not get to their work. The Bureau of Roads officials say they sometimes send men out who travel 300 and 400 miles a day on inspection work. How can they get home except in their Federal car? In an effort to strike at joy riding in the city of Washington, where a taxicab can be hired for a reasonable sum to travel 1, 2, 3, and 4 miles, you are ham-stringing these services in the Rocky Mountain region and in the plains region, for which hundreds of millions of dollars are appropriated. It is a penny-wise and pound-foolish policy.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The Clerk read as follows:

Boulder Canyon project: For the continuation of construction of the Hoover Dam and incidental works in the main stream of the Colorado River at Black Canyon, to create a storage reservoir, and of a complete plant and incidental structures suitable for the fullest economic development of electrical energy from the water discharged from such reservoir; to acquire by proceedings in eminent domain or otherwise, all lands, rights of way, and other property necessary for such purposes; and for incidental operations, as authorized by the Boulder Canyon project act, approved December 21, 1928 (U. S. C., Supp. V., title 43, ch. 12A); $8,000,000, to be immediately available and to remain available until advanced to the Colorado River Dam fund, which amount shall be available for personal services in the District of Columbia and for all other objects of expenditure that are specified for projects included in this act under the caption "Bureau of Reclamation" without regard to the limitations of amounts therein set forth.

Mr. ARENTZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARENTZ: Page 22, line 15, after the words set forth in lines 15, insert a colon and the following:

"*Provided*, That not to exceed $45,000 shall be available for the erection, operation, and maintenance of necessary school buildings and appurtenances on the Boulder Canyon project Federal reservation, and for the purchase and repair of required desks, furnishings, and other suitable facilities; for payment of compensation to teachers and other employees necessary for the efficient conduct and operation of schools on said reservation."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the amendment.

Mr. ARENTZ. Mr. Chairman, I know that if the gentleman from Wisconsin could view the development of this great work and the conditions existing at Boulder City, he would withdraw any objection, and I know the gentleman will by the time I get through speaking. I say this advisedly, because the gentleman from Wisconsin is fair-minded. He does not want to see school children located 25 miles from the nearest school traveling in busses to school, back and forth each day, five days a week, when the Federal Government has created a reservation for the care of the workmen that are carrying on this great project, a project which is now under construction. There are 500 families, approximately, in the environs of this reservation, and the number of school children varies from 146 to 250. These children at the present time have no place to go to school.

The State of Nevada can not tax the personal property in this reservation so they can erect a school, yet we have the incongruity of the Secretary of the Interior, who goes about this country talking about the need of education, who believes thoroughly in providing every need for proper school facilities, being faced with the proposition of not being able to provide such facilities here where they are so badly needed. He is trying to direct this city in the way a Government city and an American city should be directed, and yet, although he believes in schools, he can not do anything toward the construction of a school unless we put legislation in this bill providing for the construction of such a school; and I say that unless this legislation goes in the bill we will have these children traveling 25 or 50 miles a day back and forth to the nearest school, and the State and county, the local people, being unable to provide a school here at Boulder City even though they desire to do so.

Mr. STAFFORD. Will the gentleman yield?

Mr. ARENTZ. Yes; gladly.

Mr. STAFFORD. What is the alibi that the Secretary of the Interior has, if the gentleman knows, for refusing school facilities in this Government-owned city?

Mr. ARENTZ. To get the correct picture the gentleman will have to go back to last September, when members of the Appropriations Committee of the House, including the gentleman from Ohio [Mr. MURPHY] and others, were standing there looking over the city, at that time just a sand heap. Buildings were being erected here, there, and everywhere, and I said, "Where is your school building?" I said this in the presence of the Appropriations Committee and in the presence of the chief engineer, Mr. Walter, Commissioner Mead, and Secretary of the Interior Wilbur. He said, "We will provide the school buildings." Our Secretary of the Interior, Mr. Wilbur, got in touch at once, apparently, with the Comptroller General, who ruled that he could not spend a dollar unless he got authorization for it.

Mr. STAFFORD. Then the Secretary of the Interior is sympathetic to having a school building there?

Mr. ARENTZ. Yes; the Secretary is most decidedly so. The Secretary of the Interior sent his representative down here, and his representative made a statement before the Committee on Appropriations and told them all that I am trying to tell you now; but the Appropriations Committee has tried to do everything it can to bring about economy, although in this case they said they thought the Secretary of the Interior should go ahead and build the building, but the Secretary is not going to take that responsibility without authority.

Mr. STAFFORD. May I ask this further question——

Mr. ARENTZ. He is in favor of it, of course.

Mr. STAFFORD. If the Congress here and now should put aside the legislative rules of the House and authorize this expenditure, what assurance have we that the denizens of that city will not call upon Congress next year for a larger amount or a further amount for maintenance?

Mr. ARENTZ. I hope, my friends, that within the next month a bill which I have prepared and introduced, providing for the taxing of the personal property in this reservation by the State of Nevada, will pass; and if it does, the State of Nevada, through the proper authorities of Clark County, Nev., will at no cost to the Government provide all facilities.

Mr. STAFFORD. I am not curious to have the gentleman's explanation of contingencies of that character. I would like to know definitely, if this appropriation is authorized, what assurance will the gentleman give that he will not come to Congress next year for a larger appropriation?

Mr. ARENTZ. We are facing a condition now where the little children have no school and we can not get away from that.

[Here the gavel fell.]

Mr. ARENTZ. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. STAFFORD. Will the gentleman kindly answer the question I have twice propounded?

Mr. ARENTZ. What is the question?

Mr. STAFFORD. What assurance will the Congress or the members of the committee have, in case this authorization is permitted, that the gentleman will not come here next year for a larger appropriation for the same purpose?

Mr. ARENTZ. Looking up in my face right now is the gentleman who holds in his hand the power to say whether or not this authority shall be given to-day and whether any further authority shall be given.

Mr. STAFFORD. The gentleman still does not answer my question.

Mr. ARENTZ. So far as I am concerned, I say I shall not ask for anything more.

Mr. STAFFORD. That is sufficient. I withdraw the point of order.

Mr. ARENTZ. And let me say further, Mr. Chairman, that the construction of this Boulder Canyon Dam is going on at such a rapid pace I fear that the $8,000,000 appropriated in this bill is not going to be nearly enough.

I can do nothing to add to the appropriation. For instance, the officials of the Reclamation Service figured that it would take two years to build 6,400 feet of the 54-feet-in-diameter diversion tunnels. These tunnels are 1,600 feet long, and it was thought it would take at least two years to finish them. I want to say that the work started a year ago in March, and the tunnels will soon be completed and lined with two feet of reinforced concrete, and before the summer is over the entire flow of the Colorado River will pass through those tunnels, and they will begin to construct the coffer-dams and make excavations in the canyon bottom to bed rock.

Eight million dollars is not going to be enough. We must not do anything that will prevent the carrying on of this great and mighty work with the greatest dispatch, for speed means safety to those in the great Imperial Valley and the saving of large sums to the Government.

Mr. TAYLOR of Colorado. Mr. Chairman, this subcommittee visited the Boulder Canyon project last summer. The thermometer there at that time was 126 down at the dam. It was amazing to us to see quite a number of children there, and I understand there are now about 200, with no school facilities. If we do not make this appropriation, they will have to continue to go to Las Vegas, some 30 miles distant, to school. We did feel that they should have these school facilities. When the gentleman from Nevada said that he would take the necessary funds for a suitable school building and furnishings out of the $165,000,000 that we have authorized and out of the $8,000,000 immediately available now, I felt that we should approve of it, and all the members of the committee do approve of it.

The only question is I doubt whether the gentleman's language is sufficiently clear. I want the language of his amendment to have this specific clause in it: *"Provided,* That the funds for this school shall be taken out of this $8,000,000 fund," so it will be clear that it is to come out of this appropriation. With that modification the committee has no objection to the amendment.

Mr. ARENTZ. Mr. Chairman, I ask that the Clerk insert those words and modify the amendment to that extent. Insert the words "*Provided,* That of this fund not to exceed $45,000," and so forth.

The CHAIRMAN. The Clerk will read the amendment as modified.

The Clerk read as follows:

Page 72, line 15, after the words "set forth," insert the following: "*Provided,* That of this fund not to exceed $45,000 shall be available for the erection, operation, and maintenance of necessary school buildings and appurtenances on the Boulder Canyon project Federal reservation, and for the purchase and repair of required desks, furnishings, and other suitable facilities; for payment of compensation to teachers and other employees necessary for the efficient conduct and operation of schools on said reservation."

Mr. TAYLOR of Colorado. With that modification the committee has no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nevada, as modified.

The question was taken, and the amendment was agreed to.

The Clerk read down to and including line 14, page 73.

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the committee rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. O'CONNOR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 8397) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes, and had come to no resolution thereon.

RIGHTS AND PRIVILEGES AS CITIZENS

Mr. DE PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks by publishing a speech I made last night at Howard University.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DE PRIEST. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech made by me at Howard University, February 8, 1932:

Mr. Chairman and my fellow Americans, I say fellow Americans to remind you of the fact that you are American citizens and entitled to all the rights and privileges that every other citizen enjoys—the right to vote and be voted for as a candidate for any office in the gift of the people.

We will never enjoy our constitutional rights in this country until we combine our forces and support those men for public office who are willing to enact such laws as will enforce the Constitution and all amendments thereto.

By our loyalty and devotion we are entitled to our rights under the Constitution. This comes to us as a sacred heritage, bought through loyalty and sacrifice beginning with the heroic Crispus Attucks, who fell on Boston Common, and continuing through to Flanders Field on a European battle ground, all of which participation, through the ages, has demonstrated that we are willing and brave enough to lay down our lives for our country.

Crispus Attucks was among the first to sacrifice his life in the interest of the American Colonies. Before we were a United States of America he fertilized the soil of this land with his lifeblood dedicated to liberty and freedom.

During the activities of the Continental Army, negroes to the number of about 3,000 enlisted to fight to preserve the Colonies and to make it possible to form these United States, when the motto was "All for one and one for all."

During the War of 1812, our second engagement with England, with Jackson at New Orleans and with Perry at Lake Erie, negro soldiers made the great contribution to the war strength of our Army.

The war drums sounded long and loud in '61 as we pushed our way into the Civil War. Negroes, 200,000 strong, joined the irrepressible conflict and took part in some of the most notable battles of that war. They are remembered well at Fort Wagner and at Pillow; they marched with Sherman from Atlanta to the sea; they participated in other engagements too numerous to mention.

Again the people are called to arms. Spectacular and exciting were the days of President McKinley and the Spanish-American War, which brought out the soldier, Theodore Roosevelt, with his celebrated Rough Riders, and who met strong resistance by the soldiery in the Spanish blockhouses. It remained for the negro troops to save the day, not only for the United States but for the intrepid Roosevelt himself. These colored soldiers marched on the

Spanish blockhouses singing "There'll be a hot time in the old town to-night."

The famous Tenth Cavalry, along with the Ninth and the Twenty-fourth and Twenty-fifth Infantry, became a part of the fighting forces of our country by act of Congress in 1866. The Tenth Cavalry was one of the regiments that took part in the assault upon the Spanish blockhouses at San Juan Hill.

During the great World War the men of my race enlisted, 380,000 strong, to fight for world democracy, and we are now praying, longing, and hoping for the day to come when of a truth we will have democracy in every State of the Union and whereby every American citizen 21 years of age can cast his ballot any place in America and that ballot be counted as cast. Until that time comes, this will not be the true democracy about which we so much proclaim.

We have earned our rights in this country, under the Stars and Stripes, by the loyal support and devotion we have given, and while we are not satisfied with present conditions in and around our country, where we are denied our constitutional rights and the use of the ballot, free and untrammeled, nevertheless America is our home; our parents were born in this country, and here we must fight out our destiny. We of this generation were born here, and our children were born here. It is the only country we know; the only home we have. We shall continue to contend for both our civil and political rights—the full privilege of the ballot.

With all the wrongs imposed upon us and all the injustice visited upon us, we are still American citizens and propose always to be loyal to the Government which is ours, and we will maintain, unsullied, the reputation and fact that none of our group has ever conspired against this Government or joined any movement calculated to attempt the destruction of our institutions or aid any alien propaganda in this land of the free and home of the brave.

But with all that we have done we wonder if we are properly appreciated. When we see orders issued by the War Department modifying the regular soldierly routine of the Tenth Cavalry, relieving them of all commanding officers, taking away their side arms and assigning them around to different Army posts to do orderly work, which is nothing but servant work, we wonder if the department has the proper respect and appreciation of the valor of these negro troops and their importance at this particular time.

From a communication I received from the War Department it is claimed this is necessary under the plan to reduce certain branches of the services in favor of an increase of the Air Corps of the country. That may all be correct, but if we are going to numerically reduce the Infantry and Cavalry service, why not give us an opportunity to join the Air Corps service and let black soldiers learn to fly and be of extended service like all other American fighting units so we will be able to render our Government better service in the future and be equal to any other American soldier.

It seems to be the policy of the Government to demote the negro troops in the fighting units and establish and make of them labor battalions. That is most discouraging, un-American, and not giving us that square deal every American is entitled to receive.

I want to read for you a table showing you the enlisted strength of the Army of the United States, the reduced numerical strength of negro troops, their utter absence from the Air Corps service, and see if we have had fair treatment:

Enlisted strength of the United States Army, June 30, 1931

Quartermaster Corps	7,444
Medical Department	6,612
Finance Department	369
Corps of Engineers	4,326
Ordnance Department	2,179
Signal Corps	2,575
Chemical Warfare Service	451
Cavalry	7,692
Field Artillery	14,815
Coast Artillery Corps	12,711
Infantry	40,569
Air Corps	13,194
Detached list	6,073
Retired (on active duty)	24
Total	119,034

Colored units

Ninth Cavalry	523
Tenth Cavalry	475
Second Squadron	307
Machine-gun Troop	128
Twenty-fourth Infantry	722
Twenty-fifth Infantry	437
First Battalion	237
Third Battalion	244
Total	3,073

Though 10 per cent of the population, negro troops are only 2.5 plus per cent of the Army. They are 18 plus per cent of the Cavalry and 4 plus per cent of the Infantry, with none in the Air Corps.

Since our people not only from a military standpoint but during the long 250 years of slavery hewed the wood and tilled the soil to make America what it is, I plead with all Americans to help my racial group to secure their rights under the Constitution.

The enactment of laws will not secure our rights without a healthy public sentiment back of it. I am appealing to those of the religious world, interested interracial groups in America, Representatives in Congress and in the Senate, men of the press, magazine editors, and all to help create such a public sentiment that America will be what it claims to be—the melting pot of the world, where each man shall have his full rights under an orderly government of free men and women.

I am also appealing to the lawmakers of the country, municipal, State, and national, to enact such laws as will benefit all Americans, thereby creating such a healthy respect for law and order that no community will feel it necessary to try to take the law in their own hands and commit the crime of joining a mob and resort to lynching and burning, for such lynchings and burnings create a disrespect of law and order and break down the morale of the community where such things occur.

I am going to prophesy the time will come in America when every law-abiding citizen and every God-fearing man will stand up and support America, for we are going to save America for Americans.

There are forces at work in our communities now trying to spread a doctrine of disrespect of law and order and teaching insurrection, which is un-American, unsuited to our form of government. They are preaching and agitating the people to a degree bordering on revolution and trying to convince the people with their unbelief in the Almighty. They are organizing against the religious forces of the world. I contend that no force can stand on this earth, in these days of enlightenment, that is set against the teachings of Jesus Christ.

As the only negro Representative in Congress, I especially appeal to you to so shape and guide yourselves that by your conduct and education you will understand our rights in America; that this may be brought about under the guidance of the best American citizens, white and black, so that right and not might shall prevail.

CHAIRMAN COMMITTEE ON MILITARY AFFAIRS

Mr. CRISP. Mr. Speaker, by direction of the Democratic committee on committees, and acting within the scope of the authority conferred upon them to fill committee vacancies, I present a privileged resolution.

The SPEAKER. The gentleman from Georgia presents a privileged resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 137

Resolved, That JOHN J. MCSWAIN, of South Carolina, be, and he is hereby, elected chairman of the Committee on Military Affairs.

The resolution was agreed to.

PERMISSION FOR THE COMMITTEE ON THE JUDICIARY TO SIT DURING THE SESSION OF THE HOUSE

Mr. MONTAGUE. Mr. Speaker, at the request of the chairman and of the Committee on the Judiciary, I ask unanimous consent that that committee be allowed to sit during the session of the House to-morrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ANNUAL REPORT, ALIEN PROPERTY CUSTODIAN (H. DOC. NO. 25)

The SPEAKER laid before the House the following message from the President, which was read, and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

In accordance with the requirements of section 6 of the trading with the enemy act, I transmit herewith, for the information of the Congress, the annual report of the Alien Property Custodian on proceedings had under the trading with the enemy act for the year ended December 31, 1931.

HERBERT HOOVER.

THE RECONSTRUCTION FINANCE CORPORATION AND THE FARMER

Mr. LANKFORD of Georgia. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANKFORD of Georgia. Mr. Speaker, unless the Reconstruction Finance Corporation act is administered much better than it is worded it will become the most outrageous legislative tragedy ever perpetrated since the beginning of time.

Briefly, let us see what is about to be reconstructed and what is about to be destroyed by this much-boasted reconstruction process. Let us see who are to become the cannon fodder for this mighty engine of death for some and more

tremendous power for others. Let us see who are to suffer and die by the thousands in order that the corporate, monopolistic interests of the Nation, which have bled the common people white, may carry forward their diabolical scheme of complete centralization of both financial and political power. I call on a fair and impartial public to watch the administration of this act and determine whether or not it is administered so as to reconstruct and reestablish the average citizen or is administered solely and only in the interest of the very powers that are now destroying the citizenry of our Nation. Let us see if this enormous fund is not loaned to the more powerful corporations to enable them to destroy the very people whom we are sent here to represent and with them destroy their opportunities as free men. Let us see if this fund in $100,000,000 blocks is not loaned to the more powerful corporations in a way that enables them not only to crush out the very lifeblood of the common people but to crush out, pulverize, and swallow the smaller corporations in competition with these favored monopolies. Let us keep our eyes wide open and look and listen and determine whether or not tremendous loans are not made to the larger railroad systems of the country, for alleged euphonious reasons, but in effect turning loose and making available for the particular railroad company $100,000,000 more to be invested in busses and bus transportation generally throughout the Nation, in competition with and to the destruction of the smaller railroad lines. Let us see if this is not the beginning of a railroad-merger program, a short-line railroad dismantling and junking orgy, and a transportation monopolistic control of busses and railroads such as was not dreamed of heretofore.

Let us see if this so-called reconstruction program does not mean the building up of the big railroads by the destruction of the smaller ones, the building up and reconstruction of the big financial institutions of the money centers to the ruin and destruction of the banks of the smaller cities and the country, and the reconstruction of the most powerful and dangerous monopolies to the destruction of the smaller corporations and citizens generally. To my mind—and time will tell whether or not I am right—this is the same kind of reconstruction for the powerful monopolies that comes to the whale by eating the smaller fish and that comes to the lion by devouring the lamb.

Mr. Speaker, agriculture is suffering more than ever before. The farmer is being destroyed. His Government is not giving him a square deal. He is being robbed and he and his family are being murdered by his own Nation. Yet, this so-called Reconstruction Finance Corporation measure, in making a feeble effort to offer an excuse for its existence, says it is to "aid in financing agriculture"—agriculture that is flat on its back, helpless and dying. To aid in finishing agriculture would have been more indicative of the real purposes of the bill.

Oh, but it is argued that this bill provides for loans to the farmers for production purposes, and therefore it is a farmers' bill and not solely and only a corporation bill. Let's see about that. The sponsors of the bill wanted to authorize loans of as much as $200,000,000 to each corporation, but some of us opposed this in every way possible until we finally got this limit reduced to $100,000,000. But, even at this, this tremendous amount under the terms of the bill can be loaned, with the sky the limit in so far as legislative regulations are concerned, provided it is loaned to a corporation and in no event to an individual. But let us see about the amount that is to be loaned to the farmers. Mind you, this is not loaned to the farmers direct from the corporation, but must be handled through the Secretary of Agriculture under regulations promulgated by him. These regulations have been issued and furnish data for a complete comparison of the purposes of this bill as applied to the big corporations and to the farmers of the country.

To begin with, the amount to be loaned to all the farmers is only $50,000,000, or only one-half of what can be loaned to one corporation and only one-fourth of what the sponsors of this bill wanted loaned to one corporation. Even if the bill be so construed as to increase the amount to be loaned all the farmers to $200,000,000, then all the farmers of the whole Nation, with all their property, can only borrow the amount the sponsors of this bill wanted loaned to only one corporation. But this is not the worst. Let's see what we have. Loans of $100,000,000 to corporations with the sky the limit are to be freely made of the people's money. I repeat, loans of fabulous amounts are to be made of the farmers' money and of the average citizen's money to the big corporations without any limit of specific statutory regulations, and yet, when this same money is to be grudgingly loaned to the farmers of the Nation, they are to be hedged about by the most unfair, outrageous list of regulations ever set up for any free people of modern times and equaled only by the most rigid orders ever issued to slaves by the taskmasters of the past.

The original act is bad enough. These regulations make it infinitely worse. The act authorizes these loans for production purposes generally. These regulations attempt to repeal or amend the act of Congress by saying that this money shall be used only for the purchase of "seed, fertilizer, feed for work stock, and fuel and oil for tractors used in crop production and spraying materials," and only to those "who are without means to purchase these supplies."

Mind you, the farmer can not use any of this money to buy food for himself and family even though he uses his children to do the work on the farm. He can feed his mule out of this money but not his sick child to help nurse him back to health to be further enslaved on the farm. The old man who is unable to work and the poor widow with her family of children who are too small to work can not use a penny of this money to hire help. If the farmer's plow is broken or his plow lines come to pieces, he can not buy more with this money.

At this time I shall not mention all of these unusual, unnecessary, and totally unfair regulations, but shall call attention to a few more of the most vicious. Listen to this one:

> Loans will not be made for the purchase or repair of tools and machinery, purchase of livestock, or the feeding of livestock other than work stock used in crop production.

If the farmer's mule dies, he must quit his crop unless some one else loans him money or a mule.

If some poor widow whose sons died fighting for their country borrows some of this money, she can not use any of it to hire help, and under penalty of violating a contract with her Government she must be careful that not a penny of the fund is used to help keep alive her only cow that furnishes milk for this poor woman and hungry children.

Remember, this is all under the same law that provides for loans of $100,000,000 to each corporation with no legislative restrictions whatever.

Here is another of these regulations:

> No loan will be made to any applicant who did not operate a farm in 1931.

This means that a man who was too sick to operate a farm last year can not do so this year with this help. A man who had a job last year and has lost it and thinks he may be able to rent a little piece of land or buy a piece and make enough to ward off starvation can not get any help. He must simply starve unless he gets his job back. He can not even hire to another farmer if this money or any part of it is to be used to pay for his labor.

Here is one more of these vicious regulations. It is the most far-reaching and dangerous provision of all, and is the one which brands this list of regulations as the most dangerous ever promulgated. Listen to it:

> No loan will be made to any individual or to the tenants or share croppers of any landlord to finance or assist in financing the planting of an acreage of cotton or tobacco in excess of 65 per cent of the acreage of such crops planted by such individual or by the tenants or share croppers of such landlord in the spring of 1931, and unless such individual or landlord agrees that he will not have any interest whatsoever in any such crops in excess of 65 per cent of the acreage of such crops to which he had an interest in 1931: *Provided*, That the foregoing shall not apply to the farmer, tenant, or share cropper who in 1931 planted not more than 10 acres of cotton or 3 acres of tobacco.

This provision can only mean slavery for the man who has to borrow money from his government. It means that the poor farmer will be forced to curtail his crop so that the man who does not have to borrow can increase his. It does not at all mean a proper reduction of acreage. The farmer who plants the small acreage does not hurt the market near as much as the man who plants the large acreage and who does not have to borrow money from the Government. If this reduction of acreage is forced by the Government against the poor fellow who borrows these funds, the corporations which can get money from this Reconstruction Finance Corporation can plant without limit and the big man who needs no money from the Government will plant without limit. The result is that there will be as large a crop as ever, and the poor man will be the slave under this regulation, and he will do all the suffering with all the benefits going to others.

I hope and plead with the Secretary of Agriculture to change these regulations at once, and when this money is loaned to these farmers let them have it as free men and not as slaves.

SENATE BILLS REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 12. An act to authorize the Commissioners of the District to pay certain claims against the District of Columbia; to the Committee on the District of Columbia.

S. 14. An act to amend chapter 15 of the Code of Law for the District of Columbia, relating to the condemnation of land for public use; to the Committee on the District of Columbia.

S. 188. An act for the relief of Tampico Marine Iron Works; to the Committee on Claims.

S. 486. An act conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the 4-masted auxiliary bark *Quevilly* against the United States, and for other purposes; to the Committee on War Claims.

S. 800. An act for the relief of Ellingson & Groskopf (Inc.); to the Committee on Claims.

S. 1040. An act authorizing the issuance to Margaret McCreanor of a patent for certain lands; to the Committee on the Public Lands.

S. 1203. An act to exempt from taxation certain property of the National Society United States Daughters of 1812 in the District of Columbia; to the Committee on the District of Columbia.

S. 1216. An act for the relief of the owner of the barge *Mary M;* to the Committee on Claims.

S. 1436. An act for the relief of the Copper Ridge Mining Co.; to the Committee on Claims.

S. 1438. An act to authorize the sale of land on the Camp McDowell Indian Reservation to the city of Phoenix, Ariz., for use in connection with its water-supply development, and for other purposes; to the Committee on Claims.

S. 2396. An act to amend section 11 of the act approved February 22, 1889 (25 Stat. 676), relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington; to the Committee on the Territories.

S. 2498. An act to authorize the transfer of jurisdiction over public land in the District of Columbia; to the Committee on Public Buildings and Grounds.

S. 2622. An act to provide an examination and survey of Seaside Harbor, Oreg.; to the Committee on Rivers and Harbors.

S. 2909. An act for the relief of Ross E. Adams; to the Committee on Claims.

S. 3111. An act validating certain applications for and entries of public lands, and for other purposes; to the Committee on the Public Lands.

S. 3237. An act to legalize a bridge across the Mississippi River at Grand Rapids, Minn.; to the Committee on Interstate and Foreign Commerce.

S. Con. Res. 14. Concurrent resolution granting the consent of Congress for the temporary removal to the Corcoran Art Gallery of certain portraits in the Capitol Building; to the Committee on the Library.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 9. An act respecting the qualifications of the assessor of the District of Columbia to testify in condemnation proceedings;

S. 2077. An act to relieve the Commissioners of the District of Columbia of certain ministerial duties;

S. 2173. An act to authorize associations of employees in the District of Columbia to adopt a device to designate the products of the labor of their members, to punish illegal use or imitation of such device, and for other purposes; and

S. 2199. An act exempting building and loan associations from being adjudged bankrupts.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 149. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until to-morrow, Wednesday, February 10, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Wednesday, February 10, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON INSULAR AFFAIRS

(10 a. m.)

Filipino independence.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Interstate commerce act, section 15a (H. R. 7116 and H. R. 7117); recapture clause.

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

Marine Corps personnel (H. R. 5344).

COMMITTEE ON AGRICULTURE

(10 a. m.)

Agricultural credit corporation.

COMMITTEE ON THE JUDICIARY

(10 a. m.)

To establish uniform requirements affecting Government contracts (H. R. 255).

EXECUTIVE COMMUNICATIONS, ETC.

434. Under clause 2 of Rule XXIV, a letter from the Secretary of the Navy, transmitting a report on the disposition of useless papers in the files of the navy yards, naval stations, etc., during the calendar year 1931 was taken from the Speaker's table and referred to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DAVIS: Committee on Merchant Marine, Radio, and Fisheries. H. R. 8084. A bill for the protection of the northern Pacific halibut fishery; with amendment (Rept. No.

391). Referred to the Committee of the Whole House on the state of the Union.

Mr. DAVIS: Committee on Merchant Marine, Radio, and Fisheries. H. R. 8874. A bill to amend section 14 of the shipping act, 1916 (U. S. C., title 46, sec. 812), as amended by section 20 of the merchant marine act, 1920 (U. S. C., title 46, sec. 842); without amendment (Rept. No. 392). Referred to the House Calendar.

Mr. DAVIS: Committee on Merchant Marine, Radio, and Fisheries. H. R. 8875. A bill to amend section 8 of the act of June 19, 1886, as amended by section 2 of the act of February 17, 1898 (U. S. C., title 46, sec. 289); with amendment (Rept. No. 393). Referred to the House Calendar.

Mr. DIES: Committee on Immigration and Naturalization. H. R. 8978. A bill to clarify the application of the contract labor provisions of the immigration laws to singers and choristers; without amendment (Rept. No. 394). Referred to the House Calendar.

Mr. PATMAN: Committee on the District of Columbia. H. R. 361. A bill to provide for the extension of improvements on the west side of Georgia Avenue, north of Princeton Place, in the District of Columbia, and for other purposes; without amendment (Rept. No. 395). Referred to the Committee of the Whole House on the state of the Union.

Mr. KVALE: Committee on the Public Lands. H. R. 489. A bill to amend the act of April 25, 1922, as amended, entitled "An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government-land purchases within the former Cheyenne River and Standing Rock Indian Reservations, N. Dak., and S. Dak."; with amendment (Rept. No. 396). Referred to the Committee of the Whole House on the state of the Union.

Mr. NOLAN: Committee on the Public Lands. H. R. 5603. A bill to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, township 131 north, range 29 west, in the county of Morrison, Minn.; without amendment (Rept. No. 397). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. EVANS of Montana: Commitee on the Public Lands. H. R. 7674. A bill validating certain applications for and entries of public lands, and for other purposes; without amendment (Rept. No. 398). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 2418. A bill concerning the claim of Jacob Landry; without amendment (Rept. No. 399). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLARK of North Carolina: A bill (H. R. 9055) to authorize the acquisition of a right of way for sewer line in connection with the Fort Bragg Military Reservation, N. C.; to the Committee on Military Affairs.

By Mr. HAINES: A bill (H. R. 9056) to remove the limitation upon the extension of star routes; to the Committee on the Post Office and Post Roads.

By Mr. STAFFORD: A bill (H. R. 9057) appointing days, different from those fixed by the Constitution, for the assembling of Congress; to the Committee on the Judiciary.

By Mr. McREYNOLDS: A bill (H. R. 9058) to authorize the Secretary of War to accept on behalf of the United States a tract or parcel of land for park purposes to the Chickamauga-Chattanooga National Military Park; to the Committee on Military Affairs.

By Mr. RAYBURN: A bill (H. R. 9059) to amend section 5 of the interstate commerce act, as amended, relating to the consolidation and acquisition of control of carriers by railroad, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DICKSTEIN: A bill (H. R. 9060) to incorporate the Big Brother and Big Sister Federation, and for other purposes; to the Committee on the District of Columbia.

By Mr. RICH: A bill (H. R. 9061) to provide for disposing of the Muscle Shoals properties of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. KURTZ: A bill (H. R. 9062) providing for the establishment of a term of the District Court of the United States for the Western District of Pennsylvania at Altoona, Blair County, Pa.; to the Committee on the Judiciary.

By Mr. HALL of North Dakota: A bill (H. R. 9063) granting pensions and increase of pensions to certain soldiers, sailors, and nurses of the war with Spain, the Philippine insurrection, the China relief expedition, or the Mexican border mobilization, and for other purposes; to the Committee on Pensions.

By Mr. LEAVITT: A bill (H. R. 9064) to provide funds for cooperation with the school board at Wolf Point, Mont., in the extension of the public-school building to be available to Indian children of the Fort Peck Indian Reservation; to the Committee on Indian Affairs.

By Mr. BOWMAN: A bill (H. R. 9065) to supervise and regulate the sale of securities within the District of Columbia; to the Committee on the District of Columbia.

By Mr. JACOBSEN: A bill (H. R. 9066) to extend the times for commencing and completing the construction of a bridge across the Mississippi River, at or near Tenth Street in Bettendorf, Iowa; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDRESEN: A bill (H. R. 9067) granting pensions to certain soldiers and sailors of the World War or the Mexican border expedition; to certain maimed soldiers; to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes; to the Committee on Pensions.

By Mr. CONDON: A bill (H. R. 9068) to provide for the registration of electors qualified to vote for Senators and Representatives in Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. WICKERSHAM: A bill (H. R. 9069) to make available for survey, construction, and maintenance of trails in Alaska money appropriated for forest roads; to the Committee on Agriculture.

By Mr. GLOVER: A bill (H. R. 9070) to provide for an investigation to determine the most economical and feasible supplemental water supply for the Grand Prairie rice region in the State of Arkansas; to the Committee on Irrigation and Reclamation.

By Mr. CHAVEZ: A bill (H. R. 9071) to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and the liability of the United States to non-Indian claimants on Indian pueblo grants whose claims, extinguished under the act of June 7, 1924, have been found by the Pueblo Lands Board to have been claims in good faith; to authorize the expenditure by the Secretary of the Interior of the sums herein authorized and of sums heretofore appropriated, in conformity with the act of June 7, 1924, for the purchase of needed lands and water rights and the creation of other permanent economic improvements as contemplated by said act; to provide for the protection of the watershed within the Carson National Forest for the Pueblo de Taos Indians of New Mexico and others interested; and to authorize the Secretary of Agriculture to contract relating thereto and to amend the act approved June 7, 1924, in certain respects; to the Committee on Indian Affairs.

By Mr. EVANS of Montana: A bill (H. R. 9072) to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases; to the Committee on the Public Lands.

By Mr. McCORMACK: Resolution (H. Res. 134) for the relief of Julia Farrell; to the Committee on Accounts.

By Mr. TAYLOR of Colorado: Resolution (H. Res. 135) favoring a reduction in grazing fees on lands within national forests; to the Committee on Agriculture.

By Mr. SOMERS of New York: Resolution (H. Res. 136) proposing an expense account for the Committee on Coinage, Weights, and Measures; to the Committee on Accounts.

By Mr. MURPHY: Resolution (H. Res. 138) authorizing the distribution of garden seeds by the Government; to the Committee on Agriculture.

By Mr. FULMER: Joint resolution (H. J. Res. 281) to create a commission to investigate and study the problems of the railroad industry; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH: Joint resolution (H. J. Res. 282) to propose a multilateral agreement renouncing the sale or export of arms, munitions, or implements of war to any foreign nations; to the Committee on Foreign Affairs.

By Mr. BLAND: Concurrent resolution (H. Con. Res. 19) providing wreath to be placed on the grave of the mother of Washington on February 22, 1932; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREW of Massachusetts: A bill (H. R. 9073) granting an increase of pension to Abbie J. Parsons; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 9074) granting an increase of pension to Rachel P. Thomas; to the Committee on Invalid Pensions.

By Mr. BLACK: A bill (H. R. 9075) for the relief of Henrietta Jacobs; to the Committee on Claims.

Also, a bill (H. R. 9076) for the relief of John Z. Lowe, former collector of internal revenue for the second district of New York; to the Committee on Claims.

Also, a bill (H. R. 9077) for the relief of Roland Morgan; to the Committee on Military Affairs.

Also, a bill (H. R. 9078) for the relief of Thomas F. Connolly; to the Committee on Military Affairs.

By Mr. BRAND of Ohio: A bill (H. R. 9079) for the relief of James F. Wright; to the Committee on Military Affairs.

Also, a bill (H. R. 9080) granting a pension to Belle Robinson; to the Committee on Invalid Pensions.

By Mr. CARDEN: A bill (H. R. 9081) providing for an examination and survey of Caney Creek, Grayson County, Ky.; to the Committee on Rivers and Harbors.

By Mr. CLANCY: A bill (H. R. 9082) granting a pension to Anna W. Dennert; to the Committee on Invalid Pensions.

By Mr. CONNOLLY: A bill (H. R. 9083) granting a pension to Mary Elliott; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 9084) for the relief of Leo Ira Wagner; to the Committee on Naval Affairs.

By Mr. CROWE: A bill (H. R. 9085) granting a pension to Alfred Tillery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9086) granting a pension to Didama Sanders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9087) granting a pension to Issa B. Bledsoe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9088) granting a pension to Emma C. Colvin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9089) granting a pension to Elmer Goldman; to the Committee on Pensions.

Also, a bill (H. R. 9090) granting an increase of pension to Charlotte M. Barnett; to the Committee on Pensions.

By Mr. CULKIN: A bill (H. R. 9091) granting an increase of pension to Ella E. Terryll; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9092) granting a pension to Mary P. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9093) granting an increase of pension to Ellen E. Chidester; to the Committee on Invalid Pensions.

By Mr. EVANS of Montana: A bill (H. R. 9094) for the relief of Nick Wagner; to the Committee on Claims.

By Mr. EATON of New Jersey: A bill (H. R. 9095) for the relief of Nellie Reay; to the Committee on Claims.

By Mr. GRISWOLD: A bill (H. R. 9096) granting a pension to Mary A. Pattee; to the Committee on Invalid Pensions.

By Mr. HANCOCK of New York: A bill (H. R. 9097) granting a pension to Minnie Smith; to the Committee on Invalid Pensions.

By Mr. HARLAN: A bill (H. R. 9098) for the relief of the Johnstown Building & Loan Association Co., Johnstown, Ohio; to the Committee on Claims.

By Mr. HESS: A bill (H. R. 9099) for the relief of Faber, Coe & Gregg (Inc.); to the Committee on Claims.

By Mr. HOLLISTER: A bill (H. R. 9100) granting an increase of pension to Sarah A. Burd; to the Committee on Invalid Pensions.

By Mr. HOPE: A bill (H. R. 9101) granting a pension to Agnes Baker Currey; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 9102) granting an increase of pension to Emma J. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9103) for the relief of W. E. Bosworth; to the Committee on Claims.

By Mr. GILLEN: A bill (H. R. 9104) granting a pension to May Sterling; to the Committee on Invalid Pensions.

By Mr. KARCH: A bill (H. R. 9105) granting a pension to Thomas Wright; to the Committee on Pensions.

Also, a bill (H. R. 9106) for the relief of Charles W. Younger; to the Committee on Military Affairs.

By Mr. LANHAM: A bill (H. R. 9107) for the relief of William P. Flynn; to the Committee on Military Affairs.

By Mr. LEAVITT: A bill (H. R. 9108) to authorize the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey; to the Committee on the Public Lands.

By Mr. LINTHICUM: A bill (H. R. 9109) for the relief of Alice May Rochow; to the Committee on Claims.

By Mr. McGUGIN: A bill (H. R. 9110) granting an increase of pension to Amanda J. Gilliam; to the Committee on Pensions.

By Mr. MANLOVE: A bill (H. R. 9111) granting an increase of pension to Lucinda E. Fleming; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9112) granting an increase of pension to Anna L. Cowen; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 9113) for the relief of Henry E. Thomas, alias Christopher Timmerman; to the Committee on Military Affairs.

Also, a bill (H. R. 9114) granting a pension to Parthena Doubt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9115) granting an increase of pension to Mary V. Jackson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9116) granting an increase of pension to Delilah Banks; to the Committee on Invalid Pensions.

By Mr. ROGERS: A bill (H. R. 9117) for the relief of George D. Johnson; to the Committee on Naval Affairs.

By Mr. PARKER of New York: A bill (H. R. 9118) granting an increase of pension to Catherine Sage; to the Committee on Invalid Pensions.

By Mr. PERSON: A bill (H. R. 9119) granting a pension to Sallie M. Seaman; to the Committee on Invalid Pensions.

By Mr. REID of Illinois: A bill (H. R. 9120) for the relief of Capt. Roger H. Young; to the Committee on War Claims.

By Mr. ROBINSON: A bill (H. R. 9121) granting a pension to May Tuffree; to the Committee on Invalid Pensions.

By Mr. SCHNEIDER: A bill (H. R. 9122) granting an increase of pension to Louisa Kuck; to the Committee on Invalid Pensions.

By Mr. SEIBERLING: A bill (H. R. 9123) granting a pension to Elizabeth Ravenburg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9124) granting a pension to Kathryn S. Fishel; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 9125) granting an increase of pension to Alice Garland; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 9126) granting an increase of pension to Hannah M. Shank; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9127) granting a pension to Lawrence M. Guthrie; to the Committee on Pensions.

Also, a bill (H. R. 9128) granting an increase of pension to Sophia J. Wadding; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 9129) for the relief of George Subarton; to the Committee on Military Affairs.

By Mr. UNDERWOOD: A bill (H. R. 9130) granting an increase of pension to Eliza Noble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9131) granting a pension to Clarence Loveberry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9132) granting an increase of pension to Flora Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9133) granting a pension to Fannie Himes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9134) granting a pension to Josephine Farris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9135) granting an increase of pension to Ellen J. Vince; to the Committee on Invalid Pensions.

By Mr. WHITLEY: A bill (H. R. 9136) granting an increase of pension to Helen J. Lanning; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9137) granting an increase of pension to Emma C. Bender; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1530. By Mr. AYRES: Petition of Woman's Christian Temperance Union of Wellington, Kans., opposing any modification or resubmission of the prohibition law; to the Committee on the Judiciary.

1531. By Mr. BARBOUR: Petition of citizens and various churches of the seventh congressional district of California, relating to the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

1532. By Mr. BLOOM: Petition of the Federation of Jewish Women's Organizations (Inc.), of Greater New York, urging the adjustment of the immigration laws so that lawfully married couples—one party an American citizen and the other a foreigner—be permitted entry into the United States on the nonquota basis; and, further, where one party of a marriage contracted in the United States is not naturalized, that he or she be permitted to remain in the United States as noncitizen, but be expected to become naturalized at the earliest possible date; to the Committee on Immigration and Naturalization.

1533. Also, petition of National Association of Letter Carriers, vigorously opposing proposed legislation to reduce postal and Federal salaries, for the reason that the general policy of maintaining wages in every industry, so far as possible, is a sound one and the Government should not abandon that policy and give its tremendous moral support to wage cutting; postal and Federal salaries have never been raised as much in relation to the cost of living as have wages generally, and their purchasing power is still inadequate; the problem of the Government Budget is only slightly affected by the postal deficit, and if it is desired to remove this deficit, other means are available than cutting wages; even a general cut in salaries of Federal civilian employees would be of negligible help in balancing the Budget; the proper rôle of government during a depression is not to contract expenditures but to expand them; to the Committee on the Civil Service.

1534. By Mr. BOILEAU: Petition of the Woman's Christian Temperance Union of Waupaca, Wis., opposing resubmission of the eighteenth amendment and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

1535. By Mr. CANNON: Petition of Gussie R. Carroll and other citizens of Clarksville, Mo., opposing resubmission of the eighteenth amendment to the Constitution to the States; to the Committee on the Judiciary.

1536. By Mr. CLAGUE: Petition of J. M. Palmer, of Blue Earth, Minn., and 40 others, protesting against any measure for modification, resubmission to the States, or repeal of the prohibition laws; to the Committee on the Judiciary.

1537. Also, petition of Agnes Conrad, Blue Earth, Minn., and 46 others, protesting against any measure for modification, resubmission to the States, or repeal of the prohibition laws; to the Committee on the Judiciary.

1538. Also, petition of Anna Kelsey, president Woman's Christian Temperance Union of Blue Earth, Minn., and 58 others, protesting against any measure for modification, resubmission to the States, or repeal of the prohibition law; to the Committee on the Judiciary.

1539. Also, petition of Florence Fitch and 37 others, of Blue Earth, Minn., protesting against any measure for modification, resubmission to the States, or repeal of the prohibition law; to the Committee on the Judiciary.

1540. By Mr. CLARKE of New York: Petition of 40 members of the Reformed Methodist Church of Endicott and Rev. Harold Rambo, pastor, and 75 members of the Christian and Missionary Alliance, Endicott, N. Y., opposing modification, resubmission, or repeal of the eighteenth amendment and prohibition laws; to the Committee on the Judiciary.

1541. Also, petition of Rev. D. W. Lyman, pastor, and 550 members of the First Baptist Church of Endicott, and Rev. John G. Frey, pastor, and 987 members of the First Methodist Episcopal Church of Endicott, N. Y., opposing modification, resubmission, or repeal of the eighteenth amendment and prohibition laws; to the Committee on the Judiciary.

1542. Also, petition of 36 members of the Free Methodist Church of Endicott and Mrs. F. L. Rogers, president Woman's Christian Temperance Union of Endicott, N. Y., opposing modification, resubmission, or repeal of the eighteenth amendment and prohibition laws; to the Committee on the Judiciary.

1543. Also, petition of Anna B. Lattin and 40 residents of Cooperstown, and Mrs. C. L. Herrick and 62 residents of Worcester, N. Y., opposing modification, resubmission, or repeal of the eighteenth amendment and prohibition laws; to the Committee on the Judiciary.

1544. By Mr. CRAIL: Petition of several citizens of Los Angeles County, Calif., protesting the passage of Senate bill 1202; to the Committee on the District of Columbia.

1545. By Mr. CULKIN: Petition of Dan Horrington and sundry other citizens in the vicinity of the city of Oswego, N. Y., protesting against the enactment of Senate bill 1202, providing for the compulsory closing of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

1546. Also, petition of L. D. Sheldon and sundry other citizens of Copenhagen, N. Y., protesting against any measure looking toward the modification or repeal of the eighteenth amendment or the Volstead Act; to the Committee on the Judiciary.

1547. By Mr. CULLEN: Petition of the board of directors of the Associate Hotel Operators, urging modification or revision of the prohibition laws of the United States, feeling that such modification will operate to the particular advantage of the hotels and allied activities, as well as accrue to the general advantage and advancement of the welfare and interest of the whole Nation; to the Committee on the Judiciary.

1548. Also, petition of the Federation of Jewish Women's Organizations (Inc.) of Greater New York, petitioning the Government so as to adjust the immigration laws that lawfully married couples—one party an American citizen and the other a foreigner—be permitted entry into the United States on the nonquota basis, and, where one party of a marriage contracted in the United States is not naturalized, that he or she be permitted to remain in the United States as a noncitizen, but be expected to become naturalized at the earliest possible date; to the Committee on Immigration and Naturalization.

1549. By Mr. COLE of Iowa: Petition of C. A. Hill and 33 others, all residents of Green Mountain, Iowa, opposing modification or repeal of the prohibition law; to the Committee on the Judiciary.

1550. By Mr. DOWELL: Petition relative to prohibition legislation; to the Committee on the Judiciary.

1551. By Mr. FITZPATRICK: Petition signed by a number of residents throughout Bronx County, opposing any reduction in the salaries of postal employees; to the Committee on Ways and Means.

1552. By Mr. GARBER: Petition of Edith Ubey, of Medford, Okla., urging that the pensions be increased for the widows of the Spanish War veterans; to the Committee on Pensions.

1553. By Mr. FULMER: Petition of students of Clemson College, South Carolina, who are members of Reserve Officers' Training Corps, opposing passage of legislation that would interfere with the Reserve Officers' Training Corps organization; to the Committee on Appropriations.

1554. By Mr. GARBER: Petition of citizens of Noble County, opposing the tax on theater admissions; to the Committee on Ways and Means.

1555. By Mr. GIBSON: Petition of the Woman's Christian Temperance Union of Greensboro, Vt.; to the Committee on the Judiciary.

1556. Also, petition of the Woman's Christian Temperance Union of Plainfield, Vt.; to the Committee on the Judiciary.

1557. Also, petition of Woman's Christian Temperance Union of Norwich, Vt.; to the Committee on the Judiciary.

1558. Also, petition of Woman's Christian Temperance Union of Brattleboro, Vt.; to the Committee on the Judiciary.

1559. By Mr. GOLDSBOROUGH: Petition of the Talbot-Dorchester-Caroline Woman's Christian Temperance Union, Hurlock, Md., supporting the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

1560. By Mr. KNIFFIN: Petition of Emery Elliott and eight others, of Defiance, Ohio, urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

1561. Also, petition of C. L. Kitner and 17 others, of Defiance, Ohio, urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

1562. By Mr. KOPP: Petition of Dr. Eli Browning, N. B. Wilson, and many other residents of Mediapolis, Iowa, urging Congress to remonetize silver; to the Committee on Banking and Currency.

1563. By Mr. KURTZ: Petition of the Lackawanna Woman's Christian Temperance Union, of Scranton, Pa., opposing the resubmission of the temperance question; to the Committee on the Judiciary.

1564. Also, petition of Pottstown Woman's Christian Temperance Union, of Pottstown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1565. Also, petition of the Woman's Christian Temperance Union of Ridgway, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1566. Also, petition of the Woman's Christian Temperance Union of Homer City, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1567. Also, petition of the Adamsville U. P. Church of North America, Adamsville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1568. Also, petition of the Nottingham Woman's Christian Temperance Union, Nottingham, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1569. Also, petition of the Methodist Episcopal Church of Cumbola, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1570. Also, petition of Woman's Christian Temperance Union of Carmichaels, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1571. Also, petition of the Mahanoy Plane Sunday school, Mahanoy Plane, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1572. Also, petition of the Indian Creek Baptist Church, of Mill Run, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1573. Also, petition of the Oakland Woman's Christian Temperance Union, of Johnstown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1574. Also, petition of Lycoming County Woman's Christian Temperance Union, Williamsport, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1575. Also, petition of the Missionary Society of Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1576. Also, petition of McKean County Woman's Christian Temperance Union, Duke Center, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1577. Also, petition of Connellsville Woman's Christian Temperance Union, Connellsville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1578. Also, petition of Cambria County Council of Parents and Teachers, Johnstown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1579. Also, petition of the Woman's Christian Temperance Union of Mill City, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1580. Also, petition of citizens of Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1581. Also, petition of Licking Creek Woman's Christian Temperance Union, Mifflin, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1582. Also, petition of Woman's Christian Temperance Union of Howard, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1583. Also, petition of McKean Woman's Christian Temperance Union, of McKean, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1584. Also, petition of East Smithfield Woman's Christian Temperance Union, East Smithfield, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1585. Also, petition of Woman's Christian Temperance Union of Cambridge Springs, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1586. Also, petition of the United Brethren Church of Pittsfield, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1587. Also, petition of Anna A. Gordon Woman's Christian Temperance Union, Allentown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1588. Also, petition of Woman's Christian Temperance Union of Freeport, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1589. Also, petition of Rhoda Dunn Union, Woman's Christian Temperance Union, of Connellsville, Pa., opposing the

resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1590. Also, petition of Kerr Hill Presbyterian Church, Titusville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1591. Also, petition of Spraggs Woman's Christian Temperance Union, of Spraggs, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1592. Also, petition of Knoxville Woman's Christian Temperance Union, of Knoxville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1593. Also, petition of Lewistown Local Union, Woman's Christian Temperance Union of Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1594. Also, petition of Central Presbyterian Church of New Castle, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1595. Also, petition of 27 citizens of Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1596. Also, petition of Woman's Christian Temperance Union of Bangor, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1597. Also, petition of Grace Evangelical Sunday school of Franklin, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1598. Also, petition of Shenango United Presbyterian Sabbath School of New Castle, Pa., opposing the resubmission of the temperance question to the voter; to the Committee on the Judiciary.

1599. Also, petition of the United Brethren Church of Beaverdale, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1600. Also, petition of Woman's Christian Temperance Union of Bruin, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1601. Also, petition of Olivet Woman's Christian Temperance Union of Avonmore, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1602. Also, petition of First Methodist Episcopal Church of Apollo, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1603. Also, petition of the Shickshinny Methodist Episcopal Church, Shickshinny, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1604. Also, petition of Woman's Christian Temperance Union of Lake Winola, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1605. Also, petition of Covington Woman's Christian Temperance Union, Covington, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1606. Also, petition of Ellen Chapel Sunday School of Mifflin County, and Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1607. Also, petition of Drexel Hill Woman's Christian Temperance Union, Drexel Hill, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1608. Also, petition of Bridgewater Baptist Sunday School, of Montrose, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1609. Also, petition of United Brethren in Christ Sunday School of Highspire, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1610. Also, petition of Knoxville branch, Pennsylvania Woman's Christian Temperance Union, Dormont-Mount Lebanon Woman's Christian Temperance Union, six Methodist Episcopal Churches, Mount Washington Woman's Christian Temperance Union, and Woman's Bible Class, all of Pittsburgh, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1611. Also, petition of the Third Baptist Church, the Bethlehem Presbyterian Church, Haddington Woman's Christian Temperance Union, and the Woman's Christian Temperance Union of Philadelphia, all of the State of Pennsylvania opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1612. Also, petition of Methodist Episcopal Church of Fleming, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1613. Also, petition of Woman's Christian Temperance Union of Fleming, Centre County, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1614. Also, petition of Pitcairn Union, Woman's Christian Temperance Union of Pitcairn, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1615. Also, petition of Chambersburg Woman's Christian Temperance Union, Chambersburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1616. Also, petition of the Woman's Christian Temperance Union of Corsica, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1617. Also, petition of Woman's Christian Temperance Union of Millville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1618. Also, petition of the Effort Methodist Episcopal Church, Effort, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1619. Also, petition of the Woman's Christian Temperance Union of Lebanon, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1620. Also, petition of Berks County Woman's Christian Temperance Union, Reading, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1621. Also, petition of Methodist Episcopal Church of Rochester, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1622. Also, petition of 17 community members of Scotrun, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1623. Also, petition of the Woman's Christian Temperance Union of Cheltenham, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1624. By Mr. LAMBERTSON: Petition of Mrs. W. C. Donaldson and 18 others, of Topeka, and resolution of Frances Williard Union of the Woman's Christian Temperance Union of Leavenworth, all of the State of Kansas, urging the maintenance of the prohibition law and its enforcement and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

1625. Also, resolution of the Methodist Episcopal Church Sunday school class of Topeka, Kans., urging the maintenance of the prohibition law and its enforcement and oppos-

ing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

1626. By Mr. LEWIS: Petition of Allegany and Garrett Counties (Md.) Woman's Christian Temperance Unions; to the Committee on the Judiciary.

1627. By Mr. MEAD: Petition of New York Press Association, opposing increase in second-class postage rates; to the Committee on the Post Office and Post Roads.

1628. Also, petition of New York Press Association, requesting legislation to restrict Government competition in the solicitation, sale, and distribution of printing return addresses on stamped envelopes; to the Committee on the Post Office and Post Roads.

1629. Also, petition of New York Press Association, favoring Senate bill 750 and House bill 410; to the Committee on Merchant Marine, Radio, and Fisheries.

1630. Also, petition of Associated Hotel Operators, favoring modification or revision of the prohibition laws; to the Committee on the Judiciary.

1631. By Mr. MITCHELL: Petition of W. L. Craig, requesting the reduction of Federal salaries; to the Committee on Ways and Means.

1632. Also, petition of Woman's Christian Temperance Union of Crossville, against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1633. By Mr. PRATT: Petition of 60 members of the Methodist Church, of Liberty, Sullivan County, N. Y., urging the maintenance of the prohibition law and opposing modification, repeal, or resubmission to the States; to the Committee on the Judiciary.

1634. By Mr. RAINEY: Resolution of Mason County Farm Bureau, Mason County, Ill., favoring the Glenn-Smith bill; to the Committee on Irrigation and Reclamation.

1635. By Mr. RICH: Petition of citizens of Lock Haven, Pa., favoring legislation to reduce salaries of Federal employees and to further reduce expenditures in the Government departments; to the Committee on Expenditures in the Executive Departments.

1636. Also, petition of the Trinity Evangelical Sunday school of Jersey Shore, Pa.; to the Committee on the Judiciary.

1637. By Mr. ROBINSON: Petition of Jennie Jacobs and 96 other citizens of Charles City, Iowa, protesting against the proposed resolution to submit the repeal of the eighteenth amendment to the State legislatures or State conventions for ratification; to the Committee on the Judiciary.

1638. By Mr. ROMJUE: Petition of Goad-Ballinger Post, No. 69, American Legion, Springfield, Mo., favoring adequate national defense as advocated by the American Legion national legislative committee, and opposing any proposition to reduce the armaments of the United States until positively assured that the other powers will do likewise; to the Committee on Foreign Affairs.

1639. Also, petition of Baptist, Christian, and Methodist churches of Rutledge, Mo., opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

1640. Also, petition of Goad-Ballinger Post, No. 69, American Legion, Springfield, Mo., favoring the granting of pensions to widows of World War veterans, and an allowance to their children under the age of 18 years; to the Committee on World War Veterans' Legislation.

1641. Also, petition of Goad-Ballinger Post, No. 69, American Legion, Springfield, Mo., favoring an appropriation which will be sufficient to allow the training prescribed for the National Guard by the national defense act; to the Committee on Appropriations.

1642. Also, petition of L. T. Waller and 20 other World War veterans of Hannibal, Mo., urging immediate cash payment at full face value of adjusted compensation certificates as created by the World War adjusted-compensation act of 1924, with all interest charges on pending loans against these certificates refunded by the Government to the holders of said certificates; to the Committee on Ways and Means.

1643. By Mr. RUDD: Petition of World Book Co., publishers, of New York, favoring the passage of the Everglades national park in Florida bill; to the Committee on the Public Lands.

1644. Also, petition of Mrs. Frank F. Babbott, jr., of Brooklyn, N. Y., favoring the passage of the old age security bill; to the Committee on Appropriations.

1645. By Mr. SPARKS: Resolution of Northbranch monthly meeting of Friends, sent in by Myrtle Dailey, of Northbranch, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1646. Also, petition of six members of the Eastern Star Lodge of Ness City, sent in by P. W. Lundy, of Ness City, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1647. Also, petition of the Lawn Ridge Woman's Christian Temperance Union, of St. Francis, sent in by Inez Keller, president, and Myrtle Rogers, secretary, of St. Francis, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1648. Also, petition of 53 citizens of St. Francis and vicinity, sponsored by Woman's Christian Temperance Union, sent in by Inez Keller, of St. Francis, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1649. Also, petition of 30 citizens of Burr Oak, Otego, and vicinity, sent in by Rozetta Fogo, of Burr Oak, all of the State of Kansas, protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1650. Also, petition of 157 residents of Downs, sent in by Mable Landon Plumer, sponsored by the Woman's Christian Temperance Union of the State of Kansas, protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1651. By Mr. STEWART: Petition of Martin Wallberg Post, No. 3, American Legion, Westfield, N. J., opposing any reduction in the enlisted and commissioned personnel of the United States Army; to the Committee on Appropriations.

1652. By Mr. STRONG of Pennsylvania: Petition of citizens of East Brady, Pa., and vicinity, in favor of an adequate national defense; to the Committee on Military Affairs.

1653. By Mr. THOMASON: Petition of Robert L. Howze Camp, No. 38, United Spanish War Veterans, urging passage of House bill 7230, providing for increase of widows' pensions, and for other purposes; to the Committee on Pensions.

1654. Also, petition of Hamilton Fish Camp, No. 2, United Spanish War Veterans, urging favorable action on House bill 7230, providing for the increase of widows' pensions; to the Committee on Pensions.

1655. Also, petition of El Paso Chamber of Commerce, urging appropriation for national rifle matches; to the Committee on Appropriations.

1656. By the SPEAKER: Petition of 3,000 people of Bloomington, Ill., urging passage of unemployed insurance bill; to the Committee on Labor.

SENATE

WEDNESDAY, FEBRUARY 10, 1932

(Legislative day of Friday, February 5, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 9. An act respecting the qualifications of the assessor of the District of Columbia to testify in condemnation proceedings;

S. 2077. An act to relieve the Commissioners of the District of Columbia of certain ministerial duties;

S. 2199. An act exempting building and loan associations from being adjudged bankrupts; and

S. 2173. An act to authorize associations of employees in the District of Columbia to adopt a device to designate the products of the labor of their members, to punish illegal use or imitation of such device, and for other purposes.

THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent that the Journal for the calendar days of Friday, February 5, Monday, February 8, and Tuesday, February 9, may be approved.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. NORRIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Kean	Robinson, Ind.
Austin	Cutting	Kendrick	Schall
Bailey	Dickinson	Keyes	Sheppard
Bankhead	Dill	King	Shipstead
Barbour	Fess	La Follette	Smith
Barkley	Fletcher	Lewis	Smoot
Bingham	Frazier	Logan	Steiwer
Black	George	McGill	Stephens
Blaine	Glass	McKellar	Thomas, Idaho
Borah	Glenn	McNary	Thomas, Okla.
Bratton	Goldsborough	Metcalf	Townsend
Brookhart	Gore	Morrison	Trammell
Broussard	Hale	Moses	Tydings
Bulkley	Hastings	Neely	Vandenberg
Bulow	Hatfield	Norbeck	Wagner
Byrnes	Hawes	Norris	Walcott
Capper	Hayden	Nye	Walsh, Mass.
Caraway	Hebert	Oddie	Walsh, Mont.
Carey	Howell	Patterson	Waterman
Coolidge	Hull	Pittman	Watson
Copeland	Johnson	Reed	Wheeler
Costigan	Jones	Robinson, Ark.	White

Mr. FESS. I wish to announce that the junior Senator from California [Mr. SHORTRIDGE] is necessarily detained from the Senate by continued illness. I ask that this announcement may stand for the day.

Mr. SHEPPARD. My colleague the junior Senator from Texas [Mr. CONNALLY] is detained on account of illness. This announcement may stand for the day.

Mr. GEORGE. I wish to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a statement, in the nature of a petition, signed by William Green, president of the American Federation of Labor, and Frank Morrison, its secretary, which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

LABOR'S APPEAL FOR ECONOMIC AND LEGISLATIVE RELIEF

A real national emergency has been reached. It calls for profound consideration and the application of practical remedies. The destructive consequences of widespread, continuous, distressing unemployment have reached an acute stage. Relief of a most definite and adequate nature must be supplied in order to relieve hunger, distress, and human suffering. The economic causes responsible for the creation of this situation have been operating for several years. As a result industry is to a great extent paralyzed. The financial structure of the Nation is greatly impaired, credit facilities have become inadequate, confidence has been destroyed, and a state of mind bordering on hysteria prevails throughout the land. The great working population of the Nation and those dependent upon them have suffered most of all. Financial losses and impairment in credit values ahe not as disastrous in effect as the losses which millions of working men and women have sustained as a result of unemployment. Life and living, in the fullest sense of these terms, depend absolutely upon the exercise of the right to work and upon the enjoyment of the opportunity to earn an income required to maintain a decent American standard of living.

Because the representatives of organized labor are thoroughly conscious of the acute suffering and distress which prevails in all communities, we have assembled in Washington, the Capital City of the Nation. The gravity of the situation made such a deep impression upon the executive council and the national and international representatives of international unions affiliated with the American Federation of Labor that they deemed it imperative to meet, consider the emergency which has arisen, and give expression to the demands of the unemployed, numbering more than 8,000,000, that work opportunity be created and that relief so urgently needed be immediately supplied.

We meet, therefore, as representatives of labor, clothed with authority to speak for many millions of organized workers affiliated with the American Federation of Labor and to speak for other voiceless workers who, because of their disorganized state, have no medium of expression. The workers who have suffered much and who have endured hardships and distress for several years have exhausted their savings, have reached the limit of their resources, and are facing the future with impaired morale and physical deterioration.

Many members of organized labor who are working have been and are contributing a large percentage of their earnings to assist their fellow workers who are unemployed. Others are sharing the very limited amount of work available. In these ways many millions of dollars have been contributed by the members of organized labor toward helping their associate fellow workers who have been unemployed during the last two years. They will continue to render all assistance possible and to do all that lies within their power to relieve human distress and intense suffering. But the need is too great. The number of unemployed is constantly increasing. More than 8,300,000 were suffering from enforced idleness during the month of January. Local relief agencies have found the task too great. Adequate relief can not be and is not being supplied. Men, women, and children are hungry, cold, and undernourished. They are appealing for food, warmth, and shelter. The tragic feature of this uncivilized, inhuman condition is reflected in the fact that millions of children are suffering from hunger and cold every day and that many thousands are unable to attend school because of a lack of food, clothing, and shoes.

The entire resources of the Nation must be brought into action and must be utilized in order to meet and deal adequately with this emergency. The local communities, the States, and the Nation must all do their part, responding in full measure to the demands of the occasion. It does not seem reasonable for the Federal Government to deny relief to men, women, and children suffering from unemployment when it is clearly evident that local and State relief agencies are unable to meet the requirements of the situation. Those who are hungry and are appealing for food can not draw the fine line of distinction between relief supplied by local and State relief agencies and relief supplied by the Federal Government. They know that every community is a part of our national life, and as such all are a part of the Nation's family. The indistinct lines which separate communities and States are not discernible in the midst of nation-wide misery and woe.

This fact was recognized during the great war emergency, and it should be recognized during the existing emergency. It is upon this basis that we appeal to the Congress of the United States for an immediate appropriation of an adequate sum sufficient to meet the demands of the existing economic situation. We make this appeal in the name and in behalf of the hungry, suffering men, women, and children whose plight is directly traceable to unemployment. We urge the enactment of the Costigan-La Follette bill appropriating $375,000,000 for relief purposes immediately and for such other appropriations as circumstances and occasions may require.

The masses of the people will feel that Congress has utterly failed to measure up to its duties and responsibilities if, while in session as it now is, during a period of great national emergency it fails to appropriate funds to supply food, clothing, and shelter to millions of suffering, starving people. The billions of dollars which Congress has provided for the purpose of aiding banks, corporations, and business institutions will stand out in sharp, deprecating contrast if Congress fails to promptly help the needy and the hungry. The huge sums thus appropriated to aid capital can not and will not feed and clothe hungry people. Surely Congress can not afford to subject itself to the charge that it speedily appropriated billions for capital and nothing for the hungry. Human values and human needs should be given first rather than secondary consideration.

No explanation can be made to hungry people and their sympathetic friends which would satisfy them as to why Congress voted billions to aid banks and corporations and would refuse to appropriate even a moderate sum to be used for the purpose of assisting the States and communities in supplying food, shelter, and clothing to patriotic, loyal citizens who are suffering from unemployment. We do not consider the appropriation of Federal relief to supply food, clothing, and shelter in this great emergency to millions of starving men, women, and children as a dole.

The local relief agencies in New York, Philadelphia, Chicago, Cleveland, and Detroit have found the task too great. For instance, in New York 250,000 families are in immediate need of relief, while 100,000 are receiving assistance. In Philadelphia the number dependent on relief has risen from 3,000 in December, 1930, to 43,000 in December, 1931. Philadelphia estimates its need at $6,000,000 beyond that raised, and there is no more money in sight. Funds raised from private sources will be exhausted by May 1. In Chicago relief funds will be exhausted by the 15th of February. Eviction cases in that city average 250 per day. In Cleveland the local relief funds are practically exhausted, while the need for help has substantially increased.

While the larger cities are overwhelmed with the problem of meeting minimum relief requirements and have funds raised for

that specific purpose there are millions living in isolated towns and villages remotely situated from the larger cities who have no organized relief agencies to assist them. Only about 40,000,000 persons, or 32 per cent of our population, live within reach of relief organizations such as community chests. Sixty-eight per cent live in small towns or country districts where no organized relief agencies exist with the exception of the county poor boards.

There are some 60,000,000 persons residing outside the zones where relief agencies exist. The vast majority of them are working people. Many of those living in these isolated sections reside in mining districts, oil-field communities, textile-mill villages, and other small villages where the banks have failed, where small industries have collapsed, and where the need for help is intense.

A significant development of the very serious situation which exists is clearly evident in the larger cities where large crowds of unemployed accumulate, where protest meetings are held, in the hunger marches which have been and are taking place, in the violence which occurs, in crime and in the accumulating wave of discontent and social unrest which is sweeping over the country.

Therefore we, the representatives of labor, fully informed of these deplorable conditions, receiving reports from our personal representatives who are in these sections and having first-hand information with reference to the economic and social needs of working people, appeal for help and assistance for them as well as for those who live in the larger cities.

The plight of these millions of people is shocking. It is steadily and rapidly growing worse; and unless some drastic means are taken to alleviate the situation, the Nation will suffer heavily in the destruction of physical, moral, and mental values. It is our solemn judgment that the time has arrived when the Congress of the United States should arise to the occasion, respond to the appeals of the hungry, assist in feeding men, women, and children during this great emergency, just as our Nation did when the cry for help came from starving people across the sea.

The heart yearnings and unquenchable desires of the workers are reflected in the appeal of the masses of the people for the exercise of the right to work. They prefer work and the enjoyment of opportunities to earn a living to relief supplied from any source or sources whatsoever. Employment and the development of opportunities to secure work are of more importance to them than the appropriation of relief.

Working people are thinking in more advanced terms. They no longer concede to industry the right to provide work at will or to force millions of people into unemployment. They hold that the right to work is a fundamentally sacred right and propose to fight earnestly for the universal acceptance of this humane principle. Instead of forcing working people into idleness during periods of economic recession, labor demands that such adjustment in the number of days worked per week and the number of hours worked per day must take place so that all may share equitably in the amount of work available. Work security must be substituted for anxiety and unemployment. The management of industry, which has failed so miserably during this long-continued period of unemployment, must rise to new heights and assume new positions. They must realize that industry has an obligation to working people equal if not greater than it owes to itself.

A balanced system based upon intelligent planning, operating in such a way as to provide employment security, must be substituted for the unscientific and uneconomic methods now being pursued by industrial management. But this plan and this policy must be considered in relation to permanent relief policies. The needs of the moment and the urgency of the existing situation press for immediate solution and action.

We reiterate the demands of labor for the application of constructive work remedies and policies in order to extend and broaden work opportunities for millions who are idle. We propose:

1. The immediate establishment of the 5-day work week in both private and public industry.

2. A cessation of the wage-cutting policy which was relentlessly pursued during the year 1931, and which has resulted in a destruction of mass buying power and the creation of fear and distrust in the minds of millions of working men and women. The soundness of this position is quickly recognized when we consider the fact that the wage losses of wage earners, with a corresponding reduction in buying power, amounted to $11,000,000,000 for the year 1931 as compared with the year 1929.

3. To create work opportunities by every business executive employing at least one more employee and by industrial enterprises adding to their working force in proportion to the number now employed. Every professional person and heads of households extending employment or part-time employment to as many people as possible. Every community to undertake to develop and carry on additional work.

4. All efforts possible be made to keep boys and girls in school and that local post-graduate opportunities be provided for those finishing school.

The organized-labor movement, through the American Federation of Labor, will cooperate in full measure with other organizations in carrying forward a nation-wide campaign for the realization of these objectives. We have joined with other groups in the realization of this praiseworthy purpose. We shall continue to give all the support possible to nation-wide organized movements formed for the purpose of creating work opportunities and of stimulating industrial activity.

We specifically recommend that the Federal Government take immediate steps to establish the 5-day work week for Government employees. Such action on the part of the National Government would very greatly influence the management and owners of private industry. We are certain that the time has arrived when this action should be taken, for we are confident that the establishment of the 5-day work week will become universal within the very near future. Furthermore, we protest against any reduction in the salaries and wages of Government employees. As representatives of labor, we feel fully justified in assuming this strong position, both from an economic and moral point of view. The Government, a large employer of labor, should set an example by maintaining wage standards commensurate with the requirements of American citizenship. The Government, representing all the people, can not afford to join with those who are determined to lower the American standard of living through forced reductions in income, with a corresponding loss in morale and personal efficiency. The Government would lose more than it would gain through such action. The maintenance of wage standards on the part of the Federal Government will serve in a most valuable way to protect and preserve corresponding standards established by millions of working men and women employed in private industry.

The importance of the legislative demands of organized labor runs parallel with that of the unemployment situation. In behalf of unnumbered millions of American working men and women we solemnly petition Congress to grant the needed legislative relief which is so earnestly sought. For years the minds of American working people have been filled with a keen sense of injustice because corporations have resorted to the wrongful use of injunctions in labor controversies. American working people, as the people of no other nation, have suffered mentally and materially through what they firmly believe was the unjust application of the injunctive process. The right to organize and to function is devoid of meaning if, through the use of the writ of injunction, men and women are prohibited from organizing for mutual helpfulness and from exercising their economic strength and from appealing to other workers to join with them in a common cause. Men and women smart under a keen sense of injustice when they become the victims of sweeping, prohibitive injunction orders and contempt proceedings.

Public opinion slowly responded to the constant appeals of organized labor for the enactment of injunction-relief legislation. It began to understand that labor was fully justified in the protests it made against the abuse of the writ of injunction in labor controversies. As a result the two great political parties included in their platforms a pledge both specific and implied to support injunction-relief legislation which, in effect, would free labor from the unjust restraints which had been placed upon it.

Now, without further delay, labor feels justified in calling upon the Members of Congress to redeem their party pledges, to show good faith through the enactment of injunction-relief legislation at this session of Congress.

The American Federation of Labor is supporting an injunction-relief measure introduced by Senator NORRIS and designated Senate bill No. 935. The same measure has been introduced in the House of Representatives. In appealing for the enactment of this character of legislation, labor is not asking for a privileged status. We are not seeking to exempt labor from the provisions of any law. We are asking that labor be given an equal status with other citizens and that the restraining power of the Government shall apply to labor only as it applies to other groups of American citizenship.

We have waited long and patiently for Congress to act favorably upon the injunction-relief legislation which we have sponsored. We are certain that in its present form, as reported to the Senate by the majority members of the Senate Judiciary Committee, it provides the minimum of relief which should be accorded us and that any impairment in its provisions will be considered by labor as a failure on the part of Congress to redeem in full measure the political pledges made by both political parties.

Labor regards the injunction-relief measure as of transcendent legislative importance. It is one legislative measure in which we are inexpressibly interested. We firmly believe and expect that this measure will be favorably acted upon during the present session of Congress. It is our purpose and our fixed determination to exercise the right of appeal guaranteed to all American citizens by calling upon the Members of Congress to give individual and collective support to labor's injunction-relief measure.

Therefore, in this conference, composed of the representatives of national and international unions affiliated with the American Federation of Labor and representing directly more than 3,000,000 and indirectly additional millions of working people, we voice our earnest plea to the Members of Congress to redeem party pledges, to give labor the relief which it honorably seeks, to complete a noble task through the enactment of injunction relief bills S. 935 and H. R. 8088 as speedily as possible and at an early date.

We wish to stress our interest in legislation providing for a 5-day work week for Government employees, the legislative proposal providing for Federal aid to States adopting old-age pension legislation, the King bill (S. 7) to deport certain alien seamen, for the payment of the prevailing rate of wages by all contractors engaged in Government work, for the development of a public-works program which will serve to prevent a recurrence of unemployment widespread and distressing as it now exists, the Davis-Kelly bill which provides for the regulation and control of the demoralized coal industry, for the protection of the oil industry, for the modification of the Volstead Act so as to provide for the manufacture of 2.75 per cent alcoholic content beer, for the enactment of taxation legislation providing for an increase in the

higher income-tax brackets, more exacting inheritance-tax provisions, and for the enactment of legislation supported and sponsored by organizations representing Government employees.

For the purpose of presenting this appeal of organized labor for economic and legislative relief to the Chief Executive of the United States and to the Members of Congress we, the representatives of millions of working men and women, as herein referred to, recommend that the executive council and all national and international representatives of organizations affiliated with the American Federation of Labor in attendance at this conference call upon the President of the United States, the Presiding Officer of the Senate, and the Speaker of the House of Representatives and present to each of them the recommendations and sincere request of this conference as herein expressed.

In submitting this appeal to the Chief Executive of the Nation and to the Members of the Senate, through its Presiding Officer, and to Members of the House of Representatives, through its Speaker, we hope and trust that the seriousness of the unemployment situation, the justice of our appeal for the enactment of remedial legislation, and the constructive suggestions which we have offered will command their official and personal support.

By direction of the conference of national and international representatives and the executive council of the American Federation of Labor.

WM. GREEN, *President.*
FRANK MORRISON, *Secretary.*

The VICE PRESIDENT also laid before the Senate resolutions adopted by the Reserve Officers' Association, Department of Delaware, opposing any further reduction of personnel or appropriations for the Army and Navy, which were referred to the Committee on Appropriations.

He also laid before the Senate resolutions of the Young Women's Christian Association of Fresno, Calif., favoring the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Chamber of Commerce of the State of New York, opposing the passage of the so-called Glass bill, being the bill (S. 3215) to provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes, which was referred to the Committee on Banking and Currency.

He also laid before the Senate resolutions adopted by executive committee, Department of the District of Columbia of the American Legion, opposing the action of the national executive committee and the national commander of the American Legion in placing the matter of a popular referendum on the eighteenth amendment of the Constitution at the foot of its legislative program and stating "that it will simply be placed in the hands of Congress without aggressive action," which were referred to the Committee on the Judiciary.

He also laid before the Senate resolutions of the Illinois Woman's Christian Temperance Union, the Woman's Christian Temperance Unions of Wilmette and Winnetka, and the Woman's Christian Temperance Union of Niles Center, in the State of Illinois, protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, which were referred to the Committee on the Judiciary.

Mr. THOMAS of Idaho presented a petition of the Kootenai Valley Commercial Club, the Readers' Club, the Union Ladies' Aid, the Methodist Church Ladies' Aid, and sundry citizens, all of Boundary County, Idaho, praying that the Government grant to the Kootenai Indians of the United States quarterly tribal allowances and annuities until such time as they may become self-supporting, etc., which was referred to the Committee on Indian Affairs.

Mr. NEELY presented a petition of sundry citizens of Sistersville, W. Va., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. KEAN presented a petition of sundry citizens of Elmer, Woodstown, Daretown, Oaklyn, and Woodbury Heights, all in the State of New Jersey, praying for the maintenance of the prohibition law and its enforcement, and protesting against a proposed resubmission or repeal of the eighteenth amendment of the Constitution, which was referred to the Committee on the Judiciary.

Mr. McGILL presented petitions and papers in the nature of petitions, numerously signed, from sundry citizens and religious organizations in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, and protesting against its proposed modification, repeal, or resubmission to the State, which were referred to the Committee on the Judiciary.

Mr. BLAINE presented a petition signed by 37 citizens of the State of Wisconsin, praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Woman's Christian Temperance Unions of Beloit and Milton Junction, in the State of Wisconsin, favoring the maintenance of the prohibition law and its enforcement, and opposing a resubmission of the eighteenth amendment to the States, which were referred to the Committee on the Judiciary.

Mr. BARBOUR presented resolutions adopted by Martin Wallberg Post, No. 3, the American Legion, of Westfield, N. J., opposing any reduction in the armed forces of the United States at the present time, which was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

MARTIN WALLBERG POST, NO. 3,
AMERICAN LEGION,
Westfield, N. J., February 2, 1932.

Whereas it has come to the attention of the Martin Wallberg Post, No. 3, American Legion, Department of New Jersey, that there is now before the Congress of the United States a movement having for its purpose a reduction in the enlisted and commissioned personnel of the United States Army; and

Whereas it is the opinion of the members of the aforesaid Martin Wallberg Post, No. 3, American Legion, Department of New Jersey, that any reduction of the armed forces of the United States would be detrimental to the interests of the people: Be it

Resolved, therefore, That this post go on record as opposing any reduction in our armed forces at this time; and be it further

Resolved, That a copy of this resolution be forwarded to our representatives in Congress.

Dated this 2d day of February, 1932.

HAROLD L. BROOKS,
Commander.
WILLIAM T. LONG,
Adjutant.

Mr. COPELAND presented a resolution adopted by the New York County Pharmaceutical Society, of New York City, N. Y., protesting against existing restrictions on the importation of spirituous liquors and favoring the passage of the so-called Willis-Campbell bill, providing "that permits for the importation or manufacture of particular kinds or qualities of spirituous liquors may issue upon a finding of the Commissioner of Industrial Alcohol that the supply of such liquors in distilleries or bonded warehouses is insufficient to meet the current need therefor for all nonbeverage uses," which was referred to the Committee on the Judiciary.

He also presented petitions and papers in the nature of petitions of members of the Wide Awake Club, of Fillmore; the St. Luke's Methodist Episcopal Missionary Society, of Albany; the Patrons of Husbandry of Newark; the Woman's Christian Temperance Unions of Elmira, Horseheads, Victor, and Boonville; the Woman's Dutchess County Committee for Law Enforcement, of Poughkeepsie; and sundry citizens of Mount Morris, all in the State of New York, praying for the maintenance of the prohibition law and its enforcement, and protesting against a proposed resubmission of the eighteenth amendment of the Constitution to State conventions or legislatures, which were referred to the Committee on the Judiciary.

He also presented a letter in the nature of a petition from Charles Franck and sundry other citizens of New York City, N. Y., praying for a reduction in taxes and expenditures of the Federal Government, which was referred to the Committee on Finance.

He also presented a letter embodying resolutions adopted by the Nashville Conference on Unemployment, at Nashville, Tenn., indorsing the so-called Wagner employment service bill, unemployment insurance, a large program of public works, the shortening of the working day and week, increased taxation of income and inheritances in the higher

brackets, etc., which was referred to the Committee on Finance.

He also presented resolutions adopted by Richmond County Post, No. 248, Veterans of Foreign Wars, of Staten Island, N. Y., favoring the full payment at this time of adjusted-service compensation certificates (bonus), which were referred to the Committee on Finance.

He also presented a resolution adopted by the Forest Hills Civic Association (Inc.), of Forest Hills, Long Island, N. Y., indorsing the proposed system of home-loan discount banks, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Federation of Jewish Women's Organizations (Inc.), of New York City, N. Y., favoring amendment of the immigration law so that lawfully married couples, one party an American citizen and the other a foreigner, may be permitted entry into the United States on the nonquota basis, etc., which was referred to the Committee on Immigration.

He also presented resolutions adopted by Court Seton, No. 7, of Woodside, Long Island, and Court Newman, No. 348, of Mount Kisco, both of the Catholic Daughters of America, in the State of New York, protesting against the passage of House bills 4739 and 4757, relative to maternity and infancy, which were referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of New York City, N. Y., praying a senatorial investigation of conditions in the coal fields of Harlan and other mining counties in Kentucky, with reference as to how the miners live, the tactics used against them by officials and operators, also as to the preservation of civil and human rights, freedom of speech, of the press and assemblage as guaranteed by the Constitution, etc., which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Binghamton Chapter, Reserve Officers' Association of the United States, of Binghamton, N. Y., protesting against proposed reductions in appropriations for the War Department, which were referred to the Committee on Appropriations.

He also presented a petition of sundry citizens of Rochester, N. Y., praying for the elimination of duplicating positions and functions in the Government and of such bureaus, commissions, and committees that are not absolutely essential, the introduction of modern economical methods and systems in the operation of essential activities, etc., which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Women's Republican Club of Jamestown, N. Y., favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted at a mass meeting of religious, civic, and educational organizations of Far Rockaway, Inwood, Lawrence, Cedarhurst, Woodmere, and Hewlett, Long Island, N. Y., favoring disarmament and world peace, which were referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Bronx County, N. Y., remonstrating against the proposal to reduce the salaries of postal employees, which was referred to the Committee on Civil Service.

He also presented a resolution adopted by officers and members of the Bayside Low Land Civic Association, of Bayside, Long Island, N. Y., protesting against the proposal to reduce the salaries of postal employees, which was referred to the Committee on Civil Service.

THE FINANCIAL SITUATION

Mr. SHEPPARD presented a letter from W. W. Moore, of Houston, Tex., with an accompanying petition in the form of a resolution, which, with the accompanying paper, was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

FIDELITY TRUST CO.,
Houston, Tex., January 26, 1932.

HON. MORRIS SHEPPARD,
United States Senate, Washington, D. C.

MY DEAR SENATOR: As our senior Senator from Texas, we are sending you an original petition addressed to the Senators and Representatives of our State signed by Hon. R. S. Sterling, State capitol, Austin, Tex.; Judge Lewis Fisher, State National Bank Building, Houston, Tex.; E. H. Buckner, Petroleum Building Houston, Tex.; Mrs. Sarah Campbell Blaffer, 6 Sunset Boulevard, Houston, Tex.; J. S. Cullinan, Petroleum Building, Houston, Tex.; Mrs. Henry B. Fall, 107 Sul Ross, Houston, Tex.; W. W. Moore, Petroleum Building, Houston, Tex.; Allen V. Peden, the Houston Gargoyle, Houston, Tex.

Copy of this petition is being mailed to Senator CONNALLY and to Congressmen GARNER, BLANTON, BRIGGS, BUCHANAN, CROSS, DIES, GARRETT, JOHNSON, JONES, KLEBERG, LANHAM, MANSFIELD, PATMAN, REYBURN, SANDERS, SUMNERS, THOMASON, and WILLIAMS.

We invite the careful consideration of all, followed by customary formal action.

Respectfully yours,

W. W. MOORE.

JANUARY 20, 1932.

To the SENATORS AND REPRESENTATIVES OF THE STATE OF TEXAS,
Washington, D. C.

As citizens of the State of Texas who for many months have been subjected to financial conditions that have grown increasingly intolerable, we hereby petition for relief.

Whereas Article I, section 8, of the Federal Constitution reads:

"The Congress shall have power to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures"—

thus lodging sole responsibility for the creation and value of money in the Congress;

Whereas a recently prepared chart issued by the National Industrial Conference Board covering the 50-year period from 1880 to 1930 shows the following:

	1880	1930	Ratio between beginning and end of period
1. Population	50,000,000	123,000,000	+2.4
2. National wealth	$43,000,000,000	$361,800,000,000	+8.4
3. National income	$7,500,000,000	$34,000,000,000	+11.2
4. Bank deposits	$2,134,000,000	$55,289,000,000	+25.9
5. Monetary gold stock	$350,000,000	$4,535,000,000	+12.9
6. Money in circulation	$960,000,000	$4,522,000,000	+4.7
7. Per capita money in circulation	$0.00	$6.71	+1.8
8. Cost of government	[1] $850,000,000	$12,609,000,000	+14.8

[1] 1890.

Your particular attention is directed to the amazing expansion of bank deposits (25.9), reflecting chiefly corporate or individual indebtedness calling for interest payment to the banks out of all proportion to the increase in population (2.4) or money (1.8);

Whereas money is not only the measure of value and medium of exchange but under our banking laws is the basis for credit and for credit expansion, hence it should have a proportionate relation to national wealth, national income, as well as to advanced type of civilization, standards of living, and high wage policy of our society;

Whereas human history should teach us that, having adopted such advanced standards, we can not safely scrap the conveniences, comforts, and ideals such imply without grave risk of chaos or revolution;

Whereas as a result of the unwarranted postwar inflation and wild speculation collapsing in 1929, the shrinkage in the value of securities listed on the New York Stock Exchange in the 26 months preceding December 1, 1931, amounted to $62,912,000,000; authorities estimate the shrinkage in other forms of wealth to be double that amount, making the startling total of around 50 per cent contraction from the $361,800,000,000 reported as our national wealth in 1929;

Whereas, as is well known, the drastic policy applied to the contraction of credit has enormously increased unemployment, resulting in widespread disaster to corporations and severe hardships to the individual and the family;

Whereas the deflation policy, coupled with efforts to maintain a liquid position in a falling market, adopted by our financial institutions now threaten the solvency not only of corporations and individuals but municipalities and other governmental subdivisions;

Whereas, ignoring what European countries or other nationals may or may not do in regard to the payment of reparations, the payment of national, corporate, or individual debts, or in making changes to improve their national economic and financial conditions:

We, as citizens of the United States, respectfully demand that the Congress either—

First. Substantially increase the volume of money by restoring silver, by asset currency, or by such other form as will adequately meet the pressing and urgent needs of the existing financial situation; or,

Second. Declare a national moratorium for a 5-year period, dating from January 1, 1932, during which period all obligations in the form of bonds, notes, or other forms of indebtedness contracted prior to January 1, 1932, may, at the option of the debtor, be deferred in whole or in part without being subject to legal demand for the payment of principal or interest.

To the end that—

Third. The dollar will be reduced to its normal purchasing value.

Fourth. Our National and State banks be relieved of the pressure that now applies as a result of previous inflation for which they, acting under the authority of our banking laws, were measurably, if not solely, responsible for creating and thus allow such banks to dispose of frozen assets in an orderly manner while meantime consistently performing the service for which they were incorporated.

Fifth. Our gold standard may be maintained and fiat currency of any kind avoided.

Sixth. Current activities in production, manufacture, and distribution of commodities and employment of labor to meet the needs and desires of our people may be resumed and continued.

Seventh. All citizens afforded equal opportunity to help themselves rather than forced to seek help from charity, from government, a dole, or otherwise.

Eighth. The interests of the Government of the United States of America and the welfare of its people may receive your exclusive attention until the essential requirements to offset the world's economic and financial crisis have been fully met.

R. S. STERLING,
State Capitol, Austin, Tex.
J. S. CULLINAN,
Petroleum Building, Houston.
E. H. BUCHNER,
Petroleum Building, Houston.
———— ————,
State National Bank Building, Houston.
ALLEN V. PEDEN,
The Houston Gargoyle, Houston.
W. W. MOORE,
Petroleum Building, Houston, Tex.
Mrs. HENRY B. FALL,
107 Sul Ross, Houston, Tex.
Mrs. SARAH CAMPBELL BLAFFER,
6 Sunset Boulevard, Houston, Tex.

STANDARD GRADES FOR COTTONSEED

Mr. ROBINSON of Arkansas presented a letter in the nature of a petition from Chester H. Gray, Washington representative of the American Farm Bureau Federation, which was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *February 9, 1932.*

Hon. JOSEPH T. ROBINSON,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR ROBINSON: I note that you have introduced an amendment to the agricultural appropriation bill providing for the establishment of mandatory standard grades for cottonseed, and the supervision thereof under the grain standard act.

I wish to take this opportunity to indorse this proposal and to express the hope that it may receive the approval of Congress. Back as early as 1923 the American Farm Bureau Federation adopted the following resolution at its annual convention:

"We favor the further study and development of grades of agricultural commodities, the improvement of present grades, and promulgation of laws, rules, and regulations as rapidly as feasible."

Acting pursuant to the authority contained in this resolution, the American Farm Bureau Federation supported during the Seventy-first Congress a bill (H. R. 12011) sponsored by Representative JONES, of Texas, providing for the establishment of standard grades for cottonseed.

An important feature of your amendment is that it makes mandatory the use of the standard grades that are established, and provides for their supervision. This is particularly important in preventing dishonest dealers from taking advantage of honest dealers, which might result if the use of the grades were not mandatory on all dealers. It also affords added protection to the farmers.

We believe that your amendment will help to eliminate some of the undesirable practices in the purchase of cottonseed, and we hope that it will receive the approval of Congress.

Respectfully,

AMERICAN FARM BUREAU FEDERATION,
CHESTER H. GRAY,
Washington Representative.

IMPORTATION OF FOREIGN GOODS

Mr. KEAN presented a letter from E. W. Wollmuth, executive vice president of the Chamber of Commerce of the City of Newark, N. J., with an inclosed newspaper article, which, with the accompanying matter, was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE OF THE CITY OF NEWARK, N. J.,
February 2, 1932.

Hon. HAMILTON F. KEAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: The matter of increasing importations of foreign goods at decreasing prices is giving concern, as evidenced by the attached article from the Newark Sunday Call, January 31.

We believe that the matter is of such importance that you may want to bring it to the attention of Congress and have it extended into the CONGRESSIONAL RECORD.

Very truly yours,

E. W. WOLLMUTH,
Executive Vice President.

[From the Newark (N. J.) Sunday Call, January 31, 1932]

FOREIGN GOODS DUMPING HURTS NEWARK TRADE—CHAMBER OF COMMERCE SURVEY SHOWS HOW TARIFF IS EVADED—QUICK ACTION URGED

"Dumping of foreign goods into the Newark market is seriously affecting the city's industry and increasing unemployment."

That summarizes a survey, nearing completion, by the Newark Chamber of Commerce, under the direction of its executive secretary, Edmund W. Wollmuth, of the extent to which foreign importations have affected domestic industry.

Some industrial concerns of Newark received a severe jolt in the course of the survey. Many admitted they had been caught napping, and others were astounded by the situation revealed. All agreed some action should be taken to cope with the menace.

Mr. Wollmuth and Charles J. Fagg, the chamber manager, who aided him in making the survey, base their findings on facts, figures, and charts submitted by leading industrialists.

Outstanding among the disclosures are the fraudulent practices of importers. It was found that to avoid the tariff, certain articles are camouflaged by cheap covers and entered as leather goods. Camille L. Gairoad, general manager of J. Wiss & Sons, cutlery manufacturers, asserted that millions of pairs of scissors are being so entered.

TARIFF LOOPHOLES USED

"It is impossible for domestic manufacturers to compete against such a terrific handicap," he said. "Importers are doing their utmost to detect loopholes in our tariff laws to dump foreign goods here and disrupt home markets. I know that German-made shears can not be purchased in Germany as cheaply as German-made shears are bought here. That places the American manufacturer at a disadvantage at the outset and will continue to do so as long as foreign goods are entered into this country on the ad valorem instead of on the specific tariff basis."

Reports received by Mr. Wollmuth from some of the biggest coal and coke operators in the United States—located in or near Newark—indicate they are suffering from the increase in foreign importations of those products. The extent to which the industry has been affected is outlined in the following statement:

"Recent growth of the importation of foreign fuels has had the effect of demoralizing the domestic bituminous coal market, causing operators to lower prices to a point where the industry is receiving inadequate returns to provide protection to labor and capital. Three million people are directly dependent upon the industry. Transportation systems of this country are being seriously affected by the decline in coal shipments. Coal constitutes the largest single item of railroad traffic and produces the greatest amount of shipping revenue. The effect of the decline of bituminous coal shipments because of foreign importations is evidenced by the amount of coal handling equipment not being used and the large number of railroad men idle. This situation creates a social disruption and the necessity for protection against future decline in both employment and demand.

FOREIGN OIL DISPLACES COAL

"Foreign fuel oil displaced 17,000,000 tons of bituminous coal in this section in a year. From this sale of imported oil equivalent to 250,000 tons of bituminous coal in 1924, the annual imports have increased to more than sixty-eight times that quantity. The most serious effect of this displacement of coal by oil is upon labor, especially in the bituminous-mining industry and in railroad transportation. The loss to coal operators by the importation of foreign oil amounts to $28,900,000 a year. The loss to railroad labor is even more serious.

"In the last year approximately 700,000 tons of foreign anthracite coal have been dumped into North Atlantic ports. This coal came from Russia, Germany, and England. In addition, these countries have recently entered about 100,000 tons of coke and briquettes. For every ton of coke imported 1½ tons of American bituminous coal is displaced. The drop in the English exchange, due to eliminating the gold standard, is largely responsible for this situation. Remedial and emergency legislation should be enacted which should be in the form of a higher import duty on foreign fuel oil, coal, coke, and briquettes. From the figures quoted it is obvious that the earnings of the coal-carrying roads, already seriously cut, will be further reduced.

"The Interstate Commerce Commission has recently allowed the railroads an increase of 6 cents a ton on all coal and coke transported in order to increase their earnings. This places an added burden on the coal and coke producer and favors the foreign importers.

THOUSANDS DEPRIVED OF WORK

"Loss of coal tonnage has deprived thousands of railroad and mining employees of work and has seriously affected other industries. This condition has contributed greatly to unemployment and depression in the United States and no compensation has been accorded domestic industry. Newark labor has also been victim of this situation."

The survey also produced evidence that foreign manufacturers frequently issue two sets of bills on shipments to this country,

one for purposes of duty and another, entirely different, for the American purchaser.

Lumber, the principal commodity handled at Port Newark, is beginning to feel the effect of foreign competition. Col. Charles E. Long, manager of the eastern division of the Weyerhaeuser Timber Co., said that shipments of Russian spruce have recently been unloaded at the port and sold under domestic prices.

"The labor situation in the United States lumber industry is none too good, but it will be far worse if foreign lumber continues to be dumped into our ports," he explained.

Newark manufacture of bathroom fixtures is practically at a standstill. John H. Balmer, president of the J. H. Balmer Co., stated that importers who know nothing about the line pick up foreign fixtures and dump them into this country at prices lower than they can be manufactured here.

POTTERY PLANTS IDLE

"There are nine potterers in New Jersey whose plants are adapted especially for the manufacture of our needs, but any one of them can now take care of all the fixture business in this State," Mr. Balmer asserted. "Most of them had to lay off all but a few men; some of them closed down entirely and others are seeking different lines to which they might adapt their machinery. The situation will require more than a higher tariff schedule to remedy it."

Remedial measures will come, Mr. Wollmuth said, but it is the policy of the chamber of commerce not to propose them because they might be construed as of a political character. He cited methods employed by other nations to prevent dumping of merchandise into their ports.

"Canada," said Mr. Wollmuth, "has a strict set of antidumping regulations. No goods can be unloaded at Canadian ports at prices lower than those current at the point of origin of the merchandise to be unloaded. This has set up a strong protective wall about the Dominion's products, safeguarded its labor interests, and fostered the growth of home industries.

"In Australia the Government fixes the quotas on foreign imports, giving preference at all times to British products. The same practice prevails in France, and a notice was received yesterday that France has suspended all imports of radios, accessories, and parts (except tubes) until further notice. The notice further announced that the United States quota for importing radio tubes to France for the first three months of 1932 is exhausted and that no further imports will be admitted before April 1. Exception is made, however, on all shipments of radios, tubes, parts, and accessories shipped from this country before January 27, accompanied by through bills of lading dated prior to that date, or which were in the French customs warehouses before that date."

MORE UNDERSELLING

Newark's business in electric bulbs, in the manufacture of which this city was second to none in this country, has fallen off greatly, the survey shows. Foreign bulbs are being shipped here in increasing quantities, at prices far lower than the domestic product. Tables compiled by Mr. Fagg indicate a steady increase in quantity of imported bulbs, but an equally steady decrease in the prices at which they are sold here. This not only affects the domestic makers of the glass bulbs, but also the manufactures of the wire for filaments, the production of both of which is now but a small percentage of the former volume.

The survey by the Newark group will soon be completed. Reports from local industrialists to the chamber of commerce are increasing daily in number, each setting forth the damaging effects of low-priced, inferior foreign goods, and the inadequacy of domestic tariff provisions. The complete survey will be submitted to the National Legislature, Mr. Wollmuth stated, with the view of effecting relief for the industries of Newark and other manufacturing centers in the United States. Leaders in domestic industry have conferred with the chamber's executives, offering every facility for presenting a true picture of the present unemployment situation.

THE GOLD STANDARD

Mr. WHEELER. Mr. President, I ask that excerpts from an article by Hartley Withers in the Spectator, a London Conservative daily, and reprinted in the St. Louis Post-Dispatch, may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the matter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

[Excerpts from an article by Hartley Withers in the Spectator, of November 8, 1931]

ENGLISH WRITER ATTACKS GOLD STANDARD AS OBSOLETE METHOD OF GAGING WEALTH—LONDON SPECTATOR CONTRIBUTOR SEEKS TO SHOW CHIEF ARGUMENTS FOR MONETARY SYSTEM ARE ERRONEOUS—OFF THE GOLD STANDARD

(Reprinted from the Living Age)

We read almost daily warnings from the financial writers of the danger of what is called "the flight from the pound." Direful pictures are painted of the ruin and havoc that will occur to the whole of our population if the pound ceases to be equivalent in exchange value to 113 grains of gold. Never was greater nonsense written.

The periods of this country's greatest industrial prosperity—measured by its output of goods—have been those periods when the pound was cheap; and the periods of our greatest industrial depression and social misery have been those during which the pound has been the dearest.

What is it that gives value to money and to credit? It is certainly not a paltry few millions of pounds of gold held in bank vaults. To-day we are all using the promissory notes of the Bank of England, against which there is not sufficient gold to redeem more than a small proportion. But this redemption is not legally obligatory on the part of the bank—except in special cases and only for amounts equivalent to 400 ounces of gold and over. The value of money is created entirely by the public and by the government when they accept it in exchange for goods and services. No one, except those engaged in international exchange, stops to think of the basis of the currency. The one and only question that arises is, "Will this money be acceptable to those whom I wish to purchase goods from and pay my bills to?"

John Stuart Mill announced three-quarters of a century ago that if every golden sovereign was replaced by a 1-pound note and the gold withdrawn entirely, each note would have precisely the same value as the golden pound. We have innumerable instances of this. During the war the Bank of Sweden refused to exchange its notes for gold. Gold was at a discount with paper. And to-day the value of gold is purely artificial, and is due to the legal-tender laws enacted by this and other countries since the war. And if the governments of Europe and of America were to do with gold what they did with silver half a century ago, gold would fall in value just as silver has done.

A COMMODITY LIKE OTHERS

Gold is a commodity like all others, and is affected by supply and demand. It is not owing to the demand in the arts that gold retains its high value. There is enough uncoined gold held in bank vaults to last the arts for the next 50 years. What would the value of cotton or wool or copper be if it were known that there was enough of these commodities held in storage to satisfy the industrial demand for the next half century?

Again, it is claimed by the advocates of the gold standard that the yellow metal furnishes a stable measure of value. How much longer will the public allow themselves to be deceived by such a baseless claim? We have only to go back to the war period and compare our treasury-note system, unbacked by gold, with the dollar of the United States, where nearly one-half of the gold supplies of the world were collected.

The only correct method of estimating the fluctuations in money is by means of index numbers. I quote the following from the speech of Reginald McKenna, chairman of the Midland Bank, delivered on January 27, 1925. After mentioning the variations of the pound sterling with the dollar during the war, he says: "In 1922 the mean deviation from the British average (index number) was 2.87 and from the American 6.34. * * * If we take the whole period, 1922 to 1924, the respective mean deviations were 4.30 and 4.90.

"Thus, on the basis of the official index numbers, the price level in England has been more stable during the last three years than in the United States. Measured by the standard of purchasing power, the pound, which is not on the gold standard and has no regular restriction on its issue, has maintained stability better than the dollar, which is based on gold."

HOW FINANCIERS ENRICH SELVES

Moreover, the value of gold can be seriously affected merely by its removal from circulation. Its use as the basis of currency provides a means by which financiers can enrich themselves to an almost unlimited extent. The bankers' magazine some years ago gave an illustration of this. It related how a certain American syndicate during a period of three weeks withdrew £11,000,000 in gold from the Bank of England and shipped it to New York. Before doing this they sold British securities heavily and bought American securities.

The withdrawal of this gold caused a fall in the prices of 325 of our leading securities of £115,500,000, while the expansion of credit in America, due to this additional gold, led to an advance in American securities to a similar extent. As a financial writer said at that time, "These speculators were playing upon two tables—one in London and the other in New York—at the same time, and winning on both without any risk of losing. They were gambling on a certainty!" Similar operations have taken place since this, and are in fact being continually practiced but without the same publicity.

There is not one scientific reason for employing gold as a basis for currency at the present time.

"New times demand new measures and new men;
The world advances, and in time outgrows
The laws that in our fathers' days were best;
And doubtless, after us, some purer scheme
Will be shaped out by wiser men than we,
Made wiser by the steady growth of truth."

LACK OF BANKING SYSTEM

What is the real position of this country in regard to its obligations? By the adoption of the gold standard the coalition government and its successors placed us at the mercy of that nation that was able to control most of the gold supplies of the world. Our keenest industrial rival in the world's markets managed to

secure one-half of the available gold, and consequently, since we are now a debtor nation, we have become to a large extent subservient to our trans-Atlantic neighbor. Consequently we must make such terms with our principal creditor as she demands.

Fortunately, the resources of Great Britain with her overseas Dominions would enable us to discharge our liabilities if we had a truly national banking system. The annual gold productions of South Africa and Australia (to which may be added Canada) would—under a league of British nations—furnish all the gold necessary for meeting our foreign obligations. Unfortunately, we have no such system. We have no national bank in the sense of a government bank functioning entirely in the service of British interests. On the contrary, the Bank of England is an international trading company, and is permitted to carry on its business as its directors deem most advantageous to themselves and their shareholders.

We now learn that the crisis that has given us a new government was precipitated through the policy of the bank in making long-time loans to Germany during her recent troubles. This necessitated borrowing from France and the United States—which loans were made for short periods. The publication of the economy committee's report, which was one of the most indiscreet acts on the part of the late government, created a feeling of uneasiness abroad and led to the calling in of loans and the reduction of the bank's gold reserves to the extent of about £35,000,000 within a week or so.

But think of a government's placing the whole of the national credit, together with the trade, commerce, and industries of this great nation, upon a basis of borrowed gold, which could be taken from us at any time! A more dangerous or more insane policy it would be difficult to imagine.

WHY POLICY IS FAVORED

It may be asked why the bankers of this country have adopted a policy that can end only in ruin. The reply is that they are merely continuing a policy that has been in existence for considerably more than a century, and that, whenever a crisis has arisen in their affairs, the Government has always obliged them by coming to their rescue and supporting their institutions with the national credit. Moreover, the gold-basis policy has been enormously profitable to the city of London. Owing to the insufficiency in the gold supplies and to the volume of legal tender based upon it, the bankers have created a substitute in the form of bank credit, which has no material existence. It consists of figures in the banks' books. But this invisible money, which exists only in the books of the banks, is loaned and draws interest charges precisely the same as if it had a material existence in the form of golden coins.

During the war period the amount of this bank currency was increased to the extent of £1,000,000,000! Is it any wonder that the system is attractive to those who deal in money?

LIKE BLOOD IN BODY

Money is the greatest power that man has yet created. It functions as the lifeblood of all nations, and, like the blood in the human body, it should have freedom to circulate. Interference in any channel may produce congestion, paralysis, and even death. It is a social instrument, and it is society that gives it its power. No individual or syndicate is responsible for the value or power of money. It is the creation of law, and obedience to law forms the basis of civilization.

In his Modern Democracies, published in 1921, the late Lord Bryce said: "Democracy has no more persistent or insidious foe than the money power, to which it may say, as Dante said when he reached in his journey through hell the dwelling of the God of Riches, 'Here we find Wealth, the great enemy.' That enemy is formidable because he works secretly, by persuasion or deceit rather than by force and so takes men unawares. He is a danger to good government everywhere." He continued as follows: "The truth seems to be that democracy has only one marked advantage over other governments in defending itself against the submarine warfare that wealth can wage, namely, publicity and the force of public opinion. So long as ministers can be interrogated in an assembly, so long as the press is free to call attention to alleged scandals and require explanations from persons suspected of an improper use of money or an improper submission to its influences, so long will the people be at least warned of the dangers that threaten them. If they refused to take the warning they are already untrue to the duties that freedom prescribes."

But what is to happen when these safeguards of publicity are taken under the control of the money power? And this is precisely what is happening. Never since the beginning of time has mankind been in greater danger of losing its freedom than now.

The inventions and discoveries of the past century—and particularly of the last 50 years—which it was believed would raise civilization to a far higher level than ever previously reached, may yet be employed in degrading and enslaving humanity, and some of us may live to see the beginning of another thousand-year night after the break-up of the British Empire—like that which followed the downfall of Rome!

REPORTS OF COMMITTEES

Mr. BRATTON, from the Committee on the Judiciary, to which was referred the bill (S. 2655) providing for waiver of prosecution by indictment in certain criminal proceedings, reported it with amendments and submitted a report (No. 201) thereon.

He also, from the Committee on Indian Affairs, to which was referred the bill (S. 2914) to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and the liability of the United States to non-Indian claimants on Indian pueblo grants whose claims, extinguished under the act of June 7, 1924, have been found by the Pueblo Lands Board to have been claims in good faith; to authorize the expenditure by the Secretary of the Interior of the sums herein authorized and of sums heretofore appropriated, in conformity with the act of June 7, 1924, for the purchase of needed lands and water rights and the creation of other permanent economic improvements as contemplated by said act; to direct the issuance of a patent to the Pueblo of Taos for certain lands described herein, and for other purposes, reported it with an amendment and submitted a report (No. 202) thereon.

Mr. TRAMMELL, from the Committee on Naval Affairs, to which was referred the bill (S. 1470) providing a nautical school at the port of New Orleans, La., reported it without amendment and submitted a report (No. 203) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 1096. An act for the relief of N. D'A. Drake (Rept. No. 204); and

S. 2375. An act for the relief of Roscoe Meadows (Rept. No. 205).

Mr. ODDIE, from the Committee on Naval Affairs, to which was referred the bill (S. 2062) for the relief of Adam Augustus Shafer, reported it with an amendment and submitted a report (No. 206) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2058. An act for the relief of William C. Rives (Rept. No. 207);

S. 2059. An act for the relief of Albert Ross (Rept. No. 208); and

S. 2060. An act for the relief of Otto Schluter (Rept. No. 209).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 466) for the relief of the Allegheny Forging Co., reported it with an amendment and submitted a report (No. 210) thereon.

Mr. METCALF, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 432. An act granting permission to Harold I. June to transfer to the Fleet Reserve of the United States Navy (Rept. No. 211); and

S. 2242. An act granting six months' pay to Louis Soluri (Rept. No. 212).

Mr. CAPPER, from the Committee on the District of Columbia, to which were referred the following bill and joint resolution, reported them each with amendments and submitted reports thereon:

S. 1153. An act to provide for the incorporation of credit unions within the District of Columbia (Rept. No. 214); and

S. J. Res. 4. Joint resolution to provide for the naming of Montgomery Blair Circle (Rept. No. 213).

Mr. TYDINGS, from the Committee on Naval Affairs, to which was referred the bill (S. 1003) for the relief of Capt. Jacob M. Pearce, United States Marine Corps, reported it with an amendment and submitted a report (No. 215) thereon.

He also, from the same committee, to which was referred the bill (S. 1009) for the relief of George Edwin Godwin, reported it without amendment and submitted a report (No. 216) thereon.

Mr. KEAN, from the Committee on Naval Affairs, to which was referred the bill (S. 2200) to authorize the presentation of a medal of honor, posthumously, to the late Henry Clay Drexler, reported it with amendments and submitted a report (No. 217) thereon.

Mr. FRAZIER, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2982. An act for the relief of J. G. Seupelt (Rept. No. 218);

H. R. 4145. An act for the relief of Thomas C. LaForge (Rept. No. 219); and

H. R. 4150. An act authorizing issuance of patents in fee to Benjamin Spottedhorse and Horse Spottedhorse for certain lands (Rept. No. 220).

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 1839) to authorize the creation of Indian trust estates, and for other purposes, reported it with amendments and submitted a report (No. 221) thereon.

He also, from the same committee, to which was referred the bill (S. 3409) authorizing the Secretary of the Interior to sell certain unused Indian cemetery reserves on the Wichita Indian Reservation in Oklahoma to provide funds for purchase of other suitable burial sites for the Wichita Indians and affiliated bands, reported it without amendment and submitted a report (No. 222) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRATTON:

A bill (S. 3590) to amend an act entitled "An act for the relief of settlers on railroad lands," approved June 22, 1874; to the Committee on Public Lands and Surveys.

By Mr. McGILL:

A bill (S. 3591) to amend the World War veterans' act, 1924, as amended; to the Committee on Finance.

By Mr. FLETCHER:

A bill (S. 3592) confirming the claim of Francis R. Sanchez, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. McNARY:

A bill (S. 3593) granting an increase of pension to Barbara A. Chamberlain (with accompanying papers); to the Committee on Pensions.

By Mr. ODDIE:

A bill (S. 3594) to reduce construction charges on certain lands within the Newlands irrigation project, Nevada; to the Committee on Irrigation and Reclamation.

A bill (S. 3595) authorizing Ralph F. Wood, lieutenant commander, United States Navy, to accept the decoration of an Italian brevet of military pilot honoris causa tendered to him by the Italian Government; to the Committee on Naval Affairs.

By Mr. REED:

A bill (S. 3596) to authorize the Secretary of War to sell or dispose of certain surplus real estate of the War Department; to the Committee on Military Affairs.

By Mr. WATSON:

A bill (S. 3597) granting an increase of pension to Arpa Montgomery (with accompanying papers); to the Committee on Pensions.

By Mr. HAYDEN:

A bill (S. 3598) for the relief of Jessie Blout; to the Committee on Claims.

By Mr. BULKLEY:

A bill (S. 3599) for the relief of sundry building and loan associations; to the Committee on Claims.

A bill (S. 3600) granting relief to Clarence Loveberry; to the Committee on Finance.

A bill (S. 3601) for the relief of Thomas T. Gessler; to the Committee on Naval Affairs.

By Mr. FLETCHER:

A bill (S. 3602) authorizing the modification of a certain contract for the sale and purchase of the St. Johns Bluff Military Reservation, in Florida; to the Committee on Military Affairs.

By Mr. COPELAND:

A joint resolution (S. J. Res. 99) authorizing an appropriation to defray the expenses of participation by the United States Government in the Second Polar Year program, August 1, 1932, to August 31, 1933; to the Committee on Foreign Relations.

RELIEF OF UNEMPLOYMENT—AMENDMENTS

Mr. LEWIS submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. WAGNER submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table and to be printed.

RAILWAY MERGERS

Mr. DILL submitted a resolution (S. Res. 164), which was ordered to lie on the table, as follows:

Resolved, That the Interstate Commerce Commission be directed—

1. Forthwith to transmit to the Senate a full and complete transcript of the testimony taken in Commission Docket 12964, Consolidation of Railroads Into a Limited Number of Systems, on January 6, 7, 8, and 9, 1932;

2. As promptly as practicable, to transmit to the Senate a full and complete statement and analysis of all holdings of stock and bonds in any railroad or holding company affected by or interested in the so-called 4-system plan for the eastern region, dated October 1, 1931, now under consideration by said commission, to the extent that such holdings of stock or bonds are by or on behalf of any railroad corporation, holding company, or trustee affected by or interested in said 4-system plan, such statement and analysis to include the number of shares of stock, with their par value, and the par value of all bonds, together with their original cost per share or per $100 of par value of bonds, and their total cost, and also to include their present worth at the market prices current at the latest available date;

3. As promptly as possible, to transmit to the Senate balance sheets of the Pennsylvania Railroad Co., the Pennsylvania Co., the Pennroad Corporation, the Alleghany Corporation, the Chesapeake Corporation, the Van Sweringen Corporation, the Virginia Transportation Corporation, the Chesapeake & Ohio Railway Co., and the New York, Chicago & St. Louis Railroad Co., as of the latest date available, showing in detail all the holdings of said corporations in other corporations, with the amounts at which each and every of said holdings are carried on the books of said corporations and their value at current market prices; and

4. As promptly as possible, to transmit to the Senate a detailed statement of all moneys obtained by any railroad corporation or other corporations herein referred to by the sale or hypothecation of any stock, bonds, or equipment obligations at any time within the six years that ended with December 31, 1931.

"AMERICA AND THE FAR EAST"—ADDRESS BY SENATOR LEWIS

Mr. HALE. Mr. President, the junior Senator from Illinois [Mr. LEWIS] a short time ago made a very interesting speech in the National Radio Forum on the subject of "America and the Far East." I ask that it may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESS OF HON. J. HAMILTON LEWIS, OF ILLINOIS, WASHINGTON, D. C., FEBRUARY 1, 1932

Ladies and gentlemen of the radio audience, I beg to thank my friend, Mr. Kuhn, for his flattering reference to me. As one of my friends, he finds it agreeable to be generous to an extent quite beyond my dues. I thank the committee of Senators who presented me as a spokesman for the occasion.

I have been asked to speak to you on the subject of the present complications in Asia, I assume because it is known that I spent some time in the Orient, first following the war between Russia and Japan and later upon other matters that threw me in touch with the particular territory that is now both under discussion and assault.

When I was in Manchuria I had to observe that which all would have discovered—that the railroad was built as a main line of communication to connect Moscow, Russia, with Peking, China. It was equally plain that the road was the one source for the distribution for war material and was created as a military agency.

Let it be understood that the controversy of Japan for the railroad and that of China for the possession of its neighboring land, Manchuria, now of Chinese occupation, as well as the claim of Russia for the road, as asserted from Moscow, has for its object the possession of China and adjacent territory. With this consummated, there will be a continuous control from Japan to the border of Siberia. This connection between Japan and Siberia

will leave Japan as the master director in the affairs of Asia. This is the ultimate object and apparently the prime purpose of Japan.

You will observe that the scheme to pacify and supervise all Asia is a natural one on the part of Japan. It is one that could have been expected, particularly by the United States of America. And it should have been anticipated when one considers the history of the immediate past and prospect of the present. Japan patterns after a policy and action of the United States. We will not forget that we took such course in behalf of our own United States to pacify North America when we entered Cuba, then Mexico, and later the Central American countries. Let us recall that the United States of America assumes to maintain the Monroe doctrine, and under it protect the destinies of Central and South America, so as to assure these lands against dominion of any European government.

Here we pause to make the parallel and to note openly and without reserve that which is the apparent truth. Japan is preparing an Asiatic Monroe doctrine. The example of the United States is before Japan, and with this lesson Japan proceeds in the pursuit of her policy at a time when China is in distraction. She takes possession and control both of the territory and directs the privileges of all Asia. This is following the course Japan took when she centered upon and appropriated Korea. The movement is upon the assumed right of Japan of forcing peace and preserving Asia for the Asiatics, as we hope to preserve America on the American continent for the Americans. While this movement on the part of Japan is to conquer China and to put it under the sovereignty of Japan in her control of Asia, it lessens to a great degree the opportunity of America to trade on equal terms with Japan or with the countries of the world in Asia.

From this result there arises before us a much more serious phase than the loss of trade. I hesitate to pronounce an alarm to my countrymen, but I must not withhold from the reflection of our citizens the threatening destiny. And here, in the words of a watcher at the approaching specter in "Hamlet," "I will cross it though it blast me." Reflect that Russia has grievances against America for disrupting the commercial treaties between America and her country. She continues her grievances against the administration of Taft, Wilson, and Hoover for refusing to recognize the Bolshevik administration. And with this she carries a further resentment for our holding up the present Russia to the world as unworthy of equality with the Republic of the United States. For all these irritants Russia carries secretly her curved sword in its restless scabbard.

The countries of Japan, China, and Russia—they remind us that the United States has excluded their people from residency or citizenship. They turn scornfully to us to assert that however justifiable such policy of exclusion could have been before the World War, on the theory of the right of each nation to hold aloof its people from any other nation, yet these Asiatic countries of Japan and China invite attention of the world to the fact that in the World War conflict the United States accepted them as allies in the partnership with America, France, and England.

Japan now insists in diplomatic contention that this contractual relationship in the war changed the situation between the governments as it had existed in the past. She claims that as we in America reserved the right now to keep out the Asiatic people, including Russia, from all America, she (Japan), as the guardian of Russia, under the Asiatic Monroe doctrine, reserves the right to protect Asia from any possession of enjoyment or of any privilege in Asia by the Americans.

Here we have again the beginning of the old issue of Asiatic safety—the east against the west. Our history records how often this particular contest, controversy, and rivalry has been played upon the stage of creation, and we will not forget to summon in the name of Christianity the memory that this moved as far west until it reached Tours in France, and there driven back by the forces of Christianity, led by a Russian and a Prussian general. These two were guided by the great Pole, whose masterful judgment and superior tactics commanded the zone and saved the situation.

Now, with this phase such as I have remarked upon as it exists to-day in Asia, with its threat to the United States, let it be expected that soon America will confront a union of Japan and Russia. This will confront the United States with a defiance, and at such hour, my fellow countrymen, we will be fortunate if, under the guise of some alleged offense by the United States, Russia will not be incited by influences to seize Alaska, her former possession, now disclosed as rich in all resources. At the same time of this invasion Japan will move to take the Philippines for all their uses. This move, as will be observed surely by all military tacticians, would divide the American defenses thousands of miles apart, and in these distractions bring us to a point of danger where it is assumed by the Asiatic master that to avoid the results of a conflict between ourselves and the now combined Asia the United States would yield to a new proposed relationship, accepting an international equality with the new alliance of Asia.

Here is where I tender my opposition to the disarmament meet now under way at Geneva. In this aspect of the eastern world as I have described it and of the world as we know it, I am forced to say that to me any effort to lessen the national defense of our country, or to weaken its power to defend itself against the combination which now threatens, is a serious error filled with tragedy. Asia now notes the temper of Europe toward the United States as lately expressed in many forms and many aspects touching the matter of the foreign loans and the efforts of our land to collect them. Asia consoles herself in the security of thought that not one European nation can be brought to our aid in the hour of our peril. I must insist that in such surroundings from the world, for us at any point and in any assembly to demand of any world nation that it should limit its armaments below that which each feels is its necessity, is to give these world nations the reciprocity right to demand the limitation of the arms of defense of America, and thus cut from us the necessary capacity in both quantity and quality of that which would repel any assault which they or their Asiatic allies contemplate making against us.

It has, to my thinking, become a sad hour when two classes of our citizenry have divided themselves one against the other. First is one who repels any expenditure in behalf of our national defense and its preparation merely because it takes some of our taxable possessions in order to pay for the defense. Others sincerely feel that the very possession upon our part of the capacity to defend our Nation against an advance is an affront to other nations and invites them to assail us because we have prepared to meet such assault. Between these two well-meaning and, let us believe, well-intending people our Nation has been brought to a condition where none can say what is our capacity for national defense at this time, and more regretfully we have divided that spirit of patriotism in our country where one side feels that it is to commit an offense against society and religion to demand preparation for national defense, while another assumes that they are regarded as outlaws against humanity if they merely protest against other nations having the right to direct the course of the life and death of this our Republic—to direct her life in order to compass her national death.

Let America look up and look out. The hour calls upon us to be on guard and for our citizens to be watchful. Let us all know that we are living in a new era and that the order of action fitted for yesterday, in the days of friendship and international good will, was one thing, while the rules for the new order that has wedged itself between America and the world, leaving us in our defense standing alone, is wholly a different thing. We hope for the new day—that new era making for friendship from all Asia and Europe. We dream of the hour when in ourselves will be the love for all mankind, but until this Heaven's grant is realized America has from her people but one order: It is vigilance by her citizens, guardianship by her Nation, and a just preparation and continuous strength that shall preserve the United States as the true Republic of honor and freedom under God—the pride of her children and the glory of the world! I thank you.

ARTICLE ENTITLED "'RESCUED GERMANY' REPLIES"

Mr. COPELAND. Mr. President, some time ago I gained consent to insert in the RECORD an article by Garet Garrett on "The Rescue of Germany." I hold in my hand an interesting reply entitled "'Rescued Germany' Replies." I ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the American Monthly for January, 1932]

"RESCUED GERMANY" REPLIES

Garet Garrett's article in the Saturday Evening Post of September 26, 1931, entitled "The Rescue of Germany," bears the stamp of propaganda work which in its one-sided distortion of facts and events can hardly be surpassed and vividly recalls French pamphlets published during the war and at the time of the occupation of the Ruhr district. The object of the article is to demonstrate that Germany, acting as a dissembling and cunning sinner, contrived to deceive her unwitting creditors, and not only attempted to evade her obligations but to lead a life of luxury, and to strengthen her economic and social institutions at the expense of her creditors.

In his undisguised animosity, the author shrinks neither from depicting Germany as a fraudulent bankrupt without adducing even the shadow of a proof, nor from casting suspicion upon the representatives of many nations. These representatives, more fully realizing the trend of events, were willing to extend a helping hand in time to protect their own countries against more disastrous consequences, accusing them, aided by the evil debtor Germany, of leading on the creditors—first of all, the American, English, and French claimants—to ever-growing sacrifices.

Garrett says:

"Almost daily the governor of the Bank of England had New York on the telephone to tell American bankers how desperate the situation in Germany was, how it grew worse from day to day, and why the United States should proceed to take measures on a large scale. If the governor of the Bank of England did not call up New York, the British Government called Washington to convey there the same information."

Guided by such views, Garrett overlooked, contrary to his better knowledge and judgment, taking into consideration that the events which have led to a consolidation of the nations with respect to world economics, have brought about a condition where the welfare of each nation is dependent upon that of another. Also, the world economy, in view of the structure it has assumed since the war and of the rapidly developing depression prevalent during the past months, can not afford to look on inactively while important links are suffering and languishing. America and England are merely acting as prudent merchants and far-seeing bankers. We may well assume that romantic conceptions are, indeed, foreign to them.

Garrett charges in the main that Germany, with malice aforethought, has evaded her obligations as a debtor. He claims that Germany never paid reparations, but always employed foreign credits for the purpose. He completely conceals the fact that even prior to the time when the Dawes plan went into effect, i. e., before the flow of foreign credits inaugurated by the Dawes plan set in, Germany had already paid reparations which, according to the Reparation Commission's own figures, amounted at the end of 1922 to 7.9 billion reichsmarks, according to the estimate of the American Institute of Economics to 25.8 billions, and according to German calculations to 41.6 billion reichsmarks. After 1923 and until the Dawes plan became effective additional 1.7 billion gold marks were paid. Garrett further declares:

"Germany's first reparation payments were made by those foreigners who during the inflation period placed confidence in the reichsmark, or speculated in it. As in the case of every speculation, losses were incurred by foreigners, for which, however, they were compensated by the acquirement of German values by means of German paper marks."

Moreover, Garrett overlooks that during Germany's inflation period she was repeatedly compelled to part with values on reparation account which partly represented payments in actual gold and partly in gold marks. In 1922 every 10 days a payment in exchange of 31,000,000 gold marks was made. After the Dawes plan and the Young plan went into effect Germany truly endeavored, voluntarily and completely, to fulfill the obligations assumed. The total amount of these payments and the extent of the sacrifices made are apparent from calculations showing that Germany's payments to the victorious nations, and other absorptions of capital, were estimated to equal half of Germany's national wealth prior to the war.

The realization which is gaining ground that Germany, in the long run, will be able to pay only with the proceeds from her economy, but not out of her capital—that is to say, within the limits of her economic capacity only—led to the Dawes committee being instructed to find ways and means for an adjustment of the Budget of the National Commonwealth. In addition, the committee was to consider measures for the stabilization of the German currency, with a view to establishing in this way a solid foundation for Germany's capacity to pay. It was intended to force Germany to pay up to the utmost limit of her capacity. As the introduction to the Dawes report shows, the experts in investigating this question were deeply impressed by their responsibility toward the reparation commission and toward the conscience of the world. Garrett, on the other hand, maliciously claims that the creditors showed greater timidity than Germany. With regard to the third committee, the "Wiggin committee," he even insinuates that it was won over to efforts for the protection of Germany against her creditors. The task developing upon both the Dawes and the Young committees consisted in establishing by exact figures Germany's annual obligations in reparations; both committees, however, clearly realized that definite proposals could not be made. The goal to be attained by the Dawes plan was:

"(a) To transform the question of Germany's capacity to pay from a theoretical into a practical problem.

"(b) To make possible a final and comprehensive agreement respecting all questions relating to reparations as soon as circumstances permitted."

Even the Young plan, while it reduced the normal payments to be made by Germany from 2.5 to 1.8 billion reichsmarks, failed to make proposals for a complete and final adjustment of the reparation problem. Although the total amount was fixed and also the amount of annual payments to be made, the division into protected and unprotected annual payments and the appointment of the "advisory special committee" by the Bank for International Settlements was equivalent to an admission that an absolute fixation of Germany's capacity to pay for the future was not possible. At the outset, both committees deemed a loan to Germany necessary in order to give temporary relief to Germany after having passed through a period of exhaustion. This was not, as Garrett states, with a view to permitting reparation payments at the expense of new creditors. After the adoption of the two plans, it was, indeed, to Germany's advantage to earnestly fulfill her obligations, thus serving her own interests, but, above all, to preserve her credits abroad for the perpetuation of her economy.

That Germany would not be able to get along without foreign assistance was conceded in both reports. Even the Wiggin report considers the granting of foreign credits a matter of course. The responsible German authorities had constantly stressed the point that an economic body bled white by the war and its disastrous consequences, could only regain its strength by the greatest possible and continuous assistance on the part of foreign countries. In an address delivered at Bochum the former president of the Reichsbank, Schacht, declared:

"If a country has been deprived of its liquid capital by war, or by inflation to such an extent as we witnessed in Germany, it is perfectly justifiable and only natural that during the interim credit facilities are sought, just as it is done in private economy."

The MacMillan report also confirms that Germany, being forced to replenish her working capital to bear the burdens of reparations, and to build up a gold reserve, was compelled, as a matter of necessity, to seek credits in large amounts. It was for the very purpose of meeting her obligations that Germany accepted foreign money, even at excessively high rates of interest; it took money in the form of short-term loans since it could not obtain it on long terms, and invested it. On the other hand, it must not be forgotten that Germany did not only seek foreign money but that in view of the prevailing high rates of interest it was abundantly offered, nay, even forced upon her. Germany was by no means unaware of the dangers lurking in an excessive indebtedness, and, above all, in an excessive indebtedness in the form of short-term loans.

The former president of the Reichsbank, Schacht, in his address at Bochum in November, 1927, also declared:

"The amount of our foreign indebtedness ought to be kept within reasonable bounds."

The activities of the advisory body should be mainly directed toward calling a halt in the increase of municipal indebtedness. It is true that reparation payments and foreign loans are related but, so far as Germany was concerned, foreign moneys to be used for economic purposes would have been necessary even without reparations. Even if there has been no necessity for paying reparations Germany would have required foreign aid in order to start again her economic machinery; she would, for a long time to come, not have been in a position to make payments out of her economic surpluses. Furthermore, as the president of the Reichsbank, Doctor Luther, stated at the press evening at the Leipzig Fair in March, 1931:

"Money paid as reparations is, in a sense, running uphill. It is not carried along by the flow of an economic river, but a political pump work forces it onward in an economically wrong direction. After having reached the summit of the political mountain, it does not flow downward, but political and psychological circumstances keep it back like dammed-up water and prevent the money from being redistributed for fructification as capital."

The economic folly inherent in the demand for political payments in amounts such as Germany is called upon to pay, rises in magnitude if, as in the case before us, payments with borrowed money are involved. Every payment with borrowed money weakens the future capacity, since, in the course of time, the burdens arising from the payment of interest and the repayment of the capital constantly grow. The continuation of the irrational movements of capital between the various countries would finally, even if the flow of foreign moneys were continued for some time, lead to a catastrophe. The breaking down of the capacity to pay followed as a matter of absolute necessity because (1) the strain upon the creditor was carried too far.

The actual value of the reparation payments, which were nominally reduced by the Paris conference of the year 1929, rose by one-fifth as a result of the fall in the price level throughout the world. Reduced revenues from taxes, growing expenditures for the unemployed, repeatedly unbalanced the Budget of the National Commonwealth, as well as of the States and municipalities in the year 1930, and made necessary the issuance of increasingly restrictive measures (emergency decrees) in order to forestall a financial collapse which would have endangered the raising of the necessary funds for the payment of reparations.

Since in the year 1931 the expected improvement in the conjunction failed to appear, it became absolutely necessary for the rehabilitation of the national finances, for unemployment insurance, emergency relief, and municipal welfare work, to squeeze out of a suffering economy during a period extending from July 1, 1931, to March 1, 1932, the enormous sum of (1) three and three-fourths billion reichsmarks by curtailing expenditures and opening up new sources of taxation. The extremely precarious economic condition of the commonwealth imperatively demanded an alleviation in Germany's unbearable reparation payments.

(2) The system of payments heretofore in force was bound to break down because the difficulties which confronted Germany herself were augmented and continually aggravated by the extraordinary world-wide depression—a depression which in the words of the Layton report "was characterized by a sharp decline in wholesale prices in the markets of the world, by a considerable falling off in the world's trade, by widespread unemployment in the industrial countries, and by acute financial difficulties in agricultural regions dependent upon foreign commerce."

(3) Germany was liable primarily to be affected by this economic casastrophe, being the weakest link in the chain of highly developed industrial nations, because of the bleeding she had been subjected to during the war and in post-war times.

Germany did not, as Garrett repeatedly stated, live beyond her means, but, because of her great vulnerability, always was one of the first countries reflecting the symptoms of a general decline in the conjuncture. The Layton report also acknowledges that Germany is particularly sensitive to economic disturbances. Inasmuch as these symptoms indicating the growing impoverishment of Germany and the constantly advancing shrinkage of her economy, could not remain a secret to foreign money lenders, Germany, of course, was the first country which, by reason of the dwindling confidence in a favorable development, was bound to feel the effect of the withdrawal of short-term loans. In view of her inability to meet the demands for repayment that assumed enormous proportions, Germany was also necessarily the first to be placed in a situation not unlike insolvency.

To insinuate, as Garet Garrett does, that Germany purposely brought about her insolvency is equivalent to closing one's eyes to the events of the last months. It also indicates a complete disregard to the reaction which it necessarily must have upon other countries which either granted Germany credits or accepted credits themselves. The present situation in England and the United States is as logical a development as that which was witnessed a few months ago in Germany. The international holiday established by the Hoover year is not, as Garrett declares, an American idea for the rescue of Germany, but it is equally in the well-considered interest of America.

What Germany needs at present is not so much new credits but a breathing spell, and the cessation on the part of her foreign creditors who granted her short-term loans to abstain from further withdrawals, i. e., to bring matters to a standstill for the present and then to agree upon an economically reasonable settlement.

Other reproaches made by Garrett have reference to the use Germany made of the foreign moneys placed at her disposal. It is particularly the construction work undertaken in postwar times which disturbs the correspondent of the Saturday Evening Post. By the publication of impressive pictures of exposition buildings, stadiums, and modern homesteads, it is intended to create the impression that Germany is the best-equipped country and has the best housing facilities in the world. This one-sided description is entirely erroneous, since, in the first place, the construction of homesteads only sufficed to mitigate to a small extent the lack of dwellings resulting from a cessation of all building activities during a period of 10 years. These homesteads are hardly within the reach of the ordinary worker. Moreover, the number of empty dwellings has trebled during the past half year in consequence of the growing economic misery, so that these buildings represent a liability rather than an asset. An objective observer would, in all fairness, have contrasted the pictures of these new homesteads with the abandoned wharves, the laid-up commercial vessels, the empty factories and business houses. Material evidence of Germany's state of misery would have been available in great abundance.

Garrett further attacks Germany on account of the flight of capital, and claims that Germany would have been able to help herself if this flight of capital had been prevented. According to Garrett, the entire present crisis can be explained simply and solely by this flight of capital. Even if we disregard the fact that Germany's indebtedness on short-term loans amounts at least to 12,000,000,000 reichsmarks as compared with Germany's claims against foreign countries in the form of short-term engagements, aggregating about two and one-half billions, even if she were to utilize her own invested capital to the fullest extent, there would still remain a balance of debts in short-term loans of about 8.5 billions. This would be a complete misconception of the nature of, and the motives underlying, the fight of capital. One of the principles in our capitalistic system governing the world economy is the free movement of capital, which finds its orientation on the basis of economic considerations, or of the confidence of the money lenders. These can not be regulated by governmental decrees. No authority in Germany would be able through official measures to recall even a fraction of the capital sent abroad. That this also applies to other countries is exemplified by England as well as by the ineffectiveness of all decrees relating to bills of exchange.

Contrary to Garet Garrett's assertions, past and future international measures and the investigation of Germany's capacity to pay do not contemplate the altruistic rescue and the welfare of Germany. The Dawes plan already stressed the fact that the reconstruction of Germany did not constitute an end in itself, but formed part of a larger problem—the reconstruction of Europe. To-day we must admit that in view of the close relations existing between the national economies the problem to be solved is the reconstruction of the world economy itself.

To accomplish this it is necessary to abandon the principle of collecting political debts. Political debts, especially if they can only be met by securing additional credits abroad, are elements of danger in the normal cycle of world economy. Germany is determined to pay her private debts. This is a fact which is substantiated by continued payments, despite the aggravation of the situation, of interest and amortization charges on her private foreign obligations. This fact was unequivocally expressed in the words uttered by the president of the Reichsbank, Doctor Luther, on the occasion of the press evening at Leipzig Fair in March, 1931:

"Germany in no wise contemplates, whatever the circumstances may be, to cease payments founded upon civil law or payments to private individuals."

Germany's full economic capacity, however, will only be reached when the material and psychological possibilities of economic life have once more been developed on a sound basis.

"UNCLE SAM AS JOB FINDER"

Mr. BLACK. Mr. President, I present an address delivered by the junior Senator from New York [Mr. WAGNER], broadcast over the National Broadcasting Co. network on February 9, 1932, under the auspices of the National League of Women Voters, which I ask may be published in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The discussion this evening is presented to you under the title "Uncle Sam as Job Finder." I wish I could truthfully report to you that Uncle Sam ranks high as a job finder. I wish it were possible for me to inform you that while the United States was developing and perfecting its methods of production and manufacture it was also building up a system of employment exchanges to assist the employer in finding his men and to help the idle man to find his job. No such report can be made to you. The fact is that the United States is at the tail end of the procession of civilized nations in this respect. Every industrial country of the world has to-day in operation a system of employment offices which is superior to the organization upon which we rely.

Every man who has ever had the actual experience of searching for a job needs no description from me of the cruel waste of effort and morale which our present methods involve. From door to door he wanders, aimlessly searching, groping in the dark, vainly hoping that there may be an opportunity in the next plant he will visit. This sorry condition prevails not only in times of depression but also in periods of prosperity. And the worker is not the only sufferer from the present state of disorganization. The employer is likewise handicapped. He has as much trouble in securing the right man as the worker in finding the right job. The consequences are a needless waste of time and money, loss of production, and continuous maladjustment.

The realization of these incontrovertible facts has moved me, as it has moved everyone who has taken an interest in the problem, to the conclusion that the operation of employment offices was properly a function of government; that this country needs a system of employment offices, nation-wide in extent, easily accessible to workers and employers, operated by men and women specially equipped and trained for this very difficult task, and so organized as to enjoy the confidence of employers, workers, and the public.

The realization of this goal was in sight at the end of the last session of Congress, when both the House of Representatives and the United States Senate passed the employment office bill I had introduced. The President, however, withheld his signature from the bill. And thus was the effort to provide an adequate employment service for the United States for the time being frustrated.

Since then the administration has attempted, without new legislation, to expand the existing so-called United States Employment Service. About a million dollars has been appropriated in the effort. But it seems to me we are no nearer a satisfactory employment service. The administration's effort has, in my judgment, been a failure and is bound to be a failure. The existing Employment Service can not succeed because it is organized on the wrong principle, staffed in the wrong method, and does not enjoy the confidence of the people whom it is intended to serve.

The first question that must be faced in the organization of a nation-wide employment service is this: What shall be the relation between the Federal Government and the States in the conduct of such a service?

We know that the Federal Government can not alone perform the entire task. Many of the employment problems are local, requiring knowledge of local conditions for their proper solution. At the same time we know equally well that the States can not separately provide for the interstate placement of workers which is essential in dealing comprehensively with the problem of unemployment. Certainly we do not want the Federal Government to duplicate the work of the States. Certainly we do not want the Federal Government to compete with the States. Common sense points to the solution, namely, the creation of a cooperative system wherein the Federal Government and the States join together in the conduct of the employment service. Then each of the States retains responsibility for the local offices and control over their management and the Federal Government performs the duties which are interstate in character.

This principle of cooperation is the corner stone of the bill which I have reintroduced in the United States Senate. It is absent from the organization which is now in existence. The result is that from all parts of the country—from Kentucky, from Tennessee, from New York, from Virginia, from Connecticut—reports reach me of noncooperation between Federal and State authorities, of duplication of effort, of downright competition. No satisfactory service can be built upon such a foundation.

Another major question must be answered in the formation of a system of employment offices. How shall we secure for such a service the confidence of employers and employees? This question touches the vital spot of the problem. Obviously, if employers will not use the service to hire the workers they require, or if employees will not resort to the service when they are in search of jobs, then the whole enterprise is futile. Experience has demonstrated that both employers and employees will not utilize the facilities of a public-employment service unless they are fully satisfied of its fairness, its impartiality, its competence, and its freedom from politics.

In the bill which I advocate two methods are used to create the kind of service which would justify such confidence. The first is the provision that every Federal employee in the United States Employment Service shall be selected on merit alone, through proper examination, and without regard to his political affiliation. In addition, the bill provides that in Washington and in each State there shall be an advisory council of men and women representing the employers and employees in equal numbers. Upon these councils is imposed the duty of insuring for the service impartiality, neutrality, and freedom from political influence.

What is the condition in the existing Federal employment service in these respects? It has neither the protection of the civil service nor the protection of the advisory council. It is known that many employees in the existing employment service have secured their positions through the method of political patronage.

Such a system can never enjoy the confidence of the American people. There is, in my judgment, grave danger that a system so organized will in time regard every private job as the legitimate spoils of the party in power. I regard that possibility as a menace against which we should take every necessary precaution.

An employment service created under the terms of the bill I have introduced would, in addition to its general functions, provide us with prompt information of employment and unemployment, of available opportunities for work throughout the length and breadth of the Nation. It would provide special facilities for veterans. It would make available a specialized service for the farmers.

Eleven years ago in the city of Washington a great conference was held to consider ways and means of combating the unemployment of 1921. One of the recommendations of that conference was the establishment of the kind of employment service described in the bill I have introduced.

Since then three congressional committees, after full hearings, have each independently come to the conclusion that the bill I introduced should become law.

How much longer will the taking of this intelligent step be delayed?

Had such an employment service been in operation in 1928 and 1929, we could not possibly have been caught as unprepared as we were by the storm which broke loose upon the country more than two years ago and has not yet spent its fury.

Each of us hopes and devoutly prays that the present distress of our Nation may soon pass away. We expect to see agriculture again become a profitable way of life, and trade and industry resume their busy existence. When that time comes we shall be faced with the problem of guiding 8,000,000 men and women back to employment. Will the return be accomplished with wisdom, with order, with a view to leading every worker to the place most suitable to his capacities, and thus sustaining and lifting the standard of living of the American people?

If you would make sure of an affirmative answer to that question, you must exert every effort to provide the United States promptly with a nation-wide, cooperative, nonpolitical employment service.

PHILIPPINE INDEPENDENCE

Mr. BINGHAM. Mr. President, I ask unanimous consent to have printed in the RECORD two articles relating to the Filipino question.

The VICE PRESIDENT. Without objection it is so ordered.

The articles are as follows:

[From the New York Times, February 6, 1932]

SELF-RULE DEMAND LESSENS IN MANILA—LEADING DAILY IS FOR CAUTION BECAUSE OF THE CONFLICT IN THE FAR EAST—OUR PROBLEM RECOGNIZED—ISLANDS HELD AS VITAL FACTOR FOR AMERICA NOW—LITTLE INTEREST IN WASHINGTON HEARING

MANILA, February 5.—A change in Filipino opinion toward gaining independence under the present disturbed world conditions was sharply indicated by an editorial this morning in the Tribune, a leading Filipino daily.

The Tribune, nonpartisan and influential, is usually fairly representative of conservative Filipino opinion. The editor is a regent of the university, closely allied with political movements and leaders. The editorial discussed the reasons why the present situation changes the aspects of the demand for freedom, calling for caution and stating:

"There is a coincidence that the occasion for a favorable settlement of the Philippine problem comes simultaneously with the outbreak of hostilities in the Far East.

"Regardless of all other factors that must serve to make America less able fully to attend to the issue of our future, we have become immediately a detail of her larger interest in the whole Far East.

YIELD TO SITUATION

"Under such conditions the independence movement necessarily suffers a setback. Our own national demand for emancipation, supreme though it be, our conception of what is best and permanent for our welfare, must give way to the international situation that has developed at our very door.

"Due regard must be given, furthermore, to the sense of responsibility of the American Government. That Government has consistently declared its intention to transfer to Filipino hands the powers of sovereignty in these islands. If there has been delay in the redemption of that pledge, the reason has been the high-minded care with which America would discharge her obligations to the Filipino people.

"If with conditions in the Far East normal America has had no occasion to perform that duty, there is much less of an occasion now, with war actually unsettling conditions. We would venture the suggestion that for America to leave the islands now, even in recognition of our right to a sovereign existence, would be for her possibly to be accused of quitting under fire.

"The Philippines are admittedly a weak point in America's problem of defense in the Pacific. That might be linked with a grant of freedom by the United States to cast reflection upon her as a power.

"We sense in the American character a conviction that would make for the protection of the American name, hence the postponement of independence."

FEAR SELFISH MOTIVES

This may help to explain the comparative apathy of the Filipino press regarding the independence hearings at Washington. Aside from a party convention's indorsement of statements by Speaker Manuel Roxas, there has been little comment on the testimony given.

An additional factor is probably the feeling that the American proponents of Filipino independence thus far testifying are actuated solely by selfish motives.

One voice heard, however, is that of Gen. Emilio Aguinaldo, who issued a formal statement this afternoon attacking Manuel Quezon's idea of a period of autonomy in preparation for independence and contending that the only possible position is for the Filipinos to demand immediate independence.

Local opinion was inclined to regard General Aguinaldo's statement as purely political, inspired by his long-standing feud with Mr. Quezon. General Aguinaldo once was a stanch supporter of the American idea to defer independence until the proper time, but became a strong advocate of immediate independence after a falling out with Mr. Quezon, who is president of the Philippine Senate.

[From the American Chamber of Commerce Journal, November, 1931]

HAVE OUR AMERICAN PRODUCERS BEEN BLINDED BY PROPAGANDA?

By John R. Wilson, secretary American Chamber of Commerce

The following notice appeared in Manila newspapers of October 15, 1931:

(By United Press)

"WASHINGTON, October 14.—* * * of the American Farm Bureau Federation, declared that he expected that the Philippine question will be one of the principal topics at the forthcoming session of Congress.

"Farm support of independence comes from sugar-producing States, dairy interests, and cotton-producing regions, because Philippine products are providing competition."

And on October 16 the following:

(By United Press)

"VANCOUVER, B. C., October 15.—* * * The American Federation of Labor to-day adopted a committee report resolving in favor of the exclusion of all Filipino laborers and the indepdendence of the Philippine Islands."

Both entities are the blind victims of subtle propaganda and come as near emulating the ostrich as is possible by a vertebrate of the genus homo.

It is not intended to discuss in this article the question of independence, nor the whys and wherefores thereof; for the time being we will leave that to the politicians. However, if independence does become a reality it will not be a result of the lamentations of the "subject people," but rather the direct result of vicious propaganda and politics in the United States.

We do desire to call the attention of American farmers, producers, manufacturers, and labor to a possibility that is much nearer realization than many people suspect; viz, the restriction of free-trade privileges now enjoyed on Philippine products entering the United States.

Do the American producers wish to hold one of their best customers? The present world-wide crisis has shown that you can not sell your goods unless you buy the other fellow's. If you deprive us of our earning power you are the ones who will suffer as much as we. If we have money, we spend; but if we have not, we can still exist even though our diet, dress, and personal comforts may be limited.

There are two sides to every question. If the United States Congress insists upon levying a customs duty upon sugar, coconut oil, copra, and other Philippine products, there is no just reason why the Philippine government should not be accorded like privileges as regards the levying of customs duties upon United States goods entering the Philippine Islands.

Now, let us get on with our story. For a number of years there has been an insidious campaign on the part of Cuban sugar interests to restrict the importation, duty free, of Philippine sugar into the United States. Knowing full well they could never hope to gain their point with sugar alone, the Cuban interests have enlisted the aid of domestic sugar producers of the United States and other producers, principally cotton and dairy, of the United States in the clamor for restriction of Philippine products entering the United States, such as sugar, coconut oil, tobacco, etc.

SUGAR

Let us first take up the item of sugar. Philippine sugar does not compete with United States domestic sugar and never will as long as it is necessary to import two or three million tons from Cuba. If either the full United States duty or the Cuban duty (80 per cent of the full duty) is applied to the Philippine product, the sugar industry of the Philippine Islands would immediately become nonexistent. Without the United States market, under free-trade arrangements, sugar could not be grown in the Philippines at a profit. There was a time when Philippine sugar, made by the open-kettle method, had a market in China and other oriental countries. The introduction of the centrifugal process

in Java and the development of the industry in Formosa and other oriental countries has killed the market for such open-kettle sugar, except for a very limited amount made by isolated planters and marketed at a ridiculously low price. Practically all Philippine sugar of to-day is centrifugal and the cost of production is so high that it can not compete with Cuba, Java, or any other oriental country. This cost of production is due to several causes, the principal one being the cost of labor. Since American occupation the standard of living of the Filipinos has risen to a much higher standard than any other oriental country and they demand as necessities what other orientals would consider unobtainable luxuries.

There was a time not so many years ago that the stock in trade of the small stores supplying the working classes consisted mainly of rice and dried fish. To-day these stores have shelves, and the shelves are filled with America's highest grades of canned goods, also many brands of American cigarettes. Speaking of cigarettes, 25 years ago the Filipino was content to smoke Philippine cigarettes costing not more than one-sixth of a cent. Now he must have an American cigarette costing one-half cent each before he is satisfied. Twenty-five years ago the laborer was content to walk through life without shoes. To-day the United States sells shoes and leather for shoes costing $2,000,000, and the socks to go with them.

There is also the smaller production of sugar per acre than is obtained in other countries. Hawaii, Cuba, and Java produce two and three times as much sugar per acre at less than half the cost. If the sugar industry of the Philippine Islands is killed, the result is obvious, viz, that the purchasing power of the Philippines will be reduced in an amount equal to the value of the sugar now produced, which was $49,312,657 in 1930. This is a staggering figure when it is considered that the entire exports of the Philippine Islands for 1930 amounted to $133,167,127. In other words, the reduction would be 37 per cent on account of sugar alone. The money realized from exports is largely spent in the purchase of foreign goods to be consumed in the Philippine Islands. In 1930 the total imports of the Philippine Islands amounted to $123,092,953, or nearly 92 per cent of the total exports. Of this amount, 63 per cent, amounting to $78,133,028, was spent in the United States. Deducting the pro rata of the sugar loss would leave the maximum amount of purchases from the United States at $53,564,000, or a loss of sales to the farmers, producers, and manufacturers of the United States amounting to $24,618,000, or practically one-third of the total. Do the farmers, producers, and manufacturers of the United States wish to forego sales of $24,000,000 for the sole purpose of benefiting a country foreign to the United States, such as is Cuba. If our sugar industry is abolished, you will see sales of $24,000,000 walking off the United States stage at the same time. It is more likely that the loss of sales would be nearer double.

COTTON

The cotton and dairy interests have been particularly antagonistic to coconut oil. They have been given to understand that inasmuch as coconut oil, like cottonseed oil, is an edible fat, it is therefore entirely competitive with cottonseed oil on the market. This is not the case. Although both oils may be used in the manufacture of edible and soap products and both cakes may be used for stock food or fertilizers, yet cottonseed oil is preferable for edible purposes, particularly lard compounds, and as such commands and must continue to command a higher price. Coconut oil, on the other hand, is very largely a soap oil and as such has certain advantages over cottonseed oil. Thus coconut oil competes with cottonseed oil only in the lower fringes, and as long as there is a demand for edible oil cottonseed will get the call at higher prices. Normally speaking, the cottonseed crop is just about sufficient to take care of the demand for edible oil, and any barriers erected against coconut oil and copra would result, first of all, in an increased cost of soap, thus making every American family help shoulder the burden of this senseless exclusion without materially benefiting cottonseed oil.

While cottonseed-oil cake and copra cake can be utilized for the same purpose, cottonseed-oil cake has a higher food value and always commands a far higher price than copra cake. Thus as long as cottonseed cake is offered, copra cake can only be sold at a much lower price.

There is another side to this angle and in a few words we will show what the Philippines mean to the United States cotton growers.

WHAT THE PHILIPPINES MEAN TO THE UNITED STATES COTTON GROWER

In 1930 the Philippines was the largest export customer for American cotton goods. This may surprise you, but it is nevertheless a fact. In 1930 the Philippines imported United States cotton goods valued at $8,650,000. In 1929 the value was $15,848,000.

To corroborate our statement that inability to sell our products at profitable prices would be directly reflected in our purchases, please note that the value of Philippine copra and coconut oil exported in 1930 was $14,000,000 less than for 1929. American cotton suffered half this difference, or to be exact, $7,198,000.

Does not the cotton-textile trade with the Philippines more than offset any loss on cottonseed?

COCONUT OIL AND COPRA

Copra is the dried meat of the coconut, after the water content of the coconut meat has been evaporated, either by sun drying or artificial means; then the oil is pressed out. After pressing there are two commodities ready for market—oil and copra meal, the percentage being about 60 and 35, respectively.

As matters now stand, copra enters the United States from all countries of the world free of duty. As long as this condition exists, no protection will be given the cotton people. They would have the same amount of competition from coconut oil and there would be an additional 85,000 tons of copra cake to compete with cottonseed meal, the only difference being that the oil would still be in the copra upon arrival in the United States. If you are going to put a restriction on coconut oil to protect the cotton interests, why not place a corresponding duty on copra and in this way divert both the copra and oil to Europe, throw the American oil-mill labor into the unemployed class, and allow the consumers of the United States to foot the bill for increased costs and the tariff of $10,000,000 annually? This increased cost of oil purchased from European oil mills would accrue to foreign labor, while our own labor walks the streets. The United States oil manufacturers enjoy an export trade in coconut oil of about half a million dollars annually simply because they can secure the raw product mostly from a country now under our own flag. Would they be willing to sacrifice this trade on account of friendship for the cotton and dairy interests? Just try to put a duty on copra and see how long this friendship would endure.

DAIRY

The fight of the dairy interests has been bitter. They claim that coconut oil is used in the manufacture of oleomargarine and other edible products that compete with butter. Cottonseed oil is used principally in lard substitutes for the simple reason that it does not froth when heated and coconut oil does. It is true that coconut oil used in the manufacture of soap does release a corresponding amount of cottonseed oil for cooking compounds.

The mere placing of a duty upon Philippine coconut oil would not help the dairy interests one iota. The milling of the copra would simply be transferred from the Philippines to the United States, thereby increasing the copra-meal supply of the United States by over 80,000 tons. This meal now goes mostly to Europe from the Philippines. Copra meal is used for stock food, and this amount would make quite a difference to some United States farmers who raise other kinds of stock food and in a way benefit the cotton raisers by providing a competitive stock food.

WHAT THE PHILIPPINES MEAN TO THE UNITED STATES DAIRY INTERESTS

We can reiterate the statement made in connection with cotton.

In 1930 the Philippines was the largest export customer of United States milk. During that period the Philippines imported 29,000,000 pounds, valued at $2,700,000. Add to the milk 203,000 pounds of butter and 486,000 pounds of cheese with a value of $176,000.

How many United States cows does it require to produce the above items?

All that holds the milk market for the United States is again the protection of the customs duty against foreign goods. If anyone wishes proof of this statement, just investigate the milk market of Cuba and note that Cuba gets its milk from Europe, notwithstanding the fact that Cuba is at the threshold of the United States and grants a 20 per cent customs preference to United States goods. United States milk is protected in the Philippines by a 10 per cent ad valorem duty on foreign milk.

OTHER COMMODITIES PURCHASED FROM UNITED STATES FARMERS—FLOUR

During 1930 the Philippine imports of United States flour amounted to 136,056,383 pounds, valued at $3,981,186.

Do you realize that this means the wheat produced on 244,000 acres of American farms? Free entry of United States flour made this possible. Flour from countries other than the United States must pay a tariff of 21 cents per 100 pounds.

During 1901 there was imported United States flour valued at $356,000; 1908, $507,000; 1930, $3,981,000. The increase in purchases of 1930 over 1908 was about 700 per cent, this 700 per cent increase over 1908 being due to Philippine tariff protection. If you restrict our purchasing power, you simply force us to eat rice and forget flour. Cut us adrift and what flour we will buy will come from Australia and China. An additional amount of $266,000 must be added to the wheat item on account of other breadstuffs imported.

FRUIT FARMERS

Apples

In 1930 we ate 5,000,000 pounds of apples, valued at $282,514. Ten years ago it was 1,800,000 pounds, valued at $114,000.

How many acres in apple orchards does this represent?

Oranges

The 1930 imports of oranges from America amounted to 3,262,000 pounds, valued at $139,000.

VEGETABLE FARMERS

United States vegetables, fresh and canned, valued at over half a million dollars were consumed in 1930.

If you will consult the detailed statement herewith, you will see that nearly every farmer grows something we buy in the Philippines.

FISHERIES

In 1930 the Philippines consumed United States mackerel, salmon, and sardines weighing 22,209,523 pounds and valued at $1,313,358, nearly 2 pounds for each man, woman, and child in the Philippines.

TOBACCO

There has also been some opposition to Philippine tobacco registered by the cigar and cigarette interests of the United States. This opposition, however, has subsided of late, probably due to the fact that the Philippine Islands imported last year 1,075,737,000 cigarettes, valued at $2,031,792, plus tobacco leaf amounting to $304,000 and chewing tobacco amounting to $445,000, totaling $2,780,792, which was practically the same as the value of the cigars exported from the Philippines to the United States during the same period.

A REMINDER TO UNITED STATES LABOR

In addition to the labor requirements of the farmers in growing the produce already written about, it might be well to consider the following figures:

In 1930 the Philippines imported from the United States manufactured brass to the value of $61,000; electrical machinery, $4,414,000; manufactures of iron and steel, $14,918,000; the total of the three items being $19,793,000. Undoubtedly a considerable portion of this amount represents wages paid American workmen, but the labor leaders are willing to see this money spent in other countries where labor is cheaper. If labor leaders would worry one-tenth as much about furthering the interests of American workmen engaged in manufacturing for export trade that they do over the question of a few thousand Filipinos living in the United States, they would be doing something constructive rather than destructive.

It is as much the affair of labor to protect itself in the matter of export trade as it is that of the manufacturer, and it is high time labor was taking steps to protect itself as far as Philippine trade is concerned. Its action in recommending restriction of Filipinos entering the United States will prove a double-edged weapon. When you refuse them this privilege and give them independence you just lose $78,000,000 of trade. What labor might gain in wages now paid Filipinos in America it would lose a thousandfold in wages paid Americans working on export-trade commodities.

American labor, through its organizations, wishes to smash a ready-made market that provides work for tens of thousands of Americans. This object they can accomplish in either one of two ways—cutting us adrift or raising a tariff wall against us. In the first case our purchases would be made in the cheap-labor countries of Europe and Asia, and in the second case you would simply curtail our revenues and purchasing power by at least half, thereby forcing us to curtail our desires and buy only necessities of low standard.

It is desired to bring to the attention of the farmers, producers, manufacturers, and labor of the United States the fact that they are being grossly deceived and that there is a possibility of losing an export market of great value to them through the restriction of free-trade privileges on goods entering the United States from the Philippine Islands.

Just how many sane farmers, producers, manufacturers, and laborers would knowingly throw away an opportunity for legitimate profit on a large scale?

A little study of actual conditions will show (1) that there has been no analysis made of the United States trade with the Philippines, or (2) there has been deliberate concealment of the facts on the part of those who are fostering the anti-Philippine propaganda. The propagandists against the free entry of Philippine products do not tell the producers the true story. The only reason the United States interests enjoy the trade of the Philippine Islands to the extent they do is on account of the free trade, existing both ways, between the United States and the Philippine Islands. To restrict Philippine products entering the United States without restricting the free entry of American products into the Philippine Islands free of duty would be just plain dishonesty. To play fair and allow the Philippine Islands to impose restrictions upon American goods would kill the Philippine market for such goods as completely as one could imagine. Our dairy interests would cease to sell their products in this country, and the market would be gobbled by Norway, Switzerland, and other countries of Europe the same as it has been in Cuba.

It is suggested that the leaders of the dairy interests investigate this point and advise Members accordingly that the same loss of trade would be true in the Philippine Islands. As regards cotton goods, Japan, China, and Europe would immediately take the Philippine buying market. Take the one item of bleached cotton cloth; in 1930 the consumption of this article from Japan increased more than 100 per cent over 1929, while the export from the United States to the Philippines decreased more than 50 per cent in the same period. The same result with varying percentages holds good right through the list of cotton fabrics. There is a remedy for this condition, and our cotton manufacturers in the United States are the ones to see that the same is applied.

This article is intended primarily for American farmers and dairy interests, and in order that they may have some idea of what the Philippine Islands consume yearly of their products, attention is called to the following table showing the quantity of each product, and the value thereof, imported into the Philippine Islands during the year 1930. It is suggested that every farmer and manufacturer of farm products read the table carefully and see if the Philippine market means anything to him:

Philippine imports from the United States for 1930

	Pounds	Value
Dairy products:		
Milk—		
Condensed	8,393,849	$1,047,716.00
Evaporated	19,869,350	1,629,316.00
Natural	322,586	20,241.00
Malted	88,422	25,812.00
Switzerland and Norway	1,711,778	143,350.80
Powder	333,091	53,482.00
Butter—		
Fresh	12,344	4,564.00
Australian	630,522	200,537.00
Canned	190,962	85,837.00
Australian	142,320	46,912.00
Cheese	486,116	86,047.00
Netherlands	278,550	73,819.00
Meat:		
Beef—Fresh		
United States	22,655	5,644.00
Canada	12,608	4,092.00
Australia	4,511,249	419,195.00
Pork—Fresh	369,019	75,409.00
Poultry and game	53,110	16,640.00
Australia	56,861	14,698.00
Other fresh meat	420,655	48,703.00
Canned beef	349,393	45,215.00
Argentina and Uruguay	766,218	116,936.00
Pork	69,418	27,176.00
Sausage	191,741	49,257.00
Bacon	202,070	55,639.00
Hams	341,017	105,214.00
China	859,364	204,100.00
Australia	182,360	66,403.00
Vegetables:		
Beans—		
Canned	585,318	51,342.00
Dry	196,704	18,572.00
Cabbage, fresh	2,032,261	90,536.00
Corn, canned	305,991	21,432.00
Onions	205,340	7,132.00
China, Japan, Australia, Egypt	20,147,549	253,095.00
Potatoes	397,984	13,610.00
China, Japan	19,932,433	283,655.00
Other, fresh	1,009,058	65,514.00
Peas, canned	1,019,436	64,410.00
Tomatoes, canned	903,381	46,406.00
Spain	673,195	30,088.00
Other vegetables—		
Canned	1,120,154	109,835.00
Pickled	462,888	39,224.00
Fruit, fresh:		
Apples	5,011,518	282,514.00
Grapes	1,708,150	139,921.00
Lemons	564,841	56,076.00
Oranges	3,262,129	329,213.00
Pears	78,130	7,375.00
Other	422,659	36,981.00
Fruit, dried:		
Prunes	59,626	5,957.00
Raisins	508,508	42,379.00
Other	140,767	16,627.00
Fruit, preserved:		
Pineapples	62,383	6,415.00
All other	1,453,478	134,653.00
Olives, pickled	63,129	9,193.00
Other	203,031	21,459.00
Hay	2,348,126	25,471.00
Hides and skins	180,701	16,975.00
Honey	16,944	2,955.00
Hops	10,692	2,292.00
Horn and bones		2,292.00
Oils:		
Animal	136,226	11,301.00
Castor	135,080	23,625.00
Cottonseed	144,731	23,663.00
Linseed	273,567	37,601.00
Olive	2,769	505.00
Spain	283,461	37,018.00
Other	252,302	23,289.00
Starch	1,405,835	376,785.00
Java	2,682,187	74,998.00
Glucose	1,986,155	86,286.00
Refined sugar		70,801.00
Tobacco products:		
Leaf	165,835	304,277.00
Cigarette	[1] 1,075,737,000	2,031,792.00
Chewing		232,830.00
Turpentine	143,710	15,623.00
Breadstuffs:		
Bran, etc	91,973	2,095.00
Bread and biscuits	1,139,732	174,884.00
Macaroni, etc	130,290	15,196.00
Wheat flour	136,055,383	3,981,186.00
Canada	4,803,840	139,998.00
Australia	14,229,923	367,051.00
Other cereals		27,589.00
Total breadstuffs from United States		4,310,605.00
Fish:		
Fresh	71,251	9,566.00
Canned—		
Mackerel	2,694,412	178,488.00
Salmon	1,227,426	107,859.00
Sardines	18,287,684	1,027,011.00
Shellfish	78,586	14,915.00

[1] Number.

Principal exports

[Quantities in kilos except where otherwise indicated]

Commodities	September, 1931			September, 1930			Monthly average for 12 months previous to September, 1931		
	Quantity	Value	Per cent	Quantity	Value	Per cent	Quantity	Value	Per cent
Sugar	6,323,034	₱873,502	9.9	24,418,048	₱2,915,958	19.4	64,430,851	₱8,440,775	44.5
Hemp	8,017,977	948,179	10.8	12,732,143	2,228,082	14.7	11,810,057	1,694,606	9.0
Coconut oil	12,026,334	1,961,804	23.5	11,590,867	2,909,753	19.2	14,903,836	2,978,481	15.7
Copra	10,099,549	884,702	10.0	20,370,782	2,962,659	19.6	14,278,726	1,698,697	9.0
Cigars (number)	15,854,316	601,015	7.1	15,828,280	625,969	4.0	14,963,174	590,309	3.2
Embroidery		546,698	6.7		693,333	4.5		96,253	.6
Maguey	485,130	30,601	.4	1,007,701	112,648	.6	534,812	62,245	.3
Leaf tobacco	2,349,803	550,695	6.8	558,571	144,867	.8	1,627,330	513,227	2.8
Desiccated and shredded coconuts	2,094,401	426,520	5.3	1,373,591	417,800	2.6	1,206,754	299,792	1.7
Hats (number)	51,636	77,465	.9	85,671	252,133	1.5	56,882	155,522	.9
Lumber (cubic meters)	7,869	241,395	3.0	9,345	327,916	2.0	5,547	219,962	1.2
Copra meal	10,760,010	318,297	3.9	11,344,196	474,894	3.0	9,502,089	280,949	1.5
Cordage	290,596	104,998	1.3	425,606	199,697	1.2	429,487	175,615	.9
Knotted hemp	1,091	2,420		104,460	295,057	1.8	61,516	137,578	.7
Pearl buttons (gross)	55,766	48,873	.6	66,314	59,528	.3	71,057	62,878	.3
Canton (low-grade cordage fiber)	230,232	17,470	.2	484,247	49,783	1.2	357,047	32,254	.2
All other products		649,197	8.1		613,476	3.9		1,299,189	6.8
Total domestic products		8,187,732	98.8		15,281,553	99.3		18,618,789	99.4
United States products		83,137	1.0		94,398	.5		100,960	.5
Foreign countries products		12,962	.2		39,072	.2		18,573	.1
Grand total		8,283,831	100.0		15,415,023	100.0		18,738,322	100.0

Principal imports

Articles	September, 1931		September, 1930		Monthly average for 12 months previous to September, 1931	
	Value	Per cent	Value	Per cent	Value	Per cent
Cotton cloths	₱1,865,651	10.8	₱2,064,922	10.5	₱1,334,470	8.8
Other cotton goods	954,822	5.5	1,042,099	5.4	767,791	5.0
Iron and steel, except machinery	1,421,440	8.3	2,234,609	11.4	1,565,484	10.5
Rice	92,597	.4	98,470	.6	41,804	.2
Wheat flour	401,275	2.3	679,486	3.6	559,724	3.6
Machinery and parts of	902,886	5.2	1,341,815	6.8	690,485	4.5
Dairy products	641,940	3.7	588,374	3.0	620,619	4.0
Gasoline	1,272,917	7.4	62,936	.4	793,514	5.2
Silk goods	573,717	3.3	519,302	2.7	432,224	2.7
Automobiles	355,159	2.0	778,072	4.0	453,080	2.9
Vegetable-fiber goods	144,244	.7	280,601	1.5	323,408	2.1
Meat products	285,968	1.6	293,592	1.5	249,708	1.5
Illuminating oil	246,900	1.3	40,220	.3	391,756	2.5
Fish and fish products	214,004	1.3	296,256	1.5	243,111	1.5
Crude oil	150,006	.8	153,606	.9	250,149	1.6
Coal	225,474	1.3	356,935	1.9	273,046	1.7
Chemicals, dyes, drugs, etc.	521,524	3.1	474,270	2.5	299,471	1.9
Fertilizers	47,181	.3	62,554	.4	278,458	1.8
Vegetables	280,386	1.7	272,305	1.5	283,848	1.8
Paper goods, except books	348,784	2.1	374,810	1.9	365,334	2.3
Tobacco and manufactures of	1,381,369	8.1	758,712	3.9	393,957	2.5
Electrical machinery	506,002	2.9	942,718	4.8	599,200	3.9
Books and other printed matters	141,944	.8	159,923	.9	154,599	.9
Cars and carriages	98,985	.6	227,154	1.2	272,255	1.7
Automobile tires	195,499	1.2	454,700	2.3	186,882	1.1
Fruits and nuts	184,501	1.1	172,623	.9	220,340	1.4
Woolen goods	72,498	.5	119,960	.7	73,004	.4
Leather goods	197,235	1.2	174,778	.9	147,448	.9
Shoes and other footwear	80,164	.5	133,064	.8	121,638	.7
Coffee	63,160	.4	83,583	.5	94,912	.6
Breadstuffs, except wheat flour	161,534	.9	160,826	.9	114,590	.7
Eggs	179,202	1.1	119,053	.7	161,819	1.0
Perfumery and other toilet goods	142,389	.8	205,382	1.1	108,631	.6
Lubricating oil	115,721	.7	124,745	.7	154,790	.9
Cacao manufactures, except candy	32,797	.2	53,541	.3	70,430	.4
Glass and glassware	138,374	.8	133,787	.7	116,352	.7
Paints, pigments, varnishes, etc.	117,998	.7	154,413	.8	130,963	.8
Oils not separately listed	83,253	.5	82,593	.5	118,568	.7
Earthen stones and chinaware	89,698	.5	113,008	.6	98,249	.6
Automobile accessories	184,443	1.1	236,543	1.2	103,678	.6
Diamond and other precious stones, unset	57,269	.3	42,738	.3	42,283	.2
Wood, reed, bamboo, rattan	79,022	.5	138,147	.8	95,059	.6
India-rubber goods	106,930	.6	113,423	.6	86,673	.5
Soaps	102,664	.6	156,119	.8	126,979	.7
Matches	67,123	.4	71,202	.4	41,857	.2
Cattle			26,178	.2	10,844	.1
Explosives	71,086	.5	58,417	.3	48,719	.3
Cement	5,144		115,561	.6	38,753	.2
Sugar and molasses	18,246	.1	54,076	.3	32,533	.2
Motion-picture films	78,177	.5	58,262	.3	44,573	.3
Other imports	1,334,721	7.8	1,745,926	8.8	1,440,012	9.6
Total	17,033,953	100.0	19,205,789	100.0	15,668,074	100.0

Trade with the United States and foreign countries

Port	September, 1931		September, 1930		Monthly average for 12 months previous to September, 1931	
	Value	Per cent	Value	Per cent	Value	Per cent
Manila	₱19,877,653	78.5	₱23,474,048	67.3	₱22,354,533	64.9
Iloilo	1,424,835	5.6	3,831,499	11.2	6,214,954	17.9
Cebu	2,684,369	10.6	5,467,204	15.8	4,149,569	12.0
Zamboanga	432,704	1.7	402,469	1.3	248,393	.8
Jolo	18,745	.1	24,119	.1	23,100	.1
Davao	391,767	.6	947,981	2.8	843,957	2.4
Legaspi	487,711	1.9	473,492	1.5	650,501	1.9
Total	25,317,784	100.0	34,620,812	100.0	34,485,007	100.0

Carrying trade

IMPORTS

Nationality of vessels	September, 1931		September, 1930		Monthly average for 12 months previous to September, 1931	
	Value	Per cent	Value	Per cent	Value	Per cent
American	₱6,155,121	36.2	₱10,186,524	53.1	₱5,049,757	43.7
British	4,704,538	37.7	4,885,827	25.6	3,905,904	26.2
Japanese	1,077,215	6.3	1,009,630	5.2	1,036,843	7.0
Dutch	732,620	4.3	532,657	2.8	674,653	4.6
German	874,425	5.1	892,365	4.6	964,057	6.5
Norwegian	2,288,967	13.4	548,937	2.8	626,477	4.3
Philippines	25,264	.2	13,703	.1	15,059	.1
Spanish	1,743		14,264	.1		
Chinese	103,633	.6	47,014	.2	39,446	.2
Swedish	129,411	.7	29,356	.1	47,573	.3
Danish	89,741	.5	246,043	1.3	264,008	1.8
Belgian					3,338	
Panaman	462,204	2.7	457,752	2.3	410,255	2.8
French					88	
By freight	16,644,882	97.7	18,864,072	98.2	15,330,052	97.6
By mail	389,071	2.3	341,717	1.8	338,022	2.4
Total	17,033,953	100.0	19,205,789	100.0	15,668,074	100.0

EXPORTS

American	₱4,393,881	54.5	₱5,709,243	36.3	₱6,667,107	35.3
British	1,651,649	20.3	4,538,865	30.1	4,651,722	24.7
Japanese	399,303	4.6	1,953,326	12.8	3,813,922	20.3
German	330,775	3.8	485,372	3.1	393,273	2.1
Norwegian	61,085	.5	1,054,003	6.9	1,244,945	6.6
Spanish					191	
Dutch	274,642	3.2	168,772	1.0	174,886	1.0
Philippines	109,775	1.1	35,979	.2	60,144	.4
Chinese	17,096		18,917	.1	47,737	.3
Swedish	109,769	1.1	160,899	1.0	409,317	2.2
Danish	470,346	5.6	694,270	4.6	657,349	3.5
Panaman	245,037	2.8			275,647	1.5
By freight	8,063,358	97.5	14,819,646	96.1	18,356,081	97.9
By mail	220,473	2.5	595,377	3.9	382,241	2.1
Total	8,283,831	100.0	15,415,023	100.0	18,738,322	100.0

Trade with the United States and foreign countries

Country	September, 1931		September, 1930		Monthly average for 12 months previous to September, 1931	
	Value	Per cent	Value	Per cent	Value	Per cent
United States	₱17,211,140	68.7	₱25,230,284	70.0	₱25,323,874	72.5
United Kingdom	837,054	3.2	3,069,174	7.3	1,103,355	3.3
Japan	2,284,774	9.0	2,132,964	5.0	1,230,351	3.6
China	1,338,160	5.2	1,130,298	3.2	1,065,135	3.1
French East Indies	82,254	.4	85,587	.3	41,124	.1
Germany	724,869	2.8	1,009,290	2.8	809,371	2.4
Spain	683,386	2.7	603,649	1.7	748,795	.2
Australia	258,692	1.0	221,867	.7	199,060	.7
British East Indies	176,458	.7	323,054	1.0	440,210	1.4
Dutch East Indies	329,784	1.3	347,098	1.1	512,929	1.6
France	309,629	1.2	495,162	1.5	372,141	1.1
Netherlands	217,017	.5	139,754	.4	182,228	.5
Italy	46,938	.2	317,750	1.0	270,985	.8
Hong Kong	69,076	.3	133,300	.4	75,354	.2
Belgium	128,309	.5	193,330	.6	306,604	.9
Switzerland	185,427	.7	215,388	.7	125,772	.4
Japanese China	107,244	.4	162,340	.5	132,180	.4
Siam	11,275	-------	29,639	.1	21,943	.1
Sweden	104,807	.4	113,152	.4	93,838	.5
Canada	57,355	.2	147,507	.5	73,495	.2
Norway	14,860	.1	35,962	.1	44,144	.1
Austria	10,879	-------	7,168	-------	8,029	-------
Denmark	18,684	.1	31,767	.1	22,205	.1
Other countries	109,713	.4	187,328	.6	1,298,553	3.7
Total	25,317,784	100.0	34,620,812	100.0	34,501,674	100.0

POPULAR SELECTION OF CANDIDATES FOR PRESIDENT AND VICE PRESIDENT

Mr. STEIWER. Mr. President, my attention has been called to a very interesting address delivered by Hon. Joseph I. France, formerly a Member of the United States Senate, before the Progressive Republican League of North Dakota, September 16, 1931, on the subject of the direct selection by the people of nominees for President and Vice President. It is a most important and timely subject and is worthy of the consideration of citizens everywhere in America. I ask unanimous consent that extracts from the address may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The extracts are as follows:

Because of the enormous powers now centralized in a President, and his power of appointment and removal of the members of the various commissions now established in our country, the popular selection of candidates for presidential and vice presidential nominations under our form of government is most important.

For many years I have been an ardent advocate of popular rather than delegated or invisible government.

It would probably take several decades before a Federal constitutional amendment could be enacted either for the direct election of President and Vice President or for the direct selection of nominees by the two great parties of their choice for President and Vice President.

It is, however, feasible and most highly desirable that every State in the Union should adopt a constitutional amendment or law enabling the electorate of the two great parties to instruct their delegates to national conventions as to who they should vote for, both for the presidential and vice presidential nominations, and to further instruct their national delegates to vote for a rule in the convention declaring that whoever should receive the greatest number of votes in that convention for President and whoever should receive the greatest number of votes in that convention for Vice President would thereby become the party nominees of said national convention for these respective offices.

Such a rule would thereby abolish the present rule of requiring a majority vote in the Republican national convention and a two-thirds vote in the Democratic national convention.

National delegates would thus become mere messengers as far as selecting their nominees for the Presidency and Vice Presidency, conveying to their respective national conventions the wishes of their State party electorates in this particular.

The declaration by each State of its choice for President and Vice President would be in no sense a wider departure from the Constitution than was the transformation of the Electoral College into a mere registering and recording board, yet no one thinks such change is any wise revolutionary.

The Nation as a whole and the world in general would immediately know who the nominees of the two parties would be for both President and Vice President as soon as the State holding the last presidential preference primary has expressed its choice in each party primary for party nomination for the Presidency and the party nomination for the Vice Presidency.

Thus accountability to the people alone would be established and aspirants for the Presidency and Vice Presidency would be freed from the necessity of consulting the wishes of the few men who so often make and manipulate conventions.

The power of the Federal machine to renominate a President or Vice President or determine their successors would thereby be absolutely destroyed.

Presidents and Vice Presidents would thus become accountable to the people as a whole, rather than to a few large campaign contributors and a few political manipulators.

The people would select and then elect for their chief public servants the individuals enjoying the greatest confidence at the time of the general election.

Confidence in our Government is a prerequisite for national contentment and happiness and business efficiency.

ADDRESS OF HON. JOUETT SHOUSE

Mr. TYDINGS. Mr. President, I ask to have printed in the RECORD a speech delivered by Mr. Jouett Shouse, chairman of the Democratic National Executive Committee, at a dinner at the Hotel Kanawha, Charleston, W. Va., on February 5, 1932.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WHAT OF DEMOCRATIC PROSPECTS?

I come to West Virginia primarily at the invitation of the younger Democrats of the State, but it is a happy development of my trip that this gathering to-night represents not merely the younger element of the party but every element of the party, men and women alike, and that it is state-wide in its scope.

It is particularly a pleasure to have the opportunity to address an audience such as this in the State that has honored itself by giving to my good friend Senator M. M. NEELY the largest majority ever accorded to any man running for public office in West Virginia. In selecting him you have shown judgment, sense, and discretion. He is a man of ability, a man of character, a man of courage, a man of good, hard common sense, who represents most satisfactorily the aims and the aspirations and the needs of your State in the most important deliberative body in the world. The majority that you gave Senator NEELY in 1930 indicates that West Virginia should be and easily can be made a Democratic State. It is but another in the galaxy of Commonwealths where the prospect of Democratic success looms large in the elections of 1932 if the Democratic Party conducts itself with courage, with patriotism, with wisdom.

WARNS AGAINST OVERCONFIDENCE

I have said before, and I think it well to repeat here, that the gravest peril that confronts our party prospects at the present time is the danger of overconfidence. It is true that the Republican Party will be compelled to renominate the most unpopular President of the past half century. It will renominate him, but it will do it unwillingly, ungraciously, sullenly. It is true that the record of his administration, upon which the next campaign will be conducted, is a record of ineptness and vacillation. Its only two legislative acts of consequence to which any man can point are the so-called farm relief bill, which has left the farmers in worse plight than they were at the time of its passage and which has projected the dangerous experiment of the Government in business, and the Hoover-Grundy tariff bill which has destroyed our foreign trade and has done more to continue the hardships of the Hoover panic than all other forces combined. Upon the record as it stands Democratic success would seem well-nigh assured. The danger is that Democrats in their overconfidence may feel that they can elect any candidate upon any platform, and therein lies the possibility of real peril.

The last thing in the world that I would discuss is the matter of candidacies. Our national headquarters has not thrown, and will not throw, the weight of its influence to any one of the several eminent gentlemen who very properly aspire to the nomination for President, or to any one of those who while not active candidates have been mentioned in connection with that distinguished honor. Our duty is to get ready to elect the ticket that is nominated, and the activities that have been carried on unceasingly in our headquarters at Washington for the past two and a half years have made ready the party to achieve a remarkable political victory.

UNPRECEDENTED DEMOCRATIC VICTORY IN 1930

In 1930 in the by-elections we administered to the Republican Party the most crushing defeat that any Republican administration has ever received in the middle of a presidential term. We wiped out a Republican majority of more than a hundred in the House of Representatives and elected a Democratic Speaker, for the first time since 1917, by the votes of Democrats, without entangling alliances and without promises of favor or patronage to any Member of the House. We reduced the Republican majority in the Senate from 16 down to 1, and while the party of Mr. Hoover is in nominal control of that body, it is so rifted and divided that the only cohesive and effective force is the Democratic membership.

The work that our headquarters has done the past two and a half years will be carried on with even greater vigor up to the convention, and we shall be prepared to turn over to the new national committee then created a party organization such as we have not had before, at least for many, many years. The organization will be ready, the Democratic story has been told to the people, and they are in a receptive mood to show preference to Democratic candidates.

Without reference to who he may be, I need scarcely call your attention to the fact that the character and the quality of the candidate nominated is of the highest importance. This is a time when America is crying for leadership as never before, and not merely America but the entire world. The world can look only to America for the leadrship that it needs and that it desires, and unless America supplies that leadership then the plight of the world will be sad indeed. It has become woefully apparent that Mr. Hoover does not possess the qualities of leadership. It has been sadly and tragically impressed that the time-worn policies of the Republican Party will not answer the demands of the hour. There is required of us that we give of the best that is in us, and if we so give we shall place the Democratic Party in power not merely for a presidential term but for 20 years to come. It is with that picture and not the mere success of one election that I am particularly concerned.

As I have said, we administered to the Republican Party in 1930 a crushing defeat, but we won for the Democratic Party not so much a victory as an opportunity. If we take advantage of that opportunity, if we show ourselves possessed of courage and vision and wisdom and determination to effect for the people those things of which they are so sadly in need, then we shall win, and we shall deserve to win not merely in 1932 but again in 1936, in 1940, and for years to come.

HOOVER RECORD VERSUS DEMOCRATIC PROGRAM

It is true that the Hoover administration will be an important issue in the coming campaign, but in passing upon its claim for a second term the country should not take into account merely the sins of omission and commission that have characterized its tenure of office. It should also give due weight to the substitutive program which the Democratic Party may see fit to offer. Under the form of government that has prevailed in America for more than a hundred years, regardless of what may have been the intent of the framers of the Constitution, we have had a definite rule by party. I, for one, believe that such rule should continue. I believe that responsibility should be assumed and discharged in accordance with a party program and that the members of the legislative branch of the Government, elected with a President of their party, should stand ready and willing to carry out the mandate of the people in placing them in power. A platform promise is a sacred pledge. No party has the right to make a declaration of principles that it does not intend to fulfill. Each Member of Congress stands as definitely upon the platform as does the candidate for the Presidency. Thus there devolves upon the membership of Congress the implied duty and obligation of cooperation to carry out the party pledge.

Let me make clear that no individual—indeed, no group of individuals—can attempt to outline the course of action that may be expected of the Democratic Party. The national platform of the party is written each four years by its national convention. The declarations of that platform constitute party policy. The only enunciation of principles now standing before the American people as authoritative expression of our party is the platform written at Houston in 1928. A new platform will be adopted at the Chicago convention in the summer of 1932. I do not know what it will contain. Any suggestions that may be made by me are mere personal expressions representing my view of what my party may most wisely indorse and enunciate.

DEMOCRATS' POSITIVE PLATFORM ON ALL ISSUES

Within the past two years it has been my business to get in touch with political opinion among different groups and in different sections of the country. I have made it a point to attempt to secure particularly some idea of the attitude of the younger generation, and I have found that a very large number of those who have recently become voters, or those who are about to become voters, voice a feeling of intolerance if not disgust with each of the two major political parties on the score that they are ruled largely by expediency. This dissatisfaction of the younger element applies particularly to political platforms. The accusation is made, and with entire justice, that the object in view in writing a platform is apparently to avoid saying something rather than to attempt to declare concretely, accurately, honestly, and courageously the program for which the party stands and the things which may be expected of it if put in power.

As a Democrat, I do not hesitate to admit my party has been guilty of procedure of this character. Certainly it is well known that the Republican Party has been similarly guilty. Indeed, in the last campaign even the personal views of the Republican candidate upon at least one of the important problems confronting the American people were in doubt. In his Palo Alto speech accepting the nomination Mr. Hoover said of prohibition: "Our country has deliberately undertaken a great social and economic experiment, noble in motive and far-reaching in purpose. It must be worked out constructively." On the basis of that statement dry Republican newspapers of the West claimed that he was absolutely opposed to any change in the present situation, while wet Republican newspapers of the East claimed that he was definitely in favor of modification.

The youth of the land demands courage and character. It demands these qualities of candidates. It demands them of political parties. It has a right so to demand, and I am hopeful that the demand may be vocal enough and influential enough to compel both of the parties, in the platforms to be written this year preliminary to the presidential election, to state concretely their stand upon the questions of the day.

PLATFORM SUGGESTIONS

As to the position the Democratic Party will take, I can only surmise. Recently in response to a request from the Democratic Bulletin of the Woman's National Democratic Club of Washington I outlined in a very tentative and incomplete way some of the things that I believe the next Democratic platform must encompass. Of course, it was merely a personal suggestion, nor did it purport to cover all of the issues that will be of probable consequence in the next campaign. It did attempt to deal with perhaps the most outstanding of present-day problems that the people of the country generally—and particularly the younger group—are discussing.

It may be of interest to refer briefly to some of these problems. With the Nation in the throes of a panic, the severity and extent of which are unequaled in our history, there immediately comes into every mind the question of possible remedy by legislation for the conditions that so distress us. Admittedly there may be little that can be accomplished legislatively, but there should be taken whatever steps may help to avoid for the future the recurrence of such a situation as now prevails.

The most dire consequence upon any panic is widespread unemployment. To-day there are more than 7,000,000 men out of work. In addition, there are many millions more dependent upon those forced into idleness and there are additional millions who are working only part time with their incomes consequently reduced to a minimum. In some of the large industries wage cuts have already been instituted. In others they are now pending. Because the reserves of many families have been exhausted the threat of actual want and suffering this winter is more widespread and severe than last year.

WAGNER EMPLOYMENT BILL VETOED

There is, of course, no actual panacea for unemployment. There are sane and intelligent steps that can be taken to meet such a situation. Measures of this nature were early advocated and long urged by Senator ROBERT F. WAGNER, an able Democrat, of New York. Briefly summarized they provide machinery for accurate determination of the extent of unemployment, they fixed definite provision for long-time planning of Government projects to enable the incidence of the actual work at the most desirable time, and they set up joint agencies of State and Federal Governments to find work for the unemployed. The conversion of these measures into legislation was impeded in every possible way by the administration, and, finally, when, despite such opposition, through the force of public opinion the bills passed Congress, the most important of them was vetoed by President Hoover.

It is not here suggested that the bills promptly enacted into law, with adequate appropriation to carry out their provisions, could have cured the unemployment situation. It is, however, most definitely contended that the provisions of these bills effective two years ago, as they would have been, save for administration opposition, would have offered definite means to remedy in part the trying situation which has grown constantly worse rather than better. I do not hesitate to predict that the Democratic Party will carry through the Wagner program, and I further assert that if placed in control of the Government it will exercise the same assiduity in attempting to find sane and reasonable preventives for the curse of unemployment as it did when last in power in creating, through the Federal reserve act, the machinery necessary to avoid mere monetary panics.

OPPOSES FEDERAL UNEMPLOYMENT INSURANCE

One of the steps involved in the problem is the question of unemployment insurance. On two recent occasions prominent spokesmen for the Republican Party, no doubt coached by the publicity division of the Republican National Committee, have charged that I indorse Federal unemployment insurance which these gentlemen described as nothing more or less than the dole. This statement is quite as accurate as many of those emanating from such sources. I challenge the assertion that I have ever voiced approval of Federal unemployment insurance. On the other hand, I do not favor it, but I do favor and earnestly hope my party will recommend unemployment insurance by industry, made compulsory by the States in the same manner as workmen's compensation. Unless compulsory it will never become generally effective. And I hold that industry owes something to the working man, who through no fault of his own is thrown out of a job and who is entitled to a measure of protection from becoming a charity charge upon the community.

What, after all, is the so-called dole? If it be a dole for the Federal Government to make an appropriation to feed starving people, is it any the less a dole for these people to accept aid at the hands of private charities or at the hands of city or county or State? I, for one, believe that every private agency should be used to the uttermost to take care of those who can not find employment and who are in destitution and want. But if through the agency of private benefaction the situation can not be cared for, if appropriations made by city, county and State prove inadequate and can not be enlarged, then so far as I am concerned I am in favor of direct appropriation by the Federal Government to prevent American men and women and children from starving during the remaining months of this winter. If that be a dole, then make the most of it.

FOREIGN RELATIONS

Another thing that the people of the country are thinking about, and particularly to which the youth of the land are giving earnest consideration, is the relationship of America to the rest of the world. If proof of the fact were needed it must have be-

come apparent to all who are not blind that America can not live as a nation apart. A relationship so close that it can not be escaped has been established by modern conditions, modern trade relations, modern methods of transportation, and unless America does its part in the world picture the people of America are bound to suffer as a result of their own neglect. We can not build up tariff walls that create an embargo on foreign goods and expect foreign nations to buy from us. We can not slap in the face the best of our customers and expect them not to retaliate. The Republican policy of protection gone mad, carried to its logical extreme of an embargo tariff, has destroyed our foreign trade. The Hoover-Grundy tariff bill, first in its threats and later in its actualities, has been the one most potent factor in bringing about the panic from which we are suffering, and until that fact is realized and remedied there is no hope for the restoration of permanent prosperity.

REDUCTION OF ARMAMENT

The people of the world to-day are weighted down with an intolerable burden of armament. At a time when governments are tottering on the verge of bankruptcy this tremendous expenditure goes on. Unfortunately we are witnessing in the Far East what appears to be an attempt at aggressive and unjustified conquest by an ambitious nation bent on its own aggrandizement. The force which it seeks to exercise can be counteracted only by united action. Extreme measures by the rest of the world may be necessary before the war dogs which that country apparently is intent on loosing can be got under control. There may be no alternative except to teach the Japanese race the lesson which apparently they richly deserve. But that does not argue against every proper and sane movement that may be made for the reduction of armament. Indeed, on the contrary, it is the strongest argument in favor of such a plan, because Japan, curbed in its military effectiveness, controlled in the matter of armed force by land and sea, would not dare to make upon China an unjustified and a selfish military attack and could not be in a position to threaten seriously the peace of the world.

FOREIGN WAR DEBTS

No man is wise enough to foresee what may be the ultimate adjustment of the billions of dollars that are owed to us by foreign nations. I for one voice the hope that regardless of what we may collect of these just debts—and for the sake of our debtors as much as for the sake of our own people the debts should be paid in full—I voice the hope that we may properly utilize our position as the greatest creditor nation the world has ever known to force upon the world such limitation of armament as will ultimately result in the thing for which through the ages men have longed and women have prayed—the abolition of the means of war.

In a general way the domestic problems which are confronting us can be solved largely if we will initiate two major policies—internationally cooperation and good will, nationally a return to the basic conception of our Government with its well-defined principles of State rights.

There is no issue to-day more compelling in its clarion call than that of State rights. Throughout the length and breadth of the land resentment is evident against the constantly increasing bureaucratic powers of Federal Government. This applies not merely to one question; it applies to many. But perhaps its application is more apparent in relation to prohibition than to any other of the various issues that are being widely discussed.

SUBSTITUTE FOR EIGHTEENTH AMENDMENT

My personal views on the subject of prohibition are, I take it, fairly well known. Because of the conditions that have grown up since the passage of the eighteenth amendment I feel that the eighteenth amendment must give way to some other plan. I would not suggest mere outright repeal without a substitutive formula. Too many of the American people are fearful of the confusion that might in such circumstances arise. But I would, as soon as Congress can be induced to pass it, submit to the States for ratification some alternative scheme that would permit the different States to take over the question of liquor control if, after a referendum of the people of each State, such demand was clearly evidenced by a majority vote. The principle of State rights here applied would meet the exigencies of the situation, and it would seem reasonable that Members of Congress who may personally be opposed to any change in the eighteenth amendment should at least be willing to submit the question to the States for action so that if the requisite number of States ratified a new constitutional provision the right of the individual State to handle this problem in its own way would be justly and properly established.

SENATOR SHEPPARD ON STATE RIGHTS

For such a suggestion there is distinguished precedent. In the debate on the submission of the eighteenth amendment on July 30, 1917, Senator MORRIS SHEPPARD, of Texas, one of the authors of the amendment, made the following statement:

"The Member of Congress who will not vote for the submission of a constitutional amendment to the decision of the States, where it belongs, unless he personally believes it should become a part of the Constitution, usurps the function of the States, arrogates to himself and the Federal Government a prerogative that belongs to the States and violates the very essence of their sovereignty. * * *

"Were I opposed on principle to nation-wide prohibition, I would vote to submit the amendment to the States in order that they might exercise one of their fundamental rights. An issue is thus presented by the nation-wide amendment entirely independent of prohibition." (CONGRESSIONAL RECORD, vol. 55, pt. 6, 65th Cong., 1st sess., p. 5553.)

The contention of Senator SHEPPARD was well founded. Applying properly as it did to the eighteenth amendment, it applies with equal force to the possible submission of a substitutive provision for which there is widespread demand.

I am not wedded to any particular plan for reform, but I am as everlastingly opposed to the intolerable conditions that have grown up under the present system of attempted prohibition as I was to the conditions that in the old days characterized the saloon system. One real benefit that has come from the eighteenth amendment has been the abolition of the licensed saloon. It must not be allowed to return. But the American people can and will show themselves capable of evolving a substitutive plan which without returning the saloon will handle the liquor problem in a sane and reasonable way.

Immediately I would amend the Volstead Act to permit the manufacture and sale of light wines and beer. From every standpoint, in my opinion, this is desirable, certainly from the standpoint of the fiscal affairs of the Treasury of the United States where an ever-increasing deficit confronts the country.

Unless I am wholly mistaken as to what the younger generation is thinking and feeling it will demand of both political parties a frank and honest statement of position on the prohibition question, and it will favor that party which courageously meets this demand. Not that prohibition is so important that it warps into insignificance other questions of consequence, but because the attitude of political parties and of politicians concerning it is symptomatic of the deceit and expediency which many have come to associate with politics.

ATTEMPTED DICTATION

The suggestions that I make, as stated in the beginning, are merely personal suggestions. Only the Democratic Convention can write the Democratic platform. But may I be permitted to venture the prediction that the platform will be written and the candidate, whoever he may be, will be nominated by those who are Democrats and who have a right to speak as Democrats.

Two weeks ago there was held in Washington a meeting attended by many well-intentioned men and women and a number of paid censors of the public morals. It was a gathering of a body known as the Anti-Saloon League and other forces aligned on the side of what has come to be known as prohibition. In passing, let me say that to me the word "prohibition" is extremely obnoxious—just as obnoxious as the terms "wet" and "dry." Why not substitute the word "temperance"? Until there was placed in the Constitution of the United States police power that sought to regulate the personal habits of the citizenship of America our Nation was progressing rapidly toward temperance, but during the last 12 years I think you will agree that we have forgotten temperance, we have tried to do by law what should be accomplished by moral precept, and the result upon the youth of the land particularly has been unfortunate in the extreme.

We have in America, of course, a secret ballot. It would be impossible, therefore, to say with accuracy who of those who participated in the Washington meeting two weeks ago vote the Democratic ticket. This, however, is undoubtedly true—that a very large number of the most active participants were openly opposed to the Democratic nominees in 1928, have been opposed to Democratic nominees subsequent to 1928 even where the so-called prohibition issue was not involved, and are actively allied with organizations, many of them in the pay of organizations, which are nothing more nor less than recognized adjuncts of the Republican Party.

I have no quarrel with this convocation at Washington. These men and women had a perfect right to assemble. Men and women interested in any subject have the right of peaceful assemblage and free speech in any city of the land. But when this group, which will not support the Democratic ticket in the coming election, no matter who may be its nominee or what its platform; when this group attempts, as it did at every session of its Washington meeting, to dictate to the Democratic Party those whom it may or may not nominate; when it attempts, as it did, to prescribe what may or may not be included in the Democratic platform, I, as an individual Democrat, challenge the right of any such suggestion. I spurn the suggestion, and I say to those assembled at Washington and to their cohorts in whatever section of the country that the Democratic Party will write its platform and will nominate its candidate without reference to the impudent suggestion of those who have no proper part in Democratic councils and who will not support the Democratic ticket. Moreover, I can not fail to wonder and to question how much attention should be paid to the attempted mandates of any gathering which would hold up as a hero and by resolution try to exonerate a man now resting under serious accusation, even indictment by the courts, for his failure properly to account for campaign funds placed in his hands by Republican leaders in 1928 for the purpose of fomenting bigotry and intolerance in the South and in the border States.

But enough of that. The Democrats who assemble at Chicago will go there with serious purpose in view. They will be imbued, first, with the idea of doing what is best for their country; and second, what is best for their party; and their actions at Chicago with reference to both platform and ticket will be characterized by the solemn realization of the grave responsibility that rests upon them.

SPEAKER GARNER'S LEADERSHIP

There is being unfolded now from day to day the picture of what may be expected at the hands of the Democrats if they are

vested with power as a result of next November's election. Two months ago one of the most skilled and accomplished legislators who has ever served in the Congress was made Speaker of the House of Representatives. From the day he assumed the duties of that important office, second only to the Presidency itself in its power and influence and significance, he has made a record which, with due regard to other distinguished Speakers, has not been equaled in half a century. With a bare majority of 5 or 6 of his party, the compelling leadership of JOHN GARNER is such that he is putting through with expedition and vigor and intelligence a legislative program of far-reaching value. The Democratic House has not played cheap partisan politics. Where it could accept recommendations of the President it has done so promptly and generously. Where it has felt the necessity of going outside or beyond those recommendations it has the courage to assume responsibility on its own account. What it has accomplished, what it will accomplish, represents to the American people the constructive program and the intelligent administration of affairs that may be confidently anticipated at the hands of a Democratic Executive and a Democratic Congress following the election of 1932.

MISSION OF THE DEMOCRATIC PARTY

The Democratic Party is more than a hundred and thirty years old. It is the one political party that has survived the vicissitudes of time. For 60 years prior to the Civil War, with only brief exception, its policies were the policies of the State. Temporarily disrupted because of the slavery problem it returned to power in the late seventies and the early eighties to redeem the country from the iniquities of special privilege that characterized tariff legislation and from the corruption that had grown up in public office through the long tenure of Republican rule. Again 20 years ago the Democratic Party was called upon to rescue the country from the intolerable conditions that then prevailed in the Government, conditions that represented deception and dishonesty in dealing with the interests of the people.

To-day there is a call to our party of a consequence as great as any in the past. It has a mission of tremendous importance. With world conditions as they are, with the very capital system itself hanging in the balance, it may be the province of the Democratic Party to prove itself the agency for the preservation of American institutions as we know them.

The Democratic Party is not static. It never has been. It has shown itself capable of moving forward with the urge of new life and new ideas. It has shown itself able to deal with arising problems and pressing needs. It will, I hope and believe, meet constructively and patriotically the grave situation which now menaces our people—perhaps the most threatening in its dire possibilities the Nation has ever been called upon to face. But the Democratic Party can do its duty adequately only if it has the courage to confront the issues that the younger generation is discussing, only if it tries to find the answer to all of the knotty problems that are now so apparent. Otherwise, winning perhaps a temporary victory it will neither be able to remain in power to fulfill the mission that lies so definitely in front of it nor will it deserve so to remain.

In the belief that my party has the capacity and the courage, I call upon you to lend it your countenance and your support, and your help in meeting the issues without equivocation or evasion and in measuring up to the possibilities of usefulness that await.

UNEMPLOYMENT LAW OF WISCONSIN

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD the law recently enacted by the State of Wisconsin on the subject of unemployment insurance. It is the first law enacted in this country on that subject.

There being no objection, the law was ordered printed in the RECORD, as follows:

CHAPTER 20, LAWS OF SPECIAL SESSION 1931

An act to create chapter 108, section 20.573, subsection (10) of section 71.03, subsection (10) of section 71.04, and subsection (5) of section 20.57, and to amend subsection (9a) of section 101.10 of the statutes, relating to unemployment reserves and compensation, providing penalties, and making appropriations

The people of the State of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Legislative intent: (1) The legislature intends through this act to make it certain that by July 1, 1933, at least a majority of the employees of this State will enjoy the protection of fair and adequate systems of unemployment compensation. The largest organization of employers in the State having declared it to be the intention of its members voluntarily to establish unemployment-fund systems, it is the intent of the legislature to give employers a fair opportunity to bring about the purposes of this act without legal compulsion. If, by June 1, 1933, the employers of not less than 175,000 employees have voluntarily established plans which comply with the standards prescribed in section 108.15 of this act, then the compulsory system provided for in section 2 shall not take effect; otherwise, it shall take effect July 1, 1933. Should this provision for any reason be held invalid it is the intent of the legislature that the compulsory plan shall take effect July 1, 1933.

SEC. 2. A new chapter and a new section are added to the statutes to read:

CHAPTER 108

UNEMPLOYMENT RESERVES AND COMPENSATION

108.01. Public-policy declaration. As a guide to the interpretation and application of this chapter the public policy of this State is declared as follows:

(1) Unemployment in Wisconsin has become an urgent public problem, gravely affecting the health, morals, and welfare of the people of this State. The burden of irregular employment now falls directly and with crushing force on the unemployed worker and his family and results also in an excessive drain on agencies for private charity and for public relief. The decreased and irregular purchasing power of wage earners in turn vitally affects the livelihood of farmers, merchants, and manufacturers, results in a decreased demand for their products, and thus tends partially to paralyze the economic life of the entire State. In good times and in bad times unemployment is a heavy social cost, now paid mainly by wage earners. Industrial and business units in Wisconsin should pay at least a part of this social cost, caused by their own irregular operations. To assure somewhat steadier work and wages to its own employees a company can reasonably be required to build up a limited reserve for unemployment, and out of this to pay unemployment benefits to its workers, based on their wages and lengths of service.

(2) The economic burdens resulting from unemployment should not only be shared more fairly but should also be decreased and prevented as far as possible. A sound system of unemployment reserves, contributions, and benefits should induce and reward steady operations by each employer, since he is in a better position than any other agency to share in and to reduce the social costs of his own irregular employment. Employers and employees throughout the State should cooperate, in advisory committees under Government supervision, to promote and encourage the steadiest possible employment. A more adequate system of free public employment offices should be provided, at the expense of employers, to place workers more efficiently and to shorten the periods between jobs. Education and retraining of workers during their unemployment should be encouraged. Governmental construction providing emergency relief through work and wages should be stimulated.

(3) A gradual and constructive solution of the unemployment problem along these lines has become an imperative public need.

108.2. Definitions: As used in this chapter—

(a) "Commission" shall mean the industrial commission.

(b) "Workmen's compensation act" shall mean sections 102.01 to 102.35.

(c) "Employee," except where the context clearly shows otherwise, shall mean any person who is employed by an employer and in an employment subject to this chapter, or who has been so employed within the last six months; provided, that an independent contractor shall be deemed an "employer," and that all persons employed by subcontractors under him shall be deemed his "employees" for the purposes of this chapter.

(d) "Employer," except where the context clearly shows otherwise, shall mean any person, partnership, association, corporation (or legal representative of a deceased person, or a receiver or trustee of a person, partnership, association or corporation), including this State and any municipal corporation or other political subdivision thereof, who or whose predecessor in interest has for four months or more within the preceding calendar year employed 10 or more persons in employments subject to this chapter. There shall be included in such calculation all persons thus employed by the employer throughout the entire State, and all of the several places of employment maintained within Wisconsin by the employer shall be treated as a single "employer" for the purposes of this chapter; provided, moreover, that where any employer, either directly or through a holding company or otherwise, has a majority control or ownership of otherwise separate business enterprises employing persons in Wisconsin, all such enterprises shall be treated as a single "employer" for the purposes of this chapter.

(e) An "employment," except where the context shows otherwise, shall mean any employment, during any week, in which all or the greater part of the person's work is performed within Wisconsin, under any contract of hire, express or implied, oral or written, including all contracts entered into by helpers and assistants of employees, whether paid by employer or employee, if employed with the knowledge actual or constructive of the employer; except that for the purposes of this chapter an "employment" shall not include:

1. Employment as a farm laborer:

2. Employment in the personal or domestic service of an employer at his home;

3. Employment on a governmental unemployment relief project, approved as such by the commission;

4. Employment as an elected or appointed public officer;

5. Employment by a governmental unit on an annual salary basis;

6. Employment as a teacher in a private or public school, college, or university for the regular term for which such school, college, or university is in session;

7. Employment of a person who is unable or unwilling to work normal full time and who, before accepting a part-time job, has registered at his district public employment office as a part-time worker, in such written form as the commission may prescribe: *Provided, however*, That for the purposes of this chapter no person shall be treated as a part-time worker who customarily works half

or more than half the full-time hours per week which prevail in such establishment for full-time employees;

8. Employment by railroads engaged in interstate transportation and employment in logging operations.

(f) An employee's "weeks of employment" by an employer shall mean all those weeks during each of which the employee has performed any services at all for the employer.

(g) "Benefits" shall mean the money allowance payable to an employee as compensation for his wage losses due to unemployment as provided in this chapter.

(h) "Wages" shall mean what is customarily meant by the term, except that it shall include bonuses and the reasonable value of board, rent, housing, lodging, or similar advantage received from the employer.

(i) An employer's "full-time hours per week" shall be determined for each general class of his employees (classifying together all those usually employed on substantially the same schedule of weekly hours). The commission shall calculate an employer's full-time hours per week, applicable to all his employees of the given class, by averaging the weekly hours worked by the majority of such employees for each week during the preceding calendar year in which such prevailing hours were 40 or more; provided, that in cases where it finds that the above method can not reasonably and fairly be applied the commission may adopt such other comparable method or methods of determining an employer's full-time hours per week as it deems reasonable and suitable under this chapter.

(j) An employee's "average weekly wage" shall mean the weekly earnings such employee would average from the particular employer if employed that number of full-time hours per week of such employer which is applicable to such employee. Accordingly, each employee's "average weekly wage" shall be calculated by multiplying such applicable full-time hours per week by the employee's average earnings per hour from such employer. Each employee's earnings per hour (averaged for 100 or more hours of employment, so far as possible) shall for this purpose be calculated at such times and in such manner and in accordance with such suitable rules as the commission may prescribe with a view to determining benefits under this chapter.

(k) "Fund" shall mean the unemployment reserve fund established in section 108.16.

(l) "Employer's account" shall mean the separate unemployment reserve account of an employer with the above fund.

(m) "Reserve per employee" shall refer to the status of an employer's account at the beginning of a calendar month. It shall be calculated by dividing the net amount such employer's account then has (or would have if all contributions due under this chapter had been paid) by the maximum number of employees subject to this chapter employed by such employer in any week during the preceding six months.

(n) "Administration fund" shall mean the fund established in section 108.20.

108.03. Payment of benefits: (1) Benefits shall be paid by the commission to each unemployed employee from his employer's account in the fund under the conditions and in the amounts stated in this chapter, except that employers exempted under subsection (2) of section 108.15 shall pay benefits directly to their unemployed employees under the conditions and in the amounts stated in the plan approved by the commission as the basis for the exemption.

(2) No benefits shall become payable from any employer's account, nor shall any employer's benefit liability begin to accrue under section 108.06, until one year after he has begun to make the regular and continuing contributions required of him under this chapter, except as otherwise provided in subsection (5) of section 108.15 and subsection (8) of section 108.16; provided, that at the end of such year period each employer's benefit liability shall begin to accrue and benefits shall accordingly become payable from his account.

(3) The commission shall determine or approve the time and method of payment of benefits.

108.04. Eligibility for benefits: (1) No employee shall be deemed eligible for benefits for partial or total unemployment unless he gives the notification of such unemployment required under subsection (1) of section 108.08, or unless such notification is waived by the commission in accordance with such section.

(2) No employee shall be deemed eligible for benefits on account of either partial or total unemployment during any calendar week unless such employee was physically able to work and available for work whenever with due notice called on by his employer to report for work. Nor shall any employee be deemed eligible for benefits for total unemployment for any calendar week in which he has suitable employment, as defined in subsection (6) of this section; provided that nothing in this section shall render an employee ineligible for total unemployment benefits for any calendar week on the ground that such employee is employed on a governmental unemployment-relief project under section 108.25.

(3) An employee shall be deemed partially unemployed in any calendar week and shall at once be eligible for benefits for such partial unemployment whenever his week's wages are less than the amount of weekly benefit to which he would be entitled under this chapter if totally unemployed.

(4) An employee shall be deemed totally unemployed in any calendar week when he performs no services whatsoever for his current employer during such week. An employee thus unemployed shall be eligible for benefits for total unemployment for each week of total unemployment occurring subsequent to a waiting period of two such weeks. No benefit shall be or become payable for this required waiting period, but not more than two such weeks of waiting period per employer shall be required of any employee in any 12 months in order to establish his eligibility for total unemployment benefits under this section. The commission may approve in an approved voluntary unemployment benefit plan such longer or shorter waiting period as will comply with the requirements of subsection (2) of section 108.15.

(5) An employee shall not be deemed eligible for any benefits for total unemployment based on his past weeks of employment, and no such benefits shall be payable to the employee under any of the following conditions:

(a) If he has lost his employment through misconduct;

(b) If he has left his employment voluntarily without good cause attributable to the employer;

(c) During any period for which he has left and is out of employment because of a trade dispute still in active progress in the establishment in which he was employed;

(d) For any period during which he is out of employment because of an act of God affecting his place of employment;

(e) If he has received in wages $1,500 or more during the 12 months preceding the date on which he became totally unemployed;

(f) If he is ordinarily self-employed, but has been temporarily (for not more than five months) employed in an employment subject to this chapter and can, at the termination of such temporary employment, reasonably return to his self-employment;

(g) If he attended a school, college, or university in the last preceding school term, and has been employed by his employer only during the customary summer vacation of schools, colleges, and universities.

(6) A claimant shall no longer be eligible for total unemployment benefits and the liability of his past employers to pay him such benefits based on his past employment shall cease for any period after he has, without good cause, refused to accept suitable employment when offered to him, or has failed to apply for suitable employment when notified by the district public employment office. Suitable employment shall mean either employment in his usual employment or other employment for which he is reasonably fitted, regardless of whether it is subject to this chapter, provided such employment is in the vicinity of his residence or last employment and gives him wages at least equal to his weekly benefit for total unemployment or provides him work for at least half the number of hours normally worked as full time in such occupation or establishment; and provided further, that whenever in any specific case the commission finds that it is impracticable to apply any of the foregoing standards, the commission may apply any standard reasonably calculated to determine what is suitable employment.

(7) Nothing in this section shall require an employee to accept employment; nor shall any employee forfeit his right to benefits by refusing to accept employment under either or both of the following conditions:

(a) In a situation vacant in consequence of a stoppage of work due to a trade dispute.

(b) If the wages, hours, and conditions offered be not those prevailing for similar work in the locality or are such as tend to depress wages and working conditions.

(8) No employee shall be deemed eligible to receive benefits under this chapter on account of any period of partial or total unemployment unless such employee has been a resident of Wisconsin for the two years preceding the beginning of such period of unemployment or has been gainfully employed in the State for 40 weeks within such 2-year period; provided, that an employee's ineligibility under this subsection shall modify his employer's benefit liability only as specifically provided in subsection (5) of section 108.06.

108.05. Amount of benefits: (1) Each eligible employee shall be paid benefits for total unemployment at a rate of $10 a week, or 50 per cent of his average weekly wage, whichever is lower; except that when 50 per cent of such wage is less than $5 a benefit of $5 a week shall be paid.

(2) The benefit payable for partial unemployment in any week shall be the difference between the eligible employee's actual wages for the week and the weekly benefit to which he would be entitled if totally unemployed.

(3) Benefits shall be paid to each employee for the calendar weeks during which he is totally or partially unemployed and eligible for benefits; but no employee shall ever receive in any calendar year more than 10 weeks of benefit for total unemployment nor more than an equivalent total amount of benefits either for partial unemployment or for partial and total unemployment combined.

(4) The amount of benefits payable to any eligible employee shall be limited also by the benefit liability of his employer's account, as provided in sections 108.06 and 108.07.

108.06. Benefit liability of employer's account: (1) An employer's account shall be liable to pay benefits to an employee in the ratio of 1 week of total unemployment benefit (or an equivalent amount of partial unemployment benefit) to each 4 weeks of employment of such employee by such employer within the 52 weeks preceding the date on which such employee last performed services for such employer. But no liability for the payment of benefits to an employee shall accrue unless the employee has been employed more than two weeks by the particular employer within such preceding year, or in the case of an employee employed on a fixed monthly salary unless the employee has been employed more than one month by the particular employer within such preceding year.

(2) In no case shall an employer's account remain or be liable to pay benefits to an employee for any unemployment occurring more than six months after the date on which such employee last performed services for such employer.

(3) No employer's account shall at any time be liable to pay benefits beyond the current resources his account has or would have if all contributions due under this chapter had been paid.

(4) The liability of any employer's account to pay benefits for weeks of partial or total unemployment occurring within or mainly within any calendar month may be reduced, depending on the adequacy of such account at the beginning of such month. Such adequacy shall be determined at the beginning of each month on the basis of the net reserve per employee which the employer's account then has or would have if all contributions due for payment under this chapter have been paid. (Whenever during any month the maximum benefit payable from an employer's account for any week of total unemployment is reduced hereunder, this reduced maximum shall also be observed in calculating the benefits payable from that account for partial unemployment during that month.) In each calendar month an employer's account shall be liable to pay the benefits otherwise due his eligible employees for their weeks of unemployment occurring within such month only in accordance with the following schedule:

(a) When its reserve at the beginning of the month amounts to $50 or more per employee the account shall be liable for and shall pay in full all valid benefit claims for unemployment during the month.

(b) When such reserve amounts to over $45 but less than $50, all such valid benefit claims shall be paid, except that no eligible claimant shall receive for total unemployment a benefit of more than $9 per week.

(c) When such reserve amounts to over $40 but less than $45 dollars no claimant shall receive a benefit of more than $8 per week.

(d) For each further periodic drop of $5 in the reserve per employee there shall be a corresponding further drop of $1 in the maximum benefit per week payable to any claimant for total unemployment.

(5) Any employee who has neither been a resident of Wisconsin for the past two years nor been gainfully employed in the State for 40 weeks within such 2-year period, and who is, therefore, under subsection (8) of section 108.04 ineligible to receive benefits under this chapter, shall be known as "a nonqualified employee." Whenever such a nonqualified employee loses his employment, under conditions other than those enumerated in subsection (5) of section 108.04, his employer's account shall be at once liable to pay in lieu of benefits to such person a lump-sum amount to the commission. This payment shall be made at the rate of $5 for each four weeks of employment of such person by such employer during the period of employment just ended; but not more than $5 shall be so payable for each $5 reserve per employee in the employer's account at the beginning of the current calendar month. The employer's liability under this subsection shall be reported by him and shall be determined in amount in accordance with suitable rules to be prescribed by the commission. The amount found to be due shall in each such case be paid over from the employer's account into the administration fund established by section 108.20.

108.07. Liability of successive employers: (1) When an employee is employed by more than one employer within any 12-month period, the payment of benefits due such employee for total unemployment shall be made from the successive employer's accounts in inverse order to such successive employments. Until the last employer liable shall have met or been unable further to meet his benefit liability to an eligible employee no previous employer shall be due to pay benefits to such employee.

(2) When an eligible employee becomes employed in an employment or by an employer not subject to this chapter, such employment, except as provided in section 108.25, shall postpone but not terminate the liability of any former employer to pay benefits to such employee: *Provided, however,* That if the employee fails to return to regular work offered him in his former employment by the written request of his former employer, made in good faith and not inconsistent with subsection (7) of section 108.04, such employee's right to benefits from such former employer shall be extinguished.

108.08. Notification: (1) Any claimant of benefits must give notice of his unemployment at the public employment office for the district in which he is or was last employed, within such time and in accordance with such rules as the commission may prescribe. Thereafter he shall give notice of the continuance of his unemployment as frequently and in such manner as the commission may prescribe. But the notification prescribed under this subsection may, as to any case or class of cases, be waived by the commission for good cause (including administrative feasibility), provided the commission finds that no party in interest will be prejudiced by such waiver.

(2) The commission may require from any or each employer notification of the partial or total unemployment of his employees within such time, in such form, and in accordance with such rules as the commission may prescribe.

108.09. Establishment of claims: (1) Claims for benefits shall be filed with the superintendent of the public employment office for the district in which the claimant is or was last employed, or with a deputy of the commission designated for the purpose. Claims shall be filed within such time and in such manner as the rules of the commission may prescribe.

(2) If a claim appears to the superintendent or deputy invalid, he shall reject the claim; if it appears valid, he shall state the amount of benefits apparently payable to the claimant while eligible. In either case he shall notify the claimant in writing, giving his reasons. If the claimant is dissatisfied, he may within a time limit after notification to be set by the commission have recourse to the method set up in section 108.10 for settling disputed claims.

(3) If a claim appears to the superintendent or deputy valid, he shall notify the liable employer in writing of the amount of benefits apparently payable thereunder. If the employer does not contest the claim within a time limit after notification to be set by the commission, the amount of benefits stated by the superintendent or deputy shall, subject to the limitations set up in this chapter, become payable to the claimant from such employer's account and shall be so paid by the commission. If the employer wishes to contest the claim, he may, within a time limit to be set by the commission, have recourse to the method set up in section 108.10 for settling disputed claims.

108.10. Method of settling disputed claims: (1) The manner in which disputed claims shall be presented, the reports thereon required from employers, and the conduct of hearings shall be governed by rules and regulations to be adopted by the industrial commission.

(2) Disputed claims, whether involving employers exempted under section 108.15 or those contributing to the fund, shall be decided in the first instance by the superintendent of the district public employment office or by a deputy of the commission designated for the purpose.

(3) Within a time limit after notification to be set by the commission, either the employer or employee may take an appeal from any decision of the superintendent or deputy, to an appeal board to be appointed in each employment-office district by the industrial commission. Such district appeal board shall consist of 1 employer or representative of employers, 1 employee or representative of employees, and 1 person who is not an employer, employee, or representative of either.

(4) Decisions of a district appeal board shall be reviewable by the commission or its representative upon appeal of either party within a time limit and in accordance with other rules and regulations to be laid down by the commission. The commission may authorize a commissioner or an examiner to hear such cases and to make decisions under rules to be adopted by the commission.

(5) Either party, if dissatisfied with the decision of such commissioner or examiner, may petition the industrial commission to review it as a commission. Such petition shall be in writing, specifying in detail the particular errors alleged. If no such petition is filed within 10 days from the date when a copy of the decision of the commissioner or examiner was mailed to the last known address of each party in interest, such decision shall be considered the decision of the industrial commission, unless set aside, reversed, or modified by such commissioner or examiner within such time. Within 10 days after the filing of any such petition the commission shall, on the basis of the evidence previously submitted in such case, affirm, reverse, set aside, or modify such decision, or direct the taking of additional testimony. Any decision made by the commission shall, if not modified or changed by it within 20 days, become the final decision of the commission, and shall then be subject to judicial review on the same grounds and in the same manner as decisions of the industrial commission under the workmen's compensation act may be reviewed.

(6) The commission shall have the power to remove or transfer the proceedings pending before a commissioner or examiner, and may on its own motion set aside, modify, or change any decision, whether made by a superintendent or deputy, by a district appeal board, by a commissioner or examiner, or by the commission as a body, at any time within 20 days of the date thereof, if it shall discover any mistake therein or upon the grounds of newly discovered evidence.

(7) In the discharge of their duties under this section the superintendent of any district public-employment office, any member of a district appeal board, and any member, examiner, or duly authorized employee of the industrial commission shall have power to administer oaths to persons appearing before them, and by subpœnas (served in the manner in which circuit court subpœnas are served) to compel attendance of witnesses and the production of books, papers, documents, and records necessary or convenient to be used by them in connection with any disputed claim.

(8) A full and complete record shall be kept of all proceedings in connection with a disputed claim, and all testimony shall be taken down by a stenographer appointed by the commission.

108.101. Modified procedure: The commission may modify the procedure prescribed in sections 108.08, 108.09, and 108.10, with a view to such establishment and determination of claims against employers exempted under section 108.15, as will be suitable to such cases and fair to the parties in interest.

108.11. Agreement to contribute by employees void: (1) No agreement by an employee or by employees to pay any portion of the contributions required under this chapter from employers shall be valid. No employer shall make a deduction for such purpose from wages. Any employee claiming a violation of this provision may, to recover wage deductions wrongfully made, have recourse to the method set up in section 108.10 for settling disputed claims.

(2) But nothing in this chapter shall affect the validity of voluntary arrangements whereby employees freely agree to make contributions to a fund for the purpose of securing unemployment compensation additional to the benefits provided in this chapter.

108.12. Waiver of benefit void: No agreement by an employee to waive his rights to benefits or any other rights under this chapter shall be valid.

108.13. Assignment: No claim for benefit under this chapter or under any approved voluntary unemployment benefit plan shall be assignable before payment, but this provision shall not affect the survival thereof; nor shall any claim for benefit awarded, adjudged, or paid be subject to be taken for the debts of the party entitled thereto.

108.14. Administration: (1) This chapter shall be administered by the industrial commission.

(2) The commission shall have power and authority to adopt and enforce all rules and regulations which it finds necessary or suitable to carry out the provisions of this chapter. All such rules and regulations shall be published in the State's official newspaper and shall take effect 10 days after such publication. A copy of such rules and regulations shall be delivered to every person making application therefor. The commission may require from employers, whether subject to this chapter or not, any reports on employment, wages, hours, and related matters which it deems necessary to carry out the provisions of this chapter.

(3) The commission may appoint, employ, and pay as many persons as it deems necessary to administer and to carry out the purposes of this chapter, and may make all other expenditures of any kind which it deems necessary or suitable to this end. But it shall not pay to any member of a district appeal board more than $5 of compensation per day of services.

(4) The commission may create as many employment districts and district appeal boards and may establish and maintain as many free public employment offices as it deems necessary to carry out the provisions of this chapter. The commission shall have power to finance either partly or completely such public employment offices as it deems necessary under this chapter from the funds appropriated to the commission for its expenses under this chapter, whether or not the political subdivision in which such office is located agrees to pay or does pay any part of the expenses of such office.

(5) The commission shall appoint advisory employment committees, by local districts or by industries or for the whole State, consisting in each case of one or more representatives each of employers, employees, and the public, who shall assist the commission, without compensation but with reimbursement of necessary expenses, in administering and carrying out the purposes and provisions of this chapter.

(6) It shall be one of the purposes of this chapter to promote the regularization of employment in enterprises, localities, industries, and the State. The commission, with the advice and aid of its advisory employment committees, shall take all appropriate steps within its means to reduce and prevent unemployment. To this end the commission may employ experts, and may carry on and publish the results of any investigations and research which it deems relevant, whether or not directly related to the other purposes and specific provisions of this chapter. At least once a year the commission shall compile and publish a summary report stating the operations and status of each employer's account or other unemployment reserve and covering such other material as it deems significant in connection with the operations and purposes of this chapter.

108.15. Exemption: (1) The commission shall exempt from the provisions of this chapter, except sections 108.12, 108.14, 108.15, 108.19, 108.21, 108.22, and 108.24, any employer who guarantees, under a plan approved by the commission, to all his eligible employees (and to each new eligible employee who is continued in employment after a probationary period of 1 month), in advance for a stated 1-year period, at least 42 weeks of work or wages, for at least 36 hours in each such week, if satisfied that the employer can and will make good such promise under all circumstances. The words "eligible employee" in this subsection shall mean an employee who, if unemployed, would not be barred from eligibility for benefits by any of paragraphs (e), (f), and (g) of subsection (5) of section 108.04 or by subsection (8) of section 108.04. But such employer shall not be required to make good such guaranty in the case of any individual employee who loses his employment under any of the conditions enumerated in subsection (5) of section 108.04.

(2) The commission shall exempt from the provisions of this chapter, except sections 108.03, 108.04, 108.07, 108.101, 108.12, 108.13, 108.14, 108.15, 108.19, 108.21, 108.22, 108.23, 108.24, 108.25, and 108.26, any employer or group of employers submitting a plan for unemployment benefits which the commission finds (a) makes eligible for benefits at least the employees who would be eligible for benefits under the compulsory features of this act; (b) provides that the proportion of the benefits to be financed by the employer or employers will on the whole be equal to or greater than the benefits which would be provided under the compulsory features of this act; and (c) is, on the whole, as beneficial in all other respects to such employees as the compulsory plan provided in this act. If under such a plan any contributions are made by employees, the accounts of the plan shall be so kept as to make clear what proportion of the benefits is financed by the employer or employers and what proportion by the employees. If under such a plan any contributions are made by employees the commission may require that such employees be represented, by representatives of their own choosing, in the direct administration of such plan, and the commission may take any steps necessary and appropriate to assure such representation to contributing employees.

(3) No employer or group of employers exempted under this section shall be permitted to insure the liability to pay benefits or wages in any insurance company; and if such employer or employers enters or enter into an agreement for any form of insurance coverage such action shall automatically operate as a revocation of such exemption.

(4) As a condition of granting exemption the commission may require the employer or group to furnish such security as the commission may deem sufficient to assure payment of all promised benefits or wages, including the setting up of proper reserves. Such reserves and other security, and also the manner in which an exempted employer carries out his promises of benefits or employment shall be subject to inspection and investigation by the commission at any reasonable time. If the commission shall deem it necessary, it may require an exempted employer to furnish additional security to assure fulfillment of his promises to his employees.

(5) If an exempted employer or group of employers fails to furnish security satisfactory to the commission, or fails to fulfill the promises made to employees, or willfully fails to furnish any reports that the commission may require under this chapter, or otherwise to comply with the applicable portions of this chapter and the rules, regulations, and orders of the commission pertaining to the administration thereof, the commission may, upon 10 days' notice and the opportunity to be heard, revoke the exemption of such employer or group. In such case or in case any exempted employer or group voluntarily terminates exemption, such employer or each of such group of employers shall at once pay into the fund an amount equal to the balance which would have been standing to his account had he been making the contributions to the fund and paying out the benefits provided in this chapter; provided that in any case where such balance can not reasonably and definitely be determined, and specifically in the case of an employer exempted under subsection (1) of this section, the commission may require such employer to meet his liability under the present subsection by paying into the fund a lump-sum amount equal to the contributions he would, if not exempted, have paid into the fund under section 108.18 during the 12 months preceding termination of his exemption. The account of any employer whose exemption has been terminated shall thenceforth be liable to pay to his employees the benefits which may remain or thereafter become due them, as if such employer had not been exempted under this section; and such employer shall thenceforth pay all contributions regularly required under this chapter from nonexempted employers.

(6) Each employer exempted under this section shall be liable to make all contributions, to pay directly to employees all benefits, to pay all penalties, and otherwise to comply with all the provisions of this chapter, except as specifically provided in this section and in suitable rules to be formulated by the commission consistent with the purposes and provisions of this chapter.

(7) Such plan shall provide that upon the going out of business in this State by any employer, or the legal abandonment of the plan, the funds which shall have been contributed under such plan shall be retained for a sufficient period to meet all liability for benefits which may thereafter accrue, and that at the end of such period the proportion then remaining of employer contributions shall be released to the employer or his assigns and the proportion then remaining of employee contributions shall be distributed in such equitable manner as the commission may approve.

(8) The rules and regulations for the government of such plan must be submitted to and approved by the commission. A plan, so approved, shall, when put into effect, constitute a contract between each employer and every other employer participating in that plan and between the employer or employers, on the one hand, and, on the other hand, all employees who come under it, and shall not thereafter be abandoned or modified without the approval of the commission; provided, that at any time after five years from and after the passage of this act the commission may, on the petition of any interested party or on its own motion, and after public hearing, modify any such plan to conform to the standards then provided by the law for approved voluntary unemployment-benefit plans.

108.16. Unemployment reserve fund: (1) For the purpose of carrying out the provisions of this chapter there is established a fund to be known as the "unemployment reserve fund," to be administered by the State without liability on the part of the State beyond the amount of the fund. This fund shall consist of all contributions and moneys paid into and received by the fund pursuant to this chapter and of properties and securities acquired by and through the use of moneys belonging to the fund.

(2) A separate account shall be kept by the industrial commission with each employer contributing to said fund, and this separate employer's account shall never be merged with any other account except as provided in subsection (3) of this section.

(3) Whenever two or more employers in the same industry or locality desire to pool their several accounts with the fund with a view to regularizing their employment by cooperative activity, they may file with the commission a written application to merge their several accounts in a new joint account with the fund. If in its judgment the plan has merit, the commission shall establish such a joint account, provided that the several employers each accept such suitable rules and regulations not inconsistent with the provisions of this chapter as may be drawn up by the commission with reference to the conduct and dissolution of such joint accounts.

(4) All contributions payable to the unemployment reserve fund shall be paid to the industrial commission, and shall daily be paid over by the commission to the State treasurer and credited to the unemployment reserve fund. Payments from said

fund shall be made upon vouchers of the industrial commission. The State treasurer shall be ex officio the treasurer and custodian of the unemployment reserve fund. He shall give a separate and additional bond conditioned upon his faithful performance of these duties in such amount as may be recommended by the industrial commission and fixed by the governor. All premiums upon the bond required pursuant to this section when furnished by an authorized surety company or by a duly constituted governmental bonding fund shall be paid from the interest earnings of the unemployment reserve fund.

(5) The unemployment reserve fund shall be invested by the annuity and investment board in the readily marketable obligations of the United States of America, of any of its 48 State governments, including this State, and of any city, county, or other governmental subdivision of this State, all having a maturity of not over five years from the date of purchase. The investments of the fund shall be so made that all the assets of the fund shall always be readily convertible into cash when needed. When so directed by the industrial commission the board shall dispose of securities belonging to the fund to secure cash needed for the payment of benefits. All expenses of the annuity and investment board in the investment of the unemployment reserve fund shall be paid from the interest earnings of said fund, as provided in subsection (1) of section 20.725.

(6) All net earnings on moneys belonging to the unemployment reserve fund shall be credited thereto, and shall at the close of each fiscal year be apportioned by the commission equitably to the several employers' accounts.

(7) If any employer shall become exempted under section 108.15 or shall cease to be subject to this chapter, or shall permanently go out of business in this State (except as provided in subsection (8) of this section), such employer shall, upon the expiration of six months (or prior thereto if he shall furnish surety satisfactory to the commission for the payment of benefits becoming due under this chapter during the remainder of such 6-month period), receive the balance then standing to his credit in the fund.

(8) If any employer shall transfer his business in whole or in part or shall otherwise reorganize such business, the successor in interest is hereby required to take over (in proportion to the extent of such transfer, as determined for the purposes of this chapter by the commission) the resources and liabilities of such employer's account, and to continue without interruption the payment of all contributions and benefits which would have been due for payment under this chapter in case such employer had continued in business without such transfer or reorganization.

108.17. Payment of contributions: (1) On and after the 1st day of July, 1933, contributions shall accrue and shall become payable by each employer then subject to this chapter in accordance with its provisions. Thereafter contributions shall accrue and become payable by any employer on and after the date on which he becomes newly subject to this chapter.

(2) All contributions required under this chapter from employers shall be paid to the industrial commission, at such times and in such manner as the commission may prescribe, except as provided otherwise in the case of employers exempted under section 108.15.

108.18. Contributions to the unemployment reserve fund: The contribution regularly payable by each employer into his account with the fund shall be an amount equal to 2 per cent per annum of his pay roll. (In order that reserves shall be built up for all employees potentially eligible to benefits, "pay roll" shall include all wages, salaries, and remuneration paid to employees subject to this chapter; except that it shall not include the amount paid to an employee or officer employed on a contractual basis for a fixed period at a fixed monthly salary which will aggregate at least $1,500 if said period is less than 12 months, or amount to at least $1,500 dollars per annum if such period is 12 months or more, provided such contract is duly reported to the commission by the employer; nor shall it include any salary or wage of $300 or more per month.) During an employer's first two years of contribution payments, and whenever thereafter his account amounts to less than $55 reserve per employee, the employer shall make contributions to the fund at the rate of 2 per cent per annum on his pay roll. If the employer has been continuously subject to this chapter during the two preceding years, the rate of contributions may be reduced or suspended under the following conditions:

(1) Whenever the employer's account amounts to $55 but less than $75 reserve per employee, such employer shall pay contributions to the fund at the rate of 1 per cent per annum on his pay roll.

(2) Whenever and while the employer's account has a reserve per employee of $75 or more, no contributions to the unemployment reserve fund shall be required of such employer.

108.19. Contributions to the administration fund: Each employer subject to this chapter, including every employer exempted under section 108.15, shall regularly contribute to the unemployment administration fund created in section 108.20 at the rate of 0.2 of 1 per cent per annum on his pay roll as defined in section 108.18. But the commission may prescribe at the close of any fiscal year such lower rates of contribution under this section to apply to classes of employers throughout the ensuing fiscal year, as will in the commission's judgment adequately finance the administration of this chapter, and as will in the commission's judgment fairly represent the relative cost of the services rendered by the commission to each such class.

108.20. Unemployment administration fund and appropriation: (1) To finance the administration of this chapter and to carry out its provisions and purposes there is established the "unemployment administration fund." This fund shall consist of all contributions and moneys paid to the industrial commission for the administration fund as provided in subsection (5) of section 108.06, and in sections 108.19 and 108.22.

(2) All amounts received by the commission for such fund shall daily be paid over to the State treasurer and credited to the unemployment administration fund, and, as provided in section 20.573 of the statutes, are appropriated to the commission for the administration of this chapter.

108.21. Record and audit of pay rolls: Every employer, whether exempted or not, shall keep a true and accurate employment record of all his employees, whether qualified and eligible to unemployment benefits or not, and of the hours worked for him by each and of the wages paid by him to each employee, and shall furnish to the commission upon demand a sworn statement of the same. Such record shall be open to inspection by the commission or its authorized representatives at any reasonable time.

108.22. Collection of contributions in case of default: If any employer, whether exempted or not, shall default in any payment required of him under this chapter, he shall become additionally liable for interest on such payment at 12 per cent per annum from the date such payment became due, such interest to be paid to the administration fund. If after due notice this payment plus interest at 12 per cent per annum is not made, it shall be collected by a civil action in the name of the State, the defaulting employer to pay the costs of such action. The payment originally due shall be paid to the commission, and credited, as may be proper in each case, either to the fund and to the defaulting employer's account or to the administration fund. The interest thus collected shall be paid to the administration fund.

108.23. Bankruptcy: In the event of bankruptcy or insolvency of any employer, unpaid claims for benefits and unpaid amounts due the fund under this chapter or to a fund or reserve under any approved voluntary unemployment benefit plan shall have the same preference as is accorded in subsection (1) of section 102.28 to unpaid claims for compensation or compensation insurance.

108.24. Penalties: (1) Any person who willfully makes a false statement or representation to obtain any benefit or payment under the provisions of this chapter, either for himself or for any other person, or to lower any contribution required of him, and any employer who makes a deduction from the wages of any employee in order to pay any portion of the contribution required of such employer under this chapter, shall, upon conviction, be deemed guilty of a misdemeanor and be punished by a fine of not less than $25 nor more than $100, or by imprisonment in the county jail not longer than 30 days, or by both such fine and imprisonment; and each such false statement and each such deduction from wages shall constitute a separate and distinct offense.

(2) Any employer who willfully refuses or fails to pay any contribution required of him under this chapter, and any person who willfully and unlawfully fails or neglects to appear or to testify or to produce books, papers, and records as required at any hearing under this chapter, shall, upon conviction, be deemed guilty of a misdemeanor and be fined not less than $25 nor more than $100, or be imprisoned in the county jail not longer than 30 days, or be punished by both such fine and imprisonment; and every day of such refusal, failure, or neglect shall constitute a separate and distinct offense.

(3) On complaint of the commission the fines specified in this section may be collected by the State in an action for debt.

108.25. Use of unemployment reserve for public works: (1) If the State or any of its political subdivisions during a period of unemployment, either directly or through a contractor provides work which, in the opinion of the commission, is an unemployment-relief measure, and which conforms to standards of wages and conditions prescribed by the commission, such work shall be deemed suitable employment within the meaning and subject to the limitations of subsection (6) of section 108.04: *Provided*, That an employee who accepts such work for any calendar week in which he would otherwise be totally unemployed and eligible for benefits shall be entitled to receive such benefits in the form of wages paid him for such governmental work. To this end the State or subdivision giving such work and wages to such employee in any calendar week shall receive his benefits for such week, for the purpose of partially financing such employee's work and wages on such governmental unemployment-relief project.

(2) Benefits payable under this section to an employee in the form of wages from this State or a political subdivision for work on a relief project shall cease, as provided in subsection (6) of section 108.04, for any period after such employee has without good cause failed to apply for suitable employment other than such governmental work when notified, or has refused to accept suitable employment other than such governmental work when offered him.

108.26. Vocational education: When any employee is unemployed and eligible for benefits under this chapter, he may be recommended by the superintendent of the district employment office to attend vocational or other school during his unemployment. If he attends school under conditions approved by such superintendent and does satisfactory work in his classes, he shall be eligible for an additional benefit of $1 per week, to be paid from the administration fund. The education shall be furnished at public expense and any fee which may customarily be charged for attendance at such classes must be paid by the town, village, or city in which such employee resides.

108.27. Separability of provisions: If any provision of this chapter, or the application thereof to any person or circumstance, is held invalid the remainder of the chapter and the application of

such provision to other persons or circumstances shall not be affected thereby.

20.573. Unemployment administration fund: All moneys paid to the industrial commission and deposited by it with the State treasurer pursuant to section 108.20 are appropriated to the industrial commission for the performance of the functions of the commission under chapter 108, including its conduct of public employment offices and its other efforts to regularize employment; to pay the compensation and expenses of appeal boards and the expenses of advisory employment committees; and to pay allowances stimulating education during unemployment. Any balance remaining in this fund at the close of any fiscal year shall not lapse but shall remain available for the purposes herein specified.

SEC. 3. Voluntary systems of unemployment compensation: (1) In accordance with the legislative intent expressed in section 1 the compulsory features of section 2 and section 5 of this act shall not take effect until July 1, 1933, nor shall they take effect on that date if the commission finds that on or before June 1, 1933, employers then employing in the aggregate at least 175,000 employees as defined in section 108.02 shall have established plans previously approved by the commission as plans which would be entitled to exemption under section 108.15 of the compulsory act.

(2) At any time after the taking effect of this act employers may submit to the industrial commission voluntary plans for guaranteed employment or for unemployment compensation. If, after investigation, the commission is satisfied that a plan thus submitted would be entitled to exemption under section 108.15 of the compulsory act, the commission shall give its written approval of such plan, and such approval shall apply for the purposes of the present section of this act.

(3) As soon as possible after June 1, 1933, and not later than June 15, 1933, the industrial commission shall make a finding of fact whether or not employers employing (as of June 1, 1933) in the aggregate at least 175,000 employees as defined in section 108.02, have established on or before June 1, 1933, plans previously approved by the commission as plans which would be entitled to exemption under section 108.15 of the compulsory act. The commission shall file such finding with the secretary of state. Such finding of fact by the industrial commission shall be conclusive. In accordance with such finding and in accordance with subsection (1) of the present section the secretary of state shall give notice through publication in the official State paper of the taking effect or otherwise of the compulsory features of section 2 and section 5 of this act.

(5) If the compulsory plan shall not come into operation, the industrial commission shall continue its supervision over the voluntary plans of unemployment compensation established in this State. It shall be the duty of the commission to keep itself informed regarding the operations of such voluntary plans and it shall include pertinent statistics regarding such plans in its biennial reports.

SEC. 4. A new subsection is added to each of sections 20.57, 71.03, and 71.04 of the statutes to read: (20.57) (5) On January 1, 1932, $25,000 to assist employers in the establishment of voluntary plans for unemployment compensation in conformity with the standards prescribed by law and for carrying out the purposes of chapter 108. This appropriation shall remain available until June 30, 1933.

(71.03) (10) Amounts contributed to an unemployment fund, compulsory or voluntary, or an unemployment reserve established in conformity with law, but not the amounts paid out of said fund or reserve.

(71.04) (10) Amounts contributed to an unemployment fund, compulsory or voluntary, or an unemployment reserve established in conformity with law, but not the amounts paid out of said fund or reserve.

SEC. 5. Subsection (9a) of section 101.10 of the statutes is amended to read: (101.10) (9a) * * * Any county, city, town, or village may enter into an agreement with the Wisconsin industrial commission for such period of time as may be deemed desirable for the purpose of establishing and maintaining local free employment offices, and it shall be lawful for any county, city, town, or village to appropriate and expend the necessary money and to permit the use of public property for the joint establishment and maintenance of such offices as may be agreed upon, or in counties containing 250,000 inhabitants or more in any city, town, or village therein to purchase a site and construct necessary buildings. * * *: *Provided*, * * * That, in any county, city, village, or town therein, wherein there is a citizens' committee on unemployment, such committee shall have the power to rent, lease, purchase, or construct necessary buildings for the joint establishment and maintenance of such free employment office, subject to the approval of such plans by the industrial commission. The industrial commission may establish such free employment offices as it may deem necessary to carry out the purposes of chapter 108. All expenses of such offices, or all expenses not defrayed by the county, city, town, or village in which an office is located, shall be charged to the appropriation to the industrial commission provided in section 20.573.

SEC. 6. Sections 2 and 5 of this act shall take effect as provided in section 3 and all other provisions upon passage and publication.

RELIEF OF UNEMPLOYMENT

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. FESS. Mr. President, I do not believe there has been any debate in the Senate during my tenure of 10 years in this body which has shown more moderation and more poise in the presentation of the case, with greater preparation in the way of collecting data, than in the presentation of the particular measure now before us. I think the discussion has been of a very high order. I could take very little exception to anything that has been said; less on this occasion than upon the occasion of the discussion of any subject I have heard for a good while.

During the last session the Committee to Audit and Control the Contingent Expenses of the Senate reported a resolution, which had been submitted by the chairman of the Committee on Manufactures, looking to a survey and the collection of data by that committee in building up the case, if there be a case, for extending Federal relief in the emergency of unemployment. I think that the chairman of the committee is to be commended for the manner in which he presented those data to the Senate in the effort to establish a principle in which, I take it, he unreservedly believes. His presentation of the case was strongly supported by the coauthor of the pending measure in an able discussion of a second phase of the problem. The manner in which the substitute has been presented is free of the emotions that usually accompany such arguments rather to the disadvantage of the facts; and I am of the opinion that the subject has been presented in a very strong light.

I do not believe in the proposition that the Federal Government should be called upon to extend relief, at least until it has become quite obvious that there is no other way to meet the situation; and from listening to the arguments of my colleague from Ohio [Mr. BULKLEY] and others I do not think there is much difference between their view and my own on the real issue which is involved. The difference in our decision would lie in the consideration whether we have reached a point where local relief has broken down and where starvation is inevitable unless the Federal Government shall render assistance. I do not think that stage has as yet been reached.

I want frankly to state here, so that there shall be no misunderstanding of my view, that, with the country supplied with abundant food, I should not be one who would deny it in order to prevent starvation simply because I do not believe in the Federal Government taking that step. If I thought there was not anything else to be done, there would be with me no choice in the matter. So it seems that the difference is one of degree rather than of principle, so far as the substitute is concerned.

The difference, however, as to the original proposition is not one of degree, but it is one of principle. I want to speak briefly to that particular phase of the discussion. I am opposed to the Federal Government entering upon such a relief program, because when we shall embark upon it there will be no end to it, for I think it can not be denied by anyone that the demands will be steadily progressive. It is not the length of the step when first taken that is significant, it is the direction in which the step is taken. When it is first taken it may be a short step, and may be hesitantly taken, but the second step will be easy; the third one will be still easier; and before long the practice thus inaugurated becomes a permanent policy of the Government, and there can be no retreat from it. This is as inevitable as that the sun will come up to-morrow morning. For that reason, before we shall take this proposed step we ought to make sure that there is not anything else left for us to do.

I recall, as does every other Member of the Senate, whether he was in the Senate or out of the Senate at the time, the hesitancy expressed in both bodies of Congress when it was suggested that the Federal Government should come to the relief of a city that suffered from the ravages of a great fire. I refer to the city of Salem, Mass. There was general disinclination to respond to requests for relief to that city, but the suffering was so obvious that the case appealed to a large proportion of the citizens of Massachusetts; they made their representations here; and, while some of the Massachusetts people resisted the request, it appealed to the

sympathies of both Houses, and the relief was granted by the Federal Government.

There is no hesitation now in similar cases. When such relief was first granted it was reluctantly and tardily done; but when San Francisco was visited by an earthquake and a great fire and the call for relief came to the Congress, the proposition was debated for only a very short time. Not only was the first call speedily responded to—and at that time we thought the response was adequate—but when the relief rendered in response to the first call was found to be inadequate, and a second call for relief came, a million and a half dollars more were voted in a very short time to amplify the relief which had been rendered in the first instance. There was very little opposition to it. The people seemed to think that such action having been taken before, it should be taken again. So the next step will be still more easily taken.

The effect of such a step by Congress in establishing a precedent to guide the Senate and the House in the future was well illustrated last year in this body when the then Senator from Alabama was speaking on the drought situation, making a strong plea for assistance to sufferers from the drought in the southeastern part of the country, with special reference to his own State.

The Senator from California [Mr. SHORTRIDGE], who, I regret to say, is detained from the Senate floor because of illness, rose to question the Senator from Alabama. He wanted to know whether the native State of the Senator from Alabama was not willing to come to the relief of the people in the drought-stricken areas without calling upon the Federal Government. All of us will recall how the Senator from Alabama reminded the Senator from California that he did not raise that question when San Francisco was calling for aid. That rejoinder of the Senator from Alabama evidently had a very strong effect on the Senator from California, who afterwards not only spoke for the measure which he had been criticizing but voted for it. That is a very concrete illustration of the effect of taking the first step in a new direction. Once taken, even though reluctantly, it becomes easy later on to proceed further along the same line.

The Senator from Wisconsin, in the discussion last year on measures proposing relief for sufferers in drought-stricken areas, included in his speech, which appears in the CONGRESSIONAL RECORD under date of December 15, 1930, page 708, a very important list of Federal contributions made by our Government from time to time. It embraces numerous instances of contributions the Federal Government has made from time to time. Most of them grew out of events occasioned by what may be called acts of God, such as floods, fires, earthquakes, and so on—disasters for which the populations affected, of course, could not be held responsible. The list is most informative in corroboration of what I am saying—that when once such a step is taken it is not difficult to take it the second time, and after a while it will be taken without any reluctance whatever and, in fact, it will be regarded as a Federal duty.

Now, in the measure pending we are proposing to take a step that is a new one, one that we never have as yet taken, in that we are called upon to regard the Federal Government as being responsible for taking care of the unemployed. That is a new step, and it is one that it is going to be difficult to realize its results. If we take it, it will be under pressure, first, of localities and, second, on account of the great sympathy of Members of this body and the other body who do not want to be meticulous over a theory, provided the facts justify abandoning the theory. That is the stage in which we are to-day.

I mentioned a moment ago that if there is no other way to meet the situation we will have to meet it in some such way as has been proposed, and there are Senators all around me who will say the same thing; but my concern is that when we take that step then the floodgates are open, and we will come to a place—now mark what I say—where the Federal Government will be regarded as responsible not only for suffering caused by unemployment but will be called upon as in duty bound to relieve it by feeding the people rather than finding something for them to do and making them self-supporting. That is the danger of the proposal now before us.

When we consider that the burden thus to be imposed upon the Federal Government is to be met by taxation the danger will appear to be cumulative, because the unemployed will regard it then as a right on their part to demand of the Government either work or food when they have not any work. If we have come to that place where we regard it as proper for the unemployed, for whatever reason may be assigned, to put in a claim of right that the Federal Government should relieve them, then we have started the building of an organization that will be much more powerful than any group that to-day is operating in our land, and there is not anybody here who is not awake to the power of the pressure of groups that become political in their activities.

I can recall, and the Vice President will especially recall, as will many other Members of this body, the time when the Civil War pensioner would resent the payment of a pension unless he was in a needy and hopeless situation. I have close friends who once resented the idea that they should be given a pension when they were in good position and able to provide their own livelihood. So for years a great body of Civil War veterans not only refused but resented the idea that pensions should be given to them. The time came when the distinguished General Sherwood, a brilliant Union officer of the Civil War, serving in the other body of Congress, introduced a service pension bill. It was backed by the prestige of a distinguished general, and he made a strong plea that it did not make any difference how long a soldier's service was or whether or not he was injured or whether or not he was needy or whether or not he had the wherewithal to live he ought to be paid a service pension.

When that law was considered, at first there was considerable opposition, not only in Congress but out of Congress, and among soldiers included in the bill. Ultimately, however, the bill became law—the service pension law—and then persons who before had refused to be beneficiaries said, "If you are going to do this for everybody, we, of course, want you to do it for us"; and Senators know the general practice that is now in vogue.

Not only is that true there, but it will be true in the future. It is that sort of thing to which I desire to call the attention of Senators—that we are entering upon a policy here the end of which we will never see; and the amount that will be demanded will always be uncertain, because conditions in different sections will be different, and the claims will not be the same. The amount that will be demanded from one group will not be demanded from another. There will be no measure of relief by which we can safely enter upon it; and the sum of the burden of taxation that must supply a permanent fund for looking after the unemployed, from whatever reason the unemployment exists, will be simply staggering.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from New York?

Mr. FESS. I yield for a question. I do not want to be interrupted in the consecutive statement I should like to make; but if the Senator desires to ask me something on what I am now speaking about, of course, I yield.

Mr. COPELAND. My question was, Is not this an emergency which is quite unlikely to happen very frequently in the history of our country?

Mr. FESS. Mr. President, the Senator from New York raises a question that I have in mind. All of these remedial efforts, as a rule, are emergent; but the Senator knows that although a matter may be presented at one time as an emergency, when the emergency again arises the same thing will be presented, and in many cases it will be presented if the emergency does not arise but when there is merely a semblance of the emergency; and what was taken as an emergency call and responded to as a matter of emergency relief will become a permanent practice, as the Senator knows has been the case in the past.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Iowa?

Mr. FESS. I yield.

Mr. BROOKHART. Do I understand that the Senator is favorable to the relief of these conditions by local taxation in the cities and States?

Mr. FESS. That is better than relieving them by local taxation. It should be done by voluntary methods rather than by local taxation.

Mr. BROOKHART. But as long as voluntary methods are not sufficient the Senator is in favor of local taxation?

Mr. FESS. Yes.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Michigan?

Mr. FESS. I do.

Mr. COUZENS. I desire to ask the Senator if I understood him correctly as thinking that all of this ought to be done by private contributions to charity?

Mr. FESS. Personally, I favor that method as far as it can be done. If the locality is not served by private contributions, however, I see no objection to the municipality, for example, assessing its own people in the form of local taxation.

Mr. COUZENS. Does the Senator see any reason why one group of citizens who are charitably inclined should assume the responsibility of relieving unemployment on behalf of the "tight wads" who sew up their pocketbooks and contribute nothing to the relief of unemployment?

Mr. FESS. I know that that is the query that comes from a great number of men and women who are sincerely thinking on this problem—whether unless relief is provided by taxation there will not be "tight wads" who will not respond. I think that is so. I regret that it is true; but, that being the case, I do not believe that is a justification yet for the Federal Government taking this step.

Another thing, there are no people in the world who have set the example for local relief like the people of the United States. It is provided not only in our counties but in every county of the Nation, in many of the townships, in most of the cities, and in all of the States. The charitable movements for the care of the welfare of the people are numerous, and they are stupendously important and great. There is not a first-class city in the country that does not have its various city hospitals, supported in part by voluntary contributions and in part by vote of the people of the city in the form of local taxation. There is not a State in the Union that does not have a splendid charitable organization for taking care, for example, of the unfortunate, the incurables, the imbeciles, those who lose their minds. The deaf and the dumb and the blind are taken care of in our State by a system of State education and industrial schools.

There is no movement in the country that is more prominent than local relief as seen in States, counties, and municipalities. I think every county has its home for the poor. Every county in Ohio has. I believe every county in the Nation has; and almost every county in the State has its children's home as a county institution. So I do not think one is justified in the assumption that voluntary contributions are to be ignored simply because some "tight wads" refuse to open up their pockets.

Mr. FRAZIER and Mr. CUTTING addressed the Chair.

The VICE PRESIDENT. Does the Senator from Ohio yield; and if so, to whom?

Mr. FESS. I yield first to the Senator from North Dakota.

Mr. FRAZIER. Mr. President, I simply desire to correct the statement of the Senator in regard to county poorhouses. In the State of North Dakota, so far as I know, there are only 2 counties out of 53 in the State that have county poorhouses; but if these conditions keep on, they probably will all have to have them.

Mr. FESS. Is that due to the fact that you do not have among you the poor?

Mr. FRAZIER. Practically so; yes. It has been so in the past, at least.

Mr. FESS. I assumed that. I should not have made the statement as broad as I did—that these institutions exist in every county.

Mr. NORRIS and Mr. CUTTING addressed the Chair.

The VICE PRESIDENT. Does the Senator from Ohio yield; and if so, to whom?

Mr. FESS. I yield to the Senator from Nebraska.

Mr. NORRIS. Mr. President, I should like to suggest to the Senator that in a very brief study I made of the question he is now discussing I found that it had become the practice in a great many localities where they had had county poor farms and poorhouses to dispose of them and take care of their poor in other ways.

Mr. FESS. That is new to me.

Mr. NORRIS. I think the practice of having poor farms—which, I think, as the Senator said, was quite general—is going the other way at the present time.

Mr. FESS. It is universal in Ohio to have these county homes for the poor. I had not had my attention called to the situation of which the Senator speaks. I knew nothing about that. That has not taken place in Ohio, where I am informed.

Mr. CUTTING. Mr. President——

Mr. FESS. I yield to the Senator from New Mexico.

Mr. CUTTING. I realize that we are intruding on the Senator's argument, and I do not want to press my question at the present time.

Mr. FESS. I am glad to yield.

Mr. CUTTING. I merely want to say that the evidence before the Manufactures Committee was overwhelming that the present system of voluntary and local relief had broken down. I hope at some stage in the Senator's argument he will give some constructive alternative which he thinks Congress ought to adopt; or is it the Senator's idea that we shall simply sit with our hands folded and let the unemployed starve to death?

Mr. FESS. Mr. President, I think the Senator from New Mexico is entirely justified in the interruption he has made—that if local relief has broken down, it then becomes a subject for constructive thinking as to what can be done to supplement the local relief.

I think the Senator must realize that if we select our witnesses we can very easily establish the allegation that local relief has entirely broken down. There probably is not a county or a municipality in the country where we could not find people who think that the Federal Government has a duty in this realm, and should come to the rescue; and they would make themselves believe that the local communities have gone as far as they could go, and therefore that this is a function that the General Government must undertake.

I read all of the statements put into the RECORD by the Senator from Colorado [Mr. COSTIGAN]. A great many of them are from social-service people. These people are the best people we have in any locality. They are people actuated by the finest motives in the world. There is not a bit of doubt that they feel that the Government should do this, and localities should not. There is not the slightest doubt that they would like to have respectability given to their efforts by recognition in the form of Federal appropriations. There is no doubt about it.

The difficulty is, as I sat and listened on another occasion to the testimony dealing with a similar question, and interjected a query that seemed to be somewhat adverse to what the proponents desired, all around me people were whispering audibly, "Well, what is the matter with FESS?" In other words, I was not responding to the emotional demands for Federal relief in a situation in which I did not think the Federal Government was obligated; and at once, amongst the best people in the world, I found ridicule because I did not respond to the call of these social-service people.

Take the cases that the Senator from Wisconsin [Mr. LA FOLLETTE] inserted in the RECORD. I have had them all analyzed, and some of them I analyzed myself. I especially

analyzed the letters from Ohio. I find that in certain cities in Ohio the mayors say, "We need your help. We have broken down. We have gotten to our limit, and we would gladly receive the aid of the Government"; and some of them are quite enthusiastic about receiving it.

For example, there is the city of Alliance, a great industrial city near Canton, Ohio, a city of 25,000 people, where there is a large industrial population. Naturally I would expect that city to ask for Federal relief. But the answer to that question is "no."

When we read the question sent out by the Senator it is very unexpected to find "no" as an answer. Let me read the question:

Do you favor a Federal appropriation to assist the local governments in meeting their emergency relief burdens?

If it stopped there it could easily be answered "yes" or "no," because that admits of an answer "yes" or "no." But that is not the whole question. Here is the other part of it:

And do you feel that such an appropriation would be of aid in providing more adequate relief for the needy or in lessening the burden on local taxpayers?

Who could answer that, "No"?

Of course, a Federal appropriation going to any city would relieve the burden on the local people in proportion to the amount given. So that when we read that query and then read the answers to it, we must decide that they reflect the feeling of the people of the cities to which the inquiry was sent.

Mr. WAGNER. Mr. President, if the Senator were persuaded that the local communities were unable, with both private and public contributions, to cope with the present emergency, would he then favor the intervention of the Federal Government for an appropriation?

Mr. FESS. That is the only basis on which I would favor it. Whether the Senator was in the Chamber or not I did not notice, but I stated that if there were starvation and no method of relief outside of assistance from the Federal Government, I would vote for relief by the Federal Government.

Here is a letter from Ashland. Ashland is a little town about 40 miles south of Cleveland, in a rich agricultural section, and with a high-grade population. To the question I have read Ashland answered "Yes." I do not know whether it is fair to say that the second part of that question compels the "yes" or whether the mayor of that city might have answered categorically "yes" on Federal relief, because I can see that a great number of people, without thinking of the extent to which it would go or where it would lead, thinking only of relief, would answer "yes." But I want Senators to note the two parts to that question and the difficulty of any mayor answering "no."

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. FESS. I yield.

Mr. LA FOLLETTE. I would like to suggest to the Senator that there was no implication in the questionnaire that it was necessary for them to answer any question yes or no. There were many questions which could not be answered yes or no. The object was to elicit the opinions of these mayors.

Mr. FESS. I hope the Senator will accept my word that I am not criticizing his method at all. I am calling attention simply to the answers, and trying to indicate that the answers might or might not mean yes.

Mr. LA FOLLETTE. In many instances the Senator will find that the mayors responded with a long paragraph in answer to that question, as in answer to the other six questions.

Mr. FESS. I think the Senator did a real service when he undertook to get a cross section of opinion of the country, and I do not want him to think that I am indulging in criticism. I am trying to analyze the situation, just as he did in his presentation.

The city of Barberton is a suburb of Akron. Akron has had a more phenomenal growth than any other city in the country, unless it would be Flint, Mich.; Huntington, W. Va.; or some town of that sort. I recall distinctly when Akron was a city of 27,000 inhabitants. It is a city now of nearly 300,000 inhabitants, its growth being due almost entirely to the rubber industry. Barberton is not a part of Akron municipally, but virtually is a part of that city.

I would have supposed that the reply of the mayor of Barberton would have been in the affirmative to the question I have read. Here is an example of a very long answer, an answer occupying nearly a column of the RECORD. It states:

We do not approve of the Federal Government extending any emergency relief to any political subdivision, except in the case of great disaster over which the community has no control.

And so on. In my judgment, that expresses the general feeling of the country at large. I think that feeling is entertained throughout the South, throughout the East, and the West, unless it would be in some of the great centers of population.

When we come to the centers of population, I want to call attention especially to the city of Cleveland, the home of my distinguished colleague [Mr. BULKLEY], who made a very able presentation of his views over the radio the other night, to which I listened, and which I read again last night, and who also presented his position in an admirable manner on the floor of the Senate yesterday.

Cleveland's answer to the question to which I have referred ought to put alarm into the heart of every person who does not want to take an unwise position. This is the answer:

Cleveland's feeling and slogan has always been, "Cleveland will take care of her own." We are certain that this attitude will continue and feel that the ability to do so will continue to exist.

Listen, I want every Member of the Senate to note this significant statement:

However, if any Federal appropriation to assist any local government should be made, Cleveland would, of course, expect to receive its proportionate share.

There is the danger! That is the thing that always exists. "We do not approve of it; but if you are going to do it, we want our share," and in a short time "our share" will be the law of the land. Just as the pensioner says, "I do not believe in this policy; but if you are going into business of distributing bonuses, we want ours." And then, if sufficient pressure can be exerted to start it, they get theirs, and then it ceases to be temporary; it becomes immediately permanent. The largest claim on the tax-burdened peoples of the United States will ultimately come from this fund if we ever enter upon it.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. FESS. I yield to my friend from Nebraska.

Mr. NORRIS. Assuming, for the purpose of my question, that relief is necessary; assuming also that the distress is general all over the country; and then assuming that we are going to take care of the starving and suffering people—I think those are three fair assumptions——

Mr. FESS. They are.

Mr. NORRIS. Assuming those things, after all, is not the fairest way of all to bring the relief by taxation which comes from revenues collected from all the people?

Mr. FESS. I do not agree with that.

Mr. NORRIS. The Senator does not agree?

Mr. FESS. No; I do not believe that is sound.

Mr. NORRIS. Then, the Senator certainly means, it seems to me, that a part of the people who, as the Senator from Michigan said, are charitably inclined and are liberal must bear all the burden.

Mr. FESS. Not necessarily. There could be local taxation.

Mr. NORRIS. Then, the Senator would mean, if that is his position, that every place would have to assess itself locally. In other words, the Senator's proposition would mean the establishment of poorhouses everywhere, in every locality?

Mr. FESS. Oh, no.

Mr. NORRIS. And would not the burden be just the same, no matter what method was used, whether the money comes from one source or another, if everybody pays equally?

Mr. FESS. It would not mean more poorhouses. It would mean more effective community organizations to take care of the needy in a locality. I recognize that the Senator from Michigan puts his finger upon one of the objectionable features when he refers to leaving it simply voluntary. I think he is right, that there will be some people who, without the pressure of law, would simply do nothing and would not participate in the general relief. But they could be reached by local taxation, if that seemed necessary, and that is very much better than Federal taxation and the establishment of a permanent bureau to handle this matter.

Mr. NORRIS. Mr. President, let me ask another thing.

Mr. FESS. I yield.

Mr. NORRIS. Many States have gone as far as they can without violating their constitutions, and making higher assessments than they have made.

Mr. FESS. Would not the Senator agree that if there is any local inhibition in the law of a State which forbids it taking care of its own people, the law should be changed, rather than that they should come to the Federal Government for help?

Mr. NORRIS. Very well; in the meantime, the starving people are dying. That is the real objection to that.

Mr. FESS. That is an assumption.

Mr. NORRIS. People can not live a year without eating, and in some cases it would take two or three years to change the law.

Mr. FESS. There is no use for us to quibble over a matter of this sort. There is no doubt that there is not a city in the country which can not take care of its unemployed. Consider the wealth of New York City, for example, the one city about which there is so much talk regarding unemployment. To say that the wealth of that city is not sufficient to take care of their own is an indictment of the city, and there is no basis for it.

Mr. NORRIS. How are they to get at that wealth?

Mr. FESS. It is true that it will require more than the people want to give, but they can not and should not shunt the responsibility that belongs to them on the Federal Government. That is the position I take.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. FESS. I yield.

Mr. COUZENS. I would like to ask the Senator whether he does not believe that the owners of real estate generally have stood all the taxes they can bear?

Mr. FESS. If that be true, then we had better reduce taxation by cutting the cost of the city governments.

Mr. COUZENS. That may be true, but I am speaking about the emergency situation, when millions of dollars of taxes have been uncollected, because the property owners can not pay the taxes. Millions of dollars are unpaid because people are out of work and can not even pay the installments on their homes. They can not pay taxes, and the municipalities can not collect any more real-estate taxes. And is it not true that the Federal Government has preempted the field of income taxes and profit taxes, so that these people of great wealth can not be reached?

Mr. FESS. Mr. President, it is true, of course, that the tax rates in the municipalities are so high that it is hardly profitable to own real estate in the cities any more. That is true. But it does not mean that the city or the property owners are so poor that they can not subject themselves to additional taxation to care for their own people.

Mr. COUZENS. They can not pay their taxes. Evidence from every community indicates the large amount of back taxes unpaid.

Mr. FESS. Let me make a comment upon the Senator's observation. His argument will be heard in this Chamber often, and unless some caution is exercised such a principle will become the law within 10 years. The Federal Government is going to be called upon to assist in paying share for share the State taxation in the country. Already bills have been introduced providing that the Federal Government shall share in the expense of the education of the people of the States. Bills have been introduced providing that the Federal Government shall share in the building of roads in the States, and I am committed to that idea as long as it is primarily for the Federal Government. Bills have already been introduced providing that the Federal Government shall appropriate to the States in proportion to their rural population for the educational needs of the State. Such a bill as that has been introduced providing that the expenses of rural education in the States should be participated in by a pro rata payment from Federal funds.

The next step will be on the basis that the States are suffering from a rate of taxation that they can not endure, and the Federal Government will be called upon to assist each State in the payment of its taxes. Such a measure as that no doubt will be introduced in this body and become a law before 10 years more shall have passed.

Mr. LA FOLLETTE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield; and if so, to whom?

Mr. FESS. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I wish to draw the Senator's attention to the testimony of Mr. Raymond Clapp, director of the Welfare Federation of Cleveland, in connection with the Senator's statement that it is possible for the cities, the city of Cleveland in particular, with the wealth which resides in the city, to raise sufficient funds to meet the unemployment relief burden. I invite the Senator's attention to the fact that on two different occasions in his testimony Mr. Clapp expressed the definite opinion that it would be impossible, in view of the extraordinary generosity which has already been shown on the part of private contributors in Cleveland, to secure any large additional sums to make up the deficit which he finds in the relief funds in that city.

Mr. FESS. I will say to my friend from Wisconsin that I had stated that there is no doubt that we could find testimony to that effect in every city of the United States. Whether it is because they prefer to have the assistance of the Federal Government rather than to be compelled to look after the local contributions, in every city of the Nation there will be people calling for Federal appropriations on the basis that local needs could not be cared for by local contributions.

Mr. LA FOLLETTE. In justice to Mr. Clapp, I would like to point out that he has been for many years associated with the community chest and community fund of Cleveland, and has, of course, relied almost entirely, until this emergency came on, upon private contributions for funds, and therefore is committed to the proposal that the charities in ordinary times shall be maintained by private contributions.

Mr. FESS. That qualifies him as a better witness than the average man.

Mr. REED. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Pennsylvania?

Mr. FESS. I yield.

Mr. REED. The Senator is speaking of the ease with which such testimony can be obtained. I wonder if he recalls the very powerful case that was made to us here only a few weeks ago in behalf of the city of New York, where we were told that if we did not come to the aid of the city of New York within a week, she would be absolutely bankrupt, because she could not raise the money to meet her impending maturities.

Mr. FESS. I recall it very vividly.

Mr. REED. And we refused to do it, although a tremendously appealing case was made to us, and within the same week New Yorkers put their house in order and took care of their own needs at home.

Mr. BULKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to his colleague?

Mr. FESS. I yield.

Mr. BULKLEY. I want to invite the Senator's attention to the fact that Mr. Clapp does not appear primarily as an

advocate of Federal aid. I understand that he is in favor of local responsibility. What he was testifying to before the committee was simply a statement of facts with respect to the difficulty of raising money in the city of Cleveland. I want to call attention clearly to the fact that since that testimony was given, it has been decided not to have another community-fund drive this spring in Cleveland, it being regarded as not a practicable thing to do. The needs of the city of Cleveland are even greater than was testified to by Mr. Clapp.

Mr. FESS. Mr. President, my colleague knows very well that there will be no further community drives in any city if there is any promise of the Federal Government doing the thing the cities ought to do. If the Federal Government causes it to be clearly understood that it is not going into that field, there will be no question about the money to take care of the needs of the people of Cleveland, because that city would not tolerate a failure to meet its responsibility in such a case.

Mr. VANDENBERG. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Michigan?

Mr. FESS. Certainly.

Mr. VANDENBERG. Upon the precise point which the Senator has just submitted, may I call his attention to the following sentence in a letter from the Secretary of the Chamber of Commerce of St. Joseph, Mich., written this week:

> As we see the situation at the moment, it is merely giving local and State welfare organizations an excuse to sit back on the job and let the Federal Government care for the welfare needs.

That is precisely the point the Senator is making.

Mr. FESS. It is perfectly obvious that if there goes out from this Chamber a suggestion that the Federal Government is going into the cities to do what the cities ought to do for themselves, there will not be another dollar collected from the cities. They do not want to undertake the carrying of the burden when it is unnecessary.

Mr. BULKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to his colleague?

Mr. FESS. I gladly yield.

Mr. BULKLEY. I dislike to interrupt again, but I think I may fairly say in behalf of the city of Cleveland that it is not soliciting Federal aid and that the decision to have no community drive is in no sense influenced by the expectation that this bill is going to pass, because nobody ever expected that it would pass. The situation in Cleveland is a very difficult one, and it has not yet been solved. I am, of course, not saying that it will not be solved, but it has not yet been solved, and its solution is not being held back by any expectation of Federal relief.

Mr. FESS. Mr. President, I do not want to seem to be antagonistic to what my colleague said. The city of Cleveland will not suffer so long as it has in it such men as the Senator on this floor who lives there. I know what I am talking about. It is a burden, but they will take care of the burden rather than let the people suffer.

Mr. WAGNER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from New York?

Mr. FESS. I wish the Senator would let me proceed.

Mr. WAGNER. Does the Senator refuse to yield?

Mr. FESS. Oh, no; I do not refuse to yield. I should like to proceed, but I will yield to the Senator from New York.

Mr. WAGNER. The Senator enumerated a number of instances where the Federal Government had been called upon to aid. Inadvertently he must have overlooked a recent instance to which both he and I are committed, namely, that the Federal Government was asked to help the railroads, the banks, and other financial institutions, to aid in their rehabilitation because of their distressed condition.

Mr. FESS. May I say that that reference calls to mind the matter referred to in the outset of my remarks, the only thing that has been said in the discussion which is not up to the level of the general debate. The Senator has referred to a phase of the discussion which ought never to have entered this debate, namely, that under the provisions of the Reconstruction Finance Corporation bill we are aiding the railroads and aiding the banks as if it were donations as required by the measure now before us. That is a wholly different proposition in that it is a loan. It is not a gift. It does not mean, when once it is started, that it will be continued unless the payments of interest and principal will justify the aid as a business proposition. That is the only feature of the debate that is below the level upon which it ought to have been kept. To assert that we give to the railroads by that bill aid, but deny it to the poor starving people in this bill is to say something that never ought to have been said in debate of this kind.

Mr. PITTMAN, Mr. WAGNER, and Mr. McKELLAR addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Ohio yield; and if so, to whom?

Mr. FESS. I must decline to yield to anyone just now.

The PRESIDENT pro tempore. The Senator from Ohio declines to yield.

Mr. FESS. Mr. President, the mayor of Wauseon wrote this letter:

> NOVEMBER 28, 1931.
>
> Hon. ROBERT LA FOLLETTE.
>
> DEAR SIR: Received your questionnaire; take great pleasure in answering same. If there were any way possible to furnish work for the men in our locality instead of just giving them eats and clothing, they would be earning their way instead of calling it charity. If you could tell me of any way I could do this, sure would be fine.
>
> Our town is overbonded at this time. I have plenty of work to do if we could float bonds.
>
> Mr. LA FOLLETTE, I sure thank you for thinking of our small towns in a time like this. Anything you can do will be appreciated by us.
>
> Sincerely yours,
>
> GEORGE GEER, *Mayor*.

I have here the local paper published in Wauseon containing an article headed "$375,000,000 Congress proposes to dole out in name of charity." Then it speaks of the nationwide drive for relief, and then says:

> Thirty-nine Ohio mayors responded to Senator LA FOLLETTE'S questionnaire, and of the 39, 19 favored substantial Federal relief and 19 expressed opposition, while 1 was noncommittal.

That is not quite true. There were more in opposition than there were in favor of Federal relief. Then the article continues:

> Not only is there a great howl for these millions of dollars from the Federal Government for relief but we are being beseiged to call a special session of the legislature that laws may be enacted to raise funds for relief, which means more taxes.

Then the article proceeds:

> During the days of wild prosperity we lost our sense of responsibility to the community. At every emergency that arose the cry went up "let the Government do it," whether it was State or Federal, and the Government has been doing it until taxes have become so heavy that they have reached the breaking point. One thing is certain. If the Government spends money, the taxpayers will have to furnish it. Those in need should not be permitted to suffer for the want of the common necessities of life. To supply these is the business of the local community, and the sooner we buckle down to the job and do it the better off will we all be. To care for the poor is the responsibility of the local community, and not the Federal Government, unless a calamity overwhelms us.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. FESS. I yield.

Mr. ROBINSON of Arkansas. Just a few moments ago the Senator from Ohio made a distinction that is entirely clear to my own mind between the pending bill and the Reconstruction Finance Corporation law. I have received a number of communications characterizing the appropriation under the latter act as a dole. Whatever may be the true and applicable definition of that term, there is, of course, no dole intended in the Reconstruction Finance Corporation act. Losses may occur; they may not occur.

The substitute that has been offered for the pending bill incorporates the same principle as that embraced in the Reconstruction Finance Corporation act. It provides, in the event that there is a threatened immediate breakdown in local relief, and the governor of a State so certifies, that loans may be made to the State for the administration of emergency relief through State agencies.

I inquire of the Senator from Ohio whether, in his opinion, such a provision will not constitute a restraint on future appeals to the Federal Government which may or may not rest on an actual basis of immediate and emergency need? If a State, through its chief executive or its financial board, as the substitute provides, certifies to the Treasury that it can not provide and does not possess the funds or resources essential to meet the requirements of its citizens for immediate and emergency relief, what objection does the Senator find to permitting the Federal Government to extend to such a State the same measure of consideration and relief that is provided to financial institutions through the Reconstruction Finance Corporation?

I think the Senator's argument that the establishing of a precedent of the nature contemplated by this measure is of overshadowing importance, but, in view of the fact that the substitute contemplates that loans shall be made to the States, and made only when the executive authority of the State certifies that there is immediate and unquestionable necessity for it, and when it is provided that, in case a State, for any reason, fails to make provision for repayment within three years from the passage of the act, the advances to the State for emergency relief shall be deducted from allotments to the State under the Federal highway act, I think that the principle for which the Senator is contending has been fairly met.

Mr. FESS. Mr. President——

Mr. ROBINSON of Arkansas. I think I ought to say that since the Senator has taken the floor there has come to me from the President of the Ohio Chamber of Commerce a message setting forth, in brief, the views expressed by the Senator from Ohio. I presume the Senator from Ohio has also received that message. It is signed by Frank G. McMillan, president of the Ohio Chamber of Commerce, and asserts that the State of Ohio is amply able to take care of the requirements of those who are in distressed circumstances, and that the enactment of any measure of the character now contemplated will result in partial paralysis, at least, of the efforts of those who are trying to work out the problem through local assistance.

Mr. FESS. I am not sure that I have received such a telegram as the Senator from Arkansas, but I rather think I have.

Mr. ROBINSON of Arkansas. I pass the telegram to the Senator.

Mr. FESS. Let me say to the Senator from Arkansas that very frankly, without any hesitation, I say that if anything is to be done along the lines that have been suggested by the two proposals, far and away it is preferable to take the substitute, because it does deal with the subject locally. The Federal Government would be rendering the assistance through the medium of loans, and the responsibility of administration would be on the States and not on the Federal Government. That is a virtue of the substitute. If we are to do anything or render any assistance through the Federal Government, it should be by loans, and they should not go to individual cities nor to individuals but should be administered by the State authorities. That is my view if it is necessary for us to render this character of relief.

Mr. ROBINSON of Arkansas. Is it not also true that unless there shall be urgent necessity for it, no State will apply for assistance under the condition that it will repay the amount advanced?

Mr. FESS. I think that element is involved, in that the money has to be paid back. Therefore unnecessary borrowing, so far as the State under its constitution may borrow, would not be undertaken, because the money must be returned at some time. The only point is whether the governor of a State might not, in his extreme sympathy for those in distress, go beyond what the Senator from Arkansas and I would think it essential for the Government to do. I do not want to be misunderstood. I have spoken to Senators around me and I believe they agree with me that if Federal aid has to be extended to local communities in order to take care of the situation and relieve those who are facing starvation, the substitute offers a legitimate method of accomplishing that end; but I am not convinced we have reached the point where that is imperative.

Mr. ROBINSON of Arkansas. Mr. President, one further statement and then I will not interrupt the Senator again at this time. He has been good enough to yield to me very generously.

I wish to point out to the Senator this fact—and it is a fact, in my humble judgment—that no governor of any State would be prompted to seek Federal assistance when the circumstances, in his opinion, did not exist that made such action urgent and necessary. No governor would be too quick to apply for funds under this bill, because that would imply his recognition of the inability of the State and of its local authorities and agencies to meet obligations which commonly are accepted as resting upon them.

Mr. FESS. Mr. President, I want to discuss briefly the substitute, but not at this moment. I want first to finish with the letters which were sent to the Senator from Wisconsin, and I will finish that portion of my argument now by asking to have inserted in the RECORD, without reading, an analysis of all the letters which were sent to the Senator from Wisconsin. The analysis opens with the last question propounded by the Senator from Wisconsin as to whether the recipient favored the extension of Federal aid. Then, State by State, the replies are listed—those in favor, those opposed, and those that did not take a position or whose position was not certain. Of the entire number 320 mayors of cities or spokesmen for such mayors favored the granting of Federal aid, 369 opposed it, and 86 were noncommittal.

I desire that information inserted in the RECORD as being a fairly safe representation of public opinion. It must be understood that the replies were all from cities where the problem is immediately facing them; they do not come from populations in the rural districts at all; and when we realize that in the cities, large and small, there is a considerable majority opposed to Federal relief being extended, even with the question being asked whether such relief would relieve the local communities, it is very significant.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Without objection, the analysis presented by the Senator from Ohio will be printed in the RECORD.

The analysis referred to is as follows:

Question: Do you favor a Federal appropriation to assist the local governments in meeting their emergency relief burdens, and do you feel that such an appropriation would be of aid in providing more adequate relief for the needy or in lessening the burden on local taxpayers?

Analysis of States on Federal relief

State	In favor	Opposed	Questionable
Alabama	5	5	3
Arizona	0	1	1
Arkansas	3	5	1
California	25	13	11
Colorado	3	2	0
Connecticut	0	8	0
Florida	5	3	4
Georgia	2	5	2
Idaho	4	2	0
Illinois	28	20	4
Indiana	11	16	0
Iowa	3	12	2
Kansas	3	9	2
Kentucky	5	4	1
Louisiana	4	1	0
Maine	4	1	1
Maryland	1	2	0
Massachusetts	14	13	4
Michigan	19	17	2
Minnesota	8	13	5
Mississippi	2	6	0
Missouri	8	10	1
Montana	1	5	0
Nebraska	4	6	1
Nevada	1	0	0
New Hampshire	2	2	1
New Jersey	16	21	4

Analysis of States on Federal relief—Continued

State	In favor	Opposed	Questionable
New Mexico	2	3	0
New York	14	22	8
North Carolina	6	5	2
North Dakota	0	3	1
Ohio	18	21	4
Oregon	2	3	1
Oklahoma	4	6	0
Pennsylvania	35	26	9
Rhode Island	1	1	0
South Carolina	2	7	0
South Dakota	1	3	0
Tennessee	7	4	1
Texas	7	21	1
Utah	4	0	0
Vermont	0	4	0
Virginia	5	7	2
Washington	5	11	0
West Virginia	8	6	0
Wisconsin	12	18	7
Wyoming	1	1	0
Total	320	369	86

Mr. FESS. Now, Mr. President, in reference to the substitute, let me say that I do not think we have reached the point where the remedy proposed is imperative. If it is imperative, if Federal funds should be resorted to, then, in my judgment, they should be distributed through the States and never as gifts, because if Federal funds shall be supplied as a gift, there will be less concern as to how they are administered. So in my opinion if Federal funds are to be provided, they ought to be provided in the form of loans, and they should carry with them the obligation to repay. I think they should be provided at a low rate of interest; I would favor that; but it ought to be specifically understood that the money is advanced as a loan and must be returned. The only difficulty in connection with the substitute, so far as the loan feature is concerned, is that some States are inhibited by their constitutions from borrowing money.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Nevada?

Mr. FESS. I yield.

Mr. PITTMAN. I think that suggestion of the Senator is pertinent, and I think the Senator is correct. It was for that reason that I offered an amendment to the substitute, which was accepted by the proponents of it.

Mr. FESS. I favor the amendment of the Senator from Nevada, and I heard it read, I will say to the Senator.

Mr. PITTMAN. And the amendment places it absolutely within the power of the Federal Government to retain money to the amount of the loan from subsequent appropriations for highway purposes.

Mr. FESS. I think that is a safeguard to the substitute and certainly ought to be adopted. My point, I will say to my friend from Nevada, is that I have not thought we have reached the stage as yet where we ought to take this step.

There is a weakness in the loan feature that I do not think could be corrected, which is due to the limitations on a State loaning its credit; and I understand, for that reason, that it was written as it is. I am not criticizing it, only it does make it possible for a State not to pay back except as the Federal Government may subsequently withhold funds because of the debt that the State may owe it.

There is another feature of the matter that is subject to some criticism, and yet I do not know that that criticism is controlling. It is that these appropriations are not matched in our Federal-aid plan.

Heretofore, whenever we have made provision for Federal aid, we have always required the States to do so and so; but in this case we are not requiring it. There is one danger there. When we appropriate Federal money, the authority of the Federal Government always follows it in its application. In this case it could not do so, and there would be objection to having it done. In other words, it is not the idea of the Federal Government to go into any particular State and determine its school system, or determine its taxing system, or determine its road system. That is left to the State government, and it ought to be. We wrote all these Federal-aid bills on that basis; but, at the same time, the Federal Government can state the conditions under which the appropriation is made. That is a weakening element in the substitute that I think everybody will observe.

As to the feature of making appropriations for public construction, I am for that. I believe it is sound as a relief measure, but it is open to dangers. Federal construction ought to be limited to that which has a reproductive element. Our aim ought to be not simply to put somebody to work to do a thing that we may not want or may not need, but to limit it to things that have a reproductive element. Otherwise the plan is not sound. I believe that feature ought to be considered very carefully before we expand too much along the lines of that program.

So, stating my view on the subject, if there is to be any Federal aid on the subject we are talking about, the proposal in the substitute is greatly preferable to the other. To me the other is impossible.

With reference to the Senator from Arkansas [Mr. ROBINSON] speaking of the dole, there are any number of people who resent any reference to this legislation as a dole. There is some basis for that if we want to be technical about what a dole means. If we say that only a certain type of Federal aid is a dole, then, of course, any other Federal aid that is not of that type, but that might have the same effect, would not be a dole. To say that it is not a dole, however, is no argument, because it amounts to the same thing. It has the same effect.

For example, I hold in my hand one of the best treatises that has ever been written on the subject, by a great English author, published in London. It is by John Barton Seymour. At the end of the book he gives seven pages of bibliography of authorities consulted in writing this book. He resents the idea that the present British system is a dole. He declares it is a misnomer. He says:

> As a matter of fact, no form of the unemployment benefit can justly be called a "dole." This word is defined in the dictionary as meaning "alms or gratuity." The application of such a term to unemployment benefit overlooks the fact that the scheme provides for contributory insurance and that four-fifths of the unemployment fund is supplied by employers and workpeople.

And he denounces the stigma that is applied to the present British system of dole. Everybody knows that it is not a mere technical expression that we are talking about, however; it is the thing itself that we call the dole.

First, the British system was an unemployment-insurance system; and the provision was that two-fifths of the fund should be contributed by the employer, two-fifths by the employee, and one-fifth by the Government. Unfortunately, the law was so written that after so many contributions on the part of an employee he became a beneficiary, and the beneficiaries started to withdraw their funds before a substantial fund was created. Then came the sweep of unemployment, and that fund was immediately exhausted; and the unemployment-insurance system broke down, just as a fire-insurance company breaks down when there is a great fire and all the property in the town insured by that company is destroyed. It breaks the company, just as the unemployment in Great Britain broke down the insurance plan in Great Britain. Note that the obligation of the Government to make a one-fifth contribution while the employer made a two-fifths contribution and the employee made a two-fifths contribution indicated the function of the Government, showing an obligation to the unemployed; and when the fund was exhausted they demanded that the reservoir of the Government's treasury must be resorted to to replenish the fund, and it was done. It always will be done; and the result is to-day that two and a half million people in Great Britain are receiving a dole from the Government treasury, and they can not get rid of it.

Mr. BORAH. Mr. President——

Mr. FESS. Just a moment.

When Ramsay MacDonald, the Prime Minister of Great Britain, announced the necessity of balancing the budget, and stated that as a measure in balancing the budget he recommended a 10 per cent reduction of the dole—mark it, not the elimination of the dole but a 10 per cent reduction

of the dole—he was denounced and read out of his party. Then there took place the most magnificent demonstration of statesmanship and courage that I have ever read about, when several boroughs in England and Scotland solicited Mr. MacDonald to come to their boroughs and stand for election; but he said, "No; I am going back home to my own people, who have read me out of the party, and I am going to make them state whether or not they disapprove of what I am trying to do to save Great Britain."

When he went back, he was elected in his own borough—the most magnificent vindication I have ever known to take place in parliamentary history—and only 55 of over 600 elected members of Parliament came back to oppose him. All the rest stood for the thing he stood for; and his fight was to reduce the dole only 10 per cent. Had it been to eliminate the dole, it would have been an entirely different proposition.

Does the Senator from Idaho wish to interrupt me now?

Mr. BORAH. No; not now, Mr. President.

Mr. FESS. On the question of the dole, I do not care for names. If you do not like to call the contribution from the Federal Government for the purpose of relieving the unemployed a dole, it is simply because under the dictionary definition it is not included in that terminology.

Mr. BORAH. Mr. President, now I do desire to ask the Senator a question.

Mr. FESS. I yield to the Senator from Idaho.

Mr. BORAH. The Senator now has come back to the subject about which I wanted to ask a question a while ago. I have not been in the Chamber all the time the Senator has been speaking. Has the Senator determined in his own mind what is a dole?

Mr. FESS. I am going to do it now.

I hold in my hand the Dictionary of Political Economy, edited by Sir Robert Harry Inglis Palgrave, published in London:

> Doles: A dole is defined by Doctor Johnson as "provisions or money distributed in charity," but the ordinary use of the term in modern times implies somewhat more than this. A dole is now generally understood to be opposed to regular or permanent help, and to be comparatively small in amount.

That element of smallness always goes with the term "dole." You say, "just a mere dole," or "doling it out."

> Doles figure largely in the charitable bequests of old time. Thus at Oxford, on St. Thomas's Day, there were given away more than 70 such, ranging in value from 13s. 6d. up to £5, and hardly any town or parish in England is without them. Every kind of condition may be attached. They are confined to freemen, to residents in certain parishes, to regular attendants at church, to widows, to spinsters, to servants, to young men, to old men, to cripples, and to the blind. The modern spirit, embodied in schemes issued by the charity commissioners, has abolished large numbers of them, but they still survive in places which resist reform. The objections to the dole system are numerous and weighty. "The practice of distributing doles," said Sir George Jessel in the famous Campden case, "should be more honored in the breach than in the observance. There is no doubt that it tends to demoralize the poor and benefit no one * * * the extension of doles is simply the extension of mischief." What are the grounds for so sweeping a condemnation? The first principle in administering charity is that it should be adequate to its purpose of relieving distress or reestablishing independence. Neither of these objects is secured by doles. They are not sufficient in amount to meet a crisis, nor continuous enough to provide for old age; in many cases it is expressly forbidden that the same person shall be a recipient on two consecutive occasions.

This is the old definition of a dole. It is to go to certain persons in small amounts, simply to relieve or prevent starvation or want.

When we come to more modern times, what are the results of the system as now pursued? This book was published in 1915, before the modern dole had shown such tremendously bad effects in England.

> What are the results of the system pursued in many cases? It is said to demoralize and pauperize. "The poor, qualified by residence in parishes in which endowments exist to receive their benefits, look upon them as a right, apply for them regularly, irrespective of need, and accept them with thanklessness.

Mr. President, that is a terrible indictment, and yet that indictment is true. The first result of entering upon contribution from the Federal Treasury to relieve local situations of unemployment, whether we call it a dole or not, is to create a disposition in the minds of the recipients which will demand it as a right. They will receive it regularly.

Mr. BORAH. Mr. President——

Mr. FESS. I yield to the Senator from Idaho.

Mr. BORAH. The Senator refers to donations from the Federal Treasury. If the donation were from the State treasury the demoralizing effect would be just as bad, would it not?

Mr. FESS. No; it will not be as bad. It has the same element, but it will eliminate first the waste that is represented by the spread from the Federal Government to the one that receives it.

Mr. BORAH. That is a different proposition; but the effect upon the individual is the same.

Mr. FESS. No; it has not the same effect. To be sure, the element that the Senator has in his mind is in it. If a man takes anything from anybody, whether it be the Senator from Idaho or the county in which he lives or the State in which he lives or the Nation in which he lives, it will have the effect, it is true, of pauperizing him if he receives it as his right and in pursuance of a duty that we have to give it to him.

Mr. BORAH. Mr. President, assuming that there is a community where there is actual suffering and hunger, and where people are sick, and assuming that there must be help given, the Senator would, of course, not contend that there should be no help?

Mr. FESS. No.

Mr. BORAH. That being true, how does it affect the morals of the individual who receives it any differently coming from the Federal Government than coming from the State government? It may be that it costs more by reason of the distance from which it is administered, but I am speaking of the demoralizing and degrading effect of which we hear so much. How does it affect the citizen any more than a contribution from the Federal Government?

Mr. FESS. Mr. President, the Senator certainly sees the difference between a citizen in my town receiving a contribution from the citizens of my town to relieve his situation, and his right to demand of the Government that he be supported whether he is working or not; and that is exactly what will come out of the inauguration of the Federal system of contribution.

Mr. BORAH. Mr. President, the Senator puts into the proposition an element which I have not inserted. I am speaking of a community which is in want, which is in need, which must be taken care of, which is in a condition everybody will concede. Does it have any different effect upon the citizen himself if he is taken care of by the Federal Government than if he is taken care of by the State government?

Mr. FESS. As wide as the poles.

Mr. BORAH. What is the difference?

Mr. FESS. The difference is this, that if a person in a town meets with misfortune, whether it be through disease, or loss of health, or destruction of his property, the good people of the community come to his rescue and give him the necessaries of life. That does not make him subservient to them, and he does not take their assistance as a right he can demand of his fellow citizens. But the moment the Federal Government starts to make appropriations coming from the taxes you and I pay to take care of such people, they will come to demand it as their right, and there is a world of difference in the effect on the character of the man who receives it.

Mr. BORAH. Mr. President, a few days ago the Legislature of the State of Illinois passed an act appropriating $20,000,000 to take care of the needy of the State of Illinois. The money for that purpose will be raised by general taxation, and the taxes will be levied upon all the people of the State of Illinois. The appropriation is made, and the individuals suffering get the benefit. The money is raised by taxation. The State is acting. The State is authorizing the actions which it is necessary to put into effect in order to feed the people. What is the difference between that, so

far as the effect upon the individual is concerned, and the case where the Federal Government extends relief to the needy citizen?

Mr. FESS. The difference is as wide as the poles.

Mr. BORAH. I must say that I can not see it.

Mr. FESS. The Senator from Ohio is not responsible for the inability of the Senator from Idaho to see. Every city has its hospitals. In every hospital there is a provision for people who are not able to pay for an operation or treatment, the provision being made through gratuities of the people.

Mr. BORAH. The Senator is discussing something which I have not raised at all. If the Senator will discuss the proposition which I am submitting now, I think that, with my limited ability, I will still be able to follow him.

Mr. FESS. I doubt it very much.

Mr. BORAH. It may be; I have had some difficulty in understanding the Senator from time to time, but I am earnestly and faithfully trying to understand him.

Mr. FESS. I appreciate that the Senator has tried.

Mr. BORAH. I am speaking of a community which must have help in order to keep the people from starving. The State of Illinois levies a tax upon all its people.

Mr. FESS. The Senator is contending that there is no difference between a city taking care of its own and the Federal Government taking care of the people in the city; that in the one case it would have exactly the same demoralizing influence on a citizen that it would have in the other case. The Senator certainly does not think that.

Mr. BORAH. The Senator is not willing to discuss the proposition which I am putting to him.

Mr. FESS. The Senator from Ohio is willing to discuss any proposition the Senator from Idaho wants to put to him.

Mr. BORAH. The Senator is unwilling to discuss the proposition. When I say the State is levying a tax, the Senator runs off and talks about a city, a neighbor, a hospital which has a general provision for taking care of the needy. What I am asking is, What is the difference on the individual recipient between levying a tax upon the people of the State of Illinois to take care of the hungry through the operation of the State legislature and levying a tax through the operation of the Federal Government to take care of them?

Mr. FESS. Just as much of a difference as the Federal Government differs from the State government. Does the Senator understand that?

Mr. BORAH. No; I do not.

Mr. FESS. Well, the Senator from Ohio is not responsible for the misunderstanding.

Mr. BORAH. The Senator——

Mr. FESS. I do not yield further.

Mr. BORAH. I know the Senator does not want to——

Mr. FESS. The Senator from Ohio does not yield any further.

Mr. BORAH. I know the Senator does not want to yield any further, because he has gotten to a place where he can not yield; he is afraid to yield.

Mr. FESS. Mr. President, we will see whether the Senator from Ohio is afraid to yield.

Mr. BORAH. Very well. Now, tell me——

Mr. FESS. The Senator will please take his seat until I tell him.

Mr. BORAH. No; I will do nothing of the kind.

Mr. FESS. Very well; stand then. I am going to answer the Senator's question.

The Senator wants to know what is the difference between the service of a State to an individual and the service of the Federal Government to an individual.

Mr. BORAH. I did not ask any question of that kind at all. I asked what is the difference in effect upon the character of a citizen—how does it more demoralize or degrade a citizen—to receive money from the Federal Treasury than from the State treasury?

Mr. FESS. When the Senator is ready and takes his seat I will answer him.

Mr. BORAH. If my standing presence disturbs the Senator, I will sit down.

Mr. FESS. The Senator's presence very seriously disturbs me, because he does not wait until I finish my answer.

The Senator wants to know what is the difference in the influence upon the moral character of a citizen if he receives funds from State taxation or receives funds from Federal taxation. Is that the question?

Mr. BORAH. That is the question.

Mr. FESS. The difference is that the citizen receiving funds from the State taxation is nearer to the fountain where local administration is in the hands of the people of whom he is a part and who will understand his situation, and the man who receives funds from the Federal Government is receiving from a bureau operating from Washington, with no contact locally with the individual, and it leads to this conclusion—that he is the subject of charity by the votes of the people who know him, live with him, know his wants, and know how much will satisfy him, as contrasted with a bureau located in the Capital that knows nothing about him except as his situation is represented to it.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Idaho?

Mr. FESS. I yield.

Mr. BORAH. Mr. President, as I understand, the distinguishing difference is this—that in Illinois, for instance, the taxpayer would know the needy man and the needy man would know the taxpayer because he is closer to him.

Mr. FESS. Yes.

Mr. BORAH. Suppose we consider the substitute which has been offered, and assume that instead of operating this matter from the Federal Government we should loan a State a million dollars, or $10,000,000, and the State should administer it. Then what would be the difference, in moral effect, between a citizen receiving the money in that way and one receiving it from Washington?

Mr. FESS. The difference would be just the same as I have mentioned. In the second place, under the substitute, the administration of the relief will be by those who have contact with the individual community, while in the case of the Federal Government it will be administered by a bureau.

I know the Senator well enough, I know his mind well enough, I have heard him speak often enough, to know he sees the difference between local relief for people we know and Federal relief administered by a bureau of the Government. The one carries with it something of the heart and soul which go out to relieve the poor. The other is merely a soulless bureau administering a fund which will be voted as a right, demanded as a right, received regularly, and will be demoralizing, as the Senator must know.

Mr. BORAH. Mr. President, I have read, and I think it is correct to say, that in a number of the cities of the United States they are now allowing $5 per week to a family of three and four. The Senator knows perfectly well that with an income that small such a family would be on the ragged edge of starvation. It is not living; it is sheer existence, and that is all. The Senator knows, furthermore, that when a family is fed in that way, as soon as disease comes in at the door they are utterly unable to resist its attack.

Mr. FESS. Mr. President——

Mr. BORAH. Wait a moment. The Senator knows perfectly well that if that father and mother should receive an additional $5 from the Federal Government of the United States it would not demoralize them or degrade them; it would cause them to appreciate the great Government under which they live and for which they are willing to give their lives. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER rapped with his gavel.

Mr. FESS. Mr. President, the Senator has inadvertently announced the vicious element in this proposal, too vicious for anyone to contemplate with equanimity. He specifies an amount for a family. He sits in this Chamber, distant from the point, and criticizes as he will when it comes to doling out the Federal contribution. He refuses to permit the people on the ground who are administering the money to say

what is the amount that is necessary to keep the wolf from the door. He immediately makes the Federal dole a football of politics, and every community will demand in its own right the amount it specifies, just as in this city we see people finding fault and saying that they do not receive sufficient gratuities and want a politician who will popularly announce what will bring applause from the gallery, that "We want more than what those on the ground say is what the Government can afford to give."

When you open the way for that populace represented by the people to-day in the gallery to say how much the Federal Government must give to an individual out of the Federal Treasury nobody will be satisfied.

What will satisfy one will not satisfy another; and if the administration of the charity of the Government for the benefit of the needy is put into the hands of politics, that will inject the most vicious element that could creep into it.

The Senator has given expression to the very condition that all of us know will exist in the country.

Mr. LA FOLLETTE. Mr. President——

Mr. FESS. There is no limit to the demands. Men out of work will hold that the Government is responsible. Men out of work will demand that the Government take care of them. Men out of work will say, "It is not my business to find work; it is the Government's business to find work for me." They will say, "The Government owes me a living. It is not a question whether I am seeking work or not, the Government owes it to me."

We have just had a demonstration of what will happen if the floodgates are opened, people breaking out in applause, violating the rules of this body, at the statement that people out in the States should have the right to say how much should be given out of the Federal Treasury. That is the element which the Senator and I do not dare open up here unless we are willing to turn the Treasury inside out for the people who are disappointed and disaffected.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Wisconsin?

Mr. FESS. No; I do not yield.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. FESS. I wish to read a letter at this point. This letter is written from England. It is written by one of the best educators in the world, a graduate of three American colleges, including the University of Chicago, doing post-graduate work in Italy, where the writer has spent every summer for the last 11 years:

> Why am I taking the time of a busy man to read a letter? Not a personal reason. From time to time I hear the dole mentioned as a solution of the difficult problems that are now before our legislators, and I venture to send some of the observations I have made in the nine trips I have made to England. My subject, English literature, of course, kept me there more than in other European countries. As a careful student of history and economics, you know that the present condition in England has some political and commercial foundation, but I can not help the strong conviction that the dole has greatly aided in her fall, because I have seen and heard much of the ways in which it has undermined British character. It has made paupers respectable. I have been appalled at the steady deterioration. Without exception, every person I met told me of the difficulty in getting anyone to work. Three years ago, when I was reading in the library of the British Museum, I met every day more people out of work at the gates than I had met in all Italy in four months, and they refuse to do the work that is offered them. There is now in England more work than workers. British people tell me that there is a generation of young men about 25 years old who have never worked a day and who do not expect to do so. They will not go to the colonies, because they refuse to face the work of pioneering. The dole enables them to live, to buy cigarettes and beer, so why change? I can not go into the trickeries by which the system is abused and the Government threatened. Obviously something must be done in the United States to help the unemployed through this hard year. I hope that the suggestion of the dole will be promptly killed. Its effects seem to me woeful beyond any suffering that may come this winter.

There is the statement of an unbiased observer of the operations of federal contributions in the form of a dole to people out of employment. I state again that any system that makes it as profitable to be out of work as to work should never be entered upon by this or any other country. While the pending bill does not propose to do a thing of that kind, it is the entering wedge; it is the first step which affects not alone to-day but will become fixed as the policy of the Government. Every American that cares for the history of a great country ought to stand adamant against any proposal so demoralizing, so effective in the breakdown of the moral and mental fiber of our citizenship as this would eventually be.

As I said in the beginning, if there must be some movement of this kind, the substitute which has been offered would be far and away better, because it would bring the administration of the law into the hands of the locality which understands the situation. In ministering to the wants of the people we must leave it to the people in the community. It can not be done by a bureau in Washington, for the moment we place it in the hands of such a bureau that moment we have the situation which was voiced by the Senator from Idaho [Mr. BORAH] a moment ago. There will be no satisfaction. It will easily be demanded and people will grow careless whether they work or not, because why should they work if they can be paid as much without work as with work? If we go into the matter of how much it shall be and leave that to the politicians, God help the United States!

Mr. BORAH. Mr. President, it is to be regretted that there is a difference of view between those who have arrived at the conviction that the National Government should aid in taking care of the unemployed as to the manner in which the appropriation should be administered. Before we get through with the legislation and before it is crystallized into law, if it ever is, the real question which will confront us, and with which it will be most difficult to deal, is the question which has just been presented by the Senator from Ohio [Mr. FESS], and that is whether we have arrived at the time when there should be any help upon the part of the National Government. That is the question upon which the success of this legislation depends.

I am not clear as to when that would be, as expressed in the view of the Senator from Ohio. I drew the inference from some remarks he made that there might come a time when the situation would be so serious and so imminent that he would be willing to waive the deep convictions which he entertains in regard to the Federal Government and its duty in the premises. I do not know, either, what the measure of proof would be as to the necessity, but I do believe that the Senator from Ohio is entirely too humane to permit the American people, or any part of them, to die of hunger and starvation rather than to give them any help from the National Government. I think I am correct in that inference, am I not? I am addressing my inquiry to the Senator from Ohio.

Mr. FESS. I beg the Senator's pardon; my attention was diverted.

Mr. BORAH. I understand the Senator does not take the position that he would not feed the hungry if the necessity were shown upon the part of the Federal Government.

Mr. FESS. What does the Senator mean by "the necessity upon the part of the Federal Government"?

Mr. BORAH. Suppose the people were in actual hunger and the local authorities were unable to take care of them—does the Senator still say he would not appropriate money on the part of the Federal Government?

Mr. FESS. If the local authorities are not able to do so; but if the local authorities refuse to do it, that is a different thing.

Mr. BORAH. Suppose, then, that the local authorities are not taking care of them, that they are actually suffering; would the Senator still refuse to appropriate Federal money?

Mr. FESS. I would. I would insist upon the local authorities doing their duty.

Mr. BORAH. Mr. President, we seem to have the philosophy of the Senator from Ohio in all its naked and hideous ugliness. He takes the position that the National Government should not aid the suffering, the needy, the sick, and

the diseased, even though the local government is not taking care of them.

Mr. FESS. And able to do it.

Mr. BORAH. I say that the local government is not taking care of them. Of course, if the Senator says "able to do it," I suppose he would reduce the remainder of the community to the same state of pauperization as the people who are in need. But the Senator takes the position that although there may be need, although there may be hunger, although there may be want and suffering, and though the people are not being taken care of by the local community, the Senator still would not help them.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. BORAH. Certainly.

Mr. FESS. The Senator from Ohio takes the position that if the local community is able to take care of its poor, the Federal Government should not step in.

Mr. BORAH. Suppose the authorities of the local community have been doing the work for two years and have now reached the point where they are unable to do it longer, would the Senator still say they are able to do so?

Mr. FESS. What does the Senator mean by the local community saying they are not able? Does he mean some body of the local community saying it?

Mr. BORAH. I mean the local community says it has exhausted its resources, its means, that it has taxed itself to the limit and can go no further, and that those authorized to speak for the community, both the city council and the State government, say that they have exhausted every resource; the Senator still would not take care of them?

Mr. FESS. The Senator would send somebody like the Senator from Idaho to make an investigation to see whether their report was correct or not.

Mr. BORAH. In the meantime the sick babies would die, families would disintegrate, disease would take its toll, while an investigation was being made by some one. Investigations have been made; the cruel conclusive facts are here at the call of every Senator.

Mr. FESS. That being done in a civilized community?

Mr. BORAH. I am not so sure about that since I heard the Senator's speech. A civilized community is a community which cares for its hungry and the sick when misfortune overtakes them instead of debating divisions of government.

Mr. President, I confess in the beginning of my remarks that I am voting for measures these days under a sort of duress, a duress superimposed by this unprecedented economic breakdown. The situation is so exceptional, the problem which confronts us is so extraordinary, that we are driven to entertain measures which in ordinary times would have no consideration at the hands of this body. We are dealing with a situation with reference to unemployment precisely in the same way that we have been dealing with the situation with reference to business. We are doing things for which there is no precedent. I venture to say we are doing things for which there is no authority in the Constitution of the United States. We are doing it for the reason and because of the fact that the situation is such that we are compelled to act regardless of precedents and regardless of authority. Self-preservation still remains the supreme law.

A few days ago we passed what is known as the Reconstruction Finance Corporation measure. I do not question now the necessity. I challenge any Senator upon this floor to find the slightest sanction for that measure in any authority that is given to the Congress of the United States. We pass a bill by which we take from the Treasury of the United States a large sum of money, and thereby take from the taxpayers of the United States a large sum of money, for the purpose of taking care of the private business of private corporations.

Mr. SMOOT. It has to be returned.

Mr. BORAH. The Senator from Utah says it has to be returned. That depends entirely upon what the future has in store in the way of recovery from this depression. It may be that not a dollar of it will be returned; we do not know; but whether it is returned or not, I challenge the Senator from Ohio to tell me by what authority under the Constitution of the United States we tax all the people of the United States for the business benefit of a few, whether it takes the form of a loan or open donation.

Mr. FESS. The Senator from Ohio will answer that the Government can issue bonds and make its loans for any purpose within the purview of the general welfare.

Mr. BORAH. Then the Senator from Ohio takes the position that it is not for the general welfare to keep men and women and children from starving to death in the United States?

Mr. FESS. No; the Senator from Ohio takes the position that if the Government is spending money, it should be in the form of loans, and the Senator from Idaho can not distort the application of the Reconstruction Finance Corporation measure into a parity with the proposal which he is now espousing.

Mr. BORAH. We have no more authority under the Constitution of the United States to take money from the Treasury and issue bonds in the hope that it may be returned than we have to make the direct appropriation itself. The issue of bonds does not change the constitutional question.

Mr. FESS. Why does not the Senator from Idaho resist the matter and take it to the courts?

Mr. BORAH. I think there is another way to resist it.

Mr. FESS. Not effectively.

Mr. BORAH. I am citing it as a precedent. At any rate I am asking the Senator now by what constitutional authority we appropriate $500,000,000 for the purpose of reviving and resuscitating frozen securities of private corporations?

Mr. FESS. That is for the general welfare under the general welfare clause of the Constitution.

Mr. BORAH. Now we have come to the place where I had hoped the Senator would come.

Mr. FESS. Then I hope the Senator from Idaho is satisfied.

Mr. BORAH. The only thing we have to determine now with reference to authority to take care of unemployment is, is it for the general welfare of the United States? That is all.

Mr. FESS. It is not for the general welfare to build up a demand as expressed by the beneficiaries of this kind of a law that will destroy every fiber of the Government of the United States.

Mr. BORAH. The Senator from Ohio says that if we establish the precedent of taking money from the Treasury to feed the hungry, the evil consequences which flow from it will be very great, but he has helped to establish the precedent of taking from the Treasury of the United States money gathered from the whole people to take care of private business. I ask what evil consequences does he expect to flow from that action?

Mr. FESS. None. That money is loaned and will be returned, and the Government has the authority to do that. The Senator, however, proposes to give the money outright, never to be repaid, and to create a situation from which we shall never be able to extricate ourselves.

Mr. BORAH. Mr. President, the Government of the United States has no authority in the world to negotiate private loans for the benefit of private corporations; there is not the slightest authority for it. The Senator can not find any authority for the Reconstruction Finance Corporation law except in the law of dictatorship and of Soviet Russia.

Mr. FESS. That ought to be pleasing to the Senator.

Mr. BORAH. I would rather be there and not play the hypocrite than to be here and do so.

Mr. FESS. The way is open.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. BORAH. I yield.

Mr. NORRIS. Will the Senator from Idaho permit me to call his attention to still another thing that the Senator from Ohio advocated? In order to take care of suffering and starving people, the Senator from Ohio is ready to loan money to the banks and railroads and insurance companies and other corporations, and he justifies it on the ground that it is going to be repaid. So the net result of his philosophy is to take care of those who are able to give security and to let those starve who do not have any property upon which to give security.

Mr. BORAH. Mr. President, I recognize the fact that in dealing with the business situation, perhaps, it was necessary for the Government to do something; I am not complaining of the measure which was enacted; if it shall bring any relief I shall be glad to know it. However, what I am complaining of is that men who voted to take money out of the Treasury of the United States to revive private business are now unwilling to take money out of the Treasury of the United States to preserve human life when we know it to be imperiled. I say there is a philosophy there which is materialism on one side and humanity on the other. I contend that this Government of ours, the Federal Government included, was created to take care of its citizens when in distress, whether they have a dollar or not, and simply because people to whom we would loan money have left sufficient frozen securities to satisfy us that they can repay does not meet the contention at all. We owed a duty to them, the business men, we will say, but we certainly owe a duty to the 7,000,000 or 8,000,000 people who, through no fault of their own, have reached a point where they are on the verge of starvation. Like business they must have help.

Mr. FESS. Mr. President, will the Senator from Idaho yield to me?

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. BORAH. I do.

Mr. FESS. The Senator from Idaho is proposing to change the whole theory of government. Heretofore we have always supposed that the people should support the Government, but the Senator from Idaho is turning it about so that the Government must support the people.

Mr. BORAH. Mr. President, there was a time when the governmental philosophy prevailed that the Government should never favor the people or support the people or aid the people, but that the people should always support the Government. However, that passed away with the American Revolution. We lodged governmental powers in the people of the United States. This is their Government. It was made for them. They defend it upon the field of battle; they give their lives for it; and when distress comes the Government owes something to the people.

Mr. FESS. Mr. President, will the Senator from Idaho yield to me further?

Mr. BORAH. Yes.

Mr. FESS. All that the Government should do, and all that it has ever attempted to do, is to preserve the liberty and keep open opportunity of the citizens under its flag to make the most out of their lives. The Government was never intended to be the almoner, to bestow gifts and gratuities upon individuals. The Government is organized and conducted to protect individuals in their rights, and not to support them. Individuals ought to support the Government instead of the Government supporting individuals.

Mr. BORAH. If the individuals are to support the Government——

Mr. FESS. Certainly.

Mr. BORAH. Why did not the Senator say to the banks and corporations of the United States who were on the verge of failure, "Go back home; resuscitate your own frozen assets; take care of your own private business; this Government was not made to support the people; indeed not, but the Government was created to be supported by the people. Therefore, you bankers and corporate interests go back home and take care of your own business; this is a private affair; this is an individual affair." Why did not the Senator say that to them?

Mr. FESS. Because that does not cover the subject. The Government can make loans to——

Mr. BORAH. I say the Government can not make loans for private purposes to private individuals.

Mr. FESS. The Government does not attempt to do such a thing. The Government makes loans to enable other agencies to employ American labor and to invest American capital, but the Government never did make loans to individuals. The Senator wants to make loans to individuals. We have always avoided putting the Government into the banking business, but when the Government supplies funds to resuscitate the employers of labor, it is doing so not merely in the interest of the particular industrial organization but it is doing so for the purpose of securing employment for labor that otherwise might be out of employment. In doing that the Government has a function to keep open the opportunity for labor to be employed.

Mr. BORAH. Mr. President, the Senator has just said that loans were made and appropriations were made to enable corporations to employ citizens.

Mr. FESS. To employ labor.

Mr. BORAH. To employ labor. Then the Senator does believe that the Government of the United States should move to enable the people out of employment to be employed?

Mr. FESS. Certainly; but that is a different problem from that on which the Senator is speaking.

Mr. BORAH. Suppose the Senator finds a group of people—we have about 8,000,000 now out of employment—suppose he finds a group of 4,000,000 people who can not find employment, for whom there is no work, who are as good citizens as ever trod the soil of the United States, who are out of work and can not find it—what would the Senator do with them?

Mr. FESS. The Senator from Ohio would have the Government, to the limit of its ability, make it possible for those people to be employed. If it can not do so, then the people amongst whom the suffering ones live ought to be sufficiently humanitarian to see that they can bridge over the period of unemployment. The Government itself tries to give employment in a limited way in construction and reconstruction work, but that is as far as it can go. The Senator, however, wants the Government to step in and take care of people who are not employed by donations of money from its Treasury.

Mr. BORAH. Mr. President, what I am contending for is to place the individual human being upon the same level with the corporations and banks and railroads of the United States; nothing more.

Mr. FESS. Then the Senator would loan to every human being who wants money?

Mr. BORAH. I will venture to say that 90 per cent of the people who are out of employment to-day would be perfectly willing to give the United States Government a guaranty that they will pay back every cent loaned. They abhor charity.

Mr. FESS. And the Senator would make the loan?

Mr. BORAH. I would. I would feed them in any way practical.

Mr. FESS. There is where the Senator and I differ.

Mr. BORAH. I would save human life.

Mr. President, as I understand, it is generally admitted that there may come a time when the Government of the United States will have to help. The President in his message of February 3, 1931, said:

> I am willing to pledge myself that if the time should ever come that the voluntary agencies of the country, together with the local and State governments, are unable to find resources with which to prevent hunger and suffering in my country, I will ask the aid of every resource of the Federal Government, because I would no more see starvation amongst our countrymen than would any Senator or Congressman. I have the faith of the American people that such a day will not come.

Mr. President, according to the President's view at that time—and I have no doubt the President's view at this time—if the time comes when local authorities are unable to take care of the situation, the President is in favor of the

Federal Government assisting. It is purely a question of fact and a question of policy.

Mr. FESS. Mr. President, I have no right to speak for the President, because I do not know what his view is, but I assume that he would not take the position that the Federal Government should render assistance directly to the individual; but, on the other hand, he would more likely have assistance rendered through the States. I know nothing about what he would say, but that would be my opinion.

Mr. BORAH. Then, if the Senator does not know anything about it, it is not worth while to stop to discuss it.

Mr. FESS. No.

Mr. BORAH. I am speaking now of what the President himself said:

> I am willing to pledge myself that if the time should ever come that the voluntary agencies of the country, together with the local and State governments, are unable to find resources with which to prevent hunger and suffering in my country I will ask the aid of every resource of the Federal Government.

Mr. President, I think that is sound doctrine; I think it is a humanitarian doctrine; I think it is a doctrine which we could all afford to accept and live up to; and I think it is a doctrine which will preserve every scintilla of the principles which the Senator from Ohio advocates which he ought to retain—he has some which he ought to get rid of.

Mr. President, the question, then, is, What is the situation in this country? From the President down, all agree, with the exception of the Senator from Ohio, that if hungry people are amongst us who are not being taken care of, the Federal Government should take care of them. This leaves the sole question, one of fact—is there necessity? I contend there is great necessity.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. BORAH. Yes.

Mr. BARKLEY. How would the Senator and how would any of us determine whether the time had arrived described in the President's message? Would the Senator place upon the Federal Government the duty to ascertain the localities wherein that situffation existed, or would he place the burden upon the authorities of the local communities to advise the Federal Government as a matter of initiative that that time had arrived?

Mr. BORAH. I do not know what the President had in mind as to arriving at a conclusion. What I was going to undertake to say was that the evidence is ample, it is overwhelming, that the time has arrived when, as the President said, if there is suffering and hunger, we should take care of it. That time has arrived, according to the facts, which can not be disputed and which have not been disputed. If that is true, Mr. President, we are here advocating precisely what the President announced as a doctrine in 1931. I am willing to rest my case on the facts.

Let me call attention to a statement by one of the most distinguished social workers in the United States, a man who has devoted practically his life to suffering humanity, who is asking no favor from the Government and does not need to, who was in this work long before the present depression came upon us, and who studied the subject when unemployment was a disease of our industrial system and also after the depression. He says:

> For 130 of these 144 cities we have data comparable with last year, which show an increase of 14.3 per cent in funds raised. This and presumably far more than this is for relief purposes. Yet relief demands in every American city show an increase quite out of proportion to this gain. Philadelphia's relief expenditures during September of this year were 404 per cent above September, 1930, Chicago's 267 per cent, New York's 125 per cent, Cleveland's 134 per cent, St. Louis's 214 per cent.

We have in those cities an increase of donations or an increase of privately contributed support of 14, 20, or 25 per cent; we have an increase in the demands for relief of from 125 to 404 per cent. The Senator from Ohio knows what that means to thousands and thousands of American citizens. He knows that they are living without sufficient food, without sufficient clothing; he knows that when they are sick they lack sufficient administration from those who could take care of them. We can take those cold figures alone and determine for ourselves whether countless thousands and even millions of American citizens are being properly clothed, fed, and taken care of.

But let me read further from his statement:

> The minimum relief accorded a family of five by the family society of the Federation of Jewish Charities is $21.97.

Ordinarily they allow these families of five $21.97 per week. What kind of a living do you think that is? It is just about all they can do to get by upon that amount; and that has been the minimum which these societies had been allowing for years before this depression came. It was found to be the least upon which they could preserve life and possibly health. What is the situation now?—

> The minimum relief accorded a family of five by the family society of the Federation of Jewish Charities is $21.97, divided as follows: Food, $9.25; lunches, 60 cents; rent, $5.77 ($25 per month; 5-room house); light and cooking, 69 cents; clothing, $2.92; household supplies, 35 cents; car fare, 90 cents; incidentals, 64 cents; coal, 85 cents (on a weekly basis throughout the year).

Then he says:

> This is not guesswork; it is based on the most vigorous studies of what is needed to keep body and soul together; to keep health from being impaired; to conserve what we do not want to see broken down in family life. The relief available and distributed by our emergency unemployment relief committee, which now has under its care 35,000 families, is so far under this standard of adequacy as to be self-evident. It has amounted to $5 per week for a family of five, for food only. No provision is made for any of the other items in the above schedule, with the exception of milk, which is granted only when necessary.

Witness after witness went before the committee and stated these facts.

I do not think it is the province of the National Government to wait until people are actually dying. I do not think it is humane to undermine the health and the physical stamina of these children and cripple them for life before the National Government acts. I think that when a condition has been reached such as has been indicated here, where the local communities and the States have been taking care of the situation for two years, and where now the best they can do is to allow $5 a week, every plea that humanity could possibly urge is now asking for some help from the Federal Government.

I take the position that the Federal Government is just as much interested in its people, in their health, their development, their mentality, and their morals as the State government itself; and when the time comes that these are being undermined or being destroyed, it is the duty of the Federal Government to assist.

The Senator from Ohio spent considerable time on the subject of the dole. He left the floor without defining the dole. Nobody has been able or willing to define the dole. Even in England they disagree as to what is a dole. There is no proposal here to provide for unemployment insurance. There is no proposal here to pay a stated sum to individuals, regardless of whether or not they are in actual need. There is nothing proposed in the nature of a dole such as they have in England. We are doing precisely the same thing that is being done by the State of Illinois, the State of Pennsylvania, the State of New York, and other States. We are simply undertaking to take care of a crisis which has been superimposed by conditions which are under the control of no one, and therefore leave thousands and millions of our citizens unable to take care of themselves.

There is not the semblance of a dole here. If it be true that that is a dole, then the State of Illinois is paying a dole, and has been for a year and a half. The State of Pennsylvania is paying a dole, and other States are paying doles. So far as the dole is involved, there is no difference between a contribution which comes from the Federal Government and a contribution which comes from the State government. There may be, as a matter of policy, reasons why the Federal Government should wait until the State governments have done their best. I agree with that as a matter of policy; but so far as the definition of a dole is involved, a payment is just as much a dole when it comes

from the State of Illinois as when it comes from the Federal Government. It is a mere question of policy as to when it is wise for us to act.

I grant that if the local authorities are able to take care of this situation, if the State governments are able to take care of it, the counties and the cities, I do not want the Federal Government to appropriate; but I am convinced that there is widespread and terrible suffering in this country. In some places the situation is beyond description. Thousands and millions of homes in this country, formerly owned but now only occupied by good American citizens, have not had a day free from care and actual want for from 18 months to 2 years. Disease is now visiting those homes and taking away the children by reason of the undermined physical condition of those children. I am not willing, out of a superstitious regard for the responsibility of local government and the responsibility of national government, to refuse to do my duty to humanity.

When the actual crisis is here, where there is hunger, and local authorities are unable to cope with the problem, that distinction has no more to do with the situation than social precedence would have upon a sinking ship at sea. I ask my friend from Ohio to bear in mind that this is not a local condition. This unemployment comes from national causes, from an international situation, from international conditions, and from national conditions. It has been superimposed upon the working people of the United States through forces over which they had no control. In my opinion, the evidence shows beyond a question that it has pushed many of the people of the United States to a point where they actually are being depleted in physical and moral stamina, in health, and in character.

The Senator from Ohio is greatly disturbed for fear American citizens will come to like the dole, and refuse to work. He said what to me is a most startling thing coming from the Senator from Ohio, the chairman of the committee of the Republican Party, and that is that the American people can not be fed when hungry because, if we do feed them, it will undermine the character of the people so that they will not go back to work when they have an opportunity to do so.

With all due respect to the Senator from Ohio, I denounce that as a slander upon the American people—a self-reliant self-helping people. Ninety per cent of these people would return to work to-morrow, scorn our charity, and refuse our gifts if we would give them an opportunity to work. Because they are down, because they are in trouble and in misfortune, it does not become a Senator in the Senate of the United States to say that we dare not feed the hungry, lest it undermine character.

The Senator refers to Great Britain. I wish the Senator or some one else would tell me what he would have done had he had 2,500,000 men out of employment in Great Britain. Would he have fed them? There is no State government there behind which to hide. Would the Senator have let them die?

What would have been the result in Great Britain? Lloyd George and other public men said that it was either a question of feeding or revolution. Great Britain, true to the British character, and with the background of British history, took care of her people. It was the humane, also the wise thing to do.

It is said that they granted a dole. When their depression came, they had a system of unemployment insurance. Of course that system broke down, as great corporations in this country are breaking down; but then the Government came in and undertook to feed these people. It could not do anything else. Great Britain is in a serious condition now; but she would have been in an infinitely worse condition had she said, "Let these people die."

Mr. President, this is a practical proposition. Theory disappears when people are hungry. We may call it a dole, but they call it something to eat; and it is immaterial what we call it so long as life is preserved.

I am interested in preserving the lives of these people. We may call it a dole, or call it what we will, it does not change the actual fact, and that is that the great Government of the United States is undertaking to see that its own people do not starve.

I know that it is often said, and we read, that unemployment conditions in this country have been greatly exaggerated. Let us not delude ourselves. Nothing will be gained by refusing to see things as they are. Nothing will be gained by refusing to deal with realities.

I have read almost in full the hearings taken before the committee of which the able Senator from Wisconsin [Mr. LA FOLLETTE] is chairman. That committee did a fine and helpful thing in bringing out the real facts. If anyone thinks conditions have been exaggerated, let him read these hearings. Let him acquaint himself with the facts stated by men and women who are devoting their lives to suffering humanity. I do not believe he can help being convinced that the condition is just as serious as it can possibly be, that thousands of lives are in the balance.

I do not believe conditions have been exaggerated. I do not believe conditions could well be exaggerated. I sometimes doubt if the Great War itself, with all its suffering and sacrifices, entailed greater misery, more agony of heart and mind, than these long, fateful days in the aftermath of war.

It is true that the great armies of Europe left in their wake the maimed and the dead; but who can paint the picture of the desolation and ruin, the blasted hopes and broken lives, behind this great army of the unemployed—an army now 8,000,000 strong in our own country, perhaps 20,000,000 strong in other countries; an army which has its recruiting stations in almost every country under the sun?

No, my friends; conditions have not been exaggerated. The human brain never coined terms sufficient to paint the picture as it is, much less to exaggerate it. With millions of men and women asking for bread, asking for work, compelled to live upon charity, praying that these lean days may have an end, clinging to hopes which often fade with the night, there is, there can be, no exaggeration. The human tongue is inadequate to the task.

In the face of these appalling conditions, what shall we do? What must we do? If the situation has gone beyond the control of the local authorities—and I believe it has—we have no alternative. We must assist as intelligently and economically as we may, but we must assist. We can not permit men and women and children to go hungry. If a precedent is wanted, we will make a precedent. We do not stop in these days for want of a precedent. We no longer respect tradition in matters of legislation. To repeat what I have already indicated, if you tell me by what authority you take money out of the Treasury of the United States to rescue and revive frozen securities of a private bank or a private corporation, I will tell you by what authority we may take money from the Treasury of the United States to rescue from the clutches of disease and death freezing children. If you want to speculate upon the evils which may flow from giving aid to the hungry, may I ask: Did we speculate upon the evils which may spring from a precedent to rehabilitate private business from the Federal Treasury? If you say it is unconstitutional tyranny to take from one group of citizens through the power of taxation and turn it over to another group of citizens through the power of appropriation, I ask you: What kind of constitutional tyranny is it by which you tax the whole people to rescue the business of a few people? If you say that in dealing with these business matters we did so because we had reached a national crisis, my answer is that when 8,000,000 people are unemployed, when millions go hungry because local authorities are unable to feed them, we have reached not only a national crisis but a national calamity. I do not mention these things in the way of criticism, but rather to accentuate the proposition that we have reached the point in dealing with this question of unemployment and in feeding the hungry where we must do what we did in the business world—determine what it is necessary to do and do it.

When millions are in distress there is no time to divide legal heirs between the north and northwest side, no time

to speculate about whether it may work injuriously to the character of the citizen. Let us first save the citizen, save life, and we will meet the future with its problems when it arrives. I am not inveighing against the Federal Treasury trying to save business in a supreme crisis. But I grow impatient with those who have run counter to all precedents, to all traditions, to all constitutional sanctions to save business, but tremble with patriotic wrath and grow indignantly constitutional when help is sought for those upon whom the whole fabric of our civilization rests. We have reached the point, it seems to me, when we must determine what are the needs of our unfortunate people; and having determined their needs, we must go forward and administer to them as best we may. Business was in distress. It called for help. It said it was not able to take care of the situation itself. The Government of the United States stepped in and loaned it its credit, appropriated money, and took care of it because it was in distress.

Now 8,000,000 people are unemployed; they are in distress; the local authorities are not taking care of them; they have done bravely, but it has become a national problem, a national question; and the National Government, as in the business matter, should step in and take hold and assist in taking care of those people.

Mr. WHEELER. Mr. President, I send to the desk and ask to have read an editorial from the Dayton (Ohio) Daily News from the pen of Walter L. Locke, an editorial writer, who, I understand, is the editor of one of the papers of Mr. Cox, former Governor of Ohio.

The PRESIDENT pro tempore. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[An editorial from the Dayton (Ohio) Daily News, from the pen of Walter L. Locke, editorial writer]

BUSINESS RELIEF

The Reconstruction Finance Corporation bill—business relief—has gone to the President and received his instant signature. Within six weeks of the presentation of this measure of business relief, Congress has passed and the President has signed it while the entire country looks on and applauds.

This measure puts an injection of half a billion dollars of Government money and a billion and a half more of Government-guaranteed credit into the arteries of business. Banks and insurance companies with frozen assets will find blowing over them the warm breath of Government credit and Government cash. Hard-pressed railroads will receive Government aid. Frozen real-estate securities will be thawed in what is to be essentially a Government mortgage market. With this help of legislation, of Government, prices are expected to start upward—the prices of commodities, of bonds, of lands, of stocks. The Government's measure may not succeed in all this, but the country hopes it will and approves the effort. If it succeeds, the depression is in hand.

Now, while we view so admiringly the strong action which, with big and little business insisting and consenting, the Government takes, let us pause for a little smile at ourself. The smile may best be introduced by a remark which that wild "radical," Senator GEORGE W. NORRIS, of Nebraska, dropped in casting his vote against the measure now a law. Senator NORRIS said:

"I have been called a socialist, a Bolshevik, a communist, and a lot of other terms of a similar nature, but in the wildest flights of my imagination I never thought of such a thing as putting the Government into business as far as this bill would put it."

The words of the insurgent Nebraskan are true. He got himself written down a radical for insisting that the Government operate a little power plant which it owns at Muscle Shoals. He has variously favored public operation of a public utility here and there. But put the Government in control, through a control of money and credit, of all the business of the United States—such a thing as that the Nebraska radical, now a conservative protesting against the radicalism of his stalwart associates in Congress, never dreamed of. This is what has just been done.

We had to do it. The country was in a jam. Only the Government, it seems, can break the jam. And so, under the leadership of the President who vetoed Senator NORRIS's Muscle Shoals bill as a violation of "rugged individualism," individualism is laid on the shelf and the most completely communistic measure ever adopted in time of peace passes hurrahing into law. It's all right. We had to do it. But as we do it, let's smile at ourselves; it will keep us sane. Let's smile at our "rugged individualism," at our insistent demand that the Government keep out of business; and especially, as we set out now by law to increase the price of everything, let us smile at our old opposition to "price fixing." And as we smile, can we complain if over at Moscow, which we refuse to recognize because of its socialism, there are a few smiles more?

Smiling at ourselves, we can see why the farmers smile, the farmers we so sternly rebuked with vetoes, Mr. Coolidge's at Mr. Hoover's advice, for wanting to be helped by law. Remember how long we stood out against the sinking farmers—12 years. And when it was ourselves struggling in the water, how long was Government relief in coming? Six weeks! Oh, there's very much to smile about in this connection; and, finally, when any of us hereafter in horror cry socialism at anything it will be more than a smile, it will be a snicker.

Mr. NORRIS. Mr. President, as I understand it, the pending amendment is the substitute which has been offered?

The VICE PRESIDENT. The Chair may state that the amendments first to be considered are the committee amendments to the original text. The text must be perfected before an amendment is proposed as a substitute.

Mr. NORRIS. I am going to offer an amendment, action on which will take precedence over the vote on the substitute. I want to offer an amendment to the original text. I will offer it, have it printed, and ask that it lie on the table.

So that Senators may understand the amendment I am about to offer, I would like to state that I have taken out of the so-called substitute the provision for a road-building program, and I am offering that provision as an amendment to the text of the pending bill. If adopted, it will necessitate some slight changes in verbiage, which will be easy to make after its adoption, if it shall be adopted. I ask that it be printed and lie on the table.

The VICE PRESIDENT. The proposed amendment will be printed and lie on the table.

Mr. BROOKHART. Mr. President, I hesitate to put an anticlimax upon this discussion, but there are a few basic facts which I think should be made of record before the vote upon the pending bill is taken.

In the first place, the Senator from Ohio (Mr. FESS) has drawn the untenable distinction that it is all right for the States to levy taxes for the relief of the starving and the unemployed, but that it is wrong for the National Government to do the same thing unless the States are unable entirely to handle it. I want to call attention to the difference between taxation by the States and taxation by the National Government. I want the record to show who is taxed in the two instances.

Under the State government the tax is upon the property of all the people, and upon the incomes, sometimes, of about all the people. But who is taxed by the National Government? Fourteen per cent of our taxes are levied under tariffs. There are some excise taxes upon tobacco and things of that kind, but most of the taxes are the corporation and the individual income taxes. Those taxes are paid by about two and one-half million people in the United States.

Mr. NORRIS. Mr. President, will not the Senator give us the percentage of the total Federal taxes paid in the way of income and corporation taxes?

Mr. BROOKHART. It is about two-thirds, as I recollect it. About two and one-half million people are paying taxes, and out of that number there are not over 1,000,000 who are paying any substantial sum. The other million and a half pay very small amounts into the National Treasury. So, when the Senator from Ohio speaks of protecting taxpayers in the appropriation of this money for the relief of the unemployed, he is talking about protecting in the neighborhood of a million people in the United States, and that is all. The other 122,000,000 are not considered.

Let us see who those million people are. Have they received any dole from the Government of the United States? Yes. We just appropriated this $2,000,000,000 dole, five hundred million of it to be paid at once and fifteen hundred million more to come along as they demand it, for loans mainly to railroads and banks.

Is that all the dole we have given to this million people by the laws of our country? No. In the first place, we have turned most of the business of this country over to that same million people through the interstate commerce laws. Before the war 85 per cent of the railroad business of the United States was interstate, and since the railroad legislation enacted there was an increase in the average freight haul from about 275 miles to 317 miles, so probably there is a bigger percentage to-day than there was before the war. That probably is an index of the business of the whole coun-

try. These million people, who take these gigantic incomes from the people of the country, do it, in large part, through the favors given to them by our interstate commerce laws, our railroad laws, and our other laws.

Is that all the dole we have paid to these million people who pay income taxes into the Federal Treasury? No. We have given them a tariff dole. We have levied tariffs for their protection, and we have raised the prices of our protected industry products by four or five billion dollars a year, a dole which the American people must pay to them, and which results in the big profits which are the basis of their incomes.

Those are not all the doles, either. Those people are constantly coming to the Government of the United States for aid and protection. The railroads came in and got their bill for 5½ per cent return upon their property investment, with seven billions and more of water in that investment.

All the time, when these million Federal taxpayers have spoken, and when they have asked for aid and assistance from the Government they have received it. But when we speak of the common people, when we speak of those who are unemployed, then it is a mysterious crime to appropriate anything from the Federal Treasury, because these same million big income taxpayers, taking the profits of practically the whole country, will have to pay for that support of the starving people.

Mr. President, in 1930, a year of depression, the National Industrial Conference Board found that we had a national income of $71,000,000,000. It was not much less in 1931, but I have no estimate for that year. But 1930 it was $71,000,000,000, which means about $580 for each man, woman, and child in the United States, or about $2,900 for each average family of five. In that year of depression, 1930, we had enough national income, if it had been properly distributed under the laws of the country, if it had not been distributed by these special favors and laws which have been granted, so that nobody would need to starve or be underfed or not clothed or not housed. But through favors given in various ways to the great corporations and the great combinations of the country that income was not distributed to all our people and the same corporations discharged their employees to protect their earnings.

Mr. President, big business in the country has public reviews of business conditions in the newpapers, but it has private agencies which advise it of the actual facts. It does not want the country to know exactly what is going on, and so this double source of information is developed. I have here one of the confidential advices as to conditions of American business in 1931, which says:

> The most challenging economic statistics of the depression are that, in spite of the fact that production volume and wage payments have gone down together to barely more than half of predepression volume, the grand total of interest and dividend payments have been maintained higher than for any year prior to 1929. Even the dividend payments of railroads for this year have exceeded those for 1928 and for any previous year in railroad history.

Mr. President, these million big Federal taxpayers in 1931 collected more interest and more dividends than in any year of our history except 1929. This is the confidential advice on the situation given them by one of their own correspondents, one who is able, I have no doubt, to tell the truth in reference to the situation.

It would be all right to go out into Iowa or into Illinois and levy a tax upon the farmers of those States to relieve the unemployed, according to the principles laid down by the Senator from Ohio [Mr. FESS] to-day, and I presume he is speaking for what we call the "stand-pat" leadership on the Republican side of the Chamber. It would be all right to do that, but to levy a tax upon these incomes of interest and dividends, which in a year of depression are the second greatest in all history, would be an evil proceeding for the Government of the United States.

Mr. President, about three-fourths of the expense of government in this country is local. About three-fourths of the taxes levied are State, municipal, and county taxes. The Federal Government expense is only about one-fourth of all of them. Therefore the big burden is already upon the local and State governments. I can not subscribe to the theory that the American citizen is not a citizen of the United States as fully as he is a citizen of his town, his county, or his State. He is equally a citizen of all, and the Government of the United States owes him the same consideration as do those other governments.

The tax burdens have grown heavy. I picked up a paper from my own State the other day, a paper which fights me viciously all the time. I found page after page of delinquent tax sale advertisements in that county. I picked up a little paper from my own home county and found 24 columns of delinquent tax sales advertised. Each two lines in those columns represented a farm or a piece of town property. Such things were unknown in our country up to the time of this depression, and yet the Senator from Ohio would have us levy more taxes upon those people for the purpose of relieving the starving in the community in order to protect the 1,000,000 of income-tax payers who pay taxes into the Federal Treasury and who all these years have profited enormously.

Things have reached such a stage that at this moment there is a rebellion in 12 counties in the State of Iowa. No State of this Union is more loyal to the flag. No State has more freely contributed to the support of the Government than Iowa. Yet the situation has reached such a stage that in 12 counties where tax sales and foreclosure sales were offered, great mobs showed up with ropes and pitchforks, and nobody would bid upon the sales, either mortgage foreclosure or tax sales. That is the condition of the most loyal people of this whole broad country. It is brought about by this same 1,000,000 Federal taxpayers who pay taxes into the Treasury of the United States.

There is one part of the argument of the Senator from Idaho [Mr. BORAH] with which I do not agree. He says we are not responsible for this condition; that it is beyond our control. I concede that it has reached a stage so that now it is beyond the control of even the men who instigated it and brought it about; but, Mr. President, these conditions, the depression itself, were produced by the misdeeds of those same million taxpayers who pay taxes into the Treasury of the United States. It was those same million men who watered their stocks, who inflated values, and then sold them to the people of the country, robbing them of their earnings and savings, inflating those values in a way unknown in the history of our country or of the world, into a bubble that burst and finally destroyed all our prosperity. It was those same people who loaned the millions of our savings to foreign countries where they are now uncollectible. It was the same people in control of the National Government who made Government loans to foreign countries.

All those things combined, together with laws of discrimination in favor of railroads and against agriculture, in favor of the protected industries and against labor and against agriculture, brought on this greatest depression in the history of the world. The main responsibilty for all of these conditions lies with the same million men whom the Senator from Ohio [Mr. FESS] likes to defend as the income-tax payers of the country, because they have the whole income of the country.

So far as I am concerned, I take a positive delight in taxing that money back to the people where it belongs. I go farther than this matter of mere emergency. I do not care by what name it is called, I do not care how radical it may be pronounced, I say that every citizen of the United States, every able-bodied citizen who is able to work is entitled to a job. I say the $70,000,000,000 national income owes him a job. I say that the same million taxpayers who pay their income taxes into the Federal Treasury have refused to provide that job for him. They are the men who control the business of the country. It is the duty of the Government to provide that job since they have failed.

Nobody believes in a dole as such. I do not want to see a dole provided to keep men in poverty and want. Nobody wants that. But when men are starving they must be fed

until they can get a job. I do not care whether it is called a dole or what it is called, they must be fed, and in the end the final remedy for the situation is to provide them a job. These great taxpayers of the country having mismanaged the economic affairs of the Nation, having created the greatest economic failure in all human history, perhaps are powerless now, having overstepped their bounds, to provide jobs. Perhaps the Government alone is the only institution that can provide the jobs. I therefore am favorable to the road-building measure proposed by Senators on the other side of the aisle. That will help a little through providing jobs for the unemployed—though not much—because it is not strong enough. The Senator from Montana [Mr. WALSH] in his able address yesterday pointed out that the States are spending a billion dollars a year on hard roads. In the last two years they expended more than a billion dollars each year. The Federal Government itself started the hard-road construction program. It started it by saying to the States, "Come along and we will contribute 50 per cent of the construction," but it was only a little while until the same million big Federal taxpayers became dissatisfied with the arrangement, and then they came out to my State and to all the States and organized "road-booster" associations. Those boosters got out and yelled for county bonds and State bonds, for gasoline taxes, and everything that was local, but they never once asked the Congress of the United States for an increase of the Federal appropriation. Finally the chairman of the committee in the House, Mr. DOWELL, got it increased by $50,000,000 up to $125,000,000 two years ago.

During the last two years the States, spending more than $1,000,000,000 for those same roads, got assistance of but $125,000,000 from the Federal Government. The States also spent almost another billion dollars upon secondary, most of which were post roads, and got no aid from the Government. Every one of those roads is an interstate road, every one of those roads is a post road, every one of those roads is a military road for the use of the Government of the United States. Every one of them ought to have been half paid for at least out of the Federal Treasury. But because of this defense of the Treasury in behalf of a few men who contribute to its support, the State appropriations and State expenses have climbed up into the sky while Federal appropriations have remained almost stationary. I would, therefore, like to see a substitute, something in the form of the amendment which will be offered by the Senator from Nebraska [Mr. NORRIS], added to the proposal of the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN], and the two together adopted.

I do not like the Shylock scheme of lending money to somebody in order to relieve starving people in the various States. I think it is an insult and contrary to the real genius of the Government of the United States to lend it on the theory that we will get it back. If we want to lend it to anybody, then let us lend it to the starving people themselves.

So I feel that that portion of the substitute should be eliminated. If that can be done, then, so far as I am concerned, I am ready to vote for the bill as presented by the Senator from Wisconsin, with an amendment that will include a provision for road improvements.

The only objection to the road provision is that it only provides for the expenditure this year of $125,000,000. It all ought to be expended as soon as arrangements can be made, and new roads and new improvements should be inaugurated, so that the Federal Government may come somewhere near paying its half of the construction of hard roads.

The Senator from Ohio said that if we once embarked on this method of contributing aid from the Federal Treasury, then there would be other groups and institutions to come forward and demand relief. Mr. President, I do not care how many groups come forward to ask for Federal relief, if it is just and right that they should have it. It is no excuse for failing to do our duty in one instance that there may arise other occasions perhaps in which we also ought to do our duty.

Think of the great national income we have, anyway, which is available for taxation. It amounts to $71,000,000,000 in times of depression and to $90,000,000,000 in ordinary times of prosperity. That is sufficient to enable us to procure funds with which to perform all our duties; there is not one of them that we need neglect, but we can fail to do our duty and by so doing protect a few big income-tax payers, who number, perhaps, less than a million in the whole United States.

The Senator from Ohio says the groups will become powerful and will be enabled to control the Government. Who, Mr. President, is controlling the Government now? Where does this Government get that sort of inspiration at this time? There is evidence of it on both sides of the Chamber in this discussion. The Government is controlled now by the million big income-tax payers, and they are also the ones who contribute to the campaign funds. I might add that they contribute impartially to both parties; they are nonpartisan all the time, because they want to control both sides of the aisle.

The Senator from Ohio referred to the old argument that there were certain soldiers who resented the enactment of the law providing soldiers' pensions, and cited their attitude as a reason why relief to the unemployed should not be voted. Mr. President, I do not doubt there were some soldiers of that kind, but those soldiers were generally the same big income-tax payers, and their pretended patriotism was a fraud and a sham. They resented the paying of pensions in order to protect their incomes rather than for any patriotic motive. One of the economic crimes of our country has been the refusal to do economic justice to the soldier who was willing to lay down his life for his country. Every time we have been engaged in war we have turned loose the same big income-tax payers; we have let them go out and earn millions and billions out of the blood money of war, and then have come back and said to the soldiers: "You are not patriotic if you demand a pension or an economic reward of your own." I do not belong to that school; I belong to the school that is ready to bring the income-tax payers to the bar of justice and levy taxes upon them in order that there may be distributed amongst the people some of the profits which through the combination of such taxpayers have been unjustly taken from the people.

The Senator from Illinois [Mr. LEWIS] asks where I get the figure of seventy-one billion as being the national income. I get it from the estimate of the National Industrial Conference Board, which is a board of big business men in New York, who are very scientific about the study of these questions, and I have usually found their statistics accurate. Of course, we have the Federal estimates of the national income before the depression, and we had an income of about $90,000,000,000 from 1923, say, up to 1929. That would mean, in ordinary times, an income of $750 for each man, woman, and child in the United States, or $3,750 for each average family of five. This national income is sufficiently great to take care of the present situation, depression and all.

Depressions are a result of the autocratic control of the finances of the country by about 1,000,000 men who pay income taxes into the Federal Treasury. There would be no depression if it were not for the autocratic power that big business has of discharging its men in order to protect its earnings and even, as I have shown, to collect more interest and more dividends in 1931 than in 1928.

I might say also, Mr. President, in this connection that the net income of the United States, the wealth increase, runs about from $15,000,000,000 to $16,000,000,000 a year over a long period and on an average. That gives an index as to how special privileges are given to great combinations of capital. Keeping that idea in mind, our net income, after deducting all our operating expenses, our living, the waste due to competition, and everything else, is only about 4 per cent a year on the capital investment of our country. That is all there is for distribution—a little less than 4 per cent in a series of years.

We have distributed a lot of the income to individuals in a wasteful and extravagant way; they have taken far more than they ought to have taken; there is left about 4 per cent

for capital, and that is all there is left. As that is all we have in this American pool of production for distribution, when a great corporation or a great combination is organized and sent on its way to fight for 5 per cent or 10 per cent or 100 per cent, if it succeeds, it is going to rob some other block of capital, to say nothing of the rights of individuals. The result is, Mr. President, that just a few have succeeded, and they are usually the big combinations.

Former Senator Pepper of Pennsylvania, once a distinguished Member of this body, said that 92 per cent of American business ultimately fails. I fear, Mr. President, that the percentage is going to be a great deal higher than that before the present depression shall be over. Just a few of the great combinations survive and succeed. It is because of such organizations, engaged in economic warfare constantly, that we have these ups and downs of American business.

I will say to the Senator from Illinois that I had placed on the wall of the Senate Chamber a few days ago a chart showing 50 years of American business. In that 50 years there were eight major depressions. The chart was made up by a big business man, Col. Leonard P. Ayres, and there is no doubt about its accuracy. I repeat, there were eight major depressions and seven little ones thrown in for good measure, and during the whole 50 years there could not be found 30 minutes when we were actually normal. We were either going up into the skies of inflation or dropping down into the ocean of depression. It is largely because the Senator from Ohio wants to protect a million big income-tax payers and because we refuse to require justice of them in distributing back the earnings which they take from the people of the country that we are confronted with the situation which exists to-day.

Every corporation organized in any State is a special privilege guaranteed by the law and by the Government itself. It combines men and their capital together and gives them a special power that the individual does not possess. We talk of individuality in the United States. Individuality was buried when corporations were first created. The individual has nothing to say about it; he does not even vote in the corporation; capital alone votes and controls it.

Mr. President, Congress generally does not create the great corporations; they are usually created by State laws; but the Congress permits them to engage in interstate commerce. I have estimated that business transacted in interstate commerce in the United States is more than 85 per cent of the total business of the country and that the profits derived from such business are more than 85 per cent of all profits gained in the United States.

Interstate commerce is under the regulation and control of Congress, but we have not regulated or controlled or said one word about the profits the corporations engaged in such commerce shall charge the people of the United States, first, for the privilege of being combined together in great aggregations, and, second, for the privilege of operating in interstate commerce amongst all our people. We have omitted such regulation entirely, and they have gone ahead, gathered in their earnings from the people of the country, hoarded them, collected them in a few places, and the result has been depression after depression. They cared not, because they could discharge their men and save their fortunes. They broke down agricultural prosperity in order to get cheap raw materials for their factories, and in that way came out in the end with greater fortunes than they had in the beginning.

Much has been said here about the ability of the great cities to take care of their unemployed. I am not going to dispute that such is the case. I think the city of Cleveland is very able to take care of its unemployed. If we levied a Federal tax, I think the city of Cleveland would pay of that Federal tax, with its big income-tax payers and great assets, more than it would get back; I think there can be no doubt of that; but a large part of those men are contributing nothing to private charity.

Mr. President, I feel, anyway, that private charity is a disgrace to a country such as the United States of America. With its normal $90,000,000,000 of national income we ought to have no use for a Red Cross at all; our people ought to be employed so that there will be no necessity for charity of that kind; and they would be employed if adequate taxes were properly levied and properly distributed back to where they would protect all the people.

The State of New York, it is said, pays 30 per cent of all the taxes received by the Federal Treasury, but those taxpayers of the State of New York consist of a few hundred thousand individuals, and those same few hundred thousand individuals, who pay their tax into the Federal Treasury, are earning profits off the people of the whole country; their businesses operate everywhere; and yet they settle down in Westchester or some other place far removed from the suffering and starvation which we find all over the country. But the Senator from Ohio thinks it is a bolshevistic proceeding if we tax them in order to relieve the same people whom they have robbed of their earnings by this process.

Mr. FESS. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Ohio?

Mr. BROOKHART. I yield.

Mr. FESS. There are 33 letters from cities in the State which the Senator so ably represents in the Senate. The letters were written in answer to Senator LA FOLLETTE's inquiry. Of the 33, 23 are openly opposed to what the Senator is now advocating; 4 of the 33 are for it and 6 are noncommittal. Does that represent bolshevism?

Mr. BROOKHART. Yes; that represents Mussoliniism. [Laughter.] Of the two and a half million people in Iowa, I think probably there would be found about half a million of them who pay the principal part of the taxes, who might take the Senator's view on this subject. There would be two million on the other side of the matter.

It is not any trouble for these 1,000,000 big income-tax payers to reach out in the State of Iowa and every other State and secure the assistance of little financial leaders everywhere. We have only about a dozen big financial men in the whole State, although we produce more out of the soil than any other spot on this big, round world.

Mr. FESS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Ohio?

Mr. BROOKHART. Yes; I yield.

Mr. FESS. These cities are represented by their mayors. I should think the mayor of a city would be a responsible person; and the cities are the best in the State of Iowa, as the Senator will note, including the university city of Ames, the city of Cedar Rapids——

Mr. BROOKHART. That is the worst city we have. That Cedar Rapids gang is the worst gang in the State.

Mr. FESS. Council Bluffs, Des Moines, Fort Dodge, Keokuk, and cities of that sort. I think the Senator's town is Ottumwa.

Mr. BROOKHART. The Senator is entirely mistaken. I do not live in any town. I live out in the country.

Mr. FESS. The Senator lives near a town.

Mr. BROOKHART. Yes; but I live in the country.

Mr. FESS. We would know that.

Mr. BROOKHART. The Senator can tell that by looking at me.

So, Mr. President, we have our standpatters in Iowa just as they have in Ohio; but they are not as numerous in Iowa as they used to be, and they are not as numerous in Ohio as they used to be.

I was just down in the State of Ohio. In a great hall out there, I faced 5,000 soldiers, most of them unemployed, demanding the cash payment of the bonus which the Government has admitted it owes them. I know that those were just as honest people as any people in this world. I know that they served their country faithfully; and, as far as I am concerned, in addition to this relief, here is one of the evil things the Senator predicted that I want to propose right now. I am ready to pay every one of them that bonus out of the Treasury of the United States.

Mr. FESS. There is no doubt about that. I knew the Senator would be.

Mr. BROOKHART. Mr. President, in Iowa, for instance, there is a big syndicate of newspapers, the Lee syndicate. It is a Wall Street crowd. It is financed and controlled by the big crowd so as to influence public sentiment. If the Senator from Ohio wants to find out what genuine Republicanism is in Iowa, who is a genuine, reliable Republican, he ought to go down to the Davenport Times, the biggest one of this Lee syndicate, and he ought to talk there to E. P. Adler, and he will get the genuine, Simon-pure stuff. Then if the Senator from Ohio wants to find out what is a genuine, Simon-pure Democrat, let him walk two or three blocks across to the Davenport Democrat and talk to the same E. P. Adler. [Laughter.]

That is the situation in the United States Senate. Here is the Republican whip on this side of the Chamber standing up for this million of Wall Street taxpayers. "We must not touch them. They are sacred. It is against the Constitution and morality and everything else to tax those fellows, and their $2,000,000,000 is not a dole." Then the leader of the Democracy, on the other side of the aisle, gets up and joins right in with the Senator from Ohio. [Laughter.]

It is this bipartisan economic situation that I am ready to overthrow in the United States. It has ruined my State, in spite of those newspapers. They have helped do it. It has ruined the common people of every State in the Union. We generally talk about New York and put the blame on New York, but only a little part of New York is to blame—only Westchester and Wall Street and a few places like that.

The common people of New York are just like the common people of every other State. I met them face to face. I have talked over these problems with them. I know that they feel the same way about them that they do in the State of Ohio and in the State of Iowa; and I hope they are going to be pretty well represented in the United States Senate in the vote on these bills. At any rate, Mr. President, this plan of keeping the Government out of taking care of its own people is the most sinister foundation for autocracy that has ever been laid in any country of the world. That is where it leads. It means the end of our democracy if the people of this country can not talk directly to their Government and ask them for the relief to which they are justly entitled.

The Senator from Ohio thinks this thing ought to be done by community drives. Mr. President, this matter of an organized community drive is the most demoralizing idea ever developed in any country in the world. This thing called private charity weakens the moral power of every person who has to ask for it. You may have no rights of charity against your neighbor. He may not have robbed you of anything. There may be no just claim for him to put up charity to you; but when the Government of the United States permits great, organized corporations to take charge of its interstate commerce, when the Government of the United States levies tariffs to protect the great industries of the country, when the Government of the United States passes a railroad law and puts into that law a command to its commission to give a return of 5¾ per cent upon the capital investment, and that fixed with seven billion or more dollars of water; when the Government of the United States passes a $2,000,000,000 bill, appropriating at once $500,000,000 of it out of the Treasury to relieve these railroads and to relieve these banks; when the Government passes a reserve bank law that creates a great banking institution overhead with a reserve board appointed by the President and confirmed by the Senate—when the Government of the United States does these things for a few of a privileged class in the United States it is a disgrace on that Government to permit a situation where a community drive of charity will have to be organized at all. That Government, with this great national income of from seventy to ninety billion dollars, owes it to those people to see that they get their share of it for the work they do; and it owes a job to every man who is willing to work and able to work. Of course, those who can not work must be cared for otherwise.

The big things of this country are mostly in the National Government. There are only a few States that have them. There are about 10 States that would not get back on this kind of a tax as much as they have paid. There are about 10 of them that would pay the excess that was necessary for the other States. Even Ohio is not one of those 10. I figured out this bonus; and if that were paid, the State of Ohio would get $10,000,000 more than it would cost that State. There are, however, 10 States that would pay more. Those are the same 10 States where these 1,000,000 big income-tax payers live, and they are the ones who take the profits from the people of the whole country. It is not right to say the 10 States pay it; the million profiteers would pay the taxes.

American civilization can not go on, we can not continue forever forward in this direction that has destroyed agriculture, dragged it down, brought 30,000,000 people to the verge of bankruptcy, turned seven or eight million men out of their jobs, and said to them, "Look to the Red Cross or look to a community drive for jobs and for something to eat." That can not go on in this country. I say to the Senator from Ohio that when he hears from the people of his State in the next election, the theory that he has advocated here to-day will be repudiated by a majority that he can scarcely count.

The VICE PRESIDENT. The question is on the first committee amendment.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Kean	Robinson, Ind.
Austin	Cutting	Kendrick	Schall
Bailey	Dickinson	Keyes	Sheppard
Bankhead	Dill	King	Shipstead
Barbour	Fess	La Follette	Smith
Barkley	Fletcher	Lewis	Smoot
Bingham	Frazier	Logan	Steiwer
Black	George	McGill	Stephens
Blaine	Glass	McKellar	Thomas, Idaho
Borah	Glenn	McNary	Thomas, Okla.
Bratton	Goldsborough	Metcalf	Townsend
Brookhart	Gore	Morrison	Trammell
Broussard	Hale	Moses	Tydings
Bulkley	Hastings	Neely	Vandenberg
Bulow	Hatfield	Norbeck	Wagner
Byrnes	Hawes	Norris	Walcott
Capper	Hayden	Nye	Walsh, Mass.
Caraway	Hebert	Oddie	Walsh, Mont.
Carey	Howell	Patterson	Waterman
Coolidge	Hull	Pittman	Watson
Copeland	Johnson	Reed	Wheeler
Costigan	Jones	Robinson, Ark.	White

The VICE PRESIDENT. Eighty-eight Senators having answered to their names, a quorum is present.

The question is on agreeing to the first amendment of the committee, which the Secretary will report.

The CHIEF CLERK. The first amendment of the Committee on Manufactures is, on page 5, line 20, after the word "apportioned," to insert the words "or allocated," so as to make the subdivision read:

(c) The amounts apportioned or allocated to any State under this act shall be available for payment to and expenditure by such State, for the purposes of this act, until the expiration of two years after the date of enactment of this act; except that at the expiration of the calendar year 1932, if the amount certified prior to the expiration of such year for payment to any State out of amounts apportioned on the basis of population under this act in the manner hereinafter provided is less than one-half of the total amount apportioned to that State on the basis of population, the difference between the amount so certified and one-half of the total amount apportioned shall be added to the reserve fund and shall be available for allotment to the several States on the basis of need.

Mr. COSTIGAN addressed the Senate. After having spoken for nearly half an hour,

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Oregon?

Mr. COSTIGAN. I yield to the Senator from Oregon.

(Mr. COSTIGAN's speech is published entire in the issue of February 11.)

EXECUTIVE SESSION

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. Reports of committees are in order. If there be no reports of committees, the calendar is in order.

FEDERAL FARM BOARD

The Chief Clerk proceeded to read the nominations of members of the Federal Farm Board.

Mr. McNARY. For the day, I ask that these nominations may go over.

The VICE PRESIDENT. The nominations will go over.

TREASURY DEPARTMENT

The Chief Clerk read the name of Ogden L. Mills, of New York, to be Secretary of the Treasury.

The VICE PRESIDENT. The question is, Shall the Senate advise and consent to the nomination?

Mr. NORRIS. Mr. President, I have no objection to the confirmation of Mr. Mills, but it seems to be an appropriate opportunity to make a few remarks in regard to the resignation of his predecessor and his appointment as ambassador to Great Britain.

When Mr. Mellon was appointed as our ambassador to the Court of St. James President Hoover issued a statement which was printed in all the newspapers of the country. In it the President gave as his reason for appointing Mr. Mellon to that post that, under world conditions as they now exist, he needed the greatest mind and the greatest statesman he could find anywhere to fill that place. He said, practically, that under existing conditions a superman was needed at the Court of St. James to represent us as our ambassador, and, in effect, gave that as a reason for the appointment of this great statesman to fill that place.

When I read the President's statement, assuming that he meant what he said and realizing that Mr. Dawes had just retired from the position which was being filled by the appointment of Mr. Mellon, I wondered what Mr. Dawes thought of that statement. I wondered if in taking his place as the head of the great Reconstruction Finance Corporation which we have set up Mr. Dawes fully realized that he had been demoted, and that the reason for his demotion was that he did not measure up to the standard outlined by the President when he appointed Mr. Mellon. Subsequent events following rapidly convinced me that President Hoover in addition to his other great qualities is also a great humorist and that Will Rogers will have to look well to his laurels. It seemed from the statement of the President as to the qualifications under existing conditions necessary for our ambassador to Great Britain that really to have the position filled properly he ought to have resigned and have accepted the position himself.

Soon after this appointment was made we really saw, as the whole country saw, what seemed now to be the admitted condition of things, and could understand why Secretary Mellon was transferred from the great and responsible position which he had so long held to this one of lesser responsibility, because, as we all know, our ambassadors aside from their social activities are merely figureheads. The Secretary of State cables the ambassador that he must present a communication to the government to which he is accredited and then proceeds to dictate just what he shall say. The ambassador copies it, signs it, and presents it. When he receives the answer he remains perfectly silent until he has cabled the answer to Washington and Washington has cabled him back and told him just exactly what he shall say. So, as a matter of fact, one of the bright boys acting as a page, disregarding, as I have said, the social requisites of an ambassador, could perform the duties equally well with the "greatest Secretary of the Treasury since Hamilton."

That reminds me, Mr. President, that a noted Pennsylvanian a year or two ago wrote a book in which that phrase was first used. In that book he said, "Mr. Mellon is the greatest Secretary of the Treasury since Alexander Hamilton." When I read that eulogy I wondered why he excepted Hamilton, because everybody knows that Secretary Mellon has a distinction and the honor that has come to no other man on earth—he has had the honor of having three Presidents serve under him. [Laughter.]

Mr. BARKLEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Kentucky?

Mr. NORRIS. I yield.

Mr. BARKLEY. The Senator is aware of the fact, I presume, that that appellation or description has been changed. Instead of Mr. Mellon being described as the greatest Secretary of the Treasury since Hamilton, he is now described as the greatest Secretary of the deficit since Hamilton.

Mr. NORRIS. Well, I still think the first appellation was probably appropriate, and I think the other one is also appropriate. He has been the greatest Secretary of the Treasury in prosperity and the greatest Secretary of the Treasury, so far, in depression.

Mr. President, soon after the nomination was made the newspapers began to say that the reason Secretary Mellon was appointed was because he was unable longer to perform the duties of his arduous office, and they went so far as to comment editorially on the fact that for some time he had not, as a matter of fact, been doing anything in the office, but that the work had been performed by Mr. Mills, and in order to give Mr. Mellon an easy job and let him down lightly, and to treat him with respect, he was given the position of ambassador to London.

Mr. President, I can not help but sympathize with Mr. Mellon, after his distinguished services; and I can not help but say, "Poor Andy." After he has been in command of the great political forces of three different Presidents, to be thus cast aside and pushed off his throne is something that, in my judgment, ought not to occur. Poor Andy!

A bright newspaper man last night over the radio told us that Mr. Dawes had left his knee breeches over in London, and that Andy was going to wear them when he got over there. Think what a spectacle he would present standing on his diminutive pipestems in Dawes's breeches in the presence of aristocracy in the greatest diplomatic center on earth! [Laughter.]

A great man once said that anyone who could make two blades of grass grow where only one grew before was a benefactor of the human race. My judgment is that Andy will not wear Dawes's breeches, but, following in the pathway of the man who made two blades of grass grow where one grew before, he will take a pair of his trousers and cut them in two slightly above the knee and thus have two pairs of trousers where only one existed before.

At least, Mr. President, it seems to me, under all the circumstances, that the President has not treated this man with the respect with which one of his long service ought to be treated, in trying to get rid of him in the manner that has been represented to the public by the knowing ones, who freely talk behind closed doors as to the reason why this great change has been made.

The PRESIDENT pro tempore. The question is, Shall the Senate advise and consent to the nomination of Ogden L. Mills to be Secretary of the Treasury?

Mr. LEWIS. Mr. President, I am requested by the Senator from Louisiana [Mr. LONG] to deliver a message at this point. He desires that I shall say to the Senate in his absence that, with or without a record vote, he desires to be recorded as opposing the confirmation of Mr. Mills. I do not know his reasons.

The PRESIDENT pro tempore. The question is, Shall the Senate advise and consent to the nomination of Mr. Mills? [Putting the question.] The ayes have it, and the Senate advises and consents to the nomination; and the clerk will note in the Journal the objection of the Senator from Louisiana.

UNDER SECRETARY OF THE TREASURY

The Chief Clerk read the nomination of Arthur A. Ballantine, of New York, to be Under Secretary of the Treasury.

The PRESIDENT pro tempore. The question is, Shall the Senate advise and consent to the nomination of Mr. Ballantine? [Putting the question.] The ayes have it, and the nomination is confirmed.

Mr. SMOOT. Mr. President, I ask unanimous consent that the President may be notified of the confirmation of the nomination of Ogden L. Mills, of New York, to be Secretary of the Treasury, and of Arthur A. Ballantine, of New York, to be Under Secretary of the Treasury.

The PRESIDENT pro tempore. Is there objection.

Mr. NORRIS. I object.

The PRESIDENT pro tempore. Objection is made.

THE JUDICIARY

The Chief Clerk read the nomination of Charles A. Patton to be United States marshal, district of Colorado.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

INTERNAL REVENUE BUREAU

The Chief Clerk read the nomination of Gerald A. Jewett to be collector of internal revenue, district of Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

CUSTOMS SERVICE

The Chief Clerk read the nomination of Fred A. Bradley to be collector, customs collection district No. 9, Buffalo, N. Y.

Mr. COPELAND. I ask that action on this nomination be deferred.

The PRESIDENT pro tempore. The nomination will be passed over.

POSTMASTERS

The Chief Clerk proceeded to read the nominations of sundry postmasters.

Mr. ODDIE. I ask that the postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, all nominations of postmasters on the calendar will be confirmed en bloc. That completes the calendar.

RECESS

Mr. McNARY. Mr. President, the junior Senator from Colorado [Mr. COSTIGAN] very generously yielded for this executive session. I hope he may be recognized in the morning; and, as in legislative session, I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 4 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Thursday, February 11, 1932, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 10 (legislative day of February 5), 1932

SECRETARY OF THE TREASURY

Ogden L. Mills to be Secretary of the Treasury.

UNDER SECRETARY OF THE TREASURY

Arthur A. Ballantine to be Under Secretary of the Treasury.

UNITED STATES MARSHAL

Charles A. Patton to be United States marshal, district of Colorado.

COLLECTOR OF INTERNAL REVENUE

Gerald A. Jewett to be collector of internal revenue, district of Iowa.

POSTMASTERS

ALABAMA

Clarence N. Anderson, Silverhill.

CONNECTICUT

Alfred A. Barrett, Berlin.
Clifford B. Reed, Collinsville.
William B. Simon, New Canaan.
Minnie Rosenblatt, Newington.
Walter B. Palmer, Old Greenwich.
Albert E. Wellman, Torrington.

NEBRASKA

Ross D. Rash, Gordon.
Merwyn C. Johnson, Hyannis.

PENNSYLVANIA

Harold Coburn, Allison.
Stanley L. Bechtel, Bally.
Daniel K. Miller, Birdsboro.
Wayne M. Culley, Burgettstown.
William W. Latta, California.
William McCandless, Catasauqua.
John K. Hagerty, Chester.
Frank U. Armstrong, Cheswick.
Harry O. Campsey, Claysville.
Harry M. Logan, Conshohocken.
Joseph A. Lawrence, Danville.
Millard F. Hauser, Delaware Water Gap.
Samuel A. Morrison, Delmont.
Oscar W. Welsh, Douglassville.
Charles R. Kschinka, Dushore.
George V. Glenn, East Butler.
Haydn E. Lupold, East Petersburg.
Mary S. Moore, Everson.
Cletus L. Goodling, Farm School.
Arthur D. Garber, Florin.
Roy R. Rhodes, Freedom.
Charles O. Wescoe, Fullerton.
Lemuel N. Ammon, Gap.
Warren R. Grove, Greencastle.
William R. Smith, Harmony.
Benjamin F. Jenkins, Jeannette.
George J. Thumm, Lansdale.
Caddie L. Greth, Laureldale.
Anna W. Kerr, Lincoln Place.
Rhea L. Moyer, Macungie.
John L. Coldren, Manheim.
Henry B. Haines, Maytown.
Mabel G. Wetzel, Middleburg.
Harry J. Bearer, Monessen.
William S. Durham, Mont Clare.
Phares S. Auxer, Mountville.
Albert P. Malkin, Nemacolin.
William E. Marsden, Nesquehoning.
Edwin Zimmermann, Newmanstown.
Clinton B. White, New Wilmington.
Bert D. Stephens, Nicholson.
Anna C. Young, North Hills.
David B. Seasholtz, North Wales.
Lewis M. Krebs, Port Carbon.
Howard Sterner, Richlandtown.
Eranious E. Bentel, Rochester.
Luther P. Ross, Saxton.
John N. Backenstose, Schaefferstown.
Eberhard D. Smith, Sellersville.
Calvin S. Leitner, Sheridan.
Richard L. Harpel, Sinking Spring.
Edward W. Workley, Smethport.
Peter L. Rohrer, Smoketown.
Frank G. Jones, Spartansburg.
Robert E. Frech, Stowe.
Charles F. Wenrich, Wernersville.
Helen L. Chaffee, Wesleyville.
Wayne Elliott, West Chester.
John G. McCune, West Newton.
Carl H. Borgeson, Wilcox.
Philip Shay, Williamsport.
J. Mateer Pollock, Wilmerding.
Edwin K. Bedortha, Woodville.
Harry N. Yost, Wyomissing.
Susanna S. Hartman, Yardley.

TEXAS

Charles E. Smith, Kerens.

WISCONSIN

John Meili, Alma.
Laurence J. Lane, Blackcreek.
Carl L. Christianson, Bloomer.
Thomas A. Lowerre, Delafield.
Harry E. Garbisch, Dorchester.
Albert C. Holmes, Evansville.

Anna J. Johnson, Fair Water.
Dell Q. Grabill, Fort Atkinson.
William G. Froehlich, Glenbeulah.
Wilfred D. Zeirke, Hartland.
Edward C. Rehfeld, Horicon.
Thomas A. Walby, Hudson.
Eugene B. Williams, Hurley.
Norma A. Rheingans, Jackson.
Lawrence W. Daniels, Kansasville.
Frank A. Hanson, Kewaunee.
Walter F. Martin, Mukwonago.
Nellie I. McGill, Oregon.
George W. Rickeman, Racine.
Emil G. Prellwitz, Ripon.
Walter C. Anderson, Rosholt.
Harry E. Thomas, Sheboygan.
Walter F. Dietlein, Sheldon.
Leo A. Brzezinski, Sobieski.
Henry J. La Grandeur, Somerset.
Mourits Mortenson, Stratford.
Harlow G. Hoag, Tomah.
Ernest W. Meredith, Union Grove.
Lewis H. Cook, Wausau.
Melvin H. Schlytter, Wittenberg.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 10, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art absolutely pure, breathe into our souls a love for Thee, for one another, and for mankind. Thou who art marvelous in mercy, in patience, and in long suffering for our sake give us a deeper insight into Thy holy nature. If any are adverse to one another, be their friend; if the shades of trouble are about, be their light; if others are stingy of their joys, be our comforter; if there is no compass to direct the way, be their leader. Bless us abundantly that our souls may be rich in God. Do Thou answer every longing for knowledge, every yearning for wisdom, and all that springs forth from hearts overflowing with love. So direct us in the labors of this day that we shall not look back upon it with any vain regret. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

JULIA FARRELL

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The SPEAKER. The gentleman from North Carolina offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 134

Resolved, That there be paid out of the contingent fund of the House of Representatives to Julia Farrell, widow of Thomas F. Farrell, late an employee of the House, an amount equal to six months' compensation and an additional amount, not exceeding $250, to defray funeral expenses of said Thomas F. Farrell.

The resolution was agreed to.

INVITATION TO CONGRESS TO ATTEND CELEBRATION AT ALEXANDRIA, VA., FEBRUARY 22

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Speaker, on behalf of my colleague, Judge SMITH, who represents the Alexandria district, I desire to transmit to Congress an invitation from the George Washington Birthday Association, of Alexandria, Va., to attend their ceremonies on the afternoon of February 22, 1932, at 2.30 p. m. They will be glad to have the Members and their friends attend these ceremonies.

Mr. Speaker, I ask unanimous consent that the letter of invitation may be printed in the RECORD at this point.

The SPEAKER. Is there objection?

There was no objection.

The letter referred to follows:

THE GEORGE WASHINGTON BIRTHDAY ASSOCIATION,
Alexandria, Va., January 19, 1932.

To the HOUSE OF REPRESENTATIVES,
Washington, D. C.

GENTLEMEN: Alexandria, Va., celebrates on February 22, 1932, the bicentennial of the birth of Gen. George Washington.

Following a custom of very long standing, a parade of military, civic, and fraternal units will be held at 2.30 p. m. on that day.

It is our pleasure to extend to your honorable body an invitation to be the guests of our association and lend your presence to the fitting observance of the birth of our illustrious citizen.

Yours very respectfully,
GEORGE WASHINGTON BIRTHDAY ASSOCIATION,
By M. E. GREENE, *Secretary.*

AMENDMENT OF THE RADIO ACT OF 1927

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

Mr. DAVIS (when the Committee on Merchant Marine, Radio, and Fisheries was called). Mr. Speaker, I call up the bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, which is on the Union Calendar.

The SPEAKER. The gentleman from Tennessee calls up a bill, which the Clerk will report by title.

The Clerk will read the title of the bill.

The SPEAKER. This bill is on the Union Calendar.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7716, with Mr. GLOVER in the chair.

The Clerk read the title of the bill.

Mr. DAVIS. Mr. Chairman, this is a rather lengthy bill, and so far as I know there is no opposition to it. I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Tennessee is recognized for one hour.

Mr. DAVIS. Mr. Chairman, this bill, H. R. 7716, amends the radio act of 1927, approved February 23, 1927, in several different particulars, and also has an additional provision which I shall later discuss.

The Committee on the Merchant Marine and Fisheries in the last Congress unanimously reported a bill embracing substantially the same provisions as are contained in the first 12 sections of this bill, and the bill as reported unanimously passed the House. The bill in substantially the same form was reported by the Senate Committee on Commerce, but never did come up for action in the Senate.

The first 12 sections of this bill embrace various amendments to the merchant marine act of 1927, designed to clarify and simplify administrative, procedural, and appeal matters.

As we are all aware, both the science and the industry of radio has developed very rapidly, more so than any other industry we have had. While the 1927 law apparently covered the situation which could then be foreseen, yet in the light of actual experience, as well as scientific and other developments, it is made apparent that it will very much help the situation, promote efficiency, more orderly administration, and more fully protect the rights of all interested if the law is amended as proposed in this bill.

The bill, in its entirety, has the unqualified indorsement of the Federal Radio Commission and their counsel.

With respect to appeals, for instance, the provisions dealing with that subject in the original act were rather general in their terms, and it developed that questions arose that resulted in a difference of opinion as to interpretation. In these proposed amendments we follow substantially the same procedure with respect to administration and appeals as is provided in the interstate commerce law, in so far as it may be made applicable.

To go somewhat more into detail, I will state that none of the provisions referred to change substantive law relating to radio. It is more a change of language and of method than anything else.

Taking up the first section of the bill, this is simply a proposed amendment to insert the words "the jurisdiction of" before the words "United States," in line 8, page 1.

Then, in section 2, there are excluded from the zone system and the equalization provision of the act the Virgin Islands, Porto Rico, Alaska, Guam, Eastern Samoa, and the Hawaiian Islands, for the reason that it is considered they were so far removed from continental United States that they can be assigned facilities that will more fully provide for them, and at the same time not interfere with the stations in the United States. However, the law in all other respects is made applicable to these Territories and possessions of the United States.

Mr. PARSONS. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. PARSONS. What change is made in the zoning of the States of the Union?

Mr. DAVIS. None whatever.

Mr. PARSONS. In what respect is this bill different from the previous zoning provision?

Mr. DAVIS. There is no difference whatever, except to exclude these island possessions and Territories of the United States, together with Alaska, from the application of the zone and equalization provisions.

Mr. BLANTON. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. BLANTON. I was hopeful that the gentleman and his committee would consolidate the Radio Division in the Department of Commerce with the Federal Radio Commission and have one radio bureau or activity of the Government.

Mr. DAVIS. I wish to state to the gentleman from Texas that I am fully in accord with his idea, and the Committee on Merchant Marine and Fisheries in the last Congress unanimously reported such a bill transferring the Radio Division to the Radio Commission, and it unanimously passed the House. Such a bill has passed the Senate at this time and has been referred to our committee, but we did not include that in this bill for the simple reason that opposition has developed to it and we wished first to put through what we conceive to be an important bill, without any highly controversial features in it.

Mr. BLANTON. I hope the gentleman will bring out and pass that Senate bill to consolidate, because you now find the anomalous situation where the Radio Division of the Department of Commerce, for instance with respect to matters in Texas, will send its inspectors from New Orleans to Texas to inspect radio stations, and they make complaints not to their division but to the Federal Radio Commission, and then you have the Federal Radio Commission, a bureau entirely distinct from the one making the complaint, holding the hearings on such complaints.

Mr. DAVIS. In my opinion, there is no question but that placing the radio division under the Federal Radio Commission would make for both efficiency and economy.

Mr. BLANTON. Both efficiency and economy; yes.

Mr. DAVIS. And better cooperation.

Mr. BLANTON. May I ask the gentleman one further question? In my judgment there ought to be some steps taken to provide proper radio stations in the different parts of the State outside of the big cities. The big cities are gobbling up all of the stations of any importance. For instance, in my State, the big State of Texas, the large cities of San Antonio and Houston and Dallas and Fort Worth are gobbling up all the big stations, and you find it almost impossible to get a station away from them that is over 250-watt power.

Mr. DAVIS. Of course, that is a matter well worthy of consideration, but does not relate to the provisions of this bill.

I may say in passing, however, naturally one reason the larger stations go to the cities is because it is necessary for the radio station to furnish an acceptable program to the public, and naturally there is more talent and more support for a station in a city than there is in a small town.

Mr. BLANTON. But I am sure the gentleman does not think along the lines only of the city population and forget the country population.

Mr. DAVIS. I think my attitude on that question is pretty well known to the older Members of the Congress. I have made a fight for years for an equal distribution of broadcasting facilities between all the zones and between all the States within a zone. [Applause.] I had the honor of preparing and introducing a bill, which Congress by a very large majority passed, designed to insure that situation. Of course, we all admit that the situation is not perfect, but we are all working to that end, and hope that the Federal Radio Commission will.

Unless there is a desire on the part of the Members to hear a detailed explanation of this bill, I shall not take the time to do that. The report is available, and the report does make an explanation of each provision of the bill.

Mr. TILSON. Will the gentleman yield?

Mr. DAVIS. I yield to the gentleman from Connecticut.

Mr. TILSON. Will the gentleman, in just a brief word, tell us what the difference is between the present law and what is contemplated by the present bill; in other words, what is the crux of the change that it is proposed to make?

Mr. DAVIS. As I have just stated, the chief changes are amendments clarifying and making more definite, and we think more efficient, the provisions in the law with respect to administration and procedure on appeal.

Then, in addition to that, we have made the change that I have noted with respect to our island possessions and Territories.

The amendment to section 3 provides for a fixed term for the chairman, instead of leaving it indefinite, and also provides for a vice chairman to perform the functions in the absence of the chairman.

Section 4 of the bill amends paragraph (f), section 4, by omitting the words "in the character of emitted signals," and inserting after the word "unless," in the sixth line, the words "after a hearing." Those omitted words do not properly belong in that paragraph, and besides they have fallen into disuse. The other change requires a hearing in the case stated.

Paragraph (k) of section 4 is amended by setting forth more particularly the procedure under which the commission shall conduct the hearings. The amendment authorizes the holding of public hearings and provides that they may be held at any designated place.

Mr. TILSON. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. TILSON. I would like to ask the gentleman whether in this bill there is contemplated any drastic or revolutionary change in the law.

Mr. DAVIS. No; there is no change in the substantive law, unless section 13 might be so termed, which provides that no person shall broadcast a lottery, gift enterprise, and so forth.

Mr. STAFFORD. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. STAFFORD. Is it the desire of the gentleman to explain amendments in answer to interrogatories as we go along, or would he prefer to wait until the bill is taken up under the 5-minute rule? I wish to direct at some time an inquiry as to paragraph (k), section 4, authorizing employees of the commission to take testimony rather than have it confined to the commissioners, examiners, and officials.

Also as to that particular change in the administrative law exempting witnesses from the defense that the testimony will incriminate them. For instance, declining to testify on the ground that it might incriminate them and relieve them of the liability if they do so testify.

Mr. DAVIS. That is in accord with the laws and regulations in other activities—for instance the Interstate Commerce Commission—in their investigations.

Mr. STAFFORD. Would the gentleman prefer to have the inquiries made under the 5-minute rule?

Mr. DAVIS. It is agreeable to me to do so. I have intimated that I would not take the time in entering into detail explanations unless it was so desired. It seems that it is desired, from the inquiries being made, and therefore I shall be glad to proceed.

Mr. HORR. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. HORR. I would like to ask the gentleman whether or not it was in the minds of the committee, and they had any deliberations on the granting of wave lengths?

Mr. DAVIS. This bill does not change the fundamental law upon that subject.

Mr. HORR. Then that was not an object of deliberation on the part of the committee?

Mr. DAVIS. No; not in connection with this particular bill.

Mr. HORR. The object of my question was whether it had been brought to the attention of the committee that one or two companies have absolute control of the air in my region?

Mr. DAVIS. I will state that these matters have been before the committee many times, and several years it reported to the House a resolution directing the Federal Trade Commission to investigate the subject of radio monopoly. The resolution was adopted; the Federal Trade Commission made an exhaustive report, and so forth.

Mr. HORR. The most recent demonstration has been brought to the attention of the committee where the National Broadcasting Co. has attempted to form a new chain, which, if completed, will control 75 per cent of the airways on the Pacific coast.

Mr. DAVIS. I think it is true now that the chain stations already control more than 75 per cent of the cleared channels.

Mr. PARSONS. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. PARSONS. The gentleman has alluded to other considerations than this measure.

Does the committee contemplate bringing in future bills which will have to do with the assigning of wave lengths, or in any way creating a monopoly in the control of the air by certain chain stations?

Mr. DAVIS. I will say that the committee contemplates giving further consideration to various subjects relating to radio, but I am not prepared to state whether the committee will bring in bills. I can not speak as to that.

Mr. PARSONS. That has not been under consideration by the committee as yet?

Mr. DAVIS. Well, those particular features have not been considered this session by the committee, but they have been under consideration by members of the committee, including the chairman, and the chairman is now preparing an additional radio bill.

Resuming the explanation of the pending bill, section 5 is a little different from the other matters I have discussed. This authorizes the commission to require painting or illumination—it is misprinted in the report—illumination of radio towers if in its judgment such towers constitute, or may constitute, a menace to air navigation. I think the purpose of that is manifest. It is simply for the protection of public life, and as the Federal Radio Commission has jurisdiction over broadcasting stations and their apparatus, it is the proper body to regulate that subject.

Section 6 amends section 9 by eliminating the Territories and possessions from the zone system, as was done in section 2 in another connection, to which I referred.

Section 7 amends section 10 of the act by clarifying the purpose of the first sentence in the section. Provision is also made for the issuance of license renewals and modifications, without formal written application in cases of emergency, but for terms no longer than three months. This latter provision is incorporated in order to cover emergency permits to vessels at sea.

Now, with respect to the first sentence referred to under the present law it is not specifically provided that the Radio Commission may suspend a license, and there has been quite a controversy as to whether the right to suspend was included in the higher right to revoke, and so forth. So in order that it may be clarified, we amend it so as to include the word "suspend," and for the further reason that the commission says it is frequently in the interest of justice that they be permitted to suspend rather than to revoke a license, because the offense may not be sufficient to warrant revocation, and also they may not be acquainted with all the facts, and they may desire to simply suspend the operation of the station until they have sufficient time within which to obtain all the facts.

Mr. SWING. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. SWING. Under this power of suspension I would like to know whether the gentleman and his committee favor constituting the Federal Radio Commission a censor of language and the truth of statements made over the radio, or whether or not that ought to be left to the States under laws similar to those governing libel and slander and indecent publications.

Mr. DAVIS. The present radio law specifically provides that the Radio Commission and broadcasting stations shall not have the right of censorship. However, I want to state that some confusion has arisen in the public mind on this ground. They have refused to grant renewal of licenses perhaps because that station was broadcasting speeches or material which the commission conceived to be distasteful to a large portion of the public. The Supreme Court has held that that is not censorship; that they do not censor; they do not pass upon anything as broadcast; but when a station over a period of time has been permitting the broadcasting of programs of any kind, that the commission has a right to take that into consideration in determining whether or not a renewal of that license is in the public interest or necessity.

Mr. SWING. They also suspend. The Federal Radio Commission, for all practical purposes, does exercise the power of censorship, and I would like to know whether the gentleman favors that?

Mr. DAVIS. The gentleman is not in agreement with the Supreme Court in its interpretation in that regard.

Mr. LINTHICUM. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. LINTHICUM. Is there any provision for an appeal from this suspension?

Mr. DAVIS. Oh, yes. I will say to the gentleman from Maryland that one of the provisions of this bill makes it definite and specific that any aggrieved party or interested party shall have the right of appeal from any action of the commission. That is not clear under the present law.

Mr. LINTHICUM. Should there not be some provision by which a station could give bond and then appeal, to determine this question? When they are once suspended that practically ruins the station forever. It seems to me if there was some provision by which they could give bond until they had a hearing upon the appeal, it would be better.

Mr. DAVIS. Well, they may now, under certain conditions, but even after this bill is enacted they may, which, however, is within the discretion of the court to which the case is appealed.

Mr. LINTHICUM. If a station is suspended for a couple of weeks, it is very difficult for it to take its position again.

Mr. DAVIS. Well, it is not nearly as difficult as it would be if the commission revoked their license, which they now have the right to do.

Mr. BECK. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. BECK. The gentleman has referred to the fact that there is a right of appeal, which is ample security to any licensee against improvident action by the Radio Commission; but is it not a fact that the right of appeal is denied upon that which is the most important element of such

controversy, namely, the question of fact? I can appreciate that from the very necessities of the Government, findings of fact by the Interstate Commerce Commission must be accepted, because the judicial branch of the Government could not possibly review long proceedings before the Interstate Commerce Commission; but why, in this vital matter of censoring—because in the last analysis that is what it is—of the greatest medium of communication of thought which exists in the world, should not the licensee have the right to go to the court of appeals upon questions of fact as well as questions of law, especially as the questions of fact are the largest part of any such controversy?

Mr. DAVIS. I wish to state to the gentleman from Pennsylvania that that subject for many years has had a great deal of consideration, discussion, and investigation by the committees having jurisdiction over this subject in Congress, and the committees unanimously reached the conclusion, and Congress has unanimously enacted a law, fixing the right of appeal as it now exists. The reason for it was this, as we viewed it: Any question relating to a broadcasting license is not confined to the interests of a particular station. It affects others. In other words, matters of interference enter into it. Nobody, no matter how wise he may be, can get the entire picture of the whole subject by studying the record in some particular case. It is absolutely essential, because of the natural limitations and because of the scientific features of radio, that some tribunal have the right to grant these licenses in connection with the granting of them generally; and while it is doubtless true—and, so far as I am concerned, I am certain it is true—that the present commission has made many mistakes, yet we were of the opinion that there would be less abuse by reason of lodging that discretion in them than there would be to permit some court which, perhaps, would try a radio case once in six months or once in a year, and then have before it only a picture of that particular case and that particular station.

Mr. BECK. If the gentleman will pardon one further question, does not that reflect upon the capacity of the judicial branch of the Government and lodge a very arbitrary power as to a matter that affects millions and millions of people in the mere governmental bureau? Is it not a fact that in any event, whether this section was in the law or not, the court would naturally pay the greatest respect to the findings of fact of the executive commission? And is it not also a fact that if the Federal Radio Commission arbitrarily attempts to suppress a station or the right of free speech over that station, that the court has no power at all except upon a few questions of law which are generally not in dispute, because the controversy turns upon the question of fact, and under the law the door is practically shut to a judicial inquiry?

Mr. DAVIS. If it appears to the court that there is a clear abuse of discretion, they have that right.

Mr. BECK. The court has that right?

Mr. DAVIS. Yes.

Mr. BECK. The bill as you report it is that the court shall be limited to questions of law and that findings of fact by the commission, if supported by substantial evidence, shall be conclusive. To my mind this is only one more evidence of the trend on the part of the Government to transfer judicial functions to the executive departments. And let me say to the gentleman that Lord Chief Justice Hewart of England has written a book called "The New Despotism," and I commend it to the distinguished chairman and his committee, because it shows how thoughtful men in England and America are viewing with apprehension this transfer of judicial power, involving the most sacred of the rights of the individual, from the judicial branch of the Government to some bureaucratic tribunal.

Mr. DAVIS. In the first place, there are analogies for this; and in the second place, as I have said, the members of the committees having jurisdiction of this subject reached the definite conclusion, in the light of decisions which have been rendered by the court, that the courts had no conception, and could not have from the record in a particular case, of the effect of their decisions and dealing with the subject from the general viewpoint.

Radio is different from any other subject we have. A station transmits its signals for an indefinite distance. The signals themselves are transmitted many, many times further than the audible program, and yet those signals, even though unheard, play havoc with other stations. Therefore it is absolutely essential to have a proper regulation of these things by some authority who has a picture of the whole subject and has a knowledge of what stations are within the range of these heterodyne signals either because of geographical location or kilocycle separation.

I am as impatient of bureaucratic abuses as is the gentleman from Pennsylvania. However, it is admitted that some tribunal must regulate radio, otherwise there would be absolute chaos. The Federal Radio Commission consists of five members, one from each zone, appointed by the President and confirmed by the Senate.

There are so many things that enter into this that we who have undertaken to study this subject have reached the conclusion that it can not be reasonably and practically handled in any other manner.

Mr. BLANTON. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. BLANTON. The gentleman from Pennsylvania certainly would not have the court, on appeal, try the case de novo and determine the facts from witnesses; it is merely an appeal on a record made by the commission. Sometimes it takes months for these appeals to be perfected and to reach the court. It takes months for the court to hear it. Does the gentleman from Pennsylvania think that such a station should be allowed to continue to operate unlawfully and broadcast matters that are improper while the appeal is being perfected? I want to suggest that to the gentleman.

Mr. DAVIS. I have now found the provision which the gentleman from Pennsylvania read in part, and in part only. Here is all of it:

> *Provided, however,* That the review of the court shall be limited to questions of law and that findings of fact by the commission, if supported by substantial evidence, shall be conclusive unless it shall appear that the findings of the commission are arbitrary and capricious.

This is in accordance with law in existence in almost every State of the Union and I think it is sufficient protection. As I said at the outset, we who have undertaken to devote our very best energies and efforts to a study of this problem, which is one of the most complex problems we have, have definitely and unanimously reached the conclusion that this is the wisest way to handle the situation, and much wiser than if you give a court unbridled authority to undertake to determine a matter when it is impossible for them, in one appeal case, to do so.

Mr. CELLER. Will the gentleman yield?

Mr. DAVIS. Gentlemen, I must decline to yield further, because I have already taken up so much time, and there are other members of the committee who desire to be heard. The gentleman can get time under the 5-minute rule.

Mr. CELLER. I wanted to ask about short waves.

Mr. DAVIS. In view of the fact that the different changes are set out in full in the report, in accordance with the Ramseyer rule, and an explanation given in the report of each change, I must conclude my remarks with an explanation of the only thing that is new, and that is section 13, which forbids, in effect, conducting lotteries over radio stations. In other words, this section simply provides that the Federal Government, which has assumed the responsibility and obligation to regulate radio, shall not permit these stations, licensed by the Federal Government, to violate the laws of the United States and of every State in the Union. I have heard of no opposition to this from any source, and, in fact, I have heard of no opposition to any of the provisions in this bill, except one man engaged in the radio industry suggested that it might possibly be a hardship on a station to compel it to illuminate the towers as a protection for aviators.

Mr. CELLER. Will the gentleman yield on that last section?

Mr. DAVIS. Very briefly.

Mr. CELLER. What is being done with reference to these foreign radio broadcasting stations that broadcast lotteries and games of chance? Is there any method, by virtue of international comity, by which we can get after such foreign stations?

Mr. DAVIS. Of course, we have no jurisdiction over stations outside of the United States. Matters are being considered along that line and, in fact, Senator DILL has introduced a resolution requesting the State Department to call a conference to reach an agreement between the United States and Mexico and Cuba. I will state that I have an amendment, which I may probably embrace in the next bill, designed to remedy that situation in so far as it may be possible to control the situation, but it is a pretty difficult thing to do. The Post Office Department has issued fraud orders against mail from the United States addressed to those stations.

I reserve the balance of my time, Mr. Chairman. [Applause.]

Mr. LEHLBACH. Mr. Chairman, I ask recognition.

The CHAIRMAN. The gentleman from New Jersey is recognized for one hour.

Mr. LEHLBACH. Mr. Chairman, the provisions of this bill have just been exhaustively and clearly explained. The purposes have been developed and questions with regard thereto have been answered. There is nothing on the substantive merits or the provisions of this bill that I can add that would not be mere repetition.

I wish to state that this bill in every provision, save one, was reported unanimously by the committee in the last Congress and passed this House unanimously in the last Congress, and was unanimously reported by the Senate committee, but failed of enactment by reason of lack of opportunity for consideration. Every amendment in the bill has the support of the Federal Radio Commission and the support of every one interested in radio. I have not heard a word of opposition to any feature of the bill from any source.

The bill largely deals with the simplification of procedure and the expedition of business. There is no change in the substantive provisions of the radio law except the new paragraph which prohibits the broadcasting or advertising of lotteries, to which the radio interests give their unqualified consent; and it is not in the sense of censorship that this provision is sought but because it is unfair, grossly unfair, to permit, in the event they should avail themselves of the absence of a prohibition, radio to advertise a lottery when, if a newspaper attempts to do the same thing, it is unmailable.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. WILLIAMSON. I have had a good many complaints from constituents in my State on certain character of radio advertising. Did the gentleman's committee give any attention to that?

Mr. LEHLBACH. Not in this bill. This bill contains only matter that is absolutely uncontroversial and is necessary for the proper administration of the radio laws. This question that the gentleman refers to will receive consideration and be taken up in course of time in a form which will enable free and full discussion and not impede or interfere with these changes in procedure which are so necessary.

Mr. WILLIAMSON. The gentleman is familiar with the radio law and the powers of the commission. Does not the commission have authority to regulate the character of advertising that goes over the air?

Mr. LEHLBACH. The commission has the right of granting or withholding or canceling licenses for broadcasting of all radio programs; the canceling of all broadcasts if they are not in the public interest. It has no specific authority to censor, but in the application of these broad general powers it is within its discretion how far it shall go.

Mr. WILLIAMSON. So that if a radio station persists in sending out what the commission considers as objectionable advertising, the commission could refuse to renew the license?

Mr. LEHLBACH. Absolutely.

Mr. STAFFORD. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. STAFFORD. Under existing law any licensee whose license is revoked may appeal to the various district courts of the United States. Under the proposed bill you are seeking to confer that right of appeal only upon the Court of Appeals of the District of Columbia. That is for the obvious purpose of uniformity of decisions.

Now, if the Court of Appeals of the District of Columbia is going to be vested with this sole authority of appeal, then I will reiterate the criticism raised by the distinguished gentleman from Pennsylvania [Mr. BECK], as carried in the proviso, page 14, whether the appellate court should only pass on questions of law and be obliged to accept the findings of fact when supported by substantial testimony. The gentleman from Pennsylvania raised a very important question, which the gentleman from Tennessee attempted to answer. Under the existing practice, we have the various district courts who might pass upon one question, and if we are going to have a specialized court in the District that will become fairly acquainted with radio matters, why should we confer on the commission the sole determination of questions of fact?

Mr. LEHLBACH. Let me say to the gentleman that when the law was first written nobody supposed that the provision of allowing appeals to the court would vest that court with the exercise of anything but judicial functions. I think the gentleman will agree that the practice of exercising administrative functions rather than judicial functions is a bad practice. I do not care whether it pertains to radio or any other subject. This provision only carries into effect what we intended in the original law.

Mr. STAFFORD. The gentleman from Pennsylvania raised the question that we were taking away judicial authority and vesting it in the commission, only having the court pass on the bare fact of the findings of the commission, and whether it is supported at all by any testimony.

Mr. LEHLBACH. We are not taking away any judicial functions; we are taking away the administrative functions, which never were intended to be conferred upon it.

Mr. STAFFORD. The gentleman from Pennsylvania says that we are taking away judicial powers from the court and vesting them in the Radio Commission. The attention of the gentleman from Pennsylvania was diverted while I was interrogating the gentleman from New Jersey.

Mr. CELLER. Mr. Chairman, I may give the gentleman a further illustration. We have a situation where the appellate court is precluded from going into questions of fact. We frequently have cases where the findings of fact are not reviewable by the appellate court, save where they disregard all law and reason and there is abuse of discretion.

Most of us have had experience in immigration cases, where there may be a question of life or death—the question of deportation.

Those findings of the board of special inquiry of the Department of Labor are conclusive on the court that reviews on a hearing on a writ of habeas corpus, and the court is powerless, save in the case of abuse of discretion, to review those facts. If we allow the limitation of review in a case where human life is involved, there certainly should be no complaint where we allow it in the case of review of the findings of the Radio Commission. That situation holds true in almost all reviews—save where there are exceptions embodied in the statute—of the findings of fact of administrative heads of all bureaus.

Mr. BARTON. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. BARTON. In answer to the gentleman from Pennsylvania, who, I understand, is a distinguished lawyer, I call the gentleman's attention to the fact that this simply gives to the findings of the Radio Commission the standing of a verdict of a jury. Questions of fact can be reviewed by the higher court in exactly the same way and to the same extent as

findings of a jury could be reviewed. The evidence in the case must be substantial and must support the finding of the commission, else it can be reviewed by the court. Not only that, but the evidence must be so clear and convincing that it indicates that the commission was not arbitrary or capricious. These questions can be investigated by the court; otherwise the finding is conclusive.

Mr. BECK. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. BECK. In the first place, let me say in this instance I am not a distinguished lawyer but only an extinguished one, and therefore I do not want the House to attach any special weight to what I am about to say.

It is undoubtedly true that in the judicial branch of the Government an appellate court is very frequently concluded by findings of fact of a lower court or of a jury, but in this case there is no finding of any lower court or of any jury. It is the finding of an executive tribunal.

I did not come into the House with the idea of objecting to or criticizing this bill, but I was struck by the fact that this is part of a general trend in all governments—I suppose due to the more complicated state of society—to shift the burden of protecting the rights and liberties of the individual from the judicial to the executive branch of the Government. If the executive branch of the Government were both omniscient and infallible, we might expect good results. As a matter of fact there has been the very gravest injustice perpetrated by executive tribunals of the character that is contemplated here. In the very matter of immigration, when I was Solicitor General I knew of cases of such hardship that in one case where the immigration authorities had excluded a poor little Polish girl who was deaf, dumb, and blind, who, if refused landing, would have been thrown back upon her country, where she had no relatives or friends, to die, I went into the Supreme Court and confessed error, because it was one of the most flagrant cases of "man's inhumanity to man," and it was simply the spirit of bureaucratic power that induced the exclusion of this unfortunate little girl.

The trouble is—and I call the attention of the House to it—that the moment you shift from the judicial to the executive tribunal the right to communicate with millions of people, what follows?

The Federal Radio Commission appoints an examiner and the examiner runs through the country and takes pages of testimony, just as the examiner of the Interstate Commerce Commission runs through the country and takes testimony. Then the commission adopts the report of the examiner, and in the last analysis, as was clearly shown in the book to which I referred, namely, Lord Hewart's remarkable book called "The New Despotism," in which he inveighed against just such a tendency in England as we are witnessing here, in the last analysis the rights of American citizens were rested upon the decision of some underpaid clerk, who ran around the country and took testimony.

Mr. CELLER. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. CELLER. Is it not a case where there is no perfect answer to the situation, and we have to accept the lesser of two evils? If we would follow the conclusions reached in the book, which the gentleman mentioned, would we not have a situation where our Federal courts would be piled up with intricate cases so that they could not ever get abreast of their work? For example, if the courts would be permitted on a writ of habeas corpus, to examine into the facts de novo, we would have hundreds and hundreds of writs taken out in the various district courts. Personally I would prefer it, because it might be helpful to me in my own district, but I can see insurmountable difficulties that would crop up in the Federal courts if all of these cases, in the nature of full and complete reviews de novo from decisions of the various branches of our Government, the various heads of bureaus and boards of special inquiry and radio commissions, were to come before the Federal courts. The courts would get nowhere. They could not possibly keep abreast of the multifarious cases that come in and the various and divers questions that would arise in those cases.

Mr. BECK. In reply to that, it is very easy to exaggerate the difficulty of these cases. Here is John Smith, who invests so many hundreds of thousands of dollars or millions of dollars in an elaborate scheme of broadcasting. Suddenly every cent of capital is destroyed by the suspension or revocation of this license. If he had the right to go into court, which could examine not merely questions of law but questions of fact, it could then be determined whether the revocation or suspension of that license was in good faith; because executive tribunals are very human. They may have an improper motive for suspending a man's license, and yet they may assign, as mere camouflage, all sorts of technical difficulties about that particular station, difficulties that never occurred to them when they granted the license; but, having granted the license and being dissatisfied with the licensee's use of it or perhaps desiring to take his wave length and give it to somebody else, the Federal Radio Commission can, as I said before, upon testimony taken by some clerical examiner, destroy his right, without any appeal on his part to the court, except as to questions of law, and those questions of law play but a very insignificant part in such controversy. It is a question of fact whether he is making legitimate use of the wave lengths.

As I was trespassing upon the gentleman's time, I simply read a part of the section in reference to findings of fact being conclusive, but the proviso that the court may consider whether or not the finding of the Radio Commission is capricious or arbitrary practically adds nothing. In the actual administration of the existing law, circuit courts of appeal have simply said: Is there any question of law? If not, the findings of the commission are final and, therefore, that disposes of the controversy when it comes into the court of appeals.

Now, for my part, I quite appreciate what my friend said. This is a part of the trend, as I said before, in many cases, as in the Interstate Commerce Commission. It is dictated by considerations of necessity, and it would be impossible for the judiciary to go into the inquiries, profound and complicated, that are made by the Interstate Commerce Commission. In the matter of excluding aliens it may be desirable, but I doubt, from my experience as Solicitor General, whether this arbitrary right on the part of the Immigration Commission on questions of fact ought to be as it undoubtedly is under the law. But let us not extend something that diminishes the prestige of the courts, that robs them of what is a judicial function, and that turns over to a bureau such absolute power over property and property rights, a power exercised too often in the spirit with which the great poet said:

> But man, proud man!
> Drest in a little brief authority,—
> Most ignorant of what he's most assured,
> His glassy essence—like an angry ape,
> Plays such fantastic tricks before high heaven
> As make angels weep.

[Applause.]

Mr. LAGUARDIA. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. LAGUARDIA. Is not the beautiful little poem the gentleman just recited very applicable to many of our United States district judges?

Mr. BECK. That may be true. But after all the sanctity of the judicial branch of the Government—upon the whole, well deserved in our history—is such that the judge who sits on the bench is not the prosecutor, jury, and judge as these executive commissions are. They initiate a prosecution to suspend a license, we will say, and every impulse of their minds is naturally to sustain that which they have initiated. They are judges in their own cause, and they find facts to suit the particular objects which they have in mind. Then, when a citizen, who thinks he lives in a country of laws and not of men, goes into a court of justice he does not go into the lower court that could examine the facts, but he goes into a court of appeals. There he finds the Congress has closed the door of inquiry upon that element of the controversy which is generally conclusive, namely, facts.

Mr. LEHLBACH. I just wish to say that the determination as to whether a license should be granted, renewed, or

canceled is purely a matter of administration and not a judicial question whatsoever. No right of property is involved because no property can vest in the ether under our laws. Now, if you are going to place the administration of the public affairs of this country in the judiciary, we might as well abandon the executive departments.

Mr. CLANCY. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Michigan.

Mr. CLANCY. Right on that point, the amendment to the Constitution of the United States, Article V, says that no person shall be deprived of property without due process of law. The gentleman from New Jersey [Mr. LEHLBACH] is making a very ingenious argument and saying that there is no property in the ether.

Federal advertising restriction on broadcasting is being discussed in the Senate, and may be further discussed in the House, and legislation may result in the destruction of broadcasting property and in the confiscation of the property of the owner or owners of a broadcasting station. The station may be worth several million dollars and may be paying $200,000 a year. Confiscation of property may be involved.

If the owner or manager of a radio station should allow that station to be used for illegal purposes, for instance, for the purpose of broadcasting signals to rumrunners as to when they may run their liquor in, then the license of the station can be revoked by the Federal Radio Commission, and of course there is a confiscation of property and possibly a wreckage of the fortune of the individual. Does the gentleman from New Jersey imply that if the Federal Radio Commission should determine that a license should be revoked, there shall be no appeal to the Supreme Court or to the courts below the Supreme Court?

Mr. LEHLBACH. No; not at all. They have that absolute right. We grant, without question, the right of appeal to the Supreme Court, which was a question in doubt before this legislation. They can appeal to the courts against any injustice, but they have got to show that there was injustice. They can not ask the court to set up its opinion on how an administrative matter should be handled as against the board that was created in the executive department for that very purpose; but, certainly, the courts exist, and, certainly, we provide that any injustice that may be done by perversion of the function to administer the law may be corrected by the court.

Mr. CLANCY. But the gentleman from New Jersey states there is no property in the license, and the Constitution refers specifically to protection of property. Therefore the gentleman's argument would not support an appeal to the Supreme Court under Article V, would it?

Mr. LEHLBACH. There is not a person who makes application for permission to build a station, that makes application for a license to broadcast, but who knows perfectly well it is a naked license and no property rights flow out of the granting of the license. They know this before they start, so, consequently, there can be no hardship if by reason of their own misuse of the license they lose it.

Mr. DAVIS. Will the gentleman yield?

Mr. LEHLBACH. I yield to the chairman of the committee.

Mr. DAVIS. Mr. Chairman, a number of wholly irrelevant arguments have been injected into the debate which have no application to the bill under consideration. For instance, on the question of confiscation of property and of vested rights, the law provides that no radio licensee shall receive any vested right by reason of such license or the use of the wave lengths or the air, and he should not receive any vested rights thereto.

I do not care how many millions he may spend under the temporary license, as suggested by the gentleman from New Jersey; he knows and has notice under the law that he acquires no right even to use that property except during the period of his license. The license itself fixes the period of use, unless he gets it renewed, and the law specifically provides that he acquires no vested rights, and Congress should never permit them to acquire any vested rights. As to whether they acquire vested rights under the law generally, and as to whether it is a case of confiscation, is a question that has been repeatedly and definitely settled in the negative in decisions on analogous cases. I commend to the reading of the gentleman from Michigan the famous case of Kidd against Pearson, which has been followed in innumerable instances ever since.

The courts have always held that under circumstances of this kind it is in no sense a confiscation of property for the Government or any other instrumentality or branch of government to refuse to grant a renewal license or to grant it in the first instance.

Mr. CLANCY. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. CLANCY. I do not want the gentleman to misunderstand me. I had an informal understanding with the gentleman from New Jersey [Mr. LEHLBACH] that he would discuss this question and I would ask him some questions, and that the matter would be clarified. I understand the laws fairly well, as a member of the committee, but the gentleman knows that these appeals are continually discussed and that the owners of the radio stations are complaining of possible loss of their licenses and entire fortunes through what they call unwise legislation. The gentleman from Tennessee knows that even when the Radio Commission endeavors to switch a station off its own channel onto another channel, that the station quite invariably takes the matter to the courts.

Mr. DAVIS. Yes. I may say to the gentleman from Michigan that they have the right of appeal to court, as I have stated, from any action of the Radio Commission, and, as the gentleman says, they always appeal if they feel aggrieved, and frequently, perhaps, when they are not aggrieved.

On the question of the investment of radio stations I wish to call the attention of the Members of the House to this fact. Even if you want to predicate this great potentiality on a sordid basis, if you want to consider it on a dollar-and-cents basis, remember this: All of the broadcasting stations in America combined only have $28,000,000 invested in their stations and all of their equipment and apparatus, whereas the great listening public of America have $1,000,000,000 invested in receiving sets [applause], and we are endeavoring to represent the American people and to protect their interests and not trying to do something that will give vested rights to a few of these commercial stations. [Applause.]

Mr. LEHLBACH. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. GIFFORD], a member of the committee.

Mr. GIFFORD. Mr. Chairman, I would make no remarks at this time had we decided to take up this bill as a simple and definite proposition; but I do want to express myself again on the general subject of radio as I have done heretofore.

I regret very much there is not before this committee, having radio matters in charge, some of the real questions that are of great interest to the American people. I am one of those who greatly regret that a monopoly of radio seems to have been recognized and that the Radio Commission now seems to be busying itself and finding plenty to do in trying to carry out the present law and comes to us asking only for simple clarifying amendments.

In this bill lotteries and similar schemes are the only new matters taken up. I hesitate to suggest to you things that are brought to the attention of the American people by radio in advertising articles of little or no value and possibly fraudulent in the value claimed by the promoters of such advertising.

But I want to bring to the attention of this House that the radio should be used for communication services where the telephone and telegraph are not available.

The educational features also seem to be submerged to those interests who are willing to pay large sums of money to advertise their particular products.

Has this great discovery come to a point wholly dependent on advertising for its use to the American people? With

this great invention, is it possible that when you are in an out-of-the-way place, when you are traveling where there is no telephone or telegraph, you can not use it for sending and receiving messages?

We well know how that is so. The monopoly got there before the Congress did and has stifled its use in this direction.

The Federal Trade Commission has made a lengthy report, but the monopoly has simply denied all the allegations.

As one member of the committee, I shall continue to insist that messages and communications, which should be the most important use of radio in the United States, be restored to us by this great combination and monopoly.

We are not always interested in what we have to listen to over the radio as furnished by these advertisers. It should be used in matters of much greater importance than the advertising of cigarettes, lipsticks, and various other things of similar nature.

I rise to point out the dangerous trend in the use of radio, although I do not find the great interest on the general subject that there ought to be on the floor of the House. Every year our Radio Commission will come in with recommendations to clarify existing law, rather than to recommend changes in the system, which the American people will soon demand. [Applause.]

Mr. LEHLBACH. Mr. Chairman, I yield five minutes to the gentleman from Nebraska [Mr. SIMMONS].

Mr. SIMMONS. Mr. Chairman, I am going to do that which I have rarely done before—speak without particular preparation for what I have to say.

This bill, according to the chairman of the committee [Mr. DAVIS], gives no vested right to a radio station—and admittedly no vested right in the air can be given by law to any station—but I submit to the chairman of the committee that the procedure of the Radio Commission does give vested rights in effect.

Let me illustrate what I mean by it: This is something that I hope to find time, when my committee work on appropriations clears away, to go into more in detail on the floor.

There is a broadcasting station that operates in Baltimore on three nights a week. A station at Hartford, Conn., operates three nights a week, alternating with the Baltimore station. A station operating at Norfolk, Nebr., 1,500 miles away, is required to shut down at sundown in order to permit these two eastern coast stations to operate on a clear channel. The radio engineers assert that there can be no essential conflict between these stations here and the station in Nebraska. There is no essential conflict in fact in the area that they reach.

These eastern stations do not come into our western country. Our people do not listen to them. They could not give them proper reception if they wanted to listen to them. Our station in Nebraska does not come east. The eastern people would not care particularly to listen to our western programs if they could, and it would not reach into this eastern territory. There is an area between the two that neither serves, and as a result both of those stations could operate on that channel at night without any essential hindrance to the service to the public in listening to their programs.

Now, what happens? Last election time when the Norfolk station wanted to broadcast for one night the election returns to Nebraska listeners the Radio Commission told them they had to get permission of the people at Baltimore to broadcast the election returns in Nebraska. The permission was not granted, and accordingly the commission denied the request also. This year the Norfolk station asked permission to operate one hour later.

At the present time they are operating where time changes, and the people who are served in my district must tune out at 4 o'clock in the afternoon. They asked for permission to broadcast at the Norfolk station for one additional hour per day. The Radio Commission did not say "We will consider your case on its merits," but told them "You go and get permission of the people who own the station in Baltimore and permission of the people who own the station in Hartford, Conn., and if they will grant you permission, then we will grant you permission."

I submit that that is the actual granting and giving of a vested right in broadcasting, and in channels and station privileges that the law does not contemplate should be given and which the law prohibits. I submit to the chairman of this committee that there must be radical revision, either of the commission's practices in that regard or in the law, in order that the services and facilities of the radio may be given to the people to a much greater extent than they are now given.

Under what is known as the Davis amendment, power was allocated to the States based on population. That power, based on population, gives to the city of Chicago far more broadcasting facilities than to all the rest of the people in all of that zone in which we are located. They refused to grant a license to a little 100-watt station in western Nebraska. Some of you know that my congressional district is larger than the State of Indiana by 7,000 square miles, and is as large as the State of Illinois. We are denied the right to have a little broadcasting station in western Nebraska, not on the ground that it will interfere with any existing station in the United States but because under the Davis amendment Nebraska is a little over its quota.

Mr. BLANTON. Will the gentleman yield?

Mr. SIMMONS. I yield.

Mr. BLANTON. What is the largest watt power station in the gentleman's district?

Mr. SIMMONS. Oh, I could not say.

Mr. BLANTON. About how many watts?

Mr. SIMMONS. I can not say definitely.

Those two things should be taken up and worked out by the committee to the end that the radio may more completely serve the American people and to the end that the chain-controlled stations may not monopolize the air as they are now permitted to do. Independent radio stations are absolutely essential.

[Here the gavel fell.]

Mr. LEHLBACH. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, there is no necessity for speaking on the administrative measures of the bill itself, but I believe that every time the question of property right or vested interest in the air is mentioned on the floor of this House it ought to be immediately opposed, denied, and emphatically reiterated that every broadcasting station in the country is operating under a revocable license and nothing else, and that not even use of years and years will create a vested right within the meaning of the law to operate.

Congress has done nothing to give any such right or color of right, and Congress never has and will not, I am sure, say anything on the floor that would even remotely indicate that the user of these licenses creates an interest in the ether or right to operate, regardless of the amount of the investment in the machinery of the broadcasting station.

Mr. SIMMONS. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. SIMMONS. If as a factor the effect of the regulations and action of the Radio Commission are such that they recognize a vested right, then have they not given it, although Congress has denied it? That is actually what has happened, so that a few chain stations absolutely control broadcasting in the United States, and under the regulations and decisions and actions of the Radio Commission; while by law they have no vested right, in fact they have.

Mr. LAGUARDIA. The commission has no such power and can not establish such a right. It can not convey that which it has not. The clear intent of the law is—and it was repeated over and over again in the early debates on all radio legislation—that the license to operate a radio station was only a temporary permit; that there was nothing permanent in a license or permit; that it was simply license, and I contend that nothing that the commission can do,

either by act or decision or otherwise, can create a vested right.

As has been pointed out on the floor of the House to-day, the primary interest of Congress in radio legislation is protection of the public, not of the privileged licensees who are in it for commercial purposes. Whether it is telephone or cable or telegraph companies, they are subject to regulation, State or otherwise, and they use their own property for the transmission of communications. Here a broadcasting station and the use of radio are absolutely dependent upon the use of the ether, which gives all the more right to the public in putting the strictures which we do upon them, and absolutely limiting this use to a mere revocable license and nothing else.

Mr. BLAND. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BLAND. The gentleman referred to the intent that there should be no vested right. Is it not a fact that the law expressly goes farther and emphatically declares, positively declares, that there shall be no vested right?

Mr. LAGUARDIA. That is correct. If the gentleman will recall the early discussions of radio legislation, it would have been impossible to pass any sort of a bill in this House had that specific provision not been written into the bill.

Mr. CHIPERFIELD. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. CHIPERFIELD. Is it not true that the principle is well settled and founded that no adverse use as against the public or public right ever can be matured or vested, no matter what the length of time, and that the public always can reclaim and regain its rights, no matter how long they have been adversely used by another?

Mr. LAGUARDIA. Yes; and regardless of how much their investment may be.

Mr. CHIPERFIELD. Yes.

Mr. LAGUARDIA. Now, in reply to the suggestion made by the gentleman from Michigan on pending legislation on advertisements, I will say that is in the hands of the people who abuse the privilege granted to them by Congress, and it is not in our hands. If these broadcasting stations persist in abusing their licenses in such ways as to make their broadcasting nauseating, by repeated advertisement and advertising talks which could not be used in the same manner in the papers, then if there is legislation, it will be their fault and not the fault of Congress. [Applause.]

[Here the gavel fell.]

Mr. LEHLBACH. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, the gentleman from New York [Mr. LAGUARDIA] probably stepped out of the Chamber after I had my colloquy with the gentleman from New Jersey [Mr. LEHLBACH], and the gentleman did not hear my colloquy with the gentleman from Tennessee, the very able chairman of the committee [Mr. DAVIS]. Otherwise the gentleman from New York would withhold his remarks. The gentleman from New York [Mr. LAGUARDIA] endeavors to advise me about bringing up this property and vested rights question, whereas the gentleman from New York has been known as one of the chief exponents on this floor of the question of free speech.

As a member of the Radio Committee, I have been asked time and time again by the owners of radio stations as to just what property or vested rights they had in their costly equipment and in their license. Certainly this discussion initiated by me to-day, which will be read by every radio broadcasting owner in the country, will help clarify the situation. What do the radio broadcasters take up in their annual national conventions? They take up primarily and devote most of their time to the question of what property rights they have and whether their property is secure or not. They complain emphatically about their being restricted to 90-day licenses and about their insecurity.

The gentleman from New York did not go so far as to say that station owners hold their licenses only for 90 days and how they resecure their title and tenure in their property simply by renewals every three months. I do not want to be "advised" for mentioning the fact that there is a bill in the Senate to regulate radio advertising on the air. There is plenty of discussion in the newspapers and magazines about that proposal, and there is much discussion in the Senate, so why can we not consider it here on the floor of the House? To-day is the free-for-all radio day, the first we have had this session; and it may be the last day this session on which we can discuss radio, so why should we not be allowed to go ahead?

I said to the gentleman from Tennessee when he began to speak on this subject that I had an informal understanding with Mr. LEHLBACH, the minority leader on the committee, that I would ask him certain questions on the matter of property and vested rights, and he would respond, and we would get it in the RECORD, and the harassed owners of radio stations would at least get the reasonings, motives, and philosophy of the majority of the committee on radio "property" or "vested" rights.

Surely I am performing a useful public service in clarifying the matter.

Mr. LEHLBACH. Mr. Chairman, I yield five minutes to the gentleman from Washington [Mr. HORR].

Mr. HORR. Mr. Chairman, I had not expected to talk on this matter, but it is a matter that concerns particularly the district I represent in the State of Washington. We have there the foundation and the beginning of the second chain of National Broadcasting Corporation. It has gradually and almost completely taken possession of the air in the Northwest on the Pacific coast.

I take it that the bill under consideration to-day is intended to clarify a legal situation. The bill does not provide for an appeal with safeguard pending appeal.

It is my fortune or misfortune to have been the receiver of the Northwest Broadcasting Corporation when it became bankrupt. I want to tell you the experience we had with this Radio Commission, a commission which you have created, a commission with autocratic powers. I want to give you our experience in that matter. The Northwest Broadcasting Co., as I say, became bankrupt and the court appointed me receiver to take charge of that organization. Immediately word came from the commission to close down our station and to get off the air. One-third of a million dollars was there to be cast into the heap. It was not owned by one particular individual but by many stockholders. Were it not for the fact that I myself, as receiver, was not conversant with the provisions of the law which made it a penalty to disregard the order of the commission, I would have obeyed the order of the commission; but not being conversant I wired them back that I could not and would not take the station off the air, and I did not. To-day that organization is a thriving institution on the Pacific coast.

You gentlemen do not realize what you have created. You have created a commission which plays up to you if you have the influence, if you have the power back of you. If any of you desire to secure a wave length, take plenty of us on this side of the Chamber and plenty on the other side of the Chamber, and then you will get your wave length. They talk about it not being a vested interest. Of course it is not. But, as a matter of fact, as the gentleman from Nebraska said, it is a vested interest. The three monopolies that to-day are virtually controlling the air have it down to the point where they will tell you whether you can or you can not have your little station established in your locality. They have usurped the power of the commission. While that is not recognized, as the gentleman from Nebraska said, it is there, and you have to obey.

I have heard statements made about the investments made by the American people in these organizations. I suppose that is for the purpose of playing up to the public, that it is a vote-getting statement, and I may learn more about it after I have been here for some time. However, I want to say to you that these independent organizations should be protected. If I had the time, I could mention many cases, but I will mention only one. It is a matter of record that when radio was under the Department of Commerce a little

man up in one of the States—I think it was in Wisconsin or Michigan—was approached one day as to the sale of his station. He told them it was not for sale. They told him he had better sell, and you will find it of record that after he had lost his nerve and when he thought he was about to lose his station, he asked the Department of Commerce what their attitude was, and they said, "You had better sell." What happened? He lost his station, and to-day his case is on appeal. Do not tell me that the commission is above influence. Now, between the time of his appeal and the time of the decision of the court of appeals the owner can not operate his station, and it is closed down. I am of the opinion that this law should be amended so that there will be some provision in it providing that between the time when a man goes to the court and the time he gets a definite decision he will be permitted to operate. But as it is now, a station can be taken off the air, and it is taken off the air. This virtually destroys the station and amounts to almost confiscation, such is the arbitrary power of the commission.

[Here the gavel fell.]

Mr. LEHLBACH. Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, the language used by our distinguished colleague from Pennsylvania [Mr. BECK] is probably so rhetorical and so embellished with finely polished periods that we are likely to mistake the shadow for the substance.

I believe that when it comes to the interpretation of the rights of broadcasting stations, as appears on page 14, that the only question we must determine is this: Are the rights of these broadcasters substantially protected? I believe the language which gives them the right to appeal to the court to determine whether substantial justice has been done is sufficient for their purposes and that they are amply protected. There is no need for any amendments to the bill offered by the Committee on the Merchant Marine, Radio, and Fisheries, presided over by our esteemed colleague from Tennessee [Mr. DAVIS].

The hearing they have before the Radio Commission, I might say for the edification of my distinguished colleague from Michigan [Mr. CLANCY], is due process under the Constitution beyond peradventure of a doubt. If you should permit the language to be changed in this or any similar statute to the effect that the appellate courts would have the right de novo to hear all the witnesses and to go into all the ramification of facts, you would have the district courts so lumbered up and so glutted with cases that you could not get any case tried for several years to come.

Mr. McGUGIN. Will the gentleman yield?

Mr. CELLER. In just a moment when I have finished with my thought.

There is not a week passes that we who are members of the Judiciary Committee of the House are not importuned and asked to increase the number of district judges throughout the country; and I say that if you change this statute along the lines suggested by the distinguished gentleman from Pennsylvania—and you would have to change all other similar statutes in justice to those involved under such statutes—we would be compelled to come into this House and ask you to allow us to pass a bill doubling the number of Federal judges. Will you do that? You emphatically will not do that.

For example, often a patent case or a case of using the mail to defraud takes weeks and weeks and takes the energy and services and time of several judges. A radio case takes weeks sometimes before it is concluded in the Radio Commission, and you will have then much, too much work piled on the district judges if you provide that the court can on appeal consider the radio case anew and hear witnesses de novo or even pass upon questions of fact anew and not be bound by the commission's findings in any respect. You just can not do it, gentlemen. You are up against a situation where you must be practical. You can not be impractical idealists on this proposition. You must be expedient, even at the expense of a little injustice at times.

Mr. HORR. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. HORR. As a matter of fact, all these cases are heard by about seven commissioners; is not that true?

Mr. CELLER. Yes.

Mr. HORR. So it would not take any more to give them de novo with seven additional judges.

Mr. CELLER. It would. I am not only referring to this particular radio statute. If you are going to have these cases considered anew in the Federal courts when they refer to radio, you have got to do the same thing when the case refers to immigration, or when it refers to a fraud-order case in the Postmaster General's department. You will have to go all along down the line, and then you will have the Federal courts so filled up with such cases that if you have a meritorious case you could not get your case tried for years unless you would allow us to come in and double the number of judges we have at the present time, and in the interest of economy you would not do that.

Mr. HORR. As a matter of fact, in immigration cases we are doing that right now; is not that true?

Mr. CELLER. Oh, no.

Mr. HORR. They are entitled to do just that.

Mr. CELLER. In the immigration cases you can not, for example, go behind the findings of fact of the board of special inquiry. Their findings of fact are conclusive unless the court finds there is abuse of discretion, or action the result of caprice and unreason.

Mr. HORR. You can sue out a writ of habeas corpus and go right into the matter.

Mr. CELLER. I beg to differ with the gentleman. The gentleman is entirely wrong. On a writ of habeas corpus you can not go beyond the findings of fact made by the board of special inquiry unless discretion is abused. That is conclusive upon the court. You can only do that in case of an abuse of discretion and arbitrary action.

[Here the gavel fell.]

The CHAIRMAN. If there is no further debate, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That subparagraph (f) of section 1 of the radio act of 1927 (U. S. C., Supp. V, title 47, sec. 81) is amended by inserting after the words "within the" words "jurisdiction of the," so that as amended said subparagraph shall read: "or (f) upon any aircraft or other mobile stations within the jurisdiction of the United States, except under and in accordance with this act and with a license in that behalf granted under the provisions of this act."

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am rather surprised that since the distinguished gentleman from Pennsylvania [Mr. BECK] has emancipated himself from a bureaucratic administration, and notwithstanding the fact that he still belongs to a bureaucratic party, he should nevertheless now array himself against the autocracy of bureaucrats. It is encouraging, however, that he has taken this stand.

The great trouble with the hearings by the Federal Radio Commission is that they are before ignorant, inexperienced, incompetent, inefficient examiners, and the examiner passes on what testimony he shall admit in the record and upon that which he shall exclude. He keeps out all evidence he does not want to go in, and the record which finally reaches the commissioners is a biased, prejudiced, incorrect, incomplete, warped record that is both unfair and unjust.

If the Federal Radio Commission would get high-class men, efficient and able, with legal experience, to act as examiners, we would not have a bit of trouble. They should be just as efficient and reliable as the master in court appointed to hear the evidence for the judge. This is where the trouble is. For instance, a complaint is made against the radio station in Nebraska or in Michigan or in Texas, and the complaint may not have a bit of merit at all. It may be inspired by some one who wants Naboth's vineyard, as our friend says, and frequently it is just that kind of a

case. There is no other reason for the complaint, no merit whatever in it, and this little station is forced to come to Washington and bring its witnesses here, sometimes at a cost of $100 or $150 per witness, to appear before some little examiner, and then the examiner will rule out half of their pertinent evidence, of strong probative force and effect.

And when the record gets to the commissioners to pass upon it is not the real record, but the inspired, warped record of those who brought the complaint. If the examiner's report is against the station, in nine cases out of ten, unless that little station appears in Washington before the commission and personally represents that station, in nine cases out of ten the examiner's report will be upheld by the commission, and in order to get its rights the station will have to go into an expensive appeal to the courts, which can not grant relief on a warped record.

I have in mind a small station in Texas, a station that had only 100 watts at night and 250 watts in the daytime, struggling to exist. Some one wanted the station. They caused complaint after complaint to be made against the station, all without merit. They inspired representatives of the Radio Division of the Department of Commerce to make three different trips from New Orleans over to central Texas and filed these complaints with the Federal Radio Commission.

That little station was forced to come to Washington three different times at great expense and bring witnesses here, and when it properly presented their case the commission did uphold their rights and did renew their license. But it required a hard fight.

You can depend on the Federal Radio Commission to do right and justice if it knows all the facts, but it takes money and it takes time and it takes representation to get the rights of the ordinary little station before the commission.

Mr. BECK. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Pennsylvania.

Mr. BECK. Is it not a fact that if the judicial power of the Government is not stripped of its power, the little station to which the gentleman refers could have gone into the United States district court in Texas?

Mr. BLANTON. The distinguished gentleman from Pennsylvania has been a great Solicitor General, and knows that most of the courts on these matters appoint a master to hear the evidence, who is exactly in the same situation as an examiner. The master hears the evidence and makes a report to the court, and on that record the court makes its decision. So after all it is necessary to have fair, able examiners.

My point is that we ought to require the Federal Radio Commission to appoint only masters of high character and legal ability to pass on these questions—to hear the evidence and to present the commission a fair and impartial record upon which the rights of the various stations may be adjudicated.

When the Federal Radio Commission does that and has a fair record before it, I have confidence in it, and I believe it will do right and justice to every individual station in the United States, but it must have proper examiners and fair, just records.

Now, there is one other matter that I want to allude to. There must be a more equitable distribution of stations in the United States. My friend THOMASON, from El Paso, has a good station, because he is on the border. My good friend LANHAM has several at Fort Worth, because it is a big city. The gentleman from Texas [Mr. SUMNERS] has several stations at the big city of Dallas, and there are several at San Antonio and I am glad these fine cities have them, but there are other districts in Texas, and there will be in the next House 16 other districts, where smaller local stations ought to be located, as they are entitled to an equitable distribution of radio service.

Mr. CELLER. Does not the gentleman think that under this bill he will get the benefit of these stations in the large cities?

Mr. BLANTON. We listen in on WEAF and other stations in New York when we want to, but when we get tired of listening to New York we ought to have the inherent privilege as American citizens to listen in for local matters on our own station once in a while. Sometimes the programs in New York do not suit us exactly, and sometimes the programs in Chicago do not suit us exactly, and we may want something besides advertising programs, and we are entitled to listen in to our own stations whenever we want to.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. MARTIN of Oregon. These high-grade men that the gentleman wants will cost money.

Mr. BLANTON. Pay the examiners the money. The man who takes the testimony and makes the record ought to get good money.

Mr. MARTIN of Oregon. I am glad to hear the gentleman say that.

Mr. BLANTON. But I want high-class men to take the evidence and to make the record upon which the rights of my constituents are to be adjudicated.

Mr. CELLER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. CELLER. How would the gentleman divide the district of Texas as to the location of stations?

Mr. BLANTON. Oh, every congressional district is entitled to at least a small local station. I would say that every district in Nebraska is entitled to a small local station. I would say that the Federal Radio Commission ought to pass upon whether or not the district in Nebraska shall have service, and not require the stations to get a permit from Baltimore or Hartford.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I ask for two additional minutes in order to answer the gentleman.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. I want to say to my friend from New York that an application from the little station out in Norfolk, Nebr., ought to be determined by the Federal Radio Commission, and not by a station in Baltimore and not by a station in Hartford on the New England coast.

Mr. CELLER. Each zone has its equal facilities, has it not?

Mr. BLANTON. No. Now, I promised to yield to the gentleman from Virginia.

Mr. CELLER. As these stations close in one zone, they go to a zone that is not sufficiently supplied.

Mr. BLANTON. The gentleman from Nebraska [Mr. SIMMONS] said that his station was notified they would have to get permission from Baltimore before they could operate a little 100-watt station.

Mr. BLAND. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BLAND. In advocating greater distribution of stations does the gentleman take into consideration the fact that the emission from a station interferes vastly farther than the station itself carries? In other words, that the station will interfere a great deal farther than the station can actually be heard.

Mr. BLANTON. How can a little 100-watt station in Nebraska interfere with Baltimore?

Mr. BLAND. Well, I do not know that it can.

Mr. BLANTON. It can not. But whenever the people of Nebraska have to come to a private operating station in Baltimore to get their rights under the American law it is going a little too far. I rebel against it.

Mr. BLAND. But the gentleman was speaking about distribution, and I wondered if the gentleman had taken that into consideration.

Mr. BLANTON. I think every district in the United States ought to have a small station for local matters. They have a right to it, and I am going to fight on this floor until they get it. Every district in the United States is entitled to at least a small station, and if they are country people they are entitled to rights just the same as city people.

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I move to strike out the last two words.

The question of allocation of stations and wave lengths and power is a very difficult one and can not be decided in an offhand way. Probably there may be some cases of injustice, but there is no perfect answer to it. I believe the members of the Federal Radio Commission are doing their best to bring about suitable and equitable and proper allocation of all radio facilities. I hold no brief for any large station. Some of the large stations are in New York, such as WJZ, WEAF, WOR, and so on. They probably have been guilty of offenses. I repeat, I hold no brief for them. The radio chains—the red chain or the blue chain—are somewhat united in this sense: That the Radio Corporation of America, which probably, directly or indirectly, controls the National Broadcasting Co., with its station WEAF and other large and powerful stations, has a monopoly on all radio machinery, and thus the Radio Corporation of America very likely controls the whole radio situation in this country; but we must give the devil his due. We must give credit where credit is due. Do you know, gentlemen, that we would be deprived of the finest programs, programs that even reach the district of my distinguished friend from Texas [Mr. BLANTON], programs from Europe, if you strike too severe a blow at the great stations. We must, for example, compliment the National Broadcasting Co. for their broadcasts, for example, of operas from the Metropolitan Opera House. I would advise the gentleman to tune in on these chain stations and listen on Saturday afternoons to the finest programs he could possibly ever hear, emanating from the Metropolitan Opera House in New York. The gentleman will hear the finest singers ever collected under any one roof. He will hear Maria Jeritza, Rosa Ponselle, Lily Pons, Lucrezia Bori, Gigli, Lauri-Volpi, and others, who comprise the finest singing aggregation in the world. If we did not give some greater facilities than are given to other stations to stations like WEAF and WJZ we would be deprived, for example, of hearing the deliberations at the Geneva Disarmament Conference. We could not get programs from Europe given by Frederic William Wile and William Hard, distinguished newspaper men, all the way from Geneva. We have heard Ramsay MacDonald over the radio. We have heard Mussolini. He have heard His Holiness the Pope. We could not hear those broadcasts if we did not give some sort of advantage to those larger stations. I may say to some of those who complain about these stations—and I have complained against them at times also—we must nevertheless give them their due. We must remember that it costs money to operate those stations, and it is essential to get advertising to pay for those broadcasts. If we place too many limitations upon the type and manner of those broadcasts we will get into a situation very much like that which obtains in Europe, where the owners of the radio sets will be compelled to pay a license in order to defray expenses of broadcasting. I would not want to see this country get into a position where, in order to defray the expenses of radio broadcasting, the owners of radio sets would be compelled to pay a license.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. LAGUARDIA. The gentleman does not delude himself that under the present monopoly of patent rights the people are paying a very handsome royalty on their sets?

Mr. CELLER. I said at the inception of my remarks that there is a virtual monopoly. The situation is very difficult, and you must let the difficulty work out in time. It takes a long time to solve these problems, and you must lodge the responsibility somewhere. I believe we are on the right track. The situation to-day is far better, I will say for the edification of the gentleman from New York, than it was in 1924. We came into this House then and passed the act of 1924 giving power to the Radio Commission, a power which was lodged prior thereto in the Department of Commerce. The situation has grown considerably better, and it will grow better from time to time. We must be patient. We must and can very well trust the Radio Commission.

[Here the gavel fell.]

Mr. CROWTHER. Mr. Chairman, I listened a moment ago to the complaint regarding the necessity of new radio stations for every district in the State of Texas, or in other States, and I desire to amplify the suggestions made by the former speaker, the gentleman from New York [Mr. CELLER]. There are technical difficulties that present themselves in the allocation of these proposed new stations. As a matter of fact, although there has been a tremendous advance in radio, in radio development in general, and in the type of receiving sets we have to-day in particular, compared with those we used 10 or 12 years ago, there has been no increase in the number of wave lengths. We have practically the same number of wave lengths we had 12 years ago. There are about 89 wave lengths. The average radio-dial range is from 540 to 1,500 kilocycles. That means that there are 960 kilocycles in the range of the dial. The most selective receiving set made is the superheterodyne. That instrument will give us clear reception and will separate stations with 10 kilocycles clearance. That will make room on your dial for 96 stations, which under ordinary circumstances could be heard very clearly. But we have over 600 radio stations in the country, all broadcasting programs of more or less importance. Let us consider for a moment how this is accomplished. It is accomplished by the exchange of time, two stations or three stations dividing the time. It is accomplished, in a sense, by geography, and by that I mean geographical location. A station in Oregon and a station in Beverly, Mass., or one in Rhode Island and one in Arizona, broadcasting on the same wave lengths at the same time but separated by sufficient distance so as to cause no harmful interference, may be on the air at the same time. The other element that enters into it is the amount of power that is used, the idea being that a 100-watt station will not interfere seriously with a 2,500-watt station, provided they are not on the same wave length. You can have two powerful stations using 50,000 watts and you can have them located only a few miles apart, and they will not interfere with each other provided they use widely separated wave lengths. If one is working on 460 meters or a corresponding number of kilocycles and the other is working on 235 meters, you can hear both stations perfectly distinctly. Then again, the strong station will not blanket the weak station if there is a sufficient separation between the wave lengths. These are some of the difficulties that present themselves, and until radio science develops a closer degree of separation than 10 kilocycles the problem will not be solved.

I presume these provisions are laid down very clearly in the regulations made by the Radio Commission. Now, as you go over your dial there are only a few stations that you can hear clearly, and they are very largely the chain stations which belong to the great radio corporation, the National Broadcasting Co., Columbia Broadcasting Co., or the ramifications of these institutions wherever they exist, principally, of course, in the large cities. They are located there because in the large cities you are able to secure talent. You have these large stations in New York, Chicago, Los Angeles, and other large cities in order to provide the talent for the type of entertainment that is considered necessary to make the radio programs interesting to the public.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. CROWTHER. Yes.

Mr. JOHNSON of Washington. Is it not a fact that all of these cowboy crooners come from Texas or somewhere down there?

Mr. CROWTHER. And the crooners are the abomination of radio.

[Here the gavel fell.]

Mr. CROWTHER. Mr. Chairman, I ask unanimous consent to continue for two minutes longer.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. CROWTHER. Yes.

Mr. JOHNSON of Oklahoma. Was the gentleman serious in his statement that all the talent in the country is to be found in the large cities?

Mr. CROWTHER. Oh, no; I did not say that. I said that, obviously, at these stations in the large cities splendid talent is immediately available. You can not immediately transport your talent from the country town a thousand miles away to the radio station. I am not discussing the origin of talent. Genius and talent have no especial habitat, and we know that all our great men like the gentleman from Oklahoma [Mr. JOHNSON] come from small towns in the country [laughter and applause], and they frequently allude to that fact in their congressional biographies and in their campaign messages to their constituents. In days gone by candidates advertised that they were of humble origin, that they had driven mules on the canal towpath, that they had been plainsmen, or had started in life as newsboys, but in the days to come they will indicate their humble lineage by saying to their audiences, "My friends, I come from a 1-car family. We only had one automobile." [Laughter.]

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. CROWTHER. I will be glad to.

Mr. JOHNSON of Oklahoma. And the distinguished gentleman from New York is also from a small town, is he not?

Mr. CROWTHER. Well, I come from one of the largest and one of the best towns in the world, and it has the best radio station in the world—WGY, Schenectady, N. Y. Schenectady is the name of a thriving town of nearly 100,000 people. The gentleman from Oklahoma has not many more inhabitants than that in some of his counties, while we have that many folks in our city. People who desire to come to see us sometimes wire us to meet them at Albany, because they have difficulty in spelling Schenectady. Some people wonder whether it is the name of an Indian chief or a patent medicine. It is an Indian word and means the "end of the trail." It is the name of one of the most progressive cities in the country, and one of the most up-to-date communities, with the finest radio station there is in the United States—and possibly in the world. [Applause.]

Mr. McGUGIN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I firmly believe that in considering radio we are considering something far more vital than entertainment. I believe we are considering something that strikes at the very roots of government itself, and I am going to tell you why. In this modern age there is no freedom of speech worthy of the name unless there is reasonable freedom of access to radio. The right and privilege to stand on the street corner and talk no longer fills the bill. With the coming of radio we have virtually seen air of this country monopolized and turned over to the large stations, such as the one that my friend from New York has just described; but, my friends, that wonderful station, which the gentleman has spoken of and which belongs to General Electric, will never use its facilities to appeal for the rights of the people of this country. The facilities of that station will be used to spread propaganda to lull the people to sleep while monopoly or concentrated greed takes unfair advantage of the country. The hope of freedom of speech is going to rest back in the little, free, independent radio stations in the country.

Thomas Jefferson did not have it far wrong. When he read the Constitution he was not particularly satisfied with it, but he said that it did not make much difference what kind of a charter of government we had so long as we had a free and untrammeled press. In this day of radio, to make that statement practical and to bring it down to date, it might well be added that it does not make much difference what kind of a charter of government we have so long as we have a free and untrammeled radio.

Now, what are the facts? We have set aside the clear channels for large stations, and when we have done that, for all intents and purposes, we have given it over to monopoly, because of the great amount of money it takes to operate a large station. I am like the gentleman from Texas [Mr. BLANTON]—we should better be thinking about the little 100-watt station and not worrying about the large station.

Let me ask you this question. Here are these stations all chained on the dial carrying the same program. What service is to be gained or what does the public gain, if you please, by being able to turn to a half dozen places on the dial and hear "Amos 'n' Andy"?

The truth is, if we are going to have chain radio and chain up the radio of this country, they should all be placed on about the same wave length, instead of giving away the wave lengths of this country to a few large stations.

A 10,000-watt station in Chicago can have its power increased to 50,000 watts, and under the rules and regulations of the Radio Commission the power of the State of Illinois has not been increased; but if a little 100-watt station out in Kansas or in Texas wants to be increased to 250 watts, it is told that the State or zone quota has already been filled; in other words, adding 100 or 250 watts to a little station affects the quota, but jumping a 10,000-watt station to 50,000 watts does not affect it.

Let me give you another illustration. In Chicago this last summer WENR and some other station, I think it is WLS, were allowed to use the same transmitter. One is a 50,000-watt station. This meant 24 hours of time on the one transmitter, and by this means—you can take it either way you want—one station either had its facilities increased from 12 hours to 24 hours or the other had its facilities increased from 10,000 watts to 50,000 watts. The big stations have been getting the best of this thing and have been hogging the air, which is more than an injustice to the independent station. It is an injustice to the American people themselves, and it is destructive of freedom and of human liberty, because there is no human liberty where there is no freedom of speech and access to freedom of speech.

[Here the gavel fell.]

Mr. McGUGIN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. McGUGIN. Under the radio act, clearly and unmistakably there is supposed to be no censorship, but for all intents and purposes it is censorship. In taking stations off the air they are not taken off in the old-fashioned American way. Under the rules a man who has invested $200,000 in a station has no vested rights. Maybe not. But he does have the right to a fair hearing in the old-fashioned American way, the old-fashioned Anglo-Saxon way, if you please.

He must leave his home State, leave behind the United States district court of his State, and come to Washington for his hearing before a commission; and then, after that commission renders its decision his sole right of appeal is to the District of Columbia Court of Appeals. I say that is not American jurisprudence, it is not Anglo-Saxon; it is the same kind of tyranny that was practiced in the thirteen Colonies when our fathers rebelled against being dragged across the sea to London for a hearing.

Tell me by what process of reasoning the appeal should not be from the Radio Commission back to the district court of your State and my State. That is liberty, that is freedom, that is justice.

Why should that right be any different from anything else? One appeals from the Interstate Commerce Commission back to the local court. And why should it be any different because it is a Radio Commission?

My friends, in conclusion, I want to state this: Out in Kansas Doctor Brinkley had a radio station, and he had to come to the Radio Commission and his license was taken away. He appealed to the circuit court here in the District of Columbia. The people of Kansas resented that because they felt that a citizen of Kansas has the right and privilege to appeal to a Kansas court, and he was denied that right. He was dragged here to Washington, just as our forbears were dragged across the sea to London.

And what happened? The people of Kansas, in their resentment, wrote upon their ballots 185,000 votes for Brinkley for governor—not Brinkley the broadcaster but Brinkley the citizen—because they felt that he had not had a fair trial by his peers, or by a court in his own State of Kansas. The resentment is still there.

It is wrong, and there is no justification for us to take the position in Congress that this power shall be vested in the courts of the District of Columbia instead of the United States court of our own State.

I insist that our radio rights should be adjudicated in the courts of our own State instead of in the District of Columbia. Now, I will yield to the gentleman from Texas.

Mr. BLANTON. Will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. BLANTON. It would not be so bad if the hearing were held before the commission because they are composed of high-class gentlemen. But a hearing is granted before some little ignorant inefficient examiner who does not know the law and who does not present a fair record.

[Here the gavel fell.]

Mr. McGUGIN. Mr. Chairman, I ask unanimous consent to proceed for one additional minute in order to answer the gentleman.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. McGUGIN. I do not care how able the members of the commission may be. I do not care what commission it may be. I believe it is contrary to true liberty and true justice to leave the final decree in the hands of any bureau. I want final consideration vested in an appellate court consisting of the United States court in our own States.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last paragraph.

It is hard for a layman to say whether he would like to support this bill in its entirety or not. Without regard to the technical details, there is one exceedingly good paragraph, and that is the last paragraph, which brings all radio programs under a control somewhat similar to the Federal laws, which forbid the advertising of lotteries and the announcement of prize winners, and so forth, through use of the United States mails. The newspapers can not make those announcements of lottery results and go into the mails. But certain radio concerns, as we all know, have been promoting such unlawful schemes, to the financial profit of a large number of frauds and dead beats, who call themselves wizards, soothsayers, mind readers, and miracle performers. They talk over many of the various radios in various parts of the country 15 minutes or 30 minutes a day, read characters, discuss certain human characteristics, and then notify the gullible people to come to the offices of these wizards, where the people are hoodwinked into paying from $1 to $5 for readings, talks, and the like. I am glad that paragraph is in the bill. I have felt that the Radio Commission had power to stop these practices without additional law.

However, I rose to inquire if the fifth zone is being enlarged? My impression is that that zone, in which lies the State of Washington, has been too large, which is the cause of many of our troubles. There seems to be not enough to go around.

Mr. DAVIS. Will the gentleman yield?

Mr. JOHNSON of Washington. I yield.

Mr. DAVIS. There is absolutely no change of any State at all. California is and always has been in the fifth zone.

Mr. JOHNSON of Washington. That is, the fifth zone is all Intermountain and Pacific Coast States? Am I right?

Mr. DAVIS. I will say to the gentleman in that connection that the fifth zone is favored more than any other zone in the country, if there is any distinction, because the fifth zone only has about one-third the population of each of the other zones.

Mr. JOHNSON of Washington. That is our whole trouble—very large area with limited population.

Mr. DAVIS. But because of the larger geographical area that zone was given the same broadcasting facilities as each of the other four zones. But there is no change in this bill with reference to any State. We do eliminate from the zone provision our Territorial and island possessions.

Mr. JOHNSON of Washington. I realize that, and we are glad that the outlying possessions are to be taken from the Pacific coast area.

Mr. DAVIS. That aids that zone to that extent.

Mr. JOHNSON of Washington. Yes. I admire the ability of the gentleman from Tennessee, and I know him to be one of the hardest workers in this House. The Members probably do not realize in the Intermountain and Pacific Coast States we have nearly one-half the entire area of continental United States. Comparatively, it is a new country. We have not yet filled it with people. We are met with the fact all the time that that whole area—11 States—has 10 less Members in the House of Representatives than the State of Pennsylvania. Our problems are new problems, and they keep us much more busy than we might be. But I would like to say we have had trouble in one of the large cities, particularly in the largest city in my district—that is to say, southwestern Washington—where we have been unable to get into a radio system with any full-time high-power system. I understand that at last we have received a favorable recommendation from the examiners.

It has been a long, hard fight. The southwestern Washington people, regardless of this or that other radio service, have applied for heavier service, and we are at once met by the system that has been described here, namely, a hearing before an examiner here in Washington, D. C. The hearings have been voluminous. I appeared before an examiner and attempted to testify, and, lo and behold, I had to qualify as an expert as to what I knew about radio, what I knew about frequency, what I knew about service, and what I knew about this and that.

[Here the gavel fell.]

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Washington. I could not qualify as an out-and-out expert. My knowledge of the situation was rather general. I finally was able to state that the southwestern part of the State of Washington has not been receiving anything near what could be called a fair distribution of the radio service. Attorneys for the big services were much in evidence. I am inclined to think that sooner or later, unless the power gets away from us, we will have to break in on this great, big, high-powered hook-up service in the interest of minor service. The power of the press is important. Does not every Member who hears my voice know that it is becoming harder and harder for the small weekly paper to even exist? The large city daily papers are run out on busses and reach the country towns, and the little country weekly paper and small daily which have not been influenced by corporate influence or otherwise are finding it more and more difficult to exist. News and influence from the big radio services will still further weaken the small newspaper.

This is a companion problem, and before we see the breakdown of the smaller papers we will have to break the power of the big radio organization.

Mr. LOZIER. Mr. Chairman, I move to strike out the last two words.

I do this in order to interrogate the distinguished chairman of the committee.

About a year ago the brilliant ex-Senator from Missouri, James A. Reed, was broadcasting over a nation-wide hook-up from Sedalia, Mo. In the course of his remarks, when in his characteristic and convincing manner he was vigorously impeaching the national Republican administration and its policies, he was shut off by a distress signal and thousands of his auditors deprived of the privilege of listening to his superb address. Evidently this interference was by some little, shriveled partisan pigmy with a soul so small that in eternity it would require a million years for it to fly over the point of a needle. I am asking the gentleman from Tennessee if under the law and regulations any way has been provided for preventing interferences of this character and for punishing a station that permits itself to be used for this disreputable purpose.

Mr. DAVIS. I will say to the gentleman from Missouri that I know of the incident to which he refers, and I de-

nounced it on the floor of this House not long thereafter. There is authority in the law to regulate the operation of every radio licensee and to punish all violations. Furthermore, the radio law specifically provides that it shall be the duty of the licensing authority to suspend the license of any radio operator who has willfully or maliciously interefered with any other radio communication. An investigation was conducted by the Radio Commission, so they advised, with respect to this matter, and it was reported that the distress signals were sent out by an insignificant operator conducting a ship-to-shore station who claimed he thought there was occasion for sending out the distress signal. Of course, any willful or malicious conduct of that kind ought to be prevented so far as possible, and severely punished when it occurs. There was so much criticism of this incident from one end of the country to the other that I trust it will prevent a repetition of it.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 4. Paragraph (f) of section 4 of the radio act of 1927 (U. S. C., Supp. V., title 47, sec. 84) is amended by striking out the words "in the character of emitted signals," and inserting after the word "unless" in the sixth line thereof the words "after a hearing," so that as amended the proviso will read as follows: "*Provided, however,* That changes in the wave lengths, authorized power, or in the times of operation of any station shall not be made without the consent of the station licensee unless, after a public hearing, the commission shall determine that such changes will promote public convenience or interest or will serve public necessity or the provisions of this act will be more fully complied with."

Paragraph (k) of said section is amended by striking out the first sentence and by inserting in lieu thereof the following:

"The commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and the ends of justice. The commission may hold public hearings and order testimony to be taken by depositions, at any designated place, in connection with any proceeding or investigation authorized by this act, and may require the attendance and testimony of witnesses and the production of documentary evidence, from any place in the United States, at any designated place of hearing. Any member of the commission, or any examiner or other officer or employee thereof, when duly designated by the commission for such purpose, may hold hearings, sign and issue subpœnas, administer oaths, examine witnesses, and receive evidence at any place within the jurisdiction of the United States designated by the commission. In case of failure to comply with any subpœna or in case of the contumacy of any witness appearing at any hearing before the commission, a commissioner thereof, or before an examiner or other officer or employee thereof, the commission may invoke the aid of any district court of the United States. Such a court may thereupon order the witness to comply with the requirements of the subpœna or to give evidence which is relevant to the matter in question; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

"A majority of the commission shall constitute a quorum for the transaction of business, but no commissioner shall participate in any hearing or proceedings in which he has a pecuniary interest. The commission may, from time to time, make or amend such general rules or orders as may be requisite for the order and regulation of the proceedings before it, including forms of notices and the service thereof, which shall conform, as nearly as may be, to those in use in the courts of the United States. Any party to any proceeding may appear before the commission or any commissioner thereof or before an examiner or other officer or employee of the commission holding any hearing and be heard in person or by attorney. Every vote and official act of the commission, or of any commissioner thereof, or of any examiner or other official or employee thereof, in any hearing, proceeding, or investigation, shall be entered of record, and such record shall be public upon the request of any party interested.

"The commission may order testimony to be taken by deposition in any proceeding or investigation pending under this act at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the commission and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall then be subscribed by the deponent. Any person may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the commission, or any commissioner thereof, or any examiner, official, or employee thereof, as hereinbefore provided.

"Witnesses summoned as hereinbefore authorized shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States. Witnesses shall be paid by the party at whose instance they are called.

"No person shall be excused from attending and testifying or answering any lawful inquiry or from deposing or from producing documentary evidence before the commission, or any commissioner, examiner, or other officer or employee thereof, or in obedience to the subpœna of the commission, whether such subpœna is signed or issued by one or more commissioners, or by any other person duly authorized, or in any cause or proceeding, criminal or otherwise, based upon or growing out of any alleged violation of this act or upon the taking of any deposition herein provided for, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no natural person shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled under oath so to testify, answer, or produce evidence, documentary or otherwise: *Provided,* That no natural person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying."

Mr. McGUGIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McGUGIN: On page 4, line 9, after the word "hearing," insert "*Provided,* That in any hearing in which only one radio station is involved the commission shall, upon the application of such station, hold all of such hearings by an examiner or commissioner at the town or city in which the station is located."

Mr. McGUGIN. Mr. Chairman, the purpose of this amendment is this. There are two different kinds of hearings that can come up. One is where one station is applying for another station's facility or where there is a controversy between two or three stations. Such a hearing, I think, should be held in Washington, on neutral ground. Then there is another kind of hearing, when no other station is involved, except the station under investigation for the violation of the commission's rules and regulations, or what not, or some individual files charges against it and there is an investigation. My amendment provides that upon the application of that station the hearing shall be conducted by an examiner or a commissioner at the town or city in which the station is located.

What I am trying to get at is the intolerable injustice of making a little station, or a large station, for that matter, but particularly a small station out in Idaho, Kansas, or elsewhere come to Washington for one of those hearings.

Let us see what this amounts to. Let us turn to page 6:

Witnesses summoned as hereinbefore authorized shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States. Witnesses shall be paid by the party at whose instance they are called.

The Radio Commission will call in a bunch of witnesses, and it has all of the power and wealth of the United States back of it. How is a little station out in the country going to compete with that situation? To be true, the station can subpœna somebody to come here, but where is the station going to get the money with which to pay mileage or fees for witnesses to come from one of the distant States? I submit it is but justice that the commission should go to that station, either through a commissioner or through an examiner, and take the testimony there. Of course, if the station wants to come to Washington and that is convenient for the commission that will be all right. My amendment simply makes it possible for that station upon its application to have the hearing held by a commissioner or an examiner at its home town.

Mr. PATTERSON. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. PATTERSON. What about your final appeal? Does the gentleman want to provide an amendment for that?

Mr. McGUGIN. I will do that later on in another place. This is just for the hearing. This is surely in keeping with every bit of government we have in this country. We enact all of our Federal statutes here in this Congress, but we have courts all over the country. We do not make everybody come to Washington for trial, and if a radio station is located in Kansas, in Indiana, Missouri, or Texas, I think

it should have the right to a trial in its home town instead of coming to Washington.

Mr. STAFFORD. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. STAFFORD. I notice from a reading of the amendment that the gentleman requires all such hearings to be held at the place where the station is located. Would the gentleman compel the commission as a body to go to these local places to determine these questions?

Mr. McGUGIN. No; I merely mean to take the evidence.

Mr. STAFFORD. But the gentleman's amendment is much broader than that.

Mr. McGUGIN. I did not want it to be any broader than that. Mr. Chairman, I ask unanimous consent that I be permitted to modify my amendment in accordance with the suggestion made by the gentleman from Wisconsin.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

Mr. STAFFORD. Will the gentleman withdraw his amendment temporarily so that he may make the modification he desires?

Mr. McGUGIN. Yes.

Mr. STAFFORD. If the gentleman will do that, I will take a little time while he is preparing it.

Mr. McGUGIN. I will withdraw my amendment for the time being.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

I take the floor, Mr. Chairman, to inquire of the chairman of the committee why it is necessary to depute to employees of the commission the right to take testimony. You give the authority contained in this section to a commissioner, and examiner or an officer, and also specify employee. The person who is to take this testimony should be, I take it, either a member of the commission or an examiner or an officer. We should not vest this great authority to determine the policy of the commission in a mere employee of the commission. These examiners, or whoever will take the testimony, will make a report back to the commission at Washington, and he should be some person of a higher grade than a mere employee. Of course, all examiners are employees, all officers, in the broad sense, are employees, but all employees are not examiners or officers.

Mr. DAVIS. I will state that this is simply in accordance with what is generally done. For instance, they could send an attorney, and perhaps some member of the legal division would be better qualified than an examiner. The words " or employee " are simply included in order to embrace such other official, under the commission, whom it might be best to send on that particular occasion. They have a legal division and, of course, we could specify " or attorney or others," but I want to state to the gentleman from Wisconsin and others that these provisions are in substantial accord with other provisions under the Interstate Commerce Commission, under the Court of Claims, and other Government activities which have been found, after long experience, to be the best way to handle the situation. It has been found from experience that the 1927 law is too narrow and restrictive, and under the procedure all the hearings of the commission or of any member thereof were heard in the city of Washington.

The gentleman from Kansas is complaining, but this bill is simply seeking to correct the very thing he is complaining about, and the authority rests in the commission without his proposed amendment, because all of the commission, any one of the commission, or any other designated official may go to any point in Kansas or any other point in the United States and hold hearings in order to prevent the necessity of the witnesses coming to Washington, but they do not have this authority unless it is given to them under the pending bill.

Mr. HOCH. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Kansas.

Mr. HOCH. As I understand the amendment offered by the gentleman from Kansas, it is not to provide the authority which the bill gives, but to make it mandatory that upon application by the station involved in the particular case, the evidence shall be taken in the city where the station itself is located.

Mr. DAVIS. I want to say that the gentleman states an absolutely impossible case. There is no case, there can be no case, in which only one person or one company is interested in the granting of a radio license, because you can not grant a license without its affecting others who have a license to broadcast upon the channel in question.

Mr. MURPHY. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Ohio.

Mr. MURPHY. I would like to suggest the case of a little station which was located in my own town. This was a little radio station of 100 watts, or something of that sort, and for some unknown reason, against the protest of everyone within the radius of that station's influence, 50 miles——

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for five more minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STAFFORD. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. MURPHY. The commission sent their inspectors into my town, and just as they do sometimes when they want to get rid of somebody in the Government they send inspectors into a post office, or they send inspectors into a bank or something of that sort when they want to cause trouble; such a procedure was followed with reference to this particular station. There was no one else interested but the people in my home town. If they had had a chance to have a hearing there, if the commission had allowed the people to come in and tell what they wanted with reference to this particular radio activity it would have been fair; but as it was, they had no chance.

Mr. DAVIS. I may state to the gentleman from Ohio that the inspector to which he refers is not under the Radio Commission at all. The inspectors are under the Radio Division of the Department of Commerce. This bill proposes to make it possible to hold hearings anywhere in the country and to hear all parties concerned and to take testimony, but, in the final analysis, the decision is rendered not by that examiner, not by that particular official taking the evidence, but by the full commission, because it takes a full majority of the commission to decide any of these matters.

The entire bill in numerous particulars broadens the rights and in no sense restricts the rights of anybody.

Mr. STAFFORD. Will the gentleman give his view as to whether the case cited by the gentleman from Kansas so as to make it mandatory upon the commission to have the examination at the site where the station is located?

Mr. DAVIS. The gentleman from Kansas admitted himself out of court when he said that. Of course, if there were a station interested over here and another one over there, it would be proper for the hearing to be held in Washington on neutral ground. There is no instance in which that is not true, because whenever the question arises as to whether a license shall be granted to a station, the next question that arises is that they have to be assigned to some particular wave length and some particular power, and so forth.

Now, here is something that seems to be apparently forgotten. By nature these wave lengths are greatly restricted. There are only 89 wave lengths for broadcasting, and we share 9 of those with Canada. We have already 612 or 615 broadcasting stations, and thousands of more applications. They are coming in all the time—constantly—applications for new licenses.

You can not grant new licenses, there are already too many licenses, already too many radio stations. They ought to be reduced. I have said repeatedly that the Radio Commission ought to have the courage to make the necessary reductions. The reductions should come in the cleared channels and high-powered stations as a general proposition.

There is already an average of 54 stations on all the wave lengths assigned for local stations. There are anywhere from 8 to 15 stations assigned on what are known as regional channels. There is no room for any more as a general proposition, unless they reduce the cleared channels. The elimination of 10 cleared channels would make it possible to have several hundred additional local stations.

But whenever you propose to grant a new license the question arises if you grant the license and operate on the wave length at that particular place who will that interfere with, and anybody else within the range is interested and has a right to be heard, and the law requires that everybody that will be affected by it shall be notified and given an opportunity to be heard.

Mr. STAFFORD. Will the gentleman yield?

Mr. DAVIS. I yield.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent for three minutes more.

The CHAIRMAN. Without objection, it is so ordered.

Mr. STAFFORD. I yield to the gentleman from Tennessee.

Mr. DAVIS. Now, a great many people confuse the range of the stations with the range of the audible program. It is admitted, and is familiar to every radio engineer, that there is a range of the signal all the way from ten to one hundred times as far as the audible program. It is a common experience for a small-powered station to send its signals across the continent. The signals are not heard, but they do affect the other stations.

Do you know what this roaring and whistling is that you hear over the radio? That is the very thing I am talking about—it is the interference of signals from other stations in most instances.

Mr. STAFFORD. Will the gentleman explain—because it is new in nomenclature—what he means by signaling?

Mr. DAVIS. They are sound waves emitted from the radio transmitter—they go through the air, just as you throw a pebble into a pond and you see the waves start and cover the pond. This is simply in the air instead of the water.

Mr. BLAND. It is electrical energy.

Mr. DAVIS. That is what it is, a form of electrical energy. These signals go on and on, and when they come in contact with signals from another station on the same channel you hear this roaring and whistling which radio engineers call heterodyning. It is interference. One form of interference is called "blanketing."

Now, under this proposed amendment you could not have a case where it did not affect some other station.

[Here the gavel fell.]

Mr. MURPHY. Mr. Chairman, I move to strike out the last three words. Mr. Chairman, I have asked for this time just to clear up a matter in my own mind. The chairman of this committee that has charge of the bill made a statement that there are altogether too many radio stations now. I would like to have him tell the members of the committee how many of these radio channels are controlled by one operating agency.

Mr. DAVIS. Let me say to the gentleman that I, with other members of the committee, have been studying the problem for many years, and we have some information and definite convictions about various matters that have been discussed here to-day.

We have confined our discussion to the bill. Most of the discussion has had no relation whatever to any provision in the bill.

Now, as to the question raised by the gentleman from Ohio, I have expressed myself repeatedly upon that subject. A large number of the stations with high power and with cleared wave lengths are on what is known as the National Broadcasting chain. I will state I do not think they should be. I have repeatedly spoken on that here. I have said that it is not right for one group to have the cream of the broadcasting facilities. I have said it before and I say it again, that there is no reascn why a station, because it is a chain station, should be on a cleared wave length or should have high power, because the two leading companies which furnish chain programs have networks extending all over this country, and each station feeds the program to its area, and for that reason they do not need high-powered stations.

I should think that if each of those groups had one cleared wave length in three sections of the country it would be ample. I have inveighed against that; I have criticized it. I know the objection of people to getting the same program everywhere they turn the dial.

In that connection, after the Davis equalization amendment was enacted I addressed a communication to the Radio Commission in which I made certain suggestions. One was that there should not be cleared in excess of 25 wave lengths, or 5 for each zone, and I thought that was too much.

Mr. MURPHY. How many are there now?

Mr. DAVIS. There are 40 so-called cleared channels.

Mr. MURPHY. They are in the control of one group of business interests?

Mr. DAVIS. Well, I can not agree to that literally, except in this way: Most of those are what are known as chain stations, but they are not under the control of any one concern, simply because they have a traffic arrangement to receive a program. Most of those stations are otherwise independent, but they have a contract with the National Broadcasting Co. or the Columbia Broadcasting Co. to receive their chain programs. The R. C. A. group, so called, controls and owns a larger number of those stations, and I do not think any group ought to be permitted to have more than one. Now, if 15 of those cleared channels were released for local and regional use, it would take care of the local situation which the gentleman from Kansas and the gentleman from Texas have complained about, because there are now only six channels set aside for local stations, and they have an average of over 50 to the channel.

[Here the gavel fell.]

Mr. MURPHY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MURPHY. I yield to the gentleman from Tennessee.

Mr. DAVIS. The remainder of the channels may be said to be set aside for regional use. Now, that is a matter that is not fixed by law. There has been a great deal of discussion as to whether Congress should invade the administrative field sufficiently to undertake to determine and direct those matters. It is rather difficult to undertake to do that, and many of us who are not in accord with some of the things the commission has been doing have hoped that the situation would be improved so that it would not be necessary for the Congress to invade the field of administration.

Mr. MURPHY. I am deeply grateful to the splendid chairman of this committee for the information he has given. We have 89 channels through which radio can flow, and 9 of those channels are shared with Canada. Forty channels are all that the great American public has access to. They took a little 100-watt station away from my town. They did not give them a chance.

Mr. SIROVICH. Will the gentleman yield?

Mr. MURPHY. I yield.

Mr. SIROVICH. How many hours did they have on that?

Mr. MURPHY. They had an hour now and then.

Mr. SIROVICH. That is because the Radio Commission has been too arbitrary in everything it is doing.

Mr. MURPHY. Absolutely; and here we are with a bill to-day trying to straighten out affairs, and all that is in it is to say that they can not advertise lotteries over the radio. I wish the gentleman's great committee, in whom this House has implicit confidence, would get right down to the root of things and say to the Radio Commission, "You must give the small stations some consideration. You can not, without real reason, take away from communities the enjoyment of their local radio station."

That is what is being done everywhere, and not once has a wave length been taken from this great operating company that controls 50 per cent of the radio channels of this

country to-day. I say to the chairman of this great committee that I hope that he will find some way of taking care of the common fellow, and I am one of those, and my community is composed of just that kind of folks. We love our little radio station, and it has been taken away, and we can not get it back under existing law.

Mr. FULMER. Will the gentleman yield?

Mr. MURPHY. I yield.

Mr. FULMER. I am very much interested in the statement the gentleman was making. In my State of South Carolina we came in with a request for a broadcasting station and were allowed a small station. Since that time they have been trying to get the power of that station increased, but up to this time they have been unable to get an increase. They have a station down there that really can not be heard outside of the limits of the State. I would like to know if there is anything in the bill whereby we might remedy that situation for the State of South Carolina?

Mr. DAVIS. As I said before, this bill does not change the substantive law. That, of course, is a matter of administration; and further, with reference to what the gentleman from Ohio suggested, I want to say, if the gentleman will pardon a personal reference, I believe I have made more speeches on the floor of this House than any other Member undertaking to protect the rights of the general public with respect to radio and against the Radio Trust, because, gentlemen, we have one. I have introduced measures and proposed amendments along that line, some of which have been adopted into law, some of which I was never able to get considered, and some of which were defeated on the floor of the House, and others of which were defeated in the Senate.

So far as I am concerned, as long as I am a Member of the House and of the committee which has jurisdiction over radio legislation I intend to keep up that fight to the best of my ability. [Applause.]

The pro forma amendment was withdrawn.

Mr. McGUGIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McGUGIN: Page 4, line 9, after the word "hearing" insert "*Provided*, That in any hearing in which only one radio station is involved the commission shall, upon the application of such station, take the direct evidence in such case before an examiner or commissioner in the town or city in which such station is located."

Mr. BLANTON. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. BLANTON. If the gentleman will remember, these hearings nearly always involve more than one station.

Mr. McGUGIN. No; they do not.

Mr. BLANTON. Some of them do, and most of them do.

Mr. McGUGIN. I do not know how to write an amendment which will take care of those other cases. Of course, the only cases I can reach with this amendment are those cases where there is only one station involved. What other station was involved when they took Norman Baker's station away from him? What other station was involved when they took Bob Shuler's station away from him in Los Angeles? What other station was involved when they took Brinkley's station away from him? What I am trying to strike at through this amendment is a case where the Radio Commission takes it upon itself to go out and cancel a license. I want it written into the law that when they do that they must go to the home town of the station involved before they can rob that station of its right to exist. I want that done instead of having the Radio Commission tell them to come to Washington.

Mr. BLANTON. Why does not the gentleman revise his amendment and provide that before the Radio Commission can cancel a license and take it away or suspend there must be a local hearing, because they will always hold that another station is involved. If we passed the gentleman's amendment as it is, it would not amount to anything. The gentleman should provide in his amendment that before they can cancel a license and take a station away from anybody there must be a local hearing. Then we can go along with the gentleman.

Mr. CLANCY. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. CLANCY. Does not the gentleman know that as a matter of fact a commissioner or examiner is very frequently sent to the town or city in which the station is located in order to hold hearings on the question of the station's license? I would refer the gentleman to the case of Detroit Radio Station WMBC, involving the celebrated Jerry Buckley, who was murdered in Detroit. It was one of the most sensational murders in the country. Jerry Buckley was a broadcaster over the above station, and some people attempted to take away the license of that station because he was accused, unjustly, as it was proved, of blackmailing and extortion over the radio. In the WMBC case an examiner came to Detroit and held the hearings there and heard many witnesses and arguments of lawyers. As a result Station WMBC was exonerated fully.

Mr. McGUGIN. I want these to be all the hearings that are held. I do not want them to hold hearings in the town where the station involved is located and then come to Washington and hold some more hearings. I want such a station put in the position of having hearings that are held in the open and not have any star-chamber stuff like the gentleman from Ohio mentioned.

There is nothing wrong with this amendment. It is a plain, fair amendment. If the gentleman from Texas can add something to it and take in more territory, I hope he will do so.

Mr. LEHLBACH. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. LEHLBACH. Does the gentleman say that the purpose and effect of his amendment would be that upon the conclusion of the taking of testimony in the city or town where the radio station is located the Government would be precluded from hearing any other testimony?

Mr. McGUGIN. It can take depositions but it can not hold another trial some place else. If you try me for murder in Alexandria, you can not try me again in Baltimore, Md.

Mr. LEHLBACH. But that is a case where the gentleman would be deprived of his life and liberty.

Mr. McGUGIN. And property, too. I want all of the direct testimony they take to be taken in the town where the station is located. If they want to take depositions somewhere else, that will be all right, but I do not want any more than one trial.

Mr. LEHLBACH. But a great mass of the testimony would be made up of the records here in Washington.

Mr. McGUGIN. But that would not be direct testimony. I do not refer to that but I do refer to testimony where you have witnesses and questions are asked of them.

Mr. BLAND. Mr. Chairman, I rise in opposition to the amendment. Of course, there is a natural sympathy with the views as expressed by the gentleman proposing the amendment if it could be practically operated. But, as the gentleman from Tennessee, the chairman of the committee, said, there is no question involving the revocation, suspension, or granting of a license that is confined to a particular station. If it is the character of language that goes over the station it affects stations somewhere else.

Mr. McGUGIN. Does the gentleman take the position that there has never been a case in which a license was canceled where there was not only one station involved?

Mr. BLAND. I do not see how that is possible.

Mr. McGUGIN. I am not talking about cases where one station is applying for the facilities of another station, but I am talking about a station that is charged with some violation of the regulations and they are attempting to take away its license. I do not see how any other station could be involved.

Mr. BLAND. The alleged misconduct in itself affects somebody else in some other location, because it affects some

other party in interest and it also affects the public, more particularly the public.

Mr. McGUGIN. Take the Brinkley case. What other station was interested there, at least in the open? Of course, there was some underneath, but in the open it was the case between Brinkley and the Government.

Mr. BLAND. I am in thorough accord with the bringing of stations underneath into the open, but the point I am making is that there is always a station underneath, that there is always the public, and, therefore, it is not confined to one station; that it always affects some one else and there is always a public interest. Now, the amendment which has been offered by the committee, I believe, would largely cure the conditions of which the gentleman complains and of which other Members are complaining. The original law was that they shall have authority to hold hearings, summon witnesses, administer oaths, compel the production of books, documents, and papers, and to make such investigations as may be necessary in the performance of their duties.

The committee, because of the fact there was no provision for sending examiners out into the country and because there was no direction authorizing the hearings to be held or the examinations to be made elsewhere than at Washington and permitting the witnesses to be summoned locally, is now undertaking to write into the law an amendment that gives relief along the line that the gentleman from Kansas desires relief. I do not know; it may not go far enough. We are dealing with a new subject.

Mr. HOCH. Will the gentleman yield?

Mr. BLAND. I yield.

Mr. HOCH. I do not quite follow the gentleman's reasoning when he argues that where the only question involved, for instance, is the nature of the language used over the particular station, that that particular case involves other stations.

Mr. BLAND. It involves the public.

Mr. HOCH. Oh, certainly; but the public, in general, is involved in all these things.

Mr. BLAND. That is just it.

Mr. HOCH. But no other station would come in to be a party to that particular hearing, and all that the gentleman from Kansas is trying to reach is a case where only one station is directly involved, and in such cases it shall be mandatory to take the direct testimony in the place where the station is located.

Mr. BLAND. The point at issue between the gentleman and myself is this: I would not say you should have the hearing at a certain place where other stations are not involved. There are others involved. I consider that the public that is listening over that station is also involved.

Mr. HOCH. That is true; but you could hold the hearing in such case, where the public interest was involved, at one place, just as though it was held here in Washington. The matter that the gentleman is trying to reach is avoiding the necessity of this one individual or the owners of this one station traveling to Washington for the hearing.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from Kansas.

The Clerk read as follows:

Substitute amendment offered by Mr. BLANTON for the amendment offered by Mr. McGUGIN: Page 7, line 9, after the word "testifying," strike out the period, insert a semicolon, and add the following proviso: "*Provided*, That before any license may be revoked or a station suspended a hearing shall be granted such station, held locally in the town or city where such station is located, in which all such evidence shall be heard."

Mr. BLAND. Mr. Chairman, I make a point of order against the amendment.

Mr. McGUGIN. Mr. Chairman, I ask unanimous consent to withdraw my amendment and consent to the substitute amendment.

The CHAIRMAN. Without objection, the amendment of the gentleman from Kansas will be withdrawn.

There was no objection.

Mr. BLAND. Mr. Chairman, I make a point of order against the amendment.

Mr. STAFFORD. Let the amendment be reported.

Mr. BLANTON. I offered my amendment as a substitute for that of the gentleman from Kansas, and the gentleman from Kansas has accepted the amendment and has unanimous consent to withdraw his amendment.

Mr. STAFFORD. But the amendment was offered before the other amendment was withdrawn and was subject to objection because it was not substantive, and it should now be offered anew.

The CHAIRMAN. The Clerk will report the amendment.

The Blanton amendment was again reported.

Mr. BLAND. Mr. Chairman, I make the point of order that the amendment is not germane to this section. I am perfectly willing to reserve the point of order, however.

Mr. BLANTON. Mr. Chairman, I wish the gentleman would reserve his point of order until I have discussed the amendment a moment.

Mr. Chairman, I commend our friend from Kansas for offering this proposal. My proposed substitute is merely an effort to perfect his amendment.

The owner of the little radio station in my home city, which has daytime power of 250 watts only, has been bankrupt and almost put out of business in attending hearings here. He has made three different trips here to Washington, having to bring witnesses here, several of whom were ministers, at great cost from Texas, to refute unjust complaints that had been filed against his station.

These little stations can not stand this expense. It will bankrupt any of them, and they are entitled to a hearing.

I want to say, in reply to my friend from New York, Doctor CROWTHER—and he is a most estimable gentleman—that I did not say that every district and every small city ought to have a 5,000-watt station. I said the people in every congressional district of the United States could not afford to pay $1,000 a minute on some of these big hook ups to be heard locally. They are entitled to have their little local affairs put on the air through a small local station, and I repeat that every congressional district of the United States is entitled to a small local station, and I want to see every Congressman here have at least a small local station in his home town. The people are entitled to this. It would not in any way interfere with the big hook ups.

Upon what meat has this our friend from Schenectady fed that he has grown so cocky? You do not hear any of the Representatives here from the real metropolises of the United States belittling or making fun of the rural districts. Why, the gentleman from Schenectady, Doctor CROWTHER, intimated there was no talent in any of the rural districts except those having big metropolises. I want to tell him that there is as much talent in every rural district in the West and South as there is in Schenectady. [Laughter and applause.]

Our great Republican leader here, the gentleman from New York, Mr. SNELL, our good friend, who has been chairman of the Rules Committee and who has been a member of the Republican triumvirate here for the last few years and who has helped to conduct the affairs of the Nation, comes from Potsdam, a little town of 4,000 inhabitants.

Uncle Joe Cannon, whom we all loved dearly and who performed distinguished service here for almost the average lifetime, hailed from the little city of Danville, Ill., which is smaller than my home city by at least five thousand.

Our present distinguished Democratic majority leader, Mr. RAINEY, hails from a farm adjoining the little city of Carrollton, Ill., which has only about 1,500 inhabitants, yet there is located there the Illinois College, which is a coeducational college, which did itself the honor last year to confer the degree of doctor of laws upon our Democratic leader.

Our former great Speaker, honored and beloved by everyone, Hon. Champ Clark, who came very near being President of the United States, came from Bowling Green, Mo., a little town of about 2,000 people.

Why, the present great Speaker of this House, than whom there has been no greater, comes from a splendid little city

of 5,286 inhabitants, and yet, this quasi-big, important tooth-puller from Schenectady becomes so cocky that he makes fun of the little places. [Laughter.]

If it had not been for the splendid boys in my district and State who have gone to Schenectady and taken a business course in the technical college which they have by much attendance made great there would not be much of Schenectady. You will find those men from Texas in the leading banks in New York City. One of my classmates, J. Howard Audrey, born and raised in the little town of Godfrey, Tex., with less than 500 people, was called to New York by leading banks there. He first went there on a salary of $25,000, and he now gets about twice that salary in a great bank in New York City. And yet this big dentist from Schenectady makes fun of the little country districts; this so-called big man from a quasi-big town of less than 100,000 people, for Schenectady has a population of 95,685.

[Here the gavel fell.]

Mr. BLANTON. I ask for two minutes more.

The CHAIRMAN. Without objection, it is so ordered.

Mr. BLANTON. I want to say to the gentleman from New York, Doctor CROWTHER, that I represent more people in my district than he has in his district by about the whole population of Schenectady, and they are the finest people in the world.

The gentleman talks about the cowboy crooners. We have "The Cowboy Band" from Texas, from Simmons University in Abilene, which has traveled all over the United States and given concerts all over Europe. It is internationally well known.

Besides Simmons University, one of the first class, I have two other colleges of the first class in my home city—McMurry College and Abilene Christian College. We have a fine college in Eastland, Tex., the Warner Memorial University, and we have the Randolph College at Cisco, Tex., all in my district. We also have Howard-Payne College and Daniel-Baker College in Brownwood, Tex., in my district. The gentleman from New York ought to come down there and find out just how very much fine talent we have all over my splendid district, and he would never malign it again.

You never heard the great scientist from New York [Mr. SIROVICH], who now seeks to ask me a question, making fun of people residing in the small-town districts.

Mr. SIROVICH. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SIROVICH. I am in cordial sympathy with the gentleman from Texas in trying to correct this very evil. I do not know of a more autocratic and tyrannical commission than the members of the Federal Radio Commission. They have ridden ruthlessly over the small stations of the country. The time has now arrived to stop their nefarious conduct. To help our distinguished chairman I have introduced a bill to abolish the five radio commissioners and transfer their work to a director of radio in the Department of Commerce, who will do justice to all.

Mr. BLANTON. I congratulate the gentleman on his proposed consolidation.

Mr. SIROVICH. Is the gentleman in sympathy with my bill, which I intend to press very shortly?

Mr. BLANTON. I am. I asked the chairman when he first called up this bill why he did not consolidate these radio bureaus.

Mr. BLAND. Mr. Chairman, the point of order I make is that the amendment offered by the gentleman from Texas is not germane to this particular section. As I recall the amendment, it refers to the revocation and suspension of licenses. The original act and this one, which is now pending before the committee, if examined, will show that section 9 of the pending act deals with revocation, and section 14 of the original radio act deals with revocation. There is nothing in this section that deals with the revocation and suspension of licenses.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. BLANTON. Mr. Chairman, the amendment is certainly germane. This section is the only one which provides for hearings. The Congress of the United States, the Members of which are the Representatives of the people, and in whose power and authority the ether seems to have been lodged for regulation, has the right to provide where hearings shall be held. It certainly has the right to provide that they can not snatch up people in Arizona, New Mexico, Colorado, San Francisco, Seattle, Washington, Texas, and Florida and make them go to the expense of coming to Washington for a hearing. Congress certainly has the right, in providing for hearings, to say where those hearings shall be held.

The amendment is germane and the point of order should not lie.

Mr. McGUGIN. Mr. Chairman, I ask unanimous consent to address the House for about three minutes on this point of order. It was my original amendment, and I permitted this substitute, and so I ask unanimous consent to discuss the point of order.

The CHAIRMAN. The gentleman has that right. He may proceed.

Mr. McGUGIN. This amendment comes in in line 9. Just before that language appears the following:

> The commission may hold public hearings and order testimony to be taken by deposition, at any designated place in connection with any proceeding or investigation authorized by this act and may require the attendance and testimony of witnesses and produce evidence, documentary or otherwise—

And so on. This is merely a proviso that in such hearings where a license is being revoked, before that license is revoked they must go to the station and give them a hearing. I think it is an essential amendment.

Mr. STAFFORD. Will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. STAFFORD. The amendment now before the House relates to the right to revoke a license. The section pertaining to licenses is section 9. Here we have only the question relating to hearings. I think if the gentleman will read the amendment closely enough, he will see it is not germane to the question of hearings, but it is germane to the question relating to licenses.

Mr. BLANTON. But this particular paragraph of the bill relates to hearings, and the amendment is pertinent here, and it is also pertinent to paragraph 9. But this is the paragraph that provides for hearings at any place, and the amendment is germane to it.

Mr. STAFFORD. If the Chairman will indulge me for a moment, the amendment is so drawn that it involves matters that are not germane, that are extraneous to the matter under consideration. Therefore the Chair must hold that it is not germane to the matter in issue.

I ask unanimous consent, so that the House may have the full import of the amendment, to have it again reported.

Mr. BLANTON. Mr. Chairman, in that connection I ask unanimous consent that the Clerk first read the last part of the paragraph which it is sought to add the proviso to, being that part not read by the gentleman from Kansas [Mr. McGUGIN], and then the House will clearly see it is germane, because the part read already provides for all hearings at any place in the United States, and this is merely an additional proviso, regulating those hearings.

The CHAIRMAN. Without objection, the Clerk will read the section and the amendment following.

There was no objection.

The Clerk again reported the section and the amendment.

Mr. LEHLBACH. Mr. Chairman, it is perfectly obvious that the purpose of this amendment is to prescribe the circumstances and conditions under which a license may be revoked or canceled. The manner, because it involves the taking of testimony, is not the subject matter of this amendment. It is the revocation or cancellation of the license that is the subject matter, and it is therefore not germane to this section.

Mr. HOCH. Mr. Chairman, it seems to me the gentleman from New Jersey confuses what appears on the face to be the point of this amendment, with the real substance of it, and in determining whether it is germane or not we must go to the substance.

Now, clearly this does not change in any way the right of revocation or cancellation of a license. It does not deal with the substantive matter with reference to revocation of licenses at all. It simply picks out one class of hearings and this section deals entirely with hearings, and provides that certain hearings, in which is involved the question of the revocation or cancellation of a license, shall be heard at a particular place. In other words, this is not in any way a limitation upon the power of revocation or upon the essential or substantive conditions as to which a revocation shall be had, but is simply a direction, within the purpose of this paragraph, that certain hearings shall be held in certain places. In other words, I hold it is precisely the same as though the amendment had read "in any hearings involving the question of suspension, they shall be held in a certain place." Certainly, if the amendment were offered in that form there could not be any objection. The amendment is germane. I contend that the mere fact that it is phrased in different language does not affect the real question as to the point of order.

The CHAIRMAN (Mr. GLOVER). The Chair is ready to rule. The Chair must look to the form as well as the substance. It appears to the Chair that section 9 is the section dealing directly with the question of the cancellation or revocation of license, and the amendment would probably be germane to that section. The Chair, however, does not think that it is germane to the section to which it is offered, and therefore, the Chair sustains the point of order.

Mr. HOCH. Mr. Chairman, I reoffer the amendment, if I may, with the first sentence reading, *"Provided,* That in any hearing in which is involved solely the question of revocation or cancellation of a license," and then follow with the balance of the amendment.

The CHAIRMAN. The gentleman from Kansas [Mr. HOCH] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOCH: Page 7, line 9, after the word "testifying," strike out the period and insert a semicolon and add the following proviso: "*Provided*, with respect to the hearings provided for in this paragraph, that before any license may be revoked or a station suspended, a hearing shall be granted to such station held locally in the town or city where such station is located, in which all such evidence shall be heard."

Mr. LEHLBACH. Mr. Chairman, I renew the point of order previously made as to the amendment for precisely the same reasons. If a subject matter is out of order, you can not make it in order by juggling the language.

The CHAIRMAN. The Chair sustains the point of order.

Mr. HOCH. Mr. Chairman, I offer an amendment. I move to amend, on page 7, line 9, by striking out the period, inserting a semicolon and adding the following:

Provided further, That in the case of any hearing involving only the revocation or cancellation of the license of only one radio station the commission shall, upon the application of such station, provide for the taking of direct testimony by an examiner or by a commissioner at the town or city in which such station is located.

Mr. LEHLBACH. Mr. Chairman, I make the point of order that this amendment is not germane to this section.

The CHAIRMAN. The amendment is not before the committee. The Chair would suggest that the gentleman from Kansas send his amendment to the desk in writing.

Mr. HOCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOCH: Page 7, line 9, after the word "testifying," strike out the period, insert a semicolon, and add the following: "*Provided further*, That in any hearing on the question of revocation or cancellation of the license of only one radio station, the commission shall, upon the application of said station, take the direct evidence before an examiner or a commissioner in the town or city where the said station is located."

Mr. LEHLBACH. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to withdraw my motion to strike out the enacting clause, which was simply pro forma.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LEHLBACH. Mr. Chairman, I make a point of order against the amendment on the ground it is not germane to this section.

Mr. BLANTON. Mr. Chairman, I want to make a point of order against the gentleman's point of order, that business having transpired the gentleman's point of order comes too late. The Chair having recognized the gentleman from Texas to withdraw his motion to strike out the enacting clause, and that was done by unanimous consent, and that being business that intervened between the offering of the amendment, and the point of order, the gentleman's point of order is out of order because it comes too late.

Mr. LEHLBACH. The Chair will certainly take notice of the fact that I was on my feet while the gentleman was submitting his request to announce that I wish to make a point of order.

The CHAIRMAN. The gentleman from New Jersey was on his feet at the time, and the Chair will hear him on the point of order.

Mr. LEHLBACH. Mr. Chairman, this again deals with the procedure and the circumstances under which licenses can be revoked or canceled, and not only the cancellation of licenses or the revocation of licenses generally, but in particular instances where only one station is involved. It certainly deals with the question of revocation and cancellation, and the fact that hearings are held in such procedure does not make it germane to this section.

Mr. HOCH. Mr. Chairman, I ask to be heard very briefly. The section before us deals very broadly with the whole question of hearings. These hearings may involve, and would involve, all sorts of substantive questions. The section sets out the manner and method of holding hearings and provides for subpœnaing witnesses and all that sort of thing. All that this amendment does is to say that among the different kinds of hearings involved—among them the question of revocation or cancellation—with which this section deals; one particular kind of hearings, namely, those in which there is involved the question of cancellation or revocation of only one station, evidence shall be heard in a particular place. Certainly, having set out broadly the conditions and the manner in which various hearings shall be held, it is entirely germane in connection with this provision to say that certain of these hearings, involving one of these questions, shall be heard in a certain manner. If this is not germane, I do not see how one could draft a germane amendment to this provision.

The CHAIRMAN. The Chair is ready to rule.

The Chair thought he made it plain awhile ago that such an amendment might be germane to section 9, which deals with this question. The Chair holds it is not germane to this section and therefore sustains the point of order.

Mr. BLANTON. Mr. Chairman, with great respect and regard for the Chair, I respectfully appeal from the decision of the Chair, because if the amendment is not germane to this paragraph, it might be held that it would not be germane to section 9, because there is no mention whatever in that section of hearings.

The CHAIRMAN. The Chair will state to the gentleman that he is following the parliamentarian and thinks his statement is correct.

Mr. BLANTON. I think the House has an able and a very distinguished parliamentarian, but I believe the ruling is wrong, and I respectfully appeal from the decision of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee.

The question was taken; and the decision of the Chair stood as the judgment of the committee.

The Clerk read as follows:

SEC. 9. Section 14 of the radio act of 1927 (U. S. C., Supp. V, title 47, sec. 94) is amended by striking out the words "Any station license shall be revocable by the commission," in the first line of said section, and by inserting in lieu thereof the following: "Any station license may be revoked, modified, or suspended by the commission."

Said section is further amended by striking out all of the proviso in said section and by inserting in lieu thereof the following: "*Pro-*

vided, however, That no license shall be revoked, modified, or suspended until the licensee shall have been notified in writing of the proceedings for such revocation, modification, or suspension, the cause for the proposed action, and shall have been given reasonable opportunity to show cause why an order of revocation, modification, or suspension should not be issued.

Mr. HOCH. Mr. Chairman, I offer an amendment, on page 11, line 11, strike out the period, insert a semicolon, and add the language which I submitted a few minutes ago in connection with section 5.

The Clerk read as follows:

Amendment by Mr. HOCH: Page 11, at the end of line 11, insert "*Provided further,* That in any hearing on the question of revocation or suspension of the license of only one radio station the commission shall, upon the application of said station, take the direct evidence before an examiner or a commissioner in the town or city where the said station is located."

Mr. BLAND. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. BLAND. Mr. Chairman, I make the point of order that the amendment is not germane to this section of the bill. There is no provision or statement here as to a hearing on any question. The language is "no license shall be revoked, modified, or suspended until the licensee shall have been notified in writing," and so forth. There is no provision for any hearing.

Mr. HOCH. Mr. Chairman, in view of the statement made by the Chair I do not think it is necessary that I should take any time on this question. The section deals certainly with the revocation or suspension of licenses. Now, all that my amendment provides is that this revocation, according to the interpretation given a little while ago, shall only be had in cases where hearings are held in certain places.

The CHAIRMAN. The Chair has examined the statute and is prepared to rule.

The Chair overrules the point of order.

Mr. DAVIS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and on this section close in 10 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on the amendment and the section close in 10 minutes. Is there objection?

There was no objection.

Mr. DAVIS. Mr. Chairman, I made that motion in order to have five minutes in opposition to this amendment, and that some other Member might have five minutes who desires to support the amendment if he desires. I would like to follow any Member who desires to support it.

Mr. HOCH rose.

Mr. DAVIS. I yield to the gentleman from Kansas.

Mr. HOCH. Mr. Chairman, all this motion does is to provide that in a case where the question is simply the revocation or suspension of a license of one radio station, the direct evidence shall be taken in the community where the station is located. Those interested will not have to come all the way to Washington, perhaps clear across the country, which in many cases would result in not being heard at all.

This does not apply to a case where other stations are involved. The only question is, Shall a particular license be revoked or suspended? We think it unreasonable under the present practice to compel people who are defending an action of that sort to come all the way to Washington. It will not be any hardship on the Government; the public interest would justify sending an examiner to that particular place.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. HOCH. I yield.

Mr. JOHNSON of Washington. Has the gentleman discovered in his own experience that these owners of small stations coming so far away find when they get here that they have to employ high-priced lawyers?

Mr. BLANTON. And if they do not do it, they get it in the neck.

[Here the gavel fell.]

Mr. DAVIS. Mr. Chairman, I ask recognition for four minutes, and then that the gentleman from Michigan [Mr. CLANCY] have the other minute.

Mr. Chairman, this is a typical case of how ill-considered amendments offered on the floor to a bill, that has been carefully studied and considered by the committee, would work out. I wish to read to you the proposed amendment.

It is:

Provided further, That in any hearing on the question of revocation or suspension of license of one radio station the commission shall upon application of said station take the direct evidence before a commissioner or commissioners in the town or city where said station is located.

Now, this does not say that where there is only one station involved or only one station interested.

This provides for the revocation or suspension of a license of only one station. That is always true. There is always revocation or suspension of a license of only one station at a time.

It is unworkable. It would involve tremendous expense to the taxpayers. It would require the Radio Commission to go to every point in the United States and to take all of the evidence in the case at one place, even though there might be other witnesses at other points frequently far removed from the particular town in which the licensee resides. There really can be no instances when there would not be material witnesses and interested parties at other points. It shows where these things lead. To say that in one particular instance—the question of the revocation or suspension of a license—this shall be the procedure would be an expensive procedure, both unworkable and impractictable. It is subordinating the interests of all the people in order to favor one licensee.

In that connection I want to say that most of the speeches which have been made here do not even purport to be in the public interest. They are not in the interest of the great listening public, but are in the interest of some particular broadcaster. We do not owe the stations anything. There is not a broadcasting station in my district. Broadcasting is a matter of general public concern. It is a matter in which all the people are interested, and we should not forget the 130,000,000 people in thinking about some broadcasting station in our midst, and compel the Government to send the commission and examiners at public expense somewhere, to take the testimony of all the local friends of the station and disregard everybody everywhere else.

Mr. McGUGIN. Will the gentleman yield?

Mr. DAVIS. I yield for a brief question.

Mr. McGUGIN. Why did the gentleman write it into this bill that the Radio Commission could do it if they desired to?

Mr. DAVIS. Simply because there are instances in which it is proper to send a member of the commission or an examiner to some point to take testimony, but it does not compel them to take all the evidence at one point. That is what this amendment proposes to do.

Mr. McGUGIN. Will the gentleman yield further?

Mr. DAVIS. No; I can not yield further. My time is limited, and the gentleman has occupied a great deal of time.

Now, this proposes this extraordinary procedure in only one case. That is in the case of suspension or revocation. It is just as important upon an application for a license or an application for renewal as it is in case of revocation or cancellation.

[Here the gavel fell.]

Mr. HOCH. Mr. Chairman, if I have any time left I yield it to the gentleman from Louisiana [Mr. SANDLIN].

Mr. LEHLBACH. Mr. Chairman, a point of order. I do not understand that under the 5-minute rule a Member can be recognized and then reserve the unused portion of his time and yield it to another.

Mr. SANDLIN. Mr. Chairman, in my own right I ask recognition.

Mr. LEHLBACH. Under the custom of the House the gentleman from Tennessee, the chairman of the committee,

was entitled to close the debate, and by such a subterfuge the gentleman can not deprive him of that privilege.

Mr. HOCH. I have not attempted to do that at all. I was addressing the Chair.

Mr. SANDLIN. Mr. Chairman, I dislike very much to disagree with the distinguished chairman of this committee, because I recognize the splendid work he has done, and I plead guilty, as the gentleman said, to being interested in one station. I am particularly interested in one station, KWKH, because I have seen the operator of that station, Mr. W. K. Henderson, brought to Washington at enormous expense time and again. Not only was he brought here, but an operator of a station from the State of Washington or Oregon, or any other State, could be brought here. I am interested in the operation of the individual, independent station. [Applause.] Why should a man operating a small station be jerked up and brought 2,500 miles to Washington and required to spend thousands of dollars to employ some attorney here to defend his rights? We are getting the Government too far from the people. [Applause.]

There are very few independent stations in this country. Not 5 per cent of the stations are independent. While some Members may not agree with what is broadcast from the station in which I am interested, still I say there is no station in this country that is more free to the public. People can go there and express their views on any question. Any Republican or Democrat or independent has that station open to him to go there and express his views at any time. He has broadcast over that station and predicted for the last two or three years things that have come to pass and are happening now in this Government of ours. [Applause.] He has warned the people against the concentration of wealth into the hands of a few. He was novel, perhaps, in the way he put it over, but he did put it over, and millions of people in the United States to-day agree with the views he expressed two or three years ago. Allow me to say to you, do not take the Government too far away from the people, and do not force people who are not able to do so to come here to Washington and pay high-priced attorneys to defend their rights. Let them test their rights in the courts of their own jurisdiction. [Applause.]

I certainly hope this amendment will be agreed to.

[Here the gavel fell.]

Mr. CLANCY. Mr. Chairman, the purpose of this amendment is to protect the owner of a station, but when there is included this language "that the direct testimony must be taken in the town or city in which the station is located," that will injure the broadcaster, because all of the direct testimony must be taken in the town or city and not some of it later in Washington in rebuttal or confirmation.

An actual experience in the most sensational radio case ever heard—that of Station WMBC—was that there were many witnesses who were required to testify. This amendment would foreclose, after the hearing is held in the town, the introduction of direct testimony in Washington to clear up disputed points. In the Detroit case, I believe, the station came in with some direct testimony later at Washington after the Detroit hearing and helped further to clear their right to the title to this station.

[Here the gavel fell.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas [Mr. HOCH].

The question was taken; and on a division (demanded by Mr. DAVIS) there were—ayes 47 and noes 63.

Mr. HOCH. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. DAVIS and Mr. HOCH as tellers.

The committee again divided; and the tellers reported there were—ayes 56 and noes 71.

So the amendment was rejected.

The Clerk read as follows:

SEC. 10. Section 16 of the radio act of 1927, as amended (U. S. C., Supp. V, title 47, sec. 96), is amended, striking out the whole of said section and by inserting in lieu thereof the following:

"SEC. 16. (a) An appeal may be taken in the manner hereinafter provided to the Court of Appeals of the District of Columbia from any decision or order of the commission granting or denying, in whole or in part, an application for a station license, for the renewal or modification of a station license, for a construction permit, or from any decision or order of the commission revoking, suspending, or modifying, or refusing to revoke, suspend, or modify, a station license or a construction permit. Such appeal may be taken by any party to the proceeding in which the order was made, whether an applicant, licensee, permittee, or intervenor, except that, in case of a decision or order revoking or suspending a station license, the appeal may be taken by the licensee only.

"(b) Such appeal shall be taken by filing with said court, within 20 days after the decision or order complained of is effective, a notice in writing of such appeal and a statement of the reasons therefor, together with (1) proof of personal service of a true copy of said notice and statement upon the commission, and of service thereof by registered mail upon all other parties to the proceeding in which the order complained of was made (such service to be deemed complete upon proof of the deposit in the United States mails of a duly registered envelope containing a copy of said notice and statement, addressed to the party to be served, or to his attorney of record, at the address of either as shown by the records of the commission), and (2) a bond in such sum as the court may direct, conditioned that the party appealing will pay the costs of the proceedings if such costs be finally assessed against him. Unless a later date is specified by the commission as part of its decision or order, the decision or order complained of shall be considered to be effective as of the date on which public announcement thereof is made at the office of the commission in the city of Washington.

"(c) Within 30 days after the service of said notice upon it the commission shall file with the court the originals or certified copies of all papers and evidence filed with or presented to it in the proceeding in which the decision or order appealed from was made, together with a copy of its decision or order and its findings of fact upon which its decision or order was based.

"(d) Any party to the proceeding before the commission may join in the appeal or appear as a party respondent by filing with the court a notice of appearance, together with proof of service thereof by registered mail upon the party appealing and upon the commission, within 30 days after the service of said notice upon him, or any other person may be permitted by the court to intervene upon a showing of interest in the subject matter and reasonable cause for failure to appear before the commission. Any person may at any time be made a party to the proceedings by the court if, in the opinion of the court, his presence is necessary or proper to a complete determination of the cause.

"(e) At the earliest convenient time the court shall hear and determine the appeal upon the record before it, and shall have power, upon such record, to enter a judgment affirming or reversing the decision or order of the commission, and, in event the court shall render a decision and enter an order reversing the decision of the commission, it shall remand the case to the commission to carry out the judgment of the court: *Provided, however,* That the review of the court shall be limited to questions of law and that findings of fact by the commission, if supported by substantial evidence, shall be conclusive unless it shall clearly appear that the findings of the commission are arbitrary or capricious.

"(f) The court may, subject to the foregoing limitation, upon notice to the commission and to all other parties to the appeal, after hearing, and for good cause shown, enter an order staying action of the commission under the order appealed from, in whole or in part, upon the giving of a bond by the party applying for the stay in such amount and with such terms and conditions as the court may deem proper. Pending a hearing upon the application for stay, the court may enter a temporary stay for a period of not to exceed 15 days.

"(g) The jurisdiction of the Court of Appeals of the District of Columbia under this section to review any decision or order of the commission shall be exclusive, and the judgment of said court shall be final, except that it shall be subject to review by the Supreme Court of the United States upon certiorari as provided in section 240 of Judicial Code, as amended (U. S. C., title 28, sec. 347), and that nothing in this section shall be construed to prevent the application of section 239 of the Judicial Code, as amended (relating to certification of questions of law) (U. S. C., title 28, sec. 346), to cases in the Court of Appeals of the District of Columbia arising under this section."

Mr. SWING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SWING: On page 14, line 3, after the word "court," insert a period and strike out all of the proviso ending in line 8.

Mr. SWING. Mr. Chairman and gentlemen, I wish to call your attention to that proviso which is, "that the review of the court shall be limited to questions of law." So far as the practical operation of this proviso is concerned, it might just as well stop there because the rest of it, while it is beautiful language, adds nothing. It proceeds to say:

And the findings of fact by the commission, if supported by substantial evidence, shall be conclusive.

Well, substantial evidence means any evidence which is relevant and tends to support the finding. To make that more clear, the rest of the language is important. It says the findings "shall be conclusive unless it shall clearly appear that the findings of the commission are arbitrary or capricious." In other words, if there is any substantial evidence to support the findings, then the court is precluded from considering the questions of fact.

In other words, it would not be enough to show to the Court of Appeals by a clear preponderance of the evidence that the Radio Commission had made a mistake as to the facts. It would not be sufficient—and I challenge contradiction upon this—to show that the evidence proved beyond reasonable doubt the contrary to what the commission found the facts to be. In nearly every criminal case the defendant, even though he is found guilty, has substantial evidence to support his side, and yet the jury may find him guilty beyond a reasonable doubt. If we apply that to a radio case and an appeal was taken to the courts, although the evidence proved the case against the commission beyond a reasonable doubt, the court of appeals could do nothing if there was some substantial evidence to support the commission's findings. I say this language absolutely prevents an appeal in 8 out of 10 cases because in 8 out of 10 cases where they have suspended a station under the exercise of their power of censorship over the language that has been used or over the statements that have been made, it is entirely a question of fact and there is involved no question of law except the general constitutional question of the right of free speech. Yet you immediately proceed by this language to rob the court of its power to review the only issue there is between the station and the Radio Commission.

Why is Congress afraid to trust the courts with questions of justice involving radio? It is no more complicated than a thousand other questions that are every day referred to the court for decision. Why can not these cases be heard by the court on the merits and justice done? The court will have the entire record and all of the evidence before it and can render a decision which will do justice to all parties in interest. Why must we prevent it? Why must we hamstring our courts in radio cases? By this language you are restricting the courts to purely questions of law unless the courts are convinced that the findings of the commission are arbitrary or capricious. But if the commission were convicted of acting arbitrarily and in a capricious manner that would be basis enough for impeaching them and turning them out of their offices. That ought not to be necessary in order to get justice and fair treatment for an individual on an appeal from a decision by the Radio Commission. This language therefore should be stricken from the law.

[Here the gavel fell.]

Mr. McGUGIN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McGUGIN. Will the gentleman yield?

Mr. SWING. Yes.

Mr. McGUGIN. In answer to the gentleman's question, does the gentleman have any doubt that the very reason and very purpose of this bill is to hamstring the courts?

Mr. SWING. I do not know what the reason was for putting it in, but I do know of plenty of reason why this language should be taken out of the bill.

Mr. DAVIS. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. DAVIS. Mr. Chairman, I rise in opposition to the amendment. In the first place, I wish to explain that the pending bill does not amend the law in that particular. The language which the gentleman from California has moved to strike out on page 14, from line 3 to line 8, is identical with the present law. We simply incorporated in the bill the entire present law with the amendment so as to recite it as amended. In other words, that is the law, and I want to state that the law was as the gentleman now would have it, and after a trial of it the Congress, in 1930, passed a law for the specific purpose of changing the law and making it as it is now, which law was approved July 1, 1930. There was practically nothing in it except that provision. It was fully considered by the committee and by the Congress and is already the law.

Mr. SWING. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. SWING. Does not the gentleman think Congress can learn something in a year's trial?

Mr. DAVIS. Yes; but we had already learned something after several years' trial under the old system.

Another thing, there is nothing arbitrary or radical about this. It is the law already in the Federal courts. It is the law in nearly all the States of the Union that, upon appeal, the finding of facts by the jury or by the court acting without the intervention of a jury is conclusive if there is material evidence or substantial evidence to support the finding.

Mr. McGUGIN. Will the gentleman yield?

Mr. DAVIS. I yield for a question.

Mr. McGUGIN. Will the gentleman tell the committee why the gentleman believes that the Court of Appeals of the District of Columbia is a more appropriate court to hear an appeal on a radio station in Tennessee than the United States district court of his own State?

Mr. DAVIS. That is not the proposed amendment.

Mr. McGUGIN. Will the gentleman give me time to get such an amendment in at the end of this discussion?

Mr. DAVIS. The gentleman has taken up most of the time already.

Mr. SWING. Will the gentleman yield there?

Mr. DAVIS. Yes.

Mr. SWING. Will the gentleman tell us whether he knows of any language in any law, other than this one, governing appeals providing that the review of the courts shall be limited to questions of law?

Mr. DAVIS. Yes; in my own State we have a statute providing that the findings of the jury or the verdict of the jury or the judgment of the court, when acting without the intervention of the jury, upon appeal, shall be conclusive upon the facts if there is material evidence to support the verdict or judgment.

Mr. SWING. That does not answer my question about the language.

Mr. DAVIS. I may say that I was one of those who at first advocated permitting the district courts throughout the country to have jurisdiction; but I became convinced, as I think all the members of the committee have who have been studying these problems, that this is impracticable, for two reasons: In the first place, you would have a wide variety of decisions instead of uniformity, and in the second place, by reason of certain decisions that have been rendered, we think it is doubtful, and, in fact, the Solicitor of the Department of Commerce gave the opinion at the time, that it was very doubtful whether a law would be valid which permitted an appeal from an administrative department of the Government to a United States district court; and by reason of certain decisions it was believed that such appeals could only be taken to the Court of Appeals of the District of Columbia.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SWING].

The amendment was rejected.

Mr. McGUGIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McGUGIN: On page 12, line 4, at the end of line 4, add the following:

"*Provided*, In any order where the commission has revoked a license or refused to renew a license, the United States district court in which said station is located shall have exclusive jurisdiction for appeal from the order of the commission, and such district court shall hear said appeal by trial de novo. Pending such appeal the station shall remain on the air under bond to the appellate court in such sum and under such terms as such court shall decree."

The amendment was rejected.

The Clerk completing the reading of the bill, read as follows:

SEC. 13. No person shall broadcast by means of any radio station for which a license is required by any law of the United States, any information concerning any lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in part upon lot or chance, or any information concerning any ticket, certificate, or instrument representing any chance, share, or interest in or dependent upon the event of any lottery, gift enterprise, or similar scheme offering prizes dependent in whole or in part upon lot or chance, or any list of prizes or information concerning any list of prizes awarded by means of any such scheme, and any person so doing, upon conviction thereof, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

Mr. GOSS. Mr. Chairman, I move to strike out the last word in order to ask the gentleman from Tennessee a question. Is this the law to-day or a new law?

Mr. DAVIS. As I have explained heretofore, this is a new section.

Mr. GOSS. I understand that they can give things away now by lottery, and this would prohibit it.

Mr. DAVIS. This new law applies to radio. The gentleman is aware that we have a Federal law making it unlawful for any matter advertising a lottery or gift enterprise to be carried through the mail. I suppose every State in the Union has a State law against lotteries. But this is the first time we have directly prohibited it over the radio.

Mr. Chairman, I move that the committee do now rise and report the bill back to the House, with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GLOVER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7716) amending the radio act of 1927, and had directed him to report the same back with the recommendation that it do pass.

Mr. DAVIS. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. HOCH. Mr. Speaker, I have a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HOCH. I can not say that I am opposed to the bill.

The SPEAKER. Is there any other Member of the House opposed to the bill who wishes to make a motion to recommit? If not, the Chair will recognize the gentleman from Kansas.

The Clerk read the motion to recommit, as follows:

Motion to recommit offered by Mr. HOCH: Mr. Speaker, I move to recommit this bill to the Committee on Merchant Marine, Radio, and Fisheries with instructions to report the same back to the House with the following amendment, to wit: On page 11, in line 11, at the end of the word "issued," strike out the period, insert a colon, and add the following additional proviso, to wit: "*Provided further*, That in any hearing on the question of revocation or suspension of the license of a station, the commission shall, before its examiner or otherwise, upon the application of the station, hold the hearing and take the evidence in the town or city where the said station is located."

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. HOCH) there were 39 ayes and 110 noes.

Mr. HOCH. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The gentleman from Kansas makes the point that there is no quorum present. The Chair will count. [After counting.] One hundred and ninety-two Members present, not a quorum.

The doors were closed, and the Sergeant at Arms was directed to notify absent Members.

The question was taken; and there were—yeas 126, nays 189, not voting 116, as follows:

[Roll No. 16]

YEAS—126

Allen	Fulbright	Lankford, Ga.	Sandlin
Arentz	Fuller	Linthicum	Selvig
Ayres	Fulmer	Lovette	Shallenberger
Bachmann	Garber	McClintic, Okla.	Shannon
Baldrige	Gibson	McCormack	Shott
Barbour	Gilchrist	McGugin	Simmons
Barton	Gillen	McKeown	Sinclair
Blanton	Glover	McSwain	Smith, Idaho
Boileau	Granfield	Major	Smith, W. Va.
Buckbee	Green	Maloney	Sparks
Bulwinkle	Guyer	Martin, Oreg.	Strong, Pa.
Cable	Hall, Ill.	May	Summers, Wash.
Campbell, Iowa	Hall, N. Dak.	Miller	Swanson
Carter, Wyo.	Hart	Montet	Swing
Cartwright	Hoch	Moore, Ohio	Taber
Cary	Hogg, Ind.	Morehead	Tarver
Christopherson	Hogg, W. Va.	Mouser	Temple
Clarke, N. Y.	Hope	Murphy	Thomason
Cochran, Mo.	Hopkins	Nelson, Mo.	Thurston
Cole, Md.	Horr	Nolan	Tierney
Connery	Howard	Norton, Nebr.	Tinkham
Cooper, Ohio	Johnson, Okla.	Overton	Vestal
Crowe	Johnson, Tex.	Patman	Weeks
DeRouen	Johnson, Wash.	Patterson	Welsh, Pa.
Dickinson	Jones	Person	Whitley
Dies	Karch	Pittenger	Williams, Tex.
Disney	Keller	Polk	Wilson
Dowell	Ketcham	Ragon	Wolcott
Doxey	Kopp	Ramseyer	Wood, Ind.
Driver	Kvale	Reilly	Woodruff
Fernandez	Lambertson	Robinson	
Finley	Lanham	Sanders, Tex.	

NAYS—189

Abernethy	Crisp	Huddleston	Perkins
Adkins	Cross	Hull, Morton D.	Prall
Amlie	Crump	Hull, William E.	Rainey
Andresen	Culkin	Jeffers	Ramspeck
Andrew, Mass.	Cullen	Johnson, Mo.	Rayburn
Arnold	Curry	Kading	Reed, N. Y.
Auf der Heide	Dallinger	Kahn	Rich
Bacharach	Darrow	Kelly, Pa.	Rogers, Mass.
Bacon	Davenport	Kleberg	Rogers, N. H.
Bankhead	Davis	Kniffin	Rudd
Beedy	Delaney	Kurtz	Sanders, N. Y.
Beers	Dickstein	LaGuardia	Schneider
Black	Dietrich	Lambeth	Seger
Bland	Dominick	Lamneck	Seiberling
Bloom	Doughton	Larrabee	Shreve
Boehne	Douglass, Mass.	Larsen	Sirovich
Bohn	Drane	Leavitt	Snell
Bowman	Dyer	Lehlbach	Snow
Boylan	Englebright	Lindsay	Somers, N. Y.
Browning	Erk	Lonergan	Spence
Brumm	Eslick	Loofbourow	Stafford
Buchanan	Evans, Calif.	Lozier	Stalker
Burdick	Fiesinger	Luce	Stevenson
Burtness	Fish	Ludlow	Stewart
Busby	Fitzpatrick	McClintock, Ohio	Sullivan, N. Y.
Butler	Foss	McLeod	Sutphin
Byrns	Free	McReynolds	Swank
Campbell, Pa.	French	Magrady	Swick
Canfield	Gambrill	Mansfield	Thatcher
Cannon	Gasque	Mapes	Tilson
Carden	Gifford	Martin, Mass.	Turpin
Carley	Goldsborough	Michener	Underwood
Carter, Calif.	Goss	Millard	Vinson, Ga.
Cavicchia	Granata	Mitchell	Vinson, Ky.
Celler	Gregory	Milligan	Warren
Chapman	Griswold	Moore, Ky.	Wason
Chavez	Hadley	Nelson, Me.	Welch, Calif.
Chindblom	Hardy	Niedringhaus	West
Christgau	Hare	O'Connor	Wigglesworth
Clague	Harlan	Oliver, Ala.	Williamson
Clancy	Hartley	Oliver, N. Y.	Wingo
Cole, Iowa	Hastings	Owen	Withrow
Condon	Haugen	Palmisano	Wood, Ga.
Connolly	Hess	Parker, Ga.	Wright
Cooper, Tenn.	Hill, Wash.	Parker, N. Y.	Yon
Corning	Holaday	Parsons	
Cox	Holmes	Partridge	
Coyle	Hooper	Peavey	

NOT VOTING—116

Aldrich	Cochran, Pa.	Flannagan	Hornor
Allgood	Collier	Frear	Houston, Del.
Almon	Collins	Freeman	Igoe
Andrews, N. Y.	Colton	Garrett	Jacobsen
Beam	Cooke	Gavagan	James
Beck	Crail	Gilbert	Jenkins
Boland	Crosser	Golder	Johnson, Ill.
Bolton	Crowther	Goodwin	Johnson, S. Dak.
Brand, Ga	De Priest	Greenwood	Kelly, Ill.
Brand, Ohio	Douglas, Ariz.	Griffin	Kemp
Briggs	Doutrich	Haines	Kendall
Britten	Drewry	Hall, Miss.	Kennedy
Brunner	Eaton, Colo.	Hancock, N. Y.	Kerr
Burch	Eaton, N. J.	Hancock, N. C.	Kinzer
Chase	Estep	Hawley	Knutson
Chiperfield	Evans, Mont.	Hill, Ala.	Lankford, Va.
Clark, N. C.	Fishburne	Hollister	Lea

Lewis	Parks	Schuetz	Tucker
Lichtenwalner	Pettengill	Smith, Va.	Underhill
McDuffie	Pou	Steagall	Watson
McFadden	Pratt, Harcourt J.	Stokes	Weaver
McLaughlin	Pratt, Ruth	Strong, Kans.	White
McMillan	Purnell	Sullivan, Pa.	Whittington
Maas	Rankin	Sumners, Tex.	Williams, Mo.
Manlove	Ransley	Sweeney	Wolfenden
Mead	Reid, Ill.	Taylor, Colo.	Wolverton
Montague	Romjue	Taylor, Tenn.	Woodrum
Nelson, Wis.	Sabath	Timberlake	Wyant
Norton, N. J.	Schafer	Treadway	Yates

So the motion to recommit was rejected.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. McDuffie with Mr. Crowther.
Mr. Collier with Mr. McFadden.
Mr. Montague with Mr. Aldrich.
Mr. Almon with Mr. Beck.
Mr. Woodrum with Mr. Manlove.
Mr. Kerr with Mr. Doutrich.
Mr. Brand of Georgia with Mr. Reid of Illinois.
Mr. Mead with Mr. Frear.
Mr. Collins with Mr. Sullivan of Pennsylvania.
Mr. Drewry with Mr. Jenkins.
Mr. Pou with Mr. Britten.
Mr. Garrett with Mr. Purnell.
Mr. Steagall with Mr. Colton.
Mr. Griffin with Mr. Kendall.
Mr. Taylor of Colorado with Mr. Bolton.
Mr. Igoe with Mr. Wyant.
Mr. Tucker with Mr. Johnson of South Dakota.
Mr. Whittington with Mr. Kinzer.
Mr. Allgood with Mr. Chiperfield.
Mr. Kemp with Mr. Pratt.
Mr. Lea with Mr. Estep.
Mr. Beam with Mr. Golder.
Mr. Parks with Mrs. Pratt.
Mr. Fishburne with Mr. Goodwin.
Mr. Brunner with Mr. Hawley.
Mr. Schuetz with Mr. Treadway.
Mr. Hornor with Mr. Watson.
Mr. Williams of Missouri with Mr. Hollister.
Mr. Kelly with Mr. Eaton of New Jersey.
Mr. Boland with Mr. Wolverton.
Mr. Jacobsen with Mr. Houston.
Mr. Kennedy with Mr. White.
Mr. Briggs with Mr. Timberlake.
Mr. Lichtenwalner with Mr. Freeman.
Mr. Gilbert with Mr. Strong of Kansas.
Mr. Hancock of North Carolina with Mr. Wolfenden.
Mr. Weaver with Mr. James.
Mr. Romjue with Mr. Underhill.
Mr. Flannagan with Mr. Lewis.
Mr. Burch with Mr. Hancock of New York.
Mr. Douglas of Arizona with Mr. Taylor of Tennessee.
Mr. Rankin with Mr. Ransley.
Mr. Gavagan with Mr. Schafer.
Mr. Haines with Mr. Eaton of Colorado.
Mr. Sweeney with Mr. Cooke.
Mr. Stokes with Mr. De Priest.
Mr. Evans of Montana with Mr. Yates.
Mr. McMillan with Mr. Lankford of Virginia.
Mr. Clark of North Carolina with Mr. Knutson.
Mr. Greenwood with Mr. Johnson of Illinois.
Mr. Sumners of Texas with Mr. Andrews of New York.
Mr. Hill of Alabama with Mr. Maas.
Mr. Sabath with Mr. Crail.
Mr. Hall of Mississippi with Mr. McLaughlin.
Mr. Smith of Virginia with Mr. Cochran of Pennsylvania.
Mrs. Norton with Mr. Chase.
Mr. Crosser with Mr. Nelson of Wisconsin.
Mr. Pettengill with Mr. Brand of Ohio.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. DAVIS, a motion to reconsider the vote by which the bill was passed was laid on the table.

RECONSTRUCTION FINANCE CORPORATION

Mr. HOGG of West Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks as to the operation of the Reconstruction Finance Corporation act, in so far as it seeks to bring relief to insolvent State banks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOGG of West Virginia. Mr. Speaker, as disclosed by the extended committee hearings, as well as the debate in both the Senate and the House, the purpose of the Reconstruction Finance Corporation act was primarily to bring aid to the banks of the country and was not intended to prefer national banks to any other class of banking institutions either as regards loans to operating institutions or advances that will aid in liquidation. The whole object was to liquefy frozen assets in both State and national institutions, whether solvent or insolvent.

In spite of this express purpose of the measure, it is surprising to learn that few, if any, insolvent State banks can be aided by this measure. Any kind of Federal aid requires the fulfillment of two conditions:

First. There must be affirmative action on the part of the Congress of the United States making available such assistance.

Second. There must be State statutes authorizing some one on behalf of the States to accept the benefits of such relief. These State enabling acts are as essential as initial Federal legislation.

In the present instance Congress has acted in the matter of the extension of these benefits, but an extremely small number of States have any provision for the acceptance of this much-needed relief. Included in this number of States where insolvent State relief banks are precluded from relief is my own State of West Virginia which furnishes a typical example of the conditions in a number of other States.

Section 5 of the Reconstruction Finance Corporation act provides that loans and advances shall be made to both insolvent State and national banks and as security for these loans the assets of the insolvent institution must be pledged. The receivers or liquidating agents are the proper persons to effect this pledge, but these receivers can only do those things which the State statutes authorize them to do. Section 32, article 8, of chapter 31 of the Code of West Virginia, defines the rights and powers of receivers of insolvent State banks and gives them the right only to sell the institution's assets. Therefore, as a condition precedent to relief for insolvent State banks, the Reconstruction Finance Corporation act presupposes the existence of a power on the part of the receivers which really does not exist.

In this same connection the powers and duties of receivers and liquidating agents of national banks are circumscribed by Federal statutes. Formerly they had no power to pledge the assets of their institutions and even to make available the benefits of the Reconstruction Corporation act to the insolvent national banks provision had to be made in section 5 of the act whereby these receivers and liquidating agents could pledge the securities of their respective banks. In other words, Congress has enabled the receivers and liquidating agents of national banks to take advantage of the relief intended while it still remains necessary for the various States to clothe the receivers of insolvent State banks with similar powers.

NECESSITY OF AID FOR INSOLVENT STATE BANKS

In my opinion the insolvent State banks are more in need of relief than the insolvent national banks for two reasons:

First. There are a greater number of depositors in insolvent State banks.

Second. There are far greater resources involved in insolvent State banks as compared with insolvent national banks.

In this connection reference is here made to the report of the Comptroller of the Currency for the year 1931, where can be found quite a detailed statement with reference to the bank insolvencies of the past several years. For the reporting year ending in 1931 there was a total of 7,672 bank failures, of which number 1,044 were national and 6,628 were State banks, with resources of $543,800,000, and $1,300,000,000, respectively. In other words, more than two and one-half times the resources were tied up in insolvent State institutions that were in insolvent national banks.

POSSIBLE REMEDIES

The question is naturally asked as to how this unfortunate situation is to be met. Of course the positive solution would be for the legislatures of the States concerned to extend the powers and duties of the receivers of insolvent State banks. This is scarcely feasible because few of these bodies are now in session, and in West Virginia the regular session will not

be convened until 1933. It may be said that a special session can be called. This course is doubtful because it is a matter of common knowledge that special sessions are restricted and generally involve some extraneous matters. Further, it would entail a cumbersome and expensive procedure.

The other course is for the organization of a liquidating corporation within the State, the capital stock of which could be subscribed by the solvent banks and individuals interested in the liquidation of the insolvent institutions. The receivers with their present powers of sale could then dispose of the assets of the insolvent banks to this liquidating corporation. The liquidating corporation in turn could then pledge these assets with the Reconstruction Finance Corporation. As simple as this solution may be, such a method requires an amendment to the Reconstruction Finance Corporation act, for as the law is now framed no relief can be extended to an institution "for the purpose of initiating, setting on foot, or financing any enterprise that is not initiated, set on foot, or undertaken prior to the adoption to this act." This could easily be corrected by an amendment excluding from this exception a corporation engaged in the liquidation of insolvent State banking institutions.

NECESSITY FOR PROMPT CONSIDERATION

In conclusion, to relieve these insolvent State institutions and make available the benefits of the Reconstruction Finance Corporation act there must be prompt action. It must be borne in mind that only $200,000,000 with the expansion, which will total $800,000,000, is available for relief to banks. Delay may mean that before the State can be placed on a footing of participation the insolvent national banks will have absorbed a large percentage of this fund. Insolvent national banks with a possible demand for $543,800,000 may leave only a small amount to bring relief to State institutions whose assets total $1,300,000,000. If the intent and purpose of this relief measure are not to be thwarted, so far as insolvent State banks are concerned, early attention to a solution of this problem is essential.

PHILIPPINE INDEPENDENCE

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LOZIER. Mr. Speaker, this morning, in a public hearing before the Committee on Insular Affairs, the Hon. Patrick J. Hurley, Secretary of War, vigorously opposed the immediate or early withdrawal of our sovereignty from the Philippines, on the alleged grounds:

First. That the inhabitants are not now capable or prepared for self-government.

Second. That from an economic standpoint they are not prepared for self-government.

Third. That the political, financial, and cultural interests of the Filipinos will not be promoted by immediate or early independence.

Fourth. That many Filipino business men had informed him privately that they were opposed to immediate or early Philippine independence.

Fifth. That the Moros should not be intrusted to their traditional enemies, the Filipinos.

Sixth. That the Filipinos are incapable of defending their independence from foreign aggression.

I respect the Secretary and the great office he now occupies. I admire his great ability but regret that it should be employed in what seems to me to be an exceedingly unworthy cause. In my 10 years' experience in public life I do not recall ever having heard such an eloquent plea founded on a more selfish, sordid, and sinister philosophy. While expressing friendship and admiration for the Filipinos and conceding their right to ultimate independence, he was not willing to indicate when our guardianship over these 13,000,000 people should end and when they should be admitted to the family of self-governing commonwealths, but vehemently declared that political, financial, economic, social, and cultural chaos, confusion, and disaster would follow the withdrawal of our flag from the Philippines.

It is regrettable that this member of the President's Cabinet is so unchangeably opposed to granting independence to the Filipinos, because we are justified in assuming that he is reflecting the attitude of President Hoover and the national Republican administration. I believe the overwhelming sentiment of the American people favors immediate and complete independence of the Philippines, and the hostile attitude of the President and his official family will not prevent this Congress from granting independence to the Filipinos, who, emerging from 300 years of unspeakable oppression, now crave the poor but natural right and privilege of making and administering the laws under which they live and building a distinct culture and civilization suitable to their peculiar needs and environment.

Every argument urged by the honorable Secretary of War against immediate or early Philippine independence was with the same fervor and eloquence made in the English Parliament against granting independence to the thirteen American Colonies. The political, financial, and economic chaos which the honorable Secretary of War claims will overwhelm the Filipinos if granted independence were prophesied as sure to come to the American colonists if they retired from the protection of the British flag.

By way of parallel and illustration, I propose at this time to appeal to history to show that if the arguments the honorable Secretary of War is making against Philippine independence had been heeded during our Revolutionary period, what is now the United States of America would doubtless be thirteen English colonies or provinces. Those who prophesy that dire calamities and political, financial, and economic disaster will inevitably overwhelm the Filipinos if and when they are granted independence are as badly mistaken as were the English statesmen, who before, during, and after the American Revolution prophesied that with independence the American Colonies would face political, social, financial, and economic disaster.

We should not overlook the historic fact that during and long after the American Revolution a majority of the politicians, members of Parliament, and publicists in England sincerely believed and boldly proclaimed that a large majority of the American colonists were ignorant, untutored, and unmanageable, impatient of governmental restraint, unappreciative of law and order, and wholly incapable of self-government. There was an overwhelming sentiment in England that if the colonists succeeded in throwing off the English yoke their independence would be of short duration, and after floundering around for a few years in an unsuccessful effort to govern themselves they would confess failure and pass under the control and become dependencies of France or some other European nation. The English people miserably misjudged and underestimated the capacity of the American colonists for self-government, just as many Americans are miserably misjudging and underestimating the capacity of the Filipinos for self-government.

George III, George Grenville, Lord North, and the English Parliament contemptuously ignored petitions of the American colonists for a redress of their grievances and branded them as incompetents and incapable of administering their own affairs. Lord Macaulay said of Prime Minister Grenville that he knew of "no national interest except those that are expressed in pounds, shillings, and pence." When England reluctantly acknowledged the independence of the thirteen American Colonies a large majority of the men in public life in England unhesitatingly declared, and I think honestly believed, that the colonists, who had won their freedom at the point of the sword, were incapable of self-government, that they would not be able to efficiently administer their domestic affairs or maintain their independence against foreign aggression, and that in a few years they would dissolve their newly formed government and seek protection under the English flag.

At this time I desire to quote from speeches made in the British Parliament before, during, and after the Revolution, from which it will be conclusively shown that the overwhelming weight of sentiment among English statesmen was to the effect:

First. That the American colonists were not capable or qualified for self-government.

Second. That the great majority of colonists did not favor independence.

Third. That the movement for independence was fostered and made to order by a few scheming politicians, who did not reflect the sentiment of the majority of the people and who were actuated by essentially selfish motives and a desire to hold office and exploit the masses.

Fourth. That the rank and file of the colonists were giving the independence movement no support and were waiting for an opportune time to revolt against the new government and withdraw support from the Continental Armies. And, moreover, the colonists could not and would not fight.

Fifth. That from an economic or business standpoint the colonists could not afford to sever their political or economic ties with Great Britain.

Sixth. That the colonists, once having obtained independence, would not be able to build and maintain a stable government, or a stable economic structure, and in a few years would be compelled to renew their allegiance to the British flag or be overrun and conquered by France or some other strong and mercenary nation.

I shall quote from Hansard's Parliamentary Debates, a monumental work of such magnitude and value that if all other records of the British Parliament were destroyed it would supply an almost complete history of that historic body and show the long and tedious processes by which the free institutions of England were developed and brought to their present high state of efficiency.

Sir John Montague, fourth Earl of Sandwich, head of the British Admiralty, speaking in the English Parliament, ridiculed the colonists and scornfully referred to them in the following language:

> The noble lord mentions the impracticability of conquering America. I can not think the noble lord can be serious on this matter. Suppose the colonies do abound in men; what does that signify? They are raw, undisciplined, cowardly men. I wish instead of 40,000 or 50,000 of these brave fellows they would produce in the field at least 200,000; the more the better; the easier would be the conquest; if they did not run away they would starve themselves into compliance with our measures.

But Lord Sandwich, a rake and a roué, who had not exhausted his stock of withering contempt for the unsophisticated American colonists, continued:

> I will tell your lordships an anecdote that happened at the siege of Louisburgh. Sir Peter Warren told me that in order to try the courage of the Americans he ordered a great number of them to be placed in the front of the army. The Americans pretended at first to be very much elated at this mark of distinction, and boasted what mighty feats they would do upon the scene of action; however, when the moment came to put in execution this boasted courage, behold, every one of them ran from the front to the rear of the army with as much expedition as their feet could carry them.

Lord Sandwich's denunciation of the Americans grew in intensity, and he said:

> Sir Peter finding what egregious cowards they were, and knowing of what importance such numbers must be to intimidate the French by their appearance, told these American heroes that his orders had been misunderstood; that he always intended to keep them in the rear of the army to make the great push; that it was the custom of generals to preserve the best troops to the last; that this was always the Roman custom, and as the Americans resembled the Romans in every particular, especially in courage and love of their country, he should make no scruple of following the Roman custom, and made no doubt but the modern Romans would show acts of bravery equal to any in ancient Rome. By such discourses as these Sir Peter made a shift to keep the Americans with him, though he took good care they should be pushed forward in no dangerous conflict.

And then the noble earl delivered the following scorching broadside:

> Now I can tell the noble lord that this is exactly the situation of all the heroes in North America; they are all Romans; and are these the men to fright us from the post of honor? Believe me, my lords, the very sound of a cannon would carry them off, in Sir Peter's words, as fast as their feet could carry them. This is too trifling a part of the argument to detain your lordships any longer.

The noble earl continued to abuse the Americans for not paying their debts; he made no doubt that the real motive of their associations was to defraud their creditors. That the Continental Congress was a seditious and treasonable meeting of persons assembled to resist the legal and just authority of the supreme legislative power.

In this manner the lord of the British Admiralty—who, by the way, made the first sandwich—expressed the prevailing opinion in England as to the alleged pusillanimity of the men who won our liberties at the point of anvil-forged swords and bayonets.

Captain Phipps, on April 19, 1774, in a debate for the repeal of the duty on tea, said:

> I perfectly agree that the Americans can not resist, and that the doctrine of supremacy is good.

Mr. Rigby, on May 2, 1774, in discussing the bill for regulating the government of Massachusetts Bay, said:

> America, at this instant, is in a state of downright anarchy.

Lord George Germain, on May 2, 1774, in debating a bill for regulating the government of Massachusetts Bay, said:

> America, at this instant, is nothing but anarchy and confusion. Have they any one measure but what depends upon the will of the lawless multitude? Where are the courts of justice? Shut up. Where are your judges? One of them taking refuge in your court. Where are your council? Where is your governor? All of them intimidated by a lawless rabble. * * * I can not help once more condemning that mob of people which, under the profession of liberty, carries dark designs in its execution.

In the course of parliamentary debate, it was stated that in a letter written from Williamsburg, December 24, 1774, to the Earl of Dartmouth, Lord Dunmore, English Governor of Virginia, referred to the colonists as—

> An outrageous and lawless mob; * * * that the lower class of people will discover that they have been duped by the richer sort; * * * that the resistance would result in quarrels and dissensions among the colonists * * * and I have persuaded that the colony, even by their own acts and deeds, must be brought to see the necessity of depending on its mother country and of embracing its authority.

In discussing the Boston port bill in 1774, Colonel Barre, a friend of the American colonists, said:

> I have not a doubt but a very small part of our strength will at any time overpower them [meaning the American colonists].

Captain Phipps in a debate on a motion to repeal the duty on tea said:

> I perfectly agree that the Americans can not resist.

Captain Luttrell on March 23, 1775, speaking in the Commons on the petitions for reconciliation with America said:

> Sir, that the Colonies are inseparably united to the Imperial Crown of this realm I trust will never be denied by the friends of either clime; but, though it has been asserted America can subsist without our commerce, I believe nobody will say she can flourish without our protection. If we abandon her to her present miserable situation, she must soon sue to us or to some power for succor. In securing their lives and properties, the Americans must ere long experience the fatal consequences of being exposed to the depredations of marauders and lawless ruffians; they will soon cry aloud for the reestablishment of those judicial authorities that have been imprudently overturned and which are necessary, not only to the welfare but the very existence of the subject among the rudest nations of the globe. Sir, I fear, indeed, the Americans at this hour can not properly be styled the most civilized people in the known world, but an unfortunate fatality seems to have awaited that unhappy country for a series of years past.

How similar the foregoing arguments to those we now hear in opposition to liberating the Filipinos. Listen to the voice of England 157 years ago:

> America can subsist without English commerce, but nobody will say she can flourish without our protection. If we abandon her to her present miserable situation, she must soon sue to us or to some power for succor—

And so forth.

Now let us paraphrase this language and apply it to the Philippine situation:

> The Filipinos can subsist without American commerce, but nobody will say she can flourish without American protection. If we abandon the Philippines in their present helpless situation, they will be compelled soon to sue to us or to some power for succor. In securing independence the Filipinos must ere long experience the fatal consequences of being exposed to the depredations of marauders and lawless ruffians, or of being seized by Japan; they will soon cry aloud for the reestablishment of the

political and economic relations severed by the granting of independence.

In other words, the threadbare arguments made now against Filipino independence are the same arguments that were made 157 years ago by our English masters against granting independence to the thirteen American Colonies. These arguments were fallacious then when invoked against our Revolutionary fathers, and they are fallacious now when invoked against Filipino independence.

Mr. St. John, on May 2, 1774, in debate said:

It is not, sir, the strength of America that we dread; they have neither men, army, nor navy. What, then, have we to fear? Do we dread the loss of our trade? No, sir; the avarice of the Americans will prevent that. They threaten us with not paying their debts, but I am afraid if we give way to them they will not allow that they owe us any.

In 1782 the Earl of Shelburne said:

With respect to America, he has always considered her independence as a great evil which we had to dread and to guard against. He had spoken of it in this manner for years past, and when he believed he was joined in sentiment by every man in this country. He had always believed and declared that the independence of America was an evil as much to be apprehended and dreaded by America as by Britain. This had always been his opinion, and he had constantly labored, by every means in his power, to persuade men that this was the case in his applications to private men and to public men, to individuals and to bodies of men; he had always held the doctrine that the independence of America was an evil to be equally guarded against by both countries. He wished to God that he had been appointed to urge that proposition and to maintain it before Congress. He wished to God that he had been called to prove by argument the assertion that the independence of America must be as prejudicial to herself as to Britain. He would have gone much greater lengths and said much more at the bar of Congress than he ever said in his place in the British Parliament—

And so forth.

In order to keep the thirteen Colonies under the British flag the learned statesmen of England solemnly declared that independence would be a very bad thing for the Americans, both from an economic and political standpoint, just as the opponents of Filipino independence now argue that independence will be a calamity to the Filipinos. There was no basis for this apprehension when invoked against the Colonies in Revolutionary times, nor is there any basis for the contention that political and economic disaster will engulf the Filipinos if we withdraw our sovereignty.

On May 2, 1774, in debate on a bill for regulating the government of Massachusetts Bay, Mr. Stanley said:

These bills certainly affect the interior policy of America and are intended for the better regulation of its internal government. Whatever may be the opinion of the propriety of regulation with the Americans I know not, but their submission to the laws of some country is necessary, as I can not conceive the independence of an American colony to exist whilst the balance of power remains in Europe, supported and protected by armies and navies. These people must resort to some state, and it must be a Protestant one, and were they to unite themselves with any other state than this they would meet with a yoke and burden which they would not wish to bear. It is said by some that this is driving them to a state of slavery; by others that this proceeding will be ineffectual. As to the latter, if we do not go far enough we are certainly on the right side; but I can not sit still and see with indifference the authority of this country submitting to every indignity they shall offer us. There are but two ways of governing mankind—by force or by consent.

Lord Mansfield in the course of debate referred to the American patriots in Boston and New England as "fanatics."

Mr. Lyttelton (afterwards Lord Westcote) in debate, while conceding the northern Colonies were capable of offering considerable resistance, said:

The southern Colonies are weak on account of the number of negroes in them, and I am of the opinion that if a few regiments are sent there, the negroes will rise in revolt and imbrue their hands in the blood of their masters.

Earl Gower on January 20, 1775, in debate on Lord Chatham's motion to withdraw troops from Boston, said that:

The rank now held by the Americans was the rank of the rabble and a few factious leaders; that the delegates and the Congress were far from expressing the true sense of the respectable part of their constituents; that in many places they were chosen by a kind of force in which the people of consequence were afraid, unprotected as they were, to interpose; and where it was otherwise they were borne down by a faction in some instances and perverted by the most false misrepresentation in others.

Colonel Grant on February 2, 1775, in debating an address to the King upon the disturbances in North America, said he had—

served in America and knew the Americans well; was certain they would not fight. They would never dare to face an English army, and did not possess any of the qualifications necessary to make a good soldier.

He repeated many of their commonplace expressions, ridiculed their enthusiasm in matters of religion, and drew a disagreeable picture of their manners and ways of living.

In 1778 Mr. Johnstone, referring to the thirteen Colonies, said:

The Congress seem to conduct themselves with the low cunning of an election jobber; their proceedings are often calculated for the herd of the people who are yet strangers to the impositions incident to such ascendancy.

Continuing, he said:

I firmly believe two-thirds of the people of North America wish to return to their ancient connection with Great Britain, and that nothing but a surrounding army and the diffidence they have in our support, prevents that spirit from breaking out in acts of hostility against Congress.

Charles the Bold lost his dukedom and life in a war against a feeble people, whom he contemptuously denominated "a deluded multitude of Swiss." England, in like manner, lost the fairest and richest of her colonial possessions, because she looked upon our appeal for independence with contemptuous indifference.

In 1779, in discussing the conduct of the war in America, Mr. Rigby said:

General Burgoyne at Saratoga calmly stacked 5,000 English rifles and surrendered his magnificent army of English soldiers to a rabble or an undisciplined militia.

William Eden (afterwards Lord Auckland), who had been a member of a commission appointed by the English Government to visit America and endeavor to reach an agreement with the colonists, in discussing the offers made the colonists, said, on June 3, 1779:

We offered:

(1) To consent to a cessation of hostilities both by sea and land.

(2) To restore free intercourse, to revive mutual affection, and renew the common benefits of naturalization throughout the several parts of the Empire.

(3) To agree that no military forces should be kept up in the different States of North America without the consent of the General Congress or particular assemblies. These offers, I allow, were absolute and positive. The first and second must, of course, have been the best and immediate consequences of peace, and if there is any doubt as to the last I can only say that I do not see the objection; it implied in our minds, and in every man's mind, that the King would retain the supreme command of the military force, whatever it might be, and the nomination of all officers. And it must be for the safety and interest of each Colony to have a force adequate to its own relative situation in this Empire.

Continuing, Mr. Eden said:

We also offered:

(1) To extend every freedom of trade that our respective interests can require.

(2) To concur in measures calculated to discharge the debts of America and to raise the credit and value of the paper circulation.

(3) To perpetuate our union by a reciprocal deputation of an agent or agents for the different states, who shall have the privilege of a seat and voice in the Parliament of Great Britain, or if sent from Britain, in that case to have a seat in the assemblies of the different states which may be sent, in order to attend to the several interests of those by whom they are deputed. * * * And lastly, we offered to establish the power of the respective legislature in each particular state, to settle its revenues, its civil and military establishments, and to exercise a perfect freedom of legislation and internal government, so that the British states throughout North America, acting with us in peace and war, under one common sovereign, may have the irrevocable enjoyment of every privilege that is short of total separation of interests, or consistent with that union of force on which the safety of our common religion and liberty depends.

Mr. Eden epitomized the offer of England to the Colonies as follows:

We desire you to be our brothers under one father; we claim not pretensions from our eldership; we expect no inequality; we insist only on having one king, one friend, and one enemy, a free union of force and friendship.

"What was their answer," said Mr. Eden—

We will have a total and eternal separation from you.

Thus the American colonists scornfully rejected the offer of Great Britain to grant them a but slightly restricted or limited independence.

It will be observed that England offered our forefathers a greater degree of self-government than we have granted the Philippines, and yet these proposals for conciliation were rejected by the colonists because they fell a little short of absolute independence. We can not consistently ask the Filipino to accept a scheme for partial self-government like the one our forefathers indignantly spurned.

Lord George Germain, one of the most inveterate enemies of the Colonies, as late as June 3, 1779, after the English peace commission had failed, said:

I have often asserted, and I renew the assertion, that the majority of the people of America are with us. As a proof of this, we have large corps of provincials in arms in our favor, and I have this day received a letter from Governor Tryon, in which he assured me that we had now 7,000 American seamen employed in our privateers. It is the Congress only that opposed a reunion with this country, and even the Congress is far from being of one opinion on the subject.

And again, in describing the Members of the American Congress, he said:

The most violent of the Americans chose the most violent among themselves to represent them in Congress.

The American colonists were not content to be hewers of wood and drawers of water for the English Government, and we can not expect the Filipino people to be insensible to the impulses and ambitions which actuated our Revolutionary fathers in their historic struggle for independence.

In every age of the world's history races have been enslaved and nations held in bondage on the specious plea that they were not capable of self-government, or that a better government could be supplied by their alien masters. Athens, the birthplace of democracy, even in the Golden Age of Pericles, had only about 30,000 free citizens. She allowed only an insignificant part of her population to participate in the enactment and administration of her laws, and she ruled her provinces and subject cities with unbridled despotism, claiming that the masses were unworthy and incapable of having a part in governmental affairs.

The American people are face to face with an issue that can not be side-stepped, and the solution of which will test their mettle and convincingly demonstrate their unselfish devotion to the principles around which their benign scheme of government is built. We will convict ourselves of embarrassing inconsistency if while enjoying the blessings of self-government we deny these God-given rights to others. Thirteen million Filipinos who came under our control by the fortunes of war have demonstrated by 30 years' successful administration of their own domestic affairs ample capacity to take over all the functions of government, including supervision of their international relations.

In the annals of the world there is no instance where, in the brief span of 30 years, another race has made more rapid progress in civic, social, cultural, and political affairs or in the practical and efficient application of wholesome and helpful principles of government. It is a source of lasting satisfaction that the Filipino is forward-looking and progressive in conceptions of government. The victim of centuries of exploitation and oppression, he can not look with tolerance on any form of government that limits the natural rights of man or deprives him of personal or political freedom. In his heart of hearts he abhors not only monarchical forms of government but bureaucratic or provincial systems by which a republic sometimes endeavors to rule and exploit a subject race or dependency.

In other words, the Filipino is in step with the enlightened nations of the world that have representative forms of government, and being essentially democratic in his conceptions of the rights of the citizen and the functions, purposes, and powers of the state, he craves the privilege of building a Filipino republic, using our free institutions as a pattern, to the end that the 13,000,000 Filipinos and their posterity may have a freedom comparable with our own. By no manner or means can this inherent, militant, motivating impulse and purpose be suppressed. Tyrants, in their passion for power and in their withering contempt for the natural rights of subject or citizen, have never yet been able to forge a chain that can shackle the human mind or grappling hooks sufficiently powerful to uproot the longing for liberty that a beneficent Providence has anchored immovably in every human soul. [Applause.]

ORDER OF BUSINESS

Mr. RAINEY. Mr. Speaker, I desire to say for the information of the Members that while we will take up the so-called "lame-duck" resolution on Friday of this week, there will be no vote on it until Saturday afternoon.

Mr. SNELL. Will the gentleman yield for a question?

Mr. RAINEY. I yield.

Mr. SNELL. Would the gentleman be willing to let the vote go over until Monday? There are a great many Members on this side who have made arrangements to be away on Friday and Saturday. They took it for granted that perhaps Saturday would be a holiday and that on Lincoln's birthday there would not be very important matters considered in the House.

Mr. RAINEY. I see no objection to that. We can vote on it Monday.

The SPEAKER. Does the gentleman from Illinois desire to prefer a unanimous-consent request to that effect? A parliamentary situation might develop where it would be difficult to carry it over until Monday. Monday is unanimous-consent day as well as suspension day, but the House can take the vote at a later time by unanimous consent.

Mr. SNELL. May it not go over until Tuesday, then?

The SPEAKER. When the consideration of the resolution is completed and the resolution is reported to the House, the House could now agree by unanimous consent to take the vote at any future date.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that at the conclusion of the consideration of the so-called "lame-duck" resolution, the vote on the passage of the resolution may be postponed until Tuesday of next week.

Mr. CELLER. Mr. Speaker, reserving the right to object, would it be possible to start consideration of the bill on Saturday instead of on Friday?

Mr. RAINEY. No, sir. That would not be possible.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

FEDERAL TRADE COMMISSION AND THE ANTITRUST LAWS

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FULMER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement made by me before the Interstate Commerce Committee of the Senate opposing the confirmation of Mr. William E. Humphrey as a member of the Federal Trade Commission.

Mr. Chairman and gentlemen of the committee, I am appearing this morning against the confirmation of Mr. Humphrey because of his activities in establishing and promoting these trade-practice conferences.

I want to say that in establishing these trade-practice conferences by the Federal Trade Commission for the various industries of the country, wherein the commission indorses trade-practice rules for the industries, that the commission has done more to help industry defeat the antitrust laws than anything that has happened since the passage of the act. Under a resolution passed by the Senate about one year ago the Federal Trade Commission has been holding investigations of the cottonseed oil-mill industry, so as to ascertain whether or not this industry has been able to form a trust, fix prices, etc. A report should be forthcoming from the commission at a very early date, which I am sure will show that what I have to say here this morning is absolutely true.

I used to be a general supply merchant, doing a very large business. I bought and sold thousands of bales of cotton and thousands of carloads of cottonseed. I bought as an independent buyer, always giving the top prices for cotton and cottonseed—not a price to make money in buying seed, but in the interest of making a real market in the interest of my business. At that time I could go to the telephone and call a half dozen cottonseed-oil mills and offer seed for sale and always get competitive bids and then sell to the highest bidder. Since the trade-practice conference for the cottonseed-oil mills by the commission independent buying and selling of seed is practically a thing of the past. I have hundreds of letters from cottonseed buyers, some of them having bought seed for the past 20 years as independent buyers, who have been absolutely put out of the market since the trade-practice conference that was held in 1928.

I want to quote from Mr. Christie Benet's statement made at the opening of the Cottonseed Trade Practice Conference, which will fully explain why a conference:

"It is not necessary at this time to go into a detailed statement of the competitive set-up in the industry. We have known about this competitive set-up for years, but did not see our way out."

Mr. Benet is one of the best lawyers in my district and represents the Cottonseed Oil Products Association, composed of practically all oil mills, refineries, and chemists who analyze cottonseed as members thereof.

Mr. Benet could have extended his speech, and perhaps did, as follows:

"Gentlemen of the conference, as you know, in the past as an industry we have had numbers of independent mills that did not go into our associations but persisted in buying seed and making their own prices, which brought about competition which was extended to the buyers of cottonseed from farmers. Therefore, not being able to control these independent mills and independent buyers, we have had hard sailing in fixing and controlling prices."

No doubt he stated that this could be done only by buying up or forcing these independent mills to enter into set rules and trade practices and have all mills sign on the dotted line.

Now, gentlemen, I not only make the charge that competition between the mills in buying and selling cottonseed and their products, which would mean a healthy competition on the farmer's market of the South, is a thing of the past, but that since the trade-practice conference at Memphis in 1928 the industry has enjoyed a "hog-tied" monopoly, weeding out independent mills and independent cottonseed buyers, thereby fixing prices and robbing farmers and cottonseed buyers out of millions of dollars annually. In making these charges, I seem to have the backing of the South Carolina Legislature in the passage of a resolution wherein they make the same charges that I do and have authorized the attorney general to make investigations and prosecute the cotton mills doing business in South Carolina in violation of the anti-trust laws.

JOINT RESOLUTION PASSED BY LEGISLATURE OF SOUTH CAROLINA

"Whereas the sovereign State owes a solemn obligation to its farmers and planters to protect them from the high-handed and nefarious treatment which for some time has been and is now being measured out to them by the cottonseed-oil manufacturers, in that the universal price offered by the manufacturers for prime cottonseed, February 1, was the measly sum of $26 per ton, which cottonseed, when manufactured into cottonseed products, is sold based on mill prices of same date for a minimum of approximately $44 per ton, a difference or gross profit to cottonseed oil manufactured of not less than $18 per ton; and

"Whereas there exists and persists a very apparent oneness in agreement and action between mills to maintain this profit, regardless of market fluctuations and varying grades of seed; and

"Whereas it is a well-known and established fact that 1 ton of prime cottonseed manufactured by an average or ordinary oil mill will produce the following products, which were quoted February 1, f. o. b. mills, at—

950 pounds cottonseed meal, at $32 per ton	$15.20
340 pounds cottonseed oil, at 0.07¼ per pound	23.80
550 pounds cottonseed hulls, at 0.45 per hundredweight	2.48
75 pounds linters, at 0.03½ per pound	2.62
85 pounds loss due to trash and moisture.	
2,000 pounds	44.10

and

"Whereas the sacks and tags for the meal cost $1 for each ton of cottonseed worked, and the average freight charges on cottonseed from shipping points to cottonseed-oil manufacturing plants amount to $1.50 per ton, with no transportation charge on the large amount of cottonseed hauled by farmers and planters on wagons and trucks directly to the manufacturing plants; and

"Whereas it can be established beyond question that $5 per ton is a reasonable manufacturing charge or cost, which, when added to the cost of the meal sacks and tags ($1) and freight charges ($1.50) herein mentioned, makes a total of $7.50 per ton, which, deducted from the spread of $18 per ton between the carlot market price for cottonseed and the manufactured cottonseed products, leaves a net profit to the cottonseed-oil manufacturers of $10.50 per ton; and

"Whereas such profit is exorbitant, indefensible, confiscatory, and should not be tolerated, and is being maintained to the farmers' detriment and ruin only through a South-wide organization of the manufacturers, who, having a highly paid legal counsel and organizer, are evidently hoodwinging the Federal Trade Commission; and

"Whereas South Carolina farmers and planters annually produce approximately 300,000 tons of cottonseed on which, based on the figures named, they are losing, notwithstanding their poverty, approximately $3,000,000 annually; and,

"Whereas it would be manifestly stupid for this general assembly, a part of whom have already expressed concern for the oppressed farmer and taxpayer in a comparative gesture, to pass unnoticed and unremedied the action of this gigantic combination which is unjustly and illegally extracting from the pockets of the farmers of South Carolina, alone, an annual sum equal to more than the entire income from the 5-mill property levy; Now therefore be it

"*Resolved by the senate (the house of representatives concurring)*, That the attorney general is hereby instructed to confer immediately with the Attorney General of the United States, the Federal Trade Commission, and such other State and Federal authorities as he may be advised and to take vigorous steps in conjunction with the Federal Government and/or other States and/or alone to immediately correct the abuses mentioned and to punish those responsible for them if such course is practicable and to regulate or put an end to this manifestly unjust combine of the cottonseed oil mills of this and other States, and to make to this general assembly a progress report of his actions by March 15, 1930, and to make a full report of his acts, doings, and accomplishments to the next general assembly, together with such recommendation as he may deem proper."

My charges are further borne out by a recent unanimous opinion of the Supreme Court of the State of Alabama in the case of Dothan Oil Mill Co. et al. *v.* Espy et al. (127 Southern Reporter, 179). In that case Mr. Espy and others obtained an injunction against the Dothan Oil Mill Co. and other oil mills from Alabama from putting into effect the agreements entered into at Memphis, Tenn., which had for their purpose the setting of prices of cottonseed and destroying competition in the purchase and sale of cottonseed. I quote from their decision:

"We have no difficulty in reaching the conclusion that the defendants have entered into a combine, pool, trust, or confederation to regulate or fix prices of cottonseed in this State and are attempting to destroy competition in the sale thereof in violation of the State antitrust laws."

Senator NEELY (interposing). What are you reading from?

Representative FULMER. This is a decree or the findings of the Supreme Court of Alabama in a case against the Dothan Oil Mill Co.

The CHAIRMAN. What court?

Representative FULMER. The State Supreme Court of Alabama.

In the meantime I am prepared to prove these charges not from statements issued by the industry or from the Federal Trade Commission, said commission being a party to the crime, but by written facts and figures from farmers, bankers, merchants, and cottonseed buyers; also by actual invoices and analysis of cottonseed issued by the mills to the buyers.

During March I mailed out a number of questionnaires to independent and commission cottonseed buyers in my district. Perhaps the largest file in my office contains replies and letters from seed buyers, bankers, and merchants from my State showing that they are very much interested in this matter, and what applies to South Carolina will also apply to all of the cotton States.

I had a trip to my State during March and found that commission buyers were willing and anxious to tell me about the deplorable condition existing on the seed market since the trade-practice conference and also how the independent buyers were being put out of the market and forced to sign uniform commissioned buyers' contract. They did not want to do much writing, because they knew that it would mean the canceling of their contract next fall. I shall be unable to place into the RECORD all replies to these questionnaires or letters received, but I am going to give you a fair sample of them.

This party lives in my home county and is one of the best business men and farmers in the county.

I quote from the questionnaire:

"Please answer the following questions and return to me. I will not use your name if you do not want me to.

"Do you buy cottonseed independently or under contract? Answer. Contract.

"Have you ever bought independently? Yes.

"As an independent buyer, did you sell for the highest offer? Yes.

"Under your present contract, do you sell to one mill? Yes.

"How many independent buyers in your town? None.

"Does your contract forbid you dividing your commission? Yes.

"Did you find all mills had the same price during the past season? Yes.

"I understand seed that you buy as wagon seed is not graded. Is this true? Yes.

"I understand all seed shipped in car lots independently are graded. Is this true? Yes.

"It is my understanding that this is the method used by the mills to put independent buyers out of the market by grading their seed down from basis price. Am I right? Yes.

"Do you operate a cotton gin? No.

"Do you owe a cottonseed-oil mill for borrowed money? No.

"Do you agree with what I say in my speech of February 14? Yes.

(Signed) ——— ———."

Listen to this letter written by the same party:

"DEAR MR. FULMER: Your communication of March 15 has been received, and I heartily agree in what you say about the conduct of the cottonseed-oil mills. The organization or combine of these mills has completely eliminated the independent cottonseed buyer in that he will be unable to secure bids sufficient to let him out without losses. The grading down by the mills of independent car-lot seed will ruin any man of small means who undertakes to operate as an independent buyer.

"For the past 25 years I have been connected in one form or another with the purchase of cottonseed, mostly as an independent buyer, but the past season the handwriting on the wall was so plain I found it necessary to buy only on contract for the mills and could not from time to time secure bids from other mills that were any advantage over the mill for which I was buying under contract. I might say, for your information, that no funds belonging to any mill were used by me in the purchase of cottonseed. While my contract called for the use of their funds, my own were used for the purpose of taking advantage of higher prices from other mills, but the same did not materialize.

"I might also add that the prices paid for seed during the past season were not in proportion to prices of former years based on the quotation of cottonseed oil, but run as a general thing from $5 to $10 per ton less. I want to congratulate you on the efforts being made to disturb this organization and wish to assure you of my cooperation and assistance.

"Sincerely yours."

To this question: "Do you owe a cottonseed oil mill borrowed money on your cotton-gin plant?" I have quite a number of answers, "Yes."

These fellows by virtue of these loans are hog-tied in a contract to deliver all seed bought at their cotton gins to the mills loaning the money. It is needless for them to be concerned about a competitive market or a fair price for cottonseed. They simply buy as instructed and receive as commission $3 per ton.

These buyers requested me not to use their names, as they realize that the mills would cancel their loans. The practice of owning outright and loaning money on gin plants by cottonseed-oil mills is growing by leaps and bounds. This is one of the sure ways of absolutely controlling the cottonseed market.

I quote from a statement issued by Mr. Smoak, of my district:

MR. SMOAK'S STATEMENT

"He who 'spake as never man spake' declared that 'the laborer is worthy of his hire,' but the Southern Cotton Oil Co. says, 'Nay; not so,' to the ginners of Calhoun County.

"For apparently personal and selfish reasons the Southern Cotton Oil Co. of this place has seen fit to attempt to monopolize the ginning and seed business and drive legitimate competition to the wall by cutting the price of ginning at St. Matthews below the cost of operating, while holding the price up to the level in the sister town of Orangeburg and all other points.

"This $10,000,000 corporation, composed of New York and New Orleans millionaires, have declared that they intend to drive us out of business for no other offense than that we have stood by our friends to the limit of our resources and have given to the extent of our ability to help them in every reasonable way by extending them every courtesy and accommodation within our power.

"We raise no cry of persecution, the facts speak for themselves; and we now feel justified in requesting our friends to aid in staying the tentacles of this giant octopus, whose sole desire seems to be to strangle logical competition.

"We commenced no fight on the Southern Cotton Oil Co., and will never do so. We wish them well in every legal and ethical business method, and are surely entitled to the same consideration. We know, and the Southern Cotton Oil Co. ought to know, that honest differences of opinion can only be properly adjusted by mutual conformity to the golden rule and not by fighting. If they have a reasonable grievance against our operating methods, why should they hesitate to manfully declare it? We and the public would welcome such criticism.

"We consider the price of $3.25 per bale for ginning, bagging, and ties a very fair one to the farmer and the ginner; one which allows a living to both. When a farmer goes to the gin he not only expects but is entitled to have his cotton properly ginned, and I venture the assertion that there is not a farmer in Calhoun County so selfish as not to be willing to pay the ginner a fair price that will allow him to live and maintain his equipment in proper operating condition.

"This price of $3.25 per bale is about 75 cents less than the prevailing price throughout South Carolina, but we adopted it in the beginning of the season as a fair one and will continue to stand by it. It has been violated, and the public knows the reason why.

"The Southern Cotton Oil Co. will hardly venture to candidly inform the community of its reason or excuse for this gratuitous and unwarranted war on lawful business methods. If you have a valid price-cutting reason against the writer or other ginners of Calhoun County that will bear the light, speak out, gentlemen, and declare the 'truth, the whole truth, and nothing but the truth.'

"We can not contend alone against this gigantic monopoly in its present price-cutting policy and are calling upon our farmer friends of Calhoun County to continue their support if our services to you have been satisfactory, which we always endeavor to make them. We are only the first victim of this unholy war. If they succeed in cutting our throats, the knife will in due season be applied to yours. If we do not 'hang together now' for lawful and just business methods, we will all be 'hanged separately later.'

"A. S. SMOAK GINNERY."

Prior to the trade practice conference we had no grading of cottonseed except perhaps if we had a very wet season, which would sometimes cause seed to damage. In a case like this a seed buyer representing the oil mill would come to your seed warehouse, examine the seed by cutting and counting the damaged seed, and make you a bona fide price. You would know just what price you would receive for your seed. Since the conference they refuse to examine your seed until shipped in, if you were an independent seed buyer. In the case of a commission buyer, buying for instance, in the same town with the independent buyer, the mills do not grade the commission buyer's seed.

The CHAIRMAN. Do I understand you to say that the Federal Trade Commission fixed this?

Representative FULMER. This is the outcome of the trade practice conference. Certain large mills claimed that it was bad business practice to buy seed not graded, but I am prepared to prove to you that it was a scheme to put the independent buyer out, because they did not grade the seed shipped in by their commission buyers. The mills paid the same basis price to both commission buyers and independent buyers, but I will show you in a few minutes what they did to the independent buyer in grading down his seed from basic price.

These industries over the country are so satisfied with the indorsement of the Federal Trade Commission in these trade practice conferences that they have a bill now pending before the Senate to make these trade practice conferences legal, as well as legislation for grading cottonseed.

Senator SMITH. When was this grading process started?

Representative FULMER. It was put into effect shortly after the trade practice conference in 1928.

Senator DILL. I want to get clear before the committee what relation the decision of the Alabama Supreme Court has to the Federal Trade Commission.

Representative FULMER. I quoted the decision of this court to further prove my contention that the industry is operating a trust. I contend that the indorsement of the Federal Trade Commission of these trade practice rules and what they call a code of ethics in doing business simply placed the industry in a position to get together and fix prices both on what they buy and what they sell——

Senator DILL (interposing). I am now talking about the Federal statute.

Senator WHEELER. And he is not attempting to say that.

Senator DILL. I want to get his idea of the relationship of a Federal statute to that decision by the Alabama Supreme Court. It is the Federal statute that the Federal Trade Commission is working under.

Representative FULMER. You are correct, but this decision simply confirms my contention.

Senator DILL. But that decision is not the Supreme Court of the United States decision.

Representative FULMER. No; the Supreme Court of the State of Alabama.

Senator WHEELER. It does not make any difference whether the Supreme Court of the United States or the Supreme Court of Alabama. What you are contending is that this group is violating the antitrust law of the State of Alabama, and you contend that thereby they are violating the Sherman antitrust law.

Representative FULMER. Yes; as is shown by this decree.

Senator WHEELER. I assume the antitrust law of the State of Alabama is similar to the Sherman antitrust law.

Representative FULMER. That is right.

Senator CONNALLY. In answer to Senator DILL's question, the point that you make in reference to Federal jurisdiction and State jurisdiction, as I understand the situation, the Congressman is claiming that under the Alabama laws, while the act complained of would be unlawful under those laws, in violation of the antitrust law, yet the contention is that through the action of the Federal Trade Commission what would otherwise be unlawful acts are given the color of innocence and legality by reason of having followed the suggestions of the Federal Trade Commission.

The CHAIRMAN. Can you give the committee any reference—and I think this would be the appropriate time—as to when the Federal Trade Commission took this action?

Representative FULMER. In the year 1928.

The CHAIRMAN. Can you give any specific time or record of where that action appears?

Representative FULMER. Yes, sir; in the minutes of the Federal Trade Commission, of this trade-practice conference. And may I state that the commissioner who presided at the cottonseed conference, as will be shown by the minutes, made this statement: "Now, gentlemen, each of you can do these things individually, but you can not do it collectively; if you do, you will get yourselves into trouble."

I want to say to you that in the trade-practice conferences with these various industries the presiding commissioner gave every possible advice how to formulate trade-practice rules and codes of ethics, whereby the industry could defeat the antitrust laws, and then the Federal Trade Commission indorsed these.

Senator WHEELER. What they were trying to show them was how to get around the Sherman antitrust law.

Representative FULMER. Absolutely. I want to say to you gentlemen of the committee, after receiving the indorsement of the commission, that they have gone back home and put these rules and code of ethics into practice very efficiently, whereby they have robbed the cottonseed people.

The CHAIRMAN. What particular commissioner made the statement that you refer to?

Representative FULMER. Commissioner McCulloch.

Senator WATSON. Mr. Humphrey did not do all this by himself?

Representative FULMER. That is correct.

Senator NEELY. Do you know whether Mr. Humphrey participated in that meeting of which a minute was made?

Representative FULMER. Not at that particular time. I am going to insert at this point actual invoices and certificates of analyses of two cars of seed shipped by an independent buyer. I am going to leave out the name of the bill and shipper but I have the original invoices in my files.

"CERTIFICATE OF ANALYSIS

"Date, February 14, 1930. Sample of cottonseed received from a South Carolina cottonseed mill. Analysis No. 4458.

"Marked 'A. C. L. 54479. John Doe, Batesville, S. C.'

"Sampled by ——— ———. February 1, 1930. Received February 14, 1930.

	Per cent
Foreign matter	0.50
Moisture	11.80
Total excess	0
Free fatty acids	9.00
Discount	21.00
Basic price f. o. b	$30.00
Discount for excess foreign matter and moisture	------
Quality discount to apply on	30.00
Discounts for free fatty acids	6.30
Total discount	0
Net value	23.70

"The above calculation of value gives credit for tolerances of 13 per cent combined foreign matter and moisture, 2 per cent free fatty acids content of the extracted oil.

"Respectfully submitted.

"CHEMIST."

"INVOICE

"SOUTH CAROLINA, *February 14, 1930.*

"A South Carolina mill, returns for car cottonseed from John Doe, Batesville, S. C., stored in bin No. 5:

"C. W. No. 5324.

"Car initial and number, A. C. L. 54432.

	Pounds
Gross weight	93,050
Tare	43,000
Net	50,050
50,050 pounds net, at $23.70	$593.09

The above net weight, 50,050 pounds, at $30 basis price, would have amounted to $750.75; therefore a loss to the independent shipper of $157.66 on account of undergrading.

"CERTIFICATE OF ANALYSIS—ANALYSIS NO. 6443

"Date, February 17, 1930. Sample of cottonseed received from a South Carolina mill.

"Marked A. C. L. 54231, John Doe, Batesville, S. C. February 16, 1930. Received February 19, 1930.

"Sampled by ——— ———."

Foreign matter	per cent	0.40
Moisture	do	11.40
Total excess	do	0
Free fatty acids	do	11.10
Discount	do	27.30
Basis price f. o. b		$30.00
Discount for excess foreign matter and moisture, quality discount to apply on	per cent	30.00
Discount for free fatty acids	do	0
Total discount	do	8.19
Net value		21.81

"The above calculation of value gives credit for tolerance of 13 per cent combined foreign matter and moisture and 2 per cent free fatty acids content of the extracted oil.

"Respectfully submitted.

"CHEMIST."

"INVOICE NO. 4987

"SOUTH CAROLINA, *February 17, 1930.*

"A South Carolina mill; returns for car cottonseed, from John Doe; station, Batesville, S. C.

"Stored in bin No. 3; C. W. No. 2438; car initial and number N. B. C. 78934."

	Pounds
Gross weight	73,300
Tare	41,000
Net	32,300
32,300 pounds net, at $21.81	$352.23

The above net weight of 32,300 pounds, at $30 per ton, the basis price, would have amounted to $484.50; therefore, a loss on this car to the independent shipper of $132.27 on account of undergrading.

You will note that the second car was shipped just about three days later than the first from the same point and by the same shipper. These cars contained the same quality of seed; in fact, I am informed that both cars were loaded out of the same warehouse. The seed in the first car was graded down $6.30 per ton, while the second car was graded down $8.19, making a difference of $1.81 per ton for the same seed. The basis price for both of these cars was $30 per ton. You will note from the prices received according to the outturns of the two invoices this shipper had a loss on these two cars from the basis price of $132.27 and $157.65, respectively, or a total of $289.92. In the meantime, my friends, commission buyers located at the same point, shipping the same quality of seed at the same time, received the full $30 basis price, which included their commission of $3, without any grading of their seed; therefore, without losing the $289.92, as in the case of the independent buyer. This independent buyer paid the same price to the farmer as did the commission buyer, namely, $27 per ton, which was the wagon price. Therefore, not only did he lose his profit of $3 per ton but the difference between wagon price, $27, and the net amount received; that is, $21.81 and $23.70, amounting to $289.92 of actual cash out of his pocket. How long could you expect an independent buyer to stay in the market under this grading scheme?

I want to quote from some letters so as to show you gentlemen just how the farmers and seed buyers feel about what I am complaining of.

I WISH I COULD TALK WITH YOU PERSONALLY

"MY DEAR MR. FULMER: I wish to congratulate you on your efforts to help the farmers of the country in the matter of the cottonseed situation. I wish that I could talk with you personally so that I might give you some of my experience. I will thank you, however, not to use my name as it may seriously affect the loan that one of the oil mills now has on my gin plant.

"Assuring you of my pleasure in assisting you in any way that I can and with kind personal regards, I am,

"Yours very truly,

——— ———."

HOW IS THIS?

"There is absolutely no competition in the seed market now. The mills pay you what they please for cottonseed and charge you what they damn please for the products thereof. The oil mills have everything their own way and have the farmers hog tied. I am delighted that you are going to hold an investigation and hope that you will be able to break up this trust."

A LARGE INDEPENDENT BUYER

"Mills are combined and cutting out competition without any fluctuation in the price of oil or by-products. They have reduced the price of seed and all mills have identical prices. They give notice prior to reduction in price so as to stimulate the sale of seed. I tried to get several mills to send representatives to take samples of my seed and make me an offer on them, but they claimed that this would be a violation of their agreement with the Crushers' Association. Is there no remedy for this?"

IT WON'T BE LONG BEFORE WE WILL HAVE TO SIGN A CONTRACT

"MY DEAR MR. FULMER: We have been buying seed independently for the past 15 years, also plant around 500 acres of cotton; hence, are in a position to fully realize what we are up against under the present conditions."

"It seems to us that the mills are about to succeed in eliminating the independent seed buyers. We had 400 tons of seed in our warehouse around January 1. Heretofore we have been having representatives of the various mills to call on us with the view of trying to buy our seed. We made an effort, since January, to dispose of these seed.

"We tried every mill that we could think of, with the result that every one made us the same offer, subject to the grading rules. We tried to get the different mills to send one of their representatives here to get a true sample and have them analyzed in order that they could buy the seed at a flat price. They refused, advising that they would only buy at the prevailing price then quoted for prime seed subject to the grading rules. We finally succeeded in getting a mill to buy these seed at a flat price of $23.

"For your further information, we might also state that we could not get an offer from the mills on a parity with the men that were on contract. We tried to sell our seed to a contract man in a near-by town. He only offered us $23, and yet paid another man that had some seed stored with us in the same house, on the same pile, and the same quality of seed a price of $25. This particular man knew that they were the same seed. We also tried before this to sell these seed to some of the men here that were under contract, since it was evident to us that we could not sell them as advantageously as the contract man. We being independent buyers, it seemed that the mills that had men on contract here did not want to buy our seed, for the reason when their men would call them up they would want to know if the seed being offered belonged to John Doe. They had not seen our seed nor had them analyzed to know just what condition they were in. We sold our seed last year at a price of $43.75, compared with $23 this year, and we do not think they were any worse this year than last.

"Unless conditions are remedied, it looks to us as if we will be forced to enter into a contract with some mill. We trust that you will be able to help us out in this matter.

"Yours very truly,

"_____ _____."

The trouble with this whole matter is that we have three large industries who are trying to force the independent mills into a monopoly or a trust, namely, Procter & Gamble, of Cincinnati, who own the Buckeye Cottonseed Oil Mills; Swift & Co., meat packers, of Chicago, who own the Swift Cottonseed Oil Mills; and the Southern Cottonseed Oil Co., owners of cottonseed oil mills scattered over the South. These concerns operate refineries and are not only able to fix the price of cottonseed oil produced at their crushing mills, but fix the price of cottonseed oil for sale by independent cottonseed-oil mills. Independent cottonseed-oil mills in the various localities of the cotton States buy their supplies of cottonseed from farmers in these various sections as well as sell to them the manufactured products of their mills. Lots of the seed are trucked in and manufactured products trucked out from the mills, which enables these independent mills to pay a higher price for seed as well as sell their products at a lower price than the large mills, who usually have to ship their seed and products from State to State. The real fight is on the part of these large operators trying to control the independent mills in fixing prices.

The investigation referred to a few minutes ago will actually show you that these three large industries went so far as to have surveys made of all the independent mills of the country and the amount of money that would be necessary to purchase these independent mills so they could absolutely cut out these competitors. They were only stopped in this transaction because of the investigation that was put on by the Federal Trade Commission under Senate resolution referred to a few minutes ago. I want to quote Mr. Asbury, who represented the Southern Cottonseed Oil Mill in his testimony before the Federal Trade Commission in this investigation.

Especially were surveys made in Alabama, South Carolina, North Carolina, and Georgia. They listed all mills to be bought, and by so doing the number of tons of seed that would be available for these three mills per press per year, as well as the amount of money needed in each State to carry through their high-handed scheme.

LISTEN TO MR. ASBURY'S TESTIMONY

Mr. Asbury was asked this question by Mr. Wooden:

"With whom did you discuss these plans and surveys?

"Mr. ASBURY. I discussed the matter with Mr. Geohagan. He is the man who is most interested in working out these plans from a financial point of view and otherwise in our company. I also discussed these plans with Mr. Phil Lamar, who runs an oil mill at Rome, Ga., and with Mr. Palmer Brown, of the National Cottonseed Products Co., in Memphis, Tenn.

"Mr. WOODEN. Have you discussed it with the Buckeye and Procter & Gamble interests?

"Mr. ASBURY. Yes; I have discussed it with them; yes, sir.

"Mr. WOODEN. Have you discussed it with Swift & Co.?

"Mr. ASBURY. Yes; I was in Chicago last year and talked with the Swift people."

SOUTHERN COTTON OIL CO. AS A LEADER

Mr. Asbury stated that these surveys and plans were drafted in the office of the Southern Cotton Oil Co. at New Orleans, and that Buckeye had made drafts and surveys also. The statements showed that in South Carolina they would have about 205,000 tons of seed to crush if they could get rid of the independent mills which would give these three companies 3,300 tons per press per year and the amount that would be needed to take over the independent mills in South Carolina would be $2,990,000.

In the case of Georgia, in taking over the independent mills it would give these three companies 2,600 tons per press per year, and to purchase the mills in that State it would take $3,050,000.

It was understood in Alabama that the Kidd Cotton Oil Mill interests were to join with the Southern, Swift, and Buckeye Co., because, as stated by Mr. Asbury, they could not buy out this company. These four companies would have 3,500 tons per press per year, and it would cost $1,660,000 to take over the Alabama independent mills.

LISTEN TO THIS QUESTION

"Mr. WOODEN. Why did you plan to take over the Allen and Dothan Mills and not the Kidd Mill?

"Mr. ASBURY. Well, I think it would have been easier to have bought them out than it would have been to get the Kidd one. Kidd has a hull plant; therefore, it would not have been easy to get his hull plant."

You will find Mr. Kidd was at the head of the Alabama division of the association at the time he was to be made a part and parcel of the price-fixing scheme.

THE TESTIMONY SHOWS THAT THEY HAD OPTIONS

"Mr. WOODEN. Did you talk to Mr. Lamar about these plans?

"Mr. ASBURY. I think Mr. Lamar got some options on mills in Georgia. (This was in 1929.)

"Mr. WOODEN. Did you have options, obtain options, on mills besides the ones Mr. Lamar obtained?

"Mr. ASBURY. Yes; there were options obtained on a number of mills."

"Mr. WOODEN. In other States?

"Mr. ASBURY. Yes.

"Mr. WOODEN. By whom were they obtained?

"Mr. ASBURY. I do not know. Mr. Geohagan handled that part of the matter.

"Mr. WOODEN. Did they get options on mills in South Carolina?

"Mr. ASBURY. I think; yes.

"Mr. WOODEN. Do you know who obtained these?

"Mr. ASBURY. My impression is that perhaps Mr. John Stephens did, but I am not sure.

"Mr. WOODEN. How was this whole matter to be financed?

"Mr. ASBURY. You are asking me a big question.

"Mr. WOODEN. You had your plans made, did you not?

"Mr. ASBURY. We were trying. We did not get that far. First, we had to find out or wanted to get some light on the financial side; that is, how much it would take to finance it."

CORPORATIONS WERE PLANNED

Mr. Asbury further stated that plans were formulated to form a corporation in each State to take over the independent mills.

ADDITIONAL TESTIMONY FROM THE HEARINGS

"Mr. WOODEN. The new corporations were to take over the mills that they would acquire?

"Mr. ASBURY. I think it was discussed to take over the mills and to organize the industry in the States on a basis that would enable them (the Southern, Buckeye, and Swift) to crush the seed in an economic way at a reasonable cost and on a basis that we could make money.

MR. ASBURY LETS THE CAT OUT OF THE BAG

"Mr. WOODEN. Are you familiar with anything relating to the taking over of the Marion Harper Cotton Oil Co.?

"Mr. ASBURY. I think Mr. Lamar, who later bought the Rome (Ga.) mill, had the Marion Harper Mill. We were satisfied with Mr. Lamar. He used to belong to our company.

"Mr. WOODEN. There were certain specific reasons for involving in the proposed plans the taking over of the Marion Harper Mill?

"Mr. ASBURY. I hardly know how to say this if it is going in the record.

"Mr. WOODEN. Can I help you out?

"Mr. ASBURY. Well, one reason is that Mr. Harper is a leading intermittent type of seed operator. I am telling you what I know, or rather what I think about it. When Georgia adopted the 'code of trade practices' Mr. Harper attended the conference. He remained and indicated his willingness to operate under the code. Mr. Harper says, 'I am for the code of trade practices.' He did not oppose it, yet he did not work under it and proposed to operate as he saw fit and in whatever way he could, buying seed at whatever price he could."

THE HARPER MILL WAS AN INDEPENDENT MILL

My friends, that is the attitude of all independent mills like Mr. Harper's. These mills are the ones that make the three large groups or mills pay a fair price for seed on a competitive basis. You will note also that Mr. Harper did not do what was intended in the code; that is, follow a set or fixed price by the State associations operating under the national association. Mr. Asbury further states: "Because of this I personally would prefer to have some one else run Mr. Harper's mills." Yes; Mr. Asbury and the three large mill operators mentioned in this deal would prefer that they take over all of the independent mills so that they would know that they would not have Mr. Harper's type to interfere with their plan of price fixing and highway robbery.

MR. ASBURY FURTHER TESTIFIES

"Mr. WOODEN. In other words, Mr. Harper was not disposed to cooperate with the remainder of the industry?

"Mr. ASBURY. I do not think it was a question of cooperation but a question of discrimination. My view is that I wanted to be able to look a man in the face and tell him that I am giving him the best price I can; also, telling him that I am dealing with him on the same basis that I am dealing with others (a fixed price).

"Mr. WOODEN. And you would also like to be able to say that he could not do any better at any other place?

"Mr. ASBURY. No."

But that is the position Mr. Asbury would aspire to. In fact, under the code indorsed by the Federal Trade Commission at Memphis last summer, Mr. Asbury and his outfit is just about in that position. They wanted to complete the job by buying the independent mills.

THIS COMBINATION PREFERRED TO PUT HARPER OUT

"Mr. WOODEN. But you would like to be sure of that?

"Mr. ASBURY. It is extremely difficult to do business in cottonseed or cottonseed oil for what the seed are worth. If I am buying cottonseed for $30 per ton and somebody else is buying for $31, the producer will naturally sell his seed to the man who pays the $31. I may be able to get along for a while. I will either have to pay $31 in order to get seed to run my mills or get out of the business."

Therefore, to keep the independent mills and independent buyers from making a competitive market by bidding up seed, they proposed to buy them out.

THIS WILL APPLY TO ALL INDEPENDENT MILLS

Mr. WOODEN. Isn't it a fact that this Marion Harper Oil Co. consistently tops the price of other mills?

"Mr. ASBURY. Yes.

"Mr. WOODEN. Is that not one of the reasons that the leaders in your groups in the business wanted to put them out?

"Mr. ASBURY. Yes. Personally, I would like to have somebody else running their mills."

Senator SMITH. Wouldn't it be very well if you, at this point, when you speak of the ability of an independent mill to dispose of its product in a manner that would enable it to give a better price for seed, to just give to the committee, for the benefit of those who are not familiar with it, what products they do dispose of, such as meal and hulls. The local community would absorb the greater percentage of their output other than oil, and at a minimum cost, because they would take it away on their wagons.

Representative FULMER. As stated a few minutes ago, they buy largely locally, trucking seed in and out. In the meantime all of these independent mills have to sell to these three refineries, and these three refineries are able to fix the price.

Senator CONNALLY. Have you any evidence that Mr. Humphrey himself approved this effort to suppress independent mills or to merge them with trust mills?

Representative FULMER. I prefer to leave that to Representative PATMAN, who is prepared to give you the facts along that line. But I wanted to show how the mills worked under the trade-practices rules.

The CHAIRMAN. Before you go further in the matter I think we should have more specific information as to the records of what was done in these conferences and Mr. Humphrey's connection therewith.

Representative FULMER. I would state that that took place in all these trade-practice conferences, and that the minutes of the conferences are in the office of the Federal Trade Commission.

The CHAIRMAN. Did it happen in 1928?

Representative FULMER. Oh, no; not necessarily. They are having them continually now. They are calling the various industries together and conducting these trade-practice conferences and formulating this code of ethics, right along.

The CHAIRMAN. What specific facts would you like to show to the committee, or would you like to have us subpœna in order that we may get at the facts to which you refer?

Representative FULMER. I would just like you to take the report of the Federal Trade Commission in the hearings, and they will absolutely establish the facts to which I refer.

Senator KEAN. What hearing do you refer to?

Representative FULMER. Hearings on the cottonseed-oil industry. When the oil mills used to buy independently, as I mentioned a while ago, the mills would send out quotations from day to day.

The CHAIRMAN. We understand that, but if you will give us the dates when these conferences were held, or will tell us where to get the record or records of them, then we will see what we can do.

Mr. FULMER. The conference was held in 1928 at Memphis, Tenn., and the minutes and records are in the hands of the commission.

May I state that these conferences are usually called on account of some complaint on the part of the industry? After complaints are made the commission calls the whole industry together and holds these conferences. For instance, in this meeting the commissioner stated he was present to advise and assist in formulating the type of rules, regulations, and code of ethics, so that the industry would be able to eliminate competition without prosecution under the antitrust laws.

The CHAIRMAN. Well, as to that the records will best show the situation.

Representative FULMER. Yes.

Senator DILL. This was done in 1928?

Representative FULMER. Yes.

Senator DILL. Has there been any further conference to change rules that have proved objectionable?

Representative FULMER. No.

Senator DILL. Why not?

Representative FULMER. They are perfectly satisfied.

Senator DILL. Have not the people who object the right to appeal to the commission?

Representative FULMER. They have been doing this, and that is what I am trying to do at this time——

Senator DILL (interposing). With whom?

Representative FULMER. With the actual producers and sellers of cottonseed.

Senator DILL. I am talking about requests made to Government authorities.

Representative FULMER. No.

Senator HASTINGS. Have you made any protest to the Federal Trade Commission?

Representative FULMER. Yes. In fact, we have attended hearings, and we have had these hearings for the special purpose of bringing these matters out.

Senator WATSON. What hearings?

Representative FULMER. Before the Federal Trade Commission, investigating the cottonseed-oil proposition.

Senator CONNALLY. There is an investigation going on now, as I understand it.

Representative FULMER. I understand that these hearings are so damaging to the Federal Trade Commission, because of their indorsement, that they consider the resolution passed by the Senate does not require them to make a report. I am hoping the commission will be forced to make a report because the attorney in connection with the case is prepared to show you some astounding facts which will bear out my contention.

Senator FESS. I am terribly confused about this whole business. I was wondering whether it would not be more regular for us, since I do not know a thing about these trade conferences, to have a statement from Commissioner Humphrey, in order that we may know, first, what trade conferences are and why they are held, what they do in those conferences, so as to let us know just what the thing is that is being complained of.

Senator WHEELER. That was what I was trying to get a few minutes ago.

Representative FULMER. If you will let me conclude, I will only take a few minutes more.

Senator WHEELER. Let me ask you one question: You stated that there was some lawyer representing, was it, some of these independent mills who wanted to be heard on the matter?

Representative FULMER. No. I referred to the attorney representing the Federal Trade Commission in these hearings.

Senator CONNALLY. Do you mean the attorney for the Federal Trade Commission?

Representative FULMER. Yes.

Mr. HUMPHREY. The investigation is not completed.

Senator SMITH. You said you had asked for a report.

Representative FULMER. Yes.

Senator SMITH. But I meant a full report as to what the commission did when this practice was set up, not subsequent to that meeting. Now, you could not get that report.

Representative FULMER. No. But we expect a report to be made of this investigation.

Senator WHEELER. From what investigation?

Representative FULMER. Of the cottonseed-oil industry by the Federal Trade Commission, so as to ascertain whether or not they have formulated a combination in the fixing of prices.

Senator BROOKHART. But you said there was an attorney ready to make a report. What is his name?

Representative FULMER. Mr. Wooden. May I state that just before these trade practices were adopted the mills had a way of sending out telegrams giving quotations on cottonseed to cottonseed buyers. But after the trade-practice rules were adopted, then every cotton State in the Union where cottonseed-oil mills are located opened a central office, at the capital; and when they quoted prices on cottonseed, telegrams were sent to every buyer representing every mill in that State, of identical wording and price. When they proposed to increase the price the same type of telegram was sent out from this central office, which represented all the mills. This will show you that there was no independence on the part of any mill, and no individual mill was even allowed to send out quotations. They had to abide by the quotations submitted through the central office.

I want to say further to you that a great many of the independent mills, as well as cotton ginners, had borrowed money from the large cottonseed mills, and they were absolutely fearful of making any statement, because they felt if they did their loan might be called.

Senator HASTINGS. At whose instance is this investigation being made by the Federal Trade Commission?

Representative FULMER. It is the result of a resolution offered by Senator Heflin, of Alabama, about a year ago and adopted by the Senate.

Senator HASTINGS. Would not that investigation bring out all the ills and all the complaints?

Representative FULMER. It will bring out largely the very thing I am giving to the committee now, except that you are going to have 10 or 12 volumes of testimony taken at the hearings, and nobody in the world will ever read them. I want to say to you that I have during the recess taken quite a lot of time in going through these hearings, but I am sure the attorney representing the Federal Trade Commission will be able to give you the high lights and the real facts in connection with this matter, which will, I am sure, bear my statement.

Senator HASTINGS. Will he recommend that something be done about it?

Representative FULMER. I am sure that he will not. It will be up to the Federal Trade Commission to do that, and I am satisfied they will not recommend anything, because they indorsed these particular trade-practice rules for the cottonseed-oil industry.

Senator HATFIELD. How do you know they indorsed these trade practices?

Representative FULMER. Well, it is shown by the records in the office of the Federal Trade Commission.

After completing my statement before the Interstate Commerce Committee, Mr. Humphrey was called upon for a statement in defending himself, and I want to quote the following from his statement, which is a further proof of the charges made by me:

I was not present when the cottonseed rules were adopted; I have never favored the cottonseed rules; I do not favor them now; I do not think that part of them are legal.

In the first part of my statement, I quoted Mr. Christie Benet in his statement before the trade-practice conference, Memphis, Tenn., in 1928, as follows:

It is not necessary at this time to go into detailed statement of the competitive set-up in the industry. We have known about this competitive set-up for years, but did not see our way out.

Since making this statement before the committee I have received a letter from Mr. Christie Benet wherein he complains because I did not quote the complete statement made by him. I am very glad to add his complete statement, which refers to the competitive set-up as quoted by me:

It is not necessary at this time to go into a detailed statement of the competitive set-up in the industry. It has been, and is, very acute, and naturally, dealing with so many hundreds of thousands of sellers and so many different conditions, there have grown up, maybe, bad practices. The industry was thoroughly conscious of this fact for years, but did not see its way out.

I am sure you will agree with me that in quoting Mr. Benet in the first instance before the committee that I did not do him an injustice because the complete statement is absolutely in line with what I quoted.

AUTOMOBILE USE RESTRICTIONS

Mr. CLANCY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a statement from the Secretary of the Interior on the Interior Department appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLANCY. Mr. Speaker, under leave to extend my remarks in the RECORD I submit the following letters relative to automobile use restrictions in the Department of the Interior appropriation bill:

DEPARTMENT OF THE INTERIOR,
ADMINISTRATIVE ASSISTANT TO THE SECRETARY,
Washington, February 10, 1932.

Hon. ROBERT H. CLANCY,
House of Representatives.

MY DEAR MR. CLANCY: Confirming your telephonic request, I am inclosing memoranda from three of the bureaus of this department regarding the limitation of $750 in the Interior appropriation bill for the purchase of automobiles.

In line with our conversation, I also desire to call attention to the limitation under contingent expenses, page 4, line 3, of the House print of the Interior appropriation bill for the operation of one passenger-carrying vehicle. We believe that uniformity between departments should prevail. The Agriculture appropriation bill, however, passed the House with provision for three passenger cars under this office of the Secretary—one for the Secretary, one for general-utility use in the department, and one for the Forestry Service in Washington. In addition, a passenger car was provided for at least one other bureau officer.

The Department of the Interior has only two passenger cars in Washington—one for the Secretary and one for general-utility use for the whole department. The amendment would deprive us of our general-utility car. No car is provided for the special use of any assistant secretary or bureau officer, as in the case of some other departments. The two cars now in use are in excellent condition, and the appropriation is only for their maintenance. No funds are requested for purchasing new cars to replace them. The Department of the Interior is already far below the quota of cars for all other departments, except the State, and a 50 per cent reduction as proposed would further increase the inequality and deprive us of a car for legitimate needs. The value of time consumed by officers of the department in making official trips during office hours would more than offset the few dollars required annually to operate an automobile to facilitate their official travel.

Sincerely yours,

E. K. BURLEW,
Administrative Assistant and Budget Officer.

Inclosures.

FEBRUARY 1, 1932.

Memorandum for Mr. Burlew:

This refers to inquiry concerning the provision in the appropriation bill for the Department of Agriculture limiting the delivered cost of a passenger-carrying automobile to $750, including the allowance for a used car when involved.

The practice in the Indian Service is to buy cars of a lightweight class, principally Fords and Chevrolets. Now and then bids are received on cars with a list price in excess of the Ford or Chevrolet, but when turn-in allowances and freight are considered it may be possible to award the bids for one of these other makes. However, all specifications call for cars in the lightweight class. During the last fiscal year only one car out of the lightweight class was purchased, and that was for the superintendent of the Five Civilized Tribes at Muskogee, Okla. A Chrysler costing a little over $1,000 was purchased for him.

A limitation of $750 would possibly discriminate against the principal lightweight manufacturers. A very recent case at Shoshone, Wyo., shows the factory prices of the Ford and Chevrolet four-door sedan automobiles as $484.15 and $471.03, respectively. The cars to which the prices apply have the usual equipment, including bumpers but no spare tire and tube. If a purchase should be made for the Carson School, Nev., the costs would be as follows:

	Ford	Chevrolet
Weight.....pounds..	2,587	2,685
Factory price	$484.15	$471.03
Freight, Government bill of lading	269.82	273.98
	753.97	745.01

It will be seen that the provision limiting the expenditure to $750 would in this instance discriminate against the Ford Co., in that it would be possible to buy a Chevrolet but not a Ford.

If the limitation of $750 was exclusive of freight and turn-in allowances, so far as the Indian Service is concerned there would be no difficulty, but it is not believed wise to have such a limitation if freight and turn-in values are to be included.

SAMUEL M. DODD, Jr.,
Chief Finance Officer.

DEPARTMENT OF THE INTERIOR,
GEOLOGICAL SURVEY,
February 1, 1932.

Memorandum for the Secretary:

With regard to the inquiry as to the effect upon the work of the Geological Survey of the proposed amendment to place a limitation of $750 upon the price that can be paid for passenger-carrying automobiles:

Such a limitation would restrict purchases to the Ford, Chevrolet, and perhaps one or two other makes. In many districts where Survey activities are conducted such cars are reasonably satisfactory and, indeed, are now used. (On December 31, 1931, the Survey's passenger-carrying vehicles numbered 140, of which 80 were Fords and Chevrolets.)

However, in certain areas and certain types of work the use of somewhat better cars is essential for real efficiency and economy. The oil, gas, and mining supervisors in the mineral-leasing work in Western States, and some of the district engineers in water-resources investigations must cover great territories at high speed over very poor roads or in some cases over country without actual roads. Travel throughout the year in all kinds of weather and frequently through heavy mud or deep sand, in country where service stations are very far apart, requires cars of greater ruggedness and greater power. Cars of the Oldsmobile, Dodge Bros., and Studebaker type answer these requirements at a final cost per mile little, if any, greater than that of the lighter cars. The benefits of the sturdier cars are very real in the greater amount of work accomplished by the personnel, and hence the lessened cost of that work. Territory can be covered faster; trips of 200 to 400 miles a day can be accomplished without exhausting the workers, who can thus accomplish more. Moreover, the extra power assures prompt arrival at their destination, and the greater stamina prevents frequent delays for repairs that are so costly to the time of personnel. Trips must be made at definite times, for a burning well or mine, a wild gas or oil well, a proper water shut-off or water pollution by oil-field and mine refuse require prompt attention, and hurried calls are frequent. Many of the cars are driven 20,000 or even 30,000 miles a year in this kind of service, which is ruinous to the light cars and difficult even for the cars now used that cost up to $1,200. There is no doubt that a very real economy is involved in permitting continuation of purchase of the medium-grade cars by raising the limitation to $1,200, for otherwise any initial saving in purchase price would be quickly offset by higher cost of maintenance and far more than offset by the loss in work accomplished.

Furthermore, it is feared that the proposed legislation (as worded in the amendment to the Agricultural Department bill, as it passed the House) will invalidate the present authorization for the use of personal cars in official work. (Act of Feb. 14, 1931.) From the point of view of the Geological Survey (especially the water-resources branch), such restriction would be very serious. At present, for example, in a single district of that branch four official cars may be available. In times of flood or other emergency, including perhaps the temporary disabling of one or two of the official cars, three or four personal cars may be forced into use for a few days. This legislation (which would prohibit the use of cars not used exclusively for official business) would make necessary the purchase of sufficient additional official cars to provide for emergency needs, though these extra cars might stand idle a large part of the time. This would, of course, largely increase the investment in passenger-carrying automobiles and the annual cost of depreciation.

W. C. MENDENHALL, *Director.*

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, January 30, 1932.

Memorandum for Mr. Burlew.

A limitation of $750 for a completely equipped passenger automobile would in the case of the National Park Service be a severe handicap.

The national parks and monuments are located in widely separated areas, and most of them are in remote locations at high altitudes in heavy mountainous country. Many of the parks cover large areas, and since they are located in heavy mountain country the travel from one point to the other within the park is circuitous and requires long trips to carry on the park work at all places within the park. At present many of the park roads are steep, rough mountain roads requiring cars of rugged construction and well powered to negotiate them.

On account of the location of the parks and monuments, generally far from outlying centers of population and supply, it is necessary for the park officials to travel by automobile for long distances in carrying on official business. Public transportation is not available with direct routing and schedules to make their use economic. Some of the park superintendents have the administration of more than one area, which requires them to get back and forth to these areas in as short a time as possible.

For the greater portion of the work in the parks where passenger-carrying cars are needed the car must be built for rough usage over rough, steep mountain roads, and it is necessary at times on these trips to carry four or five people with their baggage for overnight stops. The car must be large enough to carry the load without overloading. It must be exceptionally well constructed, so that it will not be weakened by hard usage and soon reach a poor state of repair. On practically all of the trips which the park superintendents and his officers make in the parks and to points outside of the parks the trip and work connected with it require long hours, if anything is to be accomplished in a reasonable time. At the very best, these trips are hard on the occupants even when made in a reasonable-sized car, and when long trips are made in a light automobile the physical strain is more than one can stand and at the same time carry on the work which has occasioned the trip. The high altitude and steep grades and heavy loads require a car with plenty of power and entirely reliable mechanism. The cheaper cars shake to pieces and early become in poor repair, and repair garages are few and far between on the roads over which the park officials travel, and servicing is very expensive and involves a great loss of time.

There are a number of general field officers in the National Park Service whose duties require that they not only travel frim park to park but that they cover a considerable area within the parks which they visit. These officials are on extended trips and carrying considerable baggage and ofttimes equipment. The distances traveled are so great that comfortable transportation becomes a necessity if the official is to be in any condition for work when he arrives at his destination. A rugged, well-powered, closed car of comfortable wheel base is not only required but is an actual necessity.

In writing up proposals for the purchase of cars the National Park Service generally specifies to meet the requirements of the Government a car of sufficiently long wheel base and design to permit long distances to be covered with comfort. It is also provided that the car must be well powered to negotiate steep grades, ranging as high as 20 per cent, and rough roads in high altitudes, carrying a heavy load. Also it must be of rugged construction and of good materials so as to be dependable during hard usage. It would be impossible to secure this type of car, completely equipped, delivered ready for operation for not to exceed $750. At the present we are being allowed $1,200, which is the minimum amount found to be necessary to buy cars meeting our needs.

A. E. DEMARAY,
Acting Associate Director.

NATIONAL DEFENSE

Mr. GOSS. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD an address delivered by Mr. Henry L. Stevens, jr., national commander of the American Legion.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GOSS. Mr. Speaker, our national defense is of such vital importance I desire to call attention by inserting in the RECORD an abstract of an address by Henry L. Stevens, jr., national commander of the American Legion, before the Women's Patriotic Conference on National Defense, which I had the honor to attend, at Constitution Hall, Washington, D. C., on the evening of February 1, 1932. This abstract is as follows:

God knows I like to think of this Legion of ours as a great, magnificent, and splendid host, dedicated unselfishly and undeniably to the finest and best interests of America. So I say to you that when your fathers and forefathers builded here this great, fine Nation; when those pioneers hewed a pathway through woods and over obstacles to establish out yonder in the far West that great empire, pouring out in many instances the sweet, red wine of youth; we must think to ourselves of the insecurity of all this great material wealth.

It was only eight or nine years ago, as I recall it, that our great American fleet, the splendid Navy of the United States, was taken out to sea and literally scuttled. Now we are 20 per cent behind the program of the London treaty. Remember, too, that in the construction of every battleship 80 per cent goes toward labor and only 20 per cent toward the actual material, and such construction would relieve the unemployment situation to a certain extent.

The Legion is not asking for a big Navy, but the Legion is begging, believing that we know the facts, that our sea power, that thing upon which we depend to repress an invading foe, should be adequate, that it should be sufficient to safeguard your interests and protect your home and to keep unsullied the respect for that flag for which we fought.

And the poor old Regular Army—simply reduced to the point where they are only a group of highly trained technicians, men who in time of another war would become the higher commanders and the Army professors upon whom would be built a great Army from the people, those people who were once, and who still are patriots of the most intense sort. They are men upon whom our country relied, and rightfully so, generation after generation—some of the finest gentlemen of whom America can boast to-day, but now passed on, not any longer the first line of defense but simply technical instructors. The National Guard, if you please, has become America's first line of defense.

There is now a threat to cut down the Army appropriation which, if it occurs, would demoralize the entire National Guard from Maine to California.

When you hear any news of that kind I beg of you people to contact your Representatives in the Senate and the House and say to them that you are not militaristic, that you love peace—God knows, men who have seen and experienced the horrors of war hope and pray that war may never come again—but if there is an emergency we do want our country to be reasonably prepared to meet that emergency.

Inefficiency and lack of time and training caused the deaths of hundreds and thousands of men who rest now beyond the western horizon. To bring it home to you concretely, do you know that if you would lay the head of one to the feet of the other of those boys that were killed back in 1917 and 1918 that an angel might tread on those human corpses for a distance of 50 miles without ever touching foot to the ground? That is a pitiful thing. That is a thing that shall never occur again if the Legion is able to get across to the country the full and fair and plain facts as it sees them.

The American Legion's attitude on national-defense matters is one of patriotism that was born in the war service of its men and women, and it likewise is a pledge to keep faith with those who died or suffered for their country's welfare.

And you recall, I know, with me to-night with pleasure the opportunity for service that began 13 years ago when our millions of young men, your sons, your brothers, husbands, and your fathers and sweethearts were privileged to be mustered out of what we knew then and loved as the great American Army and Navy. Assembled there were men from every walk of life, brought there without regard to religious preferment or social position or political affiliation, or any other one sectional avenue of approach, but brought there as American citizens.

Out of those great fighting forces was born the American Legion, composed of that same fine high type of men. We brought back not only the strong and able-bodied men who had been privileged to fight side by side throughout that war. We brought back others, men who came home human wrecks. There were men who came home weakened in strength, in mind and body, incapable of self-support, without the power to provide a living for those who were depending upon them. There were men who were suffering from the pangs of war; men who had perhaps overtaxed their patriotic impulses and had laid to a great measure upon the altar of service the fullest and greatest measure of their inward devotion.

Those people were suffering and they had no beds upon which to lie and bear their pain. They had no medical assistance with which to cure themselves. No medicines were available. This great group of strong men, known as the American Legion, banded themselves together in Paris, foreseeing just such an emergency as this, and laying our case before the country, presented it to the Congress of the United States.

Here and there upon some pleasant hillside, or down in some happy valley, great, tremendous hospitals began to be erected, and now dotted throughout the land we find them from the length to the breadth of our magnificent country memorials of the service, the unselfish devotion, the everlasting affection that our well comrades had for those less fortunate buddies that we had the honor to serve with on the battlefields of France. That is the Legion's tribute to faithfulness; that is the thing for which we were dedicated in our service to God and to country.

Equally close to our heart and the burden of love that we will forever carry with us is the duty that we owe to their orphan children. On the hillsides of France, thousands upon thousands of graves stretch themselves in systematic lines, labeled with crosses or with stars. There sleeps a soldier, and beside him sleeps the heart of some American woman, be it wife, sister, daughter, or mother. In every grave that you see there upon the green hillsides of France rest the souls at least of two people, an American soldier and an American woman.

And they have left us a heritage, those dead souls, so to speak—the care and protection of their little boys and girls. And I like to think in terms of my own little boy when I talk about child welfare; I love to think about this great Legion of ours standing as a bulwark against future trouble in case that I was called to the Great Beyond and had to leave him here without friends or without protection.

Those little people who have been denied the guiding hand of a loving father, those little children whose little footsteps have

no leadership, oh, isn't it comforting to know that we have an organization that places a strong hand in that little tender hand to guide those little footsteps down the straight pathway of Americanism out into the broad fields of American citizenship? In what higher calling, what more noble enterprise, could strong American men and women be engaged?

They expect it and they have a right to expect it, and you don't know, perhaps, how they look up to you and to me as their elder brothers and their elder sisters. If you did, perhaps, if you saw the things that I have seen during this little part of this year, your heart would melt and go out in gratitude for the honor and privilege that you have of serving them.

With the memory of our dead comrades ever fresh in our hearts and minds, with the ever-present suffering of other comrades for whom the war will never end, with the distress of their dependents ever before us the American Legion only keeps faith with those who gave the most in the protection of our country in the great emergency when it begs of the American people to be adequately prepared in order that future suffering may be avoided and that the institutions and homes for which we fought may be well guarded.

My friends, we do believe in national defense. We are asking the country for an adequate Navy and for an adequate Army. They do good in time of peace, just as much as they do good for their Nation in time of war. Everywhere throughout the land the Army is carrying on school, teaching better citizenship; and so is the Navy, for that matter. And I beg of you that you carry back to your people this message of national defense that I have tried in my humble way to present to you to-night.

PERMISSION FOR COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS TO SIT DURING THE SESSIONS OF THE HOUSE

Mr. COCHRAN of Missouri. Mr. Speaker, by direction of the Committee on Expenditures in the Executive Departments, I ask unanimous consent that the committee or a subcommittee thereof be permitted to sit during the sessions of the House next week.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE LEADERSHIP OF PRESIDENT HOOVER

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a speech of The Assistant Secretary of the Navy delivered at Faneuil Hall, at Boston, on January 25.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address of Hon. Ernest Lee Jahncke, Assistant Secretary of the Navy, Faneuil Hall, Boston, Mass., on occasion of the Forty-first Annual Meeting of the Republican Club of Massachusetts, 8 o'clock, evening of January 25, 1932:

To me it is both an honor and a pleasure to address the Republicans of Massachusetts, the State that has given so much to the Republican Party and to the Nation—given of its best in leadership and in statesmanship, in loyalty, and in patriotism.

Massachusetts, the cradle of American liberty and fountain of American culture; the home of my own beloved chief, distinguished descendant of an illustrious Bay State name, the Hon. Charles Francis Adams, Secretary of the United States Navy.

I come to you to-night as a Republican and as a member of the Republican National Committee.

I am here to discuss politics, practical politics. I am here to discuss the present national situation primarily as it bears upon the forthcoming presidential campaign.

As the campaign draws swiftly to the foreground the national political picture comes more clearly into focus. Issues and personalities each day are thrown into sharper relief and clearer outline.

Briefly, we have on the Republican side the record of one of the greatest Presidents of American history, the man who has piloted the ship of state through the most disturbed era in our peace-time history—Herbert Hoover.

On the other side, we have an as yet unnamed candidate—one of a dozen men now discussed—backed by the activities of the Democrats during these years of depression.

On the first Tuesday of November of this year the public must choose between these two. That choice may be a decisive factor in the future history of our people.

We Republicans face the verdict of the American people with every confidence of a renewed assertion of faith in Herbert Hoover and the Republican Party.

We rest our case upon the calm and considered judgment of a people whom a century and a half of self-government has taught to distinguish the true from the false, the demagogue from the statesman, the political trickster from the patriotic leader.

Mr. Hoover is the leader and the standard bearer of the Republican Party, but first and foremost he is President of the United States, and he has consecrated all of his great talents to that task in the interest of every American citizen regardless of creed or party.

Endowed with courage, leadership, intelligence, and experience he has lavishly and without thought of self poured out these gifts upon the altar of the common welfare of these United States.

Undeterred by a torrent of partisan abuse, he has gone on with his tasks, rejecting the false panaceas, seeking the wisest counsel, the surest methods, and the most able leaders in his supreme task of rehabilitating the greatest nation in the world.

From the beginning the President has had a definite program for the future as well as the present. Recently he submitted to the Congress a definite outline of his economic program to restore normal conditions.

The policies which it includes were formulated after complete discussion not only with his official advisers and the leaders of both branches of Congress but also with leading citizens from every walk of life.

This program is unique in our history. It is the greatest domestic economic plan ever presented to Congress by a President. It provides for relief of distress among the unemployed by organization and coordination of local authorities with the President's Unemployment Relief Organization.

It includes further assistance to employment through the organization of business in coordination with the administration program.

The strengthening of the Federal land-bank system in the interest of the farmers.

Assistance to home owners through the creation of a system of home-loan discount banks.

Relief to depositors in closed banks so as to assure early distribution of funds now out of circulation.

Enlargement of the discount facilities of the Federal reserve banks under full safeguards in the interest of a more adequate credit system.

Creation of the Reconstruction Finance Corporation to ease credit tension and to stimulate our economic system.

Likewise the President's program embodies assistance to the railroads by the formation of a credit pool and by other measures, thus affording security to the bonds held by our insurance companies, savings banks, and other benevolent trusts, thereby protecting the interest of every family.

Further, the President urges drastic economy, the maintenance of public finance on a sound basis, with expenses held to an irreducible minimum until our economic recovery is complete.

He has pointed out the inevitability of an increase in taxes and urged that the burden be so distributed that it may be borne in proportion to the ability to pay among all groups and in such fashion as not to retard our recovery.

The President has resolutely and steadfastly opposed the dole in any form and under any disguise. And in his economic program he vigorously upholds the maintenance of the American system of individual initiative and individual and community responsibility.

This is the fifteenth depression through which our country has passed in the last hundred years, but it is the first time that the Nation's Chief Executive has ever been called upon to supply the brains, energy, and direction to turn the faltering wheels of business, to create jobs for millions and to mobilize the American people to fight the greatest peace-time battle the world has ever known.

Leaders of industry, finance, and commerce have turned to Herbert Hoover to solve their problems. The States and their Representatives in Congress have appealed to the President.

The representatives of agriculture and labor and business have taken their troubles to the White House and petitioned aid.

In every case the President has accepted each additional task.

He has labored longer and harder, denying himself rest and relaxation, dedicating himself to the conquest of the economic evils besetting the Nation.

He gave stimulus to business and created jobs through the expansion and acceleration of public construction.

He organized the States and municipalities in the same work and obtained the cooperation of the public utilities and other private interests to carry on expanded building programs.

By Executive order the President stopped immigration, thereby preventing a half million or more immigrants from being added to our unemployed or from displacing American citizens.

The President established a nation-wide chain in which every county and every community is a link for the care of the unemployed and unfortunate by individual effort.

He went to the assistance of the farmers in 21 States who were afflicted by the drought, and a system of loans was provided which enabled them to rehabilitate themselves.

To help our entire credit structure in this time of strain the President directed the mobilization of the financial forces of the country in a credit pool of $500,000,000.

Briefly told, these are a few of the things the President has undertaken involving domestic matters for the welfare of the American people.

With the same purpose in mind, Mr. Hoover has given his assistance and counsel in remedying international complications which affect this country and the world adversely.

He provided the leadership in bringing about the London naval treaty designed to stop competitive armament.

He intervened to save Germany from a catastrophe which would have had dire repercussions throughout Europe and the United States. He brought about a new era of friendship and good will between this country and the nations of Latin America.

So colossal has been the leadership of our President that the peoples of a depression-ravaged world have sent their emissaries of State and their ambassadors of business and finance to join our own representatives in consulting the one man who has shown the courage, the energy, the intellect, and the ability to meet and conquer the forces of depression.

You have heard a great deal of Democratic criticism of the President from the stump and over the radio.

Certain of their leaders have repeatedly attempted to place the blame for the depression and for national and international evils upon the shoulders of Mr. Hoover.

This unjust and unreasonable criticism of a President who has taken unprecedented action to relieve the economic situation and who has initiated the only constructive steps toward the restoration of normal conditions has brought serious protests from many people throughout the land, irrespective of political affiliation, who believe that this campaign of abuse on the part of some of the Democratic leaders is entirely unfair and uncalled for.

Democracy, through its leaders, solemnly pledged that if they were elected they would take immediate steps to remedy the so-called extortionate features of the Hawley-Smoot Tariff Act.

Many of you may remember hearing an occasional Democratic speaker declare that our tariff law is a monstrosity and a wicked abomination and a number of other things which the Democrats would be glad to remedy as soon as given the chance.

No Democrat ever really specified what was the matter with the tariff or what the extortionate rates were except my good friend, Senator PAT HARRISON, of Mississippi, who felt that the 7 cents a pound duty on long-staple cotton was all right, but was rather dubious about the value of any tariff on corn.

But there was a general unity among the Democratic cheer leaders that the tariff was wrong and that they could make it right. Now, in the Democratic House of Representatives they have produced a piece of tariff legislation.

This bill doesn't pretend to lower rates, and it doesn't embody any constructive features, and its doesn't specify what duties are too high, and its enactment would not make a single change in the Hawley-Smoot law as it stands to-day.

It is a covert attack on the principle of protection and in that it is truly representative of the time-honored Democratic policy of free trade.

But it isn't necessary for me to analyze or demonstrate that the Democratic tariff attitude is packed full of insincerity and hypocrisy.

Consider all the abuse hurled at this bill for nearly two years by practically every prominent Democratic leader, and then listen carefully to the words of Representative RAINEY, Democratic floor leader of the House, on January 16, 1932. I quote:

"Lower this tariff? You will not do it, and we do not dare do it with conditions as they are. * * * We do not want this market flooded with the products of cheap labor in other countries."

Mr. RAINEY spoke quite frankly in this statement, and he spoke truly. The Democrats don't dare attempt to lower the rates in the tariff because they now realize, as the Republicans have always contended, that any lowering of our tariff walls at a time like this would invite a deluge of foreign products under which the American economic scheme would be imperiled.

There is another feature of this tariff bill introduced by the Democrats in the House. There is a provision which calls upon the President to invite foreign nations to attend a world tariff parley.

In other words, our Democratic friends, not satisfied with advocating tariff reduction by American citizens, are now eager to take this purely domestic policy over the seas to some international conference and let the producers of other countries tell our producers what they can pay their workers and what standard of living shall prevail in America.

In view of this, their attacks on the alleged internationalism of President Hoover are ridiculous.

Arthur Brisbane, famous journalist, expounded a purely Republican doctrine when he commented on this scheme as follows:

"The Democrats want a 'world parley' on the tariff. The greater part of the world is increasing its tariffs, and the maximum of futility has been shown to be a 'world parley.'

"We should have a tariff made for the United States without consulting anybody, planned as intelligently as possible, to protect workers, manufacturers, and business men in the United States."

Now, I should like to refer briefly to the recent Jackson Day dinner:

Seriously, this convocation of the best minds of Democracy had a very important phase which we can not overlook. The addresses of the three distinguished defeated Democratic candidates for the Presidency were broadcast over national networks.

The three speakers set forth their party's "constructive program" after three years of invective and bitter criticism. The American people were at last enabled to hear the other side of the Democratic story. They at last had an opportunity to judge what Democracy could offer in the way of national leadership.

Alfred E. Smith, John W. Davis, and James M. Cox, orators of the Democratic Party and the survivors of the Republican landslides of 1928, 1924, and 1920, offered their respective solutions of the economic difficulties of the country.

The three standard bearers had no criticisms to offer of the administration's vast program except that they disagreed with the Republican principle of tariff protection, and yet none had the courage to point out a single schedule in the tariff law which he would reduce.

Former Governor Smith urged a Federal bond issue. In almost the same breath he called for a reduction of taxes, but failed to explain how the bond issue could be retired without increasing the tax burden.

Former Governor Cox urged a balanced budget, but failed to mention in so much as a single sentence how the Democratic Party hoped to arrive at this desirable state.

Former Ambassador Davis, in his sole reference to an economic remedy, pleaded for the Republican policy of levying taxes upon those best able to pay them.

Such is the consummation. The essence of Democratic philosophy, the carefully ripened fruit of Democratic economic wisdom. A bond issue to increase the Government's obligations and the taxes on the people. A budget to be balanced by Democratic sleight-of-hand, and an increase of taxes in the higher brackets.

On one thing the speakers seemed to agree—that we should maintain an isolation policy toward Europe.

How strange this sounds falling from the mouths of statesmen who followed where Wilson walked, and especially strange happening at practically the same time when the Speaker of the House and his Democratic colleagues were advocating a world parley to discuss the question of our tariff laws.

Can anyone who listened to the expositions of these leaders of the Democratic Party find in their program a single item that would be of benefit to the people of America?

It has frequently been stated with a considerable degree of truth that any voter can find an outstanding leader among the gallery of ex-Democratic candidates who will agree with him on something.

Each of these lost leaders by inference speaks for his party. But it is a fact that the Democratic Party to-day is a party without leadership.

The Democratic Party is to-day, as it has been for 70 years, the party of opposition, of criticism and faultfinding, without constructive ideas and without constructive leadership.

As between our President and the entire field of aspirants for the nomination Herbert Hoover stands head and shoulders above them all. The Democratic story is the same to-day as in 1928, 1924, and 1920—denunciation and criticism.

This year, however, the Democrats list as an asset a most important political and psychological factor. I refer to the unfair, purely emotional, and unreasoning sentiment which has resulted from the depression.

From the house tops Democratic orators have shouted that the economic situation is a Republican responsibility, even though practically everyone is now aware that the depression originated in a world condition far from the American shores and beyond control of American statesmen.

What would a Democratic President have done that Herbert Hoover has not done?

What do the Democratic leaders propose to-day that has not been anticipated by the President?

What additional proposals have they which appeal to the thinking people of the United States?

It is my most sincere belief that Herbert Hoover is the best-equipped man we could possibly have had in the White House to meet this crisis.

And I believe you will unhesitatingly agree with me when I say that had any other man been President, Republican or Democrat, one of his first acts in the face of the economic emergency would have been to send for Herbert Hoover to help solve the problems facing the Nation.

In this time of national and international stress our President has produced the only real leadership the world has known.

His incumbency of the Presidency adds luster to the distinguished record of statesmanship which has been the contribution of the Republican Party to the people of America.

THE CONGRESSIONAL RECORD

Mr. BLACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech and statement made by my colleague from New York [Mr. BOYLAN].

The SPEAKER. Is there objection?

There was no objection.

Mr. BLACK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following statement by my colleague from New York [Mr. BOYLAN]:

[New York Herald Tribune, December 20, 1931]

BOYLAN WANTS CONGRESSIONAL RECORD JAZZED—NEW YORK REPRESENTATIVE WOULD USE HEADLINES, CARTOONS, AND COMIC STRIPS—EVEN A GRAPHIC SECTION—ASKS BOARD OF NEWSPAPERMEN FOR RECOMMENDATIONS

By Grace Phelps

WASHINGTON, December 19.—If Representative JOHN J. BOYLAN, of New York, had his way, this is how the CONGRESSIONAL RECORD would have looked one day last week:

Extra! Extra! Clash on moratorium in House—Republican accuses President of treason—uproar and tumult follow MCFADDEN denunciation of Hoover—CHIPERFIELD defends Chief—both sides cheer when Alabama Democrat says "Charges don't come from us."

To Representative BOYLAN'S way of thinking, the RECORD bears the weight of the accumulated dullness of 58 years, and it is time Congress brightened it up with headlines that would tell the story of the speeches and events in the House and Senate so that "he

who runs may read." Photographs, cartoons, and even comics should be daily features of the "diary of the representatives of the people," with a well made-up "roto" section, perhaps once a week, to give added pictorial information to the folks back home about doings "on the Hill."

That is, this would be the result, he hopes, if Congress passes his resolution, introduced last week, to employ a committee of experienced newspaper men and women to look into the matter for a commission of Senators and Representatives.

WANTS PICTURES AND HEADLINES

"People don't have time to read speeches," Mr. BOYLAN said, warming up to his subject. "Maybe they had time 60 years ago, but this is an age when we must get our information in capsule form if we are to get it at all. And no matter how interested a person may be in the proceedings in Congress, no one nowadays has time to wade through the close-printed pages of the CONGRESSIONAL RECORD. If he did, he would ruin his eyesight. Why, it takes a microscope to read the fine type in which letters and quotations are printed. Besides, the make-up is atrocious. There are no headings to indicate when one subject is finished and another taken up.

"Pictures and headlines would tell the story a hundred times better than a column speech. And I mean to keep hammering away on this resolution until something is done to redeem and modernize the RECORD. I admit that the proposed change is revolutionary. But I also suggest that there is more wit and wisdom in many a cartoon or even a comic strip than in most congressional orations I have read in the RECORD.

"A comic strip, for instance, could illustrate both sides of the proposed sales tax. Take the comic, 'Mr. and Mrs.' Joe and the Missus could be arguing over her getting a new gown. Finally, he gives her the money to get it. She buys the gown but has to pay a sales tax. She asks Joe for the extra money when she comes back. He says it was a luxury, all right. She says it was a necessity. And so the argument goes on and on 'far into the night.'"

Cartoons, according to Mr. BOYLAN, might be a bit more difficult. To make sure, however, that strict impartiality would be preserved, he would have the RECORD employ a Republican cartoonist and a Democratic cartoonist who could lampoon the members of the opposite party on alternate days or alternate pages, as the party caucus might decide.

The administration—even a Democratic administration, as Representative BOYLAN confidently expects soon—would have no chance to dictate the policies of the modernized RECORD. The paper would be run by newspaper men and newspaper women (for Mr. BOYLAN is nothing if not gallant) who would be as impartial as newspaper men—and newspaper women are well known to be. There would be no editorials in the new RECORD and—except perhaps for an appendix which might be provided as the morgue for spellbinders who insisted on a final resting place for their oratory—speeches would be limited to half a column of direct quotation.

TRIED TO GET CARTOON IN RECORD

"I am serious about this proposal," Mr. BOYLAN protested. "Two years ago I made a speech about a mother of 10 children, who was about to be sentenced for life for a minor offense—her fourth one—against the dry laws. I tried to get a cartoon printed in the RECORD that depicted the horror of that law, but Majority Leader TILSON said, 'It simply isn't done.' I could describe the cartoon but I could not get it printed in that dry-as-dust publication.

"Here in Washington the papers told the story of the Mapes attempt last week to make the District of Columbia support the Federal City. Pages of the RECORD were given over to the debate. But a few headlines and a cartoon or two would have told the story to the country at large so that the whole Nation would have known what was happening. I should like to have seen headlines in the RECORD like this:

"District target for revenue sharks—Bill to mulct voteless residents of Capital passes House.

"Then in opposite columns, say, I'd have subheads something like this:

"District defended by BOYLAN, BURTNESS, and LAGUARDIA—MAPES and STAFFORD say District shirks taxation."

CONVICT LABOR

Mr. COOPER of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD a letter signed by myself and Senator HAWES on the Cooper-Hawes prison goods bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. COOPER of Ohio. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter sent by Senator HAWES and myself to Mr. William Green, president of the American Federation of Labor, with reference to the provisions of the Hawes-Cooper prison goods bill:

Mr. WILLIAM GREEN,
President American Federation of Labor,
American Federation of Labor Building, Washington, D. C.

MY DEAR MR. GREEN: As coauthors of the Hawes-Cooper bill, approved by President Coolidge on January 19, 1929, and designated as Public No. 669, Seventieth Congress, we submit at your request our views as to the extent and purposes of this bill, the intent of Congress in passing it, and the scope of authority of the States in the enactment of legislation under it.

There are more than 120,000 prisoners in State institutions, this number growing at a rapid rate, the products of whose labor present a problem increasingly important in the conduct of penal institutions throughout the country.

We have received numerous inquiries concerning the Hawes-Cooper bill and the power of the States under that bill. It is manifest that some confusion exists as to the meaning of the law, and such confusion tends naturally to increase the perplexities of the problem presented to each State in legislating for the future.

With 48 State legislatures considering the prison problem during the current year and the two subsequent years prior to the taking effect of the Hawes-Cooper Act, it may be well to clear up some of the misapprehensions.

The Hawes-Cooper bill does not go into effect until January 19, 1934. The 5-year period between the date of its approval and the date of its effect was written into the bill by Congress to give to each State ample time in which to adjust prison affairs.

HISTORY OF LEGISLATION

Something should be said of the history of this legislation.

More than 20 years ago the American Federation of Labor, anticipating future trouble over the growing problem of prison products entering into competition with the labor of free men and the investment of free capital, petitioned Congress for legislation tending to stop the traffic in convict-made goods.

The problem presented to Congress in the early consideration of the question was what form this legislation should take. It was agreed that the authority of Congress extended to the regulation of interstate commerce, but it was likewise manifest that there were grave constitutional questions involved in the attempt of Congress to interfere with this interstate commerce to the extent of a prohibition.

Meanwhile, several of the States, including New York and Massachusetts, had endeavored to enact State laws subjecting convict-made goods, regardless of their origin, to certain State regulations or prohibitions.

All such attempts were declared by the courts to be beyond the power of an individual State, as the goods arriving from a prison in another State were, in fact, in interstate commerce and, therefore, beyond the regulatory powers of the individual States.

Each State had a right to enact its own laws in respect to its own prison products. The enactment of such laws, however, removed the products of a State's prisons from the markets of that State but could not interfere with the entrance of prison products from other States into its own open markets.

FACTORS UNITE ON BILL

Congress at various times considered the legislative proposals tending to cure this situation, but for many years such proposals failed in one branch or another or were prevented from passing by circumstances entirely foreign to the consideration of the bill itself, such as legislative confusion and congestion.

In 1928, however, the American Federation of Labor had introduced what has become known as the Hawes-Cooper bill, which the signers of this letter sponsored respectively in the House and Senate.

During the Seventieth Congress other influential elements in our American life joined in support of this measure.

The General Federation of Women's Clubs, acting in the interest of the prisoner himself and to protect women wage earners from the competition of prison products, actively joined in the support of national legislation.

Certain manufacturing interests throughout the country likewise enlisted their efforts on behalf of the measure to protect private capital from the increasing inroads being made by convict labor concentrated in a few fields of activity.

A number of organizations interested solely in scientific, modern penal management and the rehabilitation of the prisoner also assisted.

Exhaustive hearings were held by both the House and Senate committees, on which sat the representatives of more than 22 States.

Labor officials, manufacturers, and representatives of the General Federation of Women's Clubs and prison organizations were heard at length. Prison officials, opposing the Federal enactment on the theory that it would tend to destroy prison industries, were heard also. Prison contractors were likewise given consideration.

As a result of these hearings the bill was reported favorably in both the House and Senate and subsequently passed both bodies by an overwhelming majority. The measure was then sent to the President, who requested a review of the proposal by the Attorney General and, having received a favorable reply, President Coolidge signed the measure on January 19, 1929.

FEDERAL ATTITUDE SUSTAINED

But the enactment of this bill by the representatives of 48 States in Congress was not the first indication of the Federal attitude toward competition between convict labor and free labor and capital.

There has long been on the Federal statutes a prohibition against the importation of convict-made goods into the United States to compete with the products of free labor and private capital.

In the tariff bill in 1930 Congress threw additional safeguards around that provision of the law relating to the importation of

convict-made goods and extended this law to products made by indentured or forced labor.

The executive branch of the Government, through the Treasury Department, has very recently evidenced its intention of strictly enforcing this national ban on imported convict-made goods.

Likewise Congress many years ago, legislating as to the conduct of Federal penitentiaries, provided that no goods, wares, or merchandise manufactured in the Federal penitentiaries could be sold upon the open markets. The products of more than 8,000 Federal prisoners are to-day limited as to sale by the Government itself, such products being manufactured only for Government use.

THE HAWES-COOPER BILL

The language of the Hawes-Cooper bill is definite. It reads as follows:

"*Be it enacted, etc.*, That all goods, wares, and merchandise manufactured, produced, or mined, wholly or in part by convicts or prisoners, except convicts or prisoners on parole or probation, or in any penal and/or reformatory institutions, except commodities manufactured in Federal penal and correctional institutions for use by the Federal Government, transported into any State or Territory of the United States and remaining therein for use, consumption, sale, or storage, shall upon arrival and delivery in such State or Territory be subject to the operation and effect of the laws of such State or Territory to the same extent and in the same manner as though such goods, wares, and merchandise had been manufactured, produced, or mined in such State or Territory, and shall not be exempt therefrom by reason of being introduced in the original package or otherwise.

"SEC. 2. This act shall take effect five years after the date of its approval."

This act in itself does not stop the sale of convict-made goods.

It does not provide that convict-made goods may not be shipped from one State to another or from the prison of one State to a resident of another State.

It simply provides that when convict-made products are shipped from one State into another State such products, upon arrival and delivery in the second State, shall be subject to the laws of the second State.

If the second State has no law regulating the sale or distribution of convict-made goods, then the convict-made goods of the first State may be sold or distributed in the second State without interference.

The real difference between the situation as it exists and the situation as it will exist after the Hawes-Cooper bill goes into effect on January 19, 1934, may be more pointedly illustrated as follows:

At the present time New York State does not permit the products of its prisoners to be sold on the markets of New York or shipped out of the State of New York for sale or delivery. The products of New York prisons may be sold only to State institutions in New York State and may not be sold upon the open market.

But at the present time products made in the penitentiaries of Indiana and Missouri may be shipped into the State of New York and may be sold and distributed in New York. In fact, they are so sold and distributed in New York.

But the Legislature of New York enacted, under the authority of the Hawes-Cooper bill, a new statute which will, in effect, after January 19, 1934, subject all prison products entering New York from Missouri or Indiana prisons to the same laws which regulate prison products manufactured in New York.

Therefore, after January 19, 1934, under provision of a New York law enacted under the authority of the Hawes-Cooper bill, Indiana and Missouri prison products will not be sold in New York State, except in violation of the law of New York State, and anyone may be prosecuted under the New York State law for selling prison products.

From the above it will be manifest that the Hawes-Cooper bill itself neither bars convict-made goods from transportation, nor does it, of itself, operate on convict-made goods in the absence of a State enactment made under it.

Should any State desire to avail itself of the benefits permitted under the Hawes-Cooper bill it will be necessary for that State to enact its own convict labor laws.

Furthermore, if any State desires to protect itself from becoming the dumping ground for prison products of other States, it must enact its own regulations through its own legislature.

STATE ACTION FORMERLY FORBIDDEN

Under section 8 of the Constitution of the United States, Congress is given authority "to regulate commerce with foreign nations and among the several States and with the Indian tribes." This power was granted to the Federal Government by the States, and the courts have held that no State legislation may interfere with the exercise of this authority which the States have given to the Federal Government.

In 1890, however, Congress passed what was known as the Wilson Act, which provided that intoxicating liquors transported into any State and remaining in that State for use, consumption, sale, or storage, upon arrival in that State would be subject to the operation and effect of the laws of that State enacted in the exercise of its police powers.

By that act Congress removed from intoxicating liquors the character of interstate commerce when the particular goods upon which Congress legislated arrived in a given State for sale or distribution.

The constitutionality of that act was tested in the case of Wilkerson *v.* Rahrer (140 U. S. 545).

The Supreme Court held that this act on the part of Congress was not an attempt to delegate the power to regulate commerce. It held that this was not a grant of power not already possessed by the States. It held that this was not an attempt on the part of Congress to adopt State laws.

The court said:

"Congress has taken its own course and made its own regulation, applying to these subjects of interstate commerce one common rule whose uniformity is not affected by variation in State laws in dealing with such property."

The court held that in removing the interstate commerce character from the particular commodities legislated upon Congress was exercising its authority to regulate commerce. The court held that if Congress chooses to remove the interstate commerce character from designated subjects of interstate commerce before that character would ordinarily terminate, such act is within the competency of Congress.

A most significant statement was made in the decision of the court in that case when it said:

"The framers of the Constitution never intended that the legislative power of a nation should find itself incapable of disposing of a subject matter specifically committed to its charge."

The court further said that Congress had, in exercising its authority to regulate commerce, simply removed an impediment to the enforcement of State laws in respect to imported packages in their original condition.

This letter is not a brief upon the constitutionality of the Hawes-Cooper Act, but so much of the Rahrer opinion has been cited as may tend to indicate the character of the Hawes-Cooper bill in its relation to the State.

The States, without a specific utterance on the part of Congress, would have no power to interfere with interstate commerce in convict-made goods; but under a specific utterance by Congress removing the interstate commerce character of prison products upon their arrival in a State, which the Supreme Court has held is within the competency of Congress to do, each State under the Hawes-Cooper bill has the authority to regulate such products within its State borders.

It may be well to indicate here that the action of Congress in passing the enabling act, known as the Hawes-Cooper bill, was based upon the opinion of the court as to the authority of Congress in this regard.

PRISON PROBLEM IS A STATE PROBLEM

Congress was not unmindful when passing the Hawes-Cooper Act of the problems which might arise in the respective States as the result of subsequent State legislation enacted under authority of the Federal act. In fact, the 5-year-extension period granted in the act is an indication that Congress realized it would take some time for States to readjust their prison affairs to meet possible State enactments.

But, in the opinion of Congress, the menace of competition from convict-made goods was paramount, and Congress refused to permit the Federal Government, by its silence as to convict-made goods, to stand as an impediment to the enforcement of State laws.

Under the old system, one State could ship its products into another State in defiance of the latter's State laws, and it could do so simply because Congress had failed to act and, therefore, permitted interstate commerce regulations to become an impediment.

One State was in a position to enforce its views on the balance of the States. It could force its convict-made products into the markets of a sister State and thumb its nose at the laws of that State.

The evident absurdity of such a condition is brought out by the fact that one State by its own legislative body attempted to regulate the sale of its own prison products within its borders but permitted those same prison products to enter an adjoining State in defiance of the laws of the adjoining State.

Congress had the assurance of those who indorsed the Hawes-Cooper bill, while it was pending in Congress, that continued efforts would be made by them to assist the States in the working out of prison problems, and it may be said that the authors of this bill at the present time are aware of the continued activity of the American Federation of Labor, the General Federation of Women's Clubs, manufacturers, and prison organizations in assisting in the working out of the State legislation.

What particular form that State legislation shall take is not within the dictate of Congress. There have been many and varied proposals. Indeed, a variety of solutions is almost inevitable in view of the fact that each State has its own particular prison problem, and no plan can be suggested that will operate alike on all States.

Congress issued no mandate to the States. It has not ordered any State to enact any new legislation, nor does the Hawes-Cooper bill repeal any State legislation. The State itself must determine on the basis of its own problem what it may do to prevent its markets from becoming the dumping ground for prison products of other States.

MANY PLANS DISCUSSED

Some States have already enacted legislation looking to the diversification of prison products so as not to concentrate prison labor in the manufacture of a few products, the sale of which would be harmful to private industries. Some of the States limit

their own prison products to their own State institutions and are now enacting legislation prohibiting both their own and other prison products from sale on the open market.

The "State use" system is the term most generally applied to the system by which prison products are consumed by State institutions. Where the consumption of prison products in a given State is confined to State institutions, however, such a law will not prevent convict-made goods being dumped into that State, unless there is a specific regulation as to sale and distribution applying equally to all such products, regardless of their origin.

Able authorities have pointed out the value of diversifying prison industries, so that no one product of prison manufacture will be turned out in sufficient quantity to interfere with private labor or private capital. Scientific systems of standardization have been studied and proposed for the purpose of facilitating the exchange of prison products with the institutions of the State. The parole system and other remedial suggestions for cutting prison population are being studied. Employment of prisoners in certain fields where their labor will not seriously compete with free labor or private capital has also been widely studied and discussed.

All of these records are available to legislators and State executives who desire to readjust their prison industries on the basis of the new theory. This is a State problem with which each State is confronted and the seriousness of which grows with the prison population.

The Hawes-Cooper bill has laid the foundation by which the prison contractors may be permanently put out of business. How quickly this new situation will be brought about rests entirely with the States and in the enlightened manner in which they handle their own particular State problems. The Hawes-Cooper bill enforces nothing upon the States. It enables them to act if they so desire. It does not of itself solve the prison-labor problem. The intention of Congress was to permit the States to solve this problem and to remove the Federal impediment to the enforcement of State laws. The enactment of constructive legislation looking to the removal of convict-made goods from competition with free men and free capital rests with the legislatures.

Whether any State is to become the dumping ground for prison products and the enrichment of a prison contractor or agency now rests solely with the State legislatures.

Very sincerely yours,

JOHN G. COOPER,
Representative from Ohio.
HARRY B. HAWES,
Senator from Missouri.

DUTY ON PETROLEUM

Mr. HORR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a statement made by me before the Ways and Means Committee on the oil tariff situation.

The SPEAKER. Is there objection?

There was no objection.

Mr. HORR. Mr. Speaker, may I take this opportunity of calling to the attention of this body the importance of imposing a duty upon foreign petroleum and its products?

Every phase of the general welfare of the Nation is involved in the proposed tariff on petroleum and its refined products. It offers a solution of a large portion of our unemployment problem. It involves the restoration of lost markets for our manufactures. It will restore vanished sources of revenue. It will relieve both public and private charity of unbearable burdens. It will provide new opportunities for American enterprise. It will halt the growth of a menacing monopoly. It will lift from our political life baneful influences whose end no one can see. It will rehabilitate our merchant marine. It will be better than a subsidy for distressed farmers. It will solve many of the problems faced by railroads now forced to consider wage cuts because of diminished freight tonnage. It will relieve banks and other financial institutions now carrying frozen assets. It should mark the turn of the tide of prosperity. Without being a panacea for all the many ailments now disturbing the body politic, it will make possible the solution of a larger number of those problems than any system, policy, or scheme which has been put forward.

There are approximately 22,000,000 persons living in the oil States west of the Mississippi. Their well-being is bound up in the oil industry, even if they are not directly concerned with it themselves. These 22,000,000 people constitute one of the most important markets for American goods. Their purchasing power has been so decreased by the ruin of the American petroleum industry that factories in the industrial States have been forced to close or curtail operations. This has added still more to the unemployment. Railroads have felt this drop in consumption of American goods and have been forced to lay off employees and consider sweeping wage cuts. Every portion of our national industrial life has been harmed by the prostration of the American petroleum industry.

No statistician has compiled the price paid by the American people for permitting foreign oil to devastate our markets. The total cost must be far up in the billions of dollars. This is practically equivalent to granting a subsidy in this sum to a few great oil-importing corporations. These oil importers are the only ones who have profited by our failure to impose the tariff. That profit has enabled one group of these firms, the Standard group, to pay dividends which have steadily increased during the past five years from a little over $200,000,000 a year to $286,000,000 in the last reported year. Some of the subsidiaries of the oil importers, such as pipe-line companies, have paid dividends up to 400 per cent per year. If this is not profiteering, then there is no profiteering. Meanwhile American labor, the American farmer, the American railroader, the American shipowner and sailor, the American manufacturer, and the American consumer have all suffered.

If the destruction of the American producer had profited the ultimate consumer, there might be some slight justification for admitting their foreign oil duty free. Actually, however, the price of the refined products of petroleum has not been affected. That price is arbitrarily determined by the great oil importers who dominate the distribution, as well as the refining of petroleum in this country. A study which was made of some 50 cities throughout the country showed that gasoline was selling at unusually high rates when the crude oil from which it was produced was selling at an abnormally low price, while at other times gasoline was selling at bargain prices and the crude oil from which it had been produced had sold at almost record-high rates. Meanwhile, the price of lubricating oil has remained constant at 25 to 30 cents a quart, even when the crude oil from which it was made was selling at 10 cents per barrel of 42 gallons.

This liquid wealth, so readily available, and for which so great a market exists within our own borders, can remove the current depression whenever Congress gives the word by the passage of a proper tariff. At a time when countries and cities are verging upon bankruptcy and when the economic life of the whole world is in disorder, it is neither good statesmanship nor good business for us to prevent the development of a great American industry and utilization of almost fabulous wealth. The wealth and political influence of those who are selfishly profiting through the prostration of the American petroleum industry should not prevent us from considering the welfare of American labor, the American farmer, American business in general, and the stability and solvency of the financial institutions of the country.

The State of Washington has great potential possibilities in oil production. In many parts of the State indications have been found and in some instances actual oil has been encountered in drilling. We of the State of Washington are of the opinion that in order that this infant industry may be developed, an encouragement through tariff is necessary. Particularly is the State of Washington interested in the importation of foreign fuel oils as these oils are in direct competition to the coal industry of the State. Large deposits of coal are undeveloped and mines are not running to their capacity because of this competition. In our opinion this tariff on oil would stabilize the market, protect our infant industry, and will be the means of development of whatever oil products we have in the State.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WOLVERTON, for three days, on account of attending funeral of the late Hon. Percy Quin.

Mr. GRIFFIN (at the request of Mr. BOYLAN), for to-day, on account of illness.

Mr. CHASE (at the request of Mr. SWICK), on account of illness.

ADJOURNMENT

Mr. DAVIS. Mr. Speaker, I wish to state that the Committee on Merchant Marine, Radio, and Fisheries had three other bills on the calendar to-day which it hoped to reach, but in view of the lateness of the hour it will not insist upon calling up any of those bills, because it is manifest it would be impossible to conclude another bill. That being true, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 20 minutes p. m.) the House adjourned until to-morrow, Thursday, February 11, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Thursday, February 11, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

Marine Corps personnel (H. R. 5344).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Interstate commerce act, section 15a (H. R. 7116 and H. R. 7117).

COMMITTEE ON AGRICULTURE

(10 a. m.)

Agricultural Credit Corporation.

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(10 a. m.)

Alaskan fisheries (H. R. 497, H. R. 6483); extension of the Public Health Service (H. R. 6732).

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

(10 a. m.)

National defense bill.

COMMITTEE ON LABOR (SUBCOMMITTEE)

(10 a. m.)

Federal relief for the unemployed (H. R. 206, H. R. 6011, H. R. 8088).

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

Naturalization laws (H. R. 385).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

435. A letter from the Secretary of War, transmitting a report dated February 6, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Boston Harbor, Mass. (H. Doc. No. 244); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

436. A letter from the Secretary of War, transmitting a report dated February 4, 1932, from the Chief of Engineers, United States Army, on Lehigh River, Pa. (H. Doc. No. 245); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

437. A letter from the Secretary of War, transmitting a report dated February 5, 1932, from the Chief of Engineers, United States Army, on Housatonic River, Conn. (H. Doc. No. 246); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

438. A letter from the Secretary of War, transmitting a draft of a bill to authorize the Secretary of War to sell or dispose of certain surplus real estate of the War Department; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CONDON: Committee on the Judiciary. H. R. 92. A bill to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and acts in amendment thereof; with amendment (Rept. No. 401). Referred to the Committee of the Whole House on the state of the Union.

Mr. EATON of Colorado: Committee on the Public Lands. H. R. 231. A bill to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines; without amendment (Rept. No. 402). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 7916. A bill to extend the times for the commencement and completion of the bridge of the county of Norman and the town and village of Halstad, in said county, in the State of Minnesota, and the county of Traill and the town of Herberg, in said county, in the State of North Dakota, across the Red River of the North on the boundary line between said States; with amendment (Rept. No. 409). Referred to the House Calendar.

Mr. WILLIAMSON: Committee on Indian Affairs. H. R. 8178. A bill to transfer certain jurisdiction from the War Department in the management of Indian country; with amendment (Rept. No. 410). Referred to the House Calendar.

Mr. IGOE: Committee on Interstate and Foreign Commerce. H. R. 8247. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at Mound City, Ill.; with amendment (Rept. No. 411). Referred to the House Calendar.

Mr. THOMASON: Committee on Military Affairs. H. R. 8330. A bill regulating the use of appropriations for the military and nonmilitary activities of the War Department; without amendment (Rept. No. 412). Referred to the Committee of the Whole House on the state of the Union.

Mr. LONERGAN: Committee on Interstate and Foreign Commerce. H. R. 8510. A bill granting the consent of Congress to the Connecticut River State Bridge Commission, a statutory commission of the State of Connecticut created and existing under the provisions of special Act No. 496, of the General Assembly of the State of Connecticut, 1931 session, to construct, maintain, and operate a bridge across the Connecticut River; with amendment (Rept. No. 413). Referred to the House Calendar.

Mr. HOWARD: Committee on Indian Affairs. H. R. 8824. A bill to restore certain lands to the San Carlos (White Mountain) Indian Reservation, Ariz.; without amendment (Rept. No. 414). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. H. Con. Res. 19. Concurrent resolution providing wreath to be placed on the grave of the mother of Washington on February 22, 1932; without amendment (Rept. No. 416). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WARREN: Committee on Accounts. H. Res. 134. Resolution for the relief of Julia Farrell (Rept. No. 400). Ordered to be printed.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 1420. A bill for the relief of P. Jean des Garennes; without amendment (Rept. No. 403). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 1853. A bill authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, retired, to chief boilermaker, retired; without amendment (Rept. No. 404). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 2125. A bill to provide for the advancement on the retired list of the Navy of Frederick L. Caudle; without amendment (Rept. No. 405). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 2686. A bill granting six months' pay to Annie Bruce; without amendment (Rept. No. 406). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 2695. A bill for the relief of David Albert Robeson; without amendment (Rept. No. 407). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 6336. A bill for the relief of George W. Steele, jr.; without amendment (Rept. No. 408). Referred to the Committee of the Whole House.

Mr. EATON of Colorado: Committee on the Public Lands. H. R. 8777. A bill for the relief of J. N. Gordon; without amendment (Rept. No. 415). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. S. 458. An act for the relief of C. M. Williamson, Mrs. Tura Liljenquist, administratrix of C. E. Liljenquist, deceased, Lottie Redman, and H. N. Smith; without amendment (Rept. No. 417). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 4931) for the relief of the estate of Benjamin Braznell; Committee on Ways and Means discharged, and referred to the Committee on Claims.

A bill (H. R. 5890) for the relief of Lehigh Briquetting Co.; Committee on Ways and Means discharged, and referred to the Committee on Claims.

A bill (H. R. 1127) for the relief of Lafayette Keene (Wade Keene, executor); Committee on Ways and Means discharged, and referred to the Committee on Claims.

A bill (H. R. 1264) for the relief of Henry Stanley Wood; Committee on Ways and Means discharged, and referred to the Committee on Claims.

A bill (H. R. 1294) for the relief of Julian Simon, Ira Simon, and Herbert Simon, doing business as J. Simon & Sons; Committee on Ways and Means discharged, and referred to the Committee on Claims.

A bill (H. R. 1295) for the relief of Oscar R. Witte; Committee on Ways and Means discharged, and referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOWARD: A bill (H. R. 9138) to authorize turning over to the Indian Service vehicles, vessels, and supplies seized and forfeited for violation of liquor laws; to the Committee on Indian Affairs.

By Mrs. KAHN: A bill (H. R. 9139) to authorize the erection of a United States Veterans' Administration hospital in the State of California, to be used for the housing, care, and treatment of disabled women veterans only; to the Committee on World War Veterans' Legislation.

By Mr. GASQUE: A bill (H. R. 9140) to amend section 19 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 9141) to amend section 19 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 9142) to provide for the election of the Board of Education of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. SINCLAIR: A bill (H. R. 9143) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Elbowoods, N. Dak.; to the Committee on Interstate and Foreign Commerce.

By Mrs. NORTON: A bill (H. R. 9144) to amend an act of Congress entitled "An act to regulate the employment of minors within the District of Columbia," approved May 29, 1928; to the Committee on the District of Columbia.

By Mr. WOOD of Indiana: A bill (H. R. 9145) to direct the Secretary of the Navy to have taken fingerprints of applicants for enlistment in the United States Navy and Marine Corps; to the Committee on Naval Affairs.

By Mr. LANHAM: A bill (H. R. 9146) authorizing the transfer of certain lands near Vallejo, Calif., from the United States Housing Corporation to the Navy Department for naval purposes; to the Committee on Public Buildings and Grounds.

By Mr. HILL of Washington: A bill (H. R. 9147) to authorize the adjustment of the boundaries of the Chelan National Forest, in the State of Washington, and for other purposes; to the Committee on the Public Lands.

By Mr. LINTHICUM: A bill (H. R. 9148) to increase passport fees, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FOSS: A bill (H. R. 9149) authorizing the purchasing officers of the Government to give preference to domestic articles; to the Committee on Expenditures in the Executive Departments.

By Mr. GRANFIELD: Joint resolution (H. J. Res. 283) proposing an amendment to the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. KARCH: Memorial by Federal Postal Employees Association, opposing any reduction in Federal salaries; to the Committee on Ways and Means.

Also, memorial by the Associated Hotel Operators, requesting the repeal of the prohibition law; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDRIGE: A bill (H. R. 9150) authorizing the Secretary of the Treasury to pay the claim of William Quinlan; to the Committee on Claims.

Also, a bill (H. R. 9151) authorizing John H. Owens to bring suit in the District Court of the United States for the District of Nebraska, Omaha division, against the United States of America for damages sustained by reason of being injured by an automobile truck owned by the United States; to the Committee on Claims.

By Mr. BLAND: A bill (H. R. 9152) for the relief of Florence Hudgins Lindsey and Elizabeth Lindsey; to the Committee on Claims.

By Mr. BOWMAN: A bill (H. R. 9153) granting an increase of pension to West Virginia Hayward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9154) granting an increase of pension to Louisa Turner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9155) granting an increase of pension to Eliza J. Watson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9156) granting an increase of pension to Lydda K. Teats; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9157) granting an increase of pension to Mary Glover; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9158) granting an increase of pension to Evaline Cottrill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9159) granting an increase of pension to Margaret E. Cassada; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9160) granting an increase of pension to Sarah E. Harner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9161) granting a pension to Mary F. Smallwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9162) to authorize appointment of Robert T. Eilertson as warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 9163) granting a pension to Bertie Stevens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9164) for the relief of James Evans; to the Committee on Military Affairs.

By Mr. CABLE: A bill (H. R. 9165) granting an increase of pension to Eliza J. Bell; to the Committee on Invalid Pensions.

By Mr. COLE of Maryland: A bill (H. R. 9166) for the relief of William E. B. Grant; to the Committee on Naval Affairs.

By Mr. EATON of Colorado: A bill (H. R. 9167) granting a pension to Beatrice S. Smith; to the Committee on Pensions.

By Mr. EVANS of California: A bill (H. R. 9168) granting a pension to Eliza Stanley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9169) for the relief of Milo Reese; to the Committee on Military Affairs.

By Mr. GASQUE: A bill (H. R. 9170) granting a pension to Joseph C. Morse; to the Committee on Pensions.

By Mr. GILLEN: A bill (H. R. 9171) for the relief of William Cash; to the Committee on Military Affairs.

By Mr. HANCOCK of New York: A bill (H. R. 9172) granting an increase of pension to Luise Vogel; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 9173) for the relief of the State of Oregon; to the Committee on War Claims.

Also, a bill (H. R. 9174) granting a pension to Harrison Mosenkosket; to the Committee on Pensions.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 9175) for the relief of Clifton C. Cox; to the Committee on Military Affairs.

By Mrs. KAHN: A bill (H. R. 9176) for the relief of George A. Dobbs; to the Committee on Military Affairs.

Also, a bill (H. R. 9177) for the relief of Lieut. Col. Harry Walter Stephenson, United States Army, retired; to the Committee on Military Affairs.

By Mr. KARCH: A bill (H. R. 9178) granting an increase of pension to Caroline Dommert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9179) granting an increase of pension to Eliza J. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9180) granting a special pension for relief of Charles Jackson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9181) granting an increase of pension to Effie A. Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9182) granting an increase of pension to Mariah Ragland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9183) granting an increase of pension to Lucy E. Russell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9184) granting an increase of pension to Myra E. Walton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9185) granting an increase of pension to Sarah J. Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9186) granting a pension to Sarah E. Linder; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 9187) granting an increase of pension to Ella Dean; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 9188) for the relief of Carleton-Mace Engineering Corporation; to the Committee on Claims.

By Mr. MAAS: A bill (H. R. 9189) for the relief of James Darcy; to the Committee on Military Affairs.

By Mr. MILLARD: A bill (H. R. 9190) granting a pension to Harry Martin; to the Commitee on Pensions.

By Mr. MOUSER: A bill (H. R. 9191) granting an increase of pension to Laura Chrysler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9192) granting an increase of pension to Maggie Neidig; to the Committee on Invalid Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 9193) for the relief of Charles J. Cook; to the Committee on Claims.

By Mr. SWICK: A bill (H. R. 9194) granting an increase of pension to Elizabeth Miller; to the Committee on Invalid Pensions.

By Mr. WICKERSHAM: A bill (H. R. 9195) for the relief of Werner Ohls; to the Committee on Claims.

By Mr. WOODRUFF: A bill (H. R. 9196) granting a pension to Asa Ennes; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1657. By Mr. BURCH: Petition of J. W. Yarbrough and 18 other citizens of Danville, Va., protesting against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

1658. By Mr. CAMPBELL of Iowa: Petition of Ed H. Bamus, of Onawa, and other residents of Iowa, 67 in number, urging support and passage of a bill providing for an adequate retirement pension for employees of railroad, Pullman, and express companies; to the Committee on Interstate and Foreign Commerce.

1659. Also, petition of the Ladies' Aid Society of Battle Creek, Iowa, opposing the resubmission of the eighteenth amendment to be ratified by State legislatures or by State convention, and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

1660. By Mr. CARTER of California: Petition of Shattuck Avenue Branch, Woman's Christian Temperance Union, Oakland, Calif., protesting against the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

1661. Also, petition of the California Conference of Seventh-Day Adventists, protesting against any modification of the eighteenth amendment; to the Committee on the Judiciary.

1662. By Mr. CROWTHER: Petition of the Woman's Christian Temperance Union of Canajoharie, N. Y., urging support of the eighteenth amendment, and opposing its resubmission to ratification by State conventions or State legislatures; to the Committee on the Judiciary.

1663. Also, petition of Woman's Foreign Missionary Society of Canajoharie, N. Y., opposing resubmission of the eighteenth amendment to be ratified by State legislatures or conventions, and requesting support of the eighteenth amendment of the Constitution; to the Committee on the Judiciary.

1664. Also, petition of Glove City Lodge, No. 641, International Order of Good Templars, urging support of the eighteenth amendment, and opposing modification of it; to the Committee on the Judiciary.

1665. Also, petition of residents of Schenectady County, N. Y., urging support of the maintenance of the prohibition law, and opposing its modification; to the Committee on the Judiciary.

1666. By Mr. CULLEN: Petition of the advisory council of the New York State division of the Women's Organization for National Prohibition Reform, in conference assembled in New York City on this day, February 8, 1932, urging that the favorable consideration by our Representatives in Congress of a change in the prohibition law which shall restore to New York State its sovereign right to determine a system of control of the manufacture, sale, and transportation of alcoholic beverages within its own borders, the revenue from which would reduce the State deficit and furnish appropriations for general welfare; to the Committee on the Judiciary.

1667. By Mr. DARROW: Petition of the Philadelphia Board of Trade, protesting against the continued operation of the Inland Waterways Corporation, otherwise known as the Mississippi-Warrior River Barge Line; to the Committee on Interstate and Foreign Commerce.

1668. By Mr. EATON of Colorado: Resolution of the joint annual convention of the Colorado Mining Association and the Colorado Chapter of the American Mining Congress at its meeting on January 15, 1932, opposing the severance of the title of mineral deposits from surface rights and urging Congress to preserve the prospectors' and miners' rights to seek and produce minerals; to the Committee on the Public Lands.

1669. By Mr. HALL of Illinois: Petition of D. J. Eaton and 7,849 other residents, of Livingston County, Ill., advocating

the passage of legislation that will provide an adequate system of credit to farmers that will result in placing American agriculture on a basis of equality with other industries; to the Committee on Agriculture.

1670. By Mr. HARLAN: Petition of citizens of Montgomery County, Ohio, indorsing constitutional amendment against war; to the Committee on Foreign Affairs.

1671. Also, petition of Maxwell Finkleman and James Waechter, on a plan for industrial rehabilitation; to the Committee on Ways and Means.

1672. Also, petition of members of Bear Creek Church of the Brethren, at Dayton, Ohio, urging reduction of military budget; to the Committee on Appropriations.

1673. By Mr. KENDALL: Petition of Woman's Christian Temperance Union of Fayette County, Pa., opposing resubmission of repeal of eighteenth amendment; to the Committee on the Judiciary.

1674. By Mr. KURTZ: Petition of Philipsburg (Pa.) Woman's Christian Temperance Union, opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1675. By Mr. LANHAM: Petition of the Frances Willard Union, Woman's Christian Temperance Union, of Fort Worth, Tex., opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

1676. By Mr. LANKFORD of Georgia: Petition of several citizens of village of Roseville, Mich., urging the passage of the Glenn-Smith bill, S. 1856, which provides for the creation of a sinking fund to refinance such legally constituted drainage districts which are in particularly bad financial condition; to the Committee on Irrigation and Reclamation.

1677. By Mr. LEWIS: Petition of Woman's Christian Temperance Union of Buckeystown, Md.; to the Committee on the Judiciary.

1678. By Mr. O'CONNOR: Resolution of the advisory council of the New York State division of the Women's Organization for National Prohibition Reform, urging the favorable consideration by Congress of a change in the prohibition law which shall restore to the State of New York its sovereign right to determine a system of control of the manufacture, sale, and transportation of alcoholic beverages within its borders, the revenue from which would reduce the State deficits and furnish appropriations for general welfare; to the Committee on the Judiciary.

1679. Also, petition of the American Association for Old Age Security, urging passage of the Connery old-age security bill, H. R. 7926; to the Committee on Labor.

1680. By Mrs. PRATT: Petition of Reserve Officers' Association, 350 Madison Avenue, New York City; to the Committee on Appropriations.

1681. By Mr. REED of New York: Petition of Charles H. Tubbs and others, urging the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1682. Also, petition of the Community Club of Fillmore, N. Y., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

1683. Also, petition of Rose B. York, urging the support of the prohibition law and its enforcement; to the Committee on the Judiciary.

1684. Also, petition of Martin V. Stone and others, urging the support of the prohibition law and its enforcement; to the Committee on the Judiciary.

1685. Also, petition of E. B. Briggs and others, urging the support of the prohibition law and its enforcement; to the Committee on the Judiciary.

1686. Also, petition of the Woman's Home and Foreign Missionary Society of Houghton, N. Y., urging the support of the prohibition law and its enforcement; to the Committee on the Judiciary.

1687. Also petition of Ethel La Grenade and others, urging the support of the prohibition law and its enforcement; to the Committee on the Judiciary.

1688. Also, petition of Travelers' Club of Friendship, N. Y., urging the support of the prohibition laws; to the Committee on the Judiciary.

1689. Also, petition of Katherine M. Warner and others, urging the support and maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1690. Also, petition of Fanny O. Baily, Woman's Christian Temperance Union of Jamestown, N. Y., urging the support of the prohibition law; to the Committee on the Judiciary.

1691. Also, petition of Belle W. Collins and several others, urging the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1692. By Mr. RUDD: Petition of Associated General Contractors of America (Inc.), opposing the passage of Bingham-Goss bill, S. 437 and H. R. 4680, and favoring the passage of Senate bill 1395 and House bill 255; to the Committee on the Judiciary.

1693. Also, petition of L. B. Palmer, 370 Lexington Avenue, New York City, favoring the establishment of the Everglades national park in Florida legislation; to the Committee on the Public Lands.

1694. Also, petition of American Association for Old Age Security, New York City, favoring the passage of House bill 7926; to the Committee on Labor.

1695. Also, petition of Theodore H. Smith & Co., New York City, favoring the establishment of the Everglades national park in Florida legislation; to the Committee on the Public Lands.

1696. Also, petition of Women's Organization for National Prohibition Reform, New York State division, favoring a change in the prohibition law which shall restore to New York State its sovereign right to determine a system of control of the manufacture, sale, and transportation of alcoholic beverages within its own borders, the revenue from which would reduce the State deficit and furnish appropriations for general welfare; to the Committee on the Judiciary.

1697. By Mr. SANDERS of New York: Petition of Harriet M. Kellogg and other citizens of Castile, N. Y., supporting the prohibition law and its enforcement and against modification, resubmission, or repeal; to the Committee on the Judiciary.

1698. Also, petition of Edith L. Gibson and other citizens of Lyndonville, N. Y., supporting the prohibition law and its enforcement and against modification, resubmission, or repeal; to the Committee on the Judiciary.

1699. Also, petition of Gertrude W. Parsons and other citizens, of Mount Morris, N. Y., supporting better enforcement of the prohibition law and against resubmission; to the Committee on the Judiciary.

1700. By Mr. SMITH of West Virginia: Petition of the Grandview Woman's Christian Temperance Union of Charleston, W. Va., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

1701. Also, petition of the Woman's Christian Temperance Union of South Charleston, W. Va., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

1702. By Mr. STRONG of Pennsylvania: Petition of members of Trinity Lutheran Sunday school, Johnstown; W. W. W. Bible Class of the Methodist Episcopal Church of Apollo; and Barnards Woman's Christian Temperance Union, of Dayton, all of the State of Pennsylvania, favoring the maintenance and support of the prohibition laws; to the Committee on the Judiciary.

1703. By Mr. SWICK: Petition of Methodist Episcopal and Presbyterian Churches and Woman's Christian Temperance Union of Petrolia, Butler County, Pa., opposing the repeal or resubmission of the eighteenth amendment to the State legislatures or conventions; to the Committee on the Judiciary.

1704. Also, petition of Frances Willard, Woman's Christian Temperance Union, R. F. D. 1, Slippery Rock, Butler County, Pa., opposing resubmission of the eighteenth amendment to the State legislatures or conventions for repeal; to the Committee on the Judiciary.

1705. Also, petition of United Presbyterian and Methodist Churches of Harrisville, Butler County, Pa., opposing the resubmission of the eighteenth amendment to the State leg-

islatures or conventions for repeal; to the Committee on the Judiciary.

1706. Also, petition of Woman's Christian Temperance Union of New Brighton, Beaver County, Pa., opposing the resubmission of the eighteenth amendment to the State legislatures or conventions for repeal; to the Committee on the Judiciary.

1707. Also, petition of Jacksville Woman's Christian Temperance Union, R. F. D., Slippery Rock, Butler County, Pa., opposing the repeal of the eighteenth amendment or its submission to the State legislatures or conventions; to the Committee on the Judiciary.

1708. Also, petition of United Presbyterian Sunday school, Slippery Rock, Butler County, Pa., opposing the repeal of the eighteenth amendment or its submission to the State legislatures or conventions; to the Committee on the Judiciary.

1709. By Mr. SWING: Petition of E. P. Fitzgerald and 60 other residents of Lone Pine, Calif., protesting against passage of House bill 8092; to the Committee on the District of Columbia.

1710. Also, petition of G. L. Chapman and 63 other residents of Lone Pine, Calif., protesting against passage of House bill 8092; to the Committee on the District of Columbia.

1711. By Mr. VESTAL: Petition of Laura M. Hamilton and others, urging the support of the prohibition law and its enforcement; to the Committee on the Judiciary.

1712. By Mr. WEST: Petition of 265 residents of Newark, Ohio, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

1713. By Mr. WOODRUM: Petition of J. C. Price and others, protesting against passage of Senate bill 1202 and House bill 8092; to the Committee on the District of Columbia.

SENATE

THURSDAY, FEBRUARY 11, 1932

(Legislative day of Friday, February 5, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, in which it requested the concurrence of the Senate.

THE PROHIBITION QUESTION

Mr. SHEPPARD. Mr. President, I desire to insert in the RECORD, by unanimous consent, a radio address by Mrs. Jesse W. Nicholson, of Maryland, at a banquet of the Daughters of the American Constitution at Louisville, Ky., in December, 1931.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

The question we must consider to-day is, Shall we surrender to a rich "wet" group of outlaws and nullifiers?

The Association Against the Prohibition Amendment and its auxiliary, the Woman's Prohibition Reform Organization, are asking the support of good citizens on the basis of their deep concern for the welfare of society, to restore respect for law, and especially because of their distress about our young people.

How long have the liquor interests which these groups represent been the saviors of society?

How long have they been concerned about respect for law?

How long have they been solicitous about our young people?

While prohibition enforcement has not been perfect it is certainly not to be compared to the evils that flowed out of the legalized liquor traffic. For how many here to-night remember when the brewers had the stranglehold? How they raised their corruption funds? How they organized their following? How they manipulated labor? How they boycotted big business? How they overrode the law? How they degraded politics? How they worked the press? And how they now seek to break down the Constitution?

Besides the seven millionaires, who are contributors to the Association Against the Prohibition Amendment, the brewers and distillers are its strongest supporters, according to the testimony brought out at the judiciary hearing in Washington.

Why do you suppose these brewers and distillers are making contributions to these wet organizations?

If any citizen here to-night imagines this old crowd of brewers and distillers, wholesalers and retailers are dead, or have given up the fight, you need but to inform yourself.

Oh, yes; they are claiming a very large membership, but that is for public consumption. What did the sworn testimony disclose at the judiciary hearing? They had exactly 400 members in Maryland—my own State, their national headquarters—and 10,000 members all over the entire country. Yet they have spent over a million dollars in their propaganda and have the audacity to ask for another million to carry on their program of nullification and sedition.

Take away the big salaries of the officers in these wet associations, and all this high-pressure compaign they are conducting will fall flat. It's the big money back of their movement and not the people, for this country is dry.

If there is any doubt about this country being dry, let any political party again name a wet candidate and the constitutional women of this country will give them such a beating as they never dreamed of, and 1928 will not be a circumstance.

What remedy have they in this machine age with airplanes and automobiles if you bring back liquor and take away our safeguard?

The United States district attorney's office subpœnaed the speaker to discuss the charges she made against the Association Against the Prohibition Amendment for the violation of the corrupt practice act, in which they received a $5,000 gift they failed to report to Congress as testified by one of their shining lights, Capt. William Stayton, who admitted under oath the evasion in making their report.

With them the end justifies the means—if they played the hypocrite in not reporting a $5,000 gift, we do not know how much more they have received they have failed to report.

The assistant district attorney admitted to me the accuracy of the record, declaring his office was without authority to act because of the statute of limitation.

The Walker Whiskey Co. of Ontario, Canada, a foreign company, has made large contributions to the Association Against the Prohibition Amendment through their Michigan office.

The Du Ponts have made large contributions to the Association Against the Prohibition Amendment, one of the Du Ponts declaring under oath that one of his corporations would save $10,000,000 in income taxes if they could get the eighteenth amendment repealed and a tax on beer.

The Seventy-second Congress has already been deluged with letters from the Woman's Prohibition Reform Organization, an auxiliary of the Association Against the Prohibition Amendment, which have financed their activities, asking for repeal of the eighteenth amendment.

Opponents of prohibition among women do not ring true in statements regarding their sudden discovery of the awful menace to youth through alcohol and their inconsistent demand that therefore it should be restored to a legal status, for alcohol is just as dangerous served legally as illegally. They talk and act as though they thought bootlegging was something new, when as a matter of fact, when the liquor traffic was at the highest stage, we had speak-easies, blind pigs, blind tigers, doggeries, joints, dives, crooked drug stores, vicious resorts, murder mills, and the like operating without the law. When did the liquor traffic ever obey any law?

When we had the licensed saloon and they were supposed to close their places of business at midnight—they used to turn the clocks back to evade the law.

They say they do not want the saloon back; but if you bring back liquor in any form; who is going to dispense it?

Let us not deceive ourselves or lull ourselves to sleep with a feeling of security, for we must fight to hold what we have gained. We must not forget the "wets" were against the going of the saloon and they are not adverse to its return, and one of their witnesses so declared before the Judiciary hearing in Washington.

This liquor woman's organization, which sails under a false name of reform organization in order to give them a semblance of respectability, are besieging Members of Congress for resubmission of the eighteenth amendment.

But we say no resubmission until the wets give us a better plan. You could never get 36 States necessary to vote for repeal. Therefore all resubmission could do, would be to delay enforcement and make for lawlessness.

It is indeed unfortunate but certainly enlightening to see the great press of New York and the voices of bankers sidetracking the people's mind from meeting this world calamity of depression of which they are partly to blame, by turning them back to how they can get a drink of beer. The people of this country do not want beer; they want bread.

The real backbone of the opposition to the enforcement of prohibition is found with men and women in the higher walks of life, and these the arm of the law must reach.

Already the political leaders have their eyes on 1932. The party that takes a wet stand in 1932 is doomed to disruption.

I regret to have to apologize for the Democratic leader in my own party, Chairman Raskob, who was recruited from the Republican Party to "help rid the country of the damnable affliction of prohibition," and who has made large contributions to the wet

association to obtain that result, but has accomplished little but bring dissension and strife in our party, which will not cease until he quits as head of the party leadership.

Mr. Raskob since 1928 has been horribly sensitive about being called a Republican. Once in a public outburst he attempteed to prove that the only time he had bolted the Democratic Party was on the free-silver issue in 1898 when he was just 15 years of age.

The Democrats may just as well realize the truth now, that before the American people will entrust the reins of power to their party it must divorce itself from the wet element that seems to completely dominate the party in the East, and which promises to be active in sponsoring a group of "wet" candidates for the presidential nomination in 1932.

The party leaders say the tariff and water power are to be the issues in 1932, but I tell you that prohibition is to be the one paramount issue in 1932, and the women who make up organizations like the one I am addressing here this evening can be depended on to keep it the supreme issue.

We do not intend to allow the politicians to divert our minds about sticking to a party label, for we care nothing for a party label, if it does not represent principle.

We constitutional women are not deceived by all this wet propaganda, for prohibition can be enforced. It is being enforced, and the constitutional men and women of America must stand guard to see that it is enforced better and better each year.

We women will think first of our children and we will not compromise our principles on any plea of party regularity, because we have worked too long for prohibition.

We remember there are graves in which martyrs to the cause of law enforcement lie. We remember how our forefathers faced the contempt of thousands, the hostility of the influential, the suspicion of friends, but in season and out they gave their all to make our country a better place to live in.

They dreamed of a day when the children of our fair land would be born into a country where liquor and its curse were not known. They dreamed of a day when the workingman would no longer be robbed of his earnings by an aristocracy of brewers and distillers.

They prayed for the day when their women would be liberated from the fear and awfulness of drink-soaked husbands and drink-wrecked children.

To bring this dream to pass they toiled incessantly and poured out their money and talent, and many of them died in the fight, killed by their incessant fighting.

They have passed on the torch to other hands, and their dying cry is still ringing in our ears. Carry on. Carry on, and we must not surrender or fail them.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Kean	Schall
Austin	Dale	Kendrick	Sheppard
Bailey	Davis	Keyes	Shipstead
Bankhead	Dickinson	King	Smith
Barbour	Dill	La Follette	Smoot
Barkley	Fess	Lewis	Steiwer
Bingham	Fletcher	Logan	Stephens
Black	Frazier	McGill	Thomas, Idaho
Blaine	George	McKellar	Thomas, Okla.
Borah	Glass	McNary	Townsend
Bratton	Glenn	Metcalf	Trammell
Brookhart	Goldsborough	Morrison	Tydings
Broussard	Gore	Moses	Vandenberg
Bulkley	Hale	Neely	Wagner
Bulow	Hastings	Norbeck	Walcott
Byrnes	Hatfield	Norris	Walsh, Mass.
Capper	Hawes	Nye	Walsh, Mont.
Caraway	Hayden	Oddie	Waterman
Carey	Hebert	Patterson	Watson
Coolidge	Howell	Pittman	Wheeler
Copeland	Hull	Reed	White
Costigan	Johnson	Robinson, Ark.	
Couzens	Jones	Robinson, Ind.	

Mr. FESS. I wish to announce that the junior Senator from California [Mr. SHORTRIDGE] is necessarily detained from the Senate by continued illness. I ask that this announcement may stand for the day.

Mr. SHEPPARD. My colleague the junior Senator from Texas [Mr. CONNALLY] is detained on account of illness. This announcement may stand for the day.

Mr. GEORGE. I wish to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

RELIEF OF UNEMPLOYMENT

Mr. TYDINGS. Mr. President, the other day I offered an amendment to the amendment in the nature of a substitute presented by Senators BLACK, WALSH of Montana, and BULKLEY. I ask that it may be considered as pending when the unfinished business comes up and the proposed substitute is reached in the regular order.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate memorials from citizens of Lemon Grove, Calif., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. REED presented petitions numerously signed by sundry citizens of Williamsport and vicinity, in the State of Pennsylvania, praying for reduction in the Federal salary and wage scale, the elimination of duplicating positions and functions in bureaus and departments of the Government which are not consonant with the strictest economy, and in general the reduction of taxes and governmental expenditures, which were referred to the Committee on Civil Service.

Mr. BROOKHART presented a petition of sundry citizens of Bussey, Iowa, praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. HOWELL presented a petition of sundry citizens of Chadron, Nebr., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. THOMAS of Idaho presented a petition (addressed to Hon. BURTON L. FRENCH, Representative from Idaho), numerously signed by sundry citizens in the State of Idaho, praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. McGILL presented petitions and papers in the nature of petitions from Ralph O. Taylor (16 names), of Baxter Springs; the Woman's Christian Temperance Union of Augusta; the Woman's Christian Temperance Union of Burlingame; the Women's Foreign Missionary Society (66 names), of Plains; the University Friends Church (1,000 people), of Wichita; the Crocheting, Tatting, Embroidery Club (16 names), of Anthony; the C. H. C. Club (40 names), of Anthony; the Church of the Nazarene (50 people), of Anthony; the Hopewell Missionary Society (12 people), of Hopewell; Mrs. Dora Bloom (106 names), of Anthony; the Woman's Christian Temperance Union (31 names), of Le Roy; Queen Anne Rebekah Lodge, of Nickerson; Rev. Henry B. Bondurant (47 names), of Ness City; the Brotherhood Class, of Winfield; the Women's Home Missionary Society (133 names) and the College Hill Methodist Episcopal Church, of Wichita; the Woman's Christian Temperance Union, the First Baptist Church, Trinity Evangelical Church, Presbyterian E. and I. Circle, and the Methodist General Aid, all of Eldorado; 159 citizens of Downs; and 325 citizens of Eldorado, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement and protesting against any measure looking toward its modification, resubmission to the States, or repeal, which were referred to the Committee on the Judiciary.

Mr. JONES presented a petition of sundry citizens of Tacoma, Wash., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Fruitvale Woman's Christian Temperance Union, of Yakima, Wash., protesting against the resubmission of the eighteenth amendment of the Constitution to State conventions or legislatures, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Seattle, Wash., praying for disarmament of the nations, which was referred to the Committee on Foreign Relations.

Mr. BARBOUR presented a resolution adopted by members of the League of Nations Association, of New Jersey, assembled for their annual dinner at Newark, N. J., favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens (mothers), of Bergenfield, N. J., remonstrating against the possible entry of the United States into another war, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of Short Hills, N. J., praying that nothing be done that might involve the United States in war in the Far East, which were referred to the Committee on Foreign Relations.

Mr. TYDINGS presented resolutions adopted by the Woman's Interdenominational Missionary Union, at Baltimore, Md., in convention assembled, favoring disarmament and indorsing the purpose of the present Disarmament Conference at Geneva, which were referred to the Committee on Foreign Relations.

He also presented a petition of members of Mount Faucon Post, No. 482, Veterans of Foreign Wars, of Perryville, Md., favoring the payment in cash of adjusted-service compensation certificates (bonus), and also the passage of legislation granting pensions to widows and orphans of veterans of the World War, which was referred to the Committee on Finance.

He also presented the memorial of members of the Federated Shop Craft's Organizations, at Baltimore, Md., remonstrating against the appointment of James H. Wilkerson, of Illinois, to be United States circuit judge, seventh circuit, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented a petition of sundry citizens of Osawatomie, Kans., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Baptist Women's Missionary Circle and the local chapter of the Woman's Christian Temperance Union, both of Osawatomie, Kans., favoring the maintenance of the prohibition law and its enforcement, and protesting against its modification or repeal, which were referred to the Committee on the Judiciary.

He also presented petitions numerously signed by sundry citizens of the District of Columbia, praying for the passage of Senate bill 1202 to regulate the closing of barber shops on Sunday in the District of Columbia, known as the Copeland Sunday health bill, which were referred to the Committee on the District of Columbia.

Mr. FESS presented a resolution adopted by members of the Bear Creek Church of the Brethren, in the State of Ohio, favoring the further reduction of military expenditures, which was referred to the Committee on Appropriations.

He also presented a petition of sundry citizens of Dayton and New Lebanon, praying for the adoption of an amendment to the Constitution making it legally impossible to prepare for, declare, or carry on war, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by employees of the East Warren station and Girard post offices, in the State of Ohio, protesting against the proposed reduction of salaries of Government employees, which were referred to the Committee on Civil Service.

He also presented memorials of sundry citizens of Springfield, Logan, Leesburg, Dayton, Cincinnati, Washington Court House, Hillsboro, Sabina, Wilmington, and Greenfield, all in the State of Ohio, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. WALCOTT presented memorials of sundry citizens of Branford, North Haven, New Haven, Derby, Hamden, Woodmont, North Guilford, Hartford, New Britain, Plainville, and Elmwood, all in the State of Connecticut, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented petitions of the League of Women Voters of Meriden, and the Sprague League of Women Voters, of Baltic, in the State of Connecticut, praying for the passage of legislation known as the Jones-Bankhead maternity bill, which were referred to the Committee on Education and Labor.

He also presented petitions of Anderson Shea Post, No. 2046, Veterans of Foreign Wars, of Manchester, and Private Walter J. Smith Post, No. 511, Veterans of Foreign Wars, of New Britain, in the State of Connecticut, praying for the full payment of the adjusted-service compensation certificates (bonus), which were referred to the Committee on Finance.

He also presented petitions of the Hartford World Court Committee of Hartford, the League of Women Voters of Meriden, and the League of Women Voters of Norwich, all in the State of Connecticut, praying for the ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Connecticut Hotel Association in convention assembled at Bridgeport, Conn., favoring modification of the national prohibition act so as to permit the manufacture and sale of beer and wine, and also the passage of legislation for the submission to the States of the question of the repeal of the eighteenth amendment of the Constitution, which was referred to the Committee on the Judiciary.

He also presented a paper, in the nature of a petition, from Robert A. LaPlace Unit, No. 18, the American Legion Auxiliary, of Essex, Conn., favoring the strengthening of the national defense, including a larger and more adequate National Guard, citizens' military training camp, and Reserve Officers' Training Corps, which was referred to the Committee on Military Affairs.

He also presented petitions and papers, in the nature of petitions, from the Mary Bushnell Cheney Auxiliary, United Spanish War Veterans, of South Manchester; Walter L. Bevins Auxiliary, No. 2, of Wallington; Patrick F. Triggs Post, Veterans of Foreign Wars, of Thompsonville; Lieutenant N. W. Bishop Camp, United Spanish War Veterans, of Bridgeport; A. G. Hammond Camp, United Spanish War Veterans, of New Britain; and the Major Charles Bonesteel Auxiliary, United Spanish War Veterans, of Bridgeport, all in the State of Connecticut, praying for the passage of House bill 7230, providing pensions for widows and orphans of World War veterans, which were referred to the Committee on Pensions.

Mr. COPELAND presented a resolution adopted by Major General R. P. Hughes Camp, No. 17, Department of New York, United Spanish War Veterans, of Buffalo, N. Y., favoring the passage of House bill 7230, granting uniform pensions to widows, children, and dependent parents of certain war veterans, which was referred to the Committee on Pensions.

He also presented three resolutions adopted at Milwaukee, Wis., by the Associated General Contractors of America (Inc.), relative to proposed legislation requiring the names of subcontractors and suppliers of material in Government bids for construction work, a uniform contract code, and a system of prequalification of bidders, which were referred to the Committee on Public Buildings and Grounds.

He also presented the petition of A. M. Root, of New York City, N. Y., praying for the passage of legislation to provide citizenship to aliens who are unwilling to take the oath of allegiance to swear that they will bear arms in defense of the Nation in time of war, which was referred to the Committee on Immigration.

He also presented resolutions adopted by the Real Estate Owners Tax Payers League, of Buffalo, N. Y., favoring the elimination of unimportant governmental functions and the reduction of salaries, which were referred to the Committee on Civil Service.

He also presented resolutions adopted by the Bar Association of Nassau County, N. Y., favoring the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the Parents' Association of Public School No. 26, the Bronx, New York

City, favoring the cooperation of the United States with other powers in restoring peace in the Far East, the withdrawal of Americans and the armed forces of this country from China, and a restriction upon purchases from the aggressor nation, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted at a meeting of the National Woman's Party at Brooklyn, N. Y., favoring the submission to the States of an amendment to the Constitution granting equal rights to men and women throughout the United States and its possessions, which was referred to the Committee on the Judiciary.

He also presented petitions and papers, in the nature of petitions, numerously signed, from sundry citizens and organizations in the State of New York, praying for the maintenance of the prohibition law and its enforcement, and protesting against modification, resubmission to the States, or repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

PROPOSED REDUCTION OF GRAZING FEES IN NATIONAL FORESTS

Mr. THOMAS of Idaho. Mr. President, I present letters from Mr. James Farmer, of Boise; of Mr. F. S. Gedney, president of the Bruneau Sheep Co., of Mountain Home, both in the State of Idaho, and also a statement by the National Wool Marketing Corporation, of Boston, Mass., relative to the proposed reduction of grazing fees in the national forests, which I ask may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the letters and statement were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

BOISE, IDAHO, *February 5, 1932.*

Hon. Senator JOHN THOMAS,
Washington, D. C.

DEAR SENATOR THOMAS: I understand that you have introduced a resolution in the Senate asking for a 50 per cent reduction in grazing fees. I wish to assure you that as a grower this is one of the most needed pieces of legislation that could be rendered for sheep and cattle growers and other grazers on our national forests.

Our valuations on sheep since 1929 have dropped from $12 and $14 per head down to from $2.50 to $3 a head. In fact, there are very few sales and those that have been made have brought even less than the above figures.

For the past two years our operations have shown losses ranging from $1.50 a head to as high as $3 a head, with the result that our equity is being completely wiped out. Our only hope being that our production costs can be lowered during the next two years, which may permit our returns coming nearer to offsetting our expenses.

Again thanking you for your keen interest and assuring you I know that these small reductions piled on top of each other are going to be the salvation of our industry, I remain,

Sincerely yours,

JAMES FARMER.

MOUNTAIN HOME, IDAHO, *January 29, 1932.*

Senator JOHN R. THOMAS,
Washington, D. C.

DEAR SENATOR THOMAS: We wish to add our bit to assist you in passing your bill to reduce grazing fees on the national forests. We certainly need the help of such a reduction and feel that we are entitled to it.

When the forests were first created I was practicing law at Elko, Nev., and drew the petitions under which the first forests in that State were created. At that time we were told that the Government would never charge more for permits than the cost of administration. For some years the charge was less than the cost of administration. Later the forest officers conceived the idea of making money out of the forests. In other words, of making these forests a money-making proposition.

This was a new departure in our Government, as never before had the United States Government sought to make money out of any of its public resources. Before that time our Government had only sought to help its citizens, not to make money out of them. This idea was wrong and is wrong in principle. It should have never been adopted by our Government. There is no place in our Government for such a principle.

The livestock business is now in such a condition that we are sorely in need of help all along the line in reducing our expenses, and other agencies and governments are helping, why not the forests? As an illustration, this State has reduced the valuation on sheep from $6 to $2.60 for taxation purposes.

We run about an average of 18,000 sheep, lamb on the range, and run our sheep out most of the year. Our operating cost is small in comparison with other outfits; also our receipts are not as large per head as other outfits. We keep our ewe lambs each year; therefore, of the above, only about 12,500 are breeding ewes. I make this statement that you may better understand the following figures which, I think, may help you in your work.

The following are our receipts for the last three years for wool and lambs sold, and practically the same amount of wool and the same number of lambs sold each year:

	1929	1930	1931
Receipts from wool	$36,881.61	$29,005.68	$19,971.90
Receipts from lamb sales	36,034.97	25,202.22	[1] 22,445.92
Value of ewe lambs	27,463.81	21,847.68	----------
	100,380.39	76,055.58	42,417.82
Expenses	86,543.40	110,822.97	70,930.00

[1] Including ewe lambs.

The above would show the loss, but in each one of these years we sold some ewes, so our profit or loss as shown by our books is as follows:

Profit, 1929	$2,492.22
Loss, 1930	20,644.89
Loss, 1931	19,721.50

The ewes we sold these two last years were sold on time (which we did in order to dispose of them), and it is very doubtful how much we will finally get for them, which may materially add to our loss.

I have given you the above figures particularly for the purpose of showing how our receipts have decreased for practically the same amount of wool sold and same number of lambs. For instance, you see that our wool in 1929 brought $20,000 more than in 1931.

Our lambs in 1929 brought three times as much as the lambs in 1931. The wool brought half as much. This shows that we are getting from one-half to one-third as much as in 1929.

Here is another thing that tells the tale: On July 1, 1929, the company did not owe anything. On December 31, 1931, the company owed $94,852.87, and all this has been used to pay running expenses.

I trust that this may be of some help to you. If so, and there is anything further I can do to help, please call on me.

Thanking you for your endeavors in our behalf, I remain,

Very truly,

F. S. GEDNEY,
President Bruneau Sheep Co.

STATEMENT OF NATIONAL WOOL MARKETING CORPORATION, BOSTON, MASS.

If the Government is seriously interested in alleviating problems faced by agriculture, it could make an important contribution toward that end by readjustment of fees stockmen must pay to use national forest ranges, according to J. Byron Wilson, McKinley, Wyo., general manager of the National Wool Marketing Corporation, with headquarters at Boston.

Spokesman for 35,000 western woolgrowers in their efforts to obtain lower grazing rates, Wilson is one of the leaders of the fight now being waged at Washington with the Forest Service, branch of the Department of Agriculture. Rates remain the same as when livestock commodity prices were more than twice their present levels. All efforts to obtain aid have been met by "cold indifference," Wilson declared.

"Senators JOHN THOMAS, of Idaho, and ROBERT CAREY, of Wyoming, are leading the stockmen's battle at Washington with a joint congressional measure which will instruct the Secretary of Agriculture to reduce grazing fees for 1932 and 1933 at one-half the level for 1930," Wilson said. "Those two Senators are alert to the dire straits in which the livestock industry finds itself, and they are worthy of much praise for their uncompromising stand in their efforts to win justice for stockmen now facing the most trying time in the history of this industry which is so vital to western prosperity.

"It is difficult for the stockman to conceive of anyone more deserving of assistance in any rehabilitation program. We have the moratorium for foreign countries which owe us billions. We have the Reconstruction Finance Corporation providing $2,000,000,000 for industry and business. Yet the Department of Agriculture, with cold indifference and a certain smugness, refuses to come to the aid of the almost bankrupt livestock man and an industry which is a keystone to the existence and prosperity of the West.

"Almost alone at Washington, Senators THOMAS and CAREY are waging their fight to get this relief, but other western Senators have promised aid, and plenty of pressure will be brought to bear when the test comes. Sheepmen have always found a willing friend and counsellor in JOHN THOMAS, an Idaho sheepman and farmer. He championed our causes for years before becoming a public servant and now is more aggressive than ever in carrying the banner of all agricultural interests. The same is true of Senator CAREY, a veteran cattleman and native of Wyoming."

Wilson said congressional action would be necessary to obtain reductions in grazing fees, since repeated appeals for aid had been "too casually" rejected. While the resolution is intended for relief of stockmen in their home States, Senators THOMAS and CAREY are aware that similar conditions exist in the West. The sheepman's spokesman pointed to the many hardships now being endured by sheepmen as evidence of immediate needs for reduction of grazing fees.

"Stockmen are now going through one of the most serious winters in years and in many districts of the West the 1931 drought reduced feed supplies to low levels," he continued. "Bitter weather has placed a premium on available food. Short rations also carry the threat of weak spots in fleeces, which may further depress revenue.

"For three years sheepmen have been losing money. The heavy losses sustained in 1930 and 1931 will more than wipe out profits for several years back. Losses have been $3.41 for the past two years. Figures for 1931 will fall close to the severe losses of 1930. Profits in 1932 are extremely doubtful.

"Grazing fees are fixed—and apparently beyond control. All other expenses of sheep operations have been conscientiously reduced by sheepmen. Now there is every justification to expect reductions for privileges of Federal grazing. Western sheepmen openly resent such iron-handed control of the very land they are the only users of.

"The present national forest grazing-fee scale was established in 1927 to run through to 1934. When it was fixed fine strictly combing wool was selling in Boston at $1.08 to $1.12 per pound, the average for the year being $1.10. Lambs at Chicago were bringing $13.13 to $16.84 per hundred, the average for 1927 being $14.99. During 1931, in contrast, fine strictly combing wool in Boston averaged only about one-half and lamb prices at Chicago less than one-half of the 1927 prices; yet national forest grazing fees remained the same.

"The last annual report of the Chief Forester of the United States Forest Service, for the fiscal year 1930–31, showed that $1,960,642 was derived in fees for use of national forest forage. Grazing receipts on national forest ranges increased over the previous year by $17,728, yet stock owners saw incomes dwindle by millions during the same time. In 1931, the report shows, 6,848 sheepmen and goatmen used national forests, their bands totaling more than 6,500,000 head. Cattle and horse permittees totaled 19,969, covering 1,338,000 head of stock.

"Through its Washington office, the National Wool Marketing Corporation has been working for more than a year to try and obtain a just downward revision of national forest grazing fees. We have had many conferences with Government authorities on the subject, but so far our efforts have been met with indifference and slight plays of sympathy, devoid of action. These officials have made no effort to be of service to the growers. With two champions like Senators THOMAS and CAREY, growers feel that readjustments will come soon, and justly."

REMONETIZATION OF SILVER

Mr. WHEELER submitted an article entitled "Silver Can Cure the Crisis," by J. F. Darling, one of the directors of the Midland Bank, England, from the London Daily Mail of December 9, 1931, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

[From the London Daily Mail December 9, 1931]

SILVER CAN CURE THE CRISIS

By J. F. Darling, one of the directors of the Midland Bank, England

It is doubtful whether the nations of the world have thoroughly apprehended the unparalleled nature of the present crisis, otherwise definite steps would have been taken ere now to cure it.

Not only am I confident that it can be cured, but that it is within the power of our National Government to effect a remedy by a very simple act which could be passed before the session ends. But, first of all, let us endeavor to find the real nature of the trouble.

The crux of the crisis, which has so disturbed the equilibrium of the world, is the catastrophic slump in world values of commodities and securities. In consequence, profits are being turned into losses on such a scale that there is an unparalleled volume of unemployment throughout the world. Not only Britain's budget but well nigh all budgets have been thrown out of balance and taxation has become insupportable. In a slump so unprecedented potential buyers are afraid to buy and potential lenders afraid to lend.

LACK OF SECURITY

The crisis goes far beyond anything that the mere provision of added credit facilities can cure. The effective working of the credit system presupposes adequate security against which accommodation can be granted. The credit machine, however, is now compelled to run dead slow, not through lack of power—witness the tremendous credit power inherent in the gold holdings of the United States and France—but through lack of security.

Even at the absurdly low quotations now reached how much of anything could be sold? Commodities, bonds, shares, real estate—can they be realized to any appreciable extent anywhere in the world? Our immediate pressing concern, therefore, is with the restoration of values, which must precede the effective use of credit and world recovery.

It is urged that reparations, war debts, tariffs, and the hold-up of gold by the United States and France are blocking the way. And it has been suggested that these questions should all be considered together at a comprehensive international conference.

I am very much afraid if we have to wait for such a conference to effect a cure for the world crisis general bankruptcy, through sheer inability to liquidate debts, may be ahead of us. It is, indeed, not so very far off. To call such a conference before raising values is putting the cart before the horse.

Now, to bring about a restoration of world values some dynamic price-raising power is needed, a force, moreover, which would raise values without increasing debts. Whence is this dynamic force to come? It is ready to hand, provided by nature.

GOLD AND SILVER

Nature has provided the world with two metals eminently suitable for use as money, and from the dawn of history both have been so used. Nature has also indicated their relative values, for she has yielded, on an average, no more than 14 ounces of silver for each ounce of gold, and the yield at the present time is somewhat less. For many centuries the value of silver was approximately 15 to 1 of gold. Yet gold has now been accorded a value which is about seventy times that of silver.

Because the world has become steeped in a gold mentality it has persistently refused to recognize a simple solution of many of the grave economic problems that confront us. It is to go back to nature's provision and again use both silver and gold as money, imparting to them a value not far removed from what may be termed their natural value.

First of all, we must restore equilibrium in the value of the money of the world if we are to have equilibrium in trade or exchange of commodities, which is the principal function of money.

BRITAIN CAN DO IT

How is this to be done? There is no time for an international conference. Nor would it be likely to achieve success. The official policy of the United States and France is to act as a unit in upholding the gold standard. Nor is this surprising, seeing that they hold the greater part of the world's gold.

Britain, however, through her relationship with India, which is the largest silver-using country in the world, is in a position to restore the value of silver unaided. It can be done in the simplest way by authorizing the Bank of England to hold rupees, or their silver content, in the metallic reserves against Bank of England notes at a value equal to the exchange value of 1s. 6d. per rupee.

The relationship between the pound and the rupee is already very close, for last summer the Prime Minister, in effect, gave Britain's guarantee to maintain the value of the rupee at 1s. 6d. But the silver value of the rupee is now only 7d. It used to be 2s. before the Indian mints were closed to the free coinage of silver in 1893. India had then an honest rupee with its intrinsic value equal to its exchange value. India should be given this again.

Were Britain to be called upon to implement her guaranty it would be under conditions equally ruinous to both Britain and India. But were Britain to anticipate her guaranty and boldly declare to the world that India's mints would be reopened to the unrestricted coinage of rupees, and that these rupees, or their silver content, would be received by the Bank of England—in other words, would become part of the metallic basis for the money of Britain—she would not only do much to restore tranquillity in India but could save the world from imminent economic and social disaster.

If this were done forthwith the value to be imparted to silver, even should sterling ultimately rise to the old gold parity, would be approximately one-twentieth that of gold, which would still be well within its production or natural value. The sterling price of silver would be raised from 19d. to 48d. per standard ounce and definitely stabilized at that. The gold price would be raised from about 30 United States cents to about 70 cents per fine ounce, on the present gold value of sterling, and would rise as sterling rose. So recently as the beginning of 1926 the gold price of silver was also about 70 cents.

ENHANCED BUYING POWER

What now would be the effect upon the world? Not merely would the silver-mine owners be enriched and the basis for credit enlarged, with an effect upon world purchasing power analogous to vast new discoveries of gold; but the value of the great mass of silver already in existence in the world, held in India, China, and elsewhere, would be substantially enhanced, and with it the well-being of perhaps the greater part of the population of the globe who hold that silver.

Now this could not take place on the scale that is here contemplated without reacting on the world values of all commodities and securities. The restorative effect on all values would be immediate and world-wide, enabling buying and selling, borrowing and lending to resume their normal course, and business to become profitable once again. Further, this result would be achieved without adding to the already onerous burden of world indebtedness, which, as a consequence of the rise in commodity prices, would be greatly lightened.

In the remonetization of silver, therefore, we have readily available a dynamic power provided by nature capable of restoring world values, which is a condition precedent to world recovery. So far as I can see under existing conditions, there is no other power capable of doing so.

THE WORLD COURT

Mr. WAGNER presented resolutions adopted by the Bar Association of Nassau County, N. Y., relative to the World Court, which were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the President of the United States on the 10th of December, 1930, sent to the Senate for ratification a protocol of

adherence to the World Court, which protocol accepts the reservations theretofore adopted by the Senate; and

Whereas this protocol has been adhered to by 55 nations and the court has now been functioning with dignity and success in the adjudication and decision of international questions of high importance for more than 10 years; and

Whereas American participation in the court has been urged by our four last Presidents in conformity with long-established American policy, now finally embodied in the Briand-Kellogg peace pact, and the court has been firmly established as an essential of international order and a source of international law; and

Whereas in the present seriously disturbed conditions prevailing throughout the world the influence of the United States should be exerted in cooperation with the nations in the maintenance of this great judicial institution for the legal and pacific settlement of international controversies: Be it therefore

Resolved, That the Bar Association of Nassau County, in the State of New York, affirm its belief in the necessity for the prompt adherence of the United States to the Permanent Court of International Justice and most earnestly urge upon the Senate of the United States the prompt ratification of the protocol submitted by the President to that end in order that the United States may at the earliest possible date signify its adherence to the Permanent Court of International Justice;

Further resolved, That the Secretary of this association be requested to communicate copy of this resolution, through the proper channels, to the Senate of the United States.

JANUARY 29, 1932.

THE PROHIBITION QUESTION

Mr. WAGNER presented resolutions adopted by the advisory council of the New York State division of the Women's Organization for National Prohibition Reform, together with an article entitled "Prohibition and the Economic Crisis," which, with the accompanying article, were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Whereas the Governor of the State of New York has urged the passage of tax legislation during the present legislative session to meet a large deficit to cover the cost of government;

Whereas before national prohibition revenue from taxes on alcoholic beverages helped to meet the cost of government in New York State; while now, under prohibition, this revenue supports an outlaw industry and its resulting bootleggers and racketeers; and

Whereas in New York State both the Republican and Democratic Party platforms carry planks for repeal of the eighteenth amendment: Therefore be it

Resolved by the advisory council of the New York State Division of the Women's Organization for National Prohibition Reform, in conference assembled in New York City on this day, February 8, 1932, That we urge the favorable consideration by our Representatives in Congress of a change in the prohibition law, which shall restore to New York State its sovereign right to determine a system of control of the manufacture, sale, and transportation of alcoholic beverages within its own borders, the revenue from which would reduce the State deficit and furnish appropriations for general welfare; be it further

Resolved, That a copy of this resolution be sent to all New York State Representatives in Congress assembled and that a copy be sent to the Hon. Franklin D. Roosevelt, Governor of New York State, and members of the legislature.

PROHIBITION AND THE ECONOMIC CRISIS

(Issued by the New York State Division of the Women's Organization for National Prohibition Reform, New York City)

THE ECONOMIC ASPECTS

Believing that the eighteenth amendment and the Volstead Act have had a large part in the economic distress which exists to-day, Mrs. John S. Sheppard, New York State chairman of the Women's Organization for National Prohibition Reform, has obtained the opinions of the leading economists of New York State.

In making public the views of the economists Mrs. Sheppard said:

"The year 1932 finds the State of New York and the Nation at large still faced with the pressing problems of 1931 and 1930. Unemployment continues to be a challenge to the citizens of the State of New York and thousands of families still have no prospect of support except from public charity.

"Therefore for several months past we have been consulting with economists, obtaining their opinions along these lines. Realizing as we do the disastrous effect which the eighteenth amendment has had in undermining the social and moral welfare of the people, we know that on this account alone repeal is absolutely necessary, but we feel, too, that in this trying time the economic angle is one which should be seriously considered in order to plan for future economic stability in the State and Nation.

Dry arguments refuted

"One of the chief points in our studies has been to establish the fallacy of the old-time arguments of the drys, that our economic prosperity of 1919 and of 1924 to 1929 resulted from the eighteenth amendment. A majority of the economists we have consulted have given their deliberate opinion that prohibition was not a material factor in causing the former prosperous times.

"We are confirmed in our determination to work for straight repeal of the prohibition act, rather than for legislation permitting light wines and beers, by the opinions of the economists who make it clear that they consider that the legalization of light wines and beers would be less effective than repeal in stimulating business and bringing about recovery from depression.

"We feel, too, that under modification the demand for hard liquor will still continue and, therefore, speak-easies and bootlegging will continue, as will the corruption which is an inevitable consequence of this illicit liquor traffic. Nor will mere modification of the prohibition law have any appreciable effect on the economic situation, because it will not relieve us of our burden of heavy taxes, due to the great outlay for attempted enforcement and the loss of revenue from taxes on liquor sold. This revenue will continue to enrich our criminal class, as it does to-day, and as it has in every country which has tried prohibition."

OPINIONS OF ECONOMISTS

Lewis H. Haney, professor of economics, New York University:

In announcing the results of a questionnaire on The Economics of Prohibition sent out to the economists of New York State, Doctor Haney made known two outstanding facts:

1. The economists believe that such repeal would increase the revenue of the State and the Nation and tend to relieve the taxpayer.

2. A majority believe that it would have the effect of a new industry and serve as a stimulus to business by increasing employment and benefiting agriculture and the railways.

Doctor Haney analyzed the situation as follows:

"The prevailing opinion is that employment would be moderately increased as a result of the repeal of the prohibition laws. It is believed, however, that there would not be much effect on the money income (or wages) of individual laborers.

"There is a clear-cut majority opinion that the revenues of the Government, both State and Federal, would be increased. It is believed that the taxes of the individual citizen are heavier than they would have been but for prohibition, and it may, therefore, be inferred that without prohibition taxpayers would have had more money to spend.

Labor's efficiency not increased

"There appears to be no adequate evidence that prohibition has had any material effect on the efficiency of labor.

"While the losses which are connected with drunkenness and enforcement of liquor laws are not believed to be closely measurable, it is the majority opinion that such losses would be less under a condition of unrestricted manufacture of alcoholic beverages, without the saloon system, than they would be under the present condition.

"The prevailing opinion is that the effect of straight prohibition repeal in stimulating employment, business activity, and Government revenue would be greater than the effect of merely legalizing light wines and beers.

"The attempt to enforce prohibition has proved to be costly and wasteful. It has put a large volume of business outside of competition, regulation, or taxation. It deprives the Government of revenue.

"Under present conditions the question is not one of liquor versus no liquor, but one of unregulated liquor traffic versus regulated liquor traffic."

Edwin R. A. Seligman, former professor political economy, Columbia University:

"Repeal of the eighteenth amendment and restoration of the Government tax on liquor would yield a return of $1,500,000,000 yearly and would permit abolition of the present personal-income tax together with a substantial reduction of State and local taxes.

"In the year 1918 the State of New York received from its liquor tax $21,000,000 and the local licenses amounted to $16,000,000 or $17,000,000, nearly $40,000,000. In proportion, when growth of population and welfare are considered, this would mean, if we had the State tax to-day, a net income of $100,000,000 to $125,000,000." (Reprint from New York Times, January 19, 1932.)

Michael T. Florinsky, Columbia University:

"It seems clear to me that the eighteenth amendment results in direct losses to the Treasury.

"1. Loss of the revenue derived by all countries from the legitimate taxation of the manufacture and sale of liquor.

"2. Loss in income tax through the inability of the Federal and State Governments to reach the revenues of the very large number of people who derive their incomes from the illicit trade in liquor; the very nature of such income necessitates evasion.

"3. Expenditure on the enforcement of the eighteenth amendment imposes upon the Treasury a heavy burden which, as far as I can judge by the conditions I have observed in New York, is not justified by the results."

A. W. Zelomek, statistician-economist:

"Our present national deficit could easily be reduced and, at the same time, it would not be necessary for the increased taxation which has been requested by the present administration. A large revenue would be derived from legalizing the sale of light wines and beer under proper Government control."

M. C. Rorty, economist:

"On the whole, any sound economic arguments for the repeal of the eighteenth amendment must be based on the assumption that repeal would—

"1. Reduce the total direct and indirect cost of drinking; or

"2. Divert revenues to governmental purposes that now accrue to bootleggers and force the latter to turn to genuinely productive occupations."

Virgil Jordan, economist:

"The economic significance would be twofold:

"First. It would make possible a considerable increase in Federal Government revenue; and

"Second. It would probably have a temporarily stimulating effect on popular psychology and business sentiment. I feel that the social, moral, and governmental aspects of the question are much more important, however, than the economic aspects."

P. F. Brissenden, school of business, Columbia University:

"I am convinced that the economic as well as the moral effects of the repeal of the eighteenth amendment would be salutary. I believe that one result would be a small increase in employment and a considerable increase in public revenues from liquor taxes."

REPORTS OF COMMITTEES

Mr. JOHNSON, from the Committee on Commerce, to which was referred the bill (S. 2883) prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore, and for the purpose of promoting the safety of navigation, reported it with an amendment and submitted a report (No. 223) thereon.

Mr. COPELAND, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 41) granting consent of Congress to a compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River joint commission and specifying the powers and duties thereof, reported it without amendment and submitted a report (No. 224) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the joint resolution (S. J. Res. 50) to authorize the Commissioners of the District of Columbia to close upper Water Street between Twenty-second and Twenty-third Streets, reported it with amendments and submitted a report (No. 225) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 84) for the relief of Abraham Green, reported it with an amendment.

Mr. MOSES subsequently said: Mr. President, I desire to make a motion to recommit a measure that I have discussed with the chairman of the committee.

I ask that Senate bill 84, which was reported this day from the Committee on Claims, may be recommitted to the committee.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. LOGAN also, from the Committee on Claims, to which was referred the bill (S. 1473) to authorize an appropriation for the relief of I. L. Lyons & Co., reported it with an amendment and submitted a report (No. 226) thereon.

Mr. TOWNSEND, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 148) to pay to Isabelle Freeman Bell a sum equal to six months' compensation of the late Samuel A. Bell, reported it without amendment.

Mr. WHITE, from the Committee on Claims, to which was referred the bill (S. 3095) for the relief of Mrs. J. J. Bradshaw, reported it with amendments and submitted a report (No. 227) thereon.

Mr. HALE, from the Committee on Naval Affairs, to which was referred the bill (S. 1469) to authorize certain officers of the United States Navy and Marine Corps to accept such decorations, orders, and medals as have been tendered them by foreign governments in appreciation of services rendered, reported it with amendments and submitted a report (No. 228) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 433. An act to authorize the posthumous award of a distinguished-flying cross to Eugene B. Ely (Rept. No. 229);

S. 462. An act for the relief of certain officers of the Dental Corps of the United States Navy (Rept. No. 230);

S. 1047. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Historical Society of Montana, for preservation and exhibition, the silver service which was in use on the gunboat No. 9, *Helena* (Rept. No. 231); and

S. 3281. An act for the relief of Warren Burke (Rept. No. 232).

ENROLLED BILLS PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 10th instant that committee presented to the President of the United States the following enrolled bills:

S. 9. An act respecting the qualifications of the assessor of the District of Columbia to testify in condemnation proceedings;

S. 2077. An act to relieve the Commissioners of the District of Columbia of certain ministerial duties;

S. 2173. An act to authorize associations of employees in the District of Columbia to adopt a device to designate the products of the labor of their members, to punish illegal use or imitation of such device, and for other purposes; and

S. 2199. An act exempting building and loan associations from being adjudged bankrupts.

EXECUTIVE REPORTS OF COMMITTEE ON NAVAL AFFAIRS

As in executive session.

Mr. HALE, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Marine Corps, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRATTON:

A bill (S. 3603) granting an increase of pension to Joseph J. Ivie; to the Committee on Pensions.

By Mr. CAREY:

A bill (S. 3604) granting an increase of pension to Elizabeth Harrington (with accompanying papers); to the Committee on Pensions.

By Mr. LA FOLLETTE:

A bill (S. 3605) granting a pension to Thaddeus O. Sawyer (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH of Montana:

A bill (S. 3607) for the relief of Helen Patricia Sullivan; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 3608) for the relief of Anson H. Pease; to the Committee on Indian Affairs.

By Mr. SHEPPARD:

A bill (S. 3609) for the relief of Capt. J. O. Faria; to the Committee on Claims.

A bill (S. 3610) granting a pension to Mary Ashley Thomas; to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 3611) authorizing the President of the United States to present a distinguished service medal to Carlos V. Cusachs, late lieutenant commander, United States Navy; to the Committee on Naval Affairs.

By Mr. BINGHAM:

A bill (S. 3612) authorizing the President to order Louis U. La Bine before a retiring board for a hearing of his case, and upon the findings of such board to determine whether or not he be placed on the retired list with rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

By Mr. BROOKHART:

A bill (S. 3613) to provide for the purchase of domestic materials for use in Government construction work in or near the Canal Zone; and

A bill (S. 3614) to provide for the employment of citizens of the United States on or in connection with Government construction work in or near the Canal Zone; to the Committee on Commerce.

By Mr. BARKLEY:

A bill (S. 3615) granting a pension to Maggie Wilson; to the Committee on Pensions.

By Mr. JOHNSON (by request):

A bill (S. 3617) to amend the shipping act, 1916, as amended, for the purpose of further regulating common carriers by water in interstate commerce of the United States engaged in transportation by way of the Panama Canal; to the Committee on Commerce.

By Mr. JONES:

A bill (S. 3618) for the erection of a public building at Auburn, Wash.;

A bill (S. 3619) for the erection of a public building at Kent, Wash.;

A bill (S. 3620) for the erection of a public building at Puyallup, Wash.; and

A bill (S. 3621) for the erection of a public building at Renton, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON (for Mr. SHORTRIDGE):

A bill (S. 3622) granting an increase in pension to Madison M. Burnett; to the Committee on Pensions.

By Mr. SMITH and Mr. REED:

A joint resolution (S. J. Res. 100) conferring upon the Court of Claims jurisdiction of the claim of the Rodman Chemical Co. against the United States; to the Committee on Claims.

THE COINAGE OF SILVER

Mr. PITTMAN. I introduce a bill which I ask leave to have printed in the RECORD and appropriately referred, together with a memorandum or statement interpretative of it.

The bill (S. 3606) to authorize the purchase by the Government of American-produced silver, to provide for the issuance of silver certificates in payment therefor, to provide for the coinage of such silver, and for other purposes, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That silver bullion, the product of mines situated in the United States and of reduction works so located, may be deposited at any United States mint for sale to the United States; and the Director of the Mint is directed to purchase silver so tendered, not in excess of 5,000,000 ounces per month, at the market price of silver in the United States as of the date of tender.

SEC. 2. Payment for silver bullion purchased under the provisions of this act shall be made in silver certificates, which shall be issued for that purpose in denominations of $10, $5, and $1, and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary for carrying out the foregoing provisions of this act. Silver certificates so issued and silver certificates heretofore issued, or any silver certificates reissued, shall be legal tender in payment of all debts, public and private, except where otherwise expressly stipulated in the contract and shall be receivable for customs, taxes, and all public dues. Such certificates, when held by any national banking association or Federal reserve bank, may be counted as a part of its lawful reserve.

SEC. 3. The silver bullion purchased under the provisions of this act shall be coined into standard silver dollars and subsidiary silver coins sufficient, in the opinion of the Secretary of the Treasury, to meet any demands for redemption of silver certificates issued under the provisions of this act, and such coin shall be retained in the Treasury for the payment of such certificates on demand. The bullion so purchased and obtained under this act, except so much thereof as is coined under the provisions of this act, shall be held in the Treasury for the sole purpose of the redemption of the certificates issued hereunder and in the manner herein provided. Any such certificates or reissued certificates, when presented at the Treasury, shall be redeemed in standard silver dollars, or in subsidiary silver coin, at the option of the holder of the certificates: *Provided*, That in the redemption of such silver certificates issued under this act, not to exceed one-third of the coin required for such redemption shall be made in subsidiary coins, the balance to be made in standard silver dollars.

SEC. 4. When any silver certificates issued under the provisions of this act are redeemed or received into the Treasury from any source whatsoever, and belong to the United States, they shall not be retired, canceled, or destroyed but shall be reissued and paid out again and kept in circulation; but nothing herein shall prohibit the cancellation and destruction of mutilated certificates and the issue of other certificates of like denomination in their stead, as provided by law.

SEC. 5. The Secretary of the Treasury is authorized to make rules and regulations for carrying out the provisions of this act.

The memorandum presented by Mr. PITTMAN to accompany Senate bill 3606 was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

MEMORANDUM BY SENATOR PITTMAN IN EXPLANATION OF BILL

This bill will not inflate the currency of the country but will enlarge the base for the issue and circulation of currency. At the present time there are outstanding in the United States silver certificates to the amount of $489,633,290, secured by 499,292,344 standard silver dollars.

The Government authorized the coining of standard silver dollars upon the establishment of the mint in 1792.

In 1837 the present standard silver dollar of 412½ grains was established and its coinage authorized.

The coinage ceased between 1805 and 1836 because the price of silver was greater than the value of silver in the standard silver dollar.

In 1873 the coinage of the trade dollar containing 420 grains of silver was authorized.

In 1876 the legal-tender character of the trade dollar was abolished and its coinage authorized to be discontinued.

In 1878 further coinage of the standard silver dollar was authorized, but a change was made in its legal-tender character. By that act it was made legal tender, "except where otherwise expressly stipulated in the contract."

The first issue of silver certificates was made under this act of 1878. It provided for the deposit of standard silver dollars in the Treasury and the issue in lieu thereof of silver certificates. Such certificates were receivable for customs, taxes, and all public dues, and when so received were to be reissued.

By the act of 1886 the issue of silver certificates to redeem silver certificates of larger denomination issued under the act of 1878 was authorized.

Under the act of 1887 trade dollars were melted up and coined into standard silver dollars and silver certificates issued against such standard silver dollars retained in the Treasury.

Silver certificates were also eventually issued under the act of July 14, 1890, as against the standard silver dollars coined under that act.

This is the history of the issuance of the silver certificates outstanding. These certificates have been current and have circulated as lawful money of the United States at par without ever having suffered any depreciation.

This bill proposes that the United States Government buy American-produced silver, when tendered, at the market price, and pay for it by the issuance and delivery of silver certificates of the denominations of $10, $5, and $1; that the silver so purchased shall be retained in the Treasury for coinage into standard silver dollars and subsidiary coins for the redemption of such silver certificates so issued on presentation and demand. These certificates are only redeemable in silver, as are all the other certificates now outstanding.

The bill would add little to the circulating currency of the United States. Under the act the Government is not permitted to purchase over 5,000,000 ounces a month. This limitation at the present time is unnecessary, because the mine production at the present time, according to the estimates of the Department of Commerce and the Bureau of Mines, does not exceed 2,500,000 ounces a month.

At the present time, therefore, if all the silver produced in the United States were tendered to the Government for purchase with silver certificates, silver being only 30 cents an ounce, there would only be about approximately $750,000 in silver certificates issued each month. An increase of $750,000 in silver certificates per month to the outstanding $489,633,290 of silver certificates would be infinitesimal and negligible.

As the outstanding silver certificates are secured not only by the standard silver dollars in the Treasury but by the surplus profits derived by the Government in the purchase of silver far below the value at which it was issued, the parity of such silver certificates has never been threatened.

It must also be borne in mind that said silver certificates are now receivable for customs, taxes, and all public dues. The amount of such certificates is so small that they could all be used for such purposes. This is another reason why such certificates have not depreciated in value.

This bill intends, however, to increase the usefulness of such certificates and the certificates issued under this act by declaring that they shall be legal tender except where otherwise expressly stipulated in the contract, and shall be receivable for customs, taxes, and all public dues, and it is further provided that such certificates when held by any national banking association or Federal reserve bank may be counted as a part of its lawful reserve.

In introducing this bill I do not desire to have my action interpreted as an abandonment of my contention that an international conference is essential for the complete restoration of the purchasing power and exchange functions of silver money in international commerce, nor do I desire my action to be construed as an opposition to other bills introduced in Congress looking to the enlargement of the base of the currency issue.

I submit this bill at this time for the consideration of the groups in the Senate who are interested in the question and the committees to which their various bills relative to silver have been referred.

Mr. PITTMAN. Mr. President, I ask leave to have printed in the RECORD at this point and appropriately referred a

memorandum prepared by me giving the history of coinage in the United States.

There being no objection, the memorandum was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

In 1792 there was an act enacted, entitled "An act establishing a mint and regulating the coins of the United States."

There were two standards of value, the gold dollar and the silver dollar. The eagle of the value of $10 contained 247½ grains of pure gold. The silver dollar contained 371¼ grains of pure silver.

The act provided that the gold and silver coins should be lawful tender in all payments whatsoever.

Between 1805 and 1836 the issue of silver dollars was suspended because the price of bullion was above the par value of the silver dollar.

In 1834 the standard of gold coins was changed. The contents of the eagle, a $10 gold piece, was reduced to 232 grains of pure gold, or 258 grains of standard gold.

In 1837 the standard for gold and silver coins was fixed at 900 pure metal and 100 alloy, the alloy of silver coins to be copper and the alloy of gold coins to be copper and silver, provided that silver was not over one-half of the alloy. The weight of coins was also changed. The silver dollar contained 412½ grains. The half-dollar contained 206¼ grains, etc. Gold and silver coins were still maintained as legal tender.

In 1849 the coinage of gold dollars and double eagles was authorized.

In 1853 the weight of subsidiary coins was again changed, as follows: The half dollar contained 192 grains, the quarter dollar, dime, and half dime, a proportionate amount. Subsidiary coins were then made legal tender for sums not exceeding $5. Purchase of silver bullion for the coinage of such subsidiary coins was authorized. It was also provided that such coins could be exchanged for gold coins.

On February 12, 1873, the Bureau of the Mint was established. In this act it was provided, "That the gold coins of the United States shall be a $1 piece, which, at the standard weight of 25.8 grains, shall be the unit of value; a quarter eagle, or $2.50 piece; a $3 piece; a half eagle, or $5 piece; an eagle, or $10 piece; and a double eagle, or $20 piece. And the standard weight of the gold dollar shall be 25.8 grains," etc.

It also provides that the silver coins of the United States shall be a trade dollar; a half-dollar, or 50-cent piece; a quarter-dollar, or 25-cent piece; a dime, or 10-cent piece; and the weight of the trade dollar shall be 420 grains troy; the weight of the half-dollar shall be 12½ grams; all of said silver coins, including the trade dollar, to be legal tender at their nominal value for amounts not exceeding $5 in any one payment.

The act provided that the owners of silver bullion might have it coined into trade dollars.

This act also provided for seigniorage, or profits derived by the Government on the purchase of the bullion and the sale of the coins.

This act eliminated the trade dollar from exchange for gold coins.

By the act of 1875 bullion was purchased and coined into subsidiary coins for the redemption of fractional paper currency.

On July 22, 1876, it was provided that silver coins should be issued and exchanged for legal-tender notes. By this same act it was provided: "That the trade dollar shall not hereafter be a legal tender, and the Secretary of the Treasury is hereby authorized to limit from time to time the coinage thereof to such an amount as he may deem sufficient to meet the export demand for the same." Additional subsidiary coins were authorized.

Under the act of February 28, 1878, standard silver dollars were authorized to be coined. The act provided, "which coins, together with all silver dollars heretofore coined by the United States, of like weight and fineness, shall be a legal tender at their nominal value, for all debts and dues, public and private, except where otherwise expressly stipulated in the contract."

The act also provides for the purchase by the Treasury Department of not less than $2,000,000 and not more than $4,000,000 worth a month of silver to be coined into standard silver dollars.

This act also provided for the calling of an international conference by the President of the United States for the purpose of adopting a common ratio between gold and silver for the purpose of establishing international bimetallic money. The first silver certificates were issued under this act: "Said certificates shall be receivable for customs, taxes, and all public dues, and, when so received, may be reissued."

The act of June 9, 1879, provides that subsidiary silver coins may be exchanged at the Treasury for lawful money of the United States. The act also made subsidiary silver coins legal tender for sums not exceeding $10.

The act of August 4, 1886, issue of silver certificates to redeem silver certificates of large denomination issued under the act of 1878.

The act of February 19, 1887, provided for the exchange of the trade dollar for standard silver dollar or subsidiary coins of the United States. Trade dollars were then melted and coined into standard silver dollars or subsidiary coins. These standard silver dollars were in addition to the standard silver dollars coined under the act of 1878.

The act of July 14, 1890, directed the purchase of 4,500,000 ounces of silver bullion each month at the market price not exceeding $1 for 371.25 grains of pure silver, and to issue in payment for such purchases of silver bullion Treasury notes of the United States. The Treasury notes were redeemable in coin on presentation. The Treasury notes were legal tender in payment of all debts except where otherwise expressly stipulated, and were receivable for customs, taxes, and all public dues, and when received were reissuable. Such notes when held by national banking associations were counted as part of the lawful reserve. The Secretary of the Treasury had discretion as to whether to redeem such notes in gold or silver.

By the act of 1893 the purchasing clause of the act of 1890 was repealed. The act expressly provided: "And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts."

The act of March 14, 1900, reiterates the gold dollar as the standard of value, and says, "and all forms of money issued or coined by the United States shall be maintained at a parity of value with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such parity."

Again, under the act of 1900, it was provided that, "as fast as standard silver dollars are coined under the provisions of the acts of July 14, 1890, and June 13, 1898, from bullion purchased under the act of July 14, 1890, to retire and cancel an equal amount of Treasury notes whenever received into the Treasury, either by exchange in accordance with the provisions of this act or in the ordinary course of business, and upon the cancellation of Treasury notes silver certificates shall be issued against the silver dollars so coined."

This act also provides for the receipt by the Treasury of gold coins and the issue in exchange therefor of gold certificates.

IMPROVEMENT OF FACILITIES OF THE FEDERAL RESERVE SYSTEM

Mr. GLASS. Mr. President, I introduce a bill to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, and so forth, for appropriate reference.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the bill introduced by the Senator from Virginia [Mr. GLASS] may be printed in full in the RECORD in connection with the day's proceedings.

The VICE PRESIDENT. The Chair hears no objection, and it is so ordered.

The bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Federal reserve act, as amended, is further amended by inserting between sections 10 and 11 thereof a new section reading as follows:

"SEC. 10. (a) Upon receiving the consent of not less than six members of the Federal Reserve Board, any Federal reserve bank may make advances, in such amount as the board of directors of such Federal reserve bank may determine, to groups of five or more independently owned and controlled member banks within its district upon their time or demand promissory notes, the liability of the individual banks in each group to be limited to such proportion of the total amount advanced to such group as the deposit liability of the respective banks bears to the aggregate deposit liability of all banks in such group, but such advances may be made to a lesser number of such member banks if the aggregate amount of their deposit liability constitutes at least 10 per cent of the entire deposit liability of the member banks within such district. Such banks shall be authorized to distribute the proceeds of such loans to such of their number and in such amount as they may agree upon, but before so doing they shall request such recipient banks to deposit with a suitable trustee, representing the entire group, their individual notes made in favor of the group protected by such collateral security as may be agreed upon. Any Federal reserve bank making such advance shall charge interest thereon at a rate not less than 1 per cent above its discount rate in effect at the time of making such advance. No such note upon which advances are made by a Federal reserve bank under this section shall be eligible under section 16 of this act as collateral security for Federal reserve notes.

"No obligations of any foreign government, individual, partnership, association, or corporation organized under the laws thereof shall be eligible as collateral security for advances under this section.

"National banking associations are authorized and empowered to indorse or guarantee notes of other member banks evidencing advances made pursuant to the provisions of this section."

SEC. 2. The Federal reserve act, as amended, is further amended by adding, immediately after such new section 10 (a), an additional new section, reading as follows:

"SEC. 10. (b) For a period of not exceeding one year from the date of the approval of this act, and in exceptional and exigent circumstances, and when any member bank has no further eligible and acceptable assets available to enable it to obtain adequate credit accommodations through rediscounting at the Federal reserve bank or any other method provided by this act other than that provided by section 10 (a), any Federal reserve bank, subject in each case to affirmative action by not less than six members of the Federal Reserve Board holding office at the time, may make advances to such member bank on its time or demand promissory notes secured to the satisfaction of such Federal reserve bank: *Provided*, That (1) each such note shall bear interest at a rate not less than 1 per cent per annum higher than the highest discount rate in effect at such Federal reserve bank on the date of such note; (2) the Federal Reserve Board may by regulation limit and define the classes of assets which may be accepted as security for advances made under authority of this section; and (3) no note accepted for any such advance shall be eligible as collateral security for Federal reserve notes.

"No obligations of any foreign government, individual, partnership, association, or corporation organized under the laws thereof shall be eligible as collateral security for advances under this section."

SEC. 3. The second paragraph of section 16 of the Federal reserve act, as amended, is amended to read as follows:

"Any Federal reserve bank may make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal reserve agent of collateral in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act, or bills of exchange indorsed by a member bank of any Federal reserve district and purchased under the provisions of section 14 of this act, or bankers' acceptances purchased under the provisions of said section 14, or gold or gold certificates: *Provided, however*, That at any time within 12 months from the date of the approval of this act, should the Federal Reserve Board deem it in the public interest, it may, upon the affirmative vote of not less than a majority of its members holding office at the time, authorize the Federal reserve banks to offer, and the Federal reserve agents to accept, as such collateral security, direct obligations of the United States. At the expiration of one year from the approval of this act, or sooner, should the Federal Reserve Board so decide, such authorization shall terminate and such obligations of the United States be retired as security for Federal reserve notes. In no event shall such collateral security be less than the amount of Federal reserve notes applied for. The Federal reserve agent shall each day notify the Federal Reserve Board of all issues and withdrawals of Federal reserve notes to and by the Federal reserve bank to which he is accredited. The said Federal Reserve Board may at any time call upon a Federal reserve bank for additional security to protect the Federal reserve notes issued to it."

HOUSE BILL REFERRED

The bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, was read twice by its title and referred to the Committee on Interstate Commerce.

CHANGE OF REFERENCE

Mr. McNARY. Mr. President, a few days ago the senior Senator from Idaho [Mr. BORAH] introduced a bill (S. 2493) touching upon the reduction of salaries of members and employees of the Farm Board. Other bills introduced affecting salaries of employees have been referred to the Committee on Civil Service. The bill of which I have just spoken was referred to the Committee on Agriculture and Forestry, I think erroneously, and I ask that that committee be discharged from further consideration of the bill and that it be referred to the Committee on Civil Service.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection? The Chair hears none, and it is so ordered.

DISTRICT OF COLUMBIA COMMISSION, GEORGE WASHINGTON BICENTENNIAL

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1306) to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial, which were, on page 1, line 10, after the name "Campbell," to insert the name "James A. Cobb"; on page 3, line 15, to strike out all after "corporations" down to and including "celebration" in line 17; on page 3, after line 22, to insert:

SEC. 2. That none of the persons herein named shall be entitled to or receive any of the profits of the corporation, but the same shall be paid into the Treasury of the United States.

SEC. 3. That the corporation herein formed shall cease and determine, and all of the powers granted by paragraphs (a), (b), (c), (d), and (f), of section 1 of this act shall terminate upon the filing of its final report and audit with the Congress of the United States, which date shall not be later than February 1, 1933: *Provided, however*, That nothing herein contained shall operate to prevent the institution of any suit or claim at law or in equity by any person, firm, or corporation growing out of any act or omission of the corporation, provided that the institution of such suit or claim shall be commenced within the period limited by the provisions of chapter 41 of the Code of Law for the District of Columbia: *Provided further*, That the Comptroller General be, and he hereby is, authorized to audit all accounts of the corporation, including the final audit thereof.

On page 3, line 23, strike out "2" and insert "4"; and on page 4, line 1, to strike out "3" and insert "5."

Mr. CAPPER. I move that the Senate concur in the amendments made by the House of Representatives.

The motion was agreed to.

AMENDMENT OF THE TARIFF ACT OF 1930

Mr. STEIWER submitted two amendments intended to be proposed by him to the bill (H. R. 6662) to amend the tariff act of 1930, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENTS TO AGRICULTURAL APPROPRIATION BILL

Mr. FLETCHER submitted amendments intended to be proposed by him to House bill 7912, the Agricultural Department appropriation bill, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 25, line 17, strike out "$673,400" and insert in lieu thereof "$698,400."

On page 26, line 5, strike out the period after "breeding" and insert in lieu thereof a colon and add the following: "*Provided further*, That of the sum thus appropriated $25,000 shall be expended in Florida and other States similarly situated for the study of beef cattle and related problems in areas released from cattle ticks."

Mr. TRAMMELL submitted an amendment intended to be proposed by him to House bill 7912, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 26, after the word "breeding," strike out the period and add the following: "and including $25,000 to be expended in Florida and other States similarly situated, for the study of beef cattle and related problems in the areas released from cattle ticks."

Mr. JOHNSON (for Mr. SHORTRIDGE) submitted amendments intended to be proposed to House bill 7912, the Agricultural Department appropriation bill, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 47, line 6, strike out "$993,440" and "$100,000" and insert in lieu thereof, respectively, "$1,043,440" and "$150,000."

On page 47, line 9, strike out "$100,000" and insert in lieu thereof "$150,000."

On page 88, line 19, strike out "$289,160" and insert in lieu thereof "$330,000."

JULIA RIEG

Mr. WALSH of Montana submitted the following resolution (S. Res. 165), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Julia Rieg, mother of John Rieg, late a page in the Senate Chamber, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On February 10, 1932:

S. 201. An act granting the consent of Congress to the State of South Carolina to construct, maintain, and operate a bridge across the Waccamaw River;

S. 2334. An act to amend section 3 of the rivers and harbors act, approved June 13, 1902, as amended and supplemented; and

S. 2406. An act for the relief of Harvey K. Meyer, and for other purposes.

On February 11, 1932:

S. 2199. An act exempting building and loan associations from being adjudged bankrupts.

TOMB OF LENIN

Mr. DILL. Mr. President, I ask unanimous consent to have printed in the RECORD an article in the publication called Unity under date of February 8, 1932, by John Haynes Holmes. This is an article describing at some length and in a very remarkable way the tomb of Lenin in Moscow.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TOMB OF LENIN

I was recently in Moscow strolling about the avenues of the Kremlin, that amazing city built on the top of the hill above the Moscow River as a fortress to resist in ancient times the incursions of Tartar hordes from the distant steppes of Asia. In this city, which was the first Moscow, are many churches, and one of these churches is the burial place of the Kings of Muscovy. We entered the gloomy portal of this church and there saw the marble sarcophagi of some 50 Czars who had reigned before the days of Peter the Great. Some of these Czars were known to us—Ivan the Terrible, who built the gorgeous and grotesque towers of the Cathedral of St. Basil, and Boris Godunov, who was later celebrated in the famous opera by Moussorgsky. But most of them were merely names and we did not even take the trouble to stop and identify their tombs. Here were these kings who had been mighty in their day, who had worn crowns upon their heads and carried scepters in their hands, who had led great armies to great victories on fields of battle, and here their bodies lay unrecognized and almost unvisited. It was not difficult in this ancient church, already tumbling into ruin, to imagine the time when its walls would be only so much dust and its graves not even a memory in men's minds. And I thought of the comment of Washington Irving on the graves in Westminster Abbey, so appropriate here as there:

"This is the empire of death—his great shadowy palace, where he sits in state, mocking at the relics of human glory and spreading dust and forgetfulness on the monuments of princes. How idle a boast, after all, is the immortality of a name. * * * Columns, arches, pyramids, what are they but heaps of sand, and their epitaphs but characters written in the dust?"

But there is another tomb in Moscow. This tomb is outside and not inside the Kremlin wall, not under the gloomy arches of a church but in the open air and sunlight of the day, not hidden away from the eyes and feet of men but placed in a public square where hurried throngs go sweeping by through all the hours alike of day and night. This is the tomb of Lenin—that enormous pile of red marble, gathered in separate blocks from all parts of the Soviet Republic, within which lies the body of the world's greatest revolutionist. The setting is impressive. All about is the wide expanse of the Red Square, which I have come to regard as incomparably the greatest square that I have ever seen in any European city. On one side there stretches the huge bulk of the Kremlin wall, which has stood there for a thousand years as a defense of Czars against their enemies, and during the last two generations as a defense of Czars against their people. At the foot of this wall there lie the graves of several hundred men and women who were killed on the streets of Moscow in the October fighting in 1917, and who are therefore revered as the martyrs of the revolution. Scattered among them are the ashes of certain Americans—John Reed, Bill Haywood, Paxton Hibben. Just in the center, guarded day and night by red sentinels standing ceaselessly at salute, there looms the Tomb of Lenin.

You go there at 7 o'clock in the evening, when it is open to the people, and you see a great line of men, women, and even children reaching to the farthest corner of the square. There are always hundreds, sometimes thousands, of persons waiting to enter the famous sepulcher. You step to the head of the line, announce yourself as an American, and immediately, with that exceeding courtesy characteristic of the Soviets in their relations with foreigners, you are admitted to the solemn portals. You turn to the left and descend a long flight of marble stairs. At the foot of the stairs you turn to the right and find yourself in a large subterranean chamber, in the middle of which lies the body of Lenin, not hidden away in a mausoleum but exposed to view like a recumbent statue. The body is supported by a pedestal and lies as though asleep upon a bed. High above it rises the gable roof of a glass canopy, hermetically sealed, I understand, against the outer air. At head and foot stand sentinels in the familiar uniform of the red soldier and with bayoneted rifles held rigidly at attention.

The body is illuminated with a flood of light, and it is not until you have returned to the gathering darkness of the square above that you realize you have not noticed whence the light comes or how it is shed upon the sleeping figure. The body is clothed in the simple garb of a Russian workman, with no adornment or decoration, except that on the left breast there appears the red emblem of the Order of Lenin. The right arm, if I remember rightly, lies parallel with the body, while the left arm is crossed upon the breast. You stand first at the head, then walk along the length of the body to the feet, where you pause for a moment and gaze at the great man as he lies stretched before you in his unending slumber. Then you walk to the left, again along the line of the body, until you return to the head. There you find yourself at the foot of another long flight of steps which you slowly climb back to the upper air and to the great crowd waiting there to enter the tomb.

I have seen many tombs in my life. I am an indefatigable explorer of cemeteries. I hunt the bones of dead men as archæologists hunt the ruins of dead cities. I have stood by the grave of Darwin in Westminster Abbey, and of William Shakespeare in the little church at Stratford-on-Avon. I have found that lovely corner under the ruined arches of Dryburgh, near the quiet waters of the River Tweed, where rest the bones of the great and good Sir Walter Scott. I have thrice visited the tomb of Napoleon, which I regard as the most splendid monument ever reared by the hand of man to the memory of a great soldier. I never see this sepulcher without thinking of the tomb of General Grant on Riverside Drive in this city, and of that other tomb on the other side of the world, in Damascus, of the great Saladin, where you see upon the casket the huge turban which was worn by this great King of the Saracens and the curved scimitar which he carried into battle. I always love to think of the Tomb of George Washington, so noble in its simplicity, and so beautiful in its ideal location upon the banks of the Potomac River. Very similar to this, located on the highest point of the highest hill overlooking the city of Genoa and the blue waters of the Mediterranean, is the Tomb of Mazzini, who won the same freedom for Italy that Washington won for America. And always there are the tombs of the Pharaohs, those vast chambers of mystery and gloom, hidden away in the gigantic pyramids, or buried deep down through subterranean channels underneath the spreading sands of Egypt. It would seem as though man had exhausted his ingenuity in doing reverence to those whose names he would perpetuate upon the site of the last resting place of their earthly dust. But it has remained for the Bolsheviki of Russia to do what has never been done before.

The one unique and unforgettable feature of the Tomb of Lenin is, of course, the public exhibition of his body. I find it curious that at the very time this spectacle was initiated by the Russians, in the case of a man who had been dead only a comparatively few years, it was definitely abandoned by the Egyptians in the case of men who had been dead for many centuries. For there was a time, and not so long ago, when you could see, in Egypt, the mummified remains of Rameses II, Seti the Great, and others of the kings in the oldest dynasties of history. But when I went to Cairo, in the spring of 1929, and asked to see the face of the Pharaoh who had ruled in Egypt when Moses was a slave, I was told that the royal mummies had been withdrawn from public gaze on the ground that they should no longer be used to satisfy the curiosity of vulgar crowds. But in Moscow there is no feeling of this kind at all. Is it because the Egyptian mummies are kings while Lenin was only a commoner? Is it because the modern Egyptians are superstitious about death, while the Bolsheviki are altogether delivered from such illusions? Or is it because the bodies of the Pharaohs are withered and dried and altogether unlovely, while Lenin's body lies there in simple naturalness and beauty, as though the great man were asleep? I found myself wondering as I looked upon his face, so perfect in its repose as to be well-nigh incredible, if the good Comrade Krupskaya, the widow of Lenin, ever ventures to set foot within this quiet room to gaze again upon the features of the man to whom she gave the devotion of a lifetime of stress and sacrifice.

It is to this matter of the body that one's thoughts are first directed in the Tomb of Lenin. How was this spectacle accomplished? What new process of embalming was discovered by the Russian scientists? We do not know. Information as to what was done has never been given to the world. This is the reason, I suppose, why such curious stories have been told about the phenomenon. Thus it is said that every two weeks or less the glass case is lifted and the body elaborately massaged.

The rumor is persistent that Lenin's real remains have long since been buried in the ground and are there moldering away, while the figure seen is only a wax replica of the body. Such stories, of course, are untrue—the case is sealed, and the body is real. But this only deepens the mystery. All we know is that the Bolsheviki, for reasons good and sufficient to themselves, undertook to embalm the mortal frame of their great leader so that it should never fade away but, on the contrary, be preserved forever to the sight of men. This had never been done before in the same way in human history. But these Bolsheviki did it! They undertook and wrought the miracle. I can only confess, after looking upon this body, that I regard it as one of the most remarkable achievements in human experience—the deliberate preservation of the flesh to immortality. Inevitably you feel a sense of awe as you stand in this strange presence and realize that it is to lie there week after week, year after year, century after century, for an indefinite time to come, so that children to the

tenth or the twentieth generation may visit and see it, just as though you and I could go to certain places to-day and see the bodies of Julius Caesar or Plato or Moses.

But one has other and deeper thoughts about this spectacle—or at least may I say that I had such thoughts. Somehow or other as I gazed upon Lenin's face there seemed to sweep over my mind a sense of defeat to match my initial sense of amazing victory. For why should anyone want to preserve this poor garment of the flesh? Why should these Russians desire to show this body to the living gaze of men? Most of us are content to abandon the bodies of our loved ones and thus let the dust return unto the dust from which it came. Many of us—those I feel who are truly wise—are quick to burn the body, so that it may be speedily and cleanly reduced to ashes and scattered to the four winds of heaven. We know that the ancient Egyptians clung to the flesh because they desired to preserve the individuality of the dead into the eternal life on the other side of the grave, since they believed, according to the tenets of their faith, that the body must be preserved if the soul also was to be preserved. The Russians cling to the flesh for what reason if not that they also desire to preserve the individuality of their dead, not on the other side of the grave, to be sure, but on this side of the grave, and find the preservation of the body necessary to this end?

These communists, let me remind you, are materialists, and such expedient is surely the perfect logic of their faith. For they find the wholeness of man's being in the mechanism of his material frame. From their point of view, the body is all that man is within himself; and when this body ceases to function the man himself, so far as his identity is concerned, has come to his final end. Therefore, if the body goes, everything goes, while if the body stays, something at least of the man may yet remain. It is a curious faith, this exclusive reliance upon material phenomena as the essence of reality. For does not all history reveal on the one hand that the physical substance of this world, in whatever forms and shapes it may appear, is bound sooner or later to be extinguished, while on the other hand, there are phases of survival involved in phenomena so intangible, imponderable, invisible that, in sheer desperation, for lack of a better word, we call them spiritual? In saying this I am not now debating the question of the survival of individuality after death. I am simply suggesting the plausibility of that spiritual interpretation of life which accepts this world as the abode of spiritual forces and finds therein certain channels of survival which are themselves innately spiritual. I may be myself the victim of superstition; perhaps I am inextricably caught, as in a trap, by the religious viewpoints in which I have been reared and trained. But I can only confess, as I would be as honest with you as with myself, that what I seemed to see in the Tomb of Lenin was the desperate plight of a group of men who were panic-stricken at the death of their leader, upon whose life all of their destiny at that moment seemed to depend, and who found it therefore impossible that his influence upon the nation should be thus unexpectedly and decisively brought to an end. Something had escaped from them which must not be allowed to escape. Lenin must remain, survive, live on, even though he were dead before them. Yet there was no room in their philosophy for any belief in immortality either here or in the life beyond. Lenin died long before his time in the most critical period of the history of the Republic, and these materialists found themselves thrown deep into the very mystery of life and death, with nothing more substantial to sustain them than the mortal frame of this poor body of their hero. What should they do? What could they do? From the standpoint of their faith, or lack of faith, they did more than has ever hitherto been done in the history of mankind. They kept that body intact, and there it lies to-day as it will lie to-morrow, a real presence in the eyes of men.

But is this enough? Can these men be certain, for all their miracle, that this process of their embalming can endure forever? What if this body should wither and in the course of centuries become another mummy bearing witness only to the inevitable dissolution of things material? What if the chances and changes of this world should bring to this noble tomb what earlier chances and changes have brought to the equally noble tomb of Alexander the Great, whose royal ashes are now lost as definitely and permanently to the world as the ashes of Jesus of Nazareth himself, and the royal sepulchre become a mere exhibit in a public museum? "What is the security of a tomb?" says Washington Irving, in his meditations upon Westminster Abbey. "What is the perpetuity of an embalmment?" Surely the reliance of these Bolsheviki is a frail one. If the flesh is all, how transient is its stay, how feeble its influence, and how pitiful its memory. Is it strange, or perhaps perverse, that in this crowning triumph of the materialism of the Bolsheviki, the preservation of Lenin's body, I seem to see impressive demonstration of the essential reality not of the flesh but of the spirit? "Life," says Herbert Spencer, "is that which persists." But it is the soul which persists and never the body. For "the things which are seen are temporal, but the things which are not seen are eternal."

This is not my only thought, however, of the Tomb of Lenin. What did I see as I gazed upon this recumbent figure in the central shrine of the workingmen's Republic? I saw what Bernard Shaw saw when he looked on Lenin. For it is recorded that Shaw remarked that here was obviously a man who was a thinker and not a worker. Pointing to the delicate hand that lay upon the breast, Shaw said that this was the hand of a man who had not only done no physical labor himself, but whose ancestors for six generations before him had done no labor. I was impressed not so much by the hand as by the head of the great man. What a head! A looming dome that surely housed one of the greatest brains the world has ever known. This is the head of a man not of the proletariat but of the intelligentsia, a man whose life was thought and never labor.

It is true that Lenin loved the workers. It is to his immortal glory that, born to the ranks of those who had escaped the sweat of toil, he returned to the multitudes who, like so many slaves, were doing the weary work of this weary world, and deliberately identified his life with theirs. Do you remember the famous funeral scene when Krupskaya, Lenin's widow, rose up before the commissars and the assembled multitude of comrades, to pay tribute to her dead husband? The whole assembly rose to its feet in silence as this woman appeared before them to speak her word. She could not say to these leaders of the workingmen's revolution that Lenin was himself a workingman, but she did boast, in a voice which rose in pride above the currents of her sorrow, that "the inspiration of his life was his love for all men and women who worked." That love was great. It drove him like steam; it consumed him like flame. But he himself, in heritage and practice, was always outside the ranks of the working classes. When in the beginning the revolution was proclaimed of soldiers, sailors, and peasants, Lenin found his place in no one of these three groups. When later the factory workers added themselves to the soldiers, sailors, and peasants, he still had no place. He could lead these toilers, love them, live with them, if need be die for them, but he could not be one of them.

No; it was the irony of Lenin's fate that what he had to offer to the revolution was what no workingman as such could offer. He fired no gun, for he was not a soldier; he steered no ship, for he was not a sailor; he drove no plow, for he was not a peasant; he turned no wheels, for he was not a machinist. As much as any king he was apart from these workers of land and sea, of field and factory. Yet to their revolution he brought what was indispensable and what he alone could bring. Three things were his gift, the most precious gift that any man ever brought to any vast creative upheaval of human destiny.

First, he brought his vision—the vision of a new commonwealth of man upon the earth, the vision of a day when there should be no wealth among men, and therefore no poverty, but all men be equal in the happy enjoyment of their common heritage of earth. This vision was not unique with him; it has for ages been the vision of all true prophets of the better day for humankind. But he saw this vision with a definiteness of outline, a concreteness of character, and a surety of fulfillment, which are unparalleled. Nor was it his fate to see this vision alone or to die with its glory all hidden away within his secret soul. He conveyed its glory to others and lived to see it rise like a burning sun upon all the vast expanse of the largest country in the world.

Secondly, he brought his thought—a program worked out in the finest detail, a policy projected to the remotest areas of experience, a statesmanship compassing the deepest needs and furthest hazards of great adventure. The thought of Lenin was as creative in its originality and power as the thought of any of the greatest thinkers of human history. It was this capacity and range of thought, as applied to the defense of a great people in the cataclysmic crisis of revolution, which made Lenin in a few short years the greatest statesman that modern times has known.

Lastly, he brought his dedication of spirit—the utter sacrifice of everything that life had to offer to the service of his chosen purpose. It was this devotion which doomed him to a poverty so terrible in its rigor that I can compare it only to the poverty by which Mahatma Grandhi has chosen to discipline his life. Never was there greater singleness of purpose, more utter abnegation of all self-interest, more supreme sacrifice for a cause and crisis than these which Lenin laid down as a voluntary offering upon the altar of mankind.

These were the gifts of Lenin—his vision, his thought, his dedication. It is these gifts which his successors would now perpetuate through all time to come. The Bolsheviki would pass on this precious heritage to generations yet unborn, and again to their children and their children's children. But these gifts are spiritual gifts! And the process of their passing is a spiritual process. By what device shall this contagion of example be perpetuated? Am I wrong in suggesting that, by another one of those ironies which so illumine the pages of history, the Bolsheviki have hit upon a device identical with that which has been used for centuries by no less a body than the Roman Catholic Church? What did I see as I gazed upon the body of Lenin and beheld in this mortal frame the "real presence," so to speak, of the immortal revolutionist? I saw rising up before me, as in a dream, the high mass of the Roman Church where is presented to all of the people the "real presence" of Christ Jesus, their Lord. When that mystic bell goes ringing through the cathedral spaces, as all bow in silent prayer before the altar, there suddenly appears the bread which is the body of Christ and the wine which is His blood. This is the "real presence" of the Redeemer, set, to convey to those who see it, the precious life of Him who lived and died for men. Down through the ages, by this strange device of the mass, has been transmitted the influence of Christ's example, that it may live again through generations unending in the hearts of all who believe in Him and would follow in His steps. What other device than this are the Bolsheviki using in their exhibition of Lenin's body? Is it not the "real presence" which they are attempting to preserve and to transmit, and do they not hope that this "real presence" will work its change within men's hearts and make them live, as Lenin lived, and die, as Lenin died, for the great

cause of Russia and her emancipated people? Here again the spirit triumphs. The word becomes flesh, and now the flesh becomes the word, for "man does not live by bread alone, but by every word that proceedeth out of the mouth of God."

There is another and final thought which came to me within that tomb. Here in this reverent spectacle of Lenin's body we see the climax and apotheosis, so to speak, of what is one of the most remarkable phenomena of Soviet Russia. I refer to the omnipresence of Lenin, the living memory of Lenin, from the frontiers of the Republic to the remotest corner of its vast area. Lenin is everywhere. You emerge from the railroad station in Leningrad and there in the public square you see a great statue of the revolutionist reared on the site where he climbed upon a gun carriage on his first entrance into the capital and made his initial speech to the excited crowds. As you proceed upon your way you see other statues, and busts, and pictures, and little images. It is as though the innumerable ikons of the ancient church were now replaced by equally innumerable replicas of the great revolutionist. He appears not only in the public squares and on the streets but in the theaters, opera houses, the art galleries, the public buildings, the parks, the restaurants, the homes. I think I am not exaggerating when I say that there is hardly a public square in Russia which does not have its statue of Lenin, scarcely a hall or corridor which does not have his bust, scarcely a room which does not have his picture. Even on the farms and in the peasant villages hundreds of miles from Moscow we saw in the houses of the people the face of this great man. And here in the Red Square before the Kremlin wall there lies his body, the crown and glory of a process which has captured the imagination of a multitude with the magic of a single name.

There is in Russia to-day a cult of Lenin. This cult has a twofold significance. It is first of all a substitute for the Czar, and thus a new source of patriotism. In the old days, as you know, the Czar was an object of veneration. He was "the Great White Father," who held the devotion of all his people and thus embodied within his person the nation's life. Without the Czar the old Russia could not have been held together, and without Lenin at this hour the new Russia could not be held together. But this Lenin cult has a second significance. It is a substitute not only for the Czar but for God, and is thus a source of religion as well as of patriotism.

I see in the Bolshevik attitude toward Lenin at this hour the beginning of a new religion. It is the religion of a man, to be sure, as Mohammedanism was for years the religion of a man, but it is a religion which leads, like all religions, ultimately to God, by whatever name he may be called and by whatever means he may be worshiped. Russia, we are told, is a godless land. Do not believe it! The old Christianity is no more. This Christianity, a mere travesty of the religion of Jesus, was a compound of ignorance, superstition, and corruption which would bring death to the soul of any people. Of this, thank God, the new soil of Russia is now swept clean, and in its place there springs up this new and strange religion which centers in a man who claimed to know and recognize no God, but who did unwittingly the word and work of God. What this religion, this cult of Lenin, may ultimately become, I do not know. It may well in time develop a new theology and harden into the iron rigidity of a new ecclesiasticism, but to-day it is the passion of a people and centers in the worship of Him who brought them light and life. The Bolsheviki are all unaware of the religious aspects of what they are doing. Thanks to the long betrayal of religion by the Greek Orthodox Church, these Russians have long since lost all understanding of what religion is or ought to be. They would be the first to disclaim the spiritual significance of their work. But if the Tomb of Lenin is not a shrine, and its holy ground, like Mecca, a place of pilgrimage, then I am myself ignorant of religion and know not the revelations of the spirit when I see them.

These are the thoughts which come into my mind as I think back upon that noble tomb where I paused in reverence before the body of Lenin. I feel now, as I felt then, that a divine necessity is upon us. Try as we will, we can not escape the mystery of our origin and the equal mystery of our destiny. In the Tomb of Lenin I see the beginning of Russia's new spiritual life. The Society of the Godless, with its millions of members in Russia, may spread for and wide the dry seeds of its atheism; but here in the Red Square, the center and soul of Bolshevik Russia, there stands this tomb, as the latest of all earth's sacred shrines, to confuse and confound them together. This tomb is the altar of a new religion; this altar is the temple of another faith; this faith is the promise of a greater God and a higher destiny for man.

In conclusion let me describe what was one of the great religious experiences of my life. It was on the last evening of my stay in Moscow. I had wandered into the Red Square a few minutes before midnight to hear the chimes within the Kremlin bell tower. Before me loomed the dark mass of Lenin's tomb. Behind the tomb was the Kremlin wall, looking down upon an area which it had guarded for 10 bloody centuries. Behind the wall were golden domes and lofty towers shining like silver in the flood of moonlight which poured down upon the scene. Silently one by one upon the ramparts of the wall there passed the sentinels, their bayonets gleaming in the molten light. I waited for the hour to strike, watching the motionless guards before the portal of the tomb, or the domes upon Ivan's grotesque cathedral, or the great clock as clear as day upon the tower. Suddenly, above the shuffle of passing feet and the distant roar of the city, there sounded the 12 strokes of midnight. As the last tone died away it seemed as though for the first time a hush fell upon the square. Then quickly, after a long interval of silence, there came sounding through the night the music of the chiming bells as they rang the anthem of the Internationale—

"Arise, ye prisoners of starvation * * *"

In cascades of pealing sound, like music pouring from the heavens, the great hymn went flooding the vast spaces of the city. As I listened I thought I heard the voices, not of angels but of all the tired toilers of all the ages gone, now at last made glad and free in the release of their brethren upon earth. Suddenly, as I looked at Lenin's tomb it seemed as though out of darkness there sprang a flame to consume injustice and light the paths of men. And it was a flame, or very like a flame, for there, high up above the mausoleum, there floated in one clear shaft of light the red flag.

The chimes were silent. I seemed to hear again the clamor of the city. The moon disappeared behind a looming dome, and Lenin's tomb was swallowed in great darkness. I turned back to the Square of the Revolution and my hotel, and as I saw the night slowly passing into the early dawn of the new day, I said to my comrade at my side, "This is religion, and Lenin is its prophet."

JOHN HAYNES HOLMES.

INTERNAL-REVENUE RECEIPTS AND FEDERAL-AID PAYMENTS

Mr. BINGHAM. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Acting Assistant Secretary of the Treasury Ballantine. It contains very interesting facts and statistics regarding internal-revenue receipts collected in each State and the total Federal-aid payments made to each State during the fiscal year ending June 30, 1931.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

TREASURY DEPARTMENT,
OFFICE OF ASSISTANT SECRETARY,
Washington, February 6, 1932.

Miss MARY G. KILBRETH,
Chairman Board of Directors,
The Woman Patriot Corporation,
712 Jackson Place NW., Washington, D. C.

MADAM: In compliance with the request contained in your letter of February 1, 1932, for information showing the percentage of (1) internal-revenue receipts collected in each State, and (2) the total Federal-aid payments made to each State, during the fiscal year 1931, there are inclosed herewith statements showing—

a. Amounts and percentages of the income taxes collected in each State during the fiscal year 1931.

b. Amounts and percentages of total internal-revenue taxes collected in each State during the fiscal year 1931. (The figures contained in this statement are on the basis of warrants issued.)

c. Amounts and percentages of total Federal-aid payments made to each State during the fiscal year 1931.

You will appreciate, of course, the limitations of data representing Federal tax collections in a particular State and the care with which such data must be used in the interest of accuracy. Receipts from internal revenue collected in a particular State, for example, do not necessarily correspond with the amounts which the people of that State ultimately pay toward the expenses of the Government. While the individual reporting income in a certain State is usually a resident of that State, his income is often derived from sources in another State. Also, corporations, particularly the larger ones, pay their income tax in the State in which the principal places of business or the financial headquarters are maintained, although their physical properties may be located in an entirely different State or section of the country and the greater part of their profits from sales derived from many States. It is impossible, therefore, to obtain the exact contribution of any particular State to the support of the Federal Government.

The amounts of expenditures made by the Government as direct payments to the several States and Territories, usually under cooperative arrangements, and ordinarily referred to as "Federal aid to States," are shown in the statement referred to in "c" above. These figures have been compiled from the records of the Treasury so far as possible and in other cases from information furnished by other departments or Government establishments having administrative control of the appropriations. The expenditures of the Government for the carrying on of its own functions within the States, such as the collection of taxes, constructing and maintaining Federal buildings, public-health activities, under the Treasury Department; military posts and operations, under the War Department; reclamation projects, national parks, under the Department of the Interior; district courts and other judicial functions, under the Department of Justice, etc., are not included in this statement. Complete statistical information of this character can be obtained only from the departments or Government establishments having administrative control over the appropriations involved.

By direction of the Secretary.
Respectfully,

A. A. BALLANTINE,
Assistant Secretary of the Treasury.

Federal tax collections and Federal-aid payments

State or Territory	Federal tax collections—Statement showing by States (1) the amounts and percentages of income taxes collected, and (2) the amounts and percentages of total internal-revenue taxes collected, during the fiscal year ended June 30, 1931 (on a basis of warrants issued)				Federal aid payments—Statement showing by States amounts and percentages of total expenditures made by the Government as direct payments to States under cooperative arrangements during the fiscal year 1931	
	Income taxes	Per cent of total	Total internal-revenue receipts	Per cent of total	Amount of expenditures	Per cent of total
Alabama	$4,308,287.33	0.23	$4,622,236.13	0.18	$4,519,850.94	2.06
Arizona	2,194,489.36	.12	2,265,705.28	.09	4,055,059.55	1.85
Arkansas	1,816,021.07	.10	1,914,565.04	.07	5,169,972.08	2.35
California	93,581,718.21	5.03	113,008,717.76	4.65	7,529,962.71	3.43
Colorado	15,272,280.48	.82	15,772,615.89	.64	4,288,745.84	1.95
Connecticut	34,994,157.00	1.88	37,620,243.96	1.54	2,116,088.20	.96
Delaware	32,877,127.68	1.77	34,054,473.55	1.39	1,134,714.42	.51
District of Columbia	12,716,156.42	.68	14,684,853.43	.60	140,213.40	.06
Florida	7,838,885.72	.42	11,512,120.90	.47	2,669,058.31	1.21
Georgia	6,389,386.65	.34	6,721,313.18	.27	6,799,955.05	3.10
Hawaii	4,382,130.58	.24	4,817,232.60	.19	864,121.40	.39
Idaho	684,846.69	.04	723,717.83	.02	2,682,641.39	1.22
Illinois	173,675,534.39	9.34	190,508,952.84	7.83	8,265,926.32	3.77
Indiana	19,095,104.02	1.03	21,411,023.33	.88	3,649,542.29	1.66
Iowa	9,897,154.72	.53	10,400,342.42	.42	6,393,101.15	3.14
Kansas	13,339,596.77	.72	13,635,508.29	.56	5,835,090.80	2.66
Kentucky	10,711,005.82	.58	28,488,010.46	1.17	4,852,396.36	2.21
Louisiana	7,666,903.02	.41	8,901,475.44	.36	2,372,931.20	1.08
Maine	6,394,203.48	.34	6,759,533.93	.27	2,030,253.81	.92
Maryland	28,457,996.13	1.53	30,293,310.73	1.24	2,749,326.57	1.25
Massachusetts	83,431,473.80	4.49	88,985,635.49	3.65	4,007,488.15	1.82
Michigan	102,367,974.93	5.50	107,411,851.17	4.41	4,984,165.83	2.23
Minnesota	20,803,001.79	1.12	23,237,171.46	.95	5,548,343.74	2.53
Mississippi	1,502,901.33	.08	1,584,433.15	.06	1,924,692.04	.87
Missouri	40,906,842.29	2.20	51,673,467.79	2.12	7,338,385.58	3.34
Montana	1,690,246.63	.09	1,793,112.84	.07	4,430,921.30	2.02
Nebraska	4,572,597.92	.24	4,784,090.24	.19	3,611,669.69	1.64
Nevada	1,298,180.88	.07	1,365,233.66	.05	1,803,941.19	.82
New Hampshire	2,773,611.63	.15	3,554,107.76	.14	1,190,117.42	.54
New Jersey	71,657,935.81	3.85	97,786,288.36	4.01	3,512,660.99	1.60
New Mexico	608,380.85	.03	693,243.33	.02	4,567,607.00	2.08
New York	614,960,831.29	33.06	671,844,688.73	27.64	9,001,772.68	4.10
North Carolina	13,720,308.43	.74	264,894,637.06	10.89	5,389,955.07	2.46
North Dakota	351,632.42	.02	366,157.73	.01	2,283,879.08	1.04
Ohio	96,002,613.37	5.16	112,933,223.98	4.64	9,794,035.08	4.46
Oklahoma	14,657,487.68	.79	14,948,982.99	.61	6,816,913.19	3.11
Oregon	4,110,735.83	.22	4,431,097.52	.18	4,901,680.34	2.23
Pennsylvania	174,242,933.09	9.37	190,280,593.21	7.82	10,624,275.51	4.84
Rhode Island	10,856,222.66	.58	11,267,592.05	.45	1,554,509.19	.71
South Carolina	1,807,156.90	.10	1,984,818.36	.08	4,226,209.53	1.92
South Dakota	719,403.69	.04	751,270.97	.03	2,922,875.90	1.33
Tennessee	9,284,228.52	.50	12,997,604.52	.53	5,751,188.23	2.62
Texas	31,604,743.66	1.70	32,791,128.98	1.34	11,353,739.68	5.18
Utah	2,321,787.30	.12	2,381,319.62	.09	2,382,942.04	1.08
Vermont	1,700,259.06	.09	1,751,711.20	.07	1,240,019.92	.56
Virginia	19,206,733.19	1.03	113,654,648.84	4.67	4,736,889.98	2.16
Washington	10,763,144.81	.58	11,533,484.51	.47	3,675,891.92	1.67
West Virginia	8,669,578.36	.47	11,167,126.16	.45	1,835,197.46	.83
Wisconsin	26,584,218.69	1.43	28,170,977.03	1.15	5,894,782.33	2.69
Wyoming	570,295.04	.03	600,168.82	.24	3,388,421.80	1.54
Total	1,860,040,497.39	100.00	2,430,148,742.91	100.00	219,162,574.24	100.00

PROHIBITION—MINER'S PROSECUTION

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD a couple of communications on the subject of prohibition and a copy of an indictment against a citizen of Tennessee by one of the courts of Kentucky, which was sent to me with the request that it be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Hon. ALBEN W. BARKLEY,
United States Senator, Kentucky.

DEAR SIR: We, the undersigned, and the societies we represent, are unalterably opposed to any movement for the resubmission of the eighteenth amendment, which would only augment the present agitation; would cause great expense to the people; would hinder enforcement of the law, and no matter what the outcome, would not result in any cessation of the hostility of the enemies of prohibition.

Prohibition is entitled to a fair chance, so we ask you to vote no.

Mrs. W. H. DOOLEY,
President Salt Lick (Ky.) W. C. T. U.
ROSAMOND M. SEESE,
President Salt Lick Woman's Club.

P. S.—Please print this letter in the RECORD.

BOWLING GREEN, KY., *January 27, 1932.*

To Senators M. M. LOGAN and ALBEN W. BARKLEY,
Washington, D. C.

DEAR SIRS: In view of the many bills that have been submitted to Congress by the opponents of prohibition, we, the undersigned, urge that you use your influence and cast your vote in support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this petition be printed in the CONGRESSIONAL RECORD.

Mrs. S. H. BROWN,
President W. C. T. U.
Mrs. W. H. ARNOLD,
Vice President.
Mrs. JOHN L. PAGE,
Treasurer.
Mrs. W. D. BUCKBERRY,
Secretary.
Mrs. CLAUDE THOMAS,
Corresponding Secretary.

UNITED MINE WORKERS OF AMERICA,
Jellico, Tenn., December 31, 1931.

Hon. ALBEN W. BARKLEY,
Member United States Senate,
Senate Chamber, Washington, D. C.

DEAR SENATOR: Inclosed you will please find copy of indictment returned against me by the Harlan County grand jury December 15, 1931.

After seven months they were able to secure a letter I wrote to the local union secretary at Evarts, Ky., and these gentlemen who appeared before the grand jury are retained in the prosecution in all the cases arising out of the trouble in Harlan County.

They have went far and looked deep in connection with my conduct in this affair, and after seven months they find this letter; this should show any fair-minded man how things are conducted in that county.

I am respectfully requesting that you have this transcript read into the CONGRESSIONAL RECORD from the floor of the Senate to show how far they will go to try and get something on those who are trying to better the conditions of the coal miner, his wife and children.

I have been an officer of the United Mine Workers of America since December 4, 1917, and have at no time ever been arrested for any activity in behalf of my organization.

Thanking you in advance for this favor, I am,

Yours respectfully,

WM. TURNBLAZER.

P. S.—This same letter was used in Federal court at London, Ky., May 18, and the court, after reading same, refused to restrain me in three injunction suits.

THE COMMONWEALTH OF KENTUCKY, PLAINTIFF, *v.* W. M. TURNBLAZER, DEFENDANT—INDICTMENT FOR MURDER

On motion of the Commonwealth's attorney, Hon. W. A. Brock, Della B. Keller is appointed official stenographer of the grand jury, and she is directed to make true and correct and complete transcript of all evidence heard before the grand jury in the above-styled investigation.

Fred M. Jones, after being duly sworn by the foreman of the grand jury, states as follows:

Q. What is your name?—A. Fred M. Jones.

Q. What do you want to tell, Fred?—A. Here is what I want to tell you about—is about Bill Turnblazer. We have got a copy of the official letter he wrote down here. Here is a copy of it, copied by the official stenographer down there at Mount Sterling [letter is read to grand jury from the court record taken at Mount Sterling, Ky., as follows]:

Mr. W. B. JONES,
Evarts, Ky.

DEAR SIR AND BROTHER: I am inclosing a letter from the chief of police of Jefferson City, Tenn., which I have advised him to get in touch with you, and in the event you do not hear from him I suggest you write him, and after reading the letter to your local union or issuing it to the president I wish you would return it to my files.

I wrote him a very nice letter thanking him for his kind offer and pointed out to him the wonderful fight you are making against the coal operators in Harlan County.

May I also say in this connection that I have been in many coal fields in this country, but I have never seen a better spirit among men than that displayed by the men at Black Mountain and Clover Fork. I point out that it was just such fighting that gave birth to our organization 41 years ago that your men are making. Men may as well die fighting against starvation and inhuman treatment and bad working conditions if you work and starve at the same time and receive nothing for their labor.

Tell the boys to continue to carry on, and I only wish that I had some of the men with the fighting spirit here in Tennessee that you have at Black Mountain. We have a number of discharged cases and also house cases, and are putting up the best fight we know how. Received a letter from President Hoover in regard to my telegram, in which he advised the Red Cross national chairman was sending down an agent to make investiga-

tions. Just don't know what this will mean, but we will live in hope that some assistance will be given our people.

With the hope that victory will crown our efforts, I am,

Yours fraternally,

W. M. TURNBLAZER.

Q. Did Jones get this letter?—A. This letter was received by Jones from Turnblazer and was brought out in court that he read it two or three times to the men in his speeches up there.

Witness excused.

J. B. Snyder, after being duly sworn by the foreman of the grand jury, states as follows:

Q. What do you want to tell, Mr. Snyder?—A. I don't know; I suppose it is about the same thing that Fred was in here on.

Q. About this letter from Turnblazer?—A. Yes; here is the record that has the letter in it from Turnblazer written to W. B. Jones. I suppose you all have read it; it was shown in court at Mount Sterling, and Jones admitted getting it; we have the original letter; if you would like to see it, I can get it.

Q. Well, this is a certified copy, isn't it?—A. Yes; that was taken by the court reporter down there.

Q. Well, if that is all, you may go.

Witness excused.

STATE OF KENTUCKY,

County of Harlan, ss:

I, Della B. Keller, official stenographer for the grand jury, do hereby certify that the above is a true and correct and complete transcript of the evidence heard before the grand jury in the investigation of the Commonwealth of Kentucky *v.* W. M. Turnblazer, charged with the murder of Jim Daniels, etc.

Given under my hand this December 24, 1931.

RELIEF OF UNEMPLOYMENT

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. BINGHAM. Mr. President, I am in receipt of a telegram from the Manchester Chamber of Commerce, relating to the pending measure, which I ask may be inserted in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SOUTH MANCHESTER, CONN., *February 10, 1932.*

Hon. HIRAM BINGHAM,

Senator from Connecticut, Washington, D. C.:

La Follette-Costigan Federal unemployment relief bill strongly opposed by Manchester Chamber of Commerce. Manchester Emergency Employment Association (Inc.) is adequately taking care of local situation. Our board of directors authorize chamber's official protest be wired you, as our policy deplores Federal appropriations for direct aid, which we believe should and can be taken care of by individual communities or the State.

THE MANCHESTER CHAMBER OF COMMERCE,
E. J. MCCABE, *Executive Secretary.*

Mr. COSTIGAN resumed and concluded the speech begun by him yesterday. His speech follows entire:

Wednesday, February 10, 1932

Mr. COSTIGAN. Mr. President, with the consent of the Senate, I send to the desk and ask to have read an editorial appearing in the St. Louis Post-Dispatch on Friday, February 5, 1932, entitled "At Grips with Starvation."

There being no objection, the editorial was read, as follows:

AT GRIPS WITH STARVATION

As the days pass growing numbers of the unemployed are threatened with actual starvation. The funds from private charitable organizations are approaching exhaustion and local governments are nearing the end of their resources. In New York City welfare agencies have certified 245,000 families as deserving relief. Of these, 138,000 are now receiving aid, but 107,000 other needy families are being turned away for want of funds. Philadelphia has 65,000 families on its charity rolls; but the money with which it is averting starvation will be exhausted by the 1st of May. In Chicago half a million people are dependent on charitable funds, which are rapidly coming to an end, and the city government is virtually bankrupt. In St. Louis the funds of the citizens' committee are virtually exhausted, no new applications for aid are being taken, and the city's present relief work will have to be discontinued in six weeks if additional funds are not obtained meanwhile. Miss Helen Hall, of the University of Pennsylvania settlement, in a survey made for the National Settlement Association, has found that the relief funds of 19 out of 20 American cities will be exhausted by the first of July; in many areas outside of the cities charitable funds are nonexistent, and the suffering is already even more acute.

It is perfectly clear that private charity and local government have failed to meet the need. In many places constitutional and statutory limits on borrowing and on taxation make it impossible for States or municipalities to secure the further funds which the need demands. It is this situation which has given rise to the demand for Federal relief, and it now seems highly probable that some sort of Federal appropriation will be voted by the present session of Congress. The La Follette-Costigan bill, which is now under consideration, would provide $375,000,000 for relief. Of this amount, $125,000,000 would be available before the end of the present fiscal year; the other $250,000,000 in the coming year. It is natural and proper that Congress should have hesitated to take this step. The expenditure of Federal funds for charitable relief will be a new departure in American policy. It will be a cause for justifiable apprehension to all those who fear to see Congress yield to political demands upon the Public Treasury. It runs counter to the well-established principle of local responsibility. But when we are faced with the unhappy alternative of Federal relief or actual starvation, even this principle must give way. Humanity can not long hesitate to make this decision. And it can not be questioned that this is, indeed, the issue. Committees of the Senate and the House have taken the testimony of scores of welfare administrators, sober experts, representing public and private charity in every part of the country. And it is their unanimous and undisputed opinion that Federal aid is the only way out.

Nor should the serious state of the Federal finances prevent action. The $375,000,000 which the La Follette-Costigan bill would appropriate would be but a drop in the bucket of the Federal deficit. Beside the sums spent on armaments, on the Reconstruction Finance Corporation, on the soldier bonus, it is insignificant. It could most certainly be covered by an increase in estate taxes and income surtaxes in the coming year. In 1929, 38 American citizens enjoyed private incomes which totaled over $360,000,000, an amount which nearly equals the sum which is now demanded for the prevention of widespread starvation. It would require a callous indifference to human misery not to tax such great wealth in order to supply hundreds of thousands of our people with a minimum of food. Certainly taxation is to be preferred to malnutrition and the physical degeneration, disease, vice, crime, and violence which it brings in its train.

The measure which is now before Congress would meet the crying need for relief with a minimum of waste and inefficiency. Forty per cent of the appropriation would be distributed among the States in proportion to population, with the provision that no State should receive an amount greater than two-thirds of its own relief expenditures. The other 60 per cent would be available for emergency assistance wherever needed. These funds would be distributed locally through existing, functioning agencies, while the entire project would be supervised by a Federal board. The participation of Miss Grace Abbott, of the Children's Bureau, in its administration should serve as a guaranty of its honesty and humanity.

Mr. COSTIGAN. Mr. President, before the discussion to which the Senate has so patiently listened shall be concluded, it is, as I am advised, the purpose of the Senator from Wisconsin [Mr. LA FOLLETTE] to make some further observations. Doubtless, also, it is appropriate for me to add certain indorsements of the pending bill and some relevant comments received since the discussion began.

The senior Senator from Montana [Mr. WALSH] referred yesterday, in his thoughtful address, to a report on road building by leading social workers. They were deservedly mentioned by the Senator from Montana in terms of respect. Among them were several chief witnesses who appeared before the Committee on Manufactures and testified during that committee's hearings. Since the present debate began a statement has been received on conclusions reached by eight members of that committee with respect to the so-called substitute offered in the Senate by the Senator from Montana [Mr. WALSH], the Senator from Alabama [Mr. BLACK], and the Senator from Ohio [Mr. BULKLEY]. I wish to read the memorandum received by me which is addressed to Members of the Senate. It is dated New York City, February 6, 1932, and reads as follows:

To Members of the United States Senate:

We should like to present very strongly our opposition to the amendment offered by Senators, BLACK, WALSH, and BULKLEY as a substitute for Senate bill 3045, particularly as to the appropriation of $375,000,000 for loans to the States for unemployment relief.

This substitute does not contain the safeguards necessary to prevent unwise administration of relief, to prevent a tremendous waste of Federal funds, and to prevent the discouragement or drying up of the use of State and local resources. These safeguards are contained in the Costigan-La Follette bill (S. 3045), and we believe that appropriations for unemployment relief should be made in the form therein outlined.

HOWARD S. BRAUCHER.	BENSON Y. LANDIS.
HELEN CROSBY.	H. L. LURIE.
JOHN A. FITCH.	LINTON B. SWIFT.
PAUL U. KELLOGG.	WALTER M. WEST.

It should be added, with respect to this report, that in an accompanying letter from Mr. Swift under date of February 6, 1932, he recites that the statement I have read was

adopted at a meeting of the committee on February 6 as an expression of the individual opinions of the signers on pending legislation.

One of the most noted child-welfare workers in America, Mr. Owen R. Lovejoy, in a letter addressed to me on February 6, 1932, has this to say, in part:

If an individual letter will do any good and if it is not too late, I want to express my hearty indorsement of the Costigan-La Follette bill providing $375,000,000 for Federal relief.

I have heard some opposition expressed here on the ground that while some sections of the country may need this aid, New York does not need it. My work in connection with the Children's Aid Society naturally brings me into intimate contact with many needy families in the city who have never appealed to the customary relief societies. From my personal knowledge there are many families that need relief that is not likely to be forthcoming through any of the agencies, public or private, now operating in this city. At least 50 per cent of the families that are registered with the city department of public welfare in its relief campaign are unknown to any of the private charitable agencies.

My two chief reasons for favoring your bill are the following:

First, I believe this is a national disaster and requires national treatment. The delay of the Federal Government for over two years to offer relief, either by extensive work programs or by aiding families, has, I believe, contributed to the present national plight which should be alleviated without further delay.

Second. I believe the program of Federal relief will stimulate the action of the local communities. It is frequently objected that if the Federal Government makes an appropriation it will tend to dull a sense of local responsibility.

It will be recalled that this objection was urged to-day by the Senator from Ohio [Mr. FESS].

The letter continues:

My observation in connection with many Federal appropriations leads me to believe that States and local communities, like individuals, are sufficiently controlled by motives of self-interest, so that the knowledge that 40 per cent of the amount they use will be returned from the Federal Government will act as a direct and powerful stimulant.

In support of Mr. Lovejoy's contention that Federal grants will not discourage local endeavors to raise supplementary funds, it appears desirable at this time to refer to an article by Mr. Paul U. Kellogg, editor of the Survey Graphic Magazine, published in New York City, for February, 1932, under the title, "Relief Needs."

Mr. Kellogg has in view the fact that the Legislature of New York, which was called into special session by the governor this last year, made a substantial appropriation for State unemployment relief, resulting in the stimulation of further activities by townships, cities, and counties.

Mr. Kellogg, in the course of his article, says:

In New York State there was a disposition at first to regard the twenty million relief fund, to be drawn from the State income tax, as easy money to be had by local political units for the asking. It is turning out the other way. It is proving a force which is melting township, city, and county appropriations which were frozen before. To get the State funds they must do their part; they must demonstrate needs and resources. The emergency system will bring to the rescue of the unemployed of New York State three or four times the money provided in the State act itself. More than that, it is lifting the standard of relief to a level which our civilization can stand for. (A few beans and a bucket of coal now and then do not qualify under the New York act.) It has uncovered areas where conditions were neglected and desperate. It has provoked constructive action by industries and local officials. It has called for an entirely new caliber of investigation and social service in dealing with the cases. With all its limitations as an emergency set-up starting from scratch, it is proving a modern social installation to meet a crisis.

This page could be given up to a recital of abuses in the past in the administration of public outdoor relief, to forebodings as to how Federal aid might be mishandled in this emergency. But to say that because there is danger in such aid we should never use it is like saying that because there are explosions in gasoline we should stick to horse-drawn vehicles. After all, social advances can be as real as mechanical. Public relief can be a leverage instead of a crutch.

Throughout the length and breadth of the country there are resources, good will, and helpfulness, which can be brought to bear to tide over the hard months of winter and spring and after. But there are too many of those resources which are inert, fragmentary, at cross purposes. Federal aid rightly handled, through the States and by direct action where necessary, could serve as a magnet to galvanize and organize the whole field.

We must not forget that the heavy end of the burden of industrial unemployment comes down on the families of wage earners for whom we can not supply work. So far as American industries are concerned—they have not sufficient work nor part-time work to give—hundreds of thousands of such households would be hungry to-day. So far as the voluntary aid of our American charitable funds go—they have not the wherewithal to succor them—hundreds of thousands would be hungry. Those households are depending on public aid—town and city and county and in some instances State. The question is not merely whether or not we need to fall back on the final Federal trench line of public aid. The question is whether or not we supply national leadership in uniting all these sources of succor into a common front of defense.

Mr. President, in connection with another phase of our discussion it is also appropriate to extract from the address of Mr. Jouett Shouse, chairman of the Democratic national executive committee, placed in the RECORD this afternoon by the Senator from Maryland [Mr. TYDINGS], the following paragraph:

What, after all, is the so-called dole? If it be a dole for the Federal Government to make an appropriation to feed starving people, is it any the less a dole for these people to accept aid at the hands of private charities or at the hands of city or county or State? I for one believe that every private agency should be used to the uttermost to take care of those who can not find employment and who are in destitution and want. But if through the agency of private benefaction the situation can not be cared for, if appropriations made by city, county, and State prove inadequate and can not be enlarged, then, so far as I am concerned, I am in favor of direct appropriation by the Feneral Government to prevent American men, women, and children from starving during the remaining months of this winter. If that be a dole, then make the most of it.

Within the last few days I have received the following letter, with accompanying certified resolutions, from Mr. Thomas Kennedy, secretary-treasurer of the United Mine Workers of America. They are dated Indianapolis, Ind., February 5, 1932:

UNITED MINE WORKERS OF AMERICA,
Indianapolis, Ind., February 5, 1932.

Hon. E. P. COSTIGAN,
United States Senator,
Senate Office Building, Washington, D. C.

HONORABLE AND DEAR SIR: I inclose herewith copy of resolution adopted by the thirty-second constitutional convention of the United Mine Workers of America at its session in Indianapolis, Ind., January 28, 1932, giving the support of our organization and the membership thereof to the bills introduced by yourself and Senator LA FOLLETTE to provide relief for the unemployed.

Respectfully,

THOS. KENNEDY, *Secretary-Treasurer.*

Whereas Senators LA FOLLETTE and COSTIGAN have introduced measures in the United States Senate calling for the appropriation of $375,000,000 for direct relief, a substantial part of which is to be made available immediately, and also for a $5,000,000,000 bond issue for work relief along the lines of Government construction; and

Whereas we believe that both bills are of vital importance, and if adopted by the Congress of the United States will be the means of providing immediate direct relief, and the program on construction will do much to light the spark that will turn us in the way of more or less relative prosperity; and

Whereas President John L. Lewis, of our organization, has appeared before the Senate committee in support of this legislation; and

Whereas these bills are now reported out of committee favorably and are on the calendar of the Senate: Therefore be it

Resolved by the thirty-second regular convention of the United Mine Workers of America in session at Indianapolis, Ind., That we indorse the La Follette-Costigan bills for direct relief and work relief, and we urge upon the Senate and upon the House of Representatives the adoption of these measures in the best interests of not only the people but of the Government itself; and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, the United States Senators, and the Members of the House of Representatives of the Congress, and also to the American Federation of Labor.

I hereby certify that the above is a true and correct copy of resolution adopted by the thirty-second regular convention of United Mine Workers of America at Indianapolis, Ind., January 28, 1932.

THOS. KENNEDY,
International Secretary-Treasurer,
United Mine Workers of America.

It should be stated in connection with the reference contained in the resolution to the authorship of the bill on public works that the particular public works bill mentioned should be credited to the able Senator from Wisconsin [Mr. LA FOLLETTE].

Here is a letter from Mr. Andrew J. Biemiller, secretary of the Philadelphia Conference of the Joint Committee on Unemployment, written February 6, 1932. It contains these statements:

The inclosed resolutions were passed unanimously by a mass meeting of 350 delegates of labor, civic, and religious organizations on Wednesday night. They have been forwarded to all Philadelphia Congressmen and to Senators REED and DAVIS. I also inclose a copy of the conference program.

The relevant resolution, selected from others transmitted with this communication, reads as follows:

Whereas there is indisputable evidence that there is widespread distress among the millions of unemployed workers in the United States; and

Whereas private relief agencies and local governmental bodies are unable to supply adequate relief: Therefore be it

Resolved, That this mass meeting calls on the Congress of the United States to pass Senate bill 3045, providing Federal funds for direct relief; and be it further

Resolved, That this money be granted as direct Federal relief and not as loans to States, counties, or municipalities; and be it further

Resolved, That a copy of this resolution be sent to Senators REED and DAVIS and to all Philadelphia Congressmen.

[At this point Mr. COSTIGAN yielded the floor for the day.]

Thursday, February 11, 1932

Mr. COSTIGAN. Mr. President, Mr. John A. Simpson, the able president of the Farmers' Educational and Cooperative Union of America, has just sent a letter reading as follows:

THE FARMERS' EDUCATIONAL AND CO-OPERATIVE UNION OF AMERICA,
Oklahoma City, Okla., February 10, 1932.

Senator EDWARD P. COSTIGAN,
Washington, D. C.

DEAR FRIEND: While the National Farmers' Union program does not include the question of Federal charity aid to the needy, because we insist it is the duty of the Government to furnish every worthy citizen an opportunity to make a living for himself and family, but after three years of futile efforts on the part of the Administration to solve the unemployment and the farmers' no-price problem and there are so many millions in the United States to-day suffering for want of food and clothing, as national president of the Farmers' Union, I indorse the bill you have sponsored providing for Government aid.

The Constitution of the United States provides that Congress shall be the law-making body of the Nation. One hundred and twenty million citizens, patiently, hopefully, and prayerfully, are waiting to see whether the Members of this Congress have the courage of legislating in the interest of the people in the face of advice, instruction, and intimidation on the part of bureaus, commissions, and other departments of Government, all of whom get their orders from the ultra-rich as represented by the international bankers.

It is my firm belief that these Sampsons of finance are blind, and are about to pull the temple down on their own heads.

Yours truly,

JOHN A. SIMPSON, *President.*

Permission has also been given to use a telegram addressed to the Senators from Iowa [Mr. BROOKHART and Mr. DICKINSON] under date February 1, 1932, from the Iowa State Federation of Labor, J. C. Lewis, president, and Michael E. Sherman, secretary and treasurer, referring to relief conditions in Iowa, reading as follows:

Bread lines and soup kitchens maintained and supplied by wage-earners, most of whom are on part-time employment, have been established in several industrial centers in the State. Other relief agencies are also taxed far beyond their capacity. Hundreds are fed each day at the Des Moines labor temple, where food is also being sent out to families. Extreme cold weather the last few days has added to the seriousness of the situation. Thousands of families are in want of food, clothing, and fuel. Many cases where children are going to school hungry. The Iowa State Federation of Labor with all its affiliated unions urge you to support Senate bill 3045 introduced by Senators COSTIGAN and LA FOLLETTE providing for appropriation of $375,000,000 to be used for relief purposes in cities, towns, and States throughout the Nation.

A telegram of February 2, 1932, addressed jointly to the Senators from California [Mr. JOHNSON and Mr. SHORTRIDGE] from the Los Angeles Central Labor Council, J. W. Buzzell, secretary-treasurer, reads:

FEBRUARY 2, 1932.

SAMUEL SHORTRIDGE and HIRAM JOHNSON,
United States Senate, Washington, D. C.:

There are 93,000 unemployed men registered with the social agencies in Los Angeles, State legislative unemployment committee reports over half million unemployed men in California, thousands of them and their families in absolute want. City has spent nearly eight millions to relieve situation, reaching end of its resources, and La Follette-Costigan bill would materially aid in feeding hungry people here and in other cities in the United States. We urge your support and vote for this bill.

J. W. BUZZELL,
Secretary Los Angeles Central Labor Council.

A telegram dated February 10, 1932, from Madison, Wis., reads as follows:

Madison (Wis.) chapter of American Association of Social Workers has indorsed theory of Federal relief for unemployment. Please use your influence to secure Federal legislation.

SOPHIA SIEBECKER,
Chairman Madison Chapter.

Here is a telegram from New York City, dated February 5, 1932, addressed to me:

The executive committee of the Lower East Side Community Council, whose membership consists of 130 social, religious, educational, and civic organizations on New York's lower East Side, commends your introduction of emergency relief measure and strongly urges its passage.

IDA OPPENHEIMER,
Executive Secretary.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from New York?

Mr. COSTIGAN. With pleasure.

Mr. COPELAND. The Senator from Colorado may have noticed in the press this morning that 79 stations were opened yesterday in New York with a registration of persons out of work and families without means of support.

Mr. COSTIGAN. I thank the Senator for his addition to our information.

A letter from Miss Louise McGuire, chairman of Washington Chapter of the American Association of Social Workers, under date of February 8, 1932, says:

NATIONAL CATHOLIC SCHOOL OF SOCIAL SERVICE,
Washington, D. C., February 8, 1932.

Hon. EDWARD P. COSTIGAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: At a meeting held Tuesday evening, February 5, the Washington Chapter of the American Association of Social Workers passed the following resolution:

"*Resolved,* In view of the fact that State and local community resources, both public and private, have practically reached the point of exhaustion, Federal aid is necessary in order to deal with the present unemployment emergency."

The members of the Washington chapter have given serious thought to the inadequacy of State and local relief resources. The association is aware of the fact that in many sections of the country existing resources are entirely inadequate to meet the present serious emergency. If the Federal Government fails to come to the rescue, there is bound to be serious suffering this winter.

We ask your immediate action.

LOUISE MCGUIRE,
Chairman of the Washington Chapter of the American Association of Social Workers.

A letter dated February 8, 1932, written by Mr. Matthew Randall, a member of a leading law firm in Philadelphia, with offices in the Girard Building, draws attention to a recent article in the Philadelphia Record, of which Mr. Randall says:

If you have not already read the inclosed clipping, it may interest you and possibly be of some aid in your fight for the passage of the bill which you and Senator LA FOLLETTE are pressing for the benefit of the unemployed.

Judge Stern holds the entire respect of our community. He is an able and learned jurist and his opinions receive great consideration from the bar. In addition, he is a man who is always in the forefront of all charitable movements for the relief of those in distress.

In my opinion, the argument which he advances in support of our State law will apply with equal force to your bill and repudiates the assertion that it in any way sets up a "dole."

With best wishes for your success, I remain.

The article apparently deals with the question of the constitutionality of relief appropriations in Pennsylvania. The attorney general of that State has expressed the opinion, as testified by Governor Pinchot when he appeared before the Committee on Manufactures, that legislation by the State of Pennsylvania providing appropriations for the unemployed is unconstitutional. That opinion, it is said, is based on a provision in the Pennsylvania constitution in effect prohibiting legislation granting charity to any indi-

vidual in that State. The article accompanying the letter of Mr. Randall contains the following original and suggestive construction of the Pennsylvania constitution by the jurist therein quoted:

"Fundamental concepts of our social organization" are involved in the test of the constitutionality of the Talbot Act, according to President Judge Horace Stern, of common pleas No. 2. He is one of the city's outstanding jurists and has been a leader in philanthropic endeavors during the past decade.

To save the time of the Senate I omit portions of the discussion. The article continuing quotes Judge Stern as saying:

Does anybody think that the governors of the various States are calling legislatures together to give charity? Does anybody think that the English Government pays the so-called dole to so many millions of English people in the sense of charity in which that word is ordinarily used? Would anybody say that the La Follette-Costigan direct aid bill now pending in Congress is an act of charity on the part of the United States Government?

I would call those acts not acts of charity but economic acts, acts of an industrial and economic nature, the same as a tariff bill or a bill regulating the hours of labor, or any other bill passed by the legislature, but not an act of charity.

Indeed, they are aimed to do exactly—

The statement agrees with what was averred yesterday in his eloquent address by the Senator from Idaho [Mr. BORAH]—

Indeed, they are aimed to do exactly for human life what the Federal $2,000,000,000 Reconstruction Corporation is to do for banking and commercial life—keep it alive until normal times return, and, indeed, so that they may return.

Another indorsement of the pending measure, dated February 9, 1932, has been received from the Woman's College of Alabama at Montgomery, Ala. This letter of transmittal was addressed to Prof. John Dewey, of New York, by whose authority I use the indorsement on this occasion.

The petition, dated February 6, 1932, reads as follows:

FEBRUARY 6, 1932.

Hon. HUGO BLACK,
Senate Office Building, Washington, D. C.

HONORABLE SIR: The faculty and students of the Woman's College of Alabama, along with all thoughtful citizens, are deeply concerned over the present economic situation. In order to have this interest intelligent rather than sentimental, the Young Women's Christian Association and the league forum have sponsored since last October a series of serious discussion periods with outstanding Montgomerians as speakers, upon economic problems and social obligations. The large group of interested participants in these discussion periods wishes to urge you to use your influence to dispatch Federal action on unemployment relief.

The Senate bill sponsored by you for the appropriation of funds for public works is laudable. It is a step in the direction of permanent solution without resort to palliative measures. However, we feel that serious social ills require drastic treatment. We therefore urge you either to support the Costigan-La Follette bill, S. 3045, or to amend your own bill to make available Federal funds for the immediate and direct relief of the unemployed. We disapprove of the dole, but we disapprove much more heartily of undernourished and starving children. A sense of social responsibility should move us all to face intelligently and fearlessly the present social disaster.

The original petition is signed by Montine Lisenby, president of the student body; Frances Bates, president of the athletic association; Helen Wright, president of the senior class; Mary Gillen, State president of the Young Women's Christian Association; Edna Earle Smith, president of the Woman's College, Young Women's Christian Association; Dot Lee, president of the League Forum; and, as indicated in the letter of transmittal, by several hundred other student and faculty members.

In connection with human need in the State of Alabama, somewhat discussed here the other day, it appears desirable at this time to bring to the attention of the Senate some information generously offered for use here by a tireless friend of man, an indefatigable and exceptionally talented Representative in Congress from the State of Alabama. I refer to Hon. GEORGE HUDDLESTON.

Representative HUDDLESTON, on December 8, 1931, introduced a bill calling for the appropriation of $100,000,000 for the relief of persons residing in the United States who may be in need of the necessaries of life. His bill provides that the President should have authority to use and employ such agencies as he might create to cooperate with organizations, States, counties, and municipalities upon such terms and conditions as he may deem best.

Evidently, in introducing the measure, there were no questions in Mr. HUDDLESTON's mind with respect to invasion of the State's functions in safeguarding Federal funds contributed to the States from Washington.

Mr. HUDDLESTON has been good enough to permit the use here of letters received by him from residents of the State of Alabama.

He added in conversation the following among other statements of fact: He said in substance that family relief in Birmingham is now administered by the local chapter of the Red Cross. Funds are received from the community chest. There is no help from the National Red Cross. Last month the relief spent was about $62,000 for approximately 50,000 persons, representing an average of $1.20 per person for the month. In addition to the 50,000 who are now being fed in Birmingham, it is his judgment that there are approximately 25,000 more persons who are not receiving enough food for their health requirements.

Representative HUDDLESTON directed special attention to a letter of Mr. Howze, chairman of the local unit of the Red Cross. The only reservation he placed on the use of these letters was that, with the exception of the letter from Mr. Howze, the names of the signers, some of whom are unfortunate, be withheld.

I shall read extracts from but a few of these letters. Mr. Howze, of the Jefferson County Chapter of the American Red Cross, says in part:

We have Jefferson County divided into districts, and have a regular case worker investigating complaints in the Johns and Adger districts, where many are unemployed and where the demands on us are heavy.

* * * * * * *

In reply to a request from Senator BLACK as to our needs, I wrote him we would like to have about 9,000 packages of assorted garden seeds, and if you can assist him in any way in obtaining them for us I will appreciate it very much. Last year the National Red Cross gave us about 5,000 packages, which they purchased out of the drought-relief funds, but I do not believe they have any money available this year for these seeds; and it is possible you and Senator BLACK may be able to add an amendment to some bill authorizing the Government to distribute them. We have had such a mild winter that thousands are ready to begin planting their gardens, and the earlier we get the seed the better.

Another letter, the name of the signer of which I shall not read, says under date of January 7, 1932:

I was reading in the Birmingham Post that you told the Senate Unemployment Relief Committee that thousands of men, women, and children were suffering because of unemployment conditions in Birmingham, and that the situation here was "filled with dynamite."

And then I see where Harry J. Early, director of the Birmingham Community Chest, said—

The Senator from Alabama [Mr. BLACK], I am advised, read a telegram from him the other day.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. COSTIGAN. Certainly.

Mr. BLACK. The telegram I read was from Mr. Mervin Sterne, the gentleman who conducted the community chest drive.

Mr. COSTIGAN. Then my statement is erroneous and the suggestion is withdrawn.

Mr. BLACK. It is a very full statement, to which I will call the Senator's attention, of the number of unemployed and the increasing burden on the Red Cross and the community chest there.

Mr. COSTIGAN. The letter referring to Mr. Early continues—

That he believed you had been misinformed as to the conditions in Birmingham, and that this misinformation had led to your statement that there is suffering in Birmingham because of unemployment.

Now, what I wish to say is that I am sure you were far more correct in your estimation of the unemployment conditions here in Birmingham than Mr. Early. Although Mr. Early is supposed to be thrown in close contact with the unemployment situation here, I sincerely believe that if a thorough investigation was made of the unemployment situation, you would find it in great need of immediate attention. Mr. Early, I believe, is only thrown with the laboring class, which is cared for by the community chest when out of employment. But there is a class of people who are

suffering beyond any estimation, and are not getting any help because they have pride and self-respect, and will starve and suffer before they will call on charity for help. That class is the middle class, or white-collar class, the stenographer, the bookkeeper, the mechanic, etc., and these are the small-home owners who, when they had jobs, saved their money and invested it in small shares of what they thought to be sound stock, and put their money in building and loan associations, thinking that this was the proper way to save and increase their savings; and then these hard times came around, and they saw their stocks dwindle down to nothing and the building and loan associations refuse to let them have their money, and seeing the mortgages on their homes come due, and they not having enough money to pay the interest on the mortgage in order to renew it. These are the people who are really suffering because of unemployment; these are the people who are the "backbone of the Nation," and, if given jobs with a living wage, will do more to put the country back to normal times than any other one thing, because they will then begin to buy what they want and need, hire helpers, etc., and gradually put the country back to normal times. These people have stood just about all they can; and if relief doesn't come real soon, I can not help but believe there will be chaos. If you should be able to get this class of miserable but worthy people relief, you will be rendering your country the greatest service possible.

Another letter addressed to Representative HUDDLESTON says:

I have never asked a favor of any of my friends in Washington, D. C., but I am going to ask one of you. I have been cut off my job since July 15, 1930, lost everything I had, and have a wife and three children. Can't find or get anything to do. I am asking you to help me get something with the Government. I am a lumber inspector; know all grades of southern yellow pine and hardwood; handled mostly railroad material. I can do office work, or work men. Can furnish best of references. I am 43 years old. Will appreciate anything you can do, as I must have something to do. I can't let my family starve.

This letter is typical of other letters here, received by Representative HUDDLESTON.

Another letter to Mr. HUDDLESTON, from Birmingham, Ala., dated January 9, 1932, contains the following statements:

After reading your speech in the House of Representatives entitled, "No American Should be Allowed to Starve"; also your testimony to Manufactures Committee, I feel that you have stated the facts very mildly in both cases, and that there is no exaggeration on your part. I have also noticed the contradiction offered by Mr. Early and others.

I honestly believe that the general majority of people in your district are firmly behind your conviction and that they will uphold you in the future as they have done in the past.

The critical situation of unemployment, lack of proper and sufficient food and clothing, in conjunction with the scant supply of fuel in many cases, making people in general subject to disease to themselves and others, especially undernourishment of children by proper food, causes any honest citizen to resent the propaganda mongers, who delight to contradict you in your honest efforts to serve the common people.

Find inclosed a paper clipping concerning a pathetic case. Thousands of others would be in the same predicament if they were confronted with the same unfortunate and sad affair.

In closing I will state that I have been a resident of Jefferson County for 17 years. I am a voter and taxpayer, a Free Mason, and an ex-soldier. My four children, ranging in age from 18 to 25, have been educated in the schools of Jefferson County, business colleges of Birmingham, and in one case University of Alabama. I have been and I am now a wage earner. Therefore, I know the needs of the common people.

I hope you will find strength and courage to continue your fight for principles that are dear to real Americans.

Without reading further from the many letters before me, I shall conclude these references to Alabama by calling attention to a resolution adopted at Bessemer, Ala., according to information reaching me, at the county courthouse, on February 6, 1932. The resolution, as transmitted, is this:

BESSEMER, ALA., *February 6, 1932.*

At a mass meeting held on the above date, attended by an audience of about 500, called for the purpose of discussing the unemployment situation in the country as a whole, and particularly in the Bessemer district, the following resolution was unanimously adopted at this meeting:

"Whereas there now exists in the United States an unparalleled unemployment situation; and

"Whereas at this time there is less than 15 per cent of the normal pay roll of Jefferson County employed, and particularly is this true in the Bessemer cut-off, where practically all of the plants, shops, furnaces, and mines are practically closed down, and have been for the last past year; and

"Whereas a conservative estimate made by people who are directly affected shows approximately between thirty-five and fifty thousand wage earners are now unemployed in Jefferson County, this not including the small business men and their employees, who are directly affected by this unemployment situation; and

"Whereas the Red Cross and charitable organizations of Jefferson County have done much to relieve the suffering brought about as a direct result of this unemployment situation, and in some instances the employers have contributed liberally to the maintenance of their employees and their families, and for all of this we are greatly appreciative; but, notwithstanding the response from these various sources, the Bessemer district is at this time facing a grave situation, and many families are destitute, and this condition is increasing daily; and

"Whereas our Federal Government in the past has seen fit to relieve the flood sufferers and other unfortunate conditions in our country; and

"Whereas our Government has recently seen fit to appropriate large sums of money for the use and benefit of defunct banks and like financial interests in our country, but our Government has failed to realize and appreciate the unemployment condition and the suffering of the wage earners and the producers of our national wealth; and

"Whereas there is now pending in Congress a bill known as the La Follette-Costigan bill, and in principle and purpose we believe would go far toward relieving the present destitution and suffering of the working people as well as the great masses:

"Therefore we unhesitatingly indorse said bill, and we further ask all of our Government officers, including State, county, and municipal, to support and use their influence to persuade our Senators and Congressmen to vote for and support said measure. And we further appreciate the loyal and patriotic stand that our Congressman, GEORGE HUDDLESTON, has taken by supporting this bill: Be it further

Resolved, That a copy of the resolution be forwarded to our Senators, namely, HUGO BLACK and JOHN BANKHEAD, and also to our Congressman, GEORGE HUDDLESTON, and that a copy also be furnished the press.

R. L. LEMONS,	J. R. MINKS,
CHAS. KNIGHT,	J. A. COSPER,
N. R. EDWARDS,	A. W. DEASON,
J. A. LIPSCOMB,	JOHN J. O'GARA,
J. W. REYNOLD,	F. A. KACHELHOFER,
	Committee.

Mr. President, there is practically nothing I now desire to add to this discussion, except to direct attention to legislation heretofore enacted by the Congress to which it has not been customary to raise technical objections on this floor.

Some days ago I drew attention to the so-called emergency appropriation for special study and demonstration work in rural sanitation, Senate bill 1234, which passed this body some days ago without the slightest comment or criticism. It is unnecessary to elaborate that discussion, but lest there be doubt as to the history of this bill and preceding similar bills, perhaps it is well to refer to part of that history.

In the Seventieth Congress, the Senator from Kentucky [Mr. BARKLEY] gave notice, on February 26, 1929, that he was going to move to suspend the rules for the purpose of proposing, in the second deficiency appropriation bill for the fiscal years ending June 30, 1929, and June 30, 1930, that a supplemental appropriation of $130,500 be provided for the Public Health Service. On February 28, 1929, he offered an amendment to the second deficiency appropriation bill, reading as follows:

Studies in rural sanitation: For an additional amount for studies in rural sanitation, including the same objects specified under this head in the act making appropriations for the Treasury Department for the fiscal year 1930, $130,500.

He explained that this amount, over and above the regular appropriation, was needed for rural sanitation in the seven States inundated by floods of 1927 and 1928. The Senator from Utah [Mr. SMOOT] objected, that they had their regular appropriation for the current and next fiscal year, but the Senator from Kentucky insisted that it would mean disbanding the organization then functioning in the Mississippi Valley unless they could have this additional appropriation now and going on after July 1, 1929. The following debate ensued:

Mr. SMOOT. Am I to understand the Senator to mean that the organization is going to be continued right along because of the fact that there was a flood in some of the Southern States?

Mr. BARKLEY. No; not at all. The health departments of the States which are asking for this appropriation do not expect that. They had hoped to be able to recommend a reduction of 50 per cent in the appropriation, but the recurrence of another flood in 1928 caused the various counties, which are putting up one-half of the necessary amount to bring about a rehabilitation of healthy conditions, to lose a second crop and, as testified by various county judges and State boards of health, they are absolutely unable to assume the burden of the work in view of the disorganized

economic condition. If the appropriation is denied, the work will have to be begun at the beginning again, and that, of course, is not desirable.

The amendment of the Senator from Kentucky was agreed to on February 28, 1929.

In the Seventy-first Congress a separate bill (S. 5440) to authorize an emergency appropriation for special study of and demonstration work in rural sanitation, was introduced by the senior Senator from Arkansas [Mr. ROBINSON] on December 18, 1930. It was referred to the Committee on Agriculture and Forestry, and reported with amendments on January 22, 1931. On the same day the bill was reported the Senator from Kentucky [Mr. BARKLEY] offered the following amendment to the first deficiency appropriation bill, then under consideration:

There is hereby appropriated to the Treasury Department for the Public Health Service for the fiscal year ending June 30, 1931, any unexpended balance of which shall be available for the fiscal year ending June 30, 1932, for cooperation with State health departments in rural sanitation, including medicines, biological products, personal and medical services, the sum of $3,000,000.

The Senator from Washington [Mr. JONES] made a point of order against the amendment. The Senator from Kentucky [Mr. BARKLEY] argued that it was not subject to a point of order. Some discussion followed.

Both the chairman of the Committee on Agriculture and Forestry, the Senator from Oregon [Mr. MCNARY] who had been absent from the hearing, and the acting chairman, the Senator from West Virginia [Mr. HATFIELD], stated that this was not the action of the committee, and the Senator from Kentucky also admitted that that was not the case. The amendment would then have gone out on a point of order but, after appeals by the Senator from Kentucky [Mr. BARKLEY] and by the Senator from Arkansas [Mr. Caraway], who urged that an epidemic of pellagra and typhoid fever was already breaking out in the drought-infected areas, the Senator from Washington [Mr. JONES] withdrew his point of order, and the amendment was adopted by the Senate.

The conference committee reduced the amount to $2,000,000 and changed the wording to read:

For special studies of and demonstration work in, rural sanitation, including the purchase and distribution of medical supplies, in the drought-stricken areas, and including personal services, fiscal years 1931 and 1932, $2,000,000: *Provided*, That no part of this appropriation shall be available for demonstration work in rural sanitation unless the State, county, or municipality affected agrees to pay such proportion of the expenses of such demonstration work, as shall be required in regulations to be prescribed by the Public Health Service, in which due consideration shall be given to State and local economic conditions and human needs, the extent and circumstances of such cooperation in each case to be reported to Congress at the beginning of each regular session (first deficiency act, February 6, 1931, vol. 46, p. 1074).

Later in the session, when Senate bill 5444 was reached on the calendar and it was moved to indefinitely postpone it since it had been incorporated in an appropriation bill, the Senator from Arkansas [Mr. ROBINSON] objected and stated that he preferred to have the bill just go over in the usual way.

In the Seventy-second Congress a like bill was again introduced by the Senator from Arkansas [Mr. ROBINSON] on December 10, 1931, Senate bill 1234, and was referred to the Committee on Agriculture and Forestry. After hearings, the bill was reported with amendments on January 20, 1932. When the bill was reached on calendar day January 25, 1932, the committee amendments, striking out "in the drought-stricken areas of 1930," and other words made necessary by this amendment, were adopted by the Senate, and the bill passed.

Mr. President, indicative of the attitude of Members of the Senate in regard to legislation, except with respect to the relief of human needs, it now appears proper to direct attention to the language included in the act approved July 11, 1916, with reference to the expenditure of Federal funds in connection with State road building. Section 6 of that act contains this language:

SEC. 6. That any State desiring to avail itself of the benefits of this act shall, by its State highway department, submit to the Secretary of Agriculture project statements setting forth proposed construction of any rural post road or roads therein. If the Secretary of Agriculture approve a project, the State highway department shall furnish to him such surveys, plans, specifications, and estimates therefor as he may require: *Provided, however*, That the Secretary of Agriculture shall approve only such projects as may be substantial in character and the expenditure of funds hereby authorized shall be applied only to such improvements. Items included for engineering, inspection, and unforeseen contingencies shall not exceed 10 per cent of the total estimated cost of the work. If the Secretary of Agriculture approve the plans, specifications, and estimates, he shall notify the State highway department and immediately certify the fact to the Secretary of the Treasury. The Secretary of the Treasury shall thereupon set aside the share of the United States payable under this act on account of such project, which shall not exceed 50 per cent of the total estimated cost thereof. No payment of any money apportioned under this act shall be made on any project until such statement of the project, and the plans, specifications, and estimates therefor, shall have been submitted to and approved by the Secretary of Agriculture.

Apparently it is not customary in this body to assail provisions of this sort, reasonably designed to safeguard Federal expenditures, as tyrannical and subverting established and proper relations between the States and the Federal Government. We find here new protests against reasonable precautions for the protection of public funds expended for national purposes.

Mild, indeed, are the provisions for Federal control in the pending bill when compared with the provisions of the Federal act relating to the construction of public roads. The safeguards in the pending bill are careful, but in no sense do they invade the sovereignty of any State.

Mr. President, I shall conclude by asking permission to have printed in the RECORD certain information and comments on State and Federal cooperation in regard to public health, and the effective relation thereto from time to time of the Children's Bureau of the Department of Labor.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, it is so ordered.

The information and comments are as follows:

Committee B of section 1, medical service, of the White House Conference on Child Health and Protection, dealing with prenatal and maternal care, was under the chairmanship of Dr. Fred L. Adair, professor of obstetrics and gynecology, University of Chicago. In the Addresses and Abstracts of Committee Reports, published by the White House conference, page 89, appears the following statement by Doctor Adair:

"The interest and zeal of the Children's Bureau of the Department of Labor and the Census Bureau have been of invaluable aid in the collection and correlation of statistical data on factors causing maternal mortality. The Children's Bureau has given valuable service in the direction of the administration of the Federal maternity and infancy act and in other demonstrations, in addition to the publication of many bulletins of educational and practical value dealing with maternal and infant and child welfare.

"The practical results of the maternity and infancy act are impossible to evaluate, but it is significant that all but three of the State bureaus of child hygiene cooperated fully in carrying out the demonstrations. Most of them are continuing maternal and child welfare work. Through the continued cooperation of the State bureaus of child hygiene much valuable work may be done and information secured."

Excerpt from official proceedings of the White House Conference on Child Health and Protection, Washington, D. C., November 22, 1930, page 46:

"Whereas the studies of infant mortality made by the Children's Bureau and by others show that infant mortality is greatly influenced by the factors of education, income, and general living standards of families; and

"Whereas effective measures to reduce infant mortality and to promote child health must take into account these and related factors; and

"Whereas the Children's Bureau has from its beginning conducted its studies and based its constructive activities with relation to all phases of child life and all the factors influencing it: Therefore, be it

"*Resolved*, That it is the sense of this committee on dependency and neglect of the White House Conference on Child Health and Protection of 1930 that the present statutory provisions as to the function of the Children's Bureau and its present staff and operation should continue intact."

Excerpts from hearing on Child Welfare Extension Service before the Committee on Interstate and Foreign Commerce, House of Representatives, January 20, 21, and 22, 1931:

"It has been reported to the National League of Women Voters that prompt resumption of the maternity and infancy work under the Children's Bureau has been asked to meet the immediate need, for it is urged by many prominent doctors and others who are familiar with the situation.

"Among the doctors are: Drs. Walter Fischel, Medical School, Washington University, St. Louis; George H. Crooker, Providence,

R. I.; Charles Bardeen, dean Wisconsin State Medical School; Dorothy Reed Mendenhall, president Madison (Wis.) Child Welfare Clinic; Charlotte Calvert, Wisconsin State Board of Health, director of maternity and child hygiene; Wells P. Eagleton, Newark, N. J.; Charles S. Bacon, Chicago (Ill.) obstetrician; Fred Adair, University of Chicago; James Steward, Missouri State health commissioner; Virgil C. McCarthy, Kansas City, Mo.; John Rowley, Hartford, Conn.; John E. Gonce, professor of pediatrics, Wisconsin State Medical School; C. F. Kendall, health commissioner of Maine; Graeme Mitchell, director of the research department, Children's Hospital, Cincinnati; Julius Hess, Chicago; Ellery Reed, director Trounstine Research Foundation, Cincinnati; Richard C. Small, Portland, Me.; Harry E. Davis, Portland, Me.; John Davis, Portland, Me.; Earle Hall, Portland, Me.; Harriet B. Jones, West Virginia; Ella V. Dodge, Chicago, Ill.; Allison Hodges, president Medical Society of Virginia; Greer Baughman, chairman of maternity and infancy of the Medical Society of Virginia; W. T. Lindsay, president Madison (Wis.) Public Welfare Association; C. W. Harper, president Wisconsin State Board of Health.

"Support is also given by Mary S. Gardner, Providence, R. I., internationally known authority on public-health nursing; Mayor Robbins, Norwich, Conn.; State Nurses' Association, Michigan; Michigan Parent-Teachers Association; 17 officers of organizations in West Virginia; Women's Missionary Council of Methodist Church South, with constituency of 200,000 women." (P. 145.)

* * * * * * *

Page 31, from statement of Dr. A. T. McCormack, secretary State board of health, Louisville, Ky.:

"The passage of the Sheppard-Towner Act in the final form in which it was approved by this Congress has proven its value. In no other respect has it so definitely proven as by the evidence it has built up in every State in the Union as to the necessity for such full-time local health organizations for the effective development of maternity and infancy program, which should at the same time educate all the people in all problems of public health.

"Those who oppose this legislation speak both loud and long about the terrible results that are to develop from its enactment. I challenge any one of them to take from the reports of the Surgeon General of the United States Public Health Service or of the Children's Bureau or of the Agricultural Department, in the development of its 4-H clubs any Federal action which has invaded the rights of any State, any State action that has overridden the wishes of any community. Clothed in the imponderability and complexity of constitutional argument they would prevent all human progress. Every bit of evidence presented against the original Sheppard-Towner Act before this committee will be reproduced to-day, idea for idea, word for word, thought for thought, and no justifiable complaint against any of its operations or that of the division of rural sanitation of the United States Public Health Service will be brought to your attention. Full-time county health departments have been developed slowly since the first ones were established in Kentucky and Washington in 1908. Enough have been developed and maintained over periods of years to make it apparent to any student of the subject that they must become a part of the warp and woof of our Federal, State, and local government. The Sheppard-Towner law was in existence for seven years. I challenge those who oppose the enactment of this bill into law to show where the rights or immunities of any State or individual have in the slightest degree been abridged during this period of development."

Resolution adopted at the forty-fifth annual meeting of the State and Provincial Health Authorities of North America, held in Washington, D. C., June 18, 19, 20, 1930

Whereas it is recognized by public health administrators that local public health work, which brings it into important contact with the people in their homes, whether in the city, suburban, agricultural, or industrial districts, is essential to public welfare; and

Whereas demonstrations in practically every State have definitely proven the value of the county, district, or parish unit in public health work, and that such units can best be developed by proper cooperation between the local, State, and Federal Governments, which should jointly finance and standardize them while maintaining State and local control of their personnel; and

Whereas the maternal and infant health work conducted by the States, in cooperation with the United States Children's Bureau, has demonstrated the importance of this work so that it must be maintained during the transition while county and district health departments are being organized and developed in the United States under the plan wisely formulated by the United States Public Health Service in cooperation with this organization: Now, therefore, be it

Resolved by the Conference of State and Provincial Health Authorities of North America, That we approve the Cooper bill, H. R. 12995, in principle and express our gratitude to the President of the United States for his enlightened leadership in making it a part of the program of the administration, and that he petition the Senate and House of Representatives of the United States to carefully consider this measure, with a view to perfecting it and adopting it at the next session of Congress as the most important step for relieving the burden of the agricultural population of the United States—the protection of their health and lives.

Mr. LOGAN. Mr. President, I should like to ask the Senator a question before he takes his seat.

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Kentucky?

Mr. COSTIGAN. With pleasure.

Mr. LOGAN. The Senator has doubtless noticed in the press that the President has set up an organization to bring money from hiding, and it is said they are going to make a house-to-house canvass. I suppose they are going to "doodle bug" the money out in some way, and I have been wondering if the Senator from Colorado had given consideration to that matter and whether he does not think we may not need to pass the pending bill if they get the money in that way?

Mr. COSTIGAN. Mr. President, the question of the Senator from Kentucky is evidence that the subject will be well taken care of by him and others.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Kean	Schall
Austin	Dale	Kendrick	Sheppard
Bailey	Davis	Keyes	Shipstead
Bankhead	Dickinson	King	Smith
Barbour	Dill	La Follette	Smoot
Barkley	Fess	Lewis	Steiwer
Bingham	Fletcher	Logan	Stephens
Black	Frazier	McGill	Thomas, Idaho
Blaine	George	McKellar	Thomas, Okla.
Borah	Glass	McNary	Townsend
Bratton	Glenn	Metcalf	Trammell
Brookhart	Goldsborough	Morrison	Tydings
Broussard	Gore	Moses	Vandenberg
Bulkley	Hale	Neely	Wagner
Bulow	Hastings	Norbeck	Walcott
Byrnes	Hatfield	Norris	Walsh, Mass.
Capper	Hawes	Nye	Walsh, Mont.
Caraway	Hayden	Oddie	Waterman
Carey	Hebert	Patterson	Watson
Coolidge	Howell	Pittman	Wheeler
Copeland	Hull	Reed	White
Costigan	Johnson	Robinson, Ark.	
Couzens	Jones	Robinson, Ind.	

The PRESIDING OFFICER. Ninety Senators having answered to their names, a quorum is present.

Mr. HEBERT. Mr. President, in the consideration of the measure now pending before the Senate I have been interested to observe some of the responses which were made to the inquiry propounded by the chairman of the Committee on Manufactures [Mr. LA FOLLETTE], particularly as they referred to conditions in my own State. There are in Rhode Island 39 cities and towns. I assume the committee transmitted its inquiries to the mayors and to the chief executives of all those municipalities in Rhode Island.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Wisconsin?

Mr. HEBERT. Certainly.

Mr. LA FOLLETTE. In the first place, may I say to the Senator from Rhode Island, that the questionnaire was not sent out by the committee. It was sent out by me prior to the meeting of Congress and before the committee took up the question. The census list of all incorporated villages, towns, and cities was addressed. These are the replies which have come from that general list.

Mr. HEBERT. Then, Mr. President, it follows that every town and city in our State received one of the questionnaires, because they are all incorporated municipalities.

Mr. LA FOLLETTE. That is correct.

Mr. HEBERT. I note that but two replies came back from Rhode Island in answer to those inquiries—one from the mayor of the city of Pawtucket, a city of 80,000 population, and the other from the mayor of the city of Providence, the capital of the State. In the case of the 37 remaining cities and towns, inasmuch as no responses were made, it is fair to assume that they do not need Federal aid to care for their dependents. The response which came from Pawtucket indicated that there was no need in that city for Federal relief. The response from Providence was quite to the contrary. I am at a loss to understand the attitude of the mayor of the city of Providence as disclosed in his answer to the questionnaire, having in mind what

has already been done in our State to relieve unemployment and what had already been done at the time the questionnaire was directed to the mayors and chief executives of our cities and towns.

In the latter part of 1931 the subject of relief of unemployment received the very serious attention of our welfare organizations and of those interested in the affairs of the government of our State and its municipalities. Some time in the month of October the governor of our State received an inquiry from the relief committee appointed by the President of the United States desiring to be informed as to whether or not Rhode Island would be able to provide relief for unemployment and distress during the coming winter. The governor replied, in effect, that Rhode Island would take care of its own.

Subsequently, in the month of November last, he called a special session of the legislature of our State to consider the subject of unemployment. The legislature met for one day and during that session enacted a law to provide for unemployment relief, for the creation of a relief commission, to provide that cities and towns might borrow money for unemployment relief and issue notes, to provide for the distribution and administration of said relief, and making appropriations therefor. That act made an appropriation of $1,500,000. It provides that any city or town in the State may borrow from the State up to one-tenth of 1 per cent of its taxed valuation of real and personal property. Many of our municipalities have availed themselves of the provisions of the act. They may borrow this money at the rate of 3 per cent.

The city of Providence until recently had not availed itself of the provisions of the law enacted for this relief, but I have been informed recently that it is now in a way to do so. It occurred to me that the nature of this legislation is such that it might be informative to the Senate, and I ask that the act may be reproduced in the RECORD in full as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The act referred to is as follows:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS,
Special Session, November, 1931.

Creating an unemployment relief commission and defining its powers and duties; authorizing the several cities and towns to borrow money for unemployment relief and issue notes therefor; providing for the distribution and administration of said relief; and making appropriations to purchase said notes and for the expenses of said commission

It is enacted by the general assembly as follows:

SECTION 1. Whenever used in this act, unless the context otherwise requires—

(a) "Town" includes city.

(b) "Town council" includes board of aldermen and the city council in the city of Cranston.

(c) "Commission" means the State unemployment relief commission hereinafter created.

(d) "Notes" include promissory notes, debentures, bonds, and such other promises to pay and/or acknowledgments or evidences of indebtedness as said commission may authorize any town to issue in accordance with this act.

(e) "Public works" includes State as well as town public works, and also hospitals and educational institutions supported wholly or in part by State or town appropriations, and such other activities of a public nature as may be approved by said commission.

SEC. 2. There is hereby created a commission to be known as the State unemployment relief commission, to consist of the bank commissioner, who shall act as chairman of said commission, the chairman of the board of tax commissioners, and the general treasurer, each acting ex officio. The members of said commission shall serve without pay as such, but said commission may employ such assistants, fix their duties and compensation, and expend such sums for office expense, printing, binding, and advertising and traveling expense and equipment as it deems necessary within the amount appropriated therefor. The statehouse commission shall furnish said commission with suitable offices and telephone service in the statehouse or State office building for the transaction of its business.

SEC. 3. Clause 1. In addition to the existing powers of towns to borrow money, the town council of any town may from time to time until April 1, 1933, with the written consent of said commission, borrow money for expenditure in accordance with the provisions of this act and issue the notes of said town therefor. Said notes shall be renewable from time to time, with the consent of said commission, upon the application of said town council; but the time of payment shall not be extended beyond June 30, 1933: *Provided*, That the aggregate amount of said notes outstanding at any one time shall not exceed one-tenth of 1 per cent of the total taxable property of said town as reported to the board of tax commissioners as of June 15, 1931. Said notes shall be obligatory on said town in the same manner and to the same extent as other debts lawfully contracted by said town, but shall be excepted from the operation of section 22 of chapter 47 of the general laws as amended.

Clause 2. The sum of $1,500,000 is hereby appropriated out of any money in the treasury not otherwise appropriated for the purchase of said notes, and when authorized by said commission the State comptroller shall draw his orders upon the general treasurer for such sums as may be from time to time required for said purpose within the amount appropriated therefor.

Clause 3. Said notes shall be of such denominations, payable at such times as said commission shall prescribe, but not later than June 30, 1933, and bear interest at the rate of 3 per cent per annum, payable quarterly, by the town issuing said notes out of its own funds. Said notes shall, under such regulations as said commission may prescribe, be callable at par by the town council at any interest date upon 10 days' notice to the general treasurer.

Clause 4. Said commission shall approve said notes as to form and substance. Said notes shall be signed by the president of the town council, or some other member of said town council authorized so to do by said town council, and the town treasurer.

Clause 5. The general treasurer shall set up a special relief account for each town. Said notes, when purchased by the State, shall be turned over to the general treasurer and the proceeds shall be retained by the general treasurer in the special relief account for said town to be withdrawn as hereinafter provided.

Clause 6. The general treasurer shall deposit, subject to his order, all moneys received by him under this act, in such safe and responsible banks and trust companies, located within this State, having a paid-in capital stock of at least $500,000, as will give the highest rate of interest therefor.

SEC. 4. The director of public aid in each town shall, in accordance with the provisions of this act, the rules and regulations made thereunder and the estimate provided for in section 8 of this act, disburse the funds made available by this act in his town, and he may, subject to the approval of the town council of his town, employ such assistants and incur such administrative expenses as may be necessary to an amount not exceeding 3 per cent of the estimate required by section 8 of this act, as approved by said commission for the period in which said amount is to be expended. Said director shall promptly furnish his town council and said commission with such information relative to the administration of this act in his town as they may require of him. The directors of public aid may, with the approval of said commission, delegate to their assistants the performance of any duty imposed or the exercise of any power conferred upon said directors by this act, or any lawful rule or regulation made thereunder.

SEC. 5. Within 10 days after the passage of this act, and whenever thereafter required by his town council, the director of public aid for each town shall in writing and in the form required by said commission furnish his town council with a detailed program of public works upon which he proposes to employ the persons in his town granted, or to be granted, relief under this act, giving a schedule of hours, wages, and such other information as said commission or his own council may require. After the town council has approved said program as submitted, or as amended by it, said town council shall forward the same to said commission for its approval, and after said commission has approved said program as forwarded to it or as amended by it, said director shall grant no relief under this act to any person except for services actually performed on such approved public works unless he and the president of the town council shall certify to the town treasurer, in such form as said commission may prescribe, that no such employment is available for such program. Said program may be amended at any time by said commission or by the director of public aid with the consent of the town council and said commission.

SEC. 6. Whenever any person, who has lived at least two years in the State and at least six months in the town in which he applies, shall in writing and under oath, on a form prescribed by said commission, and containing such information as said commission may require, apply to the director of public aid of said town, stating that he is able and willing to work but can not obtain employment, and that he or those or some of those solely and legally dependent upon him for support are suffering or are about to suffer from the lack of the necessities of life on account of his said lack of employment, said director shall, after such investigation as said commission may by rule require, and such other investigation as he deems necessary, if he is satisfied that such statement is true, (a) furnish him with employment on the approved public works in accordance with the rules and regulations of said commission and pay him from the funds received from the general treasurer as provided in section 8 of this act at whatever rate per week may be fixed from time to time by said commission, but in no case to exceed $15 for a week of such hours as may be fixed by said commission; (b) if, however, no such work is available for the applicant, said director shall, under such rules and regulations as said commission may prescribe, upon certifying that fact to the town treasurer as provided in section 5 of this act, and in accordance with the rules and regulations of said commission, furnish such applicant with such food, fuel, clothing, and other necessities as will keep him and those solely and legally dependent upon him for support from suffering, at a rate to be fixed by said director, but not exceeding $1 per day for such applicant and 50 cents per day for each person solely and legally

dependent upon him for support, and not exceeding $15 per week for any one family, and pay for said necessities out of the funds received from the general treasurer as provided in section 8 of this act.

SEC. 7. Each director of public aid shall endeavor at all times to obtain private employment for the unemployed persons in his town, and shall furnish no relief under this act to any person who, he is satisfied, is able but unwilling to work, or who refuses without good and sufficient reason to do any public or private work offered to him.

SEC. 8. Each director of public aid shall furnish his town council with his estimate in duplicate, and in such form as may be required by said town council, of the amount required for the next period fixed by said commission for the relief of the unemployed of the town; and when said town council has approved said estimate as made or as amended by it said town council shall forward same to said commission for its approval, and after said commission has approved said estimate as forwarded to it or as amended by it said commission shall certify the same to the State comptroller, who shall draw his order upon the general treasurer for the payment to the treasurer of said town of the amount so approved and certified by said commission, and the general treasurer shall charge the same to the special-relief account of said town, and said town treasurer shall pay out the same upon proper vouchers approved by the director of public aid.

SEC. 9. With the approval of his town council, the director of public aid may, in accordance with the rules and regulations prescribed by said commission, include in his estimate, provided for in section 8 of this act, such sums as he deems necessary for materials and facilities for use in connection with his program of approved public works upon which the unemployed of his town are or are to be employed.

SEC. 10. Authority is hereby given to said commission, in addition to the authority hereinbefore given to it, to make from time to time all needful general and special rules and regulations to carry out the provisions and purposes of this act.

SEC. 11. The members of said commission, for the purpose of ascertaining whether a town is properly administering this act, are hereby authorized personally, or by their assistants thereunto authorized by said commission, to examine any books, papers, records, or memoranda bearing upon the administration of this act in said town, and may require the attendance of any officer or employee of said town having knowledge in the premises and may take his testimony with reference to the same, with power to administer oaths to said person or persons; and the superior court for the county in which such officer or employee resides shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or memoranda.

SEC. 12. The members of said commission, its employees, the several directors of public aid, and their respective assistants are hereby authorized to administer any oath provided for by this act or by any lawful rule or regulation made thereunder.

SEC. 13. Any person who knowingly makes a false statement in any form, application, return, or other paper herein referred to, or provided for in any lawful rule or regulation made by said commission, or willfully obtains or attempts to obtain in any manner for himself or another, or grants, furnishes, uses, or attempts to grant, furnish, or use otherwise than authorized in this act, or by the lawful rules and regulations made thereunder, any relief of any kind provided for under this act, or who fills or uses any food order or order for other necessities issued by a director of public aid otherwise than in accordance with its directions and the provisions of this act and the lawful rules and regulations made thereunder, shall be deemed guilty of a misdemeanor, and in addition to other penalties provided by law shall be fined not more than $1,000 or imprisoned for not more than one year, or both, in the discretion of the court.

SEC. 14. Every town officer or employee, whether elected or appointed, shall cooperate with said commission in making effective the provisions of this act in his town, and any such officer or employee failing to so cooperate shall be deemed guilty of a misdemeanor and upon conviction shall be fined not more than $1,000 or imprisoned for not more than one year, or both, in the discretion of the court.

SEC. 15. No work done by any town under this act upon any way or street shall constitute or be any evidence of an acceptance of such way or street by said town, nor shall it in any way change the status of said way or street. Likewise no work done upon any way or street under this act shall constitute or be any evidence of an acceptance of said way or street by the State board of public roads, nor shall it in any way change the status of said way or street.

SEC. 16. If any provision of this act or of any rule or regulation made thereunder, or the application thereof to any person or circumstances, is held invalid by a court of competent jurisdiction, the remainder of the act, rule, or regulation, and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 17. For the purpose of paying for personal services, office expenses, printing, binding and advertising, and traveling expense and equipment, and for carrying this act into effect the sum of $35,000 is hereby appropriated, out of any money in the treasury not otherwise appropriated, to be expended during the period ending June 30, 1933, and the State comptroller is hereby authorized and directed to draw his orders upon the general treasurer for the payment of such sum or so much thereof as may be required upon receipt by him of proper vouchers approved by any two members of said commission.

SEC. 18. This act may be cited or referred to as "The act for the relief of the unemployed," and shall take effect upon its passage.

Mr. HEBERT. Mr. President, I may add that the governor of our State has received many commendatory letters from all parts of the country upon the attitude of our legislature and of the people of Rhode Island in making this provision for relief. It has worked out very satisfactorily, and I am assured that there will be no want of funds in the event that the present appropriation shall be exhausted.

The State of Rhode Island is determined to take care of whatever need may arise within its borders. We shall provide the necessaries of life and we shall do so through our own means. Of course, I am not overlooking the activities of the many excellent charitable organizations that are operating to this end in Rhode Island; they have done a splendid work; I am sure they will continue their efforts; but, if need be, to supplement what the charitable organizations are doing and have done or to supplement what the legislature has done by the appropriation of funds, I think I am justified in saying that we shall not resort to any Federal appropriation for the purpose, but that we shall provide the necessary means to do that which we feel we are called upon to do.

Mr. MORRISON. Mr. President, the two measures—the so-called La Follette-Costigan bill and what we have come to call the Black substitute therefor—while probably they do not in a technical sense legislate for two years, yet under legislative practice and the practices of the Treasury Department they in reality do so. I do not think it wise to enact emergency legislation to cover two years. I am quite sure that if the present emergency is to pass at all it will pass long before that time will have elapsed.

The Black substitute provides that only $125,000,000 of the $375,000,000 provided for loans to the States for the relief of unemployment shall be used during this fiscal year, and a similar restriction is made applicable to the road provision of the substitute. At the proper time I expect to offer amendments which I have prepared looking to the appropriation of $125,000,000 at once for each purpose and to let the future take care of itself. It seems to me that we Democrats ought not to assume that we are going to have two years of depression and unemployment under the Democratic administration, which I confidently expect to see inaugurated next year; and it does seem to me that if we legislate for this year we shall have met our duty, in view of the terrible burdens under which the Treasury now struggles.

Therefore, Mr. President, I am going to offer the amendments to which I have referred to the Black substitute, so that if it shall be adopted there will be provided for immediate use $125,000,000 for each purpose embraced in the measure. I think if we shall do that, we shall have discharged the duty of the Government in the present, and as to the future we can deal with that when the time comes.

The La Follette-Costigan bill is subject to the same objection, as it seems to me, namely, that it proposes to appropriate at once $375,000,000, making only $125,000,000 available at this time and during the present fiscal year. It seems to me to go beyond the latter sum would be utterly unnecessary at this time.

The VICE PRESIDENT. The question is on the first committee amendment, which the Secretary will state.

The first amendment of the Committee on Manufactures was, in section 4, page 5, line 20, after the word "apportioned," to insert "or allocated," so as to make the clause read:

(c) The amounts apportioned or allocated to any State under this act shall be available for payment to and expenditure by such State, for the purposes of this act, until the expiration of two years after the date of enactment of this act.

The amendment was agreed to.

The next amendment was, in section 10, page 10, line 10, after the word "by," to strike out "moneys apportioned to the State," and to insert "any moneys paid or to be paid to

the State from the apportionment," so as to make the clause read:

SEC. 10. (a) Whenever, from the statement furnished by the State agency and verified by the board, it appears that the combined moneys available from local and State funds within the State, supplemented by any moneys paid or to be paid to the State from the apportionment on the basis of population, will fall below the estimated needs for emergency relief in any State, the board shall consider the State eligible for allotment of the reserve funds to be allotted to the several States on the basis of need; but no such allocation shall be made to any State unless the board is satisfied that the State or its political subdivisions have made reasonable efforts within their resources to provide for emergency relief expenditures.

The amendment was agreed to.

The VICE PRESIDENT. The Senator from Nebraska [Mr. NORRIS] gave notice that he would offer an amendment to this section of the bill.

Mr. ASHURST. Mr. President, I respectfully ask that the amendment proposed by the Senator from Nebraska may be read or that it be printed in the RECORD at this point.

The VICE PRESIDENT. Let the amendment proposed by the Senator from Nebraska be read, if he desires to offer it now.

Mr. NORRIS. Yes; I desire to offer the amendment now, and I have already sent it to the clerk's desk.

Mr. COSTIGAN. I inquire if the amendments to the pending bill, which have just been adopted by the Senate, were those submitted by the Senator from Wisconsin [Mr. LA FOLLETTE]?

The VICE PRESIDENT. They were, being the committee amendments.

Mr. MCNARY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MCNARY. With the amendment just agreed to, have all the committee amendments been acted upon?

The VICE PRESIDENT. All the committee amendments have been agreed to. The amendment now pending is that proposed by the Senator from Nebraska, which will be read for the information of the Senate.

The LEGISLATIVE CLERK. On page 12, after line 14, it is proposed to insert:

TITLE II

SECTION 1. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $375,000,000 (one-third of which shall be immediately available) for the purpose of the construction and reconstruction of highways under the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented. Such amount shall be in addition to any amounts heretofore authorized to be appropriated for such purposes, but not more than $125,000,000 thereof shall be expended in the fiscal year ending June 30, 1932.

SEC. 2. The sums appropriated pursuant to the authorization contained in section 1 shall, from time to time, be apportioned by the Secretary of Agriculture among the several States in the manner provided by section 21 of the Federal highway act, as amended, and shall be available for expenditure upon highway projects approved by the Secretary of Agriculture, in the same manner as other funds appropriated for carrying out the provisions of such act; except that no part of such amounts apportioned to any State need be matched by State funds, and except that such amounts may be expended upon highways, streets, or bridges within the limits of municipalities without regard to the limitations contained in the Federal highway act, as amended, upon construction within municipalities. The work on highways shall be done in such manner as to use the maximum amount of human labor consistent with economy, and preference in employment shall be given to the unemployed. When the Secretary of Agriculture finds that any highway project approved by him in any State has been constructed or reconstructed in compliance with the plans and specifications relating thereto, he shall cause to be paid the proper authorities of the State, out of amounts appropriated pursuant to this act, an amount equal to the total cost of such project, and may, in his discretion, from time to time make such payments on such construction or reconstruction as the same progresses; but the total amount so paid to the State shall not exceed the amount apportioned to that State as hereinbefore provided.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Nebraska.

Mr. NORRIS. Mr. President, I do not intend to take much time of the Senate, but I should like to have more Senators present to vote on the amendment than are now here.

The VICE PRESIDENT. Does the Senator suggest the absence of a quorum?

Mr. MCNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Kean	Schall
Austin	Dale	Kendrick	Sheppard
Bailey	Davis	Keyes	Shipstead
Bankhead	Dickinson	King	Smith
Barbour	Dill	La Follette	Smoot
Barkley	Fess	Lewis	Steiwer
Bingham	Fletcher	Logan	Stephens
Black	Frazier	McGill	Thomas, Idaho
Blaine	George	McKellar	Thomas, Okla.
Borah	Glass	McNary	Townsend
Bratton	Glenn	Metcalf	Trammell
Brookhart	Goldsborough	Morrison	Tydings
Broussard	Gore	Moses	Vandenberg
Bulkley	Hale	Neely	Wagner
Bulow	Hastings	Norbeck	Walcott
Byrnes	Hatfield	Norris	Walsh, Mass.
Capper	Hawes	Nye	Walsh, Mont.
Caraway	Hayden	Oddie	Waterman
Carey	Hebert	Patterson	Watson
Coolidge	Howell	Pittman	Wheeler
Copeland	Hull	Reed	White
Costigan	Johnson	Robinson, Ark.	
Couzens	Jones	Robinson, Ind.	

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present. The question is on the amendment proposed by the Senator from Nebraska [Mr. NORRIS].

The amendment was agreed to.

The VICE PRESIDENT. The question now is on the amendment proposed by the Senator from Alabama [Mr. BLACK] in the nature of a substitute.

Mr. LA FOLLETTE. Mr. President, on behalf of the Senator from Colorado [Mr. COSTIGAN] and myself, I desire to offer two amendments to the pending bill.

The first one is, on page 8, line 6, after the word "personnel," to insert a semicolon and strike out the words "whose qualifications to administer relief activities shall meet with the approval of the board."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Wisconsin.

Mr. BINGHAM. May the amendment be stated?

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8 of the bill, line 6, the Senator from Wisconsin proposes to strike out the words "whose qualifications to administer relief activities shall meet with the approval of the board."

Mr. ROBINSON of Arkansas. Mr. President, I rise for the purpose of asking the Senator from Wisconsin to explain the effect of the amendment. It has not been possible to follow it.

Mr. LA FOLLETTE. The effect of the amendment is to strike out from section 6 the language on page 8, beginning on line 6, after the word "personnel," as follows:

Whose qualifications to administer relief activities shall meet with the approval of the board.

So that it will read, if the amendment is adopted:

(3) provision for adequate State administrative personnel.

In other words, there is certain information and certain plans which are to be submitted to the board by State authorities desiring to take advantage of the provisions of relief provided in the pending bill. As introduced and reported from the committee, the paragraph concerning State administrative personnel provided that the Federal emergency relief board should have authority to pass upon the qualifications of the administrative personnel suggested by a State in the plan submitted.

The adoption of this amendment, may I say to the Senator from Arkansas and to other Senators, will have the effect of giving the board authority to require the States to submit in their plans provision for adequate State administrative personnel, but will not permit the board to pass upon the question of whether that personnel has qualifications which, in the judgment of the board, are sufficient to meet the necessary requirements of administration.

Have I made myself clear?

Mr. ROBINSON of Arkansas. I think so. The question that the board will then pass upon, if the amendment is agreed to, will be whether the State proposes to provide adequate personnel?

Mr. LA FOLLETTE. Adequate State administrative personnel.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

The amendment was agreed to.

Mr. LA FOLLETTE. On the same page I move to strike out, beginning with line 13, paragraph (b), which reads as follows:

(b) The Children's Bureau may, and at the request of the board shall, make such investigations as may be necessary to verify the statements and confirm the plans submitted by the State agency; and when such plans are in conformity with the provisions of this act and reasonably appropriate and adequate to carry out its purposes, they shall be approved by the board, and due notice of such approval shall be given to the State agency.

It is perfectly obvious, I think, from the reading of that language, what it seeks to accomplish.

May I say in connection with both of these amendments—the one just adopted and the one I have now offered—that it is my deliberate judgment that the administrative safeguards which those two amendments provided in the original bill are legitimate, sound safeguards. However, during the course of the debate there has been serious criticism of these two provisions; and, yielding my own judgment to that expressed by other Senators relating to these two provisions, I am now offering these two amendments because they are not vital to the successful administration of the set-up as proposed in the original bill.

Mr. WALSH of Montana. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Montana.

Mr. WALSH of Montana. I inquire of the Senator from Wisconsin whether, if the motion which he now makes prevails, and subdivision (b) of section 6 is stricken out, the same authority sought there to be conveyed will not be exercised under the provisions of subdivision (c) of section 3, found at the bottom of page 3, as follows:

(c) The Chief of the Children's Bureau in the Department of Labor shall be charged with the administration of this act, subject to the supervision of the board. The Chief of the Children's Bureau—

(1) Shall insure that the conditions under which funds are allocated to the States under this act are complied with, and shall make or cause to be made such studies, investigations, and reports as will promote the efficient administration of this act.

That, it would seem to me, would give exactly the same authority that is given by the portion of the bill which the Senator now seeks to strike out, under which the Children's Bureau makes investigations to verify statements made by the State.

Mr. LA FOLLETTE. Mr. President, I should be very much interested to have the Senator's interpretation of that language. As I understand it, however, it merely provides that the administrative officer of the board shall have the power to make such studies and investigations as may be necessary in order to carry out the administrative functions under this bill; namely, the allocation of funds and the certification to the Treasury of compliance with the necessary conditions imposed upon a State in order to secure the benefits under the bill. My understanding is that it does not in fact, as the Senator suggests, convey the same authority which is contained in paragraph (b), which I have now moved to strike out, because, as I interpret it, paragraph (b) refers to all of the foregoing provisions concerning the plans and statistics which it is required that a State shall furnish.

If I have not correctly interpreted it, I should be very glad to have the Senator's opinion about it.

Mr. WALSH of Montana. I call attention to the provisions of section 7, which provides that—

Within the limits of the apportionment made to any State on the basis of population the board may certify the payment to the State of not more than 40 per cent of the difference between estimated emergency relief expenditures in the State for the calendar year 1929 and the estimated needs of the State for the calendar year 1932 or 1933, as the case may be.

Under the portion of the bill which the Senator now seeks to strike out, it is quite obvious that the Children's Bureau would check up on the statements made by the governor of the State, both as to the amount expended and as to the needs for 1932 and 1933.

Mr. LA FOLLETTE. Does the Senator contend that that power is conveyed in paragraph (1), on page 3, or that it would be eliminated if the amendment, on page 8, that I have proposed should be adopted?

Mr. WALSH of Montana. It seems to me that it is included in the duties imposed or the authority conveyed by section (1), at the bottom of page 3:

(c) The Chief of the Children's Bureau in the Department of Labor shall be charged with the administration of this act, subject to the supervision of the board. The Chief of the Children's Bureau—

(1) Shall insure that the conditions under which funds are allocated to the States under this act are complied with—

The condition is that certain statements shall be furnished—

and shall make or cause to be made such studies, investigations, and reports as will promote the efficient administration of this act.

It would seem to me that that was an expression of just exactly the idea that is conveyed in paragraph (b), which the Senator seeks to excise.

Mr. LA FOLLETTE. May I say, in reference to the paragraph on page 3 which the Senator has just read, that what is intended by the authors is to give the administrative officer of the board the opportunity to convey information to the various States as to efficient administrative provisions which have been set up, in order that States operating under this act may have the benefit of such experience and progress and efficient administration as other States have been able to work out.

May I point out to the Senator, as an example, that one of the chief activities, as I understand, of the President's commission under Mr. Gifford has been to disseminate information concerning activities which they found in certain States—to the attention of the authorities in other States, in order that they might have that information and make such of it as they saw fit—and that is what was intended to be done in this case. If the language conveys power to conduct the same type of investigations which was contemplated by paragraph (b), on page 8, then I should be very glad to have the benefit of the Senator's suggestions, in order that the language might convey that power to disseminate information to other States and to make studies and investigations of various plans and administrative set-ups which are being carried on in the various States, and thus help in a way to lift the general efficiency of administrative work of this character.

Mr. WALSH of Montana. Mr. President, I have no purpose, in the criticism I make of any of these provisions, except to provide, if possible, against the building up here of an enormous body of investigators and writers and all manner of people to check up on the statements which are to be made by the various States in order to secure any portion of the fund created by this act. I have no doubt that such activities as the Senator has in mind would be prosecuted under the provisions of the bill found on page 3, but I equally have no doubt that, as it stands now, practically the same line of investigation could be prosecuted as is specifically provided for by the provision on page 8.

I merely rose to say that it would seem to me as though, if we were to guard against the evils which might flow from the provision of the bill on page 8, some further amendment of that on page 3 would seem to be desirable.

Mr. LA FOLLETTE. Would the situation be remedied, if I may have the benefit of the Senator's judgment, if the word "investigations" in line 21 were stricken out, confining it to studies and reports?

Mr. WALSH of Montana. I should think that would improve it very much.

Mr. LA FOLLETTE. I ask that the pending amendment be disposed of.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Wisconsin [Mr. LA FOLLETTE].

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I move to strike out the word "investigations" and the comma on page 3, line 21.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I want to suggest an amendment to the Senator from Wisconsin and ask him to approve it, if he will, on page 7, after the word "act," in line 12, to add a proviso containing these words:

Provided, That in a State where no state-wide board of charities or other organization dealing with state-wide charities exists the amounts allotted to such State shall be distributed by the action of the State board constituted for controlling the financial affairs of such State.

Mr. LA FOLLETTE. Mr. President, I discussed that amendment with the Senator from Tennessee the other day, and so far as my information goes, while it might be perfectly feasible in the State of Tennessee it would not be applicable in a number of States and would lead to great confusion.

Mr. McKELLAR. Let me make this suggestion: Will the Senator accept the amendment, and if the bill goes to conference it can be worked out in conference without any trouble?

Mr. LA FOLLETTE. Mr. President, I would like to accommodate the bill to the suggestion of the Senator, but I would not like to incorporate in it a provision which is not generally applicable to other States. As I explained to the Senator, in discussing the matter of his amendment with other Senators, I found that in many States there would be grave doubt as to what board is referred to in the Senator's amendment, that there might be several boards which would fall under the description of the language employed in his amendment, and that great confusion would result.

Mr. COSTIGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Colorado?

Mr. LA FOLLETTE. I yield.

Mr. COSTIGAN. I may say to the Senator from Tennessee that, in my judgment, his amendment in its present form would be of uncertain application in Colorado.

Mr. LA FOLLETTE. I confess, Mr. President, that under the terms of the Senator's amendment I believe there would be some confusion in the State of Wisconsin as to what board was referred to in the language used by the Senator, and I found in consulting with other Senators that that would be true as to other States.

Mr. McKELLAR. I will withdraw the request for the moment and see if I can not frame language which will be acceptable.

Mr. LA FOLLETTE. I will be very glad to consider any proposal the Senator may make.

Mr. WALSH of Montana. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. WALSH of Montana. While the Senator is making some excisions in the language of the bill I would like to inquire of him why these extensive powers should be vested in the Chief of the Children's Bureau, and would not the whole purpose be subserved by cutting out all reference in the bill to the Chief of the Children's Bureau and have the powers reposed in the board? The board is authorized to do these things, and, by a provision of the bill to which reference has recently been made, it is provided:

The Chief of the Children's Bureau in the Department of Labor shall be charged with the administration of this act, subject to the supervision of the board.

The board is to consist of the Chief of the Children's Bureau, the Director of Extension Work in the Department of Agriculture, and the Chief of the Vocational Rehabilitation Service of the Federal Board for Vocational Education.

We create various commissions, like the Power Commission, or the Federal Trade Commission, and they are all given administrative powers. Why can not the board in this case take care of the situation?

Mr. LA FOLLETTE. I may say that there was a twofold purpose in the proposal to create the board suggested under this bill. First, it is to be composed of officials of the Government who have had past experience in the administration of the State aid acts. Therefore it seemed appropriate that advantage should be taken of that experience in administering the provisions of the bill, and, secondly, that it would not require the creation of a separate board, with separate salaries, and, therefore, to some extent, would be a saving.

Mr. WALSH of Montana. Mr. President, let me remark, because the Senator may have misunderstood me, that I make no point of the creation of the board.

Mr. LA FOLLETTE. I am coming to the second point, if the Senator will permit me.

The Chief of the Children's Bureau was designated as the administrative authority under this bill, for the reason that the Children's Bureau has had a large experience in the administration of legislation that brought the Children's Bureau into close contact with the public-health and welfare agencies of the States which took advantage of the aid offered by the Federal Government under the maternity and infancy act.

While the principle involved in the act itself has been a matter of serious contention in the Congress, so far as I know in the long debate which occurred on that policy there has never been any successful criticism or condemnation of the administrative character of the Children's Bureau's work in that connection. Therefore it seemed to me, as one of the authors of this bill, that where an administrative officer has had that past experience, and had the confidence, in so far as I know, of all of the public-health agencies and the public-welfare agencies of the several States which cooperated in carrying out the maternity and infancy act, we would take a step in the direction of careful, experienced, and successful administration by taking advantage of the experience which the Children's Bureau had under the maternity act.

Mr. WALSH of Montana. Mr. President, I see no reason why that would not all be available, considering that the Chief of the Children's Bureau is to be a member of the board. But the powers given to the Chief of the Children's Bureau go far beyond the field to which the Senator refers.

For instance, on page 4 the Chief of the Children's Bureau is directed to supply information for the guidance of the States in the administration of funds under this act, not that the board shall, but that the Chief of the Children's Bureau shall. Next, "subject to the approval of the board," the Chief of the Children's Bureau "may appoint and fix the compensation of such experts and, subject to the provisions of the civil service laws, appoint, and, in accordance with the classification act of 1923, as amended, fix the compensation of such other officers and employees as are necessary to carry out the provisions of this act."

That is to say, the Chief of the Children's Bureau appoints the officers. Of course, we might say that that is all subject to the approval of the board. That officer not only fixes the compensation but appoints the employees. In subdivision 5 it is provided:

Subject to the approval of the board, may make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, and for printing and binding) as are necessary to carry out the provisions of this act.

Really, the Chief of the Children's Bureau becomes the administrator of the fund, we might say.

Mr. LA FOLLETTE. That is not my interpretation of the language.

Mr. WALSH of Montana. She or he will be subject to check by the board, but the initiative in the appointment of subordinates, in fixing their compensation, and all that, is put into the hands of the Chief of the Children's Bureau.

Mr. LA FOLLETTE. Does not the Senator feel that such an administrative procedure will result in much more speedy

action than as if the entire responsibility were placed on the board? Yet the Chief of the Children's Bureau, or the administrative officer, under this measure, can not carry out any of these duties unless they meet with the approval of the board.

Mr. WALSH of Montana. Yes; but the Chief of the Children's Bureau will report, "I have appointed So-and-so, and fixed his compensation at so-and-so. He has already been appointed." I do not understand from this that previous authorization is to be gotten from the board at all.

Mr. LA FOLLETTE. As I would interpret the words "subject to the supervision of the board," the general statement in paragraph (c) on page 3, and "subject to the approval of the board," contained in the subdivisions which follow, my understanding of the language would be that of course the Chief of the Children's Bureau could not proceed until the board had given its approval.

Mr. WALSH of Montana. Take the analogy of an ordinary business corporation—a bank. The cashier runs the bank, hires and discharges, and that kind of thing, and of course that is all subject to the control of the board of directors of the bank. But everybody realizes that the board under those circumstances does not interfere unless there is some glaring misconduct on the part of the cashier.

Mr. LA FOLLETTE. As I read the language it seems to me that there is a complete check on all the activities of the administrative officer under the provisions of this measure. Furthermore, it seems to me that in all of the efficient administrative set-ups in private business practice, in the interest of efficiency and in the interest of the speedy carrying out of the necessary administrative functions, power is always vested, subject to control, upon some executive officer who has power to act and to proceed with any organization plans, subject at all times to the approval and supervision of the board of directors, in the case of a bank, as in the illustration the Senator used. In other words, it is my own feeling, I will say frankly to the Senator, that if the board should have to attend to all of the administrative details it would result in delay and would not contribute to the efficiency of administrative procedure.

Mr. NORRIS. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Nebraska for the purpose of offering perfecting amendments which are necessary in view of the adoption of his amendment, because before I make any further remarks upon the subject matter under discussion I desire in so far as practicable to have the original text in its final and perfected form.

Mr. NORRIS. Mr. President, the adoption of the amendment some time ago embracing "Title II" makes it necessary to have some formal amendments to the bill. For instance, at the beginning of the bill the words "Title I" ought to be inserted. I offer that amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

Mr. NORRIS. I have a number of other formal amendments which I think can be agreed to en bloc by unanimous consent. There are many places, perhaps 25 or 30, in the bill where reference is made to "this act." It ought to be "this title." That does not apply wherever the word "act" occurs, but it does apply wherever the two words "this act" occur. There are some places where the text refers to acts of Congress, so the word "act" should not be stricken out unless it occurs in connection with the word "this." I ask unanimous consent that all those changes be made.

Mr. FESS. Mr. President, will not the Senator indicate in the text just what the changes are?

Mr. NORRIS. It would take some time to do it. However, if the Senator desires, I will undertake to do so. On page 2 of the bill, line 13, the words appear:

> The board shall have full power of allocation of funds under the provisions of this act.

It ought to read "under the provisions of this title."

In the next line there is another change of the same sort.

Mr. FESS. I think the Senator misunderstood me. I do not want him to bring those minor amendments to the attention of the Senate, but merely to indicate them for the benefit of the clerks at the desk.

Mr. NORRIS. I have a copy of the bill marked for the clerks. If my unanimous-consent request is granted, I shall hand that copy to them.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and it is so ordered.

Mr. NORRIS. There was an oversight on my part when I offered the amendment, which I wish now to correct. The substitute amendment has been agreed to. I ask unanimous consent that, after the figure "1," in line 7, page 2, the words "of this title" be inserted, so it will read: "Contained in section 1 of this title."

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. Are there further amendments to the original text?

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New York?

Mr. LA FOLLETTE. I yield.

Mr. COPELAND. Would the Senator object, in view of his colloquy with the Senator from Montana [Mr. WALSH], to modifying somewhat the language in subsection 4, page 4, so as to have it read?—

> After the approval of the board and the fixing of the compensation of such experts, may appoint—

An so forth?

Mr. LA FOLLETTE. Will the Senator kindly repeat that language?

Mr. COPELAND. In line 3, page 2, change it so as to read:

> After the approval of the board and the fixing of the compensation of such experts, may appoint, subject to the provisions of the civil service laws—

And so forth.

Mr. LA FOLLETTE. I think the Senator's purpose would be accomplished if we simply strike out "subject to" and insert "after," so it would read:

> After the approval of the board—

And so forth.

Mr. COPELAND. I believe that would be better.

Mr. LA FOLLETTE. I have no objection to that amendment. I will repeat it for the benefit of the clerks at the desk. On page 4, line 3, after the parenthesis, strike out the words "subject to" and insert "after," so it will read:

> After the approval of the board, may appoint and fix the compensation of such experts—

And so forth.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

Mr. WAGNER. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New York?

Mr. LA FOLLETTE. I yield.

Mr. WAGNER. I would like to call the attention of the Senator to what I think must have been an error in the drafting. On page 5, line 11, the words are:

> By the civil subdivisions thereof or by private contributions.

That is undoubtedly intended to be, "and by private contributions" instead of "or by private contributions."

Mr. LA FOLLETTE. As a matter of fact I think it should read "and/or."

Mr. NORRIS. No; it is all right as it reads now.

Mr. LA FOLLETTE. The object sought to be attained is to give a State in the apportionment the benefit of not only the expenditures made by the State or its political subdivisions for relief but also of contributions made to private charitable and welfare organizations.

Mr. WAGNER. Does not the Senator want to have the two sums added together?

Mr. LA FOLLETTE. The lump sums should be added together in order to give the States the benefit of all activities which have been undertaken, either public or private, in meeting the burden of relief.

Mr. WAGNER. But as I read it, the apportionment may be two-thirds of either the amount publicly contributed or contributed from private sources, and I understood the purpose to be to add the two sums together.

Mr. LA FOLLETTE. The Senator is absolutely correct. To my mind that is what the language means. That was also the opinion of the Legislative Counsel. I would be glad to have the benefit of the Senator's criticism if we have not employed language to carry out the intent of the authors of the bill.

Mr. WAGNER. Perhaps I am mistaken about it, but it seemed to me very obvious that as the paragraph reads now it permits the apportionment to two-thirds of the amounts made available by a State or the subdivisions thereof or by private contributions. I understood that the apportionment was to be made by adding together all the contributions made, both public and private, and then apportioning two-thirds of it.

Mr. LA FOLLETTE. Correct. It is the device which the authors of the bill claim will stimulate private and public activity within the State, contrary to the charges which have been made against the bill.

Mr. WAGNER. I am in sympathy with the purpose, but I think the word "and" makes it very much clearer.

Mr. LA FOLLETTE. Would the Senator also contend that it should read?

Payments made in any calendar year out of the amount of the appropriations apportioned to any State on the basis of population shall not be in excess of two-thirds of the amounts appropriated or otherwise made available for such calendar year by the State——

Mr. WAGNER. Now eliminate the word "or," so it will read:

The amounts appropriated or otherwise made available for such calendar year by the State, by the civil subdivisions thereof, and by private contributions—

And so forth.

Then we would add the sums together and the apportionment is referred to the total.

Mr. LA FOLLETTE. If the Senator will propose it, so far as I am concerned, I shall be glad to accept the amendment.

Mr. WAGNER. Very well. I offer the following amendment: On page 5, line 10, after the word "State," insert a comma and strike out the word "or," and in line 11, strike out the word "or" after the word "thereof" and insert the word "and," so it will read:

Payments made in any calendar year out of the amount of the appropriations apportioned to any State on the basis of population shall not be in excess of two-thirds of the amounts appropriated or otherwise made available for such calendar year by the State, by the civil subdivisions thereof, and by private contributions from within the State, to be expended for emergency relief as defined in section 12 of this title.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

The VICE PRESIDENT. Are there further amendments to the original text?

Mr. PITTMAN. Mr. President, I intend to take but a few minutes of the time of the Senate. I think there is some confusion in the minds of many who are interested in the subject with regard to the legislation that is pending. I know for a while there was a general impression that the so-called substitute amendment offered jointly by the Senator from Montana [Mr. WALSH], the Senator from Alabama [Mr. BLACK], and the Senator from Ohio [Mr. BULKLEY] was destructive of the purpose of the original bill, known as the La Follette-Costigan bill. Certainly the proponents of the substitute had no such intention, because I believe I can say without fear of successful challenge that there are no Senators in this body who are more sympathetic with those in distress in our country than are those Senators.

The La Follette-Costigan bill proposes to appropriate $375,000,000 to be expended to meet distress in the country. The substitute appropriates $375,000,000 for exactly the same purpose. In addition, the substitute contains a further appropriation of an additional $375,000,000 to provide road work, making $750,000,000 for the relief of distress in the United States. The La Follette-Costigan bill did not contain the provision with regard to employment through the expenditure of $375,000,000 for road construction. It is true the Senator from Nebraska [Mr. NORRIS] offered such a provision in his amendment as an addition to the La Follette-Costigan bill, and it has been adopted; so that both measures now propose to appropriate exactly the same amount of money for the same purposes.

The distinction left between the two bills is regarding what might be termed the charity features of the two bills. The La Follette-Costigan bill provides that 40 per cent of the fund may be expended through the instrumentalities of the States under the supervision and subject to the approval of a Federal bureau, and that 60 per cent shall be expended directly by the bureau. The substitute provides that the entire amount of $375,000,000 shall be expended exclusively through State instrumentalities now dealing with charity, and that it shall be turned over to the States in the same proportion as provided in the La Follette-Costigan bill, but in the form of a loan instead of a gift directly to the individual.

Undoubtedly there are those here who, as the debate discloses, are unwilling to trust entirely, or at all without supervision, those charitable instrumentalities and institutions in the States, counties, and municipalities which have up to this time been dispensing charity, or, in other words, caring for the distressed who are unable to take care of themselves. On the other hand, there are Senators here who conscientiously believe that the sum of money proposed to be appropriated could be more advantageously, more equitably, and more effectively expended by those instrumentalities in the States that have had experience for two or three years in the administration of such relief.

I may say also that fundamental principles with regard to the function of the Federal Government affect the minds of some Senators in this body. There are those having a strong view with regard to the maintenance of State administration who hold the opinion that the establishment of another bureau in Washington for the purpose of administrating this large fund throughout all the States will result in inefficient administration, unconscious favoritism, and possibly neglect. Those views can not easily be changed by anyone.

Take, for instance, the speech delivered on yesterday by the Senator from Ohio [Mr. FESS], who is undoubtedly a leader of the Republican Party in this body, as he is also a leader of the Republican Party outside the Senate. The Senator from Ohio on yesterday stated that he thought he knew the views of the President of the United States on this subject. The Senator's views were very clearly expressed; he is one of those Senators who are opposed on principle to the administration by the Federal Government of affairs within the States which have heretofore been administered by the States and can be properly administered in the States.

In answer to questions of the Senator from Arkansas [Mr. ROBINSON]—if I remember rightly; and if not, I wish to be corrected—the Senator from Ohio stated that the proposal to loan money to States was in line with the legislation already enacted in what is known as the Reconstruction Finance Corporation act, wherein the Government is authorized to make loans for the purpose of aiding banks, railroads, and so forth.

The Senator from Ohio further stated, if I recollect correctly—and the Senator is in his seat, and if I make an error in this statement I desire to be corrected—that if it became necessary or is necessary by reason of the inability of local instrumentalities, local governments, municipalities, or individuals to relieve the distress that exists, then he would be willing for the Government to assist, but that if

the Government should do so the proper way to render aid would be along the lines of the substitute amendment; that is, by lending the money or that portion of it allocated to the States, or so much as was required in particular States, to be dispensed and distributed by the local agencies of the State, the municipalities, and charity boards. Therefore, so far as the Senator from Ohio is concerned, there is but one question in his mind on this subject, and that is as to whether or not the ability of the instrumentalities within the States is sufficient to cope with the emergency.

Mr. FESS. Mr. President, will the Senator from Nevada yield to me?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Ohio?

Mr. PITTMAN. I yield.

Mr. FESS. The Senator from Nevada has made a very clear statement of what I attempted to say yesterday.

Mr. PITTMAN. I thank the Senator. I believe that there are those on this side of the Chamber who hold quite similar views to those expressed by the Senator from Ohio.

The evidence, to my mind, is conclusive. I do not think anyone could have listened to the evidence and the testimony and the articles that have been read on the floor of this body and not know that there is distress and suffering in the country that is not to-day being relieved. I do not want to go so far as to say that there are human beings starving, but I do not consider for one moment that it is essential for a man or a woman or a child to be in an actual starving condition to be in distress. As the highest legislative body in this country, I think it is our duty to examine into the question as to whether or not existing instrumentalities not merely are saving human beings from starvation but are ministering to and relieving their distress as we feel the distress of human beings should be relieved.

Of course, the same degree of distress does not exist universally all over the United States. That has never happened and never will happen. In one State, such as Montana, suffering may be confined largely to the rural districts by reason of peculiar conditions that have existed there, while in another State, such as Michigan or New York, the rural communities may be getting along fairly well; but the great cities have millions and millions of unemployed who have no means of supplying the necessities of their families. The evidence indicates that in such places, while the charity of the people and the money that may be constitutionally raised by the States and municipalities are keeping body and soul together and possibly keeping away the wintry winds, still such relief as is thus being provided is not sufficient to meet the human demand upon the people of the country.

That is not all. The evidence discloses that conditions have been steadily growing worse. Every day there are hundreds and hundreds of thousands of helpless men, women, and children added to the list of those who have no means of support.

Again, the evidence discloses, while all communities and all States and all charitable institutions have made every effort to meet the emergency, that their resources are becoming depleted, their ability to meet the situation is being strained, and even those funds that are now available will inevitably be exhausted within the next month or two, without much hope of being replenished to an amount that is essential not only to meet conditions that now exist, but the increasing conditions of distress.

So we have to act. We must make available a sufficient fund so that, if it is required, it may be used. In the very nature of things it will take 20 or 30 or 40 days after we have authorized a fund before it can actually become available. If we should wait for a month or six weeks until impending conditions shall have arisen and then attempt to meet them we would be 30 or 40 days late in the effort to relieve the existing suffering.

The substitute provides $375,000,000 for use if required and when required. We will assume, for instance, that my State may never require any part of it. In that event the governor of the State would not call on that loan, because he knows that when he does so the amount thus loaned will be deducted from the road fund of that State in the future. I want to say to you, Mr. President, that the people of my State would rather have the road fund with which to employ men than the same amount of money in the form of a gratuity for other purposes. That may not be true elsewhere; probably it is not true in a great many places; but we have felt that while affording men the opportunity to work is the highest form of relief, the noblest form of relief, and the most natural form of relief, and, while that character of relief may be scattered out among many people by staggering the work, still it can not meet every emergency.

There are hundreds of thousands of men, women, and children who, by reason of age or poor health, are unable to earn their living at the present time by working. So it is essential, in addition to providing work wherever we can provide it, that we should also at all times have an available fund that may be called on by any State or any community to meet any emergency that may require the use of such a fund.

Now we are in this position: I think that a majority of this body are absolutely in favor of the remedy provided by these two bills; they are absolutely in favor of the expenditure of $375,000,000 on roads and on the streets, alleys, culverts, and bridges within the cities and municipalities of this country; they are in favor of making available an additional fund of $375,000,000 with which to meet any emergency that may arise by reason of the breaking down of the instrumentalities that are to-day, in a way at least, taking care of the distressed; but there are in the minds of some Senators here principles involved, as I have stated. There are some Senators who are so convinced that matters of this kind should be handled by the local officers of the State, by the charity boards in the State, in the municipalities, and elsewhere, that they are totally unwilling to surrender that principle of State rights and permit a bureau established in Washington to attempt to estimate, to measure, and to meet the exigencies in a State with which they are possibly totally unfamiliar.

So we come to this question, and we come to it frankly. Every Senator in this body, by his vote, is going to decide this question. Unless he votes for one of these provisions or has a better constructed provision, then he is against any form of relief being made available from the Federal Treasury of the United States. If, on the other hand, he votes for either the substitute amendment or the La Follette-Costigan bill as now amended, then by that vote he declares that he believes the conditions of this country are such that this fund must be made available by the Federal Government.

If there is any Senator here who votes and so casts his vote as to destroy both of these provisions, then he can not escape the position that he is absolutely opposed at this time to making any Federal funds available either for use through the States or directly through a bureau.

There is no escaping the fact. It can not be escaped by saying, "I was in favor of this, and I was opposed to that," or, "I was in favor of that and opposed to this," because by every form of parliamentary vote he will have an opportunity to place himself on record as to whether or not he is willing to make available Federal funds to meet any emergency of distress that may arise in this country beyond the control of States or local instrumentalities.

I think there is a burden on every Senator in this body. I think it is an individual burden. It is not a fight of the progressive Republicans there, nor the regular Republicans there, nor the Democrats here. It is a matter that appeals to the conscience, to the soul, and to the heart of every man in this body; and he will have to be responsible for his acts on this vote.

Mr. MORRISON. Mr. President, I desire to offer an amendment.

The VICE PRESIDENT. To the text of the bill?

Mr. MORRISON. Yes.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 1, line 8, it is proposed to strike out "$375,000,000" and insert "$125,000,000."

On page 2, line 2, after the word "provided" and the period, it is proposed to strike out down to and including the numerals "1932" and the period in line 3, in the following words:

Not more than $125,000,000 of this amount shall be expended in the fiscal year ending June 30, 1932.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. Is this an amendment to the substitute or an amendment to the original bill?

The VICE PRESIDENT. It is an amendment to the original text.

Mr. MORRISON. Mr. President, under the La Follette-Costigan bill only $125,000,000 can be used for this relief between now and June 30 next. So far as I am concerned, I have been convinced that the United States Government ought to grant that much relief to the suffering and unemployed in our country. Beyond that I can not see my way. I am not willing to assume that this terrible condition will continue beyond that date. I do not believe it will continue beyond that date in anything like the present distressing condition.

This will carry us to the middle of the summer. We are enacting daily here measures which we hope are going to give relief to our distressed country. I think the burden is inescapable that this Government ought to help the other divisions of our Government—the States and the subdivisions. I prefer to do it through a loan, as the Black-Bulkley-Walsh bill provides; but if we can not do it in that way I am willing to vote for $125,000,000 in the La Follette-Costigan bill. I want to give this relief, and I am not willing to be diverted by any difference which I may feel with reference to the governmental institutions which we ought to use to accomplish it.

But, Mr. President, I do not believe that this Congress ought to enact emergency legislation going beyond the time which we all hope will find us out of the emergency and enjoying at least greatly improved conditions. It is true that we do not have to spend the money if it is not needed. I understand that, but it will be done. If this legislation is enacted, I dare say every dollar of the money will be expended, and it could be done under conditions when it ought not to be done, and under which, if Congress could now perceive, they would not permit it to be done.

If the amendments I have offered to both of these bills are adopted, we will get between now and June 30 next every dollar that we would get if the bills were passed without amendment.

Congress will meet again, fresh from the people, next winter. The present Congress will meet in December. We will have an election in the meantime, in which the people are going to hold a grand inquest over the affairs of this country. The new Congress will meet next spring. I presume we could not get the "lame duck" measure, as it is called, into operation with the next administration's inauguration; and it does seem to me, with all the other difficulties confronting this country, that if we legislate for the present unemployment and a few months ahead of us, we shall have met our duty.

I expect to offer these amendments to the Black amendment, reducing the amounts to $125,000,000. I expect to support that amendment. If it is defeated, I will support the La Follette bill or any bill with the same limitation in it, but, as I see my duty, I can not vote to appropriate hundreds of millions of dollars on the assumption that my country will be in its present distressed condition beyond the middle of next summer, June 30 next.

Mr. LA FOLLETTE. Mr. President, just a word in regard to the amendment offered by the Senator from North Carolina [Mr. MORRISON].

All of the evidence taken by the Manufactures Committee is to the effect that if the authors of this bill have erred at all, they have erred on the side of not providing a sufficient sum to meet the critical emergency existing so far as unemployment is concerned. The witnesses were also in practically unanimous agreement that even should the economic recovery which the Senator from North Carolina predicts occur as soon and as completely as he hopes, the sum provided in the bill will be necessary due to the fact that the reabsorption of the unemployed following a depression is always very much slower than the economic recovery which takes place.

Therefore, I regret that I can not support the amendment offered by the Senator from North Carolina.

Mr. MORRISON. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from North Carolina?

Mr. LA FOLLETTE. I yield.

Mr. MORRISON. My statement was correct, was it not, that until June 30, 1932, $125,000,000 is all that could be spent under the Senator's bill, except the road feature of it, by reason of the Norris amendment?

Mr. LA FOLLETTE. That is correct.

Mr. GORE. Mr. President, I have listened to a good deal of this debate. I have been hoping to hear some one suggest where this money is to come from, but I have listened in vain.

There is a yawning deficit in the Federal Treasury to-day. It has been estimated at $2,000,000,000. The new Secretary of the Treasury has just made a new guess, and the deficit is now estimated at two and a half billions. Where is the money to come from to satisfy this yawning deficit?

Not one word, so far as I have heard, has fallen from the lips of any Senator as to where these hundreds of millions are to be found.

The original La Follette-Costigan bill carried only a modest sum—only $375,000,000. Of course, I do not wish to attach any importance to trifles; but where is this $375,000,000 to come from?

And, mark you, these millions are to be given away. Why give this money; if it must be spent, why not devote it to necessary public improvements?

That appropriation alone would require every bushel of wheat produced in the United States in the year 1931. That appropriation alone would absorb every bushel of wheat produced in America during the last calendar year.

Under the amendment offered by the Senator from Nebraska [Mr. NORRIS], which shows his generosity, the amount is now doubled, $750,000,000. The Senator from Nebraska was not to be outdone by the trio of Senators on this side, Senators BLACK, WALSH, and BULKLEY. Their original venture was $750,000,000. That is three-fourths of a billion dollars, and not a word as to where this vast sum is to be found!

The two bills now involved, as I understand, $750,000,000 each. Well, what of it?

As they now stand, it would require practically every bushel of wheat and every bale of cotton produced by our prosperous farmers last year to meet this vast appropriation.

Some Senators seem to confuse Uncle Sam with Santa Claus. Is there no limit to the capacity of our taxpayers to pay? I am led to make this observation by the discussion on yesterday, when it was said that the people and the wealth of Cleveland, and the people and the wealth of New York City were not equal to the task, were not able to provide for the hungry and unemployed within their gates, that somebody somewhere else must furnish the money to feed the unemployed in those metropolitan cities.

I assume that means that we must invade our prosperous rural communities and require our farmers, selling their hogs to-day for less than 3 cents a pound, cattle at 5 cents a pound, cotton at a nickel a pound, oats at 15 cents a bushel, corn at 25 cents a bushel, and wheat at 35 cents a bushel, to provide the ways and means to feed the hungry and to clothe the naked within our metropolitan cities.

Senators seem to say let your sympathy be your guide. Sympathy may appropriate but, sir, privation must pay.

Mr. President, I can not consent to vote for any legislation of this kind that does not make provision within its own terms to meet the exactions upon the Federal Treasury.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from North Carolina [Mr. MORRISON].

Mr. WALSH of Montana. Mr. President, will not the Chair advise what the pending amendment is?

The VICE PRESIDENT. The amendment will be reported.

The CHIEF CLERK. The Senator from North Carolina moves, on page 1, line 8, to strike out "$375,000,000" and to insert in lieu thereof "$125,000,000," and on page 2, lines 2 and 3, to strike out the words "Not more than $125,000,000 of this amount shall be expended in the fiscal year ending June 30, 1932."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. McKELLAR. Mr. President, I offer an amendment, on page 7, line 12, after the word "act," the following proviso:

Provided, That in any State where no state-wide board of charities exists, or no special emergency organization has been set up, the amount allotted to any such State shall be distributed by the action of the governor and the State board constituted for controlling the financial affairs of such State, if such board exists; and, if it does not exist, by the governor.

I believe the Senators in charge of the bill have agreed to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, I am not clear whether the Senator from North Carolina [Mr. MORRISON] offered an amendment to the substitute as well as to the original text.

Mr. MORRISON. Mr. President, I have here an amendment which I will offer to the substitute as soon as it is before the Senate, the same as the amendment just voted on.

Mr. FRAZIER. Mr. President, I want to say just a word bearing on the original measure. In my opinion, the unemployment situation has become so desperate that something must be done by the United States Government to take care of the situation. I do not share the feeling expressed by some of those who have spoken against this measure, that there is any danger of setting a precedent in taking care of those suffering from hunger. I believe that those people, citizens of the United States, workers who are out of employment because of no fault of their own, are entitled to have something done for them by the Government. I believe it is one of the functions of the Government to take care of its people, that it is just as much the function of the Government to take care of those out of employment, because of no fault of their own, those who can not get employment, who can not find work, in order to see that they are not subjected to hunger and disease, as it is to take care of the business interests of this Nation, and more so.

Some of the Senators who have spoken against the measure have expressed a fear that this would be a bad precedent, that it would undermine the morals of the workers, get them on a dole system, and that they could not be persuaded to work again, and all that kind of thing.

Recently, in some of the papers, statements have been made, especially concerning the situation in Chicago, to the effect that there was likely to be mob violence by so-called unemployed hunger groups. The statement was made that there were some emergency plans for handling mobs in Chicago and in the State of Illinois by the National Guard there. I wired to the general in charge of the headquarters of the Thirty-third Division in Chicago, General Keehn, and asked him for a copy of their regulations. He sent me a copy, explaining that they had had careful thought, that they were not an emergency proposition, as some seemed to think they might be. I note, however, on the title of this pamphlet the words "Emergency Plans for Domestic Disturbances."

In these rules there is set forth what the National Guard is supposed to do to take care of disturbances of any kind.

Mr. REED. Mr. President, will the Senator yield?

Mr. FRAZIER. Certainly.

Mr. REED. Is that a pamphlet issued by the War Department?

Mr. FRAZIER. This is from the headquarters of the Thirty-third Division, Illinois National Guard, Chicago, Ill. It quotes some of the regulations from the War Department, however.

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Illinois?

Mr. FRAZIER. I yield.

Mr. LEWIS. I have heard for the first time from the eminent Senator from North Dakota that there has been an allusion on this floor by some Senator to the fact that there is some fear expressed in the city of Chicago that the present conditions threaten to bring on lawlessness as a result of which the police of the local constabulary, known as the State Guard, or the National Army, may be brought in as necessary to repress disorder and establish peace in that community.

I beg to say to my honorable friend the Senator from North Dakota that there are no conditions upon which such accusation can be justified. The city of Chicago will protect herself as to peace and order. Our State is able to maintain the integrity and decency of its citizenship. There will be no condition, there will arrive no State condition, which will not be overcome in that community by the ordinary appeals for peace and honor.

The intimation from some source, to which my honorable friend alludes, as to its being necessary for Chicago to call on the National Guard on the theory that disorder, lawlessness, and dishonor will be entailed upon that community, has no foundation, and unhappily works a slander to its peaceful citizenship. I beg to resent it.

Mr. FRAZIER. Mr. President, the Senator from Illinois misunderstood my statement. I did not say or intimate that those statements were made here on the floor of the Senate. What I did say was that some of the newspapers throughout the country had carried statements to that effect.

Mr. LEWIS. Then I misunderstood the Senator.

Mr. FRAZIER. I hope the Senator from Illinois is correct in saying that no such conditions will arise. But I want to read some of the statements over the signature of the adjutant general of the State of Illinois, and, of course, the National Guard, under present law, are a part of the Regular Army of the United States, and the expense of the training of the National Guard, and so on, is paid out of the War Department appropriations.

In these plans the general training of the National Guard is spoken of, and there is a paragraph which specifies the different kinds of riots which they may be called upon to quell. The first is "Race riots—whites versus blacks."

The second is "Strikes."

The third is "Industrial disorders radically inspired." There is a note under that:

If the present industrial depression continues for an extended period, (3) may take the place of (1)."

No. (3) is the subdivision, "Industrial disorders radically inspired." No. (1) is "Race riots."

If the present industrial depression continues for an extended period, (3) may take the place of (1) or merge with it. Any general, extended unemployment will materially expedite and assist radical uprisings. These uprisings may be looked for among the miners and steel workers, both of which trades contain a large political radical element. If times are sufficiently bad, a race riot may be conveniently used to cover a radical (communist) uprising.

On another page there is a paragraph as follows:

RADICAL ACTIVITIES (COMMUNIST)

Ultraradical (communist) activities have increased materially in Illinois during 1930.

The steel workers and miners have a large proportion of their personnel radically inclined politically. These trades offer a fertile field for communist propaganda, which is increased in proportion as unemployment increases.

Mr. President, I am reading this to show that there is a danger, according to the adjutant general of the State of Illinois, of radical—communist—uprisings if the present

unemployment is allowed to go on and increase as it is doing.

The next statement I think the junior Senator from Illinois [Mr. LEWIS] will be interested in, and I am glad to see him on the floor. It is subparagraph (c), under article 5, which reads:

> Centers of radical activities, mainly communist, are known to have been established in the following places (Report U. S. Department of Justice).

They name 22 cities in the State of Illinois. I will not read the names of the cities, but they are given here. It goes on to say:

> It is impossible to state definitely whether or not communist centers actually exist at the above places at the present time as these "centers" rapidly shift from place to place. However, as the above-mentioned places at one time were known to be "Radical centers" they should be viewed with suspicion until proved to the contrary.

This is over the signature of Major General Keehn, of Illinois, and two or three other Army officers, under date of September 30, 1931.

Then a couple of pages further over under the title of "Emergency plan, general. Appendix No. 3 to part 1, G–3 plan," under subtitle C, tactical instructions, "Extracts from War Department Document No. 882," under "subtitle (a)" of that division I find this:

> Troops should never be ordered on riot duty without an ample supply of ball ammunition. Blank cartridges should never be fired at a mob. If ball ammunition is expected from the first, moral effect is gained. It will not have to be used more than once, if at all. (Note: When troops of the Illinois National Guard are ordered on active duty to suppress domestic disorders, under no circumstances will blank ammunition be issued to them.)

Under subparagraph (b) I find this:

> Never fire above the heads of rioters. The aim should be low.

I was looking over this pamphlet in my office a few days ago and a farmer from my State came in. I read to him that particular part about using ball ammunition, and that the aim should be low. He said, "That is good logic on the part of the National Guard. If they aim low and strike those hungry mobs in the stomach there will be no resistance for the bullet. It will go right through and probably kill half a dozen of the mobbers. That will be real economy on the part of the National Guard in the saving of ammunition." In my estimation that is not the kind of economy the United States Congress should practice.

It seems to me it is just the opposite of economy to refuse to pass a bill making an appropriation to take care of the people who are unemployed in our great industrial centers in the Nation at this time, and that the real danger is not the danger of paying these men and women a dole that we can not get away from in the future—not the danger of undermining their morals with the thought that they may become so lazy, or whatever it may be termed, that they will not want to work in the future but will want to continue on the dole. I do not believe that is the situation at all.

I think the Senator from Idaho [Mr. BORAH] was conservative yesterday when he said that 90 per cent of the unemployed would be glad to go to work and would refuse a dole or any gift of money at the present time if they were given a chance to work.

I believe the percentage could be put higher than that. I doubt very much if there is more than 1 per cent of the unemployed in the United States to-day who would not take a job if offered to them, practically any kind of a job. I have had letters, as other Members of the Senate have had, from many people. Only the other day I had a letter from a young man whom I used to know very well, a former neighbor of mine, now living on the west coast. He had served in the Army. He is a gas engineer, an automobile mechanic. He said, "I have not been able to get a job for months." His father and mother are well up in years and are going hungry, he said, out in the great State of California. There are unemployed out there, the same as in all the other States of the Union. The situation is a desperate one. Something should be done as a real emergency measure to take care of the situation.

I want to read a few more of these orders. One subdivision reads:

> Never try to bluff a mob.

These regulations, of course, are gotten out by the War Department and the National Guard to take care of the situation. I am not criticizing them for their regulations, but it seems to me that this would be a mighty poor way to take care of the hungry and the unemployed.

Paragraph 33 reads:

> Psychologically, at first, mobs are cowards. They only gain courage as they find that those whose duty it is to suppress them are themselves cowards. A mob is not to be feared when it is first aroused.

Under section 36 I find this:

> Mobs, as a rule, are made up of cowards, not necessarily physical cowards but moral cowards.

It goes on to say that many of the people who urge the mobbers on are cowards that stay in the rear of the mob, and the regulations advocate that there should be a rear or flank attack upon the mob to break it up. In another place it is stated that it is a good plan to have some sharpshooters on top of high buildings or in high windows to pick off some of those so-called cowards at the back of the mob, to get them in retreat, and then the rest of the mob will follow like a flock of sheep.

That might be good tactics for the National Guard to follow under the Regular Army, which they are under to-day; but it seems to be mighty poor tactics and a mighty poor policy for the United States to follow if we are going to deny assistance by the Federal Government to those who are unemployed because of no fault of their own, but because they can not get work. It is not charity that the unemployed want. They want work, but they can not get work. Therefore it seems to me it is up to Congress to make provision to assist the States and cities, which unfortunately can not take care of their unemployed under present circumstances, as it is generally admitted they can not. The sum of $5 a week for a family of four or five is not enough to enable people to live. They are blamed and criticized because they are radically inclined. Who can blame the head of a family for being radical under conditions of that kind?

These conditions of unemployment, the people going hungry, the families, wives, and children, going hungry, are doing more to spread communism in the United States than anything else that can happen. It seems to me if anyone is afraid of a radical uprising, about which we have heard so much, that he would realize that the passage of the measure before the Senate to-day to help take care of the unemployed and hungry people will do more to stop the spread of communism or any other radical movement than anything else we can do. I hope the measure will be passed.

Mr. WAGNER. Mr. President, on the question which is now before us some elements of the public may choose to discount the testimony of social workers, but even the dry statistical information published by the Government is overflowing with proof that the plight of hundreds of thousands of families is desperate, that the need for immediate relief is irrepressible. Month after month we have been receiving the same official reports of the steadily growing paralysis which is overtaking every branch of trade and industry. The latest report showed a further decline in production. The volume of carloadings continues to diminish; employment is shrinking without abatement; the total of pay rolls in manufacturing industries has been cut in half when compared with the average for 1926. The December index stood at the startlingly low level of 50.9.

What do these indices mean? An index is, after all, but a shorthand expression for a multiplicity of facts. In the present instance these indices are an abbreviation of thousands upon thousands of human tragedies, thousands of cases of soul-racking want and demoralizing poverty. If we could but place the magnifying glass upon one of these innocent-looking index numbers, we would see sights that would

make our blood run cold, that would fill us with shame and remorse that we have permitted such suffering to exist in the richest land on the surface of the earth.

Let me read a single news item which very clearly reveals how the loss and lack of earnings for the past three years have worked their havoc upon our citizens. This appeared in the New York American of Thursday, January 28, 1932:

EVICTION CASES REACH 16,000 SINCE NEW YEAR—FIVE MARSHALS' OFFICES HAVE THREE TIMES MORE WORK THAN NORMAL; MANY GET RELIEF

Unemployment distress has reached such a degree this month that more than 16,000 cases of eviction have been placed on court calendars or in the hands of marshals since the first of the year, the New York American learned yesterday.

Chief Marshal Charles Jacobs revealed more than 10,000 of these cases have been brought to his own office by landlords, tenants, or the 78 marshals of the five boroughs. Cases are three times as numerous as in normal years.

DECEMBER WORST MONTH

The total of eviction cases last year was 198,738, as compared with 153,731 in 1930. December was the worst month from that standpoint in the history of the marshals' work, totaling 19,167, as compared with 14,307 in December, 1930.

Jacobs said many cases have been settled by marshals by bringing landlords and tenants together or by referring cases to the home-relief bureau or to the school authorities.

OTHER OFFICES HELP

Various city departments have contributed to his office some 20 clerks to assist in investigating and handling cases which may be referred to home-relief bureaus.

Sixteen thousand evictions in one small quarter of the United States during a period of less than one month! Sixteen thousand families in a single city undergoing the marrow-chilling experience of homelessness. If there be any more bitter drop in the cup of life, I have not heard of it.

While these events are in hot pursuit of each other we still hear the inquiries: Has the Federal Government any responsibility in the premises? Has need been established?

Why, Mr. President, can there be any function of government which takes precedence over the obligation to prevent such suffering and to mitigate such cruelty? If that is not the paramount duty of government, then all government is a luxury to be indulged in only in days of prosperity. I do not have to search in the Constitution for the power to relieve such misery. I presume it is present there as it must be present in every human instrument of government. Upon it depend the very existence and safety of the people whom the Constitution was intended to govern.

We failed to prevent the present catastrophe. Shall we fail again when it becomes our duty to mitigate its hardships? I have read the testimony taken before a subcommittee of the Committee on Manufactures, of which the able Senator from Wisconsin [Mr. LA FOLLETTE] is chairman. Having read that, I require no further proof that the need for Federal relief is fully established. After all, need is not a felony, the proof of which must be established beyond a reasonable doubt. If we should be guilty of error, I much prefer to be guilty of error on the side of mercy and generosity.

Some would suggest that we should not act until the States and local communities have formally presented their several petitions for relief. Why should that course be necessary? Are we not competent ourselves to find the facts? Are we not here for the very purpose of speaking for these States and communities? We all know very well the sad and tragic truth. We ought not to embrace delay for the sake of decorous procedure. Nor should we overlook the very human fact that pride restrains the States as it restrains the individual from appealing for relief. We must not shelter ourselves behind the unwillingness of the States to come here as supplicants. It is the turn of the Federal Government to proffer its assistance.

The only valid issue that is open for debate is concerned with method. How can the Federal Government best discharge its responsibility? How can it most effectively render assistance in the present emergency?

Two major methods are available; and both are necessary. The first calls for the immediate expansion of public construction. The second requires the provision of funds for emergency relief.

As far as the first is concerned I have already submitted a resolution and addressed the Senate upon it, which when adopted will put in motion the machinery created in the last Congress for the concentration of public construction in this period of stress. The chief virtue of construction is that it not only affords relief, but it provides jobs for the idle, revitalizes industry and agriculture, and releases vast forces for the Nation's recuperation from its present distress. Were such a program of intense construction now in progress it would have very substantially reduced the pressure on local relief efforts and made it possible for local agencies to perform the task which they courageously undertook, but which is now beyond them.

The need for the inauguration of such a bonded construction program is becoming daily more intense. Further delay is dangerous. I believe we should proceed to the consideration of the construction resolution as soon as the pending bill is disposed of.

The bill which is before us, introduced by Senators LA FOLLETTE and COSTIGAN, is addressed to the second major method of Federal assistance. It would create a system for distributing to the States $375,000,000 during the next two years for emergency relief purposes.

In some quarters the bill, no matter what form it may finally take, will be condemned as a dole. I do not propose to be intimidated by that word. We are reliably informed that 70 per cent of the relief now administered to the unemployed is provided out of State and local treasuries. This bill will therefore introduce no new principle. It will simply replenish those State relief funds which have been drained dry by the unprecedented demand.

There is a further reason why Federal relief is essential. Many local communities have exhausted their taxing power. I have reference not only to constitutional limitations but to the more important financial limitations. The great source of local revenue is the general property tax. About two-thirds of the revenue of the cities is collected in that manner. Twenty States rely upon the general property tax for more than one-fourth of the State revenue. Any further burden upon States and municipalities means therefore additional burdens upon the home owner and rent payer—a burden which each of them must carry whether he has an income or not. Further local taxation means a tax which the home owner must pay, although he is himself one of the unemployed. The real property tax has already become too heavy. It can not be added to. If we relegate the increasing number of unemployed to the unassisted efforts of their local communities, we should know that we are asking them to drink of a fountain that will not and can not provide any more than it is now providing. The only remaining source of assistance is the Federal Government, and there is every reason in logic and humanity why the Federal Government should respond.

Mr. President, let no one be under the impression that this bill is over-generous in the provision it makes for relief. The bill provides for an approximate expenditure of $187,000,000 a year for the next two years. This should be compared with the loss in wages alone, which is estimated to exceed eleven thousand million dollars in 1931. It is obvious that the Federal money authorized, plus all that the States, localities, and private agencies may make available, will be barely sufficient to provide the destitute with the essentials of keeping body and soul together.

There is in this Chamber a unanimous desire to extend relief to our distressed citizens. All of us are moved by the same human promptings to allay the suffering of our fellowmen. We may differ over the method; we joined, however, in pursuing a common and humanitarian aim.

So completely am I convinced of the desperate urgency of relief that I have been willing and still am willing to defer to the judgment of others on the question of method. To make relief funds somehow available—that end is all-important. The means are of secondary consideration.

During the past week, however, the debate has taken such a turn as to give rise to the fear that relief may be denied for the reason that the very friends of relief can not agree upon a method of distribution. Such a result

would add despair to disaster in thousands upon thousands of American homes. Such an outcome is unthinkable.

I believe we can find a formula through which our common purpose can be given expression. With that object in view, I shall attempt to indicate the major points of difference which have thus far developed.

Four principal questions, all concerned with method, are now in dispute:

First. How shall the relief funds be allocated to the States?

Second. How shall the relief funds be administered?

Third. Shall the relief funds made available to the States be reimbursed to the Federal Government, and if so, in what manner?

Fourth. Shall a road-construction program be included in the pending relief legislation?

I should like to consider each of these questions briefly:

First, then, the question af allocation. The bill as presented by Senators LA FOLLETTE and COSTIGAN provides that 40 per cent of the appropriation shall be allocated to the States in proportion to population and 60 per cent on the basis of need. The authors of the substitute bill—Senators BLACK, WALSH of Montana, and BULKLEY—obviously do not wish to confer such large powers of allocation upon any board or bureau. Under the substitute bill the entire amount of the appropriation would be apportioned on the basis of population.

It seems to me that both objects can in large measure be obtained by apportioning the relief funds to the States in proportion to their number of unemployed as disclosed by the census of 1930. By that method we avoid the danger of excessive power in a bureau and at the same time we make available the relief fund where is most sorely needed.

A few examples will illustrate my point.

Illinois, which in 1930 had almost 9 per cent of the unemployed of the United States, had but 6.2 per cent of the Nation's population.

Michigan accounted for 6.2 per cent of the unemployed, but for only 3.9 per cent of the population.

Iowa, on the other hand, which contained only 1 per cent of the unemployed represents 2 per cent of the population.

The disparity is strikingly revealed when we compare Rhode Island and South Dakota. Rhode Island had eight times as much unemployment as South Dakota; but, under the allocation on the basis of population, South Dakota would receive more Federal relief than Rhode Island.

The argument is made that unemployment figures are of a past date, that they are no longer accurate. But we are only concerned with ratios and not with absolute figures, and all expert opinion is unanimous that the industrial States now contain an even greater percentage of the total number of unemployed than in 1930, when the census of unemployment was taken along with the census of population.

I have a letter from Mr. Dewhurst, chief of the division of statistical research of the Department of Commerce, in which he shows himself to be in accord with the views I have expressed. I ask permission to have printed in the RECORD, as a part of my remarks, his letter together with a table showing the number of unemployed in each State according to the census of 1930, and the percentage apportioned to each State on the basis of unemployment and the percentage apportioned on the basis of population.

The VICE PRESIDENT. Without objection, permission is granted.

The letter and table are as follows:

DEPARTMENT OF COMMERCE,
BUREAU OF FOREIGN AND DOMESTIC COMMERCE,
Washington, February 3, 1932.

Hon. ROBERT F. WAGNER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: This is in reply to your letter of February 2, requesting my opinion regarding the distribution of unemployment in the States. As you know, there are no current statistics which would make it possible to give an exact quantitative measurement of the amount of unemployment in each State.

My own judgment is, however, that the increase in unemployment which has occurred since the time of the census has fallen most heavily in those States in which unemployment was shown to be most severe in April, 1930. In other words, if the States were ranked according to the severity of unemployment existing in each, my belief is that the ranking would be much the same as at the time of the census, but that the disparity of "spread" between those States with the lowest percentage of unemployment and those with the largest percentage would be greater now than in April, 1930.

This conclusion is based upon an examination of the distribution of unemployment as reported in the census of 1930 and a study of the employment indexes published by the Bureau of Labor Statistics. The States in which the percentage of gainfully occupied in classes A and B combined was greatest were also those States which are predominantly industrial in character, and it is precisely from these occupations (i. e., manufacturing, mining, and construction, as well as railroads) that the largest numbers have been laid off since April, 1930. The increase in unemployment has been relatively less severe in the more widely distributed mercantile and service occupations and in agriculture, so that it would seem that the nonindustrial States have experienced a somewhat less pronounced increase of unemployment.

Another factor which would tend to cause a relatively greater increase of unemployment in the States which already had a large percentage of unemployment in April, 1930, is that these States, such as Michigan, Illinois, Massachusetts, Pennsylvania, Rhode Island, New York, etc., are largely urban in character, with large cities into which the casual unemployed labor from the rural sections tends to drift in midwinter. Of course, this is merely stating what is generally recognized by students of the subject—that unemployment is largely an industrial and urban phenomenon.

I am sure you understand that in a matter of this kind I can only express my own personal conclusions. If I can be of further assistance, please do not hesitate to call upon me.

Cordially yours,

J. FREDERIC DEWHURST,
Acting Chief Division of Economic Research.

Column I represents the percentage apportioned to each State on the basis of unemployment.

Column II represents the percentage apportioned to each State on the basis of population.

Unemployment returns: Classes A and B, by States, 1930.

Class A: Persons out of a job, able to work, and looking for a job.

Class B: Persons having jobs but on lay off without pay, excluding those sick or voluntarily idle.

	Unemployment returns, classes A and B combined, 1930		
	Number	I	II
United States	3,187,647	100.0	
Alabama	29,992	.9	2.1
Arizona	9,523	.3	.35
Arkansas	18,351	.6	1.5
California	189,859	6.0	4.6
Colorado	30,198	.9	.8
Connecticut	50,809	1.6	1.3
Delaware	3,913	.1	.19
District of Columbia	10,675	.3	
Florida	38,751	1.2	1.2
Georgia	39,622	1.2	2.3
Idaho	7,469	.2	.36
Illinois	282,851	8.9	6.2
Indiana	86,379	2.7	2.6
Iowa	31,523	1.0	2.0
Kansas	28,162	.9	1.5
Kentucky	42,270	1.3	2.1
Louisiana	39,396	1.2	1.7
Maine	21,060	.7	.65
Maryland	31,636	1.0	1.3
Massachusetts	161,394	5.1	3.4
Michigan	196,988	6.2	3.9
Minnesota	55,213	1.7	2
Mississippi	15,493	.5	1.6
Missouri	81,397	2.6	2.9
Montana	15,007	.5	.43
Nebraska	19,070	.6	1.1
Nevada	3,164	.1	.07
New Hampshire	13,531	.4	.38
New Jersey	140,302	4.4	3.3
New Mexico	6,573	3.2	.34
New York	428,015	11.4	10.2
North Carolina	44,122	.4	2.5
North Dakota	7,475	.2	.55
Ohio	214,566	6.7	5.4
Oklahoma	45,358	1.4	1.9
Oregon	31,447	1.0	.77
Pennsylvania	325,492	10.2	7.8
Rhode Island	36,127	1.1	.56
South Carolina	19,247	.6	1.4
South Dakota	4,512	.1	.56
Tennessee	30,185	.9	2.1
Texas	95,263	3.0	4.7
Utah	10,959	.3	.41
Vermont	8,202	.3	.29
Virginia	35,359	1.1	1.9
Washington	46,437	1.5	1.2
West Virginia	35,334	1.1	1.4
Wisconsin	64,076	2.0	2.4
Wyoming	4,900	.2	.18

Mr. WAGNER. The fact that in the industrial States there is now a greater percentage of the total number of unemployed than in 1930 is strongly corroborated by a special report of the Bureau of the Census entitled "Relief Expenditures by Governmental and Private Organizations, 1929 and 1931." It reveals that in the industrial States there was a much larger percentage of increase of relief expenditures in 1931 over 1929 than in the agricultural States. Since the object of the legislation is to relieve the hardship of unemployment, it seems plain to me that apportionment of the funds on the basis of the unemployment census of 1930, while not perfect, is certainly a superior method of making available relief where it is most sorely needed.

I turn now to the question of administration. The La Follette-Costigan bill creates a board with elaborate duties and extensive powers of investigation and supervision. It would examine State estimates and expenditures for relief, approve or disapprove of State methods and even of the State personnel charged with administering relief within a State.

The substitute bill, offered by my colleagues, dispenses with a board and, of necessity, with all supervision over the administration of the Federal funds within the States. There is merit, it seems to me, in the contention that the pending bill is top-heavy with administrative details. On the other hand, it has always been regarded as entirely proper that the Federal Government should have a degree of authority over the expenditure of its funds within the States. There is provision for that purpose in every other measure of Federal aid. I propose, therefore, that we create a temporary board, with extremely limited jurisdiction, to whom a State applying for the benefits of the act shall submit a plan of proposed administration for approval. Such a procedure would assure proper use of the Federal funds, and at the same time insure the State complete autonomy within its borders.

It is the third question, Mr. President, which has proved most troublesome. Shall the relief funds made available to the States be reimbursed to the Federal Government and, if so, in what manner? The La Follette-Costigan bill provides for outright grants to the States. The substitute proposed by my colleagues provides in section 5 that no payment shall be made to any State until the governor shall declare that he will recommend to the legislature of his State and also to the people thereof such action as may be necessary and appropriate to insure the repayment to the United States of all amounts received by the State.

The question which must occur to anyone who reads this proposal is this: Does it provide for loans to the States or does it provide for grants? If it be a loan, where is the promise to repay? If it be a loan, what provision is made for the States that can not borrow under their constitutions or have exhausted their constitutional borrowing power? If it be a loan, when shall it be repaid to the Federal Government?

If it is not a loan that the substitute bill proposes, but an outright grant to the States, then wherein does it differ in principle from the pending bill? If it is a grant that is intended, why should we not say so explicitly?

If the proposal makes provision for what is neither a loan nor a grant, but an inchoate financial arrangement which can be turned into a loan or a grant by the separate will of each of the States, then it seems to me that we are not fair. One State may repay the money to the Federal Government; another State may not; both will be strictly within their rights. That is scarcely a procedure dictated by the principle of equal treatment.

The Senator from Maryland [Mr. TYDINGS] has offered an amendment to the substitute. It provides, in part, that no State shall receive any portion of the moneys appropriated under the pending bill unless the legislature and the governor certify that they consider any amount advanced by the Federal Government as a loan only and that the State is morally bound to repay the sum so advanced.

This amendment, apparently, proposes to clarify the financial relationship between the Federal Government and the States arising out of the operation of the substitute bill. Under the amendment of the Senator from Maryland, the State would be morally obligated to the Federal Government. The same questions again become pertinent. If the State has not the legal power to obligate itself financially, then wherefrom does it derive the power to obligate itself morally?

If there be inhibitions in the State constitution which prevent the State from borrowing—and there are such inhibitions in most of the States—then I submit that the same restriction would attach to any attempt of the State legislature to bind the State morally to pay the relief money accepted. I doubt that any governor or State legislature so restricted by its constitution would be willing to submit to the condition stated in this amendment.

There can be no doubt but that in every State which accepted relief on such terms, the question of repaying the Federal Government would become a political issue and be the cause of local dissension. The honor of each State, which ought to be beyond debate, would be dragged down from its pedestal into the rough and tumble of partisan dispute.

I take the liberty, therefore, of submitting the following proposal: That the amount of any grant made to any State shall be reimbursed to the Federal Government by making annual deductions, beginning with the fiscal year 1937, from moneys payable under regular apportionments for Federal-aid highway grants, of an amount equal to one-fifth of the share which such State would be entitled to receive under such apportionment, or of an amount equal to one-fifth of the grant, whichever is the lesser, until the sum of the deductions equals the total amount of the grant.

What I propose, in other words, is, strictly speaking, neither loan nor gift, but a present advance of funds which the State will in the course of time receive in any event. It avoids the constitutional difficulties which affect the amendment of the Senator from Maryland, and simplifies the process of balancing the accounts between the States and the Federal Government. The deductions would not begin until 1937, by which time we are fairly certain the States will have recovered from their present difficulties; at least, we fervently hope so. Furthermore, the deductions are so adjusted as not to impose too large a burden upon any State during any one year, since they will spread over a minimum period of five years, and in no year can more than a fifth of the highway funds be withheld.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. I do.

Mr. BORAH. I suppose it would be within the power of Congress to excuse that payment?

Mr. WAGNER. At some subsequent time?

Mr. BORAH. Yes.

Mr. WAGNER. Yes; there is no question about that.

Every precaution, in my judgment, is thus taken to prevent serious impairment of the normal functioning of the States' finances.

The final point of difference is presented by that portion of the substitute bill presented by my colleagues which authorizes an additional sum of $375,000,000 for highway construction. Personally I should have preferred to see that provision carried in a general emergency construction bill, which should be of much larger dimensions, and is necessary to supplement the relief which the present bill would make available. That, however, is but a matter of form. It makes little difference by what legislative machinery we proceed as long as we do our full job in extending to the people of the United States a helping hand in this extraordinary emergency.

That, I repeat, is our principal concern. In my judgment, the proposal I have submitted constitutes a satisfactory solution to the questions that have been debated in this Chamber during the past week. It is tendered in the hope that it may seem so to a majority. Should it prove unacceptable, I shall vote to support the bill presented by Senators LA FOLLETTE and COSTIGAN.

Mr. President, the emergency which faces us will not wait. All eyes are now turned to the Federal Government, giving expression to the prayerful inquiry, "Will the Federal Government do its duty?"

We ought to look at the whole problem which we are trying to solve by means of construction and relief in its true perspective. The need which we are trying to satisfy is superior to each and every need for which money is allotted in the National Budget. I make no exception. I care not whether we consider the legislative, executive, or judicial division of our Government; they are all important, but the preservation of human life comes first.

We still find in this country a few minds which can not comprehend that our entire history is built on blocks of innovation upon a foundation of invention. They take fright at a novelty. They condemn the present measure as without precedent. Suppose it were without precedent, of what relevance is that? So is the severity of the present depression unprecedented. So is it without precedent to find such extensive poverty and want in a land so rich that no parallel can be found for it in all recorded history.

Must we stay our hand from doing what is right, what is just, what is humane, because the books do not contain a record of a similar performance in the past? When a voice in the wilderness first proclaimed "Thou shalt love thy neighbor as thyself," that was without precedent; but it has changed the face of civilization through these thousands of years. Now our neighbors are in distress. Their children are undernourished. They and their wives are without food, clothing, and shelter. Through no fault on their part they are daily eating the tear-stained bread of despair. Is it really without precedent in such circumstances for a Nation to make a common effort to rise to the aid of its unfortunate citizens? I deny it. It is not true because it can not be true.

I express the hope, which is shared by millions of our citizens throughout the length and breadth of our country, that this Congress will not halt, will not pause in its efforts, until it has made relief available to those who suffer from the national adversity.

Mr. REED obtained the floor.

Mr. McNARY. Mr. President, the Senator from Pennsylvania is about to address himself to the pending measure?

Mr. REED. That is what I expect to do.

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Dale	Kendrick	Sheppard
Austin	Davis	Keyes	Shipstead
Bailey	Dickinson	King	Smith
Bankhead	Dill	La Follette	Smoot
Barkley	Fess	Lewis	Steiwer
Bingham	Fletcher	Logan	Stephens
Black	Frazier	McGill	Thomas, Idaho
Blaine	George	McKellar	Thomas, Okla.
Borah	Glass	McNary	Townsend
Bratton	Glenn	Metcalf	Trammell
Brookhart	Goldsborough	Morrison	Tydings
Broussard	Gore	Moses	Vandenberg
Bulkley	Hale	Neely	Wagner
Bulow	Hastings	Norbeck	Walcott
Byrnes	Hatfield	Norris	Walsh, Mass.
Capper	Hawes	Nye	Walsh, Mont.
Caraway	Hayden	Oddie	Waterman
Carey	Hebert	Patterson	Watson
Coolidge	Howell	Pittman	Wheeler
Copeland	Hull	Reed	White
Costigan	Johnson	Robinson, Ark.	
Couzens	Jones	Robinson, Ind.	
Cutting	Kean	Schall	

Mr. KEAN. I desire to announce that my colleague [Mr. BARBOUR] is unavoidably absent, having gone to a Lincoln Day celebration. I should like to have this announcement stand for the day.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

Mr. REED. Mr. President, I am perfectly well aware of the fact that nothing which can be said about the pending bill at this time can by any possibility change a vote in this Chamber. I think all of us have pretty definitely made up our minds as to what our attitude should be on the original bill and on the substitute. So that it is not with any vain hope of affecting the result of the coming vote but only in order that those who sent me here might understand the reasons for my vote, that I rise to speak.

I want first of all to compliment the Senator from New York [Mr. WAGNER], who has just spoken, for his fairness in admitting that every one of us on the floor of this Chamber is equally sincere in the desire to bring whatever help may properly be brought, within the authority that is given to us, to those of our fellow citizens who to-day are in distress. I am perfectly ready to grant to every man on this floor who disagrees with me that his sincere desire to help is quite as great as my own. I think we owe it to one another to leave out any implications that those of us who are unable to concur with the thought of the proponents of this bill are moved by hardness of heart or indifference to suffering.

Another thing I should like to state, because it is my deep belief, is that a matter of this sort ought not to be determined by a barrage of epithets. It is no argument against this bill to say that it provides for a dole. "Dole" is an epithet which people understand differently. I do not base my opposition to the measure upon any such ground, although I do sincerely dislike those provisions in section 12 of the bill which provide that the relief contemplated by the bill means relief in the form of money or commodities furnished by the State or its civil subdivisions to persons either at home or in temporary shelters.

Leaving out all reference to the word "dole," it seems to me extremely unwise for relief to be furnished in the form of money, because experience has shown, both abroad and here, that that is the most wasteful and inefficient possible means of giving relief to persons who lack food or shelter or clothing.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. LA FOLLETTE. May I say to the Senator that there is no intention on the part of the authors of the bill that any new system shall be set up in the various localities for the payment of money to individuals? However, as the Senator probably knows, there are many communities in the country where work relief is being provided—that is, work is being provided on the basis of need and people are being paid a certain set amount for a day's work on those work-relief projects. It was felt that in view of the fact that there were these various places where this type of relief was being provided, the Federal Government, if it aided at all, should not attempt to force those communities to abandon the type of relief which they have in operation.

If the Senator would be interested, I would refer him, as an example of what I had in mind, to the testimony of the city manager of Grand Rapids, Mich., who testified that all their relief in that city was being handled in that manner.

Mr. REED. I thank the Senator. In fact, in my own city of Pittsburgh a very large part of the relief is being furnished in just that same way, in the form of work, and wages are paid out of the emergency community relief fund.

I gained the impression which I have stated from a reading of section 12, which seemed to provide for relief in the form of money or in the form of wages or other compensation for work furnished on the basis of need. In stating it in the alternative it seemed to me to contemplate money benefit, without work being done in exchange. I am glad to be corrected.

Mr. LA FOLLETTE. I merely wanted the Senator to understand what the intent was.

Mr. REED. I think it might be made a little clearer. However, to pass on, I agree with every word that was said yesterday by my eloquent friend the senior Senator from Idaho [Mr. BORAH] when he stated that, given necessity sufficiently great, all principle has to yield against it; that we are not going to stand on time-worn and time-honored conceptions of constitutional limitations in the presence of starvation and death. If there be no other way of preventing Americans from starving, every one of us, convinced that such a condition exists, will gladly yield any prejudice

regarding the governmental unit which ought to furnish the relief, and will try to meet the necessity.

I venture to think that the Senator from Ohio [Mr. FESS] expressed the same thought—at least I conceive that he meant to—as that expressed by the Senator from Idaho [Mr. BORAH], namely, that, granted that necessity is here, we are willing to do anything within our power to meet it. Where we differ is not in that statement of principle, but in our perception of the existence of that state of necessity at this time. It is not that in principle we differ at all, the Senator from Idaho and those of us who take the side opposite from him. It is in our diagnosis and understanding of the sort of conditions which obtain at the present moment.

I do not think that necessity has arisen or that it is within reasonable contemplation at the present time. I do not think the country has reached that state of abysmal collapse where the local governments, the States, the counties, the poor districts, the cities, have become impotent to help the distressed within their own boundaries. If I did think so, and if I thought that the exercise of the local taxing power, and the appeal to local generosity had failed, and that the Federal taxing power could be resorted to in order to remedy that failure, then I would vote with the Senator from Idaho in favor of some such proposition as the pending one. But I do most firmly believe that we are not within far-sighting distance of any such state of collapse as that.

The questionnaire sent out by the able Senator from Wisconsin surely tempted each of these communities to say that it would be glad to receive a Federal grant. Perhaps I had better read at this point the wording of the seventh question addressed to the mayors of the communities, which made it almost impossible for them to answer that they would not take the money. This was the question:

> Do you favor a Federal appropriation to assist the local governments in meeting their emergency relief burdens, and do you feel that such an appropriation would be of aid in providing more adequate relief for the needy or in lessening the burden on local taxpayers?

Senators will notice the double-barreled question; first, do you favor a Federal appropriation, and, second, do you feel that such an appropriation would be of aid in meeting the local burden?

It is almost self-evident that whether one favored a Federal appropriation or not, he had to answer "yes" to the last half of that question. Of course, any money from anywhere would help to lighten the local burden. Yet, although the question was phrased in that tempting language, I am proud to say that of the responses from my own State, the "yeses" were only 28, the "noes" 25, and those who were undecided were 11. I honor them for their responses to the temptation presented by that most adroitly worded question.

Mr. LA FOLLETTE. Mr. President, may I say to the Senator that there was no necessity for any person responding to that questionnaire to answer the question "yes" or "no." If the Senator will read the numerous replies which came, he will find that in many instances long answers were made to the question. Many of the questions in the questionnaire contained more than one question.

Mr. REED. I am not finding fault with the Senator for sending out the question. I merely want to call attention to the fact that while some of the mayors sent back essays on Federal and State sovereignty, many of them answered the question with a categorical "yes" or a categorical "no."

Mr. LA FOLLETTE. True. I would also like to direct the Senator's attention to the fact that some of the replies dealt directly with the question of whether it would relieve the local burden or not, and contended in some instances that in view of the fact that they were located in communities which contained residents who paid large income taxes to the Federal Government it would not lighten the burden so far as their communities were concerned.

Mr. REED. I did not see any such answer as that from Pennsylvania, but there might have been some.

Mr. President, in the first place, the evidence that is produced as to the necessity for Federal assistance to the local communities must always be scrutinized with especial care. We remember, because it was only last month, how strongly it was borne in upon us that the city of New York was on the verge of a financial collapse, and that there was nothing within its power to accomplish that would prevent it; and we were told that we must amend the emergency Reconstruction Finance Corporation bill in order to permit loans to municipalities, or on the following Wednesday the city of New York would be an admitted bankrupt, that it could not meet its obligations. We had the courage to stand up against that demand from that hard-pressed city.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. COPELAND. There is exactly the same need in New York for aid for our poor that there was when I was making the appeal to which the Senator has referred.

Mr. REED. Ah, but the Senator was not asking for aid for the poor; he was asking for aid for the city treasury to enable it to meet a lot of maturities that were coming on the following Wednesday.

Mr. COPELAND. Correct; and also that we must have larger sums than we could get by the ordinary methods of taxation with any means at our command if we were to have funds to do the relief work. And the same thing is true to-day. The city of New York is estopped from any effective means of taking care of its own poor because of the denial of the bankers of the necessary funds to take over the short-term obligations of the city.

Mr. REED. Precisely. The city made it very plain that it either had to borrow or receive a gift if it was going to meet its maturities, that it could not raise the money by taxation. We denied a loan from the Federal Government to the city, and immediately the city of New York so put its house in order that it was able to borrow from its own bankers $100,000,000 of new money to meet those coming maturities. It did put its house in order, and it did make the loan; and yet, if we had loaned the money, the house would not have been put in order.

Mr. COPELAND. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield further to the Senator from New York?

Mr. REED. I yield.

Mr. COPELAND. I want to say that the amount of money which was advanced finally by the bankers at a usurious rate was quite insufficient to permit the city of New York to do what it desires to accomplish in the way of liberal appropriation for the poor of the city of New York.

Mr. REED. Of course the city of New York desires to go ahead with a program of $216,000,000 of public improvements and it can not afford to do it, and now the bankers say "No more improvements until that program is cut out."

Mr. COPELAND. And no more money to take care of the poor until the bankers' plan is adopted by the city.

Mr. REED. I am not sufficiently familiar with the terms of the quarrel between the bankers and the city administration of New York, but all I think is important is that the promised bankruptcy did not take place when we showed a firm stand against making a loan.

Mr. BLACK. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Alabama?

Mr. REED. I yield.

Mr. BLACK. May I call the Senator's attention to a telegram which I received several days ago, not with any intention of interrupting his argument, but because I think it answers the question of the Senator from New York.

The city of Birmingham, Ala., a few days before the Senate voted against Senator COPELAND'S amendment, attempted to sell $400,000 worth of bonds for public improvements. I voted for Senator COPELAND'S amendment to the Reconstruction Finance Corporation bill, which would have authorized loans to cities. I have a telegram from the mayor of the city of Birmingham to the effect that Birmingham has not yet been able to sell those bonds, and urging that Federal legislation be passed aiding a solvent city to sell its bonds,

and calling attention also to the fact that if Birmingham could sell its bonds, it would be able to place from 3,000 to 5,000 people to work in parks and other public works.

Mr. REED. I am quite sure that is so. I am quite sure the bonds of Birmingham will find a ready market if Birmingham can balance its budget and assure its creditors that they will get their payments as they fall due.

Mr. BLACK. I desire to state to the Senator that the Birmingham budget is balanced and its credit is unquestioned. It has never failed to pay one penny of any debt it owed. It can pay every dollar of those bonds if they can be sold, but it is impossible to sell them in the present situation. There has been no question raised about Birmingham's solvency or its ability to pay or its failure to live within its budget. The budget of the city of Birmingham is balanced, according to my information.

Mr. REED. In that case there is over $1,000,000,000 of hoarded currency in safety-deposit boxes that can be drawn out by any such securities as that. I do not mean to go into the details of Birmingham's finances, because I do not know one thing about them. I do know the trouble with the market for Federal bonds is that we have not balanced our Budget here in Washington. The trouble with the market for Philadelphia bonds is that Philadelphia has not balanced its budget. It is going to do it, and then the market for its bonds will revive. But neither they nor we nor anybody else nor any private industry is going to be able to sell its promise to pay until it balances its income with its outgo and makes its creditors realize that its debts are good.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Wisconsin?

Mr. REED. I yield.

Mr. LA FOLLETTE. How are those communities going to balance their budget if they are required to meet the staggering burden of relief of the unemployed and the needy in the present situation?

Mr. REED. That is for them to determine. It is just as easy for them to do it as it is for us to do it. How are we going to balance the Federal Budget? It looks now as if it is going to be about $1,750,000,000 out of the balance in the next fiscal year. How are we going to balance the Federal Budget when we add over three-quarters of a billion dollars to pay the expenditures required to be made by the bill that is pending here now?

I do not mean to make this a talk on finance, but it is perfectly obvious that the same problem that confronts us confronts the local communities, and vice versa, and it is not until we develop the spunk to balance our Budget and look facts in the face that we are going to see an end of the governmental difficulties in the money market.

Mr. COPELAND and Mr. LA FOLLETTE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Pennsylvania yield; and if so, to whom?

Mr. REED. With the permission of Senators, I shall not yield to anyone for a few moments.

I say that, as I perceive the facts, the necessity for any such bill as the measure before us does not yet exist. We are told that this is the worst collapse in business and the worst depression that the country ever saw. I beg leave to doubt that. I doubt very much if the future looks as black to us now as it looked to our grandfathers in 1819, when not only America was prostrate and American commerce was dead but all Europe was prostrate as a result of Napoleon's war, just as she is prostrate to-day as the result Kaiser Wilhelm's war. The future looked just as black to the eyes of our ancestors as it looks to us now. Ahead of them then, although they did not know it, lay an era of good feeling, a period of commercial prosperity, and America came out from the clouds so fast that it almost took their breath away.

Then they speculated, as we have been doing, and they had a great inflation of commodity prices and security prices, and the whole business came tumbling down around their ears in 1838, and to those American Senators and Congressmen and business men who looked at conditions in 1837 it seemed as if the very bottom of everything had gone to smash. It looked just as black to them as it looks to us to-day.

It happened again in the fifties, and then came the panic of 1873. We think we have seen bank trouble in the last year or two. Why, Mr. President, in 1873 there was only one bank in the whole city of New York that was open for business. We do not know what trouble is compared with what our fathers faced in those days. Half of the country had been beaten flat by the War between the States. It did not seem to have any recuperative power. The North had lost in man power, had gone through all kinds of frenzied finance, and had gone off the gold standard, so that in terms of paper money gold dollars were selling at away above their nominal value.

All the calamities we have been dreading actually happened to our fathers in 1873. The bread lines were longer in proportion. Industry and commerce were more nearly dead. The suffering among our people was keener. The local welfare chests were nonexistent. All of this system of Red Cross and community relief which we have developed was unthought of. Here and there a single charitable individual gave of his means to keep some of his neighbors at work, but nothing was being done systematically as is the case to-day.

We do not know what depression is compared with our predecessors, who looked at the situation in America the day that Jay Cooke failed in Philadelphia. We do not know what hard times are compared with those men who kept their heads up and went on in those days and left us the matchless country that we have to-day. Just think of the contrast in conditions. To-day we have a population extremely literate, free of pestilence, free of any such disease or calamity of that nature as indicates a permanent decline in the power of our people. We have a country which in its financial aspect is unmatched. Its buildings, its factories, its railways, its wagon roads, were never equaled in the world before, and they are all just as good to-day as they were two years ago. We have an industrious population that not only knows how to work but is willing to work. Everything is sound in America, except we are all in a stew over a panic that can not last. People can not remain scared indefinitely. We are coming out of this depression just about as fast as we went into it. We need not tell ourselves that the present depression is unprecedented. It is not.

I am told by Mr. Gifford, of the President's commission, that in practically every State of the Union there exist organized relief establishments which are considered locally to be adequate to the task that confronts them. One of the exceptions that he suggested was my own State of Pennsylvania in which, as I have shown, Mr. President, half of the communities say they do not want a Federal appropriation. In Pennsylvania our difficulties are peculiar. Our legislature, about two months ago, passed a relief act which the governor held during the constitutional period for signing, and then allowed to become a law without signing it, and it is now tied up in the courts on the question of its constitutionality. But the legislature passed a perfectly adequate State relief act. I do not mean to go into the quarrel between the Governor of Pennsylvania and the legislature, but it is not the fault of the people of Pennsylvania, it is not the fault of the needy of Pennsylvania, and it is not the fault of the Federal Congress that that act is not in working order at this moment. Although it is not, the local communities say in spite of that that they can take care of themselves and that they do not want any Federal relief.

I suppose the State of Pennsylvania is about as badly hit as any one of the 48 States of the Union, because it is a great industrial State, and it has a shocking number of unemployed this minute. I suppose that Pennsylvania, in the matter of apportioning the relief according to the number of unemployed, would fare about as well as any other State in the Union. But Pennsylvania can fend for itself. It can keep order. It can take care of the cases of distress among its people, and it will do so. Pennsylvania sees no advantage in taking money away from the States to give

back to them the next day for this purpose. We will raise the money ourselves. We have been raising it. We will keep on raising it. We do not want any Federal relief, even if we would profit by the terms of the bill.

One of the practical difficulties of the bill, if it were to pass, is that it would absolutely terminate all of that loyal work which is being done locally to meet the distress. It would absolutely put an end to every community chest effort. It would put an end to all appropriations by the cities and the counties and the States. They would all lean back and say, "Why should we work? The Federal Government is going to tax us anyhow. Let us wait and get our share from Washington."

Think of the effect upon the unemployed and the people in distress if by our legislation we so work it that all local charitable effort is suspended. We know that will happen. We have seen it before. We have seen it instantly when one of these proposals for a Federal grant comes before the Congress. We have seen the total slowing up of the community-cehst collections. I have heard men myself say over and over again, "Why should I give to the community chest when the Federal Government is going to raise my taxes for this same purpose? If I have to pay through the nose in taxes, that is all they are going to get out of me." I have heard that said over and over again. It is just human nature to say it. But as long as they are not confronted with that condition, as long as each community is challenged to take care of its own, that argument does not have any effect. We can raise by our community-fund plan a very much larger supply of funds than the Federal Government can possibly afford to spend.

What we do here in effect is to substitute a compulsory Federal collection instead of a local voluntary collection or in some cases a local exercise of the taxing power to meet local necessities. If the States and counties and cities had no taxing power, if we were the only authority in America that could compel the outpouring of funds to meet this necessity, I should say a strong argument existed for the bill; but our States have the taxing power and the borrowing power, and our counties and cities and local governments have it. There is no reason in the world why they should not use it for their local necessities instead of coming to us and requesting the exercise of the power that abides in us to compel levies to be made upon the citizens of the country.

Think how inequitable it is for a community—and there are many of them in all sections of the country—that has contributed generously to the alleviation of local suffering and distress to be penalized, as it is under this bill, for its very generosity, because the more people it has taken care of, the less unemployment there is within its borders, so much the less does it receive from the Federal Treasury under this bill. The community that will profit most by this bill is the community that has done the least.

Take the State of Mississippi. As I remember the figures, the Fifteenth Census showed that the percentage of unemployment in Mississippi was less than one-half of 1 per cent. Evidently that State has so provided for its people that unemployment was comparatively nonexistent there when the Fifteenth Census was taken. By contrast to that, my State of Pennsylvania showed a percentage that ran seven or eight times as high. When we come to this grant from the Federal Treasury, why should Mississippi be penalized in favor of Pennsylvania merely because by some method or other Mississippi has prevented suffering and we have not? If the people of Mississippi have used aggressive local methods of coping with this disaster and the people of Pennsylvania have not, they suffer for their intelligence and their energy and the people of Pennsylvania profit; and that is just the way it ought not to be.

Mr. President, I have only one more suggestion to make. When we come to the administration of relief it is self-evident that a local administrator can apportion relief more justly and more wisely than can any bureaucrat in Washington. The bill itself seems to recognize that when it provides that the administration shall be by local relief units, but subject to the guiding hand of a bureau here. We have witnessed enough of Washington bureaus to know that their guiding hands are usually resting on the brakes. Federal relief administered under this proposed act through the local authorities will merely be slowed up by the participation of the Federal authorities in the process. Let the unemployed of America be taken care of for as long as possible by the local authorities and the unemployed will benefit, because they will be accorded prompter and more intelligent relief than they possibly can obtain under the guidance of a bureaucrat sitting here in Washington.

The VICE PRESIDENT. The original text of the bill is open to further amendment. If there be no further amendment to it, the proposed substitute is open to amendment.

Mr. TYDINGS. Mr. President, I send an amendment to the desk, which I ask may be read.

The VICE PRESIDENT. The amendment proposed by the Senator from Maryland will be stated.

The CHIEF CLERK. On page 4, line 9, of the pending substitute, after the word "thereof," it is proposed to insert the following: "shall transmit to the Secretary of the Treasury a joint resolution of the legislature of said State, properly certified, that (a) the amount requested is necessary for emergency relief in such State and can not be obtained either from public or private sources in said State; and (b) that the legislature and governor of said State consider any amount advanced in pursuance of such request as a loan only, and that the said State is morally bound to repay said sum so advanced," and to strike out all of lines 9, 10, 11, 12, and 13 after the word "thereof" in line 9 down to and including the word "sources" in line 13.

Mr. TYDINGS. Mr. President, the amendment is predicated upon the fact that if Federal money is to be made available it is to be used in the form of loans to the States in the event that loans are to be provided rather than direct gifts. It simply provides that the proper borrowing authorities of a State shall go on record—first, that the money is needed; second, that it can not be secured from either public or private sources; and, third, that they are morally bound to repay it as a loan.

Obviously, under some of the State constitutions it would be impossible for the States to borrow the money. So the word "legally" is not used, but instead the word "morally" is used, that being the only word that would fit the extraordinary conditions which now exist due to provisions in some of the State constitutions in the event such States want to borrow a sum of money from the Federal Government. Personally, I feel that we should keep the distribution of funds decentralized in the hands of local agencies; certainly so, at this stage of the crisis. If the depression is to go on indefinitely, if the number of unemployed is to increase, and the number of those who are hungry and in distress is to be augmented, eventually the Federal Government itself may have to enter the field and take over the local agencies in an effort to feed the people; but I, for one, do not believe that we should do that as an initial step.

The governor of my State, for example, has stated that Maryland is able to handle her own problem. It is not that we have not suffering; it is not that we have no unemployment; but our people are ready and willing, and have been able so far, to give as much help as the Federal Government could give, and, in fact, I believe better and more efficient service. If the Federal Government shall embark upon the policy of making direct loans for relief purposes to agencies in the States, in my judgment, community effort will be terminated. The men and women who are now contributing, some of them $10,000 a year, some $5,000 a year, and some $1,000 a year, are also large taxpayers, and when they are confronted with the specter of paying both to the Federal Government and to community funds, when the Federal Government embarks in this field, community relief funds will be very difficult to raise.

I might say that State bonds were sold in Maryland yesterday and brought 97 cents on the dollar; that is, the State received $97 for each $100 bond. It is because we have been self-reliant and managed our affairs well and can continue to do so that we would prefer to "run our own show" for the present, and believe that if governors of States want to borrow money from the Federal Government they should at

least have the sanction of the representatives of the people of their States before the Federal Government should be called upon to make the loans.

The argument may be advanced that the legislatures of the States are not in session, and that it would be expensive to call them in session. I believe, however, that the members of the legislature in every State in the Union, were they called in session for this purpose, would gladly give a day of their time without pay. They could meet and quickly pass a resolution, if it were desired that one be passed, setting forth in effect that they could not get the money from public sources, that they could not get it from private sources, that funds were greatly needed, and that they were making a loan which they would repay when times were better. If we are to provide for loans we should provide for loans; if we are not to provide for loans but for gifts, the gifts should be direct without any semblance of loan language thrown around them such as is found in the provisions of the bill. As it stands now, the money advanced would not be a loan, because a governor would have no moral or legal right to borrow from the Federal Treasury; and, if a governor is to borrow, I submit that the legislatures should support his action, so that the entire State, through its legally constituted representatives, may in due form and on paper be represented as making the request and recognizing the moral obligation to repay the loan when times shall improve.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Maryland to the amendment in the nature of a substitute.

Mr. COPELAND. Mr. President, I sincerely hope that the amendment offered by the Senator from Maryland will not be adopted. In the situation which confronts the country speed is the essence of things. If we are to do anything for the unemployed and for those who are in need of food, relief must be given now. The amendment would add to the machinery; it would involve long delay, as legislatures would have to be called in session, and then there might be bickering in the legislatures, and in a State such as mine very great difficulty would be caused.

Only recently my State appropriated $20,000,000 for relief, and then, because of a difference of opinion between Governor Roosevelt, on the one hand, and the Republican legislature, on the other, only yesterday the legislature lopped off $21,000,000 for public works for which plans had been made.

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Maryland?

Mr. COPELAND. I will yield in just a moment. In other words, the legislature gave $20,000,000 with one hand and grabbed it back and in addition another million with the other hand. I think it would be most unfortunate to adopt the amendment now proposed. If we are to do this thing at all, we should do it promptly. If we are going to involve it in machinery so that the good effect will be delayed, we might as well give up in the beginning. I sincerely hope that the amendment will not be agreed to. I now yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, first of all, the Legislature of the State of New York is now in session, and therefore, so far as the Senator's argument applies to his own State, the legislature would not have to be called together. Second, if the legislature of his State, elected by the people, saw fit to lop off $21,000,000 for public works, I do not see why the Federal Government should make that State a loan, because it stands to reason that the State's representatives assembled in the legislature do not want to do what the State's Representatives in the United States Senate want to do.

Mr. COPELAND. I want to say, Mr. President, that in voting for the measure before us I think I am entirely truthful in saying that I am not thinking about my State. The whole amount involved is $375,000,000. New York has one-tenth of the population of the country. If we were to get one-tenth of the appropriation, we would receive $37,000,000. The city of New York, where unemployment is so common, contains half the population of the State; so ultimately it would get $18,000,000, and one-third of it, or $6,000,000, this year. We have already spent $50,000,000 in my city. The $6,000,000 we would get from this bill would be a mere bagatelle. I think that I am standing on loftier ground than to have my attitude influenced by the mere thought of what may be done for the city of New York and the suffering people of that city—and God knows there are many there. I am thinking about other States and other communities and other sections of our country, where there are hungry women and babies; and I myself am not content, Mr. President, to have the machinery become so complicated as that it will be springtime or the 4th of July before any good effects may come from the operation of this bill and the relief proposed by it.

Mr. TYDINGS. Mr. President, the Senator from New York conjures up images that I am afraid do not exist. No machinery at all is created in this amendment. As a matter of fact, it provides, inferentially at least, that the State agencies shall spend the relief if they borrow the sum of money; and certainly, in my judgment, the State agency in New York is much better equipped and qualified to spend New York's share of its relief money than a Federal agency is, any time and any day.

The legislature of that State is in session now. If they want the money, they could pass this resolution the day after the bill becomes law and get their share of the money and spend it the next day, and so could the legislature of any other State in the Union; whereas under the bill that the Senator would support the governor could not get the money, because he would first have to make his appeal to the bureau of the Federal Government, which, in turn, has a right to investigate the conditions in New York and to select the agencies to spend the money before the people of his State could get a single dollar.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. TYDINGS. Yes; I yield.

Mr. COPELAND. Does the Senator imply that I will not vote for the Democratic substitute?

Mr. TYDINGS. No; but if the Senator is going to vote for the Democratic substitute—namely, for a loan in preference to a direct gift to some agency in his State—may I ask the Senator, in all good faith, how the Governor of New York can borrow money from the Treasury of the United States; what authority he has to do it?

Mr. COPELAND. He has not any authority; but, let me say, that if the Governor of the State of New York takes advantage of the opportunity and makes application for this fund, the State of New York will repay any money that it receives.

Mr. TYDINGS. That may be true; but, let me also point out to my friend from New York that many governors may refuse to borrow money which may be needed by their States, because they will feel themselves unable to borrow it unless they have the sanction of the legislature so to do. There are many governors of States in this country who would not feel that upon their initiative they could petition the Federal Government for a share of the funds provided in this bill. They would want the sanction of the legislatures, because in almost every State the borrowing power of the people and of every one in that State, so far as I know, is lodged in the legislature; and without these resolutions on the part of the respective legislatures of the States, in my judgment, many governors who would like to borrow will feel that they are powerless so to do.

Mr. COPELAND. Mr. President, if the Senator will permit me——

The VICE PRESIDENT. Does the Senator from Maryland further yield to the Senator from New York?

Mr. TYDINGS. Yes; I yield to the Senator.

Mr. COPELAND. I should like to say that I regard this great epidemic in the same way that I would regard an invasion of the country by bubonic plague, or typhus, or smallpox. No sort of political philosophy can stand up in the face of human distress. If the Senator is going to hesitate and split hairs and try to formulate legislation which will

suit his sort of political philosophy, that is his privilege; but, so far as I am concerned, I am not satisfied to know that there are millions of children in the United States who are going to suffer from undernourishment, that disease will prevail as a result of our failure to go forward because of our fear that we are going to establish a precedent which will come home to damn us. I am content to go forward and to let the future take care of itself so far as political philosophies are concerned.

Mr. TYDINGS. The Senator is not going forward; he is standing still when he opposes this amendment, because, by his own admission, he states that the Governor of New York is without the slightest authority to borrow a single dollar that the Congress provides. The Governor of New York can borrow the money if the legislature authorizes him so to do. What I am trying to do is to put the Senator's State in a position where it can get the money in the proper and legitimate way.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Kentucky?

Mr. TYDINGS. I yield to the Senator from Kentucky.

Mr. BARKLEY. What will be the situation in States, of which there are many, where even the legislature can not borrow money, where there must be a vote of the people before there can be a borrowing of money on the part of the State? In that sort of a State, under the Senator's amendment, there would be no possibility of getting any of this fund for relief until a popular election has been held to determine whether or not the money shall be borrowed.

Mr. TYDINGS. Oh, no; the Senator is mistaken. He has not read my amendment.

Mr. BARKLEY. If I am mistaken, I should like to be corrected.

Mr. TYDINGS. Oh, yes; the Senator is mistaken. Where there are States which can not borrow through their legislature or their governor, as the case may be, but where a vote of all the people is required, in that case my amendment simply provides that the legislature shall make the certificate stated in the amendment, although it may not be legally binding, that they feel that their State is morally bound by the act; so that the Senator's contention would not hold.

Mr. BARKLEY. There can be no moral obligation where the people themselves must vote upon a proposition before there can be a legal obligation——

Mr. TYDINGS. Oh, yes; there can be.

Mr. BARKLEY. And where the constitution prohibits either the State legislature or the governor, or the two of them combined, from indulging in the pleasure of borrowing money from any source.

Mr. TYDINGS. I can prove that the Senator's ground is not well taken there, and I will cite an illustration. An infant is not legally liable for the debts he creates, but he is morally liable for the debts he creates. You can not sue one under 21 years of age and legally collect for a hundred dollars you may have let him have in the form of a loan, but he is morally bound to repay you the money.

Mr. BARKLEY. There is quite a difference between the moral obligation of an infant who may have property and who may come of age after a while, upon the termination of which situation he may assume as an adult the obligation to pay it, and the situation of a State where the people must vote at the polls before any sort of obligation can be incurred. In that sort of case, if they vote against incurring the obligation, of course there is no moral liability or legal liability either.

Mr. TYDINGS. Of course; but the Senator must know that where it is necessary first for the people of a State to vote before money can be borrowed, the governor can not borrow it.

Mr. BARKLEY. No.

Mr. TYDINGS. But is it not a better case if, in addition to the governor's request, he is supported by a resolution of both branches of the legislature saying that they want to borrow the money? At least in that case you have gotten all of the legislative representatives of the people, as well as their executive officer, to make the request.

Mr. BARKLEY. It seems to me that the Senator's amendment puts a restriction around obtaining this money that can never be eliminated. Take a legislature, for instance, that is in session now, where there is real need for this relief, where there can be not a dollar of it borrowed except after an affirmative vote of the people. Suppose the legislature passed the sort of resolution the Senator has in mind that it should pass in order to obtain this money, which is almost an obligation later to submit that proposal to the people for a popular vote to determine whether the State shall issue its bonds to the Federal Government for the amount of the loan.

Mr. TYDINGS. The Senator has it wrong.

Mr. BARKLEY. Suppose, upon the holding of that plebescite, the people vote against it. Then where are they, and where is the Federal Government, and where are the bonds, and where is the money?

Mr. TYDINGS. Let me answer the Senator's question by asking him one.

Mr. BARKLEY. Do not make it too hard.

Mr. TYDINGS. How are the people going to repudiate the action of a governor who borrows the money without their consent or approval?

Mr. BARKLEY. It is no more a repudiation of the act of the governor for the people to vote against obligating themselves at some future time to pay money than it is a repudiation of the act of a constitutional convention that writes a constitution for a State and submits it to the people for the people to vote against it. The people, of course, will exercise their sovereign right when they vote on it, regardless of whatever the governor may have said.

Mr. TYDINGS. But the Senator evades the point.

Mr. BARKLEY. I do not mean to.

Mr. TYDINGS. Certainly the people, if they can repudiate the legislature—as I admit they can—can also repudiate the governor.

Mr. BARKLEY. Yes.

Mr. TYDINGS. But at least the loan is more binding if the legislative representatives of the State in session assembled have gone on record as wanting the loan, and the governor transmits that expression to the Secretary of the Treasury, than if he does it of his own accord, without the support of the legislature.

Mr. BARKLEY. I doubt very seriously whether any moral obligation can be attributed to the people, under such circumstances as those, by any action or resolution that may be passed by the legislature. That is the difficulty about the Senator's amendment.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Oklahoma?

Mr. TYDINGS. Yes; I yield to the Senator.

Mr. GORE. I desire to ask the Senator from Maryland if there is nothing in this bill that undertakes to compel a reluctant or ungrateful State to accept these unsolicited loans, whether they want them or whether they need them or not.

Mr. TYDINGS. That is true.

Mr. GORE. I do not think a sovereign State ought to be left free to refuse to be ravished by our generosity. [Laughter.]

Mr. TYDINGS. All I want to say in conclusion, Mr. President, is that it does seem to me that to pass this bill, and leave it up to a governor to borrow money on his own idea of things, without the support of the legislature which was elected for that purpose, is bad business. So far as I am concerned, I think without some provision of this kind in the bill we might as well make a direct gift to the governor, to spend as he sees fit.

Mr. BULKLEY. Mr. President, the amendment offered by the Senator from Maryland adds a complication to the operation of this amendment, and by his own confession it does not accomplish the purpose of securing an obligation that is binding upon the States.

There can be no possible doubt that if any State accepts an advancement under the terms of the pending amend-

ment, there will be a moral obligation created; and I do not believe that any State will so accept and later repudiate the obligation.

Mr. TYDINGS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Maryland?

Mr. BULKLEY. Yes.

Mr. TYDINGS. The Senator, however, must remember that it is not the State that accepts the money, but the governor of the State.

Mr. BULKLEY. The governor does not accept the money personally. He accepts it for the benefit of the State, and in my opinion it would be so recognized.

The Senator is concerned lest some governor might be afraid to make the certificate required by the pending amendment without the support of a vote of his legislature. Of course the Senator knows that there is nothing in our amendment to prevent any governor from calling his legislature into session if he needs such support. Wherever conditions are such that the governor feels that the support of the legislature or the advice of the legislature is necessary, he may call a session; and that will not contravene anything that is provided in the pending substitute amendment.

I hope the amendment of the Senator from Maryland will be voted down.

The VICE PRESIDENT. The question is on the amendment of the Senator from Maryland [Mr. TYDINGS] to the amendment in the nature of a substitute.

On a division, the amendment to the amendment was rejected.

Mr. MORRISON. Mr. President, I offer the amendment to the substitute, which I send to the desk.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. The Senator from North Carolina offers the following amendment to the substitute:

On page 1, line 3, of said amendment strike out "$375,000,000" and insert "$125,000,000."

On page 1, line 3, strike out "one-third of."

On page 2, strike out all after the word "purposes" in line 3 down to and including the numerals "1932" in line 4.

On page 3, line 10, strike out "$375,000,000" and insert "$125,000,000."

On page 3, line 10, strike out "one-third of."

On page 3, strike out all after the period following the word "provided" down to and including the period following the numerals "1932" in line 14.

Mr. MORRISON. Mr. President, the amendment provides for the expenditure of $250,000,000 between now and the 30th of next June for the two relief purposes mentioned in the bill. One hundred and twenty-five million can be expended for unemployment relief through loans to the States, and $125,000,000 for public roads. I would like to see both of those things done. But, beyond that, after June 30, the bill authorizes the expenditure of $500,000,000, twice as much as will be expended during what we hope is the crisis in this terrible condition growing out of unemployment.

Mr. BARKLEY. Mr. President, is the Senator's amendment to the original bill, or is it an amendment to the substitute?

Mr. MORRISON. The amendment, when offered to the original bill, was disposed of, unfortunately. I am now offering it to the Black-Bulkley-Walsh substitute pursuant to previous notice.

We would expend between now and June 30, next, $250,000,000 under my amendment and beyond that we would not at this time legislate.

Mr. President, I do not desire to repeat what I said on a similar amendment to the original bill, but I do want to urge the unwisdom of dealing with an emergency situation by annual legislation. We are not able to see beyond June 30, next, for our distressed country. Some gentlemen prophesy that conditions will grow worse; some, that conditions will grow better. None of us know. But for one, I hope that conditions will be very much better. The arrival of the summer alone will make them much better than they are now. The relief measures we are enacting almost daily here promise to me great relief to the industries of our country, from which the jobs men have lost must be recovered.

Mr. President, the great industries of the country ought to be considered, certainly to an extent, because it is by them that unemployment must be banished, if it is to be banished from our country at all. The country lives in daily dread of destructive taxation through enactments by Congress and the legislatures of the States of the Union.

Why appropriate to relieve distress in this emergency which can only be prophesied to exist after June 30, or authorize the expenditure of $500,000,000, which could and may be expended under conditions which none of us would consider of such emergency as to warrant the Congress of the United States levying taxation upon the people of this country to pay if we could know now those conditions?

I myself can not conceive of our legislating for an emergency in this manner. I am willing to go to the extent that I think necessary to relieve the distress, and not split hairs too much about how we do it, but I am not willing to vote to authorize the expenditure to be followed by appropriations of $500,000,000 in the distressed situation of the taxpayers of this country to relieve distress beyond June 30 next, because I hope, and I think with as much reason as anybody has to fear to the contrary, that by that time this condition will have at least been so alleviated as that we will not be required to resort to emergency legislation for its relief.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Carolina to the substitute.

The amendment to the amendment was rejected.

Mr. McKELLAR. Mr. President, I offer an amendment, on page 5 of the substitute, to strike out the proviso in lines 7 to 11 and ask to have inserted what I send to the desk. Let me say that it is exactly the same amendment that was offered to the original bill.

The VICE PRESIDENT. The amendment to the amendment will be reported.

The CHIEF CLERK. On page 5, the Senator from Tennessee proposes to strike out the proviso commencing on line 7 and going to line 11 and to insert the following:

Provided, That in any State where no state-wide board of charities exists or no special emergency organization has been set up the amount allotted to any such State shall be distributed by the action of the governor and the State board constituted for controlling the financial affairs of such State, if such board exists, and if it does not exist by the governor.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. ODDIE. Mr. President, I send to the desk an amendment to the substitute and ask that it be read.

The VICE PRESIDENT. The amendment will be reported.

The CHIEF CLERK. The Senator from Nevada proposes to add at the end of section 2 the following proviso:

Provided, That of the sum authorized to be appropriated by section 1 hereof it shall be discretionary with the Secretary of Agriculture from time to time to apportion not to exceed $9,000,000 in accordance with the provisions of the second paragraph of section 3 of the Federal highway act, as amended June 24, 1930, and to expend the sum so apportioned in accordance therewith; he also may, in his discretion, from time to time apportion not to exceed the sum of $37,500,000 for carrying out the provisions of section 23 of the Federal highway act, as amended and supplemented.

Mr. ODDIE. Mr. President, under the Federal-aid highway acts for a number of years past 10 per cent of the amount appropriated each year, roughly, has been allocated to roads in the national forests. This amendment of mine gives the Secretary of Agriculture authority to allocate the same proportionate amount of the $375,000,000 to be authorized for Federal-aid roads in sections 1 and 2 of the substitute amendment under discussion.

In 1930 Congress passed what is called the public domain amendment to the Federal-aid highway act. It has appropriated in the last year $3,000,000 for the building of roads on the unappropriated public domain under the authority of this amendment. On the same basis this amendment

provides for the authorization of the same proportionate amount of the $375,000,000 for Federal-aid roads in sections 1 and 2 of this substitute amendment.

Mr. BARKLEY. Mr. President, this authorization is supposed to be an emergency authorization on account of unemployment. I am wondering whether there is any large amount of unemployment in the national parks.

Mr. ODDIE. Mr. President, there is a large amount of unemployment in the States in which the national forests are located, and I feel that it will be just as important in relieving the unemployment problem to provide for this allocation by adopting this amendment as it will be in other sections of the country.

Mr. BARKLEY. What is the character of the unemployment that exists in the national parks?

Mr. ODDIE. In numbers of the Western States there are national forests, and there is just as much unemployment in proportion in those sections of the country as will be found in the more thickly populated sections.

Mr. WALSH of Montana. Mr. President, I think the Senator from Kentucky is under a misapprehension. This does not relate to roads in the national parks at all, but it relates to roads in the national forests.

Mr. BARKLEY. In the national forests there is probably still less unemployment than in the national parks. I am not advised that there is any great congestion of population in the national forests which would conduce to unemployment.

Mr. WALSH of Montana. The Senator speaks from lack of acquaintance with the actual situation. The work on roads in the national forests draws from the adjacent territory that is without the forests.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. ODDIE. Mr. President, I send to the desk another amendment to the second section.

The VICE PRESIDENT. Let it be reported.

The CHIEF CLERK. The Senator from Nevada proposes to amend on page 5, between lines 8 and 9, by inserting the following new paragraph:

> Any amount to which a State is entitled under the provisions of this section may, at the option of the State and upon request of the governor thereof, be expended for the purposes provided for in section 2 and under the same terms and conditions as are applicable in the case of expenditure of funds appropriated pursuant to the authorization contained in section 1.

Mr. ODDIE. Mr. President, this amendment would place an option in the hands of the governor to either accept the money as a loan, as provided for in the substitute, or to use it for public-road building purposes.

Mr. BLACK. Mr. President, I did not understand the effect of the amendment.

Mr. ODDIE. The effect is to give the governor of each State the option of accepting the money as a loan, as provided in the second portion of the substitute, or of using it for road-building purposes, as provided in sections 1 and 2 of the substitute.

Mr. BLACK. My judgment is that it could be done anyhow.

Mr. WALSH of Montana. Mr. President, I was about to make the same remark as that made by the Senator from Alabama.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

Mr. WAGNER. Mr. President, I desire to offer an amendment, which I do not think will be opposed by the sponsors of the bill. It changes the allocation of the 40 per cent provided for under the La Follette-Costigan bill from the basis of "population" to "unemployment" census. I think it is a much fairer distribution, because under it the assistance would go where there is the greatest need to relieve unemployment. I may explain that wherever the word "population" appears I have substituted the word "unemployment," so that the allocation is according to the unemployment census rather than the census of population.

Mr. LA FOLLETTE. Mr. President, will the Senator be willing to let the amendment go over until to-morrow?

Mr. WAGNER. Certainly.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the pending bill and the pending substitute may be reprinted together with the amendments which have been agreed to.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

THE PROHIBITION QUESTION

Mr. BINGHAM. Mr. President, the other day the junior Senator from Oklahoma [Mr. GORE] asked to have printed in the RECORD a statement by Bishop Richardson. I regret that I did not hear him at the time he asked it, but I read his request afterwards. Since then I have procured the statement of Bishop Richardson and now ask that it may be printed in the RECORD at this point as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

ANTI-SALOON LEADER FAVORS STATE VOTE—BISHOP RICHARDSON CONFIDENT OF OUTCOME; HITS NATIONAL REFERENDUM IDEA

The new head of the Anti-Saloon League sees no objection to a prohibition referendum if the vote is confined to the separate States and is not made nation-wide.

Confident of the result, Bishop Ernest G. Richardson looks upon the polls of the voters by the various States as the best means of settling the issue of repeal of the eighteenth amendment. Richardson is head of the Philadelphia area of the Methodist Episcopal Church.

"When a majority of the people in three-fourths of the States," he said yesterday, "favor repeal of the amendment, then let it go. That is the only constitutional way to proceed."

A national referendum to Richardson's mind would be "meaningless," no matter what the popular result, because of the constitutional proviso requiring 36 States to vote for repeal before that could be accomplished.

He said he did not believe a majority of the people of the Nation would vote for repeal. But if they did or not, he added, it would not be fair to permit the voters in a dozen States to write the law for the entire Nation.

"If it had not been for the combining of the Colonies on equal status we would have no United States to-day," he said, adding, "It's just as important to have equal representation of the States on the prohibition question as it is for them to have equal representation in the Senate."

"That's the foundation of our Government," he said.

Richardson said he believes every State "should settle its own problem" on national repeal through a referendum of its own citizens.

Saying he never before attended a meeting of the league, the new president asserted he was not acquainted with its activities and could make no promises as to future policies other than to urge "harmony of effort" with other prohibition organizations.

A stanch defender of the dry cause, he said he did not believe "too much" was being spent on enforcement, and more funds should be used "if necessary."

EXECUTIVE SESSION

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES

Messages in writing from the President of the United States transmitting nominations were laid before the Senate and referred to the appropriate committees.

REPORTS OF COMMITTEES

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were placed on the Executive Calendar.

NOTIFICATION TO THE PRESIDENT

Mr. SMOOT. Mr. President, on yesterday I asked unanimous consent that the President be notified of the advice and consent of the Senate to the nominations of Ogden L. Mills to be Secretary of the Treasury and Arthur A. Ballantine to be Under Secretary of the Treasury. At the time the Senator from Nebraska [Mr. NORRIS] objected. I have been promised by him that if I would bring up the matter to-day he would have no further objection to the request. I therefore renew my request that the President be notified of the

advice and consent of the Senate to the nominations referred to.

The VICE PRESIDENT. Is there objection?

Mr. NORRIS. Mr. President, the Senator from Utah came to see me to-day about my objection made on yesterday. I understand it is desirable that these gentlemen be installed in their respective offices in order that there may be no interference with a prearranged high-class social function. Of course, I do not want to interfere with anything of that nature, so I withdraw my objection.

The VICE PRESIDENT. Without objection, the President will be notified that the Senate advises and consents to the nominations.

THE CALENDAR—FEDERAL FARM BOARD

The Chief Clerk read sundry nominations for the Federal Farm Board.

Mr. McNARY. Mr. President, in the absence of the Senator from South Dakota [Mr. NORBECK], I ask that the nominations may go over.

The VICE PRESIDENT. The nominations will be passed over. That completes the calendar.

RECESS

Mr. McNARY. As in legislative session, I move that the Senate recess until 12 o'clock noon to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 5 minutes p. m.) took a recess until to-morrow, Friday, February 12, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 11 (legislative day of February 5), 1932

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO SIGNAL CORPS

Capt. Melvin Earl Gillette, Infantry (detailed in Signal Corps), with rank from July 1, 1920.

TO FIELD ARTILLERY

Second Lieut. Thomas Lilley Sherburne, jr., Infantry, with rank from June 9, 1928, effective June 10, 1932.

PROMOTIONS IN THE REGULAR ARMY

To be captains

First Lieut. Glenn Charles Salisbury, Air Corps, from February 5, 1932.

First Lieut. Harold Ralph Wells, Air Corps, from February 8, 1932.

To be first lieutenants

Second Lieut. Kenneth Perry McNaughton, Air Corps, from February 5, 1932.

Second Lieut. John Harvey Kane, Infantry, from February 8, 1932.

MEDICAL CORPS

To be major

Capt. James Rhea McDowell, Medical Corps, from February 8, 1932.

CHAPLAIN

To be chaplain with the rank of captain

Chaplain Louis Curtis Tiernan (First Lieutenant), United States Army, from February 7, 1932.

PROMOTIONS IN THE NAVY

The following-named commanders to be captains in the Navy from the 1st day of February, 1932:

Robert A. Theobald.

William L. Beck.

Charles F. Russell.

Lieut. Commander Edward B. Lapham to be a commander in the Navy from the 4th day of June, 1931.

The following-named lieutenants to be lieutenant commanders in the Navy from the 4th day of June, 1931:

Proctor M. Thornton.

William R. Gardner.

Harold A. Clough.

The following-named lieutenants to be lieutenant commanders in the Navy from the 30th day of June, 1931:

Henry T. Stanley.

Theodore C. Lonnquest.

Lieut. Herbert C. Rodd to be a lieutenant commander in the Navy from the 1st day of July, 1931.

Lieut. Alfred M. Pride to be a lieutenant commander in the Navy from the 1st day of August, 1931.

Lieut. Lester T. Hundt to be a lieutenant commander in the Navy from the 29th day of December, 1931.

Lieut. Arthur Gavin to be a lieutenant commander in the Navy from the 1st day of February, 1932.

Lieut. (junior grade) Henry G. Moran to be a lieutenant in the Navy from the 30th day of June, 1931.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of October, 1931:

Burton Davis.

Louis N. Miller.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of November, 1931:

John V. Peterson. Charles H. Walker.

William D. Wright, jr. William P. McCarty.

Lieut. (Junior Grade) Richard P. McDonough to be a lieutenant in the Navy from the 1st day of December, 1931.

Surg. William W. Hargrave to be a medical inspector in the Navy, with the rank of commander, from the 1st day of July, 1929.

Passed Asst. Surg. Claude D. Roop to be a surgeon in the Navy, with the rank of lieutenant commander, from the 4th day of June, 1931.

Passed Asst. Surg. Walter P. Dey to be a surgeon in the Navy, with the rank of lieutenant commander, from the 30th day of June, 1931.

Passed Asst. Dental Surg. Charles P. Holland to be a dental surgeon in the Navy, with the rank of lieutenant commander, from the 30th day of June, 1931.

Asst. Dental Surg. (Temporary) James H. Connelly to be an assistant dental surgeon in the Navy, with the rank of lieutenant (junior grade), from the 2d day of February, 1932.

The following-named pay inspectors to be pay directors in the Navy, with the rank of captain, from the 1st day of December, 1931:

William R. Van Buren.

Elwood A. Cobey.

The following-named electricians to be chief electricians in the Navy, to rank with but after ensign, from the 2d day of December, 1931:

William B. Craig. Earl B. Mangham.

Frank H. Edwards. Frank R. Harrigan.

The following-named radio electricians to be chief radio electricians in the Navy, to rank with but after ensign, from the 2d day of December, 1931:

Chester E. Schneider.

John D. Isbell.

The following-named machinists to be chief machinists in the Navy, to rank with but after ensign, from the 23d day of November, 1931:

Dean Fluss.

Carl E. Richards.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 11, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Merciful Lord God, how marvelous it is to know that the One who rules the universe has human sympathy. We bow before the God who is enthroned above all gods, and He will give us pity and help—infinitely wise and powerful, yet tenderly, lovingly, and compassionately human. We thank Thee with all our hearts. Thou hast answered the world-wide cry in the gift of Thine only begotten Son, our Savior. The highest measure of man is to be like Him. Help us to

open the gates of our whole spiritual being to Him, that a new face, a new love, and a new life may enter in. O Son of man and Brother of the races of earth, come forth and be the teacher of this old world. As it grows older may it not abandon the faith, the hope, the instruction of our fathers. Amen.

The Journal of the proceedings of yesterday was read and approved.

ABRAHAM LINCOLN

Mr. SNELL. Mr. Speaker, I want to present a unanimous-consent request. I ask unanimous consent that to-morrow, Lincoln's birthday, after the disposition of business on the Speaker's table, the gentleman from Illinois [Mr. CHIPERFIELD] may have 40 minutes to address the House on the life and character of Abraham Lincoln.

I have consulted the majority leader with regard to this request.

Mr. RAINEY. Mr. Speaker, reserving the right to object, and I shall not object, we have been objecting to similar special orders heretofore, but the condition of the business of the House is such that we can listen to the speech to-morrow of the gentleman from Illinois [Mr. CHIPERFIELD] and still get through with the business arranged for this week. Therefore, I shall not object, with the understanding that this does not constitute a precedent.

Mr. SNELL. That is what I had understood from the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE GOLD STANDARD

Mr. BUSBY. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BUSBY. Mr. Speaker, for some time a number of the Members of the House have been hoping we might have an opportunity to discuss some propositions that we feel are very fundamental in relation to the currency system of this country.

Our country to-day stands with property values reduced from $400,000,000,000 to $300,000,000,000 within a period of two and a half years. The national income of our country has dropped from $90,000,000,000 to less than $60,000,000,000 in two years. There is a reason for all this having happened, and I want to tell you that mere legislative palliatives such as have been proposed by the President and the administration and the leaders in Congress are not going to meet the situation.

The Federal reserve system is a great institution, but it deals with credits only. It is a credit machine and applies at the outskirts of business. Of course, it can have something to do with the control of business by touching instances here and there, in a disorganized sort of way, but it does not reach the basic trouble.

What I am interested in is the gold standard and in making the gold standard serve business and not business having to bow to the gold standard every time a crisis occurs.

The gold standard can be used—and should be used—as an elastic base whereby the values of commodities can be measured. Any man who is in business, any man who is producing, any man who labors, can get commodities, but who can get gold at the present time? Why, the gold supply of the world amounts to $11,300,000,000, we are told. The United States needs $2,400,000,000 to stabilize its currency and it has $4,500,000,000 in gold. France needs $1,100,000,000 to stabilize its currency and it has $3,000,000,000 in gold. The two countries have $7,500,000,000 of the world's gold supply when they only need $3,500,000,000. In other words, $4,000,000,000 of gold is hoarded and housed by the United States and France and is doing no sort of service to help us out in this situation. It is not stabilizing our currency.

Four countries of the entire commercial world are on the full gold standard and there are more than 50 countries that are engaged in international commerce.

The gold standard under the present arrangement has played out. It is not meeting the situation and you folks who are selling wheat now at 50 cents a bushel when you made contracts on the basis of $2 wheat know what I am talking about. The people down my way who are selling cotton for $25 a bale when in 1926 they made contracts and issued bonds on cotton at $100 a bale know what I am talking about.

I have asked for this time, not to make the speech I want to make to this House but I wanted this time in order that we might have some understanding and make some arrangement for time in which the gentlemen of this House might express themselves and really discuss the subject to which I am alluding.

I am sorry that the leader is not on the floor because I wanted to talk with him and also the Speaker, but I see they are both gone. You know that I happen to be on the Committee on Banking and Currency. I have not seen my chairman here in several days. I never served on a committee before where one man was the whole committee. He is out, he is conferring with the President, he is conferring with gentlemen who are settling these things, but they get nowhere. For one, I think Congress ought to be entitled to discuss these matters. I think my committee is the right place to begin, and for one I am ready to go. [Applause.]

Mr. SANDLIN. Will the gentleman yield?

Mr. BUSBY. I yield.

Mr. SANDLIN. Does the gentleman have any information with reference to what took place yesterday?

Mr. BUSBY. I have only such information as the press carries. It is another one of those complete settlements for our dilemma which will not settle the situation because it does not strike right.

I want to say to the Congress that I have never been a militant sort of Member, but we are going to have some discussion on the floor of this House on the subject to which I am alluding, and I do not mean maybe. [Applause.]

I want to say to the membership of the House and to the Speaker and to the leaders that I am entitled to speak for the people of my district. I have sat around waiting and waiting while my people have suffered and suffered, and we have not opened our mouths on the subject so vital to them.

Mr. RAMSEYER. Will the gentleman yield?

Mr. BUSBY. I yield to the gentleman from Iowa.

Mr. RAMSEYER. I know what the gentleman from Mississippi is driving at, and I am in entire sympathy with what he is trying to accomplish. There are a number of gentlemen on this side of the aisle who agree with him on this problem of money stabilization.

Yesterday morning I stated to a few Members on this side of the aisle that I would to-day ask unanimous consent to address the House on next Tuesday on this proposition, but in view of what afterwards transpired yesterday, and the information carried in the newspapers that another administration bill on money and credit had been agreed on with the support of both parties, and furthermore that such a bill will likely come up for consideration the first of next week, I am going to defer my own request until a later date. I do not want to do anything to interfere in the least with the consideration of the proposed measure. That is all I care to say now, but I want the gentleman to know that there are many Members in this House on both sides of the aisle that agree with him and who want early consideration of the monetary stabilization bills.

Mr. SANDLIN. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. SANDLIN. The gentleman knows that I have discussed the matter with him, and the means of passing the legislation proposed. Does the gentleman have any hope that the legislation proposed yesterday will bring results?

Mr. RAMSEYER. It is another step in the right direction which has got to be followed by the program that the gentleman from Mississippi has in mind in order to afford permanent relief.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BUSBY. I will yield to the gentleman from New York.

Mr. LAGUARDIA. The gentleman from Mississippi has made a very useful and courageous statement, and I hope it will have its desired effect. As the gentleman knows, under present conditions these programs are being conducted by a few bankers of New York City, whom I could name.

Mr. BUSBY. I am cognizant of the fact that the gentleman from New York has stated. I know it is not the masses of the people that are telling the administration what kind of a program to put before this Congress. [Applause.] I know that we, as the representatives of the people, are entitled to have our say on the floor of this House, and I know that we should persist and demand—and if we do not we are taking a cowardly attitude—a hearing on this subject. [Applause.]

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to address the House for five minutes.

Mr. PATTERSON. Reserving the right to object, and I am not going to object, this day has been set aside as a special order for the Private Calendar.

Mr. STEVENSON. I just wanted to say a word in behalf of the chairman of the committee.

Mr. BUSBY. Will the gentleman withhold his request for one minute?

Mr. STEVENSON. Yes.

Mr. BUSBY. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes, in order to get some information.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BUSBY. I want to say to the leader of the majority party that I have discussed very briefly the question of setting apart next Tuesday under some procedure for general debate, so that we might have an opportunity to discuss the question that I raised here to-day. I wonder if the leader can give us any assurance whether we can have that time, and when we can get it.

Mr. RAINEY. I will say to the gentleman that on next Tuesday we hope to have up one of the supply bills. The gentleman from Alabama [Mr. OLIVER] will be in charge of the bill on the Democratic side. If that does not appeal to the gentleman, we may perhaps later on, when there is no supply bill in the way, devote an entire day to these speeches.

Mr. BUSBY. We have been put off from day to day, and I do not like the expression "these speeches." That ordinarily refers to campaign speeches. The speeches I hope will be made will be service speeches for the country and the people who are so sorely distressed at the present time, and I for one am going to insist that we have time in which to discuss this subject and give such views to the country as we may have on the monetary subject. If they are worth anything, let us adopt them. If not, that will end it.

[Here the gavel fell.]

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. STEVENSON. Mr. Speaker, with reference to one or two statements that have been made in regard to this subject in the discussion that has just been had, I desire to enter protest, in behalf of the chairman of our committee, the gentleman from Alabama [Mr. STEAGALL], who does not assume to be the whole committee. I think my friend did not mean to convey that impression, but that was the impression which the gentleman conveyed when the gentleman said he did not know, but that one man constituted the whole committee and that that gentleman was not accessible. I think my friend did not mean that.

Mr. BUSBY. I did not say that at all. I said I had never served on a committee before where the membership had no active part in the plans and proceedings, and I have not.

Mr. STEVENSON. The gentleman used the expression "where one man was the committee." I do not know to what gentleman the gentleman from Mississippi referred.

Mr. BUSBY. I did not mean to criticize him, but it is simply a situation that everybody in the House knows about and that I can not apologize for, because I state the truth.

Mr. STEVENSON. Well, I just desire to say that I do not think the committee generally concedes that its rights have been assumed or abrogated by the chairman of the committee. One other thing, that is the designation of the proceedings that have been had and in which I have had no participation, though I probably would have if I had been in the city, as star-chamber proceedings. This country is in a pretty bad shape, generally recognized, and the President of the United States and his advisers are doing what they think is the proper thing to pull it out. When they call into conference men who are supposed to be the leaders on both sides in an endeavor to do that I do not think it is very graceful to speak of it as a star-chamber proceeding.

Mr. RAMSEYER. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. RAMSEYER. Of course, the gentleman's committee has not conducted hearings for several weeks. Members of his committee may have been busy on something else. The gentleman also knows that all three of the large national farm organizations have been here and are here now anxious to be heard on this problem of monetary stabilization. Can the gentleman give the House any idea as to when those interested in legislation on monetary stabilization will be given a hearing before his committee?

Mr. STEVENSON. I have no control over those things at all. There have been no requests made to me to permit a hearing before that committee.

Mr. RAMSEYER. Requests have been made addressed to the chairman of the committee of which the gentleman is a member, and it may be the gentleman does not know anything about it, but repeated requests have been made by the farm organizations to the chairman of the Committee on Banking and Currency, and I think that committee should have a meeting and set a date very soon for such hearings.

Mr. STEVENSON. Now, I can not yield further to receive a lecture. The gentleman knows that that committee rewrote the Reconstruction Finance Corporation bill and passed it in a little over three weeks, and it has not been very long since it came out of conference.

Mr. RAMSEYER. It has been three weeks since that bill came out of conference.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. RAINEY. I understood from the gentleman and from others that more than one gentleman was prepared and anxious to address the House on the subject of monetary stabilization. We would all be glad to hear those addresses. However, I do not think we ought to sidetrack an appropriation bill in order to hear those addresses, important as they are and interesting as I know they will be. I can assure the gentleman that I will be glad to cooperate later on when there is no appropriation bill in the way to give an entire day to the discussion of this important subject, so as to give it a place on the program and give it the dignity which it ought to have. I know these will not be partisan speeches. But next Tuesday, if the appropriation bill is under consideration, I think the gentlemen should get time under general debate.

Mr. BUSBY. What I wanted to say was that the appropriations that are being dealt with now can not be used until the beginning of the next fiscal year, which is July 1, and people all over the country are suffering and starving now, and they can not hold out until next July.

Mr. RAINEY. That may be true, but I think we ought to proceed with the business of Congress as rapidly as possible.

Mr. BUSBY. Well, that is the business of Congress, and I think a very vital business, and if we sit here all spring

and settle that proposition correctly, we will have done a good job.

Mr. SIMMONS. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. SIMMONS. It occurs to some of us on the Republican side that this argument between the Democratic Members should be settled in the Speaker's chambers.

Mr. BUSBY. That is old stuff, Mr. Speaker.

MEMBERSHIP, COMMITTEE ON MILITARY AFFAIRS

Mr. CRISP. Mr. Speaker, I offer a privileged resolution.

The SPEAKER. The gentleman from Georgia offers a privileged resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 139

Resolved, That Mr. PAUL J. KVALE be, and he is hereby, elected to the Committee on Military Affairs.

Mr. CRISP. Mr. Speaker, the gentleman from Minnesota [Mr. KVALE] is a member of several other committees. Military Affairs is an exclusive committee. The gentleman will resign his membership from the other committees.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

THE FISCAL SITUATION

Mr. CRISP. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on the fiscal situation in connection with the new tax bill.

Mr. BACHMANN. Mr. Speaker, I shall not object, but reserving the right to object, I will say that this date has been set aside for the Private Calendar. There are many Members here who are interested in a number of private bills, and I hope there will not be any further requests. If there are, I shall be obliged to object to them.

The SPEAKER. The Chair will assist the gentleman in that regard. The Chair will not recognize any other Member to make such a request.

Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CRISP. Mr. Speaker, I am interested in the Private Calendar, and it is with regret that I ask you to give me 10 minutes of that time to present to you a picture that I think both the membership and the country are entitled to have.

The Ways and Means Committee is confronted with the most difficult problem that any committee of Congress, in my judgment, has ever had to deal with. I was on the Ways and Means Committee during the war, when $7,000,000,000 in revenue was raised, but that was easy compared with the picture that confronts us to-day. At that time war was on; no one complained of taxes; business was prosperous, and the income tax, individual and corporate, as well as the excess-profits tax, yielded tremendous amounts of revenue. However, that is not the picture to-day.

It is very easy to say, if I may use this expression, "Soak the rich," but you can not put a tax on incomes, individual and corporate, which will produce anything comparable to the amount of money that is necessary to balance the Budget. Business is depressed, deductions for losses are enormous, and the yield in taxes from these sources will be greatly reduced.

The Treasury Department has given us a picture of the situation which I felt constrained, as acting chairman of the Ways and Means Committee, to present to you and to the country.

At the end of the fiscal year 1931 there was a deficit of $903,000,000. That has now been wiped out as a deficit but has been added to the bonded indebtedness of the United States and the national indebtedness has increased by that amount. At the end of this fiscal year, July 1, 1932, there will be another deficit of $2,100,000,000, which means the Government has spent $2,100,000,000 more than it has received. Again, under the Treasury bookkeeping, these deficits are not carried forward, but at the end of the fiscal year they are incorporated in the funded or bonded national debt. So at the end of the current fiscal year, July 1, 1932, again $2,100,000,000 will be added to your national debt, and that is even if you do not increase expenditures and appropriations; and if you pass additional appropriations, you will add that much more to the picture. It is estimated that at the end of the fiscal year 1933, unless $1,240,000,000 additional is collected from taxes, your Budget will not be balanced, and it is estimated it will take $1,240,000,000 of new revenue to balance your Budget by 1933, and that is not counting the $497,000,000 required for public-debt retirement. If you put that in, it is $1,738,000,000 plus.

That is the picture, and I say this with the utmost kindness and with no partisanship, for there will be no partisanship in the preparation of this tax bill. [Applause.] It is to be a governmental bill. But these huge deficits occurred under Republican administration. For 12 years the Republicans have been in charge of every branch of the Government—the executive and both branches of Congress. But to-day this it not a political question. It is not a theory. It is a condition, and I, for one, and my colleagues on that committee, place country above party, and we are here ready to work for the good of all in an attempt to balance the Budget. [Applause.]

I say to you, my friends, that unless that Budget is balanced all of your temporary relief measures, your Reconstruction Finance Corporation and everything else, will be futile, for the corner stone on which employment and economic recovery rest is a balanced Budget.

To-day some of your Government bonds are selling as low as 85 cents on the dollar. If you continue to issue bonds, there will be a further depreciation. The premier security of the world to-day is the United States bond, and if you do not stop issuing bonds it will show further depreciation, and all industrial and commercial bonds, stocks, lands, and everything else will depreciate.

Now, I, for one, have burned every bridge behind me. No matter what the personal political consequences may be to me, I am going to advocate the levying of sufficient taxes to balance the Budget. [Applause.] I know that in doing that I will be rendering my country a distinct public service. It means nothing to the United States whether I remain in Congress or not, but it means much to the United States Government that its honor, its credit, and its security be maintained at par. [Applause.]

Now, my friends, I want you and the country to gird yourselves with stamina, with backbone, and with courage to meet this emergency. All must make tremendous sacrifices. The Budget must be balanced. To do it additional taxes must be levied.

The Treasury Department in January submitted to us a statement that it would take $920,000,000 of additional taxes to balance the Budget by the end of the fiscal year 1933. That was in January, and they submitted a program of taxation which they thought would produce $920,000,000. In February, a few days ago, they revised those estimates and said that on account of business conditions, including $150,000,000 additional from post-office receipts, their program would only raise $786,000,000, and they said then and now that it will take $1,240,000,000 to balance the Budget. However, the program they recommend for raising revenue is over $600,000,000 shy. Yesterday, as acting chairman of the committee, I wrote the Treasury Department and asked them to make suggestions as to how we could raise this additional $600,000,000 plus in order to balance the Budget.

Gentlemen, I am receiving just as many telegrams and just as many letters protesting taxes as any one of you. I am writing my constituents that I regret the necessity of levying additional taxes, but that the need of all the people of the United States demands a balanced Budget and that I, myself, am going to vote for sufficient taxes to accomplish that purpose. [Applause.]

[Here the gavel fell.]

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for five additional minutes if he so desires. This is a most important subject.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that the gentleman from Georgia may proceed for five additional minutes. Is there objection?

There was no objection.

Mr. CRISP. Mr. Speaker, of necessity there must be either some form of general manufactures or sale tax or there must be an excise tax levied on sundry and divers commodities or industries. I say to you that the Ways and Means Committee is sitting around this table acting as patriots; no politics is in it. Everything is nebulous as to what items are involved to be subjected to excise taxes or how the money is to be raised, but I am happy to say I think the opinion of the committee is unanimous that we must face this unpleasant duty, put country above self, and come in with a bill that will balance the Budget.

I am now giving you this information. Each one of you is charged with the same responsibility to his country that I am. We were elected because our fellows had confidence in us and delegated us to represent them, and if we wear the crown, must we not also take the thorns? Will not our constituents have more respect for us if we acquit ourselves like men in this emergency than if we act otherwise?

I have concluded except to say that the Under Secretary of the Treasury before us the other day said he thought the Budget recommendation might be squeezed 2 per cent, and the estimate is $4,000,000,000. Two per cent would be $80,000,000 saved. I advised the Secretary that I would promptly acquaint my distinguished friend the chairman of the Committee on Appropriations [Mr. BYRNS] with this knowledge, and I did so.

Mr. BYRNS. May I interrupt the gentleman?

Mr. CRISP. Yes.

Mr. BYRNS. I will call the gentleman's attention to the fact that the deficiency bill which was passed in January by the Congress reduced the Budget estimate more than 10 per cent; that the Department of Agriculture bill, which has passed this House, reduces the Budget estimates between 6 and 7 per cent; that the Interior Department bill which is pending before the House has cut the estimates from $56,000,000 down to $50,000,000, which is over 10 per cent under the amount asked by the Budget. I think I can assure the gentleman and assure the Under Secretary of the Treasury that if this House will stand by the Committee on Appropriations, every one of these bills will be reduced—not 2 per cent but at least 5 per cent, and, in some instances, I hope, 12 or 15 per cent. [Applause.]

Mr. CRISP. I may say to my friend that I advised the Under Secretary of the gentleman's statement, because I knew that all these bills were coming in under what the Budget had recommended, and I hope we will be able to make tremendous savings, for the expenses of government must be reduced.

I appeal to you, my colleagues, when you are considering matters involving new appropriations, rest assured that taxes will have to be levied to pay for them, because the Government can not run a printing press and print money and make it good. [Applause.] Let me say that Germany printed money and 25 cents in our money would buy about a million dollars worth of their marks. The Government of the United States can only maintain its currency and its bonds at par by levying taxes to meet the expenses of the Government, and it is our duty to reduce the expenses of the Government as far as they can possibly be reduced, and I think you can cut off many surplus bureaus. [Applause.]

I attach herewith a summary of the fiscal situation of the Government pertinent to these remarks.

Treasury statement, January 13

Deficit for fiscal year 1931	$903,000,000
Deficit for fiscal year 1932	2,123,000,000
Deficit for fiscal year 1933	1,417,000,000

Treasury statement, February 9

Deficit for fiscal year 1931 is	$903,000,000
Deficit for fiscal year 1932 is	2,123,000,000
Plus as many hundred millions as are added for emergency expenditures before July 1, 1932.	
Estimated deficit for 1933 (fiscal year)	1,738,000,000

A difference of $321,000,000 above the estimate of Jan. 13. To this deficit will be added all extra expenditures in fiscal year 1933.

Additional revenues to balance Budget, 1933

Jan. 13	$920,000,000
Feb. 9	1,241,000,000
Increase	321,000,000

Treasury recommendations to balance 1933 Budget

Jan. 13	$920,000,000
Feb. 9. Excluding increased postal revenues	636,000,000
Difference	284,000,000
The present statement of the 1933 deficit is	1,738,000,000
It is not expected to pay the statutory debt retirement which for 1933 is in the sum of	497,000,000
Additional revenue requirements	1,241,000,000
Treasury recommendations (excluding postal revenue)	636,000,000
Treasury suggestions (Feb. 9)	337,000,000
	973,000,000
Still shy	268,000,000
	1,241,000,000

In addition to this amount of $268,000,000 needed, if every Treasury proposal is enacted into law, there must still be raised to balance the Budget whatever amount, if any, the increased expenditures in 1933 exceed the increased revenue, if any.

MALVEN A. WILLIAMS

The SPEAKER. By order of the House, bills on the Private Calendar unobjected to are in order to-day. The Clerk will call the calendar, beginning at the star.

The Clerk called the first bill on the Private Calendar, H. R. 3610, for the relief of Malven A. Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Malven A. Williams, who was a member of Troop E, Second Regiment United States Cavalry, and later of the band of said Second Regiment United States Cavalry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of the latter organization on the 16th day of May, 1900: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GEORGE WALTERS

The Clerk called the next bill on the Private Calendar, H. R. 3612, for the relief of George Walters.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to ask the gentleman from California [Mr. SWING] a question. The bill which we just allowed to pass was where one of his constituents was on leave, got drunk in Habana, and waked up on a schooner somewhere. We granted that bill for him and let it pass because the gentleman said he had been shanghaied, but as to this second bill of the gentleman from California The Adjutant General says:

Nothing has been found of record in my office to show specifically that George Walters participated in any battle, engagement, or skirmishes.

When the War Department says he was in no battle or engagement——

Mr. SWING. No; I beg the gentleman's pardon as to what the War Department said. The War Department before that statement said that the company to which he belonged and of which he was an active member was in this engagement. They did not have his name separate and distinct, but his company was so engaged.

Mr. BLANTON. Has the gentleman assured himself that he was in these engagements?

Mr. SWING. Yes.

Mr. BLANTON. Is he battle scarred?

Mr. SWING. I can not say about that.

Mr. BLANTON. Well, I shall not object.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers George Walters, who was a member of Company C, First Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 17th day of March, 1904: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GARRETT M. MARTIN

The next business on the Private Calendar was the bill (H. R. 3996) for the relief of Garrett M. Martin.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. BANKHEAD). Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Garrett M. Martin, who was a member of Company I, Eighty-third Regiment Ohio Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 10th day of October, 1864: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JOHN RALSTON

The next business on the Private Calendar was the bill (H. R. 4286) for the relief of John Ralston.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Reserving the right to object, the bill states that this man was discharged, his discharge dating from December 23, 1865. The report states that his company was mustered out of service on June 1, 1865. Why this discrepancy? Which is the correct date?

Mr. MURPHY. It has been some time since I looked the matter up.

Mr. BLANTON. Very well. Since no benefit accrues prior to the date of the passage of this bill, I presume the discrepancy is unimportant, and I will not object.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers John Ralston, late of Company B, Ninety-eighth Regiment Ohio Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 23d day of December, 1865: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

LEMUEL SIMPSON

The next business on the Private Calendar was the bill (H. R. 4360) for the relief of Lemuel Simpson.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ROMJUE. Mr. Speaker, a similar bill has been passed by the Senate, and I ask unanimous consent that Senate 315 be substituted for the House bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the administration of the pension laws and laws conferring rights and privileges upon honorably discharged soldiers, their widows, and dependent relatives, Lemuel Simpson, late of Company B, Seventh Regiment Missouri Volunteer Cavalry, and Company K, Fifty-first Regiment Indiana Volunteer Infantry, shall be held and considered to have been honorably discharged from the military service of the United States as a member of said Company B, Seventh Regiment Missouri Volunteer Cavalry: *Provided*, That no back pay, pension, bounty, or other emoluments shall be held to have accrued prior to the passage of this act.

Mr. ROMJUE. Mr. Speaker, I offer the following amendment:

The Clerk read as follows:

Page 1, line 11, after the word "cavalry," insert the words "on the 20th day of February, 1862."

The amendment was agreed to.

Mr. BLANTON. I have not a copy of the Senate bill. I would like to ask the gentleman if it carries the same proviso as the House bill, that no back pay, pension, bounty, or other emoluments shall accrue prior to the passage of this act?

Mr. ROMJUE. That is in the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The House bill was laid on the table.

BELLE ACKERMAN

The next business on the Private Calendar was the bill (H. R. 4363) for the relief of Belle Ackerman, widow of Adam B. Ackerman, alias Adam B. Aunkerman, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Adam B. Ackerman, alias Aunkerman, who was a member of Company B, Seventeenth Regiment Indiana Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of that organization on the 5th day of July, 1862: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

THOMAS CONLON

The next business on the Private Calendar was the bill (H. R. 4457) for the relief of Thomas Conlon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Thomas Conlon, who was a member of Company L, First Regiment New York Volunteer Light Artillery, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 6th day of January, 1863: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WILLIAM J. M'KENNA

The next business on the Private Calendar was the bill (H. R. 4810) for the relief of William J. McKenna.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any law conferring rights, privileges, or benefits upon honorably discharged soldiers William J. McKenna, who served as a captain in the Chemical Warfare Service, shall be held to have been honorably discharged on November 8, 1918: *Provided*, That no back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 8, after the word "pay," insert the word "bounty."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WILLIAM H. STROUD

The next business on the Private Calendar was the bill (H. R. 4990) for the relief of William H. Stroud.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any law conferring rights, privileges, and benefits upon honorably discharged soldiers William H. Stroud, who was a member of Troop G, Sixth Regiment United States Cavalry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 30th day of January, 1875: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CHRISTOPHER COTT

The next business on the Private Calendar was the bill (H. R. 4992) for the relief of Christopher Cott.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Christopher Cott, who was a member of Company M, Ninth Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 5th day of August, 1901: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ALEXANDER M. PROCTOR

The next business on the Private Calendar was the bill (H. R. 5564) for the relief of Alexander M. Proctor.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. SPARKS. Mr. Speaker, I ask unanimous consent to substitute an identical Senate bill, S. 2179.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

Mr. STAFFORD. Reserving the right to object, I have not made any detailed examination of this bill. There is a notation on the report that this bill at some time or other received a pocket veto by the President.

Mr. SPARKS. That is true.

Mr. STAFFORD. Has the gentleman from Kansas any information as to whether that is true?

Mr. SPARKS. Yes, sir. In that bill the provision was, in substance, to the effect that the beneficiary of the bill should have the privileges of an honorable discharge from the time of the enactment of the bill, and the President said in substance that that was not generous enough to the beneficiary of the bill.

Mr. STAFFORD. Then the President did not express any objection to the bill in its present form?

Mr. SPARKS. No. In fact, it is in conformity with the desire of the President, as I understand it.

Mr. STAFFORD. Mr. Speaker, I withdraw the reservation of objection with that explanation.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2179

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Alexander M. Proctor, late of Company B, Twenty-third Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of said company and regiment on the 1st day of May, 1878: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

STUART L. RITZ

The Clerk called the next bill, H. R. 7167, for the relief of Stuart L. Ritz.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Stuart L. Ritz, late of Company L, Second Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on the — day of ———, 1899: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 8, after the word "the," insert before the word "day" the figures "22d," and after the word "of" insert the word "April."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JAMES MOFFITT

The Clerk called the next bill, H. R. 1039, for the relief of James Moffitt.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers James Moffitt, who served in Company F, First Regiment United States Infantry, war with Spain, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of said company August 25, 1900: *Provided*, That no back pay, bounty, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RUSSELL & TUCKER

The Clerk called the next bill, H. R. 4938, for the relief of Russell & Tucker and certain other citizens of the States of Texas, Oklahoma, and Kansas.

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, this bill and the one following are two of the most dangerous bills that this House possibly could enact into law and thereby establish the liability of the United States in practically all of its quarantine regulations. Although this bill gives a right to the petitioners to sue before a district court, in reality it guarantees that the United States, through the fault of its agent, through error, in an endeavor to protect the interests of the people of the United States, to save them money and to protect other sections from disease, is going to be held liable for every failure of the quarantine regulations. That does not apply alone to cattle, but it applies as well to animal life and to human life.

The State of New York at the present time has on file a bill of a similar character, which they propose to introduce into Congress immediately upon the passage of any legislation of this character. It calls for over $60,000,000 for the failure of the agents of the Government in properly quarantining immigrants who have become a charge and have been a charge on the State of New York. My own State of Massachusetts can offer a similar bill, which will amount in the end to about $30,000,000.

I suppose that objection to this bill will be considered as a reflection upon the courts. Well, if it is a reflection on the courts, we will let it go at that, but I will say for the benefit of the House that I do not believe any such claim as this can be presented to a local court and be adjudicated to the benefit of the United States and to protect the Treasury of the United States.

We have just listened to a most eloquent and patriotic address by the gentleman from Georgia with reference to balancing the Budget, but if bills like these are allowed to pass Congress and get by the Executive, then the amount which will be saved by reducing the estimates of the Budget will be infinitesimal to the amount that all such bills as these will require. It touches the foot-and-mouth disease, hog cholera,

even the pink boll worm and the boll weevil; in fact, everything that the United States quarantines for the benefit of the public must be absolutely guaranteed at 100 per cent, and any failure on the part of the agent or any neglect on the part of the agent can justly be attributed to the Government.

If a bill could be brought in covering such cases as might possibly occur, and have occurred, in connection with cattle that have been killed because of the improper solution in which they were dipped I would offer no objection, because that is an inexcusable fault on the part of the Government agents, but where they dip these cattle and through the fault of the agent—I will go as far as to admit it is the fault of the agent—they carry this tick into other sections, or clean sections, of the country, you should not reimburse those who have been injured thereby out of the Treasury of the United States.

The two conditions are not analogous. The solution must be correct in order to kill the tick; it can not be too strong or it kills the cattle.

[Here the gavel fell.]

Mr. UNDERHILL. Mr. Speaker, may I have two minutes more?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KLEBERG. Will the gentleman yield?

Mr. UNDERHILL. Let me finish this statement, and then the gentleman can argue it out in his own time.

This matter has been before the Committee on Claims for several years. It was a matter of such serious consequences that the then chairman of the committee was willing to take upon his shoulders the criticism and the blame which attached to him or to the committee for the refusal to even hear the arguments with reference to it.

It has, unfortunately, a dangerous combination. Texas, Arkansas, Kansas, Oklahoma, and perhaps other States are interested because of the people who live there, and this kind of combination is pretty hard to beat on the floor of this House or before any committee; but I want to prophesy right now that if you adopt such measures as this the United States will have to abandon every quarantine regulation or efforts for the protection of its people. It will have to abandon the shipping of cattle, it will have to abandon its quarantine regulations at ports of entry, it will have to abandon its plant quarantine. It will have to do away with it all, or else you will bankrupt the Treasury of the United States.

I object, Mr. Speaker.

Mr. SWANK. Will the gentleman withhold his objection?

Mr. UNDERHILL. I withhold my objection, Mr. Speaker, in order that the gentlemen on the other side may be heard.

Mr. SWANK. Mr. Speaker, we all agree it is our duty to protect the Treasury of the United States, and it is just as much our duty to protect the individual rights of the citizens of the United States.

I do not find any fault with the gentleman from Massachusetts [Mr. UNDERHILL] because he is doing what he has the right to do under the law and under the rules of the House in making this objection. I do not think the gentleman should make the objection, because all this bill does is to give certain citizens of the United States the right to go into a Federal court and try their claims where they allege that their cattle have been damaged by reason of erroneously dipping them and certifying them as clean by agents of the Bureau of Animal Industry of the Department of Agriculture; and there is seldom a session of the Congress that does not pass a bill like this in some other similar case. They can not try out their rights at all unless a bill like this is passed permitting them to go into court.

Most of these bills provide for a certain appropriation and state, for instance, a certain amount shall be allowed a certain person. This bill provides no appropriation at all, and if these men should go into court they do not have any cinch on winning their case. They have to prove that the agents of the Government were negligent in dipping the cattle that were bought down in Texas in 1918, 1919, 1922, and 1926.

Mr. WILLIAMS of Texas. Will the gentleman yield?

Mr. SWANK. Yes.

Mr. WILLIAMS of Texas. They do not even have a jury if these claims are tried in the Federal court under this bill.

Mr. SWANK. Senate bill No. 620 was reported favorably by the committee in the Seventieth Congress and these two bills—H. R. 6154 and H. R. 4938—are identical bills. They have been amended to read just like the Senate bill reported before, and these bills come before you with a unanimous report from the committee this time, and for the first time, I believe. I can not for the life of me see how any person can deny a citizen the right of going into court and having his case tried. Certainly every citizen should have the right to do this.

Mr. KLEBERG. Mr. Speaker, I feel a little hesitant, being the author of this bill, in discussing the many dangers to which this bill subjects the Treasury of the United States. I really feel almost convicted in and out of court.

I appreciate the distinction made by my colleague, the distinguished gentleman from Massachusetts [Mr. UNDERHILL], between these particular cases wherein the citizens, livestock men of my State, are to be denied the right to appear in a court representing the Federal Government, and the cases where a direct appropriation is made. My distinguished colleague suggests he would be in favor of these measures, or at least would not object, if the cases were brought up asking for a direct appropriation.

Mr. UNDERHILL. The gentleman is in error.

Mr. KLEBERG. One moment. Let me use my own time.

Mr. UNDERHILL. But the gentleman is in error. I said if they were brought up asking for a distinct appropriation for the death of cattle caused by dipping.

Mr. KLEBERG. I see. The gentleman goes on and says that he would not consent to allowing a citizen of the United States to go into court asking for relief from a Government agency which, through negligence, had deprived the man of his property, thereby being a deprivation of property without due process of law.

The gentleman favors that. I understand the gentleman is in favor of economy. I, too, am in favor of economy. I have had many years' experience in dipping cattle. It has been my personal business to rid a range of half a million acres of the cattle tick. I happened to be qualified as an inspector. I know how easy it is for an inspector to be negligent. I know how dangerous it is to a range, where the Government has spent thousands of dollars to rid them of the ticks, to have them reinfected. It happened to be my duty to see to it that the reinfections did not occur in the area under my personal supervision.

This bill is a measure of economy in every detail. In the first place, the people of this country have a right to expect as nearly perfect protection by representatives of the Government as in any other branch of the Government, while a representative of the Government operates on behalf of the people. In the second place, if the bill passes it will restore confidence of the people whose cattle are subjected to the dipping process, and this is elemental and vital to the success of the dipping process.

In sections of Texas, where the dipping of cattle has not been successful, it has been a failure because the owner of the cattle has no confidence in the procedure, and, in addition, because he felt that the inspectors are not called upon to do their level best. And, if possible, he gets over the argument that he is afraid that because his neighbor has not dipped his cattle properly that they will reinfect his and his money and time will be spent for nothing. He is afraid that his cattle will be reinfected, when he desires to improve his herd by the importation of blooded livestock from tick-free areas.

Mr. SCHAFER. Will the gentleman yield?

Mr. KLEBERG. I yield.

Mr. SCHAFER. Has not this bill the same fundamental principle as the bills which we continually pass on the Private Calendar providing $5,000 for the widow or orphan children of some person killed by an automobile by reason of the negligence of a Government employee? This bill

does not even go that far, as Congress does not determine the question of negligence or the amount to be paid, but refers the question to the Court of Claims, a body created to determine the merits of the claims against the Government.

Mr. KLEBERG. In so far as the gentleman's suggestion goes, yes; but it has an additional quality. In this particular measure the question of negligence is not presumed. In the Court of Claims they have so arranged that the question of negligence must be proven.

Now, am I to suppose that the livestock men in the range country so affected are not in the future to have an opportunity for redress in case of the negligence of the representatives of the Government?

[Here the gavel fell.]

The SPEAKER pro tempore. Is there objection?

Mr. UNDERHILL. I object.

PORTER BROS. & BIFFLE

The next business on the Private Calendar was the bill (H. R. 6154) for the relief of Porter Bros. & Biffle, and certain other citizens.

The Clerk read the title of the bill.

Mr. UNDERHILL. I object.

WILLIAM T. ROCHE

The next business on the Private Calendar was the bill (H. R. 571) for the relief of William T. Roche.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Reserving the right to object, I would like to ask the author of the bill to make a statement.

Mr. CAMPBELL of Iowa. The report filed on this bill states that in December, 1914, the claimant's hands were very badly frozen while making one of his regular trips on the road as a mail carrier, and his hands had to be amputated. He received the maximum compensation allowed under the act of 1908, but now he is totally incapacitated. Your committee feels that this is a case of exceptional merit and therefore recommends the passage of this bill as amended.

The facts are these: This is to extend relief, as provided under the act of 1916, and this happened in 1914. To be sure of my ground with reference to this bill I called up the department to find if other bills of exactly the same character had been allowed, and I found that many bills of exactly the same character as this have been allowed. As the committee reports, this bill is of exceptional merit. The facts are that the mercury was some 24° below zero in a small town that adjoins the town where I live. It was impossible to go in a closed car, so he went in an open sleigh. This man was compelled to reach in the boxes to get frozen pennies. His hands became chilled. He finished his trip, and when he got back he was compelled to go to the hospital, and both hands were amputated, taking the thumbs and all the fingers and half of both hands.

Now, if bills of this character and bills that do not have even the merits that this bill has have been allowed in the past, I certainly think this bill should be allowed.

I want to say further than a year ago this matter was taken up, and this bill passed the House at that time with no objection.

Mr. EATON of Colorado. Mr. Speaker, in answer to the gentleman, upon his statement I am rather loath to object to this bill, but upon the principles involved I can do nothing but object. I think possibly the principle that is applied to these bills is wrong, but other bills have been presented at this session and have been objected to on grounds that are in violation of the very principle of the compensation law. This case and others occurred long before the compensation law went into effect. I must object, Mr. Speaker.

Mr. CAMPBELL of Iowa. In answer to that objection, the objection I have is that Members can get up on this floor who, within the past two years, have been able to put over in this House claims that did not have the merit which this claim has. There are claims that go back two years further than this claim goes, and yet these objectors object to my claim when it is presented here and they let other claims of the same character go. That is the thing that I object to in this House.

Mr. EATON of Colorado. Mr. Speaker, I have the greatest sympathy with this claim and with other claims of like nature, four or five of which are on the calendar to-day, but it appears that the committee has entirely overlooked the Compensation Commission and its duty and its function. Nothing in regard to their work is considered by the presentation of these bills. There is no doubt that there are a few claimants, of whom this appears to be one, where the Compensation Commission rules might be applied even at this late date. But other claims presented last week have been denied, and I must object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

R. L. WILSON

The next business on the Private Calendar was the bill (H. R. 756) for the relief of R. L. Wilson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. L. Wilson, of Anthony, Kans., the sum of $500. Such sum represents the amount paid into the Treasury of the United States pursuant to a plea of guilty for violation of certain provisions of sections 32 and 37 of the Criminal Code; whereas other individuals indicted with R. L. Wilson, and who performed the same acts and who pleaded not guilty, were acquitted under an instructed verdict, for the reason the court held that the evidence did not disclose any violation of the law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

MOREAU M. CASLER

The next business on the Private Calendar was the bill (H. R. 1172) for the relief of Moreau M. Casler.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, for the same reason which objection was made to H. R. 6154, and for the further reason that the form of this bill is made for the Compensation Commission to pay a definite sum per month for life, I object to the bill.

JOHN J. CORCORAN

The next business on the Private Calendar was the bill (H. R. 1846) for the relief of John J. Corcoran.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, I object.

MARY COOPER

The next business on the Private Calendar was the bill (H. R. 2153) for the relief of Mary Cooper.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, reserving the right to object, this is a bill where the claimant is seeking to have the Government pay $5,000 for an injury to a woman by the name of Mary Cooper because she was injured by a truck driven by an employee of the Post Office Department, but according to the report the driver of the truck was in no way negligent, but the Police Department of the City of New York was negligent. In other words, a policeman driving a police car of the city of New York ran into the post-office truck and forced the post-office truck over on the sidewalk and into woman.

In the absence of further explanation, I object to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. I object.

JOHN W. BARNUM

The next business on the Private Calendar was the bill (H. R. 2304) for the relief of John W. Barnum.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I object to that bill for the reasons assigned to the two previous bills.

CHARLES A. HOLDER

The Clerk called the next bill, H. R. 2417, for the relief of Charles A. Holder.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, I object.

WILLIAM R. COX

The Clerk called the next bill, H. R. 2633, for the relief of William R. Cox.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of William R. Cox, postmaster at Pasco, Wash., in the sum of $103.81, due the United States on account of the loss resulting from the closing of the First National Bank of Pasco, Wash.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LUIS H. D'BAYLE

The Clerk called the next bill, H. R. 2775, for the relief of Dr. Luis H. DeBayle.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Chair has had his attention called to the fact that there is a similar Senate bill.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the Senate bill be substituted in lieu of the House bill.

The SPEAKER pro tempore. Is there objection?

Mr. SCHAFER. Mr. Speaker, reserving the right to object, is the Senate bill in the exact form of the House bill?

The SPEAKER pro tempore. There is this difference: The House bill provides for the reimbursement of the claimant, while the Senate bill provides for the full settlement of all claims against the Government. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,937.83 to Luis H. DeBayle, of Leon, Nicaragua, in full settlement of all claims against the Government for loss of drugs and other medical supplies taken from his pharmacy by personnel of the United States Marine Corps in January and February, 1928.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill (H. R. 2775) was laid on the table.

PHILIP F. HAMBSCH

The Clerk called the next bill, H. R. 2804, for the relief of Philip F. Hambsch.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, I would like to ask the author of the bill whether there is any evidence to show that the amounts involved have ever been paid.

Mr. COLE of Maryland. They have not been paid; at least, that is the assurance I have. A similar bill passed the House last session.

Mr. EATON of Colorado. Mr. Speaker, as this is a bill providing for the payment of the debt of a surety, I object.

FIREMAN'S FUND INSURANCE CO.

The Clerk called the next bill, H. R. 3373, for the relief of Fireman's Fund Insurance Co.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum $121.44 to Fireman's Fund Insurance Co., of San Francisco, Calif., which sum is for the payment of judgment in connection with libel filed against one Dodge coupé automobile, engine No. A-917-814.

With the following committee amendments:

Line 4, strike out the words "any money in the Treasury not otherwise appropriated" and insert the words "the indefinite appropriation 'refunding moneys erroneously received and covered.'"

In line 11, strike out "A-917-814" and insert "A-917-841."

The committee amendments were agreed to.

Mr. BACHMANN. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The gentleman from West Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: In line 8, strike out the words "for the payment of judgment" and insert "the balance left after all costs have been deducted from the price obtained at auction."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

W. F. NASH

The Clerk called the next bill, H. R. 3379, for the relief of W. F. Nash.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, I want to call the attention of the Members of the House to the fact that during the last session of Congress we passed this identical bill; it was passed by the Senate, it was signed by the President, and it is now Private Law No. 288, Seventy-first Congress. A bill is introduced in this Congress asking for this payment after the payment has already been made under the provisions of a law passed in the last Congress. Therefore I object.

Mr. BLACK. Mr. Speaker, I intended to ask that this bill be stricken from the calendar, but the gentleman from West Virginia always anticipates me.

The SPEAKER pro tempore. The Chair would suggest to the gentleman from New York, in order to definitely dispose of the matter, he should request that the bill be rereferred to his committee, or that it be laid on the table.

Mr. BLACK. Mr. Speaker, I ask unanimous consent that the bill be rereferred to the Committee on Claims.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

H. H. LEE

The Clerk called the next bill, H. R. 4144, for the relief of H. H. Lee.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $233.75 to H. H. Lee as final settlement of his claim for loss by fire to his own property while assigned to protection of Government holdings during the Half Moon forest fire in Glacier National Park.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

HALVOR H. GROVEN

The Clerk called the next bill, H. R. 4147, for the relief of Halvor H. Groven.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to call the attention of our friend from Montana [Mr. LEAVITT], who in the last Congress had the record of passing more bills than any other man in Congress, and whose present record is the same in this Congress, to the report that his Post Office Department makes on this bill. The Post Office Department says that—

Inasmuch as the postmaster had deposited $875 during the month of November and $864.98 during the month of December, and the business at the office barely averaged $1,000 per month, it is highly improbable that $829 was on hand at the time of the

fire, in addition to the $187.51 for which credit has been allowed, in addition to $158.57 on deposit in the bank, and in addition to the $85 for which the postmaster admits responsibility. In view of the premises, I can not consistently recommend favorable action on the proposed legislation.

Mr. LEAVITT. Will the gentleman yield?

Mr. BLANTON. After this comment I shall yield. Our experience concerning postmasters has been, as is true in all classes, there are postmasters who make demands that are unjust and some that are not honest. There have been lots of them here. They have been called to the attention of this House by such distinguished gentlemen as Jim Mann, of Illinois, even by Uncle Joe Cannon, and by Martin B. Madden, three great former Representatives of one State. The reason we are now facing a deficit of over $1,000,000,000 is partly because of the fact that we are continually passing bills that take large sums of money out of the Treasury. We pass them so fast that even the Claims Committee can not keep up with them, and after it gets its bill passed and it becomes law and the money is paid in a prior Congress, the Claims Committee comes along and again reports and puts on the calendar the same bill. This shows there is reason for consideration by Members of the Congress of such bills, outside of the consideration given by the committee reporting the bill.

I will now yield. If the gentleman can show why this bill should be passed in the face of such an adverse report, he has ability greater than the ordinary Congressman possesses.

Mr. LEAVITT. I thank the gentleman. The situation is this: This bill was brought before the last Congress and it was quite extensively debated on the floor and passed by the House. It was pending in the Senate at the adjournment of the last Congress. I have talked since that time not only with Mr. Groven, the man who is involved, but also with the inspector who considered the matter on the ground. I have no doubt whatever that Mr. Groven lost this money. He also lost a very considerable amount of his own money.

Mr. BLANTON. I will say to my friend from Montana that with such conscientious objectors here present from his own party, representing his own administration, which after all is responsible to the people for the present deficit, as our friend from West Virginia [Mr. BACHMANN], our distinguished friend from Colorado [Mr. EATON], who sits here and watches the bills so often, and our other good friend from Wisconsin [Mr. SCHAFER], who watches some of them carefully and some not so carefully, and our other valuable friend from Wisconsin [Mr. STAFFORD], if they can not stop such bills, I am not going to interefere with the present record of my friend from Montana as being one who passes more bills than anybody else in Congress.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to credit the account of Halvor H. Groven, late postmaster at Norheim, Mont., in the sum of $829, such sum representing the deficit in the account of the said Halvor H. Groven, caused by fire to the post office on January 2, 1928, and for which casualty the said Halvor H. Groven was in no way responsible.

Mr. SCHAFER. Mr. Speaker, I move to strike out the last word.

The SPEAKER pro tempore. Was the gentleman on his feet asking for recognition?

Mr. SCHAFER. I was.

The SPEAKER pro tempore. The Chair will recognize the gentleman.

Mr. SCHAFER. I merely want to keep the record straight, after the burst of eloquence of our distinguished objecting friend from Texas [Mr. BLANTON], wherein he tried to lay the blame for passing private claim bills on the Republican Party, and particularly upon individual members of that party who happen to be on the floor of the House. I wish to inform the gentleman from Texas that when I consider bills as a member of the Claims Committee, I reach a decision in committee as to whether they are good or bad. If the gentleman will carefully study the records of the Claims Committee he will see that the committee reports on most of that committee's bills on the Private Calendar were unanimous reports, approved of by both Democrat as well as Republican members. What a ridiculous position the gentleman from Texas puts himself in before the country. He stood up here and consumed five minutes' time depicting what an awful monstrosity several bills were, and that they ought not to be passed, and indicating what a wonderful watchdog of the Treasury he is, and then he crawls out from under, does not object to their consideration, and tries to pass the blame upon the Republican Members of the House. If the bill was such a monstrosity, why did not he object to it, as it was his privilege to do? No; he did not. He was merely trying to get more publicity for being the watchdog of the Treasury.

Mr. BLANTON. Will the gentleman yield?

Mr. SCHAFER. I will yield to the distinguished gentleman from Texas, who placed in nomination the other day a Democratic candidate for President who is so wet that he voted against submitting the eighteenth amendment to the various States at the time that the House originally voted for such submission.

Mr. BLANTON. That shows that the nominee is of such outstanding ability that the gentleman from Texas supports him.

The SPEAKER pro tempore. The Chair will suggest to gentlemen that the gentleman from Wisconsin moved to strike out the last word, and the last word is "responsible."

Mr. BLANTON. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. BLACK. I demand the regular order.

The SPEAKER pro tempore. The regular order is the gentleman from Texas rises to oppose the amendment.

Mr. BLACK. A parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Texas yield to the gentleman from New York to make a parliamentary inquiry?

Mr. BLANTON. If the gentleman from New York has any question that pertains to the subject under discussion, which is "responsibility," I will yield.

Mr. BLACK. I desire to ask if the Speaker had not announced that the bill had passed?

The SPEAKER pro tempore. The Speaker did so announce, but subsequently thought it was improperly made, because the gentleman from Wisconsin [Mr. SCHAFER] was on his feet asking for recognition. So the regular order is that the gentleman from Texas may proceed.

Mr. BLACK. May I propound a further parliamentary inquiry?

Mr. BLANTON. No; I do not yield further. Now, Mr. Speaker, the word "responsible" relates to the subject of responsibility. There is a responsibility that rests on the shoulders of every individual Member of the House, as well as upon the shoulders collectively of the members of a committee. There was a time in the history of this Congress when the District Committee, for instance, brought into the House so many bad bills that the House lost confidence in that committee, and it was hard to get a bill passed when brought up by the District Committee.

I do not want the great Claims Committee, headed by the distinguished "chief justice of New York" [Mr. BLACK], to lose its reputation for responsibility on the floor by bringing in bills that were passed in the last Congress and the money already paid.

That was the reason I referred to the gentleman from Wisconsin. The gentleman objects to some bills, but when the bill of my good friend the gentleman from California [Mr. SWING] was being considered, which showed that a man got drunk over on the west coast and the next time he came to consciousness and reached responsibility he found that he was out on a schooner on the bosom of the ocean and he said he had been shanghaied, the gentleman made no objection to that bill and let it pass. Another bill came up where the War Department said that an officer had become drunk and had deserted his company and was not found for many years and that he had been discharged from service by order of the President of the United States, and I did not object because I felt that surely my distin-

guished friend the gentleman from Wisconsin would not uphold a man getting drunk and abusing his privileges as an officer of the United States Army.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BLACK. Mr. Speaker, I make the point of order that the gentleman from Texas is not discussing the pending bill.

Mr. BLANTON. I am discussing the subject of responsibility.

The SPEAKER pro tempore. The gentleman from Texas will proceed in order.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. On a "responsible" question I yield.

Mr. SCHAFER. Perhaps the gentleman from Texas evaded his responsibility in failing to object to these alleged drunk bills because the gentleman has recently become a wet convert, since a few days ago he placed in nomination as the Democratic candidate for the Presidency of the United States one who was even so wet that he voted against submitting the eighteenth amendment to the several States for ratification.

Mr. BLANTON. Oh, the gentleman from Wisconsin can not place my nominee in either the wet or dry column. The people of the United States know our distinguished Speaker so well, and have such an abiding confidence in him, that they will take him wet or dry. They know that he is so valuable to the country, he is so needed in this great crisis, and need him so much to bring back normal conditions that they will take him wet or dry. [Laughter and applause.]

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JENS H. LARSEN

The next business on the Private Calendar was the bill (H. R. 4232) for the relief of Jens H. Larsen.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, reserving the right to object, is there any Member present who can show where there is any responsibility of the Government, either moral or legal, which would warrant the passage of this bill?

Mr. BLACK. This is a case where a man's automobile was parked beside the post-office building and he was a post-office worker. The ice fell through the roof of his car. The ice fell from the post-office building. Either God Almighty or the Post Office Department is responsible for this. And we do not allow claims to run against God Almighty in this committee, so that there is nobody else but the United States Government to pay for it.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Mr. Speaker, I object.

GEORGE E. CASEY

The next business on the Private Calendar was the bill (H. R. 4868) for the relief of George E. Casey.

The SPEAKER pro tempore. Is there objection?

Mr. GRISWOLD. Reserving the right to object, I would like to inquire of the author of this bill whether the gentleman knows that the rules of the Post Office Department require this man to keep a safe?

Mr. HASTINGS. This was a postmaster in a small place where there was not any bank. There are only two stores, and this was a case where the post office was robbed. Two or three of the robbers were afterwards apprehended, and they were convicted in the Federal court and are serving a term in the Federal penitentiary. Forty dollars and some cents of this was money, and the balance was property, including money orders that were in the small post office at that place. There was not any bank there in which money or other property could be deposited. I will say to the gentleman that this is a bill that was considered at the last session and was favorably reported by the Committee on Claims. It passed the House, but because of congested conditions in the last days of the Senate, it was not reached, although it was favorably reported and on the calendar.

I invite the gentleman's attention to the last paragraph of the report from the Post Office Department, where they say—

> In view of the somewhat exceptional circumstances under which the loss occurred, the department will interpose no objection to favorable action on the pending bill, if Congress will consider the farmer postmaster entitled to relief.

Mr. GRISWOLD. But I would like to call the gentleman's attention to that same report, in which the postal inspectors were around prior to this robbery and admonished him that he was not keeping the money in a safe place.

Mr. HASTINGS. Now, the question as to whether it was safer to leave it in the post office or safer to carry it over to his residence and to carry it back and forth at night, is the question to be considered. It was certainly as safe there as it was any other place. There was no safer place for him to keep it, because as I have stated, this is a small town where there are only two stores, and there was no bank, and there was no safer place to deposit or keep it.

Mr. BLACK. Another thing, originally this postmaster had kept these certificates in his home, but the inspector insisted that he dismiss his daughter as assistant and put in another girl whose mother refused to allow her to have these United States certificates in her home.

Mr. GRISWOLD. There is a discrepancy between the bill and the report from the Postmaster General of about a year in the date of this burglary.

Mr. HASTINGS. There may be some discrepancy about the date, I have not examined that part of the report, but the fact was that there was a burglary there and the burglars apprehended and convicted.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

> *Be it enacted, etc.*, That the Postmaster General is authorized and directed to credit the account of George E. Casey, former postmaster at Bunch, Okla., in the sum of $103.20. Such sum represents the amount of a deficit in the account of the said George E. Casey, caused by the burglarizing of the post office at Bunch, Okla., on the night of May 19, 1926, of $40.71 in cash, and blank money-order forms stolen and filled out, in the sum of $62.49, making a total of $103.20.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JAMES B. CONNER

The Clerk called the next bill, H. R. 4989, for the relief of James B. Conner.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, this is another bill that attempts to take money out of the Employees' Compensation Commission. The bill provides that $2,500 shall be paid for the loss of an eye, whereas the employee involved 20 years ago received all of the money that was due him for that injury. Therefore I object.

YOSEMITE LUMBER CO.

The Clerk called the next bill, H. R. 5047, for the relief of the Yosemite Lumber Co.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ENGLEBRIGHT. Mr. Speaker, reserving the right to object, the forest fire involved in this bill occurred in my congressional district. I have received no communication from the Park Service, and the report of the Superintendent of the Park Service is adverse to the claim. I ask the gentleman from California to let the matter go over until I can take it up with the Park Service.

Mr. WELCH of California. But the gentleman will notice that the department reports favorably upon the bill.

Mr. ENGLEBRIGHT. Upon that statement by the gentleman I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection?

Mr. PATTERSON. Mr. Speaker, reserving the right to object, I would like to have the gentleman who is the author of the bill make some explanation of the bill.

Mr. WELCH of California. Mr. Speaker, an identical bill was passed at the last session of Congress, at which time no objection was made to the claim. It failed of consideration in the other branch of Congress by reason of the illness of the chairman of the subcommittee.

The bill has for its purpose the reimbursement of the Yosemite Lumber Co., a California corporation, for the actual expenses incurred in successfully fighting a fire within the Yosemite National Forest. My colleague [Mr. ENGLEBRIGHT] from California has made reference to an adverse report made by the Park Service. May I read from the report made by the Secretary of the Interior?—

This fire started immediately outside of the park but spread rapidly to park lands. It was first observed by representatives of the lumber company who were conducting logging operations in the near vicinity. Although their own lands were not immediately threatened, the company shut down their entire operation and put their entire crew of 242 men on the fire. It appears that without doubt the actual expenses of the company in connection with the fighting of this fire amounted to $6,222.75, the amount of their original claim, and that unless this supplemental claim of $2,114.74 is paid, the company will have actually sustained a direct loss of that amount. Inquiry at the Forest Service reveals that claims for the payment of expenses in excess of the standard fire-fighting rates when similarly incurred are customarily approved.

For the above reasons I am in favor of enactment of this proposed legislation.

I am advised by the Director of the Bureau of the Budget under date of February 16 that this report is not in conflict with the President's financial program.

It will be observed that the Yosemite Lumber Co. is not asking consideration for the time during which their plant was shut down. The season of operation, as my colleague from California will agree, is very limited. This company suffered a loss of four days of actual work during the brief period in which it is possible to operate in the State of California.

Mr. PATTERSON. It seems this company collected a portion of the claim, but there was a portion disallowed.

Mr. WELCH of California. Yes.

Mr. PATTERSON. If they had their case before the Park Commission or the comptroller, why should we now allow the claim? What is the authority for their volunteering and going within this forest to fight this fire? That is the point I would like to have the gentleman clear up for me.

Mr. WELCH of California. At the time they were allowed compensation paid to men who are drafted to fight forest fires.

Mr. PATTERSON. Is it a customary policy of the Park Service to use volunteers in that way and then compensate them?

Mr. WELCH of California. They were not volunteers. The practice of the department, when there is a large fire of this kind, is to go into the highways and into the centers of population and draft men into service whether they have had previous experience in fighting fires or not. They are forced, many against their will, and they simply go and fight the fire under the supervision of the Forest Service. In this instance the Yosemite Lumber Co. was the first to observe the fire, long before the Forest Service knew of its existence. The company saw the danger to this wonderful stand of timber within the national forest and it immediately closed down its own operations, put its stoves and cooking utensils on trucks, and took its entire force to the scene of the fire. This company stayed there four days with its own men, men trained in the service, lumberjacks, strong, healthy fellows who were equal to the occasion, and not the class of men usually picked up on the highways. By reason of that the company is asking the Government to allow them an amount equal to that which the men would have received had they remained in the employment of the company, instead of voluntarily going into the Government reservation and successfully putting out the fire.

Mr. PATTERSON. That is the explanation I wanted to get.

Mr. STAFFORD. Will the gentleman yield?

Mr. PATTERSON. Yes.

Mr. STAFFORD. There is no question whatsoever that these services were rendered by this company for the benefit of the Government in putting out this fire. There is no question but what this company paid them the wages they were receiving as their employees. The excess payment that is sought to be allowed here is merely the excess which is above that which is paid to volunteers.

Mr. PATTERSON. Yes; the gentleman from California [Mr. WELCH] brought that out.

Mr. STAFFORD. And I am impressed by the position of the Acting Secretary of the Department of the Interior with respect to the policy of the department in stating—

Inquiry at the Forest Service reveals that claims for the payment of expenses in excess of the standard fire-fighting rates when similarly incurred are customarily approved.

Although it is true this company derived benefit because they had adjoining property, yet they gave greater service to the Government and they are only asking reimbursement and not seeking to charge anything for loss of profits by reason of suspension of business.

Mr. PATTERSON. Under the explanation of the gentleman from California and my colleague from Wisconsin, I withdraw the reservation of objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Yosemite Lumber Co. the sum of $2,114.74. Such sum represents the difference between the actual cost of such company, for labor, supplies, and transportation of men, incurred in the fighting of forest fires in September, 1926, in the Yosemite National Park, and the amount paid such company by the National Park Service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JAMES E. DETHLEFSEN

The Clerk called the next bill on the Private Calendar, H. R. 5048, for the relief of James E. Dethlefsen.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, in this bill is still another phase of employees' compensation perversion. In this one a man first tries to obtain compensation from the Government, and they find he was not employed by the Government. Then he deserts that and tries some other method, and now he comes back and wants to have a stated sum because he went out and rang the fire bell one night and called men to put out the fire and injured his hands.

I object, Mr. Speaker.

Mr. WELCH of California. Will the gentleman withhold his objection?

Mr. EATON of Colorado. I withhold it and reserve the right to object.

Mr. WELCH of California. If the gentleman from Colorado [Mr. EATON] could see the condition of the claimant, Mr. Dethlefsen—and I regret that I have not the photographs with me—they are in my office—he might not object to this meritorious claim. Dethlefsen was employed by the United States Government in Alaska. A fire broke out in a Government warehouse, and he, with others, volunteered in the absence of a fire department, not to ring the bell but to carry water and fight the fire. In an effort to save the building, Dethlefsen's hands were so badly frozen it was necessary to amputate all of his fingers and one thumb.

May I add that President Wilson, knowing the condition of this unfortunate man, recommended him for a position in the Government service regardless of civil service, a position which he is now holding and which pays him the nominal sum of $90 or $100 a month.

Mr. EATON of Colorado. Mr. Speaker, I simply wish to state that the bill under consideration is on all fours with the bill H. R. 571, to which objection was made, except in this case the amount of injury to the hands is different. I

regret very much that a case of this sort is on the calendar for consideration. Sympathy is with the claimant, but I do, nevertheless, object.

EDWARD J. DEVINE

The Clerk called the next bill on the Private Calendar, H. R. 5146, for the relief of Edward J. Devine.

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, it seems from the statement of the Director of the United States Veterans' Bureau that there has already been paid on this account $107, which is the usual amount provided by statute to be paid in case of death, and I can not see any reason why a distinction should be made to raise the amount in the case of this veteran and discriminate in his favor and against all other veterans.

Mr. BLACK. Mr. Speaker, the reason why a distinction should be made is because there was no distinction made originally. It happens there were two deceased veterans named Patrick J. Murtagh. The Veterans' Bureau paid for the expenses of the burial of one Patrick Murtagh to his wife, and the undertaker who buried the other Patrick Murtagh has never been compensated for his services. He was authorized to bury this man by the American Red Cross, who acted on the direction of the Veterans' Bureau, and the committee has found that, although the widow of a Patrick Murtagh was paid, the undertaker who buried this Patrick Murtagh was never paid.

Mr. GRISWOLD. I object, Mr. Speaker.

BERNIS BRIEN

The Clerk called the next bill on the Private Calendar, H. R. 5202, for the relief of Bernis Brien and John M. Springer.

Mr. PATTERSON. Mr. Speaker, reserving the right to object, under the circumstances it seem to me this bill is not a very good one, to say the least. I yield to the gentleman from Ohio [Mr. HARLAN] to make a statement in explanation of the bill.

Mr. HARLAN. In November, 1925, Mr. Bernis Brien was appointed treasurer of the Soldiers' Home at Dayton, Ohio. When he took office there was a man employed by the name of Spreng. I may say that the salary of Mr. Brien for this work was $2,500 a year. At the time he took office his books were audited by the War Department and the Bureau of National Homes. These audits showed that Spreng, the man who was in charge of the office, had his accounts all correct. Mr. Spreng kept charge of this office from 1925 to 1929. During these four years, twice a year the accounts of Spreng were audited by the War Department and by the Bureau of National Homes.

I may say that Spreng was not appointed by Brien. He was in there when Brien took charge.

Mr. STAFFORD. Will the gentleman yield?

Mr. HARLAN. I yield.

Mr. STAFFORD. I fail to find any statement in the report which supports the statement of the gentleman from Ohio, that when Major Brien took office the accounts were audited.

Mr. HARLAN. That is included, I believe, in a letter from Mr. Brien, or in the testimony.

Mr. STAFFORD. The letter of Mr. Wood, president of the Board of Managers, under date of March 6, 1930, stated that an audit of the accounts revealed that there was a deficit of $5,000 during the time Mr. Brien was treasurer.

The difficulty I have with the claim is that it seems that this political appointee—and they were all political appointees, for I have had some acquaintance with the character of the appointments in connection with the Northwestern Branch of the Soldiers' Home—did not exercise reasonable care in examining the books and accounts when he took office. He was negligent in the assumption of his duties at that time.

Mr. HARLAN. If the gentleman will look at page 5 of the report, I think in a letter from Mr. Brien he will find that the books were audited when he took charge.

Mr. STAFFORD. I have read the entire letter very carefully, and I did not get any such impression.

Mr. HARLAN. The books were audited twice a year, and during that time by the Bureau of National Homes and the War Department, and each one of them found that Spreng's account was O. K.

I will say that during the five years this man Spreng never took a vacation. He was on the job all the time. There was a system of loose-leaf bookkeeping involved in which, when the auditor came, he slipped some leaves out and inserted others, and when they were not there he returned them. Whenever Brien came around he did the same thing as when the auditors were there. He imposed on other governmental officials just as he did on Brien.

Mr. PATTERSON. Where is Spreng now?

Mr. HARLAN. Spreng is in the penitentiary, or I believe has just got out.

Mr. STAFFORD. Will the gentleman point out in the affidavit or the letter where it states that the books were audited when Brien took charge?

Mr. HARLAN. I will look. In Mr. Brien's affidavit it says:

> The books were inspected once a year by the inspector general of the National Military Home and were also inspected once a year by the Inspector General of the United States Army.

Mr. SCHAFER. Mr. Speakèr, reserving the right to object, I see that this man was bonded for $5,000 by a bonding company. Why should Congress relieve the bonding company of all liability after it has received the premiums for underwriting the bond? If we are to pass bills because the Treasurer did not have an appointing power, if we are going to pay out of the Treasury in case of embezzlement and relieve all of the companies who have written bonds and accepted large premiums, we are setting a bad precedent.

Mr. HARLAN. If the gentleman will consider for a moment, the bonding company at the time the bond is written for a condition of this kind requires a reimbursing agreement with the bonding company, so that although the bonding company would be liable in this case, Mr. Brien will have to pay the bonding company.

Mr. SCHAFER. If we are going to follow that as a policy, then it is absolutely ridiculous to require any bond where the taxpayer's money is involved.

Mr. PATTERSON. I am in sympathy with the gentleman's statement along that line. If I read the report correctly, it seems the man has nothing and he could only be technically responsible to the bonding company, and they would not collect unless the Government pays it.

Mr. HARLAN. Well, that is not strictly true. He has a small income. He has enough money, but it will take every dime he has to make good to the bonding company. The thing that impresses me in this case is that we are holding this man to a liability for depending upon the duly appointed auditors and experts of the United States Government. We are holding him to a higher liability than we would hold them. Now, this does not mean the expenditure by the United States Government of anything. This money was taken from the post fund at the Dayton home. The post fund is made up of money that is left by veterans who die without wills and who leave no heirs. It was comparatively easy to steal from this fund unless the auditors caught them, because there was nobody to claim the money.

Mr. SCHAFER. In order to correct the record, the post fund also includes uncollected pensions that have been withheld in many cases arbitrarily by the Board of Managers of the National Home in the case of veterans who had left a will and last testament.

Mr. HARLAN. Well, it may include other funds than the funds I have mentioned.

Mr. SCHAFER. Well, does the gentleman seriously believe that in every case where we bond an official of the United States Government who has charge of the people's money that bond should not include the employees under him?

Mr. HARLAN. Well, that question is being raised in this case whether or not this bond was designed so to do. Prior to that time Mr. Springer, the predecessor of Mr. Brien, gave no such bond at all. The man who actually handled the

money was not under bond in this case. The actual amount of money that will be required to be replaced in the post fund is a little less than one-third of the amount that Mr. Springer was charged with having taken.

The SPEAKER pro tempore. Is there objection?

Mr. SCHAFER. Mr. Speaker, I object.

MARY S. NEEL

The next business on the Private Calendar was the bill (H. R. 5221) for the relief of Mary S. Neel.

The SPEAKER pro tempore. Is there objection?

Mr. ARENTZ. Mr. Speaker, I reserve the right to object until I can have a little explanation made regarding this by the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. While this measure deals with a small amount—$459—I believe it will correct an injustice against an efficient employee of the United States Post Office Department.

Miss Mary S. Neel has been employed in the McKeesport (Pa.) office, and is now employed there. In 1919 two depositors in the Postal Savings living in the McKeesport district had the same name—Frank Bernat. Both had accounts in the Postal Savings System. One of them presented certain funds and was given postal-savings certificates, properly numbered, by Miss Neel in the post office. However, some clerk—it never has been definitely proven that Miss Neel made the notation—but some clerk recorded these certificates to the other number. Some months later the second depositor came in and was told that there was some discrepancy as to his account and was asked to check over his certificates. He stated he had lost certain certificates, and duplicates were made out and given to him, and in due time both the originals and the duplicates were cashed. This depositor then went to his home in Czechoslovakia.

Mr. ARENTZ. In the report by the inspector it is stated that Miss Neel used the correct account, No. 1208, on the certificates, and she entered the account number on the stubs of these certificates as 2898. I could not quite make it clear in my mind whether that was corrected further on in the report of the inspector. If so, it is clear that Miss Neel was not negligent in her duties and should be reimbursed.

Mr. KELLY of Pennsylvania. I think it is admitted she could not be proven responsible for the placing of these certificates to the credit of the wrong man. She did issue the certificates correctly. An effort was made to collect from the man who had gone back to Czechoslovakia and that could not be done and he did not refund the money. They called on Miss Neel and she paid this money out of her salary by monthly payments.

This bill has been favorably reported four times by the Committee on Claims, but it has never been reached on the floor of the House. I hope my friend will not object at this time.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, directed to pay to Mary S. Neel, out of any money in the Treasury not otherwise appropriated, the sum of $459, which she was compelled to pay on account of error in payment of postal-savings certificates.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

D. EMMETT HAMILTON

The next business on the Private Calendar was the bill (H. R. 5242) for the relief of D. Emmett Hamilton.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Reserving the right to object, this bill seeks to repay a star-route carrier for extra poundage carried during a portion of his 4-year contract. Under the law, where conditions changed as they changed here, he might have asked the department to be relieved of the additional burden and a new contract entered into. There is no question, as far as the facts in this case are shown by the record, that the amount of mail increased. When he took a contract for four years, or whatever time he did, the usual time being four years under the star-route contracts, he could carry it on horseback.

By reason of the development of some mining operations in this district the poundage of mail increased considerably, and he was obliged to purchase a team of horses and a wagon. His estimate, however, is beyond all possibility of allowance. He puts in his estimate a return based upon the added poundage. Even the added poundage did not require him to undertake to give more hours to the employment. It is true he was obliged to spend more money for a team and equipment, and I think he should be allowed for that. It is true also the mileage was increased by reason of the opening of some additional mining camps, caused by the opening of these mines, but I could not subscribe to any amount as suggested, $4,599, and particularly with interest, because we never allow interest.

Mr. MAY. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. MAY. Will the gentleman please note the fact that the contract was let by the Government based on the carriage of mail over this road by horseback, with a contract rating of 35 pounds of mail, and that it increased according to all of the evidence to 195 pounds. Now, taking it in that same proportion and increasing the price to $617, in the same proportion as 35 pounds is to 195 pounds, would it not make the contract price, based on that proportion, equivalent to a sum in excess of his entire claim?

Mr. STAFFORD. If the poundage had increased so that it did not require more than the carrying of it by horseback, I could not subscribe to allowing him 1 cent, because the star-route carrier when he enters into a contract undertakes to fill that contract for the 4-year period no matter whether there is an increase or a decrease in the amount of mail carried. But here the carrier was obliged by reason of the tremendous excess to adopt different equipment, and I am willing to compensate him in that particular.

Mr. ARENTZ. If the gentleman is adverse to paying interest, why not eliminate that?

Mr. MAY. I will be glad to do that.

Mr. ARENTZ. This star-route carrier had to deliver mail to a post office which was established by the Post Office Department, and he was directed by the Post Office Department to carry mail from the beginning of his route up to this new post office. He could not do that on horseback, and in his spare time he had to build this road. He had to carry this additional mail in a cart or wagon, and surely if the original contract was based on 4.8 cents per pound we should not ask this man to carry it for 1.6 cents per pound.

Mr. STAFFORD. But if the added mail had permitted him to carry it by horseback then he would not be entitled to any relief, because, as I have said, a star-route carrier is supposed to fulfill his contract during the whole of the 4-year period, no matter whether there is an increase or a decrease in the poundage.

Mr. ARENTZ. What does the gentleman think he is entitled to?

Mr. STAFFORD. He is entitled to compensation for the equipment.

Mr. ARENTZ. What is the measurement of payment to this man? I have studied this bill and studied it. What is the measurement of payment to this man and how are we to pay him?

Mr. BLACK. I think the amount set forth in the bill represents the amount which the Government would have paid the man under his contract if they had known there would be this increase in poundage and the necessity for this new equipment. Then we must bear in mind the added distance covered by this carrier. He carried mail half as far again as he contracted to carry it, and all he is asking is that he be paid for the carriage of this extra poundage over that extra distance, in addition to building the road.

Mr. STAFFORD. There are thousands of cases in the administration of the star-route service throughout the country where the carriers are not allowed—never have been allowed—one additional cent by reason of the increase in the poundage. However, it seems this case is singular by

reason of the fact that the increase in mail poundage obliged the man to carry the mail by a different sort of equipment. But, as I stated originally, he should have gone to the department and said:

Conditions have changed. I want to be released or a new contract made.

I am exempting him from that oversight, but I think $4,599.64 is out of all proportion. I think we would be most liberal if we should make this allowance $3,000, in view of the fact we have never passed relief for this kind of case.

Mr. MAY. If the gentleman will offer that as an amendment, I shall accept it.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Treasurer of the United States is hereby authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, the sum of $4,599.64 with 6 per cent interest to D. Emmett Hamilton, being the sum due him for carrying additional mail on route No. 29449, and not covered in his then existing contract with the Post Office Department, and which additional mail forced upon him by the Postmaster General caused the claimant undue financial loss and hardship.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment: Strike out in line 5, "$4,599.64" and insert "$3,000," and strike out the phrase in the same line with "with 6 per cent interest"; and then, after the word "Hamilton," strike out the words "being the sum due him," and insert in lieu thereof the words "in full settlement."

The Clerk read the amendment, as follows:

Amendment offered by Mr. STAFFORD: In line 5, strike out "$4,599.64" and insert "$3,000"; strike out the words "with 6 per cent interest"; after the word "Hamilton," insert "in full settlement"; and strike out, in line 6, the words "being the sum due him."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

STEVE FEKETE

The Clerk called the next bill on the Private Calendar, H. R. 5259, for the relief of Steve Fekete.

Mr. BACHMANN. Mr. Speaker, reserving the right to object, I do so to ask unanimous consent of the House that this bill may be referred back to the Committee on Claims so that it may be amended and redrafted to state the facts. In its present form we can not tell for what the claimant seeks to recover this money.

Mr. BLACK. Mr. Speaker, I object to that. I think the bill fully sets forth all the necessary information.

Mr. BACHMANN. Then, I object to the consideration of the bill.

Mr. CLANCY. Will the gentleman withhold his objection a moment?

Mr. BACHMANN. I reserve the right to object, Mr. Speaker.

Mr. BLANTON. Will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. BLANTON. I want to say to the gentleman from New York [Mr. BLACK] that the gentleman from West Virginia has some very pertinent and necessary amendments prepared. If the gentleman from New York will agree that these amendments will be acceptable and will be put on the bill, then I know my friend from West Virginia will not object.

Mr. BLACK. I have great respect for both of the gentlemen, and if the gentleman will suggest what his amendments are, I may go along with him.

Mr. BACHMANN. I expected to do so, but you are setting forth here a principle that I am sure the chairman of the Committee on Claims would not want to establish, and we would establish such a principle if we passed the bill in its present form. I do not believe the gentleman would report out a bill from his committee involving the principle that is involved in this bill.

Mr. BLACK. What are the gentleman's suggestions?

Mr. BACHMANN. In order not to take the time now, I ask unanimous consent that it be referred back to the committee and I will give the gentleman the amendments which I think ought to go in the bill.

Mr. BLACK. Mr. Speaker, I would like to accommodate the gentleman, but I do not like all this mystery about it. We have heard a couple of political speeches here to-day——

Mr. BLANTON. The bill will have to be rewritten, because there are a number of amendments that will have to go in the bill.

The SPEAKER pro tempore. The gentleman from West Virginia asks unanimous consent that the bill be rereferred to the committee for the purpose of having certain amendments added to the bill. Is there objection?

Mr. CLANCY. Mr. Speaker, reserving the right to object, I wish to state that this is a bill of my colleague from Michigan [Mr. McLEOD]. The gentleman is unable to be here this afternoon. It is a bill for the return of a $500 bond given to produce an alien and the alien was not produced, and I withdraw my objection to the motion to rerefer to the committee for further consideration.

Mr. BLANTON. The gentleman from Michigan [Mr. McLEOD], if he were here, would not object to these amendments.

Mr. BLACK. I will accept the amendments, so far as I am concerned, on the gentleman's responsibility, because of the faith I have in the gentleman, rather than go through this rigamarole.

Mr. BACHMANN. Does the gentleman want to go through the amendments now?

Mr. BLACK. Yes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Steve Fekete, of Detroit, Mich., the sum of $500, which was the amount of a bond given to the United States to insure the departure of an alien, which bond was subsequently declared breached by the Department of Labor and the money covered into the Treasury.

Mr. BACHMANN. Mr. Speaker, instead of offering that amendment may I move to strike out all after the enacting clause and insert the following:

The Clerk read, as follows:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Steve Fekete, of Detroit, Mich., the sum of $500, which was the amount of a bail bond given to the United States on January 13, 1928, to insure the departure of John Opalenik, an alien, which bond was declared forfeited by the Department of Labor prior to the time the alien was apprehended and deported.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

HARDEN F. TAYLOR

The next business on the Private Calendar was the bill (H. R. 5267) to authorize and direct the Comptroller General to settle and allow the claim of Harden F. Taylor for services rendered to the Bureau of Fisheries.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and allow the claim of Harden F. Taylor in the sum of $500 for services rendered to the Bureau of Fisheries in the preparation of a manuscript on the refrigeration of fish, notwithstanding provisions of existing law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

FRANK BAYER

The next business on the Private Calendar was the bill (H. R. 5272) for the relief of Frank Bayer.

The Clerk read the title of the bill.

Mr. ARENTZ. Reserving the right to object, the question is whether or not there is an affidavit giving the value of the apparatus and the kind of the apparatus, and so forth. You say the value was $500. What did the apparatus consist of, and is there an affidavit of proof?

Mr. BLACK. I see by the report that this was allowed by the Secretary of the Navy. We did not investigate that, but recommended the passage of the bill. We did not go into it. We were in no better position to ascertain the value than the Navy Department. I agree with the gentleman that it seems a little high.

Mr. ARENTZ. There is a similar bill here where the report contains no proof.

Mr. BLACK. The Navy Department must have made some inquiry as to the value, and they recommended the passage of the bill.

Mr. ARENTZ. Since the gentleman from New York, chairman of the committee, is satisfied, we must be. But I question the advisability of passing these bills without some proof.

Mr. PATTERSON. I will say this, that in the last Congress the same complaint was raised. I thought we should reimburse to some extent.

The SPEAKER pro tempore (Mr. BLANTON). Is there objection to the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Frank Bayer, in payment for certain radio apparatus belonging to Frank Bayer and seized by officers of the United States Navy on August 9, 1917, at 2270 Bathgate Avenue, New York City.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BLANCHE KNIGHT

The next business on the Private Calendar was the bill (H. R. 5283) for the relief of Blanche Knight.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Reserving the right to object, I think this is a meritorious bill. I think there is a liability on the Government in this case, but I would like to ask the chairman a question. The bill seeks to refer this bill to the Employees' Compensation Commission. The husband of this woman was not in the employ of the Government. I would like to inquire of the chairman of the committee if it would not be better procedure to bring in a bill for a certain amount stipulated and pass it in that form?

Mr. PARKER of Georgia. Will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. PARKER of Georgia. This bill was introduced by the late Mr. Rutherford.

Mr. BACHMANN. I so understand; and I think it is a meritorious bill.

Mr. STAFFORD. May I interpose there?

Mr. BACHMANN. Certainly.

Mr. STAFFORD. I have given considerable attention to this bill because it was introduced by our deceased colleague Mr. Rutherford, arising out of an accident in his district. The record shows that our deceased colleague took a particular interest in this killing of a helpless negro, who was returning from church, by prohibition-enforcement officers. I think, after a close reading of the report, that it was an accident in which the deceased was in no way to blame.

I am following the suggestion of the gentleman from West Virginia. Here is a widow who was only married——

The SPEAKER pro tempore. The Chair understood the gentleman from West Virginia was preferring a unanimous-consent request.

Mr. BACHMANN. Mr. Speaker, I reserved the right to object, but when I got to the point of suggesting a unanimous-consent request, I yielded to the gentleman from Wisconsin.

The SPEAKER pro tempore. If the request is granted, that would end the further consideration of this bill.

Mr. STAFFORD. But I wish to go along under a reservation of objection, Mr. Speaker.

Here is a case where this widow was only married to this elderly colored man, who was over 60 years old, three months. The deceased left a number of minor children by a former marriage. It is customary to vote $5,000 in such cases, but I am more concerned in the welfare of the minor children of the deceased colored man who was shot by a prohibition officer.

I have prepared an amendment, and I invite the close consideration of the gentleman from Georgia and also the chairman of the committee to it. I would suggest that $1,000 be given to the widow, and $4,000, or such sum as the House may wish to fix, to the duly appointed guardians of the minor children under the age of 12 years of said Sam Knight. If he had lived, he naturally would have continued to give his services for the benefit of the minor children. They are very young. There are four children under 12 years of age. I want this money not to go to the widow, who may perhaps throw the children to one side; but I would give her $1,000 and give $4,000 to the guardian of these children.

Mr. BLACK. Of course, the best method, if it were not for the fact that we are loading up the Compensation Commission with work that they should not carry, would be to have this paid through the Compensation Commission, because every month the $50 would be given to the widow, and there would be some inquiry as to whether the children were taken care of or not. Unless the gentleman can think of some better way of relieving the needs of the children, I would be disposed to go along with the provisions of this bill and have the Compensation Commission take care of it.

Mr. STAFFORD. But what assurance have we that this widow will spend this monthly allowance for the support of these children?

Mr. BLACK. The Compensation Commission is in a better position to find that out than we are. There is no other agency to do it.

Mr. STAFFORD. But the Compensation Commission will not require the widow to look after the children. I want to vote $4,000 to a guardian for the benefit of the children.

Mr. BLACK. Of course, the widow will be the guardian.

Mr. STAFFORD. Not necessarily so. In any event, she would have to account to the court for the administration of this $4,000.

Mr. BACHMANN. And she would have to give a bond.

Mr. STAFFORD. There are four children under 12 years of age.

Mr. BACHMANN. There are eight altogether.

Mr. STAFFORD. There are eight altogether, but one, 24, is working, and another is 16.

Mr. PARKER of Georgia. If the gentleman will permit, I will accept the amendment if it meets with the approval of the committee.

Mr. BACHMANN. May I suggest the gentleman from Wisconsin have his amendment read?

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Mr. Speaker, reserving the right to object——

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to read the proposed amendment.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. STAFFORD. The amendment that I propose is as follows:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Blanche Knight, widow of Sam Knight, who was killed by a Federal prohibition agent on August 1, 1930, at Macon, Ga.; and the sum of $4,000 to be paid to the duly appointed guardian of the minor children, under the age of 12 years, of said Sam Knight.

Mr. BACHMANN. I think we should provide that this is in full settlement of all claims against the United States, so that we will end this claim once and for all.

Mr. STAFFORD. I think that is understood, and it would rather involve the amendment.

Mr. BACHMANN. Mr. Speaker, with the understanding that this amendment will be agreed to, I make no objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to pay, out of money not otherwise appropriated, the sum of $50 per month for 100 months to Blanche Knight, widow of Sam Knight, who was killed without cause by a Federal prohibition agent on August 1, 1930, at Macon, Ga.

Mr. STAFFORD offered the following amendment as a substitute:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Blanche Knight, widow of Sam Knight, who was killed by a Federal prohibition agent on August 1, 1930, at Macon, Ga.; and the sum of $4,000 to be paid to the duly appointed guardian of the minor children, under the age of 12 years, of said Sam Knight."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

MARY FORD CONRAD

The Clerk called the next bill, H. R. 5794, to extend the benefits of the employers' liability act of September 7, 1916, to Mary Ford Conrad.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object.

Mr. STAFFORD. Will the gentleman yield?

Mr. EATON of Colorado. I will.

Mr. STAFFORD. Mr. Speaker, I assume the gentleman will recognize the difference between cases where the claimant was injured after the United States compensation act was passed in 1916 and failed, because he was not acquainted with the law, to make his claim within the statutory period of 60 days or a year and those cases that are on the calendar where the injury occurred prior to the enactment of the United States compensation act, say, in 1914, and they are seeking to have that act made retroactive. There are those two different characters of cases on the calendar. I make the distinction, and I think it is a good rule to follow, that where the claimant has been injured after the date of the enactment of the law and was ignorant of its provisions, and therefore failed to make his claim within the statutory period, that those claimants should be permitted to avail themselves of the benefits of the compensation acts with the benefits accruing from the date of the passage of the private act. I do not believe we are doing any violence to the law but that we are doing a justice to these claimants. There have been two such cases on the calendar to-day, and I think we are unduly strict if we are going to lay down the rule and say that because some claimant was injured after the enactment of this act and, perchance, was not acquainted with its provisions that he should be barred from having his day in court. It may be that the claimant lived in some distant part of the country and did not know there was a United States compensation law. Under those circumstances I do not think it is right to bar him from any recovery and thus throw him upon the mercy of the locality in which he lived.

When we throw open the floodgates of the act of 1916 to all those who were injured before and received compensation under the prior law of 1908, I think we are making a grave mistake. As to those cases we may well take the position that we should not permit them to come in at this time, especially in view of the present condition of the Treasury.

I ask the gentleman from Colorado whether he does not see the fairness and justice of allowing those claimants who were injured after 1916 to come in and present their claims before the Compensation Commission, waiving only the statutory limitation contained in that law, which provides that such claims must be presented within a certain time. That is all this bill seeks to do, and if the consideration of this bill is permitted I would suggest, in order to protect the Treasury, in conformance with the general policy, that we add at the end of the bill the proviso that no benefits shall be asked prior to the enactment of this act.

Mr. PATTERSON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. PATTERSON. This has been the customary policy followed by the Congress, is it not? We have been passing bills of this kind which just gives a man his day in court.

Mr. STAFFORD. That was the policy in the last Congress, the uniform policy in the last Congress at least. When the Private Calendar was under consideration the last time, one or two bills were objected to by the gentleman from Colorado, unwittingly, I think, because he did not carry that distinction in mind. I do not think the gentleman would go as far as to say that when a man was in the employ of the Government, was injured and did not know that there was some relief measure that gave him protection that he should be barred for all time from asking relief.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I object.

SHERBURNE MERCANTILE CO.

The Clerk called the next bill, H. R. 4143, for the relief of the Sherburne Mercantile Co.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $725.80 to the Sherburne Mercantile Co., of Browning, Mont., in full settlement of their claim against the Government for supplies furnished Indians under the jurisdiction of the Blackfeet Agency during the fiscal year 1918–19.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

C. B. BELLOWS

The Clerk called the next bill, H. R. 615, for the relief of C. B. Bellows.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to C. B. Bellows, out of any money in the Treasury not otherwise appropriated, the sum of $1,141 in full settlement of damages sustained on January 31, 1930, at the Municipal Airport, Long Beach, Calif., when the hangar owned by said C. B. Bellows was damaged by the crash of 0–2–U–I landplane *No. 7543*, operated under the jurisdiction of the Navy Department.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PHYLLIS PRATT

The Clerk called the next bill, H. R. 618, for the relief of Phyllis Pratt and Harold Louis Pratt, a minor.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, reserving the right to object, I would like to inquire as to how this accident occurred?

Mr. EVANS of California. Mr. Speaker, this accident occurred by an Army plane coming in collision with a transport plane between Los Angeles and San Diego. The transport plane was proceeding southward toward Mexico, carrying some 8 or 10 passengers. This Army officer, flying under orders of the War Department from the San Diego base, apparently was doing stunts.

Mr. STAFFORD. Will the gentleman yield for a question in that particular?

Mr. EVANS of California. Pardon me just a minute. He dove toward this plane some two or three times, according to the witnesses, and finally dove into it and wrecked the plane, killed all the passengers of the transport plane, and,

of course, killed himself. This Congress has approved at least one other bill——

Mr. BACHMANN. I was not so much interested in that phase of it. I think this is a meritorious claim.

Mr. EVANS of California. There is no question about it.

Mr. BACHMANN. But the question is that the report does not fully disclose as to how the accident occurred or where this party was that was killed. Was he in the transport plane?

Mr. EVANS of California. He was a passenger in the transport plane, and this provides relief for his wife and minor children.

Mr. BACHMANN. I have no objection.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I regret I have to take a contrary position to that of my distinguished friend from West Virginia, and also have to take exception to the statement made by the gentleman from California who says that the Army flyer was flying under orders. I direct the gentleman's attention to the report of the Secretary of War found on the first page of the report, where he states Lieutenant Keefer "while on an unauthorized flight."

Mr. EVANS of California. In what report is that?

Mr. BACHMANN. The paragraph next to the bottom.

Mr. STAFFORD. "While on an unauthorized flight in a United States Army airplane on April 21, 1929, in San Diego." He states further "that the collision was the result of a maneuver unwarranted, illegal"——

Mr. EVANS of California. Of course, it was illegal.

Mr. STAFFORD. And inexcusable.

Here is the difficulty I have with this claim. It was not in the performance of his duties or was not performed under orders, but he was using the plane without authority. Does the gentleman wish to take the position that if an Army officer or even a private should appropriate some article belonging to the Army, like an automobile or a revolver, and beyond his authority should use such article in a careless manner, the Government should be held responsible for his acts?

Mr. BACHMANN. Will the gentleman yield there?

Mr. STAFFORD. Yes.

Mr. BACHMANN. The reason I say this is a meritorious claim is because the Maddux Air Lines recovered several thousand dollars in the last Congress for this same accident, if I remember, and some of the people who were killed there also recovered because of an act of Congress in the last session. This is another one of the passengers who was in that plane, and if the last Congress has reimbursed the Maddux Air Lines for the cost of the plane and has provided for the families of the other passengers in the Maddux Air Lines plane, why now should we raise the question which the gentleman from Wisconsin has just raised?

Mr. STAFFORD. If such a bill passed, it was passed without a full statement of the facts, as now disclosed by the Secretary of War, and I am unaware of any such legislation having passed; and out of deference to the gentleman's position I will ask to have this passed over, because under the present form of the bill I could not subscribe to this doctrine.

Mr. EVANS of California. Will the gentleman withhold his objection for a moment?

Mr. STAFFORD. I withhold it.

Mr. EVANS of California. This is the report of the board of Army officers that made an investigation of this collision, and I am reading from the report itself:

A board of officers was appointed for the purpose of making an investigation and reporting upon the property damage claims submitted by the Maddux Air Lines (Inc.), and their findings are in part as follows:

"That the collision was the result of a maneuver unwarranted, illegal"—

Of course, it was unwarranted and illegal—

and inexcusable.

Of course, it was inexcusable.

Mr. STAFFORD. Why was it illegal unless it was unauthorized?

Mr. EVANS of California. I want the gentleman to get this whole report:

Yet without malicious intent on the part of Lieut. Howard Keefer while on an authorized flight—

Not unauthorized, but authorized—

in a United States Army airplane on April 21, 1929, in San Diego, and unavoidable by the Maddux air liner.

Mr. STAFFORD. I wish to confess to the gentleman and to the House that I was in error. I read "authorized" as "unauthorized" because of the word "'an." I can see now the position taken by the gentleman from West Virginia.

Mr. BACHMANN. Will the gentleman yield there?

Mr. STAFFORD. And if this injury happened as a result of an authorized flight, then, of course, it is different.

Mr. BACHMANN. And we paid for the loss of that plane in the last Congress by a bill appropriating $44,000.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Phyllis Pratt and Harold Louis Pratt, a minor, the sum of $5,000 as reimbursement to them for the loss suffered by them in the death of their husband and father, Louis Daniel Pratt, now deceased, whose death occurred on April 21, 1929, without fault on his part or on their part, through the collision of a tri-motored Ford airplane belonging to the Maddux Air Lines (Inc.), of Los Angeles, Calif., bearing factory No. 5-AT-10, license number NC 9636, near San Diego, Calif., with an airplane belonging to the War Department of the United States, which was then and there operated in a wrongful and negligent manner by Lieut. Howard Keefer, a United States pilot, then and there flying under orders and in line of duty.

Mr. HOOPER. Mr. Speaker, I move to strike out the last word, and if any Member objects to my handling the matter in this way, I shall have to bear the objection. I do this to call attention of the committee to something which escaped me during the consideration of these bills heretofore.

It would have been of no avail for me to be present, although I was absent from the Chamber but a few minutes in the objections made to this class of bills by the gentleman from Colorado [Mr. EATON]. I think it is only due to me to say a few words about the person whom I represent in this bill.

John Barnum, a young man residing in Hillsdale County, Michigan, was in 1919 working for the United States Shipping Board, sailing the Red Sea. There came a spell of terribly hot weather. He was taken ill as the result, and they brought him home in a very bad condition indeed, a condition that has grown worse and worse as time went on.

This boy knew nothing about what his rights were; he was totally ignorant of them. Finally, in 1923 he took up the matter with my predecessor, Hon. Arthur B. Williams. Mr. Williams died, and after a brief lapse of time, the matter came to my notice, and ever since 1925 I have been struggling every year to get compensation for this young man. It has been my purpose to have jurisdiction conferred upon the proper board to have this matter heard, to have it determined whether or not under all the circumstances that existed at the time the young man ought to have his day in court.

I have seen the young man every year when I have been at home, sometimes more than once; he comes to my office with his aged parents, who are wholly unable to take care of him.

Mr. STAFFORD. Will the gentleman yield?

Mr. HOOPER. I yield.

Mr. STAFFORD. I think at another session we will be able to adopt a policy that will enable us to consider not only the bill the gentleman speaks of but certain other bills that have been objected to on the Consent Calendar. I know that the gentleman from Colorado wishes to do right by all of these claimants.

Mr. HOOPER. I am glad to have this assurance from the gentleman from Wisconsin.

If you could see and know this young man, you would feel the same sympathy for his unfortunate condition that I do. His case is wholly meritorious and has been held so at least twice by the full Committee on Claims. I hope the gentle-

man from Colorado may reconsider the policy announced by him and permit justice to be done this claimant.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Mr. EATON of Colorado. Mr. Speaker, I ask unanimous consent to proceed for five minutes out of order to answer the statements of the gentleman from Michigan.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HOOPER. Will the gentleman yield?

Mr. EATON of Colorado. I yield.

Mr. HOOPER. I am not in any sense impugning the motives or honesty of the gentleman from Colorado in making these objections. I know the gentleman is doing in good faith what he is doing. I simply want to call the attention of the House to one of these cases which seems to be a real injustice that arises from the manner of handling claims of this sort.

Mr. EATON of Colorado. Mr. Speaker, there are four different types of cases on the calendar to-day. There were two different types upon the Private Calendar last week. Objection was made to both types last week. Objection has been made to each type to-day. All seek to give some one a right under the Employees' Compensation Commission which he has either lost or never did have. The committee has reported favorably upon all of the bills. Different Members have objected to different types of bills. My purpose to-day is to see that each bill is given exactly the same treatment. I have no doubt that those who have been objecting and possibly the members of the Committee on Claims will have a meeting some time during the week and classify those claims and consider particularly that type which seems to have the greatest equity in them—that is, those who, for some reason, through no fault of their own, failed to avail themselves of their right under the compensation law. But, as it now stands it is my intention in objecting to see that all are treated the same way; and if one is permitted to apply to the Employees' Compensation Commission, the balance should be given the same right. If one is denied, all should be denied.

Mr. SWING. Will the gentleman yield?

Mr. EATON of Colorado. I yield.

Mr. SWING. The gentleman does not want the great United States Government, in dealing with its individual citizens, to deny them their "day in court" by availing itself of some abstract technicality? The very purpose of this Private Calendar day is to do something which existing law does not permit to be done, in order that even-handed justice may be granted to individual citizens. If we are here to uphold existing law in every letter and word, then not a single one of these bills could be passed. All of them would have to be denied. The very purpose of this calendar is to permit, in contravention of existing law, the doing of what we, as between man and man, recognize as justice to helpless citizens for injury done them for which this Government is responsible and for which they have no other forum to which they can look for relief.

Mr. EATON of Colorado. The gentleman from California should spend a little more time in the Chamber during the consideration of the Private Calendar.

Mr. COCHRAN of Missouri. Mr. Speaker, regular order.

BLANCHE KNIGHT

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to return to H. R. 5283 for the purpose of amending the title.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the title of the bill (H. R. 5283) be amended to read: "For the relief of Blanche Knight and certain minor children of Sam Knight, deceased."

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

WESTERN ELECTRIC CO. (INC.)

The next business on the Private Calendar was the bill (H. R. 691) for the relief of the Western Electric Co. (Inc.).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. PATTERSON. Mr. Speaker, reserving the right to object, I do not see the author of this bill on the floor, and, having some doubt about the bill, I shall object for the present.

ESTATE OF WHITE B. MILLER

The next business on the Private Calendar was the bill (H. R. 872) for the relief of the estate of White B. Miller.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, reserving the right to object, I call the attention of the Members of the House to the fact that here is a private bill providing for the payment of $25,000. I doubt seriously whether bills carrying that amount of money should be considered on the Private Calendar rather than in the Committee of the Whole House on the state of the Union. There may be some merit to this claim, and I do not doubt that there is. This widow of the deceased is claiming that the sum of $25,000 be paid because her husband rendered certain legal services to the Government at a time when he was employed by the Government receiving a salary of $10,000 a year. I do not think that in the consideration of the Private Calendar, considering the large amount that is being here asked, we should consider a bill in that amount.

Mr. McREYNOLDS. Will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. McREYNOLDS. I would like to ask the gentleman how this bill could be considered if it can not be considered on the Private Calendar.

Mr. BACHMANN. I am not so familiar with the parliamentary situation, but I assume the gentleman could secure a rule and have the bill come before the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS. That is absolutely impossible. I am sure the gentleman does not want to do any injustice. We would be delighted to have this bill tried on its merits anywhere. These are the facts, if the gentleman will permit. Mr. Miller was employed in 1923, specially, in what is known as the Savannah cases. He was specially employed to represent the Government in those cases. The cases were voluminous. It took several years before he was able to get through with them. He had a special employment. He was only given the title of special attorney so that he might act. He was very successful in every one of the cases.

Practically every one of those cases, in connection with tax frauds, and so forth, went to the court of appeals, and he won every one of them. In one of those cases he collected $500,000 for the Government.

Mr. BACHMANN. Will the gentleman permit an inquiry?

Mr. McREYNOLDS. Yes.

Mr. BACHMANN. Was not Mr. Miller at that time receiving a salary from the Government, by reason of his position, of $10,000?

Mr. McREYNOLDS. No, sir. He had a special contract with the Government. I know the report states that, but I have a copy of Mr. Holland's letter. He received $1,000 a month one year as counsel in that particular line of cases.

Mr. BACHMANN. Was he employed by the Government at $10,000 a year as special assistant to the United States attorney?

Mr. McREYNOLDS. No, sir. He was employed as a special assistant to the United States Attorney General in these particular cases, and was given this title so he could act in an official way. He was not a regular Assistant Attorney General.

Mr. BACHMANN. I want to direct attention to the report of the Attorney General. He says:

At the time of his appointment in the Cannon cases Mr. Miller was already receiving $10,000 a year.

Mr. McREYNOLDS. That is the report.

Mr. BACHMANN. He was employed as special Assistant Attorney General. There are many attorneys employed by the Government on a salary who save the Government many millions of dollars.

Mr. McREYNOLDS. This is what I want to direct the gentleman's attention to. He was only employed in these particular cases, just like you as a lawyer would be employed by this client and employed by another client in another case. He was not to give his entire time to the Government. He was merely employed in these cases. Let me read just what the Attorney General wrote the Budget Department in asking that this be included in the Budget:

It would have been inadvisable for any attorney regularly employed in the Government service to handle these cases, for the reason that Mr. Blair, the then Commissioner of Internal Revenue, was involved as one of the parties. Rather than appoint some other special assistant to handle the cases, Mr. Miller was appointed because of his previous experience in handling tax cases for the department, and also because of his proven ability and tact in handling cases involving a Federal official without public criticism.

That was Mr. Blair, who was the internal-revenue collector.

In addition, the Cannon cases were particularly difficult ones. They presented a hard question of law and necessitated months of investigation into a complexity of facts and accounting matters.

He was employed on account of his particular knowledge of these matters.

Mr. BACHMANN. By whom was he employed?

Mr. McREYNOLDS. I will tell the gentleman.

Mr. BACHMANN. As I understand the report, he was employed by the Attorney General in 1926.

Mr. McREYNOLDS. He was employed by Mr. Rush L. Holland, Assistant Attorney General.

Mr. BACHMANN. Was there any contract at that time as to the amount he was to be paid?

Mr. McREYNOLDS. This is what the Attorney General wrote:

Your appointment, dated March 17, 1926, as a special assistant to the Attorney General in the case of Cannon et al., Executors, v. Bailey, Ex-Collector, pending in the eastern district of North Carolina, is hereby amended to the extent that the phraseology—

"Your compensation will be determined by the Attorney General upon the conclusion of your services"—

is changed to read—

"You will be allowed reasonable compensation at the conclusion of your services."

Mr. BACHMANN. Has there ever been an agreement on the amount of that compensation?

Mr. McREYNOLDS. Yes.

Mr. BACHMANN. What amount was agreed upon?

Mr. McREYNOLDS. Soon after these services were terminated that was agreed upon. The gentleman will remember that when Mr. Miller was brought into these cases they had been decided adversely to the Government. Over $2,000,000 was involved, and the plaintiffs in those cases were represented by the firm of Justice Hughes, in New York. Mr. Miller came into the cases, and after some three years of service and after saving the Government $1,080,000, he then concluded his services in these particular cases and presented his bill to Attorney General Sargent, and at that time they agreed, as my record shows, that $50,000 would be a reasonable fee, and $3,000 was paid.

Mr. BACHMANN. How was that money paid?

Mr. McREYNOLDS. By check, I presume.

Mr. BACHMANN. By the Attorney General?

Mr. McREYNOLDS. I could not tell the gentleman.

Mr. BACHMANN. Why does the gentleman come here with a bill requiring the Congress to pay this amount if he was paid $3,000 by the Attorney General?

Mr. McREYNOLDS. I will say this: During Attorney General Sargent's time they paid Mr. Miller these fees without coming to Congress. The gentleman broke into my line of thought.

This agreement was made, and then the administration changed and Mr. Mitchell came in. After he had made the agreement to pay him $50,000 as a reasonable fee for the three years of service, and after having saved the Government over $1,000,000, Mr. Miller died and his sons came here for a settlement, and Mr. Mitchell, or the Attorney General's Department, agreed to pay $25,000. These sons then agreed to that, because they thought it would be included in the Budget. There was no such suggestion up to that time that this would not be done, because his other fees had been included in the Budget without having to come to Congress. With this in view the Attorney General wrote the Director of the Budget explaining the facts and asking that $25,000 be included for Mr. Miller, and I have a copy of the letter in my files.

These young men agreed to this because they thought they would get their money immediately; but the Director of the Budget held that he could not do this, because he had been styled Assistant Attorney General, and the statute only provided $10,000 for the Assistant Attorney General, and stated it would be necessary to have an act of Congress.

This bill passed the Senate during the last session and was here on the floor of the House, and I know the gentleman was here that night, and it was not objected to by the gentleman at that time.

This is a just claim. These people have been held out of their money for two years. They are entitled to it, and I know that the gentleman, as a lawyer, appreciates that this would be a reasonable fee for anyone who managed these cases and had saved the Government over $1,000,000.

The work took practically all of his time. It required his office force, which he furnished himself at his own expense, and I trust that the gentleman will not object at this time, because I have no other way of getting my day in court. If I had, I would welcome the time to come before this House and show these facts, because I feel it is an honest and just claim and one that ought to be paid.

Mr. BLANTON. Will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. BLANTON. The most objectionable feature about the whole situation is that this gentleman, Mr. Miller, was employed by the Government as an Assistant Attorney General on a salary of $10,000 a year, which is not a small salary. It is big enough to pay the biggest Congressman in the House of Representatives or the biggest Senator in the Senate. The biggest Senator you have over there gets just $10,000, and the biggest man you have in the House just gets $10,000. This man was getting $10,000 from the Government. What was he supposed to give the Government for his salary? Why, every service that he could render. The gentleman from West Virginia [Mr. BACHMANN] is getting a salary of $10,000. He is supposed to give his best service to the country. If he saves $1,000,000 here to-day objecting to bills that are not meritorious, I take it, under this argument, we ought to pass a bill paying him $50,000 more to compensate him for this saving to the Government, when he has done only his duty.

It was the duty of this Assistant Attorney General to save the Government money that ought not to be paid out. He was getting a big salary, a congressional salary, a senatorial salary. What was he to do for it? Nothing? No. It was his duty to do everything within his power to save money for the Government.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. FULBRIGHT. I think we all understand what salary the Members of the Senate and the House are drawing, and what I would like to know is whether or not this man was drawing a salary of $10,000 a year during the time for which his widow seeks to get this additional $25,000?

Mr. BLANTON. Yes; according to this letter from the Attorney General.

Mr. FULBRIGHT. I know what the letter says, but as I understand the gentleman who is the proponent of this legislation, he was not drawing a salary of $10,000 a year.

Mr. BLANTON. Then you can not believe the Attorney General of the United States. Let me read what the Attorney General says.

Mr. FULBRIGHT. I have already read that and I know what he says, but I would like to know whether the letter is correct or whether the gentleman who is seeking to secure the passage of this bill is correct?

Mr. BLANTON. Mr. Speaker, this kind of case ought not to be called up here and passed in five minutes without bringing the record here. The gentleman from Tennessee ought to have the right to be properly heard—and there will come a day when he will be heard on the matter, when the whole record can be brought in here, and I must say I commend the attitude of the gentleman from West Virginia that a bill involving this sum ought not to be passed by unanimous consent.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, I want to be fair, and I shall reserve the right to object, if I may be permitted to do so, so that the gentleman may be heard.

Mr. RAMSPECK. Will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. RAMSPECK. Mr. Speaker, I investigated this matter for the Committee on Claims, and the facts, briefly, are just these: This man Miller was employed by Attorney General Sargent on a salary basis, at first, in the so-called Savannah rum conspiracy cases. Before he had concluded that they made a separate contract of employment covering the Cannon cases. In the meantime the Savannah cases were concluded, and for three years after that he worked on the Cannon cases, which were income-tax cases and for which he has never drawn but $3,000.

Attorney General Sargent by letters which my colleague, the gentleman from Tennessee [Mr. McREYNOLDS] has copies of, and which I have read, and which are in the files of the Committee on Claims, agreed to pay him a reasonable compensation, to be fixed at the conclusion of the work.

It has nothing in the world to do with the salary. I know, as all lawyers know, that when a capable attorney works three years on a case involving $2,000,000, under contract made by a responsible Government official, $25,000 is a small fee. There is no question about the facts as set out in the report. This man had a contract in writing, and Attorney General Mitchell, who came in afterwards and objected to the $50,000, does recommend the payment of $25,000.

Mr. BACHMANN. If this was a contract made in the way the gentleman states, why was not the usual course of payment proceeded upon?

Mr. RAMSPECK. The Attorney General says for the reason that they have no legal authority to pay any attorney for the Government more than $10,000 a year.

Mr. VINSON of Kentucky. It seems to me that when boiled down, it is this: After the services for which he was to receive $10,000 a year had been terminated, unless relief is given, we see this lawyer working for three years for the Government, in which it is said he saved a large amount, and the highest officer in the Government said that he should have a reasonable fee. It has been determined that a reasonable fee is $25,000. Attorney General Sargent stepped out, and the Government is getting the services of this man, in which he saved $1,080,000, which was paid into the Treasury, and the Government is not to pay him a cent.

Mr. BACHMANN. I want to be courteous and respectful, and there may be much merit in this case, but you are asking the Government to pay his widow $25,000, and I am not going to consent to that sum of money under these circumstances.

Mr. REYNOLDS. Then object without saying anything more about it, and without taking up so much time.

Mr. BACHMANN. I object.

ROLAND ZOLESKY

The next business on the Private Calendar was the bill (H. R. 941) for the relief of Roland Zolesky.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Reserving the right to object, will the gentleman from Wisconsin accept an amendment to make the sum $1,000?

Mr. SCHAFER. One thousand dollars is a very small sum in comparison with the amounts recommended by the Claims Committee and passed by the Congress for similar injuries. This boy had three fingers and a thumb blown off. I do not see why in this case the amount should be reduced to $1,000.

Mr. BACHMANN. This youngster only lost two fingers on one hand. He took a shell, which had not exploded, and put it on the stove in his home, and it exploded there.

Mr. SCHAFER. The gentleman as an attorney has certainly handled cases for children 8 years of age. The agents of the Federal Government left an unexploded shell with the detonator in it, and this 8-year-old child picked it up and nearly lost his life, and suffered serious permanent injury.

Mr. BACHMANN. This case was passed upon by the Supreme Court of Wisconsin, as the gentleman knows, and that court decided that there was no liability on the part of the corporation which manufactured the shells. If the gentleman will accept an amendment, striking out $2,500 and inserting $1,000, I will not object.

Mr. SCHAFER. If the gentleman has read the Wisconsin Supreme Court decision, which is incorporated in the committee report, he can not but reach the conclusion that although the supreme court decision was unfavorable to the claimant in the suit against the private corporation, it indicated that the injury resulted from the negligence of Government officials.

Mr. BACHMANN. I do not doubt that, but there is no evidence here concerning the amount of damage and the amount of suffering, and so forth.

Mr. SCHAFER. I will say to the gentleman that the Claims Committee did not think it necessary to spend a great deal of the taxpayers' money to incorporate all of the testimony before the committee in the committee report. The bill was investigated by a subcommittee, and the full Claims Committee then considered it and unanimously recommended that the bill carry $2,500.

I do not see why the gentleman wants to single out this bill and demand an unjustified, arbitrary reduction to $1,000.

Mr. BACHMANN. If the gentleman will agree to an amendment striking out $2,500 and inserting $1,000, I will make no objection.

Mr. SCHAFER. In view of the evidence and the facts and the unanimous report of the Claims Committee, I could not stultify myself and take advantage of this 8-year-old minor child who was injured through the negligence of Government officials and agree to accept the unjust amendment as proposed in order that the bill might be considered.

Mr. BACHMANN. Mr. Speaker, I object.

GEORGE C. MANSFIELD CO. AND GEORGE D. MANSFIELD

The next business on the Private Calendar was the bill (H. R. 946) for the relief of the George C. Mansfield Co. and George D. Mansfield.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, this bill calls for the removal of the statute of limitations to take care of a claim of $126,000. It seems to me that if a claim for $25,000 should have further consideration, certainly a claim for $126,000 should have more consideration.

Mr. SCHAFER. Will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. SCHAFER. The committee report indicates that this bill does not make any appropriation. It simply sends the case to the Court of Claims to determine the actual loss suffered by the claimant and liability of the Federal Government, if any, and I might inform the gentleman that a subcommittee of the Committee on Claims held extensive hearings on this bill. The bill was favorably reported out with a unanimous vote. There was no objection raised in the committee. An identical bill passed the Senate in the last

session by unanimous consent. If the gentleman has carefully considered the committee report, I do not have any hesitation in believing that he will reach a conclusion that this claimant should have his day in court, particularly in view of the facts which are carefully outlined in the committee report.

The SPEAKER pro tempore. Is there objection?

Mr. GRISWOLD. Mr. Speaker, I object.

KNUD O. FLAKNE

The next business on the Private Calendar was the bill (H. R. 1228) to adjudicate the claim of Knud O. Flakne, a homestead settler on the drained Mud Lake bottom, in the State of Minnesota.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, the following sum of money to the claimant, his heirs, assigns, or legal representative; the amount to be paid him, his heirs, assigns, or legal representative: To Knud O. Flakne, $151.60, which amount is hereby appropriated; and the Secretary of the Interior is authorized and directed to make the payment to the claimant herein named and provided for by his warrant upon the Treasury of the United States: *Provided*, That no agent, attorney, firm of attorneys, or any persons engaged heretofore or hereafter in preparing, presenting, or prosecuting this claim shall, directly or indirectly, receive or retain for such service in preparing, presenting, or prosecuting such claim, or for any act whatsoever in connection therewith, an amount greater than was paid to the claimant for his assignment under this act to the person for whom he has acted as agent or attorney: *Provided further*, That no purchaser or assignee of the claim of said claimant shall receive therefor a greater amount than was paid to the claimant for his assignment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

UNITED STATES BANK OF ST. LOUIS, MO.

The next business on the Private Calendar was the bill (H. R. 1323) for the relief of the United States Bank of St. Louis, Mo.

The SPEAKER pro tempore. Is there objection to the present consideration?

Mr. PATTERSON. Mr. Speaker, reserving the right to object, I will say that, according to the objections I made the other day on another bill similar to this, I think these bills should wait. They will still remain on the calendar, and I think they should wait, and probably we can consider them at some time later.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. PATTERSON. I yield.

Mr. COCHRAN of Missouri. That is just what was said in the last Congress. "Let these bills go over and we will consider them some time later." In the closing days of the last session a bill identical to this, a Senate bill for the relief of a fishing and hunting club in Maryland, was allowed to pass this House without objection, and the money has been paid. Now, here is the situation: This is a national bank with thousands of stockholders. It paid its income tax to the Government and about four years afterwards the Government's auditor said, "You charged off an amount in one year that you should not have charged off in another year. We find you owe the Government about $8,000." The bank officials replied, "All right. We will pay the Government if you will give us back the money that we paid you for the other year." The agent in charge said, "You will get the refund." The bank officials said, "Why not let us pay the balance to the Government?" but were told the Government does not keep books that way. So this bank agreed with the agent to pay twelve thousand and odd dollars, interest being added, and then stated, in paying it under protest, that it expected a refund. Not hearing from the Government, it made inquiry. The agent advised, "You will hear from Washington." They waited further and they never heard from Washington. Finally, when they did write to Washington, they were told, "You did not make a proper claim for refund within the time limit, and therefore you can not be paid." It was admitted that the Government had money that showed the tax had been paid twice.

Now, that is the situation. If the gentleman can find a more meritorious bill on the calendar to-day, where Government officials say that they owe money but they can not pay it because of the statute of limitations, I would like to have the gentleman point it out. We come here because of the statute of limitations.

Mr. PATTERSON. I will say to my good friend from Missouri that we had this very question before the House on last Friday——

Mr. COCHRAN of Missouri. I am not talking about last Friday. I am talking about to-day. I am talking about a bill that stands on its own bottom. I do not care what you had last Friday.

Mr. PATTERSON. When the distinguished Speaker was in the chair he made a statement, when that question was being considered, that there were over $4,000,000,000 of tax money where the statute of limitations has run, and if the door is opened there is no telling when this thing will end. I have no doubt that a number of those claims are meritorious and I do not take the position they are not.

Mr. COCHRAN of Missouri. I want to say to the gentleman that the Speaker of the House is one Member of the House. If the Government has taxpayers' money it knows should be refunded it should be refunded.

Mr. PATTERSON. Well, I do not question that, but I object for the present.

The SPEAKER pro tempore. Is there objection?

Mr. PATTERSON. I object.

JOE PETRAN

The next business on the Private Calendar was the bill (H. R. 1381) for the relief of Joe Petran.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

ALVINA HOLLIS

The next business on the Private Calendar was the bill (H. R. 1768) for the relief of Alvina Hollis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alvina Hollis, the sum of $5,000 in full settlement of all claims against the United States because of personal injuries sustained by the said Alvina Hollis when struck and injured on or about October 4, 1928, by a motor truck owned and operated by the Post Office Department of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert in lieu thereof "$1,500."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SENELMA WIRKKULA

The Clerk called the next bill, H. R. 1770, for the relief of Senelma Wirkkula, also known as Selma Wirkkula.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $10,000 to Senelma Wirkkula, also known as Selma Wirkkula, wife of Gust Henry Wirkkula, also known as Henry Wirkkula, on account of the death of the said Gust Henry Wirkkula, also known as Henry Wirkkula, who was killed by one Emmett J. White (a Federal officer, known as a Federal border patrolman, in Government service, while on duty), on June 8, 1929, while driving an automobile on a public highway near International Falls, in Koochiching County, Minn.

With the following committee amendment:

On page 1, in line 6, strike out the sign and figures "$10,000" and insert in lieu thereof the sign and figures "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended.

STATE NATIONAL BANK OF WILLS POINT, TEX.

The Clerk called the next bill, H. R. 2594, for the relief of the State National Bank of Wills Point, Tex.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem in favor of the State National Bank of Wills Point, Tex., three 4½ per cent United States Treasury certificates of indebtedness, Nos. 789, 790, and 791, in the denomination of $1,000 each, series TJ–1929, dated September 15, 1928, matured June 15, 1929, without interest and without presentation of the said certificates which are alleged to have been lost, stolen, or destroyed: *Provided*, That the said certificates shall not have been previously presented and paid and that no payment shall be made hereunder for any coupons which may have been attached to the certificates: *Provided further*, That said State National Bank of Wills Point, Tex., shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal of said certificates in such form and with such corporate surety as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the certificates hereinbefore described.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ANTHRACITE COAL SITUATION IN PENNSYLVANIA

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the anthracite-coal situation in Pennsylvania.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BOLAND. Mr. Speaker, in my State of Pennsylvania one of the chief industries, the mining of anthracite coal, faces an especially serious situation, in addition to its plight by reason of the general depression affecting all industries.

I am informed by Mr. Charles H. Dorrance, president of the Penn Anthracite Mining Co., that the report of the Department of Mines, under date of January 29, shows that during 1931 there were 216,000 tons of Russian anthracite imported into this country. From private advices from New England this tonnage is probably more nearly 350,000 tons. On a check up recently completed it is found that there are at least 30 cargoes, averaging 4,000 to 5,000 tons per steamer, which are due to arrive in New England from foreign countries before the 1st of March. A very large proportion of this is Russian Soviet coal.

It is also found that this Russian coal is being sold in the New England market for a price equal to Pennsylvania anthracite and in some cases at a slight premium over Pennsylvania anthracite. Therefore, there is nothing in connection with this situation whereby the exclusion of this coal mined by convict or indentured labor would in any way work to the detriment of the consumer in this country, but its exclusion would definitely work to the benefit of the prosperity and the employment of my constituents in Pennsylvania. Congress should seriously consider the question of excluding from importation into this country this Russian coal mined by indentured labor. I shall call this matter to the attention of the Ways and Means Committee for their consideration.

J. W. ANDERSON

The Clerk called the next bill, H. R. 2608, for the relief of J. W. Anderson.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. SMITH of Virginia. Will the gentleman reserve his objection?

Mr. EATON of Colorado. I will.

Mr. SMITH of Virginia. Mr. Speaker, this is the case of one J. W. Anderson. He was an employee not of the Federal Government, but an employee of the District of Columbia, a guard at the District penitentiary or workhouse in Virginia. At the time this injury occurred he was assigned to pursue certain prisoners who had escaped. In company with another guard he did so. When they arrived at the place on the railroad where these prisoners were at the time this guard undertook, in the pursuit of his duty, to jump off the train and recapture these two prisoners. In doing so he fell under the train and lost his leg.

This case has been up before. It has passed the Senate, it has been favorably reported in previous Congresses by the Claims Committee, but it did not pass the House at the last session.

However, the fact is that in the city of Washington, which has no local self-government of its own, there is what is known as the Citizens' Advisory Council, and I am informed, and the report so states, that this Citizens' Advisory Council, out of whose tax money this claim is to be paid, has recommended that it be paid.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. FULBRIGHT. As I understand the gentleman this man was employed by the Federal Government at the time?

Mr. SMITH of Virginia. No, sir. He was not employed by the Government, but was employed by the District of Columbia at the District workhouse located in Virginia.

Mr. FULBRIGHT. Would he not be entitled to relief under the provisions of the employees' compensation act?

Mr. SMITH of Virginia. He would be entitled to relief under that act had it been in existence at the time of his injury.

Of course, had the accident happened since the compensation act was passed, he would be taken care of. Not only has the Citizens' Advisory Council, which has to pay this money, recommended it, but I am informed the Commissioners of the District of Columbia say it is a case that ought to be given special consideration. I do hope that in view of this man's condition, in view of the fact that this is the governing body of the District of Columbia—and this is the only tribunal in which his case can be tried—the gentleman will withdraw his objection and permit this claim, which is a righteous, just, and honest claim, to be considered.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, this claim being 20 years old and having been rejected by a number of previous Congresses, I object.

EMMETT W. SOUTHWICK

The Clerk called the next bill on the Private Calendar, H. R. 2705, for the relief of Emmett W. Southwick.

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object.

Mr. SWING. Will the gentleman yield?

Mr. EATON of Colorado. I yield to the gentleman from California.

Mr. SWING. Mr. Speaker, this is one of the cases which the gentleman from Colorado [Mr. EATON] feels constrained to object to, I take it, because it belongs to a class where the proposal is to waive the statute of limitations and permit a citizen to have his day in court before the United States Employees' Compensation Commission.

The affidavits in this case were presented to the commission, and I quote the report of the commission to the chairman of the Committee on Claims, which states:

The records on this case show that Mr. Southwick did not comply with section 20 of the United States employees' compensation act, which requires that all claims must be filed within one year from the date of the injury. However, the records are clear that this claimant would have been compensated had he not neglected his rights. Therefore I feel that your committee in passing favorably upon this bill will be doing the just thing.

And I take these words, written by the United States Employees' Compensation Commission and directed to the Committee on Claims, and apply them to the Members sitting here. If we are here for the purpose of doing the just thing, then we ought to, in the words of the commission,

act favorably upon this bill and permit this man to have his day in court.

Mr. HARE. Will the gentleman yield?

Mr. SWING. I yield.

Mr. HARE. Do I understand this is a case where a man was employed in the Government service and died since the compensation act was passed?

Mr. SWING. He was injured since the passage of the compensation act.

Mr. HARE. Injured while in the service and injured in line of duty?

Mr. SWING. Yes.

Mr. HARE. He did not apply within one year following the injury?

Mr. SWING. That is right.

Mr. HARE. And the purpose of the bill is to give him the right to come in and appeal now?

Mr. SWING. And have the merits of the matters passed upon.

Mr. HARE. I want to say to the gentleman, if he will permit, that for the past several years the Congress has adopted a policy of giving these people the right to come in and present their cases, because in so many instances the man did not know that he had such a right. Of course, I understand the principle of law that ignorance is no excuse thereof, but where he did not know the right and now after the discovery of this right he comes to Congress and says that he would like to present his case on its merits, and the Congress has heretofore adopted the policy of allowing them to come in under such circumstances, I think it is unfortunate for us in this session of Congress to adopt a policy excluding cases of this kind.

Mr. SWING. I agree with the gentleman, absolutely.

Mr. STAFFORD. Will the gentleman yield?

Mr. SWING. Yes; certainly.

Mr. STAFFORD. I do not know whether the gentleman heard the statement I made some time ago or not.

Mr. SWING. I did; and I approve of it.

Mr. STAFFORD. There have been certain bills objected to here to-day, and I hope there will be a consistent policy so far as to-day's session is concerned, and that when we take up these bills on another calendar day we may have a different policy after the gentleman from Colorado has time to examine these bills more closely.

Mr. SWING. And we can then go back and take these bills up again. I agree with that, but just let me state what this case is to show that this man is not guilty of negligence.

He was working in the navy yard at Vallejo, Calif., as a reamer and a piece of steel flew out from the instrument at which he was working and entered his eye. He went to the Navy doctor and the Navy doctor took out a piece of steel from the eye and assumed that that was all there was. However, it developed afterwards that he had not taken all of the pieces of steel out. This was more than a year afterwards. The eye did not heal and kept on bothering him. He went to doctor after doctor for treatment, but nothing could be done about it. Then after the year of the statute of limitations had passed, finding no remedy, he had the eye taken out. After the eye was removed it was bisected and there was found within it another bit of steel which had been there from the time of the original injury. Then for the first time did his right of action or his right to apply for Government aid and relief come to his knowledge. He did apply and was rejected, solely because of the statute of limitations. If the Congress, or if the Members of the Congress believe in doing justice to ordinary citizens, frequently working men who have no property and no means and no power to protect themselves except by appealing to our sense of justice, then we ought not ourselves to stand in the way of allowing this man to have his day in court before the tribunal which we have set up for the purpose of hearing and passing upon these cases, in order that no injustice may be done an American citizen.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, for the reasons assigned in similar cases, I object.

WILLIAM S. STEWARD

The next business on the Private Calendar was the bill (H. R. 2878) for the relief of William S. Steward.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. For reasons assigned in similar cases, Mr. Speaker, I object.

Mr. JONES. Mr. Speaker, I wish to state to the gentleman that this bill and similar class of bills, reported at the last session, were objected to, and the reason given was that they did not want to set a precedent of going back behind the 1916 act. As a matter of fact, I made an investigation after those objections were made, and I have here a letter from the Secretary of War, showing that in 19 similar cases Congress has gone back to 1910 and 1911, where the Secretary of War recommended payment, and they were paid, Congress passing the authorizing measures.

That appears in the report. I do not know whether the gentleman has had an opportunity to see it or not, but it is in Document No. 21, Seventy-first Congress, first session.

Here is a letter from the Secretary of War, in which he says:

> I think there should be relief legislation in these cases for the reason given and recommended that steps be taken to have the attached drafts of bills introduced in the House and their passage expedited as much as possible. In this connection particular attention is invited to Governor Burgess's letter of April 5, 1929.

Now, Governor Burgess says in the letter referred to:

> There would be no precedent established by the enactment of these bills, as 19 relief bills have been enacted in the past in favor of canal employees injured during the construction days. A list of these cases is inclosed. Of course, it is impossible accurately to predict the number of similar cases which may arise in the future, but I am convinced that there will be very few.

Here is the list in this document of the bills introduced in Congress and passed:

> Juan Anorbe, compound fracture of the arm, with loss of function of all fingers of the right hand, total loss of the hand, $601.67.
> Charles J. Wirz, run over by car, right foot badly crushed, $1,650.

I shall not read the remaining names, but they are listed here.

In other words, all of these 19 cases appear, and they go back of 1916. I understand that the gentlemen who have been making the objections have not wanted to consider cases prior to the 1916 act—have not wanted to open up that field. There might be a reason for that if we had never done so, but we have already opened up that field. The record shows that they have all been paid compensation for injuries, many of which were less than this man received, and these cases arose from injuries received prior to the 1916 act.

In this case the man was permanently injured. The muscles in one leg are atrophied. One leg is shorter than the other. He is a helpless cripple and in destitute circumstances.

I think in view of the cases cited the gentlemen should reconsider their objections to this class of cases.

Mr. EATON of Colorado. Mr. Speaker, had the gentleman been here a week ago and made his speech, he would almost make me agree with him. I object.

Mr. BUTLER. Mr. Speaker, I ask unanimous consent to proceed for five minutes out of order.

Mr. BACHMANN. Reserving the right to object, is it with reference to the Private Calendar?

Mr. BUTLER. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BUTLER. Mr. Speaker, I feel somewhat apologetic for taking the time to say anything at all about the Private Calendar when opportunities for considering the private claims of private citizens of this country are so rare and infrequent; but, having served on the Committee on Claims for the last two or more years, I have been a constant witness of the wrong injustice which are practiced and per-

petrated upon righteous claims by this method of considering the claims of private citizens.

Under our system there is no way of presentation of a claim against the Government, except through an act of grace on the part of this Congress. I maintain that if the House of Representatives and the Congress of the United States are willing to permit claims of this kind to come here at all, we should be willing to give fair consideration to them. With all courtesy and deference to my good friend the gentleman from Colorado [Mr. EATON], I was impressed more with the injustice of the situation by the repeated objections of the gentleman here to-day and on a former occasion. I do not question the gentleman's sincerity in the matter, much less his right to object, but the gentleman is basing his objection upon the ground of his policy to oppose and prevent consideration of a certain type of bill, because that is the gentleman's policy. I say that there is something very wrong in the situation; there is something permitted to go on here which is extremely unjust and contrary to our conception of legislation, when the ideas of one man, no matter how intelligent or honest he may be, are permitted to become the policy of Congress simply because he can prevent consideration by one objection. Now, that is exactly what it means. It is unthinkable to me that one objection to one form or type of legislation should be permitted to form the policy of Congress.

Mr. O'CONNOR. Will the gentleman yield?

Mr. BUTLER. I yield.

Mr. O'CONNOR. I think the gentleman can be consoled by the fact that this outrageous situation will not much longer endure.

Mr. BUTLER. I am glad indeed to hear that from my friend, the gentleman from New York. [Applause.] One of the reasons I am here to-day is to call attention to the fact that I was a member of a committee appointed by the Claims Committee to appear before the Rules Committee and ask for a modification and liberalization of the rules, and I trust the gentleman's words will prove to be a prophecy.

Mr. BACHMANN. Will the gentleman yield?

Mr. BUTLER. I yield.

Mr. BACHMANN. I suggest in that connection that the gentleman read a resolution introduced by the gentleman from Indiana [Mr. GREENWOOD], which is before the Rules Committee, seeking to amend the Consent Calendar and the Private Calendar, and that the gentleman will then make whatever suggestions he has to make with regard to that resolution.

Mr. BUTLER. To my fellow Republicans I want to call attention to the fact that we sat here in solemn caucus and presented a resolution amending the rules, and when I went before the Rules Committee the gentleman from Georgia [Mr. CRISP] was there also with a proposal, urging that the proposal be adopted, and the gentleman said, "There is very little difference between the rule I propose and the rule which the gentleman from Indiana [Mr. PURNELL] proposes"; which was the rule recommended by the Republican caucus.

Mr. SCHAFER. Will the gentleman yield?

Mr. BUTLER. I yield.

Mr. SCHAFER. And is it not a fact that many Members are having their meritorious bills on the Private Calendar objected to and bills fail of consideration under the present rules, and the responsibility rests squarely upon our Democratic colleagues who voted for the previous question, which prohibited a liberalization of the rules relating to Private Calendar bills?

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman be allowed to proceed for two additional minutes, because I wish to ask him a question.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. Will the gentleman yield?

Mr. BUTLER. I yield.

Mr. BLANTON. There have been more bills passed under the present rules and unanimous-consent practice during the last three weeks than the gentleman will ever be able to have passed under the proposed change of rules in six months, because under the present rules and practice, where there can be objections which will stop the bad bills, many meritorious bills will be passed and will be off the calendar by just a mere wave of the hand of the Speaker, stating, "Without objection, the bill is ordered considered to have been engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table." When that rule and practice is changed the gentleman will find it will take much more time to pass each separate bill than it takes now to pass numerous bills.

Mr. BUTLER. I think perhaps the gentleman is right, and I am finding no fault with any of the gentlemen here who see fit to object to a bill, but I am objecting to this Congress adopting a policy upon the objection of one Member of Congress.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman proceed for one more minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. I want to say further to my friend that if we let down the bars and take off any of the present restrictions that have been found to be good policy in the House of Representatives for the last hundred and fifty years, we will find the condition of the Treasury will become worse than that depicted this morning by our good friend the gentleman from Georgia [Mr. CRISP], the acting chairman of the Committee on Ways and Means, when he said it lacked more than a billion dollars of having anything in it.

Mr. BUTLER. This is a system of more or less recent growth.

Mr. BLANTON. We had better stop bad bills and protect the credit of this country than to let many private bills pass. There are bills on this calendar calling for nearly a million dollars.

The SPEAKER pro tempore. The time of the gentleman from Oregon has again expired.

Mr. BUTLER. Mr. Speaker, I ask unanimous consent to proceed for one additional minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BUTLER. I wish to call to the attention of the gentleman from Texas [Mr. BLANTON] the fact that this system has not existed for 150 years. It is of recent growth, and we have a rule now whereby twice a month we can go into the Committee of the Whole House on the state of the Union and consider these bills, but I am not insisting on that procedure unless we fail to obtain the modification we are seeking.

Mr. BLANTON. Mr. Speaker, it is true that we now have such a rule, but the gentleman would soon ascertain that if we attempted to operate under it in handling the Private Calendar not more than four or five bills could be considered and passed upon one Private Calendar day. The last time we attempted to operate under such rule we did not get to consider but three or four bills.

There should be days when we would operate under the rule the gentleman mentions and consider private bills on their merit, but the present practice of having unanimous consent for private bills does expedite their consideration. This unanimous-consent practice is more liberal than it has been at any time for 150 years.

Mr. O'CONNOR. The gentleman knows, as a matter of fact, that the Private Calendar is now being considered under no rule of the House. There is no specific rule for the consideration of this Private Calendar under unanimous consent. There is no such rule in our book of rules. The rules provide for the consideration of the Private Calendar under the general rules of the House, where a majority vote

can pass any bill. All of this procedure now going on is unauthorized.

Mr. BUTLER. Absolutely.

J. P. MOYNIHAN

The Clerk called the next bill, H. R. 3691, for the relief of J. P. Moynihan.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. P. Moynihan, of Chicago, Ill., the sum of $1,000. Such sum represents the amount of a bail bond deposited with the District Court of the United States for the Northern District of Illinois to secure the appearance of Joseph Krawchuk and which was forfeited.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

AMOS D. CARVER

The Clerk called the next bill, H. R. 3779, for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard.

Mr. BLACK and Mr. BACHMANN rose.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, I object, but I will reserve my objection if the gentleman from New York desires to speak.

Mr. BLACK. The gentleman can go on and make his statement.

Mr. BACHMANN. I think there is hardly any use in discussing this bill. The gentleman from New York can go ahead with any statement he desires to make.

Mr. BLACK. I have been trying to make a motion to substitute a Senate bill and that is all I am trying to do. If I can not be recognized for that, let it go as it is.

The SPEAKER pro tempore (Mr. BANKHEAD). The Chair will state that that motion would have been in order if consent had been given for the consideration of the House bill. Of course, there was no other course for the Chair to pursue than to ask whether there was objection to the consideration of the House bill. Does the gentleman from West Virginia object to the House bill?

Mr. BACHMANN. Mr. Speaker, I object.

HELEN PATRICIA SULLIVAN

The Clerk called the next bill, H. R. 3909, for the relief of Helen Patricia Sullivan.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, when this bill was up for consideration in the last Congress I inquired as to the present condition of this claimant. As I read the report then and as I read it now it gives me the impression that it is a padded claim. This claimant received the full amount to which she was entitled under the general claim law, namely, $500. The report shows that after a few weeks she was able to go to Montana. There is nothing in the report to show her present condition. All the report shows is that she was in the hospital for eight weeks, and she wants $5,000 in addition to the $500. I then asked for some definite information as to her present condition. If the gentleman has that information I think it would be informative to the House in considering this bill.

Mr. EVANS of California. Mr. Speaker, this claimant was injured by being run into by a mail delivery truck on the streets of the city of Los Angeles. She was a visitor there. She resides somewhere in the State of Montana. She resided there then and she resides there now.

The facts in this case, as disclosed by the affidavits made a part of the report, show that she received a fractured hip and a fractured skull; that she was confined to the hospital, to her room and bed for quite a while. I think instead of being several weeks it was several months.

Mr. STAFFORD. The affidavits of the doctor in this case show that she suffered pain for 8 or 12 weeks, and that is all.

Mr. EVANS of California. That is more than two or three months.

Mr. STAFFORD. It is not three months, but it may be more than two months.

Mr. EVANS of California. The report of the Postmaster General states as follows, eliminating the introductory:

Responsibility for this accident rests with the Government. The actual expenditures of the claimant by reason of the injuries sustained in this accident are in excess of $500. It is accordingly recommended that she be allowed the sum of $500, the full amount claimed.

Under the law the Post Office Department could not pay her more than $500. That was all she could claim there. But that by no means signifies that that was the full amount of her claim. It may be that the sum of $5,000 would be a little excessive; I do not know, but I do not believe it would be. Certainly, however, this woman is entitled to more than $500, because the attending physician showed that she paid out more than $500 in hospital bills, and so on.

Mr. STAFFORD. Has the gentleman any information at all as to what her present condition is?

Mr. EVANS of California. I understand she has substantially recovered; not entirely, but is now in fairly good condition.

Mr. STAFFORD. And the record shows that she worked for two weeks during the Christmas holidays following the accident.

Mr. EVANS of Montana. The woman was injured in March, and she was on crutches until July, so that she could not have worked during the Christmas holidays.

Mr. STAFFORD. The report shows that she worked during the Christmas holidays for two weeks.

Mr. EVANS of Montana. That was the year afterwards.

Mr. STAFFORD. And you are asking Uncle Sam to be the happy Santa Claus and give this woman $5,000 when, as the gentleman from California states, she has substantially recovered. I shall object unless the amount is substantially reduced.

I do not want to interpose captious objections. If the gentleman has any amount to suggest as an amendment——

Mr. EVANS of California. Will the gentleman suggest an amount?

Mr. STAFFORD. No; but if the amount suggested is in any way fair to the Government I shall not interpose any objection.

Mr. EVANS of California. I may say in response to the gentleman's objection that I would be willing to amend the bill by inserting $2,500.

Mr. STAFFORD. No; she has already received $500.

Mr. EVANS of California. Then I shall make it $2,000 in order to get some compensation for this woman before it is too late.

Mr. STAFFORD. Mr. Speaker, with that assurance, I have no objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Helen Patricia Sullivan, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 in full settlement of damages sustained April 12, 1929, at Los Angeles, Calif., when she was struck by an automobile operated under the jurisdiction of the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. EVANS of California. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EVANS of California: Page 1, line 6, strike out "$5,000" and insert in lieu thereof "$2,000."

Mr. O'CONNOR. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I have been listening for nearly 10 years to tirades against this particular method of considering the Private Calendar, to wit, only bills unobjected to. During all that time, with one exception, private bills have been considered under only unanimous consent. On one day only were they considered under the general rules of the House. If the Private Calendar is considered under unanimous consent only—the present method, whereby one individual "self-appointed," as I have often said, who can obstruct the entire work of the committee reporting the bill and substitute his individual judgment, advised or ill-advised, for the judgment of that committee—it is solely the fault of the House.

On any Friday that a majority of the membership of this House desires to consider the Private Calendar under the general rules of the House, it is entitled to do so. If the rule for the consideration of the Private Calendar is amended as proposed, it will make the consideration of private bills less liberal, as far as the majority membership of the House is concerned, than under the present rule. If the present rule be not amended—I, for one, should like to see the question of consideration tested out—I should like to see the chairman of the Committee on Claims, for instance, rise on a Friday and move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of bills on the Private Calendar. That, I believe, is a privileged motion under the rule.

Subdivision 6 of Rule XXIV provides—

> On Friday of each week, after disposal of such business on the Speaker's table as requires reference only, it shall be in order to entertain a motion for the House to resolve itself into Committee of the Whole House to consider business on the Private Calendar in the following order: On the second and fourth Fridays of each month preference shall be given to the consideration of private pension claims and bills removing political disabilities and bills removing the charge of desertion. On every Friday except the second and fourth Fridays the House shall give preference to the consideration of bills reported from the Committee on Claims and the Committee on War Claims, alternating between the two committees.

Now, it just happens that on every occasion, except one, in the past 25 years, I believe—because this subdivision 6 of Rule XXIV was adopted in the Sixty-second Congress—the Private Calendar has been considered under unanimous consent and as to only those bills unobjected to. That method has been taken for granted as the only method of the consideration of private bills. I am sure that most of the membership of the House has been led into the belief that the Private Calendar must be considered under unanimous consent, and that only bills unobjected to can be considered. That, however, is not the rule of this House.

Mr. BLAND. Will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. BLAND. It is my recollection in about 14 years of service that on one occasion the rule was invoked, and I think four claims were considered on that day.

Mr. O'CONNOR. That, I believe, is true. But, as I say, on any Friday that the House wants to consider the bills on the Private Calendar under the general rules of the House, it can be done. Of course, it has been held under the rulings of the Chair that an appropriation bill or a revenue bill has precedence over the Private Calendar on Fridays. (Speaker Clark, March 6, 1914; that a special order of business takes precedence over the Private Calendar. House Precedents, Vol. IV, 3201, 3202, 3282.)

Mr. BLANTON. Will the gentleman yield?

Mr. O'CONNOR. For a question.

Mr. BLANTON. I am sure the distinguished gentleman from New York——

Mr. O'CONNOR. I do not yield any further, because the gentleman does not start out as though he is going to ask a question. Questions usually start with an interrogatory expression such as "will" or "does" or "is" or some anticipatory word or phrase like that. Please leave off the speechifying preface.

Mr. BLANTON. I will leave off all preface. He knows that we have passed more bills to-day under the present unanimous-consent arrangement than we could pass in an entire session of the Congress if we were operating under the rule mentioned.

Mr. O'CONNOR. If the gentleman thinks that is an answer and sufficient to him, it is certainly not sufficient to me. Nor do I believe it is sufficient to the majority of the membership of this House. If you, sir, arbitrarily, on the sole judgment of yourself, object to one meritorious bill, you do more harm than if we did not consider the Private Calendar at all. [Applause.]

During the last session of Congress, on at least two occasions when objections were being made, arbitrarily, as I thought—and I had no bills on those calendars, nor was I interested in any bills on the calendar—but when I saw that consideration of the calendar was being conducted in the usual outrageous manner, I thereupon exercised one of my highest prerogatives and made the point of order there was no quorum present. That ended the consideration of the Private Calendar for that day. I felt justified in doing what I did, because I have always considered the consideration of the Private Calendar under unanimous consent a legislative farce.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for three additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

Mr. O'CONNOR. To repeat, the only matters that could interfere with consideration of the Private Calendar on any Friday under the general rules of the House are matters of legislative preference and of great preference. We need not dispense with consideration of the Private Calendar on every Friday for the reason that there are seldom preferential matter available for consideration.

Under the rule proposed, which I hope will be brought in for consideration by the House, five objections will be required; and if made, the bill goes to a "deferred list." Mr. GREENWOOD, of Indiana, has introduced House Resolution 127, proposing amendments to the rules for consideration of the Consent Calendar and the Private Calendar.

As to the consideration of the Private Calendar, Mr. GREENWOOD proposes the following rule:

> That clause 6 of Rule XXIV be amended to read as follows:
> "On Saturday of each week, after the disposal of such business on the Speaker's table as requires reference only, it shall be in order to move that the House resolve itself into the Committee of the Whole House to consider business on the Private Calendar. In the Committee of the Whole House the Chairman shall direct the Clerk to call the bills in numerical order that have been upon the Private Calendar for three legislative days. When the Clerk shall have read the bill the same shall be considered, unless objection or reservation of objection is made to immediate consideration. Should objection or reservation of objection be made, there shall be 10 minutes general debate, to be divided, 5 minutes controlled by the Member offering the objection or reservation and 5 minutes controlled by the chairman of the committee reporting the bill, or in his absence by any Member supporting the bill. If, after such debate, three objections are not forthcoming, the bill shall be considered under the 5-minute rule. After the debate hereinbefore referred to, or when the bill is first called, if objection is made by three Members to the consideration of the bill, then the same shall be passed over and carried to a list designated as 'Deferred.' It shall be in order for the bills on the deferred list to have the first call in their numerical order when the Private Calendar is called on the last Saturday of each month. At this time the bills on the deferred list shall be considered under the general rules of the Committee of the Whole House, with 10 minutes general debate, to be divided equally, with 5 minutes controlled by the chairman of the committee reporting the bill or other person supporting the bill and 5 minutes controlled by any person objecting or opposing the bill. After the debate the bill shall be read for amendment under the 5-minute rule. If, however, after such consideration the Committee of the Whole House acts on the bill adversely, it shall be laid aside until the committee arises, whereupon it shall be reported back to the House with the adverse recommendation. Any bill under this rule reported back to the House with an adverse recommendation shall automatically be recommitted to the standing committee reporting it, and said bill shall not again be reported during the same Congress."

I have supported certain amendments to that proposal, to wit, that the general debate on bills considered on the

"deferred list" be confined to a total of 20 minutes. That meets the objection of the gentleman from Texas. I further provide that a bill reported back to the House with an adverse recommendation may be considered again during another session of the same Congress.

Under the proper rule the "deferred list" will be brought up on the last Friday of each month and will be considered under the general rules of the House.

What the gentleman from Texas had in mind when he said it would take so much time to consider private bills under the general rules of the House, was the provision in the rule for unlimited debate under the 5-minute rule, when a bill on the deferred calendar was called up under the rules of the House. My proposed amendment corrects this.

Now, I merely call the attention of the House to the fact that in the conduct of all legislative matters, the majority of the House has absolute control. No minority of even 216 Members can control the action of this House. If the membership is dissatisfied at any time with the procedure in the House—and I believe 90 per cent of the men and women are dissatisfied with the present methods of considering the Private Calendar—a majority can change the procedure as and when it sees fit.

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PATTERSON. Mr. Speaker and Members of the House, I recognize that there should be some improvement in the consideration of the Private Calendar, but, on the other hand, I think most of us agree with the gentleman from Texas that probably we are now proceeding with the most rapid method in the consideration of this calendar. I do not believe any gentleman here wishes to put his judgment against the judgment of the House.

But I rose principally to reply to something said by the gentleman from Missouri [Mr. LOZIER] a few days ago, when we were considering a bill similar to the bill I have objected to, offered by my colleague, the gentleman from Missouri [Mr. COCHRAN]. Mr. LOZIER said, in effect, on page 3461 of CONGRESSIONAL RECORD of Friday, February 5, 1932:

> That bill is not predicated on a request that the statute of limitations be waived in a case where the claimant has neglected to file his claim within the statutory period. That bill is based on the contention that the taxpayer filed his claim before the statute of limitations had run. The real question in the instant case is whether or not the taxpayer complied with his statutory duty and made his claim to the Treasury Department within the period in which such claim could be lawfully tendered.

That was on a bill sponsored by the gentleman from Idaho [Mr. FRENCH]. He introduced a bill to remove the statute of limitations where the claimant had intrusted his claim to a lawyer, and the lawyer presumably sent the claim in, but by some neglect of the mail or the Treasury Department the claim was not allowed, presumably because they got the papers misplaced or did not receive them.

I wanted to point out a while ago to my colleague the gentleman from Missouri [Mr. COCHRAN], that there was more than $4,000,000,000 liability if the statute of limitations were removed, that the claims on the Treasury would amount to more than $4,000,000,000 to be paid back. Of course, I do not take the position that a just claim should be disallowed. In fact, I feel that every honest obligation, public or private, should be met, but in matters like these responsibility for the discrepancies should and must rest somewhere. Either with those who handled them, the Post Office Department, or the Treasury officials, and they should be held to that responsibility; and before the Congress begins to pass favorably on those claims they should give them very careful consideration and evolve a general policy, rather than considering just a few of the thousands which might be presented.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. PATTERSON. I yield.

Mr. COCHRAN of Missouri. The gentleman could go back a very little farther in his research and find that in the last week of the Seventy-first Congress, while the gentleman was on the floor, and the gentleman from Wisconsin [Mr. STAFFORD] was on the floor, the House passed a bill to refund money to a hunting and fishing club in Maryland, on all fours with my bill objected to in the last Congress and objected to to-day. I do not care if there are $50,000,000 of such claims against the Government, if the Government has no right to the money, it should be refunded to the taxpayers. If some one paid my good friend a bill twice, I know he is honorable and would refund the overpayment. Why should the Government not do as my friend would do, as any honorable man or corporation would do?

Mr. PATTERSON. I thank the gentleman for his kind reference to my own honesty and will say in reply that I wish to deserve his confidence, and also agree with him that this Government should discharge its responsibility; but, as I say, a policy in dealing with these claims should be formed by the Congress after careful consideration and responsibility for failure placed; if it is with the Treasury or Post Office or individual, let them answer, and, of course if it is the Congress, let Congress answer, for if we should open the door without a policy, there is no telling where we should end, for common fairness would entitle all if one.

Mr. COCHRAN of Missouri. Bring them out; I have no objection. Consider them on their merits and there should be no complaint.

Mr. PATTERSON. Well, the gentleman sees the condition that the Treasury is in to-day, and I think we should be careful in opening the door by special legislation; but I am willing to give these and all other claims due consideration and try to pass a general law applying to them after careful consideration. I believe it is needless for me to say to my good colleague, the efficient and able Representative from Missouri [Mr. COCHRAN], that I do not wish to object to any meritorious claim. All I wish to do is to do as he is trying to do—my duty by my constituents and the country. And in closing, I will say that I think if claims of this nature are to be considered at all they should be considered more at length than they are considered under the rules of the Private Calendar.

Mr. BLACK. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLACK. Mr. Speaker, while I would like to see the new rule adopted, I must say that in the two calendar days which we have had in the House this session, we have made fairly substantial progress, and I want to thank the gentlemen who are generally understood to be conscientious objectors on this calendar for the great amount of help they have rendered this committee, both on last calendar day and to-day. The objections offered to-day were generally accompanied by suggestions for a reforming of a bill, or workable amendments and things like that, which were quite helpful. We have passed quite a few bills to-day.

I do think that when Members take advantage of the unanimous-consent procedure to object to a line of bills one after another because they do not like the policy involved, they are probably taking too much on themselves. I think it would be better if they would state their own position and then let the House decide whether the House cares to go along with such bills. But I do want to thank the gentlemen who are charged with watching this calendar. The Committee on Claims has a great deal of work on its hands, and we can not always do everything right. It is a great help to have objections made in good faith, as they came to-day.

The SPEAKER pro tempore. The question is on agreeing to the amendment proposed by the gentleman from California.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

B. K. STILES & CO.

The next business on the Private Calendar was the bill (H. R. 3987) for the relief of R. K. Stiles & Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. K. Stiles & Co., of Kansas City, Kans., the sum of $569.34, representing the sum expended by said R. K. Stiles & Co. in the reconstruction of a retaining wall between its property in the city of Kansas City, Kans., and the Wyandotte Indian Cemetery at Kansas City, Kans., which collapsed on June 1, 1929, and repairing damage to buildings on its property as the result of such collapse.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ARTHUR A. BURN, SR., AND J. K. RYLAND

The next business on the Private Calendar was the bill (H. R. 3994) for the relief of Arthur A. Burn, sr., and J. K. Ryland.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, for the reasons heretofore assigned to a like bill, I object.

Mr. HARE. Will the gentleman reserve his objection?

Mr. EATON of Colorado. I reserve the objection.

Mr. HARE. I do not know that this comes within the class of bills that has been heretofore objected to.

Mr. STAFFORD. Will the gentleman yield in that particular?

Mr. HARE. I yield.

Mr. STAFFORD. Is it not a fact that both of these claimants had their day in court before the compensation commission, and did not avail themselves of that privilege?

Mr. HARE. No.

Mr. STAFFORD. Oh, one of them did.

Mr. HARE. One of them did.

Mr. STAFFORD. And the other could have if he can prove he is dependent.

Mr. HARE. But suppose he can not prove he is a dependent?

Mr. STAFFORD. Then he must look to the person at fault, that is, the officer, and the two boys who went into a skiff which was overloaded.

Mr. HARE. I would like the gentleman to read the report of the director of the Department of Commerce.

Mr. STAFFORD. I assure the gentleman I have read the report very carefully.

Mr. HARE. The director says that there were two young men, about 18 years of age, who were employed by the Coast and Geodetic Survey. They were at work off the coast of Florida. They were under the supervision of an experienced seaman. They had a mere skiff that they used to go from the main boat to the mainland. As they came back to get aboard the main boat in the afternoon they got into a skiff that is admitted was not seaworthy.

The Department of Commerce admits that the men in charge erred in using this skiff for the purpose of transporting these young men to the boat. There was no excuse for them to get into the deep water in the first place. These two young men were in the discharge of their duties. They were in line of duty, and this little skiff overturned and they were drowned. Here were two men in charge of the skiff, experienced seamen, who deserted and went to the mainland to save their own lives and left these two youths to look out for themselves, and they drowned. The Department of Commerce recommends that their heirs or their parents be paid for the loss of the lives of the two young men. This bill passed the House last year without objection and went to the Senate and was left on the calendar. This is not a bill within the classes of bills objected to here today. It is separate and is distinct in character and the liability is definite and certain. It stands upon its own merits, and it is not in any way connected with any other class of bills.

Mr. STAFFORD. Will the gentleman yield?

Mr. HARE. I yield.

Mr. STAFFORD. The Government has established a policy that persons who suffer injury while in the service shall receive compensation under the compensation act of 1916. One of the parents of these unfortunate boys has availed himself of that compensation act.

Mr. HARE. Yes.

Mr. STAFFORD. And now the gentleman is seeking to single out for special favoritism and consideration a case to go beyond the general law.

Mr. HARE. No. Permit me to explain. In order for the parent in this case to receive compensation under the compensation act he must show conclusively that his income does not exceed, say, $100 per month. That is, the parent must be dependent. This boy's father at the time was in the employ of the Government and was drawing $150 a month. Therefore he could not qualify under the compensation act, and to-day the father has become disabled and now out of employment, and under the policy adopted by the gentleman here to-day he would be estopped from filing an application to-day, because more than one year has expired since the boy lost his life.

I say in all fairness that since the Director of the Coast and Geodetic Survey and the Secretary of Commerce have said the claimants should be paid, this bill should be considered and passed. For the benefit of the gentleman and for the benefit of the House I want to read a part of the report, and I want to say that I am not accustomed to stand here and plead for cases without merit.

This accident was the result of poor judgment in attempting to put out into deep water in a craft never intended for that purpose. However, the error was that of the officer in charge, and it appears that Ryland and Burn were obeying the orders of their superior officer, and, therefore, can not be held responsible for the accident. They lost their lives while in the performance of official business. If, in the judgment of the Congress, this constitutes a reasonable basis for the relief of the heirs of these two men, over and above that already received through the Employees' Compensation Commission, then, in my opinion, this bill should receive favorable consideration.

That is the statement of the Director of the Coast and Geodetic Survey, and it is recommended by the Secretary of Commerce after having gone into the facts in detail. Remember, the two young men were acting in obedience to orders, and it was the error of judgment on the part of those in charge that caused them to lose their lives. As a consequence, the Government is liable, and the bill carries only $5,000. We asked for $15,000, but the committee said $5,000, which we have agreed to accept.

If this bill is not passed, Mr. Burn will not have an opportunity to go to the Employees' Compensation Commission, under the policy adopted to-day and heretofore, because more than one year has expired, and he could not do it under any circumstances. This young man, the only son he had and who would now have been able to support him in his declining years, lost his life in the discharge of his duty and in the discharge of official business and on account of the negligence of the representatives of the Government. To my mind there has never been a clearer or more meritorious case, both legally and equitably, presented to this Congress than the one we have before us.

The SPEAKER. Is there objection?

Mr. STAFFORD and Mr. EATON of Colorado objected.

RAYMOND D. WOODS

The Clerk called the next bill, H. R. 4160, for the relief of Raymond D. Woods.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Raymond D. Woods, a first lieutenant in the Officers' Reserve Corps of the United States Army, the sum of $480.47 for pay and allowances for the period from December 18, 1927, until February 21, 1928, inclusive, while he was hospitalized at Fort Sam Houston, Tex., for an injury incurred while on active duty.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

R. W. SELVIDGE

The Clerk called the next bill, H. R. 4287, for the relief of R. W. Selvidge.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask that this bill be passed over without prejudice.

The SPEAKER. That is equivalent to an objection. The gentleman from Wisconsin objects.

PASQUALE MIRABELLI

The Clerk called the next bill, H. R. 4453, for the relief of Pasquale Mirabelli.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, reserving the right to object, I would like to ask whether there is any objection to an amendment of this bill which will state the facts other than the way they are stated in the bill at the present time? If not, I shall not object.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Pasquale Mirabelli, of Rochester, N. Y., the sum of $1,000, representing the amount of cash bond which he deposited in behalf of his son, Vincenzo Mirabelli, against whom deportation proceedings had been instituted, and which was erroneously collected and covered into the United States Treasury.

Mr. BACHMANN. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from West Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Pasquale Mirabelli, of Rochester, N. Y., the sum of $1,000 representing the amount of cash bond which he deposited in behalf of his son, Vincenzo Mirabelli, against whom deportation proceedings had been instituted, and which bond was declared forfeited prior to the time the alien was apprehended and deported."

The amendment was agreed to.

Mr. BACHMANN. Mr. Speaker, I offer another amendment.

The SPEAKER. The gentleman from West Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: At the end of the bill add the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MILDRED B. CRAWFORD

The Clerk called the next bill, H. R. 996, for the relief of Mildred B. Crawford.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACHMANN. Mr. Speaker, reserving the right to object, I would like to ask how the amount was arrived at which is sought to be recovered?

Mr. TUCKER. Mr. Speaker, the amount asked for was $5,000, and we finally agreed to accept $2,500. This lady has been in bed for the last six months, with doctors from Philadelphia and doctors at home, and she has suffered tortures. I hope the gentleman will not object to this bill in any way.

Mr. BACHMANN. Does the gentleman have personal knowledge of the case and personal acquaintance with the claimant?

Mr. TUCKER. I certainly have.

Mr. BACHMANN. In view of the statement of the gentleman from Virginia, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection?

Mr. SCHAFER. Mr. Speaker, reserving the right to object, I would like to express my appreciation of the liberality shown by the gentleman from West Virginia [Mr. BACHMANN] in connection with this meritorious bill, which was considered by the subcommittee of which I was chairman and reported by the Claims Committee. I certainly hope that in the future, when my bill (H. R. 941, Calendar No. 124) providing $2,500 for the loss of three fingers and a thumb of a child 8 years of age comes up again that the gentleman from West Virginia will not object to it as he did to-day. In the future when he practices law and he has a client come to him who has lost three fingers and a thumb and asks him to bring a suit for $10,000, I hope that the gentleman will not tell his client to bring a suit for only $1,000.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mildred B. Crawford the sum of $5,000 in full compensation for injuries which she sustained December 4, 1924, by the revolving door (which had been condemned) at the front entrance of the post office at Staunton, Va.:

With the following committee amendments:

Page 1, line 6, strike out "$5,000" and insert "$2,500."

Page 1, line 6, after the word "full," strike out the word "compensation" and insert the words "settlement of all claims against the Government of the United States."

Page 1, line 10, after the word "Virginia" insert:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. STAFFORD. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. Will the gentleman withhold that a moment?

Mr. STAFFORD. I withhold it, Mr. Speaker.

RESIGNATION FROM COMMITTEES

The SPEAKER. The Chair lays before the House the following resignation.

The Clerk read as follows:

CONGRESS OF THE UNITED STATES,
February 11, 1932.

SIR: I hereby resign as a member of the following-named standing committees: Coinage, Weights, and Measures; Public Lands; Territories; Education; Patents; and War Claims.

Respectfully submitted.

PAUL JOHN KVALE, M. C.

Hon. JOHN GARNER,
Speaker of the House of Representatives.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

MANUFACTURE OF MALT BEVERAGES

Mr. WELCH of California. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WELCH of California. Mr. Speaker, the gentleman from Georgia [Mr. CRISP] delivered a most interesting address to-day. He told the people of the country that it would be necessary in order to balance the Budget to raise $1,200,000,000 additional in taxes. He appealed to us to stand by the committee in the great task that confronts it.

I rise here to-day to say that I am presenting to the House a petition signed by over 4,000 farmers of California, owners of over 1,400,000 acres of land, urging the Congress to provide for the manufacture of malt beverages of a higher alcoholic content than is now permitted, so that their surplus grain can be used in its manufacture. I say to the gentleman from Georgia here is where his committee can secure an annual sum of $400,000,000 in taxes, and the only industry that will be crippled will be the bootlegging industry. [Applause.] Such a procedure would place several hundred thousand men to work, and would absorb 128,000,000 bushels of the grain now in elevators. [Applause.] I sincerely hope that the Ways and Means Committee will give consideration to my suggestion. [Applause.]

I now submit the petition. [Applause.]

TAX COLLECTIONS AND FEDERAL-AID PAYMENTS

Mr. BACON. Mr. Speaker, I ask unanimous consent to address the House for one-half minute out of order.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. Mr. Speaker, the Treasury Department has very recently compiled some very interesting figures on Federal tax collections and Federal-aid payments. Several Members have asked me for a copy of this table. I have only one, and I therefore ask unanimous consent to insert it in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Federal tax collections and Federal-aid payments

State or Territory	Federal tax collections—Statement showing by States (1) the amounts and percentages of income taxes collected, and (2) the amounts and percentages of total internal revenue taxes collected, during the fiscal year ended June 30, 1931 (on a basis of warrants issued)				Federal aid payments—Statement showing by States amounts and percentages of total expenditures made by the Government as direct payments to States under cooperative arrangements during the fiscal year 1931	
	Income taxes	Per cent of total	Total internal-revenue receipts	Per cent of total	Amount of expenditures	Per cent of total
Alabama	$4,308,287.33	0.23	$4,622,236.13	0.18	$4,519,850.94	2.06
Arizona	2,194,489.36	.12	2,265,705.28	.09	4,055,059.55	1.85
Arkansas	1,816,021.07	.10	1,914,565.04	.07	5,169,972.08	2.35
California	93,581,718.21	5.03	113,008,717.76	4.65	7,529,962.71	3.43
Colorado	15,272,280.48	.82	15,772,615.89	.64	4,288,745.84	1.95
Connecticut	34,194,157.00	1.88	37,620,243.96	1.54	2,116,088.20	.96
Delaware	32,877,127.68	1.77	34,054,473.55	1.39	1,134,714.42	.51
District of Columbia	12,716,156.42	.68	14,684,853.43	.60	140,213.40	.06
Florida	7,838,885.72	.42	11,512,120.90	.47	2,669,058.31	1.21
Georgia	6,389,386.65	.34	6,721,313.18	.27	6,799,955.05	3.10
Hawaii	4,382,130.58	.24	4,817,232.60	.19	864,121.40	.39
Idaho	684,846.69	.04	723,717.83	.02	2,682,641.39	1.22
Illinois	173,675,584.39	9.34	190,508,952.84	7.83	8,265,926.32	3.77
Indiana	19,095,104.02	1.03	21,411,023.38	.88	3,649,542.29	1.66
Iowa	9,897,154.72	.53	10,400,342.42	.42	6,393,104.15	3.14
Kansas	13,339,596.77	.72	13,685,508.29	.56	5,835,090.80	2.66
Kentucky	10,711,005.82	.58	28,488,010.46	1.17	4,852,396.36	2.21
Louisiana	7,666,903.02	.41	8,901,475.44	.36	2,372,931.20	1.08
Maine	6,394,203.48	.34	6,759,553.93	.27	2,030,253.81	.92
Maryland	28,457,996.13	1.53	30,293,310.73	1.24	2,749,326.57	1.25
Massachusetts	83,431,473.80	4.49	88,985,635.49	3.65	4,007,488.15	1.82
Michigan	102,367,974.93	5.50	107,411,851.17	4.41	4,984,165.83	2.28
Minnesota	20,803,001.79	1.12	23,287,171.46	.95	5,548,343.74	2.53

Federal tax collections and Federal-aid payments—Continued

State or Territory	Federal tax collections—Statement showing by States (1) the amounts and percentages of income taxes collected, and (2) the amounts and percentages of total internal revenue taxes collected, during the fiscal year ended June 30, 1931 (on a basis of warrants issued)				Federal aid payments—Statement showing by States amounts and percentages of total expenditures made by the Government as direct payments to States under cooperative arrangements during the fiscal year 1931	
	Income taxes	Per cent of total	Total internal-revenue receipts	Per cent of total	Amount of expenditures	Per cent of total
Mississippi	$1,502,901.33	0.08	$1,584,433.15	0.06	$1,924,692.04	0.87
Missouri	40,906,842.29	2.20	51,673,467.79	2.12	7,338,385.58	3.34
Montana	1,690,246.63	.09	1,793,112.84	.07	4,430,921.30	2.02
Nebraska	4,572,597.92	.24	4,784,090.24	.19	3,611,669.69	1.64
Nevada	1,298,180.88	.07	1,365,238.66	.05	1,808,941.19	.82
New Hampshire	2,773,611.63	.15	3,554,107.76	.14	1,190,117.42	.54
New Jersey	71,657,935.81	3.85	97,786,288.36	4.01	3,512,660.99	1.60
New Mexico	608,380.85	.03	663,243.38	.02	4,567,607.00	2.08
New York	614,960,831.29	33.06	671,844,688.73	27.64	9,001,772.68	4.10
North Carolina	13,720,308.43	.74	264,894,637.06	10.89	5,389,955.07	2.46
North Dakota	351,632.42	.02	366,157.73	.01	2,283,879.08	1.04
Ohio	96,002,613.37	5.16	112,933,223.98	4.64	9,794,035.08	4.46
Oklahoma	14,657,487.68	.79	14,948,982.99	.61	6,816,913.19	3.11
Oregon	4,110,735.83	.22	4,431,097.52	.18	4,901,680.34	2.23
Pennsylvania	174,242,933.09	9.37	190,280,593.21	7.82	10,624,275.51	4.84
Rhode Island	10,856,222.66	.58	11,267,592.05	.45	1,554,509.19	.71
South Carolina	1,807,156.90	.10	1,984,818.36	.08	4,226,209.53	1.92
South Dakota	719,403.69	.04	751,270.97	.03	2,922,875.90	1.33
Tennessee	9,284,228.52	.50	12,997,604.52	.53	5,751,188.23	2.62
Texas	31,604,743.66	1.70	32,791,128.98	1.34	11,353,739.68	5.18
Utah	2,321,787.30	.12	2,381,319.62	.09	2,382,942.04	1.08
Vermont	1,700,259.06	.09	1,751,711.20	.07	1,240,019.92	.56
Virginia	19,206,733.19	1.03	113,654,648.84	4.67	4,736,889.98	2.16
Washington	10,763,144.81	.58	11,533,484.51	.47	3,675,891.92	1.67
West Virginia	8,669,578.36	.47	11,167,126.16	.45	1,835,197.46	.83
Wisconsin	26,584,218.69	1.43	28,170,977.03	1.15	5,894,782.38	2.69
Wyoming	570,295.04	.03	600,168.82	.24	3,388,421.80	1.54
Total	1,860,040,497.39	100.00	2,430,148,742.91	100.00	219,162,574.24	100.00

ADJOURNMENT

Mr. BLACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until Friday, February 12, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Friday, February 12, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON PATENTS

(9.30 a. m.)

General revision of copyright laws.

COMMITTEE ON THE DISTRICT OF COLUMBIA—SUBCOMMITTEE ON THE JUDICIARY

(10 a. m.)

To amend section 115a, District Code on lunacy (H. R. 6698).

Incorporating Masonic Mutual Relief Association (H. R. 7357).

To require contractors to go bond for faithful performance of undertakings (H. R. 437).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Interstate commerce act, section 15a (H. R. 7116 and H. R. 7117).

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

General legislation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GILLEN: Committee on Interstate and Foreign Commerce. H. R. 7897. A bill to extend the times for com-

mencing and completing the construction of a bridge across the Ohio River approximately midway between the cities of Owensboro, Ky., and Rockport, Ind.; with amendment (Rept. No. 425). Referred to the House Calendar.

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 6184. A bill for the improvement of the inland waterway from Norfolk, Va., to Beaufort Inlet, N. C.; without amendment (Rept. No. 426). Referred to the Committee of the Whole House on the state of the Union.

Mr. BROWNING: Committee on the Judiciary. H. R. 6456. A bill to release the city of Rockingham, N. C., from the obligation of providing at its own expense a place for holding United States district court; with amendment (Rept. No. 427). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 1346. A bill for the relief of William J. Nowinski; without amendment (Rept. No. 418). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 2839. A bill for the relief of Lieut. Commander Cornelius Dugan, retired; without amendment (Rept. No. 419). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 3624. A bill for the relief of Minnie Hopkins; without amendment (Rept. No. 420). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 4226. A bill for the relief of Joe G. McInerney; without amendment (Rept. No. 421). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 4271. A bill for the relief of Roscoe McKinley Meadows; without amendment (Rept. No. 422). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 5011. A bill for the relief of Roland Baldwin Estep; without amendment (Rept. No. 423). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 6765. A bill for the relief of Charles W. Eaton; without amendment (Rept. No. 424). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 6435) authorizing the relief of the McNeill-Allman Construction Co. (Inc.), of W. E. McNeill, Lee Allman, and John Allman, stockholders of the McNeill-Allman Construction Co. (Inc.), and W. E. McNeill, dissolution agent of McNeill-Allman Construction Co., to sue in the United States Court of Claims; Committee on Claims discharged, and referred to the Committee on the Judiciary.

A bill (H. R. 4247) placing John S. Cisco under the provisions of Public Law 506, as passed by the Seventieth Congress on May 24, 1928; Committee on the Judiciary discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOGG of West Virginia: A bill (H. R. 9197) amending an act entitled "An act authorizing the State of West Virginia, by and through the State Bridge Commission of West Virginia, or the successors of said commission, to acquire, purchase, construct, improve, maintain, and operate bridges across the streams and rivers within said State and/or across boundary-line streams or rivers of said State," approved March 3, 1931; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 9198) for the relief of certain homeless Indians in the State of Montana, and for other purposes; to the Committee on Indian Affairs.

By Mr. CHRISTOPHERSON: A bill (H. R. 9199) to amend section 106 of the act to codify, revise, and amend the laws relating to the judiciary (U. S. C., title 28, sec. 187); to the Committee on the Judiciary.

By Mr. LEAVITT: A bill (H. R. 9200) authorizing the Commissioner of Indian Affairs, under direction of the Secretary of the Interior, to compile, revise, and codify the statutes affecting the American Indians; to the Committee on Indian Affairs.

By Mr. BRUMM: A bill (H. R. 9201) providing an import duty upon all anthracite coal imported into the United States from foreign countries; to the Committee on Ways and Means.

By Mr. WARREN: A bill (H. R. 9202) authorizing a supplemental appropriation for emergency construction during the remainder of the year 1932 on the Federal-aid highway system, with a view to increasing employment; to the Committee on Roads.

By Mr. STEAGALL: A bill (H. R. 9203) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes; to the Committee on Banking and Currency.

By Mr. McSWAIN (by request): A bill (H. R. 9204) to authorize the Secretary of War to sell or dispose of certain surplus real estate of the War Department; to the Committee on Military Affairs.

By Mr. RAYBURN: A bill (H. R. 9205) to amend paragraph (4) of section 15 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER: A bill (H. R. 9206) to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States to expedite and encourage foreign commerce, and for other purposes; to the Committee on Ways and Means.

By Mr. CARTER of Wyoming: A bill (H. R. 9207) to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo.; to the Committee on Indian Affairs.

By Mr. NIEDRINGHAUS: A bill (H. R. 9208) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. AMLIE: Joint resolution (H. J. Res. 284) proposing an amendment to the eighteenth amendment of the Constitution; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEERS: A bill (H. R. 9209) granting an increase of pension to Susanna Guyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9210) granting an increase of pension to Sallie P. Adams; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 9211) granting a pension to George W. Stant; to the Committee on Pensions.

By Mr. BUTLER: A bill (H. R. 9212) to reimburse Levi Walker for money expended as a representative of the Klamath Indian Tribe; to the Committee on Indian Affairs.

By Mr. CANFIELD: A bill (H. R. 9213) granting an increase of pension to Lizzie Taylor; to the Committee on Invalid Pensions.

By Mr. CARDEN: A bill (H. R. 9214) providing for an examination and survey of Lewis Creek, Ohio County, Ky.; to the Committee on Rivers and Harbors.

By Mr. CLARK of North Carolina: A bill (H. R. 9215) for the relief of E. C. West; to the Committee on Claims.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 9216) granting a pension to Elizabeth D. Galbraith; to the Committee on Pensions.

By Mr. COOPER of Ohio: A bill (H. R. 9217) for the relief of Frank D. Bennett; to the Committee on Military Affairs.

Also, a bill (H. R. 9218) for the relief of James J. Hamman; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 9219) granting a pension to Wesley A. Finney; to the Committee on Pensions.

Also, a bill (H. R. 9220) granting an increase of pension to Ada Granger Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9221) to correct the military record of Jacob Kaufmann; to the Committee on Military Affairs.

Also, a bill (H. R. 9222) for the relief of Archie White; to the Committee on Naval Affairs.

By Mr. FITZPATRICK: A bill (H. R. 9223) for the relief of Irene Brand Alper; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 9224) granting an increase of pension to Louisa L. Kendall; to the Committee on Invalid Pensions.

By Mr. HESS: A bill (H. R. 9225) for the relief of John N. Brooks; to the Committee on Claims.

By Mr. JENKINS: A bill (H. R. 9226) granting an increase of pension to Missouri F. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9227) granting an increase of pension to Sarah Jane Vanpelt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9228) granting an increase of pension to Jane Cooper; to the Committee on Invalid Pensions.

By Mr. KLEBERG: A bill (H. R. 9229) for the relief of Marcos Rodriguez; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 9230) granting a pension to Mary E. Allen; to the Committee on Pensions.

Also, a bill (H. R. 9231) for the relief of George Occhionero; to the Committee on Naval Affairs.

By Mr. MAY: A bill (H. R. 9232) granting an increase of pension to Sarah E. May; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 9233) granting an increase of pension to Ida Wilkinson; to the Committee on Pensions.

By Mr. MONTAGUE: A bill (H. R. 9234) granting a pension to Horace G. Livesay; to the Committee on Pensions.

By Mr. NIEDRINGHAUS: A bill (H. R. 9235) for the relief of Louis Velian; to the Committee on Military Affairs.

By Mrs. OWEN: A bill (H. R. 9236) granting an increase of pension to Margaret Burroughs and a pension to Lura Burroughs; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 9237) granting an increase of pension to Lizzie Clay; to the Committee on Invalid Pensions.

By Mr. REED of New York: A bill (H. R. 9238) granting an increase of pension to Susan C. Stanley; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 9239) granting a pension to Esther Olds; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 9240) granting a pension to Exie Hersh; to the Committee on Invalid Pensions.

By Mr. SUTPHIN: A bill (H. R. 9241) granting a pension to Carl J. Carlson; to the Committee on Pensions.

Also, a bill (H. R. 9242) granting a pension to Stewart H. Voorhees; to the Committee on Pensions.

By Mr. SWICK: A bill (H. R. 9243) granting an increase of pension to Ellen J. Dodds; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 9244) granting an increase of pension to Almira Westover; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 9245) granting an increase of pension to Anna Harrison; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 9246) for the relief of Joseph F. Bowsher; to the Committee on Military Affairs.

By Mr. WEST: A bill (H. R. 9247) granting an increase of pension to Jane S. Hickman; to the Committee on Invalid Pensions.

By Mr. WOLCOTT: A bill (H. R. 9248) to provide for a preliminary examination and survey of Black River, St. Clair County, Mich.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 9249) granting a pension to Maud Patterson; to the Committee on Pensions.

By Mr. WOLVERTON: A bill (H. R. 9250) for the relief of Archibald Gibson; to the Committee on Naval Affairs.

By Mr. YATES: A bill (H. R. 9251) granting a pension to Margaret E. Brown; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1714. By Mr. AMLIE: Memorial of Wisconsin Legislature, urging continuation of the appropriation for Federal aid for highway improvement; to the Committee on Appropriations.

1715. By Mr. AYRES: Petition of Woman's Home Missionary Society of Wichita, Kans., favoring maintenance and enforcement of the prohibition law; to the Committee on the Judiciary.

1716. By Mr. BACHARACH: Petition of citizens of Cape May County, N. J., opposing passage of Senate bill 1202; to the Committee on the District of Columbia.

1717. By Mr. BACON: Petition of 88 citizens of Manhasset, Long Island, urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1718. Also, petition of sundry citizens of Hewlett, Long Island, urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1719. Also, petition of sundry citizens of Woodmere, Long Island, N. Y., urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1720. Also, petition of sundry citizens of Lynbrook and East Rockaway, urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1721. Also, petition of 56 citizens of Long Island, urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1722. Also, petition of sundry citizens of Bellerose, Long Island, urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1723. By Mr. BOYLAN: Resolution adopted by the advisory council of the Women's Organization for the National Prohibition Reform in the State of New York, urging favorable consideration by our Representatives in Congress of a change in the prohibition law which shall restore to New York State its sovereign right to determine a system of control of the manufacture, sale, and transportation of alcoholic beverages within its own borders; to the Committee on the Judiciary.

1724. Also, resolution adopted at the annual convention of the Federation of Jewish Women's Organizations (Inc.), of Greater New York, petitioning Congress to adjust the immigration laws that lawfully married couples—one party an American citizen and the other a foreigner—be permitted entry into the United States on the nonquota basis; to the Committee on Immigration and Naturalization.

1725. By Mr. BRUNNER: Resolution of Woodhaven Post, No. 118 (Inc.), petitioning the Congress to oppose any proposed legislation that would in any way weaken our national defense; to the Committee on Appropriations.

1726. Also, resolution of Women's Organization for National Prohibition Reform, urging upon Congress a change in the prohibition law which shall restore to New York State its sovereign right to determine a system of control of the manufacture, sale, and transportation of alcoholic beverages within its own borders, etc.; to the Committee on the Judiciary.

1727. By Mr. CAMPBELL of Iowa: Petition of 125 members of the Presbyterian and Methodist Episcopal Churches of Lake Park, Iowa, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and favoring adequate appropriations for

law enforcement and for education in law observance; to the Committee on the Judiciary.

1728. By Mr. CHIPERFIELD: Petition of 48 members of the National Farmers' Union of Chebanse, Ill., favoring enactment of the farmers farm relief act; to the Committee on Agriculture.

1729. By Mr. CLAGUE: Petition of Albert Husted, of Blue Earth, Minn., and 22 others, protesting against any measure for modification, resubmission to the States, or repeal of the prohibition laws; to the Committee on the Judiciary.

1730. By Mr. CONDON (by request): Petition of Louise G. Wightman and eight other citizens of Pawtucket, R. I., protesting against the report, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

1731. By Mr. CRAIL: Petition of the director of finance and the Bureau of Commerce of the State of California, requesting that the United States Department of Agriculture conduct tests to show what conditions should obtain to insure the satisfactory arrival in export markets of fresh fruits and vegetables shipped from the United States; to the Committee on Agriculture.

1732. By Mr. EVANS of California: Petition signed by approximately 1,750 persons, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

1733. Also, petition signed by approximately 38 persons, supporting House bill 7230; to the Committee on Pensions.

1734. By Mr. GARBER: Petition of citizens of Washington and New York, protesting against contractual procedure in 300 separate statutes; to the Committee on Ways and Means.

1735. By Mr. GLOVER: Resolution of Assembly of God Church of Paris, Ark.; to the Committee on the Judiciary.

1736. Also, petition of First Christian Church, of Paris, Ark.; to the Committee on the Judiciary.

1737. Also, resolution of First Methodist Church South of Paris, Ark.; to the Committee on the Judiciary.

1738. Also, resolution of First Baptist Church of Paris, Ark.; to the Committee on the Judiciary.

1739. By Mr. HALL of Illinois: Petition of 108 residents of Illinois, urging enforcement of prohibition laws, and opposing any measures looking toward modification, resubmission, or repeal; to the Committee on the Judiciary.

1740. By Mr. HARE: Petition protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

1741. By Mr. HILL of Washington: Petition of Methodist Episcopal Ladies' Aid of Davenport, Wash., opposing modification, repeal, or resubmission of prohibition law; to the Committee on the Judiciary.

1742. Also, petition of 39 citizens of Spokane, Wash., praying for immediate cash payment of adjusted-compensation certificates; to the Committee on Ways and Means.

1743. Also, petition of Pateros, Wash., Unional Woman's Christian Temperance Union, opposing any modification, repeal, or resubmission of the prohibition law; to the Committee on the Judiciary.

1744. Also, petition of Dryden-Peshastin (Wash.) Woman's Christian Temperance Union, opposing any modification, repeal, or resubmission of the prohibition law; to the Committee on the Judiciary.

1745. Also, petition of Methodist Church, Baptist Church, and Woman's Christian Temperance Union, all of Newport, Wash., opposing modification, repeal, or submission to States of prohibition law; to the Committee on the Judiciary.

1746. Also, petition of Presbyterian Guild of Opportunity, Wash., opposing modification, repeal, or resubmission to States of prohibition law; to the Committee on the Judiciary.

1747. Also, petition of Dan Shaser and 56 other residents of Cashmere, Wash., urging the passage of House bill 6041, Indian war pension bill; to the Committee on Pensions.

1748. By Mr. HOPE: Petition of Mrs. L. B. Heimer and Mrs. A. F. Shook, of Hanston, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1749. Also, petition of J. L. Stout and 49 others, of Alden, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1750. Also, petition of Rev. D. G. Trimble and 133 others, of Elkhart, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1751. By Mr. HORR: Petition signed by 2,000 voters of Seattle and Tacoma, Wash., and sundry citizens of Montana, urging that the Federal Government at once embark on a large-scale program of public works of sufficient proportions to absorb the unemployed of the Nation, such program to continue until adjustments in industry and the world political and economic situation makes it no longer necessary; to the Committee on Appropriations.

1752. By Mr. HOUSTON of Delaware: Petition of 119 members of Peoples Congregationalist and Christian Churches of Dover, Del.; to the Committee on the Judiciary.

1753. Also, petition of 46 members of Wesley Methodist Episcopal Church, of Dover, Del.; to the Committee on the Judiciary.

1754. Also, petition of 23 members of the First Baptist Church of Dover, Del.; to the Committee on the Judiciary.

1755. Also, petition of 19 members of the Presbyterian Church of Dover, Del.; to the Committee on the Judiciary.

1756. Also, petition of 22 members of St. Paul's Methodist Episcopal Church, of Dover, Del.; to the Committee on the Judiciary.

1757. Also, petitition of 27 members of the Woman's Christian Temperance Union of Lebanon and Rising Sun, Del.; to the Committee on the Judiciary.

1758. Also, petition of 15 members of the executive board of the Delaware Woman's Christian Temperance Union; to the Committee on the Judiciary.

1759. Also, petition of the Felton Methodist Episcopal Church, Felton Woman's Christian Temperance Union, and Trophy Grange, No. 22, Patrons of Husbandry, representing 482 citizens of Felton, Del.; to the Committee on the Judiciary.

1760. Also, petition of Victory Woman's Christian Temperance Union, of Townsend, Del., representing 30 citizens; to the Committee on the Judiciary.

1761. Also, petition of Wilmington Woman's Christian Temperance Union Federation, representing over 1,000 citizens; to the Committee on the Judiciary.

1762. Also, petition of Woman's Christian Temperance Union of Port Penn, Del.; to the Committee on the Judiciary.

1763. Also, petition of Silverbrook Woman's Christian Temperance Union, representing 43 people of Wilmington, Del.; to the Committee on the Judiciary.

1764. Also, petition of Brandywine Hundred Woman's Christian Temperance Union, representing 125 people of Wilmington, Del.; to the Committee on the Judiciary.

1765. By Mr. LAMBERTSON: Petition of Estelle Stout and 22 other citizens, and resolution of the Lowell Club, all of Highland, Kans., urging the maintenance and enforcement of the prohibition law and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

1766. Also, petition of Mrs. J. A. Alexander and 27 other citizens of Topeka, Kans., urging the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, and resubmission to the States, and resolution of St. Agnes Branch, No. 978, of the Ladies' Catholic Benevolent Association, of Leavenworth, Kans., opposing the passage of the Jones-Bankhead bills, S. 572 and H. R. 7525; to the Committee on the Judiciary.

1767. By Mr. LONERGAN: Petition of the National Guard Association of Connecticut, favoring measures designed to strengthening of agency of our national defense; to the Committee on Appropriations.

1768. By Mr. MANLOVE: Petition signed by Mary Garrison, Della Crum, E. C. Garrison, Mrs. C. Kelley, W. Datson, Mrs. E. C. Banks, J. W. Youngman, D. A. Davenport, J. L. Connelly, C. W. Overman, R. B. Brown, C. H. Scott, George B. Williams, Martin Trim, E. M. Gahagan, E. F. Coombes, Thomas Daniel, J. W. Williams, E. B. Gentry, L. L. Blalock, V. P. Lane, Nadine Thornton, Alice McKee, Harold Dotson, Glen Dotson, Mrs. M. Lyman, Marian LaSalle, Florence West, Nellie May, Mrs. A. Logan, Jim Starks, Ivan L. Starks, Clark Warden, Mrs. J. G. James, Mrs. O. Hewlett, Mrs. S. A. Smith, P. E. Crabtree, Maggie Hudson, Ella Rush, and Mrs. Elmer Covert, of Joplin; and T. R. Marquardt, Mary Sullivan, E. H. Burkt, Mayme Faust, Henry Hinkin, Dorothy C. Smith, Mary L. Doan, J. R. Skinner, B. J. Hall, J. J. Jones, Mary Duval, Ollie Hayes, E. M. Helton, John Storey, Mr. and Mrs. W. E. Jones, Clyde Weems, and Dave Jones, all of the State of Missouri, protesting against compulsory Sunday observance, as provided in House bill 8092 and Senate bill 1202; to the Committee on the District of Columbia.

1769. By Mr. MONTAGUE: Petition of the South Richmond (Va.) Woman's Christian Temperance Union, opposing a resubmission of the eighteenth amendment; to the Committee on the Judiciary.

1770. By Mr. PARKS: Petition of First Baptist Church of Paris, Ark., urging support of the prohibition law; to the Committee on the Judiciary.

1771. Also, petition of First Christian Church of Paris, Ark., urging support of the prohibition law; to the Committee on the Judiciary.

1772. Also, petition of Assembly of God Church, urging support of the prohibition law; to the Committee on the Judiciary.

1773. Also, petition of First Methodist Church South of Paris, Ark., urging support of the prohibition law; to the Committee on the Judiciary.

1774. Also, petition of Paris Presbyterian Church, of Paris, Ark., urging the support of the prohibition law; to the Committee on the Judiciary.

1775. By Mr. PRATT: Petition of Carrie E. Tolley, Inez M. Phelps, Carrie J. Canniff, and 25 other residents of Cairo, Greene County, N. Y., praying for maintenance of the prohibition law and opposing its repeal; modification, or resubmission to the States; to the Committee on the Judiciary.

1776. Also, petition of B. Russell Branson, Mrs. Walter C. Bernard, Lewis Sickle, and 105 other residents, of Clintondale, Ulster County, N. Y., praying for maintenance of the prohibition law, and opposing its repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

1777. By Mr. ROBINSON: Petition adopted by the Methodist and Baptist Churches of Shell Rock, Iowa, being more than 400 people, and signed by Rev. A. R. Grant, pastor of the Methodist Episcopal Church, and Rev. E. L. True, pastor of the Baptist Church, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging that Congress vote against such a resolution and vote for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

1778. By Mr. RUDD: Petition of American Society of Civil Engineers, New York City, favoring the proposed Temple amendment for topographic mapping to the Interior appropriation bill; to the Committee on Appropriations.

1779. Also, petition of Woodhaven Post, No. 118 (Inc.), American Legion, Woodhaven, Long Island, N. Y., opposing any reduction in our national defense; to the Committee on Appropriations.

1780. By Mr. SANDERS of New York: Petition of Helen F. Klitgord and other citizens of Lima, N. Y., supporting the prohibition law and its enforcement and against modification, resubmission, or repeal; to the Committee on the Judiciary.

1781. By Mr. SEGER: Petition of Police Chief Lambert De Groot and police department of Passaic, N. J., favoring the passage of Senate bill 1525 and House bill 4537, known as the kidnaping bill; to the Committee on Interstate and Foreign Commerce.

1782. By Mr. SNOW: Petition of R. C. Lyon and other citizens of Lagrange, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1783. Also, petition of S. R. Crabtree and other citizens of Island Falls, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1784. Also, petition of P. A. Cyr and other citizens of Grand Isle, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1785. By Mr. STALKER: Petition of residents of Corning and Painted Post, N. Y., urging the support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the State, or repeal; to the Committee on the Judiciary.

1786. Also, petition of the residents of Ithaca, N. Y., urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the State, or repeal; to the Committee on the Judiciary.

1787. By Mr. SUTPHIN: Petition of residents of the third district of New Jersey, favoring House bill 6041, as requested; to the Committee on Pensions.

1788. By Mr. TEMPLE: Petition of the congregations of the Methodist Episcopal and United Presbyterian Churches of Canonsburg, Pa., and the United Presbyterian Church of Houston, Pa., supporting the eighteenth amendment and protesting against the submission of an amendment which would repeal it; to the Committee on the Judiciary.

1789. By Mr. TIMBERLAKE: Petition of Seventh-Day Baptist Church of Boulder, Colo., protesting against submitting eighteenth amendment to States for referendum vote; to the Committee on the Judiciary.

1790. Also, petition of First Methodist Church of Boulder, Colo., protesting against submission of eighteenth amendment to States for referendum vote; to the Committee on the Judiciary.

1791. Also, petition of German Congregational Church of Berthoud, Colo., opposing submission of eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

1792. By Mr. WELCH of California: Petition of farmers of California, owning or operating 1,416,228 acres of land, presented by the Grain Trade Association of the San Francisco Chamber of Commerce, favoring the legalization of malt beverages of higher alcoholic content than is now permitted; to the Committee on the Judiciary.

1793. By Mr. WEST: Resolution of the Licking County Citizens Dry Federation, opposing resubmission of national prohibition to the States by a resolution to submit a repeal amendment either to State convention or to State legislature for ratification; to the Committee on the Judiciary.

1794. Also, petition of 49 residents of Licking County, Ohio, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

1795. By Mr. YATES: Petition of Frank A. Frodin, 7604 Cornell Avenue; Wilburt F. Hogglund, 7741 South Morgan Street; Frank L. Johnson, 7653 Bennett Avenue; and other citizens of Chicago, Ill., opposing any legislation reducing the salaries of postal employees; to the Committee on the Post Office and Post Roads.

1796. By the SPEAKER: Petition of the National Association of Merchant Tailors of America, petitioning the Government not to enter into activities of commercial nature in competition with private enterprises; to the Committee on Ways and Means.

1797. Also, petition of the National Association of Merchant Tailors of America, expressing approval of House bill 1967; to the Committee on Immigration and Naturalization.

1798. Also, petition of the National Association of Merchant Tailors of America, urging prompt consideration of House bill 5659; to the Committee on the Judiciary.

SENATE

FRIDAY, FEBRUARY 12, 1932

(Legislative day of Friday, February 5, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT obtained the floor.

Mr. FESS. Mr. President, will the Senator from Utah yield to enable me to suggest the absence of a quorum?

The VICE PRESIDENT. Does the Senator from Utah yield for that purpose?

Mr. SMOOT. I yield to the Senator.

Mr. FESS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Dale	Keyes	Schall
Austin	Davis	King	Sheppard
Bailey	Dill	La Follette	Smoot
Bankhead	Fess	Lewis	Steiwer
Barkley	Fletcher	Logan	Stephens
Bingham	George	McGill	Thomas, Idaho
Black	Glass	McKellar	Thomas, Okla.
Blaine	Goldsborough	McNary	Townsend
Borah	Gore	Metcalf	Trammell
Bratton	Harrison	Morrison	Tydings
Broussard	Hatfield	Moses	Vandenberg
Bulow	Hawes	Neely	Wagner
Byrnes	Hayden	Norbeck	Walsh, Mass.
Capper	Hebert	Norris	Walsh, Mont.
Caraway	Howell	Nye	Waterman
Carey	Hull	Oddie	Watson
Coolidge	Johnson	Patterson	Wheeler
Costigan	Jones	Pittman	White
Couzens	Kean	Reed	
Cutting	Kendrick	Robinson, Ark.	

Mr. KEAN. My colleague the junior Senator from New Jersey [Mr. BARBOUR] is unavoidably absent attending a Lincoln birthday celebration. I ask that this announcement may stand for the day.

Mr. FESS. I wish to announce that the junior Senator from California [Mr. SHORTRIDGE] is necessarily detained from the Senate by continued illness. I ask that this announcement may stand for the day.

Mr. SHEPPARD. My colleague the junior Senator from Texas [Mr. CONNALLY] is detained on account of illness. This announcement may stand for the day.

Mr. GEORGE. I wish to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

Mr. BYRNES. I wish to announce that my colleague the senior Senator from South Carolina [Mr. SMITH] is detained from the Senate to-day by illness. This announcement may stand for the day.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

ABRAHAM LINCOLN—ANNIVERSARY OF HIS BIRTH

Mr. SMOOT. Mr. President, in this hour of world-wide unrest Lincoln speaks to us out of a dim but unforgettable past. Instinctively we turn to him as a rugged pillar of strength arising out of another period of adversity not unlike that which we now experience. In the voluminous records of his achievements we may find still glowing the vision, the resourcefulness, and the courage that lighted his path to immortality.

It is not my purpose to eulogize Lincoln to-day. We have more need of his fortitude than he has need of our praise. No encomium can augment his undying fame, and words can neither add to nor detract from the deep-seated love and admiration which he inspires within the American people. If Lincoln were among us, he would give no heed to the eloquence that is being broadcasted from ocean to ocean in commemoration of his birth. Rather he would suggest that we dedicate ourselves "to the great task remaining before us."

Lincoln is known as the man of adversity. Throughout his life he was followed by grief and disappointment. But despair was alien to his nature. Whether destiny led to his side a mother of fallen soldiers, or inflicted upon his apprehensive mind the torture of the battle's furnace mouth, he held fast to confidence in the triumph of right, and his purpose never swerved. God must have planted in his heart an abiding courage from which a nation, hungry for faith in the future, might draw strength in the days of its peril.

One can not read American history without being conscious of a similarity between the dark days before the end of the Civil War and the present eclipse. What was expected to be a short and decisive combat extended into four years of internecine war, during which time there were grave misgivings as to the outcome. In our own day what appeared to be a momentary check upon our economic progress has proved to be a critical derangement throughout the business and industrial world. Many hearts sickened before the cannon's mouth; many sicken now before the twin dilemma of overproduction and unemployment, accompanied by want and mental anguish. But Lincoln sustained the Nation through its greatest political crisis by his own indomitable courage, and I have every confidence that the same spirit will actuate the American people in the present exigency.

To-day we are able to see that Lincoln pursued one straightforward and determined course from beginning to end. From a perspective of nearly 70 years we recognize that he was right and that he alone seems to have been competent to preserve the Union. But in the thick of the fight the wisdom of his policy was not so readily discernible. Tempestuous friends assailed him; enemies plotted against him; subordinates mistook his kindness and humility for weakness and sought to dominate over him, and thousands of spineless citizens urged him to sacrifice the Union to avoid bloodshed. But Lincoln projected his faith and courage through one catastrophe after another until at last victory could no longer elude him.

President Lincoln was charged with responsibility for every disaster that vexed the Nation. His enemies magnified every calamity and denounced him with such craven abuse that one's blood boils to read it. Knowing that the people were discouraged and sick of war, unscrupulous politicians sought, by advocating dishonorable peace, to defeat the President who had insisted on saving the Union at any cost. Everything that misrepresentation, malignity, personal ill will, and partisan zeal could ascribe to Lincoln was venomously used against him.

In an effort to split the Republican Party and thus defeat Lincoln a group of insurgents held a separate convention at Cleveland and nominated General Frémont for the Presidency. Secret plots to withdraw from Lincoln the support of his party were exposed and efforts were made to draft members of his Cabinet to run against him. The antiadministration factions had been encouraged by several victories in the congressional elections two years before. Seeking to consolidate that advantage, they appealed to the electorate on the basis of peace through compromise. Lincoln was stigmatized a traitor and charged with drenching the Nation in blood. No administration was ever more bitterly, violently, or persistently denounced in a political campaign.

We ought never to forget how Lincoln met this crisis. Did he appeal for votes on an evasive and hollow promise of peace and economy? No! The platform on which he stood demanded more vigorous taxation to finance the war. In spite of the ominous scroll of the dead and disabled in this fratricidal carnage, which was causing unrest throughout the country, Lincoln called for 500,000 fresh volunteers within six weeks of his nomination for a second term. When the integrity of the American Union was at stake

no thought of his own interest could induce Lincoln to promise an early peace. Instead he declared that there would be no end to the war until the national power was restored over the entire national domain.

Lincoln was offered a profusion of panaceas. Schemes for ending the war were almost as numerous as those which are now pressed upon the President for dealing with the depression. But Lincoln courageously discarded every plan that did not contribute to his central purpose—the preservation of the Union. Throughout this greatest American crisis he stood like a rock against the flood. Lincoln seems to have been the only leader who saw clearly the momentous issues involved and who had a program adequate to meet them. With humble disregard of calumny and slander, he held steadfastly to the right, as God gave him to see the right. To-day his name is reverenced wherever civilization has reached, while the shallow minds who manufactured anathema against him have long since passed into the void of oblivion.

When the execrations against Lincoln were loudest, he asked each member of his Cabinet to sign a document without seeing its contents. After the election was over they learned that he had considered his defeat "exceedingly probable" and had pledged them to cooperate with the President elect in saving the Union between election day and the inauguration. No threat of defeat, disgrace, or even death could mitigate his ardor for the preservation of America as a unified and enduring Nation.

Mr. President, the point I wish to emphasize is that the immortal Lincoln, in his own day, was represented as an incompetent and docile President, blundering through a difficult situation. Only when his work was accomplished and death snatched victory from his hands did the world realize that one of the most sublime characters of all history had played his part and passed on. In the passions of war, as in the panic of depression, we too frequently lose sight of true leadership, until the clouds roll away and our vision is clarified.

The buoyant courage and unwavering determination of Lincoln put to shame those Americans who have surrendered to skepticism and despair because of the economic storm which is now sweeping over the world. Loyal citizens can best observe the anniversary of his birth by reviving the indomitable spirit that actuated him to declare:

> We shall not fail—if we stand firm, we shall not fail. Wise counsel may accelerate or mistakes delay it, but, sooner or later, the victory is sure to come.

I close with his simple, yet powerful, message of faith, confidence, and forbearance, couched in these words from his first inaugural address:

> Intelligence, patriotism, Christianity, and a firm reliance on Him who has never yet forsaken this favored land are still competent to adjust in the best way all our present difficulty.

Mr. FESS. Mr. President, three years ago to-day, at the Lincoln Memorial here in Washington, a brief but very brilliant address was delivered by the junior Senator from California [Mr. SHORTRIDGE]. I have the manuscript in my hand, and I ask unanimous consent to have it inserted in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

ABRAHAM LINCOLN

My countrymen, the Republic "conceived in liberty and dedicated to the proposition that all men are created equal," in the throes of dissolution; the Union of Washington and Jackson, framed by the wisdom and sanctified by the blood of brothers, about to be rent asunder; the "government of the people, by the people, and for the people," in mortal danger of perishing from the earth—in that dark hour of estrangement, doubt, and fear the great captain of our country's salvation came.

He came, and thenceforth all was clear. Simple in speech, plain in manner, straightforward in action; tender as a child, fearless as a hero, humble and lowly, he came to speak and to act. Born of southern parents and reared in the broad prairies of the West, whose very winds sang liberty, he realized the curse of bondage and the blessing of freedom. From the unfelled forest, from the log cabin and the country store, from humble forum and obscure dwelling, from out the ranks of the people the great captain came. He came, and statesmen paused and wondered; he spoke, and a Nation hearkened to his counsel.

Devoted to truth and the right, opposed to falsehood and the wrong; scorning the tricks and subterfuges of the self-seeking and abhorring the mean and base; loving his country with a devotion that made him forgetful of all save the preservation of the Union, the incomparable leader rose. In judicial tribunal and hall of state, in capital and village, in stately mansion and log hut bewildered men listened to his words and saw, as they had never seen before, the darkness, the light, and the path; the wrong, the right, and the remedy.

Who was this man that came unheralded out of the West? Who was this man that rose above great statesmen of his day—who was as earnest as Phillips, as gifted as Baker, more profound than Seward, more wise than Chase, more logical than Douglas, more eloquent than Everett?

Who was this man that combined in one soul the simplicity of a child, the wisdom of a sage, and the foresight of a prophet?

Wheresoever among men there is a love for disinterested patriotism and sublime attachment to duty; wheresoever liberty is worshiped and loyalty exalted, his name, his life, his deeds are known. To-day his image is in all hearts, his name is on all lips. That humble, loving, forgiving, sublime man was the rail-splitter of Illinois—sainted and immortal Abraham Lincoln—Abraham Lincoln, child of poverty, champion of freedom, savior of the Union.

Rejoice and give thanks to God. The dark hour of brotherly estrangement is gone forever. The Constitution of Washington and Jackson remains. The Union, strong and great, endures. The "government of the people, by the people, and for the people" did not perish. The sons of America march all one way.

And for all these blessings we stand here to-day in this sacred place, beneath the one and only banner of the loyal heart, to pay the tribute of our veneration and gratitude and love to Abraham Lincoln.

Mr. DILL. Mr. President, in keeping with the remarks about Abraham Lincoln, I desire to read a very short poem entitled "But Slavery Lingers," by George Sanford Holmes, printed in to-day's Washington Daily News:

BUT SLAVERY LINGERS

By George Sanford Holmes

Would you were living now, old Honest Abe,
To carry on the mission you began;
You freed the bonded black, the unborn babe,
But slavery lingers still to torture man.

Ere you were martyred in an hour of need
You warned of great monopolies afar,
Of fetters forged by corporate gold and greed
More dangerous, you said, than civil war.

You drove slave drivers from the brakes of cane
And cotton fields, but now, dread aftermath,
The money changers desecrate your fane
With none to whip them out in righteous wrath.

If you were here you would emancipate
Your party from all special privilege
And striking at new shackles, liberate
Your land from economic peonage.

I ask unanimous consent to insert in the RECORD also at this point an editorial from the Daily News of this date entitled "Lincoln's Wisdom."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LINCOLN'S WISDOM

Instead of repeating the familiar eulogies let us on this his birthday invoke the wisdom of Abraham Lincoln. How timely to-day are these phrases uttered 70 years ago:

"At what point then is the approach of danger? I answer, if it ever reach us it must spring up amongst us; it can not come from abroad. If destruction be our lot we ourselves must be its author and finisher. As a nation of freemen we must live through all time, or die by suicide."

"The only way to keep men from agitating grievances is to relieve the grievances. The seed of revolution is repression."

"This country, with its institutions, belongs to the people who inhabit it. Whenever they shall grow weary of the existing Government they can exercise their constitutional right of amending it or their revolutionary rights to dismember or overthrow it."

"Labor is prior to and independent of capital. Capital is only the fruit of labor, and should never have existed if labor had not first existed. Labor is the superior of capital and deserves much higher consideration."

"Our republican robe is soiled and trailed in the dust. Let us repurify it."

"Fondly do we hope—fervently do we pray—that this mighty scourge of war may speedily pass away."

"Let us have faith that right makes might, and in that faith let us to the end dare to do our duty as we understand it."

"With malice toward none; with charity for all; with firmness in the right as God gives us to see the right, let us strive to finish the work we are in * * *."

"* * * That this Nation, under God, shall have a new birth of freedom; and that government of the people, by the people, for the people, shall not perish from the earth."

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 366. An act for the relief of Dr. Luis H. DeBayle; and

S. 2179. An act for the relief of Alexander M. Proctor.

The message also announced that the House had passed the bill (S. 315) for the relief of Lemuel Simpson, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 615. An act for the relief of C. B. Bellows;

H. R. 618. An act for the relief of Phyllis Pratt and Harold Louis Pratt, a minor;

H. R. 756. An act for the relief of R. L. Wilson;

H. R. 996. An act for the relief of Mildred B. Crawford;

H. R. 1039. An act for the relief of James Moffitt;

H. R. 1228. An act to adjudicate the claim of Knud O. Flakne, a homestead settler on the drained Mud Lake bottom, in the State of Minnesota;

H. R. 1768. An act for the relief of Alvina Hollis;

H. R. 1770. An act for the relief of Senelma Wirkkula, also known as Selma Wirkkula, Alice Marie Wirkkula, and Bernice Elaine Wirkkula;

H. R. 2594. An act for the relief of the State National Bank of Wills Point, Tex.;

H. R. 2633. An act for the relief of William R. Cox;

H. R. 3373. An act for the relief of Firemen's Fund Insurance Co.;

H. R. 3610. An act for the relief of Malven A. Williams;

H. R. 3612. An act for the relief of George Walters;

H. R. 3691. An act for the relief of J. P. Moynihan;

H. R. 3909. An act for the relief of Helen Patricia Sullivan;

H. R. 3987. An act for the relief of R. K. Stiles & Co.;

H. R. 3996. An act for the relief of Garrett M. Martin;

H. R. 4143. An act for the relief of the Sherburne Mercantile Co.;

H. R. 4144. An act for the relief of H. H. Lee;

H. R. 4147. An act for the relief of Halvor H. Groven;

H. R. 4160. An act for the relief of Raymond D. Woods;

H. R. 4286. An act for the relief of John Ralston;

H. R. 4363. An act for the relief of Belle Ackerman, widow of Adam B. Ackerman, alias Adam B. Aunkerman, deceased;

H. R. 4453. An act for the relief of Pasquale Mirabelli;

H. R. 4457. An act for the relief of Thomas Conlon;

H. R. 4810. An act for the relief of William J. McKenna;

H. R. 4868. An act for the relief of George E. Casey;

H. R. 4990. An act for the relief of William H. Stroud;

H. R. 4992. An act for the relief of Christopher Cott;

H. R. 5047. An act for the relief of the Yosemite Lumber Co.;

H. R. 5221. An act for the relief of Mary S. Neel;

H. R. 5242. An act for the relief of D. Emmett Hamilton;

H. R. 5259. An act for the relief of Steve Fekete;

H. R. 5267. An act to authorize and direct the Comptroller General to settle and allow the claim of Harden F. Taylor for services rendered to the Bureau of Fisheries;

H. R. 5272. An act for the relief of Frank Bayer;

H. R. 5283. An act for the relief of Blanche Knight and certain minor children of Sam Knight, deceased; and

H. R. 7167. An act for the relief of Stuart L. Ritz.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram from the Wisconsin State Chamber of Commerce, signed by John L. Barchard, its president, which was ordered to lie on the table and to be printed in the RECORD, as follows:

[Telegram]

MILWAUKEE, WIS., *February 11, 1932.*

Hon. CHARLES CURTIS,
Vice President, care United States Senate,
Washington, D. C.:

Business conditions in Wisconsin are above the average. Wisconsin can take care of its own relief of the unemployed. Speaking for the business interests of Wisconsin, as represented in the membership of its 62 affiliated organizations with about 20,000 individual business men, we wish to state that there is a greater political objective than a relief objective in the request of the Wisconsin Legislature for Federal relief for Wisconsin. We object to have charity made the football of politics. The Wisconsin Legislature has already appropriated millions of dollars. The various community chests have been largely oversubscribed. We believe that unemployment relief is a local problem for local solution. We strenuously object to the passage of the bills for unemployment relief now before the United States Senate.

By action of the board of directors.

THE WISCONSIN STATE CHAMBER OF COMMERCE,
By JOHN L. BARCHARD, *President.*

Mr. NEELY presented a memorial of sundry citizens of Parkersburg, W. Va., remonstrating against the passage of legislation closing barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which was referred to the Committee on the District of Columbia.

Mr. HULL presented memorials of sundry citizens of Knoxville, Concord, and Bearden, Tenn., remonstrating against the passage of legislation closing barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. WHEELER presented a resolution adopted by the Butte (Mont.) Woman's Christian Temperance Union, protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented a resolution adopted by the Ellis Community Club, of Ellis, Kans., favoring the imposition of a tariff duty of $1 per barrel on crude petroleum, which was referred to the Committee on Finance.

He also presented petitions numerously signed by sundry citizens of the District of Columbia, praying for the passage of legislation to regulate the closing of barber shops on Sunday in the District of Columbia, known as the Copeland Sunday health bill, which were referred to the Committee on the District of Columbia.

He also presented petitions of sundry citizens of Alden, Eureka, Oxford, Plainville, Topeka, and Dickinson and Jewell Counties, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Ladies Guild of the Methodist Church of Hutchinson; the Dorcas Club and the Missionary Society of the Christian Church of Plainville; the Methodist Episcopal Church and Sunday school of Talmage; the Ladies' Aid Society of Hanston; the adult Sunday school of the First Methodist Episcopal Church of Parsons; and local chapters of the Woman's Christian Temperance Unions of Burr Oak, Oxford, and Plainville, all in the State of Kansas, favoring the maintenance of the prohibition law and its enforcement and protesting against its modification or repeal, which were referred to the Committee on the Judiciary.

PROPOSED ALLOTMENT OF FARM BOARD WHEAT

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Cleveland Plain Dealer and also an editorial from the Washington News. Both editorials comment on the merits of the resolution adopted in the Senate to donate a maximum of 40,000,000 bushels of wheat held by the Grain Stabilization Corporation for the relief of the needy.

I might say, Mr. President, that this stabilization wheat, so called, is not doing anyone any good at present, except perhaps the elevator owners in whose elevators it is stored. The Stabilization Corporation is paying 1½ cents a month storage charges every month on every bushel of it. The fact that the corporation has it in reserve is used by the speculators to help depress the market price of wheat; and in the meantime hundreds of thousands of persons in the United States are in need of bread.

The Senate did a wise and generous thing when it voted to donate 40,000,000 bushels of this wheat for relief purposes. I deeply regret that the resolution did not receive the same

support at the other end of the Capitol Building. The needy would have used this food to good advantage.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Cleveland Plain Dealer of February 9, 1932]

USE THIS WHEAT

The House Agricultural Committee shows its vision astigmatized by politics in rejecting the proposal to allot 40,000,000 bushels of Farm Board wheat to relief agencies. This measure, introduced in the upper House by Senator CAPPER, passed that body. It hit hard going as soon as it came into the House.

The objection, presumably, is that if this wheat is taken out of the now useless stores of the Farm Board it might prevent the sale of a similar amount of grain by farmers. This attitude is thoroughly selfish and may not even be as logical as it sounds. There is so much wheat now in storage, in addition to the Farm Board's 180,000,000 bushels, that if the relief agencies went into the market to-day for 40,000,000 more bushels they would not be likely to make enough of a hole in the Nation's wheat bin to help the individual farmer.

The present stock of wheat in the Nation, including the Farm Board's store, was reported a few days ago at 429,000,000 bushels. So the farmer constituents of these Members of the House Agricultural Committee stand to gain little or nothing by the short-sighted attitude of their Representatives. But the relief agencies will lose a valuable source of help if the Capper resolution is allowed to die.

Wheat is one of the cheapest as well as the most nourishing articles of human diet. By its larger use the value of relief dollars can be most amazingly stretched. Palatable meals, mostly of wheat foods, can be served for 3 cents or less a portion, as Prof. Robert E. Brown, of Oberlin, has been preaching to Ohio audiences these many months.

The city of Lorain supplies a current example. The relief committee there aided twice as many families in January as it did in December without increasing the amount spent for groceries. It has given away more than 500 bushels of wheat and is instructing those it helps to use it both in flour and as cereal.

Throughout the Nation relief agencies are finding their resources seriously strained. Meanwhile the Farm Board wheat is eating off its head in storage charges. It will never be sold for anything like what the taxpayers paid for it. Why balk at the common-sense step of making part of it immediately available for the needy?

[From the Washington News]

Amazing as it may seem to the hungry, who might not have been hungry if a small portion of the Federal Farm Board's vast wheat stocks had been made available to them free, the House Agriculture Committee has killed the wheat bill passed by the Senate.

Thus the Democrats in control have refused the simplest way of getting food to the jobless who can not buy it.

The 40,000,000 bushels of wheat which the bill would have made available for free distribution through charitable agencies will continue to fill grain elevators, and each day it will cost the Government more money. Each day this wheat will continue to exert a depressing effect upon the farmers' market.

Speaker GARNER nominally favored the bill, and Chairman JONES, of the Agriculture Committee, voted to report it out. But evidently their desire to feed the hungry was not strong enough.

If GARNER, the Democratic boss, had exerted the power he has heretofore used, the relief measure would have been passed.

Voters who are keeping a campaign score card will debit the Democrats with another costly error.

REPORTS OF COMMITTEES

Mr. HOWELL, from the Committee on Claims, to which was referred the bill (S. 1030) for the relief of John A. Pierce, reported it with amendments and submitted a report (No. 233) thereon.

He also, from the same committee, to which was referred the bill (S. 3447) for the relief of John Stratis, reported it without amendment and submitted a report (No. 234) thereon.

Mr. CAREY, from the Committee on the District of Columbia, to which was referred the bill (S. 2078) to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan police force and fire department of the District of Columbia, and for other purposes,' approved May 11, 1892," reported it without amendment and submitted a report (No. 235) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 100) to amend section 586c of the act entitled "An act to amend subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia relating to degree-conferring institutions," approved March 2, 1929, reported it without amendment and submitted a report (No. 236) thereon.

Mr. GLASS, from the Committee on Banking and Currency, to which was referred the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, reported it with amendments and submitted a report (No. 237) thereon.

EXECUTIVE REPORTS OF THE MILITARY AFFAIRS COMMITTEE

As in executive session,

Mr. REED, from the Committee on Military Affairs, reported favorably sundry nominations of officers in the Regular Army, which were placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS:

A bill (S. 3623) for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md.; to the Committee on Claims.

By Mr. FLETCHER:

A bill (S. 3624) to authorize the Secretary of Commerce to convey to the city of Fernandina, Fla., a portion of the Amelia Island Lighthouse Reservation; to the Committee on Commerce.

By Mr. KING:

A bill (S. 3625) to deprive the Court of Claims of power to render binding judgments; to the Committee on the Judiciary.

By Mr. CAPPER:

A bill (S. 3626) granting an increase of pension to Sarah J. Pitts (with accompanying papers); to the Committee on Pensions.

By Mr. HULL:

A bill (S. 3627) granting a pension to Venia Moody; to the Committee on Pensions.

By Mr. BRATTON:

A bill (S. 3628) granting a pension to Peter M. Shelley; to the Committee on Pensions.

A bill (S. 3629) for the relief of John J. Doyle; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 3630) to establish fish-cultural stations and substations in certain States; to the Committee on Commerce.

By Mr. WAGNER:

A bill (S. 3631) for the relief of Zinsser & Co.; to the Committee on Military Affairs.

By Mr. CUTTING:

A bill (S. 3632) for the relief of Thomas F. Cooney; and

A bill (S. 3633) for the relief of the State of New Mexico; to the Committee on Claims.

JOINT COMMISSION ON REDUCTION OF GOVERNMENTAL EXPENDITURES

Mr. ROBINSON of Arkansas. I submit a concurrent resolution and ask that it may lie on the table.

The concurrent resolution (S. Con. Res. 16) was ordered to lie on the table, as follows:

Resolved by the Senate (the House of Representatives concurring), That a joint commission of the Congress to consist of three Members of the Senate to be appointed by the Vice President and three Members of the House of Representatives to be appointed by the Speaker of the House be, and the same is hereby, authorized.

SEC. 2. That said joint commission is empowered and directed to inquire into (1) the best and most practicable means and methods of reducing governmental expenditures; (2) to ascertain and report what offices, agencies, bureaus, boards, and commissions of the National Government may be reduced, consolidated, or abolished without substantial detriment to the public interest.

SEC. 3. That said joint commission may employ experts and other clerical assistants and fix their compensation: *Provided*, That no employee of the joint commission shall be paid at a rate exceeding $——— per month and that stenographers may be employed at a cost not exceeding 25 cents per hundred words.

The said joint commission may sit during the sessions or recess of the Congress at such times and places as it deems necessary,

and is authorized to compel the attendance of witnesses, and to require the production of books, papers, and documents.

Any member of the joint commission may administer oaths and sign subpœnas for witnesses. Any person duly summoned by said joint commission or any subcommittee thereof who refuses to obey the process of the joint commission or appears and refuses to answer pertinent questions shall be punished as prescribed by law.

The expenses of the joint commission shall not exceed $20,000, and shall be paid one-half from the contingent fund of the Senate and the remainder from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the joint commission.

SEC. 4. Said joint commission shall report its findings and recommendations to the Congress on or before March 3, 1933.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 615. An act for the relief of C. B. Bellows;

H. R. 618. An act for the relief of Phyllis Pratt and Harold Louis Pratt, a minor;

H. R. 756. An act for the relief of R. L. Wilson;

H. R. 996. An act for the relief of Mildred B. Crawford;

H. R. 1228. An act to adjudicate the claim of Knud O. Flakne, a homestead settler on the drained Mud Lake Bottom, in the State of Minnesota;

H. R. 1768. An act for the relief of Alvina Hollis;

H. R. 1770. An act for the relief of Senelma Wirkkula, also known as Selma Wirkkula, Alice Marie Wirkkula, and Bernice Elaine Wirkkula;

H. R. 2594. An act for the relief of the State National Bank of Wills Point, Tex.;

H. R. 2633. An act for the relief of William R. Cox;

H. R. 3373. An act for the relief of Fireman's Fund Insurance Co.;

H. R. 3691. An act for the relief of J. P. Moynihan;

H. R. 3909. An act for the relief of Helen Patricia Sullivan;

H. R. 3987. An act for the relief of R. K. Stiles & Co.;

H. R. 4144. An act for the relief of H. H. Lee;

H. R. 4147. An act for the relief of Halvor H. Groven;

H. R. 4160. An act for the relief of Raymond D. Woods;

H. R. 4453. An act for the relief of Pasquale Mirabelli;

H. R. 4868. An act for the relief of George E. Casey;

H. R. 5047. An act for the relief of the Yosemite Lumber Co.;

H. R. 5221. An act for the relief of Mary S. Neel;

H. R. 5242. An act for the relief of D. Emmett Hamilton;

H. R. 5259. An act for the relief of Steve Fekete;

H. R. 5267. An act to authorize and direct the Comptroller General to settle and allow the claim of Harden F. Taylor for services rendered to the Bureau of Fisheries;

H. R. 5272. An act for the relief of Frank Bayer; and

H. R. 5283. An act for the relief of Blanche Knight and certain minor children of Sam Knight, deceased; to the Committee on Claims.

H. R. 1039. An act for the relief of James Moffitt;

H. R. 3610. An act for the relief of Malven A. Williams;

H. R. 3612. An act for the relief of George Walters;

H. R. 3996. An act for the relief of Garrett M. Martin;

H. R. 4286. An act for the relief of John Ralston;

H. R. 4363. An act for the relief of Belle Ackerman, widow of Adam B. Ackerman, alias Adam B. Aunkerman, deceased;

H. R. 4457. An act for the relief of Thomas Conlon;

H. R. 4810. An act for the relief of William J. McKenna;

H. R. 4990. An act for the relief of William H. Stroud;

H. R. 4992. An act for the relief of Christopher Cott; and

H. R. 7167. An act for the relief of Stuart L. Ritz; to the Committee on Military Affairs.

H. R. 4143. An act for the relief of the Sherburne Mercantile Co.; to the Committee on Indian Affairs.

WILL THE DEMOCRATS ABANDON THE LEAGUE OF NATIONS?

Mr. LOGAN. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Winchester (Ky.) Sun of February 6, 1932, entitled "Will the Democrats Abandon the League of Nations?"

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Winchester (Ky.) Sun, February 6, 1932]

WILL THE DEMOCRATS ABANDON THE LEAGUE OF NATIONS?

While the China-Japanese situation is a little less tense, it is far from a peaceful settlement. But this Japanese war spasm demonstrates at least two things.

If there had been no League of Nations, these two countries, and probably a half dozen others, would to-day be at each other's throats, engaged in a most desperate and destructive war of extermination. The league machinery offered and presented the only medium through which a dignified protest and offer of mediation could be made. This factor within the league is well worth its existence and all it has cost, and if this China-Japanese dispute is settled without a bloody war such settlement must be accredited to the existence of the League of Nations.

But the most distressing fact to chronicle is that the conditions in the Far East would never have reached their present state had the United States been a member of the league. Japan never would have placed herself in a position to have the league put in effect article 16—the economic boycott. But with the United States out of the league Japan knew full well that no boycott by other nations would be declared, and if it were it would be impotent, therefore, she was able to and did most arrogantly flaunt the constitution of the league, of which she was a member, in the very faces of the other signatories to that instrument and flippantly say to them by her action, "What are you going to do about it?" The United States is not a member of the league and has refused to enact the Capper resolution which would pledge that country to unite in any economic boycott against any nation which the League of Nations declared to be the aggressor in any war.

With the United States out of the league, no boycott could be made effective, but had it been a member neither Japan nor any other nation would have dared to risk the putting into effect of such a measure. It is perfectly obvious that the present conditions in the Far East are brought about largely, if not entirely, by the failure of the United States to enter the league, and that failure is directly attributable to the Republican Party, headed by the hypocritical Henry Cabot Lodge, together with a group of jealous Republican Senators and supported by the isolationists. However, the Republicans are getting ready to make a backward flop, as Governor Roosevelt, former Secretary of War Newton D. Baker, and other prominent Democratic leaders are easing off of the league as the 1932 elections approach. We are convinced that within a few years we will find the Republican Party advocating the United States' entry into a league, and taking that document as their own child, after they have inveigled the Democrats into a desertion of it.

The eighteenth amendment was a Democratic conception, fostered and promoted by Democrats; however, our leaders in the effete East, our chairman of the national committee (a recent convert from Republicanism), our 1928 candidate for President, all probably with full cellars, repudiated it, whereupon the Republicans, embracing it as a long lost child, championed it as their very own, and with it floating at their masthead marched triumphantly into the White House with the Democratic South following this new and strange standard bearer, so that to-day, among the rank and file, that party is heralded as the "constitutionalist," while the Democratic Party, undeservedly but nevertheless assuredly, as the "nullificationist."

We are not a prophet nor a son of a prophet, but we venture the prediction that the Republicans will pull the same trick with the League of Nations so soon as the Democrats get from under it. The league should not be a political issue, but watch, we say, watch the Republicans, within a few years, make it, with some immaterial changes in form and dress, their paramount issue.

RELIEF OF UNEMPLOYMENT

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. JOHNSON obtained the floor.

Mr. NYE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from California yield?

Mr. JOHNSON. I yield.

Mr. NYE. Will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. JOHNSON. I yield for that purpose.

Mr. NYE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Bratton	Couzens	Goldsborough
Austin	Broussard	Cutting	Gore
Bailey	Bulow	Dale	Harrison
Bankhead	Byrnes	Davis	Hatfield
Barkley	Capper	Dill	Hawes
Bingham	Caraway	Fess	Hayden
Black	Carey	Fletcher	Hebert
Blaine	Coolidge	George	Howell
Borah	Costigan	Glass	Hull

Johnson	McNary	Reed	Tydings
Jones	Metcalf	Robinson, Ark.	Vandenberg
Kean	Morrison	Schall	Wagner
Kendrick	Moses	Sheppard	Walsh, Mass.
Keyes	Neely	Smoot	Walsh, Mont.
King	Norbeck	Steiwer	Waterman
La Follette	Norris	Stephens	Watson
Lewis	Nye	Thomas, Idaho	Wheeler
Logan	Oddie	Thomas, Okla.	White
McGill	Patterson	Townsend	
McKellar	Pittman	Trammell	

The PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. JOHNSON. Mr. President, I want to yield the fullest meed of praise of which I am capable of expression to the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN] for the magnificent work they have done in connection with the measure that is pending now before the Senate, and to say to them, too, that that work, no matter what may be the fate of the bill that is before us now, has not been done in vain.

No more intelligent hearings, in my opinion, were ever conducted by a Senate committee than were conducted by the committee over which the Senator from Wisconsin presides. No more informative hearings have ever been brought to this body than this bill has brought after the deliberations of the committee headed by the Senator from Wisconsin.

So I congratulate them upon their work; I congratulate the Senate that they have done it; and I am very glad to stand here to-day, sir, lifting my voice as best I can in behalf of the effort that has been theirs and the effort that I deem essential in order that this Government may do its full duty unto its people.

Mr. President, I have listened to the debate with the utmost care. I believe, as was expressed by the Senator from Pennsylvania [Mr. REED] yesterday, that all here are actuated by a like desire, and that the motives of none are open to question. I believe, as was said by the Senator from Ohio [Mr. FESS] in his remarks the other day, that the question after all, perhaps, is one of fact; and I believe that there is no man who will stand upon the floor of the Senate and, where a question of relief to the suffering is concerned, will say otherwise than that if he believed the relief were necessary he would be perfectly willing to accord it.

We have advanced, therefore, somewhat in this debate. We have advanced, sir, the same distance in the matter of the administration of relief. And so, whatever may be the ultimate result of the contest that has been waged here so eloquently and so well, whatever may be the result of the particular bill that has been presented by Messrs. LA FOLLETTE and COSTIGAN, a great service has been rendered to the people of this country in the recognition finally of the principle that if necessity exists in our economic life there will be direct action by the Congress of the United States for the relief of any suffering that may transpire.

I may be permitted, sir, to say, I think, that the difference of opinion that exists upon this floor, particularly upon this side of the Chamber, arises not alone from the determination of the fact, as has been stated here by various Senators. It arises, sir, from another cause, much more fundamental; a cause, sir, that after all must ultimately see its decision in a democracy and in the Congress of the United States. It arises from the irreconcilable conflict of two different philosophies of government—the philosophy of government that believes, first, in dealing with the top, and there affording, even upon a whispered request, every aid that may be asked, but forgetting that which is at the bottom; and the philosophy of government that believes government represents not those at the top alone, not those who whisper their commands and have them obeyed over night, but that government, after all, consists of all the people of the United States, and that where relief may be sought by one class and accorded as an emergency, relief may be asked legitimately and may be accorded the other class as an emergency, too.

These warring philosophies of government are in juxtaposition to-day upon this measure.

Upon this side there has ever been the philosophy that you must not take government into business or into any activity which individuals may perform. There has ever been the assertion here that individualism in industry, in finance, in government, in every human activity, shall control, and control alone; and these gentlemen who hold to such a belief, who have clung so tenaciously to it that they would not even permit a small electrical plant paid for by the people to be operated in behalf of its people, and its people alone—these gentlemen, clinging tenaciously to that belief, find themselves to-day with that belief, though they may not admit it, shattered by the inexorable logic of events and that oneiromancy has its fallible moments.

I stood upon this floor a couple of years ago when the farm bill was being passed at the instance of the administration. I stood here, and I twitted my associates upon the Republican side with the fact that that bill was taking the United States Government into every kind of business under the sun. They denied it. They looked at me askance, and they thought that I was indulging in idle, vain fulminations concerning a measure the administration said, willy-nilly, should be passed by Congress. We find, after a couple of years of administration of that farm bill, which was denied here to be of the character that I then insisted it was, and concerning which I twitted my brethren upon this side—we find, after two or more years of administration, not only has the United States Government, under the guise of a farm-relief measure, gone into every conceivable organization and every conceivable business, but we find that it has gone into the wheat pits of Chicago, where it was taken by the smart lads up there just as Grant took Richmond, and we find that it went into cotton gambling of the South. Only a couple of hundred millions did it waste. That is of no consequence, because the command from on high had been given to us to waste it. So were wasted a couple of hundred million dollars of the people's money in gambling in the wheat pit and in the cotton market—gambling!—and doing it notwithstanding every economist on earth understood that they could not metamorphose the rigid rules of economy in the endeavor that was theirs.

I question not their good faith in their gambling in the wheat pit or in the cotton market. That is not the point. The point is that this side of the Chamber, pretending that it would never permit the Government to go into any kind of business under any circumstances, obeyed its orders and passed the bill and took the Government into every kind of bizarre undertaking it was possible to take the Government into under that bill; and disaster, of course, has attended that particular measure.

That is not all, sir. Gentlemen inveigh against $375,000,000 or more concerning this bill. They speak about a raid upon the Treasury, and what an unfortunate thing it is. Sir, it is only a month and a half ago that I stood upon this floor practically alone objecting to $250,000,000 being taken from the United States by a moratorium and put upon the backs of American taxpayers; $250,000,000 awarded to international bankers here and across the sea. To-day, sir, just as in the matter of the Farm Board's activities, we find that the moratorium was a dud, that it aided no people in reality, and that it permitted only short-term credits of international bankers to be paid on the other side of the water, and short-term credits upon this side of the water, as well.

Mr. President, we are tarrying along now in a fashion which seems incredible. There was a great monarch of France who once said, "I am the state," and, enunciating that doctrine, he did as he saw fit, not only with peoples but with the finances of his realm.

Following him came another Louis, and his mistress had a saying in which she again and again indulged. "After us, the deluge." It seems to me to-day that as we are indulging in legislation such as never before has been considered by any nation on earth in peace time, some of our brethern somewhere are saying, "After us, the deluge."

It may be that the deluge will not come until November next. It may be that it may be postponed beyond the month of June, and during that period all of us may cry in

accord upon this side of the Chamber, "After us, the deluge," and crying thus, sir, we may justify any kind of legislation, any dipping into the Treasury except dipping into the Treasury for just human beings.

Mr. President, it is a complicated machine, this governmental machine. It is complicated in its parts, it is complicated in all its movements. It is a beautiful machine in conception. There it stands, majestic in power, with its great driving wheels, its shining parts, its burnished brass. Here we stand basking in the reflected light of the burnished brass upon that machine. One philosophy of government sees the brightness, the great driving power, the wheels; sees, indeed, those things which are ever present to the eye, and, seeing those, believes that government consists solely of the great wheels, the driving power, the boilers, and the majestic machine which sits before us, and which is so bright in all its light.

There is another part of that machine, sir. Down underneath, in the dirt and grime, there are bolts and there are nuts and there are screws as necessary to the machine as the great working parts above. Down underneath, in the dirt and the grime, are little parts which perform their function in that governmental machine, and perform that function, sir, in just as important a fashion as the great driving forces which are present to the eye.

Some of us, with our philosophy of government, look not alone upon the brightness before us of that governmental machine which dazzles us with its power and with its magnificence; we look down underneath, too, in the dirt and the grime, to where there are men and women and children, men and women and children calling for just the same activity, care, and attention on our part that these great parts which are before our eyes demand and receive.

The difficulty with the legislation which has been passed thus far by the Congress in this depression has been that it has all begun at the top. Every bit of it has begun at the top, and every particle of it has been designed to brighten those great parts of the governmental machine which are ever present before us, and which mesmerize us with their very power.

Now, sir, finally we come down to the bottom; we come down to those who are little able to aid themselves. Inarticulate are they. No power emanates from them. Inarticulate are they; no ability theirs to arouse in us the servile desire of haste in their behalf. But they are human beings, just like you, sir, and just like me. You may resent it. I glory in it, that they are just like you and just like me, human beings; and among those human beings are not only the men but the women and the little children as well, and for the first time in the history of this depression, thanks to the assiduity and the ability and the pertinacity and the perseverance of Messrs. LA FOLLETTE and COSTIGAN, we are dealing with men and women and children who demand of the United States Government some sort of relief in this horrid period of disaster.

I am well aware that my friend the Senator from Pennsylvania eloquently said yesterday that we did not know what a depression really was. I recall how he painted 1819, when, after the Napoleonic wars, there was a cataclysmic period in this and every other country. I do not recall exactly what occurred in 1819, although I am almost old enough to do so, Mr. President, but I venture the assertion that more banks have failed in this depression in one State of the Northwest than the whole Nation possessed in 1819.

The Senator referred again to the black period of 1873. A black period indeed it was. He painted the picture of what transpired at that time as indicating that there was no cause for alarm now.

I recognize, I think, the value with some people of psychology, and for the last three years I have been hearing about how essential it was that we should do certain things for their psychological effect upon our people. I have read of statements that were made again and again and again and again of how prosperity was just around the corner, and that we were about to meet it if we turned and went the other way. I have heard that we were not in any period of real depression, that it was a state of mind, and that state of mind we could easily relieve if we forgot our fears.

The attitude that was taken by the Senator from Pennsylvania yesterday was that we were in a state of panic, and that that state of panic, I take it, from his view, was responsible for our particular plight now.

He said, indeed, and I quote him here in order that I may be entirely fair with him:

> Everything is sound in America, except we are in a stew of panic that can not last.

"Everything is sound in America, except that we are all in a stew of panic that can not last."

"Everything is sound in America!" Repeal, then, your Reconstruction Corporation act. There never was such an act passed in the history of any nation on the face of the earth in peace time. I challenge contradiction of that statement.

Repeal it if there is no panic, and if everything is sound, repeal it. The very fact that it was enacted, and enacted in the fashion that it was, is the demonstration that we have reached a period in this Nation when there must be relief.

I say relief, and I do not mean relief alone to bankers and to railroad people. Relief, I say, not only to bankers and to railroads, but relief just to God's common all, the common people of this land.

Direct action you have taken in your Reconstruction Corporation in behalf of your banks and your railroads. Direct action you will take in other regards. I quarrel not with it. I recognize that the situation is such that it may be absolutely essential that we do the things which have been done. But I say that when you do them, do not deny that the fact exists that relief is required to be given human beings, and do not say that that relief you accord by congressional action shall be extended only to these great corporations.

The Farm Board act, the Reconstruction Corporation act, all the things we have done of late in the nature of legislation, that which we are going soon to do, all are done because an emergency exists, because we believe it essential for the protection and preservation of business in this country, because there is a state of affairs existing such as has been described down the Avenue that rivals a state of war, and that state of affairs existing we have legislated as we have in behalf of banks and in behalf of railroads, and now some of the rest of us demand that we legislate in behalf of babies and of unprotected women, too.

That is the whole nub of this contest; that is the whole reason why there is a fight here over this bill. All there is to it is, are you going to recognize the trouble, the difficulty, the cataclysm, the catastrophe, the calamity which have come to us in the last few years in relation to business and deny it in relation to human beings?

The testimony is here before the Senate. I have before me, and I will not attempt to read it, the testimony from the Department of Labor of the United States Government. That testimony shows what? Unemployment, as never before in our history, with all its horrible consequences. Malnutrition in children.

That testimony shows what? Women about to become mothers underfed themselves.

That testimony shows what? The percentage of little children with rickets increasing greatly.

That testimony shows what? Tuberculosis rampant among the weak and among the children.

Then, tell me that you will give $2,000,000,000 to bankers and to railroads and will deny $375,000,000 of direct relief unto these children and those who need it most?

Mr. President, not long ago, very recently, a magazine article appeared that was very interesting to my Republican brethren. I read it to them because I know the force of the particular article is such that at once they will admit not only its verity but its absolute infallibility and authority. The article I read, sir, is from the Magazine of Wall Street, and I read it that our brethren may understand just exactly how the situation and our legislation is viewed. The title of the article is "The Irony of Big Business Seeking Governmental Management." That would have been an

impossibility a few years ago. It is an impossibility now under the philosophy of some of my friends upon this side. It is an impossibility under the cloaked opposition that may exist in this body to the Government doing anything as a government in behalf of just people. The article proceeds:

> It should be clearly understood that both the program outlined above and the frankly inflationary measures that may be later adopted are socialistic.

Ah, listen to that, gentlemen who are here representing the grand old Republican Party. The magazine of Wall Street tells you that what you have done is socialistic. Hide your heads and go about in sackcloth and ashes the rest of your days! Socialism you have embraced in what you have done! I am not frightened of it in the necessity that exists, but since you have made your adventure into socialism in behalf of banks and railroads, let us take a step just over the line in behalf of men and women and children who need governmental aid.

I continue with the article:

> Big business, always complaining of public intervention in economic matters, is now as insistent for governmental relief as the farmers have ever been.

Oh, what a dreadful thing! O ye who come from the farming districts in this country, who heard the arguments that have been made upon this floor when farm relief was suggested, just think of that! "Big business now," says the big business organ, "is doing exactly the thing and even worse than the farmers ever sought to do." What a marvelous confession, and yet there is nothing here to worry about, says our friend the Senator from Pennsylvania, when big business buries its shibboleth of fear in order to come cap in hand to the Government—nothing here that should affect us, as a matter of fact, at this peculiar juncture of affairs when big business comes to us. I admit all it needs to do is to come upon our floor and whisper, and we act. But when big business carries us into the socialistic field in the particular legislation we have adopted, why can we not listen to the cries of the babes with rickets, of those who have contracted tuberculosis, of those who suffer from malnutrition, of the mothers without sufficient to feed themselves? Why can you not respond to their cry and do for them what you have done for bankers and for railroad corporations?

The article continues:

> In fact the Reconstruction Finance Corporation is regarded primarily as relief from the top down through the banks and railroads. It is earnestly supported by the great bankers—

Marvelous!

> the railroad presidents—

More marvelous still!

> and the industrialists. Members of Congress, as they vote for this and other measures, are sarcastically remarking that the very men who have always advised Congress to keep out of business are now taking the lead in forcing it into business.

I read in the newspapers yesterday—I do not pretend to say whether the reports were accurate or not; I do not know; and I state merely that I am referring to newspaper articles—about inflationary measures that are going to be introduced or have been introduced in the Congress, and under which there would be such a tremendous revival that no longer would anyone be in difficulty for finances. As I read the story of inflation in some of the papers I thought of "Sockless Jerry Simpson," in days that most of you have forgotten, of Peffer, who sat in this body in the seat that is now occupied by the very able and distinguished Senator from Kansas [Mr. CAPPER]. I think if he sat there now, with that great tangled beard of his, out of which he may have taken a robin and a wren, how he would chortle with glee as he read of an inflationary measure that would give us $2,000,000,000 more of currency in circulation.

We are going far along. We are taking great strides. Some of those people of the past, some of those who preached their doctrine upon deaf ears years and years ago, if the grave enables them to see and understand what is transpiring here to-day, may laugh and may chortle, and may say that finally unto them has come that which was their due.

"No crisis, practically," says our friend from Pennsylvania. "Everything is sound in America, except we are all in a stew of panic that can not last. People can not remain scared indefinitely," said he. "We are coming out of the depression just about as fast as we went into it," said he. Where have I heard that language before? I would not say that I have heard it down the Avenue again and again, again and again. I will not pretend that out of the door of the White House, as the industrialists marched in the latter part of 1929 or in 1930, we heard just that sort of thing. I do not know, but the language is very, very familiar.

We have no real difficulties now, it may be said. We are merely in a panic of fear, and fear can not last. That may be so with some; that may be so, Mr. President, with some of the smug gentlemen who have never felt a loss and who do not understand what common people are. That may be so, sir, with those who legislate exclusively for banks and for railroad companies. But, sir, it is not so for the man who tramps the streets without a job. It is not so for the woman who sits at home in grim despair, waiting, waiting, waiting in the hope that she may receive relief. It is not, so, sir, with the children now from malnutrition suffering all the ills of childhood which we thought we had escaped.

It is not so, sir, in the walks of your life and mine, for I, sir, have no shame in saying that every man I know, every man I love, every man who has been my intimate for more than 45 years, walks the streets to-day practically broke. To tell him that he has just a panic of fear and that there is nothing the matter with this country is, my dear sir, like in the olden times when naively those who understood little of what the people were suffering said, "If they can not have bread, let them eat grass."

It comes from absolute inability to understand just what are the positions in which we find ourselves to-day and what are the conditions which confront us to-day and from a lack of comprehension of just common humanity. There is an inability in some men in politics, some men in high office, some men in high position—there is an inability for some men to know what there is in the heart and in the mind and in the blood of the individual who walks the street just an ordinary man. We who keep in touch with conditions in this country know what those conditions are when the reports are before us from the United States Government of their effect upon the children of this land.

Mr. President, we have fed children before. We have appropriated money in the past in order that children might receive that nourishment which a Divine Providence would always give to them. We have fed children before by appropriations that were staggering in amount in the Congress of the United States. We have fed them, sir, at the instance of the very power which to-day opposes this measure to aid children in this land. It is only eight years ago that in a demand for an appropriation which was accorded him the President of the United States said:

> Our only hope is that the next generation will be better than this one, and there is no hope if they are to be stunted and degenerate from undernourishment. I recognize the arguments that may be brought against charitable actions, but I refuse to apply those arguments to children.

When Mr. Hoover uttered those words he was eternally right. His spokesmen upon the floor of the Senate, when they deny them, are viciously wrong. He was right then. He would not then apply harsh rules to children. I ask that they be not applied to children to-day. I ask and the bill asks that those who are children and those who are men and those who are women who require assistance of the United States Government be accorded that assistance.

There is a difference in the viewpoint, as I said in the beginning of my remarks. There are those who look naively upon others who are less fortunately situated than themselves, who say with a smug philosophy which we thought exploded years ago, "Let every man be pleased to fill the position in which the Creator has placed him and let him

not covet any other." That is the philosophy of a certain class of superior beings in dealing with just human beings. Remember the greatest man in all history was the poorest. Remember, ye who have little thought of those who are suffering to-day. He ever had before Him and in His mind the poor and the weak and the suffering, and He has left to us the beautiful legacy of caring for little children and for those who require care.

To-day, Mr. President, we stand in the consideration of this bill in a peculiar sort of contest. It does not make any difference whether the bill passes or not. My opinion at this time is that it is very likely to see success in this body, and it will be a very proud moment for the body when ultimately it shall have met the success it deserves here, but, Mr. President, this, I repeat, is the irreconcilable conflict: Are we going to do one thing for big business, for the corporations, for the railroads, and for the banks, and are we going to do it as a war measure in reality—for that is what it has been termed—as an emergency measure—for that is what it has been asserted to be—and are we going to deny the same kind of relief unto just ordinary human beings?

That is the problem that is presented in this bill. I am glad, sir, to take my stand with the proponents of the bill and to do what little lies in my power in its behalf. Indeed, I am very glad to have the opportunity, not only to do justice unto one class of our people but to endeavor to do justice unto all. When we have recognized the plight of business; when we have remedied that plight as best we may; when we have accorded business all that busines said it wanted, and have done it overnight, with little knowledge upon the part of our people; when we have enacted legislation that is designed solely to enable great industrialists and banks and railroad magnates to have what they claim, sir, let us do something in behalf of the other class that constitutes this Government, the class that constitutes our people, those who do the job in time of peace and those who fight the fight in time of war.

When Mr. Hoover made his statement eight years ago concerning children, I repeat, he was eternally right; but he was speaking of children beyond the sea. Sir, I ask you, is a child of Europe entitled to one treatment from the United States Government and a child in America to be denied the very same treatment from the United States Government? When did we alter the rule of conduct in this country so that we responded to Europe first and America last? This is an American question, involving American children, involving American men and American women. For our own country, sir, and in the name of humanity for once in this administration, let us be American-minded and look after Americans.

Mr. McNARY. Mr. President, I desire to propose the unanimous-consent agreement which I send to the desk; and, inasmuch as a time is fixed for a final vote on the measure to which it relates, I suggest the absence of a quorum.

The VICE PRESIDENT. Let the proposed unanimous-consent agreement be first read.

The legislative clerk read as follows:

Ordered, by unanimous consent, that after the hour of 2 o'clock p. m. on the calendar day of Monday, February 15, 1932, no Senator shall speak more than once or longer than 15 minutes upon the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, or upon any pending amendment.

Ordered further, That on said calendar day of Monday, February 15, 1932, at not later than the hour of 5 o'clock p. m., the Senate will proceed to vote without further debate upon any amendment that may be pending, or that may be proposed, and upon the bill through its regular parliamentary stages to its final disposition.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Bingham	Broussard	Carey
Austin	Black	Bulow	Coolidge
Bailey	Blaine	Byrnes	Costigan
Bankhead	Borah	Capper	Cutting
Barkley	Bratton	Caraway	Dale
Davis	Johnson	Neely	Thomas, Okla.
Dill	Jones	Norbeck	Townsend
Fess	Kean	Norris	Trammell
Fletcher	Kendrick	Nye	Tydings
George	Keyes	Oddie	Vandenberg
Glass	King	Patterson	Wagner
Goldsborough	La Follette	Pittman	Walsh, Mass.
Gore	Lewis	Reed	Walsh, Mont.
Harrison	Logan	Robinson, Ark.	Waterman
Hatfield	McGill	Schall	Watson
Hawes	McKellar	Sheppard	Wheeler
Hayden	McNary	Smoot	White
Hebert	Metcalf	Steiwer	
Howell	Morrison	Stephens	
Hull	Moses	Thomas, Idaho	

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present. Is there objection to the unanimous-consent agreement proposed by the Senator from Oregon [Mr. McNARY], which will again be read?

The Chief Clerk again read the proposed unanimous-consent agreement.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, a few minutes ago from a conversation with the Senator from Michigan [Mr. COUZENS] I understood that he had a suggestion to make with respect to lengthening the time of debate from 15 minutes to 30 minutes. I requested him to be present. I have sent for him and think he will be here in a moment. In his absence I would hesitate to have the agreement entered into. However, Mr. President, I do not know of anyone who is prepared to go forward with the debate to-day. May I ask the Senator from Wisconsin if there is any Senator whom he knows who desires to continue the discussion?

Mr. LA FOLLETTE. So far as I know, there is no Senator who is prepared to proceed this afternoon with the debate upon the bill.

Mr. McNARY. Then if the unanimous-consent agreement shall be entered into, I shall ask the Senate to take a recess until Monday next, at 12 o'clock.

Mr. LA FOLLETTE. I should like to be recognized before the Senator makes that motion.

The VICE PRESIDENT. Is there objection to the unanimous-consent agreement proposed by the Senator from Oregon?

Mr. McNARY. Mr. President, I am advised that the Senator from Michigan will be here in just a moment. I may add that if the debate shall be concluded on Monday in conformity with the provisions of the proposed unanimous-consent agreement, then on Tuesday we may go forward with the Calendar of General Orders, which is now somewhat extensive, and with the Executive Calendar, and then we may take up some unfinished business at that time.

Mr. LA FOLLETTE. Mr. President, if the Senator will yield, I understood also that there was some likelihood that there might be a report from the Committee on Banking and Currency which would have to do with legislation of great importance, and that that might also be taken up after the final disposition of the pending measure, if it shall be the pleasure of the Senate to do so.

Mr. McNARY. Mr. President, I take the liberty, in the absence of the Senator from Michigan, of asking a modification of the proposal which I made a few moments ago. I gathered from the Senator from Michigan that he desired the time for debate extended from 15 minutes to 30 minutes, and the final vote to be taken at 6 o'clock.

Mr. COUZENS entered the Chamber.

The VICE PRESIDENT. The question is on agreeing to the unanimous-consent proposal made by the Senator from Oregon, which the clerk will read.

The Chief Clerk read as follows:

Ordered, by unanimous consent, that after the hour of 2 o'clock p. m. on the calendar day of Monday, February 15, 1932, no Senator shall speak more than once or longer than 15 minutes upon the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, or upon any pending amendment.

Ordered further, That on said calendar day of Monday, February 15, 1932, at not later than the hour of 5 o'clock p. m., the Senate will proceed to vote without further debate upon any amendment that may be pending or that may be proposed, and upon the bill through its regular parliamentary stages to its final disposition.

Mr. COUZENS. Does that mean 15 minutes on an amendment and 15 minutes on the bill?

Mr. McNARY. That is my construction. It gives 30 minutes on the substitute the Senator may have to suggest to the one now pending.

Mr. COUZENS. The language is "or any amendment." Does that mean 15 minutes on any amendment, no matter how many amendments may be offered?

Mr. McNARY. It does.

Mr. COUZENS. So that under the unanimous-consent agreement proposed a Senator could talk almost any length of time by offering amendments. Is that correct?

Mr. McNARY. That is correct.

The VICE PRESIDENT. Only on the pending amendment, however. A Senator could speak for 15 minutes on each amendment, and there would be only one speech of 15 minutes on the bill.

Mr. COUZENS. Yes; but I understand that no matter how many amendments might be offered, a Senator would have 15 minutes on each amendment; so that, as a matter of fact, the amendments could be extended out so as to consume the whole time. Is that correct?

The VICE PRESIDENT. Not later than 5 o'clock.

Mr. McNARY. I am willing, in order to meet the Senator's proposition, to extend the time to 30 minutes on the amendment and substitute, and have the final vote at 6 o'clock. Will that meet his objection?

Mr. COUZENS. I think that is better; but I still am not clear as to whether one Senator might not get the floor and talk for the whole time on the bill and each amendment that might be pending thereto.

Mr. McNARY. Mr. President, I think I understand that proposition. The 15 minutes applies to the bill and the amendment then pending, but it does not mean 15 minutes on the bill and every amendment that may be offered.

Mr. COUZENS. That was the parliamentary inquiry I made.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I yield to the Senator from Kentucky.

Mr. BARKLEY. It would be much easier for one Senator to get the floor and occupy it for the entire time if he has 30 minutes on the bill and 30 minutes on each amendment than if he has 15 minutes on the bill and 15 minutes on each amendment.

Mr. COUZENS. That is the reason why I was trying to get the interpretation of the Chair as to whether this 15-minute or 30-minute limitation was upon each amendment, no matter how many there were, or whether the 15-minute or 30-minute limitation was upon all pending amendments.

Mr. BARKLEY. While only one amendment can be pending at a time, of course there may be an unlimited number of amendments printed and lying on the table.

The VICE PRESIDENT. Only one amendment can be pending. A Senator would have 15 minutes on the bill and 15 minutes on the pending amendment.

Mr. COUZENS. I should like to ask just what is the advantage of having this matter go over to-day for the purpose of getting this unanimous-consent agreement. Why can we not stay here to-day and finish it?

Mr. McNARY. I can answer that. It is proposed in all fairness to those who are absent. There are a great many, I think probably 18 or 19 Senators absent, many of whom desire to be present and register their votes, but they were unable to obtain pairs. That operated disadvantageously on both sides of the aisle; and to meet that particular situation, so that all could be present, I thought it a matter of wisdom that some time should be set in the future for the final vote.

There is no reason why any Senator who wants to discuss the bill may not go forward to-day. That has no connection with the time set for a final vote. I can not see how the Senator from Michigan would sacrifice any advantage he may have by reason of the adoption of this unanimous-consent agreement. In view of the fact that he has pending a substitute, therefore, I am willing in order to meet his situation, if it does so, to extend the time to 30 minutes upon the bill and amendments.

Mr. LA FOLLETTE and Mr. BARKLEY addressed the Chair.

The VICE PRESIDENT. Does the Senator from Oregon yield; and if so, to whom?

Mr. McNARY. I yield to the Senator from Wisconsin, who was first on his feet.

Mr. LA FOLLETTE. Mr. President, I was about to suggest to the Senator from Michigan that if he desires that provision incorporated in the unanimous-consent agreement, there ought to be some time, prior to the time fixed for a final vote on the bill, when the limit would be shorter than 30 minutes, because otherwise after 2 o'clock each Senator who got the floor, if he desired to use it, would have an hour. He would have half an hour on the pending amendment and half an hour on the bill. Between 2 o'clock and 5 o'clock there are only three hours; and it might result in only three Senators having an opportunity to speak.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. COUZENS. I suggest that the time be extended to 6 o'clock. That may overcome some of the objections of the Senator from Wisconsin.

Mr. McNARY. I am willing to extend the time.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. Yes.

Mr. BARKLEY. I understand it is the Senator's plan to recess over until Monday.

Mr. McNARY. It is.

Mr. BARKLEY. There are a large number of bottled-up speeches yet undelivered on this bill. Why should we not meet at 11 o'clock instead of 12 o'clock Monday?

Mr. McNARY. I am perfectly willing to do that.

Mr. BARKLEY. So far as I am concerned, I should like to go on with it to-day and to-morrow.

Mr. McNARY. Let me propose a change—that we meet at 11 o'clock on Monday.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Michigan?

Mr. McNARY. I yield.

Mr. COUZENS. There are to be meetings of the Banking and Currency Committee on Monday that have been arranged for a week or more by the Senator from Indiana [Mr. WATSON], who is chairman of the subcommittee; and obviously we can not be on the floor and holding these hearings at the same time.

Mr. McNARY. Then, Mr. President, let me suggest that we meet at the accustomed hour of 12 o'clock and have the final vote at 7 o'clock.

Mr. BARKLEY. I thought the Committee on Banking and Currency had already reported out all the inflationary bills it could.

Mr. FESS. Mr. President, will the Senator yield to me for a suggestion?

Mr. McNARY. I yield to the Senator from Ohio.

Mr. FESS. Why would it not be a good plan to leave the proposal as suggested by the Senator from Oregon, with the amendment that the Senator from Michigan [Mr. COUZENS] shall have 30 minutes on the amendment he proposes? I think everybody is agreed to that.

Mr. McNARY. That is certainly very agreeable, if the Senator so desires. He would have it under the proposal I have already made. He has 15 minutes on the bill and 15 minutes on the amendment.

Mr. COUZENS. I am not suggesting that any change be made on my account.

Mr. McNARY. The Senator will have full opportunity. Would it not be well, then, to commence at 12 o'clock on Monday, and have the final vote at or before 7 o'clock?

Mr. COUZENS. That is entirely satisfactory to me.

Mr. McNARY. Then I propose that modification.

Mr. THOMAS of Oklahoma. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Oklahoma?

Mr. McNARY. I yield to the Senator.

Mr. THOMAS of Oklahoma. I have no objection to the time of convening on Monday, but I shall have to object to fixing a time for a final vote; and, if I can have the time, I will state in a moment my objection.

When the bill is finally perfected, ready for a vote, if in my opinion the authorization is not sufficiently broad, I desire to offer a new section on the authorization clause; and at that time I should like to have a few minutes to explain my reason for offering the amendment. It will not take more than 5 or 10 or 15 minutes, but I do not want to be cut off from that opportunity.

I have no objection to an agreement to have a vote on Monday, but I shall object to fixing a definite time.

Mr. McNARY. The Senator desires an opportunity to explain his proposal, which he says would come when?

Mr. THOMAS of Oklahoma. Immediately before the final vote is taken. After the bill is perfected, if the authorization section is not as broad as I think it should be, I desire to offer an amendment broadening it, and then I desire for a few moments to explain my position.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. COUZENS. I think this matter had better go over until Monday, then, and see what we can do, because if Senators are going to make all of these reservations, the agreement will not mean anything finally, anyway.

Mr. McNARY. Very well, Mr. President. I think it is generally understood that we all should be here then, and that a vote probably will be taken Monday.

I now move a recess——

Mr. LA FOLLETTE. Mr. President, I desire to obtain recognition before a recess is taken.

Mr. McNARY. Very well.

Mr. LA FOLLETTE obtained the floor.

RECESS

Mr. McNARY. Mr. President, in view of the situation, I move that the Senate take a recess until 12 o'clock noon on Monday.

The motion was agreed to; and (at 1 o'clock and 37 minutes p. m.) the Senate took a recess until Monday, February 15, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, FEBRUARY 12, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, may we be thankful to-day for a Nation at peace, for a Nation that seeks in every wise to promote international cooperation and brotherhood. We thank Thee, our Father, for the sweep of its ideas and for the challenge of its ideals, and for a Republic whose glory is not in titles nor ranks. To-day we take courage and inspiration from the great sons of our historic past, and especially for the great commoner who sprang from the loins of the common soil. As long as we remain a people our poor lads will look down the lanes of the years and dream the old dreams, feel the old thrills, and be stung by his might. O more and more bring together all sections of our country. Be pleased, O Lord, to remember our President and our Speaker. Be Thou Emmanuel to all who are toiling and struggling, to all who are tempted and distressed by trial. O be near all who are suffering from the pangs of hunger or are harassed by poverty; but be very, very near all who are sick with famine of soul. Bring all creeds into a common circle; may they lean charitably and sympathetically upon one another; and, merciful Father, breathe into the hearts of all men the spirit of humanity. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the amendments of the House to a bill of the following title:

S. 1306. An act to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial.

CHANGE OF REFERENCE

Mr. WILLIAMS of Texas. Mr. Speaker, I ask unanimous consent that the bill (S. 2396) to amend section 11 of the act approved February 22, 1889 (25 Stat. 676), relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington, referred to the Committee on the Territories, be referred to the Committee on the Public Lands.

The SPEAKER. The gentleman from Texas asks unanimous consent that the bill S. 2396, referred to the Committee on the Territories, be rereferred to the Committee on the Public Lands. The Chair understands that the chairmen of the two committees are agreeable to the transfer.

Mr. WILLIAMS of Texas. Yes.

The SPEAKER. Is there objection?

There was no objection.

FRED J. KERN

Mr. KARCH. Mr. Speaker, I ask unanimous consent to address the House for two minutes, and for leave to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. KARCH. Mr. Speaker, it is my sad mission at this moment to announce to the House the recent death of Hon. Fred J. Kern, who served in this Chamber during the Fifty-seventh Congress.

Mr. Kern represented at the time the eighteenth congressional district of Illinois, virtually the present twenty-second congressional district of that State, which I now have the honor to represent in this distinguished body.

Mr. Kern was born on a farm in St. Clair County, Ill., on the 2d day of September, 1864, and remained a resident of that State and of that county throughout the entire period of his life. He died at Belleville, Ill., on the 9th day of last November, at the age of 67 years, 2 months, and 7 days. He is survived by his wife and two sons.

His circumstances compelled him to work for a living at an early age. His first employment after leaving the farm was that of a coal miner. Later he taught country school, and in the year 1891, having discovered his genius, he ventured into the journalistic field.

In that year he purchased an interest in the Belleville Daily News-Democrat, one of the oldest newspapers in Illinois, later becoming the sole owner of the institution, which, under his efficient guidance and powerful editorship became, as he left it, one of the largest and most influential newspapers in the State of Illinois outside of the metropolis of Chicago.

Mr. Kern possessed a brilliant mind and a most remarkable memory. He leaves a reputation of having owned the largest and best selected private library in the State of Illinois, and of having read every volume of it. He was liberally versed in every branch of knowledge.

I know of no one who excelled him in the mastery of the English language. He was equally adept in the most savage contumely and tenderest eulogy. He wielded the keen edge of invective and sarcasm and ridicule with the deft hand of a Saladin, yet, in his serener moods, his diction rivaled the erudite and the elegant style of Woodrow Wilson. His indomitable courage of conviction and dynamic eloquence won for him the tribute of having been one of the great orators of his time.

He was a Democrat of the Jeffersonian type, which creed he promulgated with untiring and unwavering constancy.

In the dark and disheartening days of his party's adversities, when countless numbers of its adherents faltered in

their fealty, when its national leaders sulked in their loyalty and many of them even renounced the principles and doctrines of the immortal leader, Mr. Kern, like a lonely soldier, carried on and on, and of him it may well be said that but for Fred J. Kern and the wide influence of his newspaper there would not have been a semblance of party organization in the southern half of Illinois in 1928.

Mr. Kern was not an ordinary man. He belonged to that type we call supermen. Physically he was of iron endurance; intellectually, a prodigy; spiritually, benign to a fault. He dissipated not a moment of his life in dalliance—always at work.

Fearless in denouncing vicious systems and malefactors against society, he was always ready to meet in physical combat—though one handed, as he unfortunately was—the men, and there were many of them, who resented his righteous vituperation with the challenge to arms.

He cringed before no human terror. It was his editorial excoriation that broke up the late savage and predatory careers of Glenn Young and Charley Birger in southern Illinois, the most notorious outlaws that ever terrified society; yet he feared not to walk straight into their rendezvous to investigate their diabolical conspiracies and sanguinary activities.

Single-handed and alone, he fought and destroyed the Ku-Klux Klan, which terrorized the inhabitants and dominated the politics of southern Illinois for four long and bloody years under the leadership of the same Glenn Young.

As a humanitarian Mr. Kern takes his place alongside Altgeld and Bryan and Wilson and Lincoln. The dying words of Altgeld, "I would rather touch a star and die a pauper than grovel in the dirt with millions," was his life's motto.

Above the turmoil of excitement that surged around him his spirit was serene and kindly—

> As some tall cliff which rears its awful form,
> Swells from the vale and midway leaves the storm,
> Though round its breast the rolling clouds are spread,
> Eternal sunshine settles on its head.

During the administration of Edward F. Dunne, Governor of Illinois from 1914 to 1918, Mr. Kern was chairman of what is known in that State as the board of administration, under which the charitable and penal institutions are managed and controlled.

Entering upon this position, he found many forms of cruelties, inefficiencies, and archaic and wasteful systems in vogue. In his zeal for the higher humanities he abolished each and every one of these systems and vices, which seemed so impregnably enthroned, and modernized and humanized these institutions from top to bottom.

Barbaric methods of discipline were banished from penitentiaries. The insane were tenderly controlled. The newest and most scientific methods of correction and cure were inaugurated. The most skillful physicians and psychiatrists to be found in the country were provided for these unfortunates. At the end of his administration these institutions stood out as the models for all the States in the Union.

As a Member of this House, his career was as spectacular as it was brief. His profound intelligence and his deep understanding of the problems of his country readily impressed his colleagues in the Fifty-seventh Congress, and enabled him to gain a prominence throughout the Nation rarely coming to a Member of only one term.

There still remain three Members in the present House who were his contemporaries—the gentleman from North Carolina [Mr. POU], the gentleman from Iowa [Mr. HAUGEN], and the gentleman from Nebraska [Mr. SHALLENBERGER].

I recall, having been his secretary, his most intimate associates and friends in that session as having been Burleson and Henry and Ball of Texas and De Armond and Clark of Missouri.

His outstanding attributes in life were his honesty in public life and his unswerving devotion to the cause of the common people. I know of no one who rendered a greater service in the interest of good government than he. The Nation suffers the loss of one of its very best citizens.

Truly it has been said, Mr. Speaker, "What shadows we are! What shadows we pursue!"

> As shadows cast by cloud and sun
> Flit in the summer's grass,
> So in Thy sight, Almighty One,
> Earth's generations pass;
> And as the years, an endless host,
> Come pressing swiftly on,
> The brightest names that earth can boast,
> Just glisten and are gone.

DEPARTMENT OF AGRICULTURE REGULATIONS

Mr. JONES. Mr. Speaker, I ask unanimous consent to insert in the RECORD the corrected regulations prepared by the Department of Agriculture governing loans to be made to farmers.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. UNDERHILL. Reserving the right to object, and I shall not object if the gentleman insists, but might I suggest that the value of this is so great that it would be in a much more convenient form for the public if it were published as a House document. It would be much better to consult the Committee on Printing and have it published as a House document.

Mr. JONES. I think that is a good suggestion, and if it is in order, I make that request.

The SPEAKER. The gentleman can not do that by unanimous consent. The Chair will say that the printing of documents is governed by statute.

Mr. JONES. Then, Mr. Speaker, I will wait until a future time.

The SPEAKER. By special order of the House, the gentleman from Illinois [Mr. CHIPERFIELD] is recognized for 40 minutes.

Mr. YATES. Mr. Speaker, this is an important day, and the gentleman from Illinois is going to speak on an important subject. I make the point that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point that no quorum is present. The Chair will count. [After counting.] Ninety-two Members present; not a quorum.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

The motion was agreed to; accordingly the Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 17]

Abernethy	Dieterich	Johnson, Wash.	Purnell
Baldrige	Douglass, Mass.	Kahn	Rankin
Beck	Doutrich	Kelly, Ill.	Ransley
Beers	Drewry	Kelly, Pa.	Reid, Ill.
Bloom	Dyer	Kemp	Rich
Boland	Eaton, N. J.	Kendall	Rogers
Bowman	Erk	Kennedy	Sabath
Brand, Ga.	Estep	Kerr	Seger
Briggs	Fish	Kurtz	Sirovich
Britten	Fishburne	Lankford, Va.	Smith, Idaho
Brunner	Freeman	Lea	Smith, W. Va.
Buchanan	Gambrill	Lewis	Snell
Burdick	Garrett	Lovette	Stalker
Campbell, Pa.	Glover	McClintock, Ohio	Stewart
Carley	Golder	McDuffie	Strong, Kans.
Celler	Goldsborough	McGugin	Sullivan, Pa.
Chase	Griffin	McLaughlin	Swick
Cochran, Pa.	Hadley	McMillan	Taber
Cole, Md.	Hall, Miss.	Manlove	Taylor, Tenn.
Collier	Hancock, N. C.	Moore, Ohio	Thurston
Colton	Hart	Nelson, Wis.	Treadway
Connery	Hartley	Niedringhaus	Tucker
Cooke	Hopkins	Norton, N. J.	Underwood
Coyle	Igoe	O'Connor	Vestal
Crosser	Jacobsen	Oliver, Ala.	Watson
Crowther	James	Oliver, N. Y.	Welsh, Pa.
Curry	Jenkins	Owen	White
Davenport	Johnson, Ill.	Parks	Wigglesworth
De Priest	Johnson, Okla.	Pettingill	Withrow
Dickstein	Johnson, S. Dak.	Pratt, Harcourt J.	Wood, Ind.

The SPEAKER. Three hundred and ten Members are present, a quorum.

Mr. BANKHEAD. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

The SPEAKER. Under special order, the gentleman from Illinois [Mr. CHIPERFIELD] is recognized for 40 minutes.

ABRAHAM LINCOLN

Mr. CHIPERFIELD. Mr. Speaker, many years have come and gone since the earth last saw the beloved form of the Great Emancipator.

Although now they almost equal in number the allotted span of the life of a man, not a single laurel that was placed upon his brow by the loving hands of a grateful people has been withered and not one has faded under the destroying hand of time.

The passage of the years has but added to the freshness and luster of those laurels, and his memory has become the more fixed and established, until to-day we again gather in reverence to do homage to the deeds and achievements of one of the Nation's greatest—Abraham Lincoln.

In the State from which I come, as well as in the other Commonwealths of the Nation, his greatness is not forgotten, nor are the deeds which he performed lost to remembrance, nor is their glory lessened; and though he has long since passed to the glorious company of the immortals, yet in truth he now lives and speaks wherever the thought of liberty finds lodgment in the mind of man.

As the gray twilight brings the day to a close on the broad prairies of Illinois mothers draw their little ones to their knees and tell in tones of affection o'er and o'er again the entrancing story of the life of this great man. And as the tale holds the youthful listeners spellbound, they do not dwell on the battles of years gone by, but speak they rather of his humble origin, of the devoted mother who guided his childish steps, of the struggling youth, the sturdy and determined manhood, and the just and loving heart that found vast expression in the beneficent life that gave to us a most precious legacy—the memory of one of the greatest and most loved men since the days of the Savior of the world—the memory of the humble rail splitter of the prairies of Illinois. [Applause.]

Others may speak of Lincoln the leader, the statesman, the President, but I speak this day of Lincoln the humane, of Lincoln the man, and the life that has endeared him to all liberty-loving citizens of the world.

From the humility of his origin, the hardships and privations of his youth, the sorrows and sympathies of his maturer years, the disappointments and triumphs of his life, out of the wisdom that he acquired in this harsh school of adversity came one who was recognized by the people of his time and class as a comrade, a companion, and a friend; one with whom even yet to-day we can walk in the same intimate, close, and tender association.

At this day we can not understand the severity of the struggles by which he rose or the bleak barrenness of his life which he describes as "the short and simple annals of the poor." In afteryears he could not bear to speak of those days, and so far as his words are concerned they are a sealed book.

In all the length and breadth of the land to-day there is not poverty such as he knew. It is not accurate for men to say that his life was the common lot of the sturdy pioneer of those days, for this is not correct.

Why, I can not tell, but so it is, that when a vast work in the affairs of nations is to be accomplished and a great man is required, the early scenes of his life are almost invariably laid amidst the humblest surroundings, and in homes where love has supplied the greater part of the needs of childhood days. It was so with Gideon, David, Luther, Garfield, Webster, Grant, Edison, and many others, and so it was, although to a much greater degree with Lincoln.

Reared in a cabin that was inferior to the shelter of the animals on the farm, housed in a structure that was for a long time without windows, doors, or a floor and that was not even enclosed on all four of its sides, here his early years were spent. The furnishings, meager and cruelly crude, were hardly worthy of the name; his resting place was a bed of leaves laid upon a rude support of poles. Here dwelt and developed the indomitable spirit of the lad, who, while his heart was ofttimes saddened, though not embittered, by the privations he experienced and the hardships he endured, suffered not his courage to fail.

Here it was that he learned the vast sympathy and the broad affection for his fellow man that a mansion or a palace does not seem to favor or create.

The church wisely reverences the humble cradle and abode of the Savior, and the American people find inspiration in the life of the youth who, as from a chrysalis, outgrows his humble surroundings and emerges triumphant with a character glorious and beautiful.

And so the lad of poverty triumphed until at his death the world stood silent and the monarchs of the earth bowed their heads in grief and laid their tributes upon his bier as he made his last journey, silent and still, by night and by day, through the unbroken ranks of sorrowing citizens, to the old home, in the heart of Illinois, where now his sacred dust reposes, a precious trust of the people of that State. [Applause.]

Between the humble home and the last imposing spectacle lay a life of love, devotion, and service. In it all is not found one day of selfish ease or idle self-indulgence. No anchorite ever lived more humbly or toiled more vigorously to attain the goal that was to be his.

To me it is a delight and a privilege to trace in imagination his triumphant, though weary, steps.

Love and service, attended with the highest devotion to duty, marked his course. His guide and counselor in those days of privation was a wonderful mother, whom he loved with all the devotion of his boyish heart, and of whom he said: "All that I am or ever hope to be, I owe to my angel mother." When the summons came to the rude hut and called her from earth away, it left the lad bereft and alone, and none could bring him comfort.

It was the first staggering blow to a life that already well knew sorrow.

Father and son with their own hands hewed out the rude casket, and winding her in her humble shroud, laid her away forever from the sight of man, to await that glorious day of awakening when instead of being one of the humblest of the earth, she would be welcomed to the life beyond as the heroic mother of one of the world's noblest. [Applause.]

Denoting the steadfastness of his devotion and purpose and the strength of his affection, the lad grieved day by day because no words of consolation and benediction had been spoken over the last resting place of his loved one, until learning that a man of God was at a distant point, months afterwards, he trudged his weary way over hill and dale and through the lonely forest that the mother might have Christian burial, and gladly brought to her grave a holy man to perform the last rites and there speak the words that brought comfort and peace to his heart.

As the Virgin Mother of God is remembered by the faithful, so is lovingly adored by the people of the land the mother of Abraham Lincoln; and in the vision of all mothers who toil and struggle in sacrifice, through poverty and hardship, that their children may start the world aright, she stands as a patron saint, a guiding light, and a glorious inspiration. [Applause.]

The struggles of his boyhood days and their biting poverty left a melancholy impress on his mind and soul.

They gave to him for his entire lifetime the sensitive heart of a child.

He could see no wrong done or hurt come to any living thing without himself being hurt.

He sorrowed with the sorrowful, and his tears fell with those who had been wounded and broken on the march of life.

His soul responded to the sufferings of the world.

Through his bitter experiences no man could better understand than he the fatherhood of God and the brotherhood of man, and this sympathetic comprehension animated and guided his every act.

In all the record of his life no mean deed is written, and in the story of his career, as orally preserved by tradition in the State from which I come, there does not remain even the suggestion that he was capable of a selfish or unworthy act.

As only a starved soul could yearn, he desired affection, and when this was given to him by Anne Rutledge it was returned with an ardor that was great. Many say that Anne Rutledge is a myth. I have visited her grave near the town of old Salem, where it is said that after her death Lincoln came often in sadness, and would not be consoled. It is repeated that at one of these times, he said that the true inscription for her resting place should be, "Here lies the body of Anne Rutledge and the heart of Abraham Lincoln."

Ofttimes he was oppressed with grief, and for days he would seem to be crushed by it. At such a time he once said:

I am now the most miserable man living. If what I feel were distributed among the whole human family, there would not be a cheerful face on earth. Whether I shall ever be better, I can not tell. I awfully forbode I shall not. To remain as I am is impossible; I must die or be better, it seems to me.

With his sensitive nature he sought the love of those with whom he was brought in contact. Their esteem and good opinion sustained, encouraged, and supported him. Without it he was cast down and disheartened. His reward—and the only one he sought—was the approval of his countrymen. And in later years the knowledge that he was at variance with a great section of the land caused him the most poignant grief.

It is worthy of much comment that although Lincoln—as he states—had the advantage of only six months of school, and no opportunity for what is sometimes called higher education, yet he was a man of great and profound knowledge.

Perhaps not widely versed in the details of the arts or sciences, yet he knew men. He knew their thoughts and minds and souls and the motives which animated them. He knew their strength and their weakness. He was brother and father to all mankind, and knew their sorrows and their trials. To them he could speak in simple words that touched their deepest sensibilities, and could play upon the chords of their emotion in language plain, it is true, but with words that lived and breathed; in language that stands to this day as an unparalleled example of literary style.

If you ask where he attained this power the answer, it seems to me, is easy to give. He and his forbears were born amid surroundings where life was stern and where each day was an actual struggle for existence. Under these conditions speech was as plain as the method of life. There they employed the good old Anglo-Saxon of a century past. They stripped from their meager vocabulary all effete and soft words and left remaining only those that were strong and vigorous, and of these they did not employ many.

The Bible was almost the only book, and its influence upon their speech was marked. Lincoln used words that were dynamic in their vigor. The addition of a syllable to a sentence was to him a matter of profligacy.

Each phrase was cut to the last degree, and thought was given expression in sentences that were strong, direct, and filled with meaning.

Lincoln used the monosyllable whenever possible, and his sentences ofttimes were almost entirely made up of these elementary words. When he spoke to the people in these simple terms they listened to him gladly, as they did in days of yore to the Man of Galilee, whose words were also plain and touched the hearts of all.

In this simple style Lincoln said:

I am not bound to win, but I am bound to be true. I am not bound to succeed, but I am bound to live up to what light I have. I must stand with anybody that stands right; stand with him while he is right and part with him when he is wrong.

And so, again, they were employed by him in making this prediction:

The mystic chords of memory stretching from every battlefield and every patriot grave to every living heart and hearthstone will yet swell the chorus of the Union when again touched as they will surely be by the better angels of our nature.

[Applause.]

And it was in these same words of common speech that he astonished and charmed the world when in their marvelous beauty he paid his tribute on the field of Gettysburg to the men of the land who had given their lives that the Nation might live forever. This famous speech consisted of about 300 words. Of these, 204 were words of one syllable.

In all of his preparation for his life work he was thorough and painstaking to the last degree. One day he was confronted with the word "demonstrate." Asking himself what it was to demonstrate, he went to his dictionary and saw that its meaning was "to make clear." He asked himself the question whether he could demonstrate and "make clear," and his answer was that he could not. Thereupon he laid aside the study of law, upon which he had commenced some months before, and took up the study of Euclid, and did not again return to the law until he had mastered the first five books of Euclid's great work.

So it was in all his acts.

Thoroughness was his rule and upon this solid basis did he build his life.

The path that Lincoln traversed in public life was not an easy one. Probably no man who ever attained great prominence has tasted as bitterly of defeat as did he.

In 1832 he was defeated for a seat in the Legislature of Illinois.

In 1848 he was defeated for renomination to Congress, to his great discouragement.

It then seemed to him, and so he said, that he believed that his public career was forever ended and that there was to be no further public service for him.

In 1849 he was a candidate for Commissioner of the General Land Office, but was defeated because Daniel Webster cast his influence in favor of another candidate.

In 1854 he was a candidate for United States Senator, but after a time withdrew in favor of Judge Trumbull.

In 1856 he was a candidate for Vice President, but was not named by the convention.

At that time he said:

I have the cottage at Springfield and about $8,000 in money. If they make me Vice President with Seward, as some say they will, I hope I shall be able to increase it to $20,000, and that is as much as any man ought to want.

In 1858 he was a candidate for the Senate of the United States, but was defeated by Judge Douglas, although he carried the popular vote of the State by 4,000.

His was a brave and indomitable heart.

He was not dismayed or crushed by these successive defeats, although his campaigns were made at a great sacrifice.

Lincoln was a comparatively poor man, and just what the sacrifices were can best be told in his own words to the Republican State committee of Illinois when he was told by them that there was no money to pay outstanding bills.

He wrote the committee as follows:

Yours of the 15th is just received. I wrote you the same day. As to the pecuniary matter, I am willing to pay according to my ability, but I am the poorest hand living to get others to pay. I have been on expense so long without earning anything that I am absolutely without money now for even household purposes. Still, if you can put up $250 for me toward discharging the debt of the committee, I will allow it when you and I settle the private matter between us. This, with what I have already paid, and with an outstanding note of mine, will exceed my subscription of $500. This, too, is exclusive of my ordinary expenses during the campaign, all which, being added to my loss of time and business, bears pretty heavily on one no better off in world's goods than I; but, as I had the post of honor, it is not for me to be overnice. You are feeling badly, "And this, too, shall pass away, never fear."

And after the long struggle came the great victory and he sat in the seat of the mighty.

But this did not change a single fiber of his kindly nature. The mountain crest meant no more to him than the lowly valley.

When power came and greatness was his he wore his honors modestly, without arrogance or ostentation, and humility and kindness marked his course.

He was to the Nation Father Abraham, and with meekness and might, affection and care he led his children through

the valley of the shadow, safely into the fold of peace and tranquillity. [Applause.]

No greater tribute can be paid to the wisdom and worth of the opinion of Lincoln than is paid to-day by those who use him and his words as the final and supreme argument in favor of some proposed plan or movement.

It is demonstration to the minds of many when it can be said, "Lincoln favored these things."

But while the tribute is great the name of Lincoln is not always worthily employed.

Those who seek to destroy and break down the vital principles of our Government do not hesitate to invoke his name as an aid in the accomplishment of that purpose.

By the frenzied orator of the curb, who inveighs against all government, his auditors are told that Lincoln stood for absolute freedom of thought and action and that he had no regard for the limitations of law.

They are not told, however, that Lincoln stood for freedom of speech and action only under the Constitution and the law. [Applause.] They are not told that in speaking of this freedom of speech he said:

> Yes, we will speak for freedom and against slavery as long as the Constitution of our country guarantees free speech, until everywhere in this wide land the sun shall shine and the rain shall fall and the winds shall blow upon no man who goes forth to unrequited toil.

The things for which he stood and which he attempted to do were in the name of the Constitution, and to this instrument, as he construed it, he was wholly devoted.

The reckless and harebrained experiment in government possessed no attraction for him, nor was he inclined to adopt a plan merely because it was new and untried, but going hand in hand with his conservatism was the ever-present desire to so adapt the Constitution that it would respond to the changing needs and requirements of the people. [Applause.]

While regarding with reverence the precedents of the past, he also sought to be acutely conscious of, and responsive to, the economic demands and needs of the present.

As he was intensely human in all his aspects of life, so did he make a sympathetic and human interpretation of the Constitution, where the rights of men were involved, which, while not always strict or entirely logical, still made for the uplifting and the welfare of the people of the land.

With such a construction of the Constitution of the United States, by those in power, the people of the Nation will not quarrel. It is radical changes in our forms of government, not authorized by the Constitution, that will be met with condemnation.

Those who find comfort in the denial of a God or of a Supreme Being frequently claim Lincoln as one who shared their views and approved their lack of belief.

No greater or more foul slander could be uttered against this man.

Lincoln walked hand in hand with God for many years before his death, and there is no act of his life that warrants the claims so advanced against him.

It may be that he could not define a particular creed that entirely and closely fitted his views, but his steadfast belief in a God and His divine power to guide and shape the affairs of men was touching.

There is hardly an utterance of Lincoln, that has been preserved that does not speak of this belief and faith.

On one occasion, early in life, when his father was about to pass away, Lincoln wrote this letter:

> I sincerely hope father may recover his health, but in all events tell him to remember to call upon and confide in our great and good and merciful Maker, who will not turn away from him in any extremity. He notes the fall of a sparrow and numbers the hairs of our heads, and He will not forget the dying man who puts his trust in Him. Say to him that if we could meet now it is doubtful whether it would be more painful than pleasant, but that if it be his lot to go now, he will soon have a joyous meeting with many loved ones gone before, and where the rest of us, through the help of God, hope ere long to join them.

His state papers are filled with appeals to God and statements of his belief in a Supreme Being, and of his reliance upon His aid and assistance.

His trusting faith was like that of a little child who confidingly puts his hand in that of a loving father and walks the path with a sublime trust and without fear.

One can not fail to be impressed with the startling fact that the entire achievement of the life of Abraham Lincoln, that has caused the generations to remember him, was accomplished and performed in barely 1,500 days.

If, from his life, were taken the actions and deeds embraced in those days his name would barely be known outside of the counties of Illinois where his activities had been.

When defeated for the Senate by Douglas, it seemed to the doubting many that his career was done—but the defeats of the past were, to him, only the foundations on which he builded his future triumph.

His trials and struggles and sorrows had refined his soul until the dross was gone, and out of his bitter experience came forth a man—apparently called of God—to guide the people of the land, both North and South, out of the horrors of war to the place where, rededicated by the blood of a hundred fields, they stood a united and invincible people. [Applause.]

One lesson taught by Lincoln that may be helpful in the present day was his unfaltering determination to stand steadfast before the nations of the world for the rights of America.

Although opposed by the bravest of the brave at home, he did not fail to speak courageously for the dignity of the country when it was assailed from abroad and in the overwhelming crisis of those days, he spoke in the name of our Nation for the preservation and recognition of its fundamental rights.

To-day we are in the midst of a great national crisis and confronted with and threatened by a world cataclysm which all pray may be averted.

It will be averted whenever the people of the Nation are sufficiently impressed with the importance of and need for united action.

The poet has told in inspiring lines of the response that the people of the land will make to such a situation, and it was no more true when penned than it is to-day.

This whole Nation will respond either in time of peace or time of war, by sacrifice and endeavor or by arms, and bear any hardship that may be imposed, no matter how severe, whenever danger assails the Republic. [Applause.]

In time of the Nation's need and peril truly it can be said:

> Up the hillside, down the glen,
> Rouse the sleeping citizen:
> Summon out the might of men:
>
> Like a lion growling low,
> Like a night storm rising slow,
> Like the tread of unseen foe.
>
> It is coming—it is nigh:
> Stand your homes and altars by;
> On your own free thresholds die.
>
> Clang the bells in all your spires;
> On the gray hills of your sires
> Fling to heaven your signal fires.
>
> O for God and duty stand,
> Heart to heart and hand to hand,
> Round the old graves of the land.
>
> Whoso shrinks or falters now,
> Whoso to the yoke would bow,
> Brand the craven on his brow.
>
> Freedom's soil hath only place
> For a free and fearless race—
> None for traitors false and base.
>
> Perish party, perish clan:
> Strike together while ye can,
> Like the arm of one strong man.

[Applause.]

How marvelously like the ministry of the Savior of the World were the beneficent years of this great leader of men.

How like the passion of the Son of God was the martyrdom which he suffered, that all men might be free, and better yet be free with the Nation united.

For him the zenith of his career had been reached, and, like Moses, he stood upon the height and viewed the land regenerated, but which he might not enter—and then, on

Good Friday, the day when the Christian world was sorrowfully observing the crucifixion of the Christ, God took him, even though the evening of his life had not yet come, for his task was done.

Yea, he was taken, if it can be so said of the death of the clay that formed his body, but there was left the undying spirit of this great man, to lead and protect the people of this Nation, by the wisdom he displayed, for many generations to come.

And then came ungrudgingly the belated acknowledgment of his greatness.

By none was it more dramatically confessed than by the British publication Punch, the magazine that for years had sneered at Lincoln and had never missed an opportunity to hurl at him the poisoned barb of ridicule.

But in the presence of death the voice of malice was silenced and its tribute to the worth of Mr. Lincoln will long endure. It then said:

You lay a wreath on murdered Lincoln's bier,
You, who, with mocking pencil wont to trace
Broad, for the self-complacent sneer,
His length of shambling limb, his furrowed face.

His gaunt, gnarled hands, his unkempt, brisling hair,
His garb uncouth, his bearing ill at ease,
His lack of all we prize as debonair,
Of power or will to shine, of art to please.

You, whose smart pen backed up the pencil's laugh,
Judging each step as though the way were plain;
Reckless, so it could point its paragraph
Of chief's perplexity, or people's pain.

Beside this corpse, that bears for winding sheet
The Stars and Stripes he lived to rear anew,
Between the mourners at his head and feet,
Say, scurril jester, is there room for you?

Yes, he had lived to shame me from my sneer,
To lame my pencil and confute my pen—
To make me own this hind of princes peer,
This rail splitter, as true-born king of men.

My shallow judgment I had learned to rue,
Noting how to occasion's height he rose,
How his quaint wit made home truth seem more true,
How iron-like, his temper grew by blows.

How humble, yet how hopeful he could be;
How in good fortune and in ill the same;
Nor bitter in success, nor boastful he,
Thirsty for gold nor feverish for fame.

He went about his work—such work as few
Ever had laid on head, and heart, and hand—
As one who knows, where there's a task to do,
Man's honest will must Heaven's good grace command.

Who trusts the strength will with the burden grow,
That God makes instruments to work His will,
If but that will we can arrive to know,
Nor tamper with the weights of good and ill.

[Applause.]

Great men have come and gone since Lincoln fell, and many have attained high places in the Nation, but seldom has one, even when his power was the greatest, attained the wonderful influence over the people of the land that has been manifested, and still continues to be manifested until this day, by the memory of Abraham Lincoln.

That influence has guided the Nation when the hand of living man has faltered, for being dead, yet he speaketh to the souls of men with power and conviction.

And so, to-day, as a Representative of the State of Illinois, I pay a humble tribute to the life and work of her great son.

Into his hands the people gave all that was best and dearest. To him they intrusted the sacred honor of the Nation, and never did he fail that trust. In his death they honor him and preserve his memory.

In the hall of representatives at Springfield only two portraits are found.

On the one hand is that of Douglas, who in the hour of stress, clasped hands with his old-time political opponent and who held up the arms of Lincoln as Aaron did those of his leader of old.

The place of Douglas is secure in the affections of the people of the Prairie State.

From the other side of the hall looks down the towering form of Abraham Lincoln, and there the people of the State come and stand with tearful eyes, gazing into the kindly face of this great man, and as they depart they take away an inspiration to discharge the duties of citizenship better and more fully.

Our State has taken his ashes, his fame, and his memory to its heart.

One it will guard and the others it will proclaim until the Father of Waters no longer runs to the sea and until time is no more.

Not without thy wondrous story,
Illinois, Illinois,
Can be writ the Nation's glory,
Illinois, Illinois,
On the record of thy years,
Abram Lincoln's name appears,
Grant and Logan and our tears,
Illinois.

In one of the most beautiful parks, in the city of Chicago, stands a wonderful monument, erected to commemorate the life of this, one of the world's greatest men.

It is builded beside the vast inland sea, whose ceaseless surf sounds a requiem by night and by day.

The first rays of the rising sun rest upon it in rosy salutation, and here again they pause in benediction ere the night closes down.

To this spot the people come as they might to a shrine of freedom.

Here they pause and linger.

Here gather the poor of whom Lincoln said:

God must have loved them or else He would not have made so many of them.

At the base of the statue little children play.

Here kings and princes and rulers have sent their wreaths and floral tributes to be laid at the feet of the imposing figure that, motionless and silent, ever looks toward the great city.

In loving remembrance this memorial has been builded by the people of Illinois to honor its first citizen, Abraham Lincoln, the martyred President.

On its base, chiseled deep into the lasting granite, is one of the greatest sentences in the English language and from its perusal we can gain the secret of the power and see the faith that animated Lincoln and gave him the courage to perform his task.

In that sentence may be found a motto by which any man can live, and that can be adopted by a nation as its rule of action in its hour of need.

These are his words, noble and courageous:

Let us have faith to believe that right makes might, and firm in that conviction let us to the end dare to do our duty as God gives us to see it.

Words of mine can add nothing to the veneration in which this wonderful character is held by the people of the land, both North and South.

He is loved and revered and his fame grows more secure as the generations pass.

I can not refrain, however, from adding as a far greater tribute than any I can pay one which was penned of Lincoln by a sweet singer.

It seems to me that it is a sublime epitomization of the character and the life of this man:

The color of the ground was in him, the red earth;
The tang and odor of the primal things—
The rectitude and patience of the rocks;
The gladness of the wind that shakes the corn;
The courage of the bird that dares the sea;
The justice of the rain that loves all leaves;
The pity of the snow that hides all scars;
The loving kindness of the wayside well;
The tolerance and equity of light that gives as freely to
The shrinking weed as to the great oak flaring to the wind—
The grave's low hill as to the Matterhorn,
That shoulders out the sky.

And so he came
From prairie cabin to the Capitol,
One fair ideal led our chieftain on.
Furthermore, he burned to do his deed
With the fine stroke and gesture of a king;
He built the rail pile as he built the State,
Pouring his splendid strength through every blow,
The conscience of him testing every stroke,
To make his deed the measure of a man.

So came the captain, with his mighty heart,
And when the step of earthquake shook the house,
Wrenching the rafters from their ancient hold,
He held the ridge pole up and spiked again
The rafters of the home. He held his place—
Held the long purpose like a growing tree—
Held on through blame and faltered not at praise,
And when he fell in whirlwind he went down
As when a kingly cedar, green with boughs,
Goes down with a great shout upon the hills
And leaves a lonesome place against the sky.

[Prolonged applause, the Members rising.]

WHEAT DISTRIBUTION

Mr. POLK. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. POLK. Mr. Speaker, I am sure we have all enjoyed the brilliant address to which we have just listened. I rise at this time, solely of my own volition, to call the attention of the House and of the country to a circumstance which occurred on last Monday morning in the committee of which I happen to be a member. I refer to the concerted action of all of the Republican members of the House Committee on Agriculture, who voted as a block to refuse to permit the bill designated as Senate Joint Resolution 60, providing for the distribution of wheat owned by the Government to the American National Red Cross and to other agencies for the relief of the hungry people of America, to come before the House for consideration.

This is a worthy measure, designed to alleviate in some small degree the suffering which is acute in many parts of our country. The Government owns this wheat; it has been paid for from taxes levied either directly or indirectly on practically every man, woman, and child in this country. This wheat is costing the taxpayers hundreds of thousands of dollars annually in storage and other fixed charges. It will probably deteriorate if held over a considerable period of time; it has a depressing effect on the market for wheat both at home and abroad, and practically all fair-minded and unbiased authorities agree that everybody would be better off if this huge supply of wheat hoarded by the Grain Stabilization Corporation could be disposed of in some profitable way. The way to dispose of some of this wheat exists right at our hands. Hungry men are walking the streets of every city in our land; women and children are huddled in hovels and shacks praying for food to keep body and soul together. Efficient agencies for relieving distress are ready and willing to use this wheat for the purpose for which it was grown, and still under the rules of this House this meritorious legislation can be blocked.

Mr. Speaker, in order to bring the attention of the House to this problem I hope petitions may be prepared requesting the Speaker to direct that the wheat distribution bill shall be immediately reported to this body for consideration.

This is a time which demands action—not words. While we sit idly by hunger stalks through the land. Little children are going to school undernourished; relief organizations are rapidly depleting their resources for providing the necessaries of life. In my district the Red Cross, the American Legion and the American Legion Auxiliary, parent-teachers' associations, Kiwanis Clubs, Rotary and Lions' Clubs, and many other fraternal and social-relief organizations are functioning as best they can, but the private funds they have are rapidly diminishing. In our cities "community chest" funds are in many instances inadequate to the demands being placed upon them. Much of this relief work, especially in the country and small towns and cities, falls upon people already heavily burdened by taxation; people who are not in position financially to bear this added burden of providing food and clothing for those in need.

The proposed use of the wheat now owned by the Government by the various relief organizations of the country, through the National Red Cross, will lift a heavy burden from the shoulders of our public-spirited men and women who are engaged in relief work.

Dr. Robert E. Brown, of the Graduate School of Oberlin College, Oberlin, Ohio, has evolved a plan whereby, with the use of ground wheat or wheat meal—coarse and fine—ground in the simplest kind of a grinder, as the basic element, he is able to furnish meals at a cost as low as 3 cents per person.

Now is the time for the Government to use some of its resources for the needy and for us to apply in a practical way the doctrine laid down by Thomas Jefferson over a hundred and fifty years ago, that human rights are more precious than property rights. This Congress only recently appropriated $2,000,000,000 to help the financial and business interests of the country through the Reconstruction Finance Corporation, but unless some extraordinary action is taken and this meritorious bill, which has been killed in committee, is called up by the Speaker at the request of petitions signed by a sufficient number of Members, you will have gone on record as unwilling to grant grain for food for the hungry.

[Here the gavel fell.]

Mr. POLK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks by inserting a short editorial from the Cleveland Plain Dealer of February 9, 1932.

Mr. KNUTSON. Mr. Speaker, I object.

The SPEAKER. Does the gentleman from Ohio desire to extend his own remarks?

Mr. POLK. I do.

Mr. KNUTSON. Mr. Speaker, I have no objection to the gentleman extending his own remarks, but I object to the editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SNOW. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. SNOW. Mr. Speaker, I fully realize that every Member of this House is entitled to his own opinion, but I consider it a very cheap piece of business for any member of a committee to rise here and criticize the motives of other members of that committee for voting as they conscientiously thought was right way to vote on the measure which the gentleman from Ohio [Mr. POLK] has just referred to. [Applause.] Gentlemen, abuse is no argument. Speaking for the 10 Republican members of the committee and, I might add, for 4 distinguished Democratic members of that committee [applause], I want to say that we voted in the way we thought was the right way, and nothing else, the opinion of the gentleman from Ohio to the contrary notwithstanding.

As one member of that committee I resent the remarks which the gentleman from Ohio has made, and I say that I consider them decidedly unfair. I furthermore say to you that the evidence as presented to our committee, in the opinion of some of us at least, was not sufficient to warrant a favorable vote for the bill and it was for that reason and that reason only that we 14 members voted against the bill. [Applause.]

COMMENCEMENT OF TERMS OF PRESIDENT, VICE PRESIDENT, MEMBERS OF CONGRESS, ETC.

Mr. POU. Mr. Speaker, I call up House Resolution 133.

The SPEAKER. The gentleman from North Carolina calls up a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 133

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 14, proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress.

That after general debate, which shall be confined to the joint resolution and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Election of President, Vice President, and Representatives in Congress, the Senate joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the committee shall rise and report the same to the House

with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and the amendment thereto to final passage without intervening motion except one motion to recommit.

Mr. POU. Mr. Speaker, I ask unanimous consent, and I think my colleague on the other side will not object, that on page 2, in line 4, after the word "rule," the following amendment be incorporated: "for the purpose of amendment the House committee substitute shall be considered as an original bill."

Mr. MICHENER. That is satisfactory to this side, Mr. Speaker, as far as the committee is concerned.

The SPEAKER. The gentleman from North Carolina offers an amendment to the resolution, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. POU: Page 2, line 4, after the word "rule," insert the words "for the purpose of amendment the House committee substitute shall be considered as an original bill."

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from North Carolina.

Mr. LEWIS. Mr. Speaker, I wish to make inquiry as to the effect of the amendment.

Mr. POU. It simply makes the House committee substitute as the original resolution.

Mr. LEWIS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LEWIS. Would amendments be admissible under the amendment that would not be admissible were the amendment not adopted?

The SPEAKER. The Chair understands the proposed amendment to the rule gives greater liberality in the offering of amendments in the Committee of the Whole.

Mr. BANKHEAD. Mr. Speaker, as I understand, the House committee struck out all of the Senate bill after the enacting clause, and the purpose of the amendment is to throw open the House resolution to amendments under the general rules of the House.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. POU. Mr. Speaker, this special rule from the Committee on Rules provides for the consideration of Senate Joint Resolution 14, proposing an amendment to the Constitution of the United States fixing the time of the assembling of Congress, and so forth.

It is known throughout the country, I believe, as the so-called "lame duck" amendment to the Constitution.

Mr. Speaker, this is a subject that has been considered by the House and the Senate for a number of years. The rule provides for three hours of general debate, one half to be controlled by the chairman of the committee and one half by the ranking minority member. As this proposed amendment has been discussed so much and as I see no necessity for any further observations as to the rule, which provides for the consideration of the joint resolution, I shall have nothing further to say, and reserve the remainder of my time.

Mr. MICHENER. Mr. Speaker, may I say that our understanding was that we would not take much time on the rule unless there was great demand for time. General debate under the rule is exceedingly short, being but three hours. I might say to the gentleman that we have a great demand for time on this side. The ranking member of the legislative committee advises me that he has such a demand for time that he has not even been able to take care of all the members of the committee.

Mr. POU. How much time does the gentleman require?

Mr. MICHENER. The usual 30 minutes.

Mr. CELLER. Will the gentleman yield?

Mr. MICHENER. Yes.

Mr. CELLER. I have been trying to get some time on the resolution, and other Members on this side have been trying to do the same thing. While I will no doubt be able to get time, why could it not be arranged that the time used in discussing the rule be added to the time for general debate on the resolution?

Mr. POU. It is not considered entirely proper to discuss the merits of a resolution or bill under the rule itself, but it has been done ever since I have been a Member of this body. Mr. Speaker, I yield the gentleman from Michigan one-half hour, to be in turn used as he may see fit.

Mr. MICHENER. Mr. Speaker, as a member of the Rules Committee, in February, 1931, in the Seventy-first Congress, I presented a similar rule, which made the proposed constitutional amendment in order at that time, and expressed my views as to the necessity for the amendment. This proposal has passed the Senate six or seven times and was approved by the House by more than a two-thirds vote about a year ago, but died in conference. The Gifford resolution, as it passed the House, was in all material respects the same as the resolution which we are here to consider, with two exceptions: First, the present resolution places no limit on the length of either session of Congress. Second, section 6 of the Gifford resolution is not embodied in the present resolution. That section reads thus:

This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within seven years from the date of the submission hereof to the States by the Congress, and the act of ratification shall be by legislatures the entire membership of at least one branch of which shall have been elected subsequent to such date of submission.

We are familiar with the so-called Longworth amendment, which passed in the last session and which limited the short session of Congress to June 4, as I recall. This amendment did not fix by Constitution an unchangeable date for the termination of the second session but did provide that June 4 should end the second session unless the Congress by legislation determined otherwise. The reasons for this change are so fully set forth in the debates in the last session that repetition is unnecessary. I am advised that the gentleman from North Carolina [Mr. WARREN] will offer this amendment when the resolution is being read for amendment, and I bespeak for his amendment the favorable consideration of the House. Previous to the submission of the eighteenth amendment Congress had never placed a limitation upon the time in which the legislatures of the several States might ratify an amendment. As a result several amendments to the Constitution have been passed by Congress on which no action has ever been taken by the required number of States, yet these amendments are in existence, have vitality, and would become a part of the fundamental law of the land if a sufficient number of the States should proceed to ratify them. Indeed, some of these amendments are almost as old as the Constitution itself—for instance, amendments proposed in 1789, 1810, 1861, and 1924 have not been ratified by the States, and there are possibly others which I do not now recall. The Supreme Court of the United States has held that the Congress has the power to place a reasonable limitation upon the time in which the States have to ratify an amendment, and seven years has been held a reasonable time. It seems to me that no possible objection can be had to a provision of this kind.

Section 6, above referred to, contains a new feature in that it provides that at least one body of the State legislature must be elected by the people after the submission of the constitutional amendment and before its consideration by the State legislature. I favor submitting this constitutional amendment, and I shall vote for the amendment, and I make these few suggestions merely for the purpose of perfecting the proposal.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. MICHENER. Yes.

Mr. LAGUARDIA. What constitutional justification has the gentleman for the second provision in his amendment, namely, that one body of the legislature be elected after the submission of the amendment?

Mr. MICHENER. The gentleman has no ruling on the constitutional authority, because the matter has never been submitted, but he has just the same justification that those

who submitted the seven years' provision in the first place had. That very question was argued very thoroughly in the Congress—in the House and in the Senate—and it was argued that the Constitution provided the way and that the Congress could not, by legislation, change that way. The Supreme Court has sustained the 7-year proposition, and I feel just as confident that the Supreme Court, for the same reasons, would sustain this proposition.

I hope these two amendments will be accepted, and when accepted, that the resolution will pass. However, in order that I may not be misunderstood, I repeat that I favor the resolution. Personally I shall vote for the resolution without the amendments, but it is much better, in my judgment, with the amendments.

Mr. CELLER. Will the gentleman yield?

Mr. MICHENER. For a short question; yes.

Mr. CELLER. Do I understand the gentleman to say that the Supreme Court might decide that the legislatures of the various States would have to ratify within seven years even if there were no such express provision in the resolution?

Mr. MICHENER. No; what the gentleman said was that the Supreme Court has decided that Congress may provide a time in which the States must act and that seven years is a reasonable time, and it is the judgment of the gentleman speaking that the Supreme Court would also ratify the provision that at least one body of the State legislature must be elected by the people before the ratification is effective by the State legislature.

Mr. CELLER. Suppose we adopt this resolution which, I understand, carries no limitation as to seven years or any other time, would the Supreme Court, in passing upon this provision at some subsequent time, permit the ratification if it took 20 years, for instance?

Mr. MICHENER. If the gentleman had been listening to the earlier part of my remarks he would realize I stated that there were to-day amendments floating about the country which were submitted 100 years ago, which might, theoretically, become a part of the Constitution to-day if certain States which had not acted should act upon the amendments now; and we want to avoid anything of that kind.

I yield 10 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Speaker, I compliment the Committee on Rules in affording at so early a date in the session of the Congress an opportunity to the House to vote on this resolution. On six or seven different occasions the Senate of the United States has passed this resolution, forwarded it to the House, and it was either buried in committee or, as in the last Congress, left dangling as a waif in the committee room or somewhere else for more than a year after it had passed the Senate. It was brought up for consideration in the House late in the closing days of the Congress, an amendment was added, which was a rather material amendment, the resolution as amended passed, but the lateness of the session did not give time for the Senate to pass upon the question carried in the amendment.

Whether the resolution is passed in toto as it has been presented by the committee or is amended in the particulars suggested by the gentleman from Michigan, nevertheless we can expect that some definitive action will be taken this session upon this resolution, which has been so greatly demanded by the American people.

I do not join with the distinguished gentleman from Michigan in the fear that this proposed amendment will join the 100 amendments that have been proposed since the organization of the Government that have never been ratified by the legislatures of a sufficient number of the States and are now dangling in the limbo of the past for the very reason that this is a live amendment about which the people of the country are much concerned and which the legislatures are waiting for an opportunity to ratify.

In no government on the face of the earth do we find the condition where a legislative body, after it has been discredited by the people, is granted the opportunity to continue to legislate. I shall not enter into an academic discussion as to how it came about that we had a hold-over session to pass legislation after the election, but the fact is that prior to 1821 there were 18 distinct legislative proposals of various Congresses providing a different assembling date than the first Monday of December, and 10 of these 18 were for the first Monday in November.

The resolution that we have here before us contains nothing that makes it mandatory that Congress shall assemble on the 4th day of January of each year in even-numbered and odd-numbered years. It leaves it to the Congress to fix some different date, and I am hopeful that when this amendment is ratified by the legislatures of a sufficient number of the States that instead of our convening in the even-numbered years on the 4th day of January we will convene on the first Monday of November prior thereto, so as to make the long session meet on the first Monday of November in the odd-numbered year prior to the congressional or presidential election, and run along prior to the assembling of the national conventions.

I think the proposal of the gentleman from Michigan [Mr. MICHENER] that was voted on so very positively in the last Congress and which will be submitted here for a vote to-day, prescribing some day in June, perhaps, when the Congress should mandatorily come to an end, should be adopted; that is, in the year when we have our presidential elections or our congressional elections and conventions.

Even the adoption of this amendment would not prevent the Congress, or even that Congress, from deciding on a different date of that same year if the exigency of the case would require it; but it would prevent perhaps some obstreperous Members who bask in the sunlight of publicity and whose homes are here more than in their respective States holding up the Congress when the membership of the House overwhelmingly would like to get back to their districts so as to look after their own election and give an accounting to the electorate of what they had done and how they had voted.

Neither is the power vested in the President contravened from summoning the Congress in emergent session if required.

Section 3 of the proposed resolution takes care of the hiatus that has happened only once in 140 years, where there was not a majority of the electoral votes for any one candidate for the Presidency. That was in 1825. The four respective candidates for President—William H. Crawford, of Georgia; Henry Clay, of Kentucky; Andrew Jackson, of Tennessee; and John Quincy Adams, of Massachusetts—each lacked having a majority of the electors.

John Quincy Adams and Henry Clay between them did not have a majority vote, but Andrew Jackson and William H. Crawford between them had a majority, and yet the House, under the method prescribed by Article XII of the amendments, voted to elect John Quincy Adams.

This provision takes care of the hiatus in case the President elect should die after he is elected, or in case there should be no Vice President to take the office, as it gives Congress the right to pass legislation as to who, under the circumstances, would succeed to the office.

The resolution has been carefully considered by the committees of the House and the Senate. In this we are but echoing the advance thought of the world and of the country to discontinue, to put a stop for all time to these lame-duck sessions of Congress, after the people have voted out certain Members and, perhaps, have turned the control over to the opposition party.

I well remember—and the older Members will remember—that fateful day, March 4, 1911, when the Republicans, after having been in control of all branches of the Government for 16 years and were then losing control of the House, with Speaker Cannon in the chair, at the hour of 11.15, tried to put through the House under whip and spur the Tariff Commission act. The Democrats were solidly arrayed against that outrageous legislative coup. Feeling ran high. The House was in wild disorder. One Democratic Member stood here in the well with a knife in his hand, threatening

the Speaker if he would recognize Members to pass the resolution.

The Democrats were right—the Republicans had been discredited. By what constitutional right could a legislative body, after it had been renounced by the electorate, assume to legislate, especially on a partisan matter? Why should any Congress, in a hold-over session, be permitted to pass appropriation bills or any kind of legislation in the few months of the hold-over session, especially where the membership has changed? This archaic system is a legislative anachronism that has been tolerated but not justified. The fundamental principle of legislative accountability to the electorate is violated. The renounced Members have had loosened the ties of responsibility in their votes.

I do not claim that all defeated Representatives are chary of their high responsibility, but oftentimes, I regret to say, many have been.

So I urge the removal of this legislative abnormality so that trust in our Congress will not be impaired, or even questioned, by any part of the electorate.

[Here the gavel fell.]

Mr. POU. Mr. Speaker, how much time have I used?

The SPEAKER. The gentleman has used four minutes.

Mr. POU. I yield 10 minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Speaker, we have before us for consideration a constitutional amendment, and I shall speak to the merits of the amendment rather than the rule, which I understand has been customary.

This is an amendment that has been up several times for our consideration, and of which I have confidence in its merits and believe in its great importance to the machinery of our Federal Government.

The adoption of this amendment is not fundamental, in that it goes to any traditional principles of our Government. It is not a change in the fundamental principle or the theory of our Government, but goes merely to the mechanics of procedure in Congress.

The present method was formulated 140 years ago, when we were without railroads, without telegraph lines, without airplanes, or any of the present methods of transportation or communication. No doubt it was considered adequate for that day in which our forefathers lived when they formulated the Constitution, but we are living in a different age. We are living in an age of speed. We are living in an age when we attempt to do things in a more efficient manner, when time is of great importance. It seems to me that it is a great travesty to have a Congress elected in November that shall enter on the pay roll on the 4th of the following March and not be called to their official duties until 13 months after they are elected. I submit it is impractical and that it is unscientific; that it is not calculated to produce the best methods of government or of legislation. So it is to eliminate that session of the old Congress after the election has been held, the commonly called "lame-duck" session, that this amendment is proposed.

Our Republic has always been heralded as a government that is representative in its character. The only part that the people play in the machinery of government is at the ballot box. It is there that they hold check and balance upon the administration and upon the legislative program and the official activities of their officers. If that is a fundamental principle, as we all concede, then a mandate that is issued in the early part of November should be carried into effect as soon as possible after the election has been held. The old method under which we are now operating nullifies that principle of government that the people speak authoritatively at the ballot box. It allows men, after they have been repudiated at the polls, to come back and for a period of three months legislate for the people. Not only that, although it has rarely been the circumstance, nevertheless, a President might have to be elected by the House of Representatives, as has been necessary in times past. Shall we say it meets our ideas of democracy that a Congress that has been repudiated at the polls in November shall meet here the following year, and if a President has not been elected in that election, that that old Congress which met defeat at the polls shall be called into session to elect a President of the United States? I think it is impractical, that it is unscientific, and that it is undemocratic, and I think in this modern day it might be considered as un-American. No Congress, commissioned in November, should be compelled to remain at home for 13 months before it assumes its official duties.

I want to make this House of Representatives responsible to the people of the United States who commission it.

There is one amendment that has been offered to this resolution in times past that probably will be offered again, and that is that the second session of the Congress shall be limited by the Constitution. I think we have noticed in our experience of times past that the short session of Congress is very often filled with confusion. It is that barrier of the 4th day of March that stands there, fixed by law as the time when Congress must adjourn, that offers that opportunity for some person who is overenthusiastic for some personal measure to assume the responsibility of thwarting the legislative will of Congress by means of filibuster. I do not believe the machinery of government should be such as to allow a stubborn minority of one Member to defeat the will of the majority. It is contrary to my ideas of representative government, controlled by the majority, that there should be any opportunity offered, under the machinery of the management of this House or of Congress, that will permit one man's will to defeat the will of the majority.

The short sessions of Congress very often end in confusion, and we go back to our constituency in humiliation that matters of supreme importance in legislation, and even appropriation bills, have been defeated by the will of one man or a small minority, because that barrier was fixed at which adjournment should be had, absolutely.

Our Government has grown to the place where the transaction of one year's business is just as important as another. I never could see the practical side; I never could see the advantage of having a long session of Congress followed by a short session. Appropriations must be more or less uniformly made, and the activities of all departments are practically the same one with another. The duties of Congress are the same one year with another. I can not see why one session of Congress should go on until a joint resolution of both Houses to adjourn has been agreed to, while the short session is absolutely closed by limitation of law.

This is campaign year. We are gathered in the long session of Congress. We have certain business to transact and certain tasks to perform; but who will say that when that task is finished both Houses will not be willing to adjourn and that we will adjourn as we always have, in plenty of time to transact the business, politically speaking, that shall confront us in the campaign?

It has been said that self-preservation is the first law of nature. That is true in politics as it is true in nature. Each Congress may be trusted to finish its business. Congress should proceed each year until its task is finished, and it should not have a barrier standing there, fixed by law, as the goal toward which some one who desires to filibuster and thwart the will of the majority shall use as an instrumentality for his own individual desires.

I say it is impractical to have a short session and a long session of Congress when the business of the country is uniform from year to year. Furthermore, I am not one who is willing to believe that there should be written into the Constitution of the United States a provision that is based upon political expediency. When we place a limitation on the second session of Congress, on the theory that it is campaign year, we are writing the Constitution of the United States on that theory of political expediency instead of the welfare of the country. Let us attend to business first and politics will take care of itself.

Mr. MICHENER. Will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. MICHENER. I do not want to be understood as stating that I was proposing this amendment because it was campaign year. I want it understood that there must be a

limitation at some time, even though it be the end of the year, and that so far as filibustering is concerned, that is just as effective at the end of a long session as it is at the end of a short session.

Mr. GREENWOOD. My remarks were not directed at anything the gentleman from Michigan said.

[Here the gavel fell.]

Mr. POU. Mr. Speaker, I yield the gentleman one additional minute.

Mr. GREENWOOD. Mr. Speaker, I have just this further observation to make, that we can trust both branches of the Congress to close the session in the second year just the same as they are now called upon to close it in the first year. The business of the country is uniform, so that it is as important to have a long session in the second year as in the first year. It is important that the Congress should take care of all its tasks before closing a session rather than to have the closing date fixed by law, so that it will be absolute. If the session in the second year is not arbitrarily closed by law, then the Congress can finish all the tasks they have to perform.

Let us place no limitation in the Constitution, but leave that to the discretion of each Congress to adjourn when the legislative program is finished.

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Speaker, as much as I would like to have the opportunity to do so, I feel physically unable to-day to discuss this resolution. I have well-settled convictions on this subject, and have expressed them on every occasion that this resolution has been under consideration. I think we have made a mountain out of a molehill on the whole matter. I realize the force of the argument that a defeated or a discredited Congress should not be permitted to function, and I am in sympathy with that part of the resolution, although I think we can accomplish by statute all we are now seeking to accomplish by an amendment of the Constitution. I do feel, however, very keenly against a wide-open and a perpetual session of Congress. Those of us who were here in the last session will remember that the late distinguished Speaker of this House left the chair for the second time during his incumbency, took the floor, and offered an amendment to place a limitation of four months on the second session of Congress. I merely rise at this time to give notice that at the proper time I shall offer that same amendment, which was largely supported on both sides of the House, and which was adopted by 81 majority last February. I ask unanimous consent, Mr. Speaker, that I may extend my remarks by inserting in the RECORD the roll call last February on the so-called Longworth amendment.

The SPEAKER. Is there objection?

There was no objection.

The roll call referred to follows:

[Roll No. 37]

Yeas—229: Adkins, Aldrich, Andresen, Andrew, Arentz, Aswell, Auf der Heide, Bacharach, Bacon, Baird, Bankhead, Beck, Beedy, Beers, Blackburn, Bland, Blanton, Bloom, Bohn, Bolton, Bowman, Boylan, Brand of Georgia, Brand of Ohio, Brigham, Britten, Browning, Burdick, Busby, Butler, Cable, Campbell of Iowa, Campbell of Pennsylvania, Canfield, Carley, Carter of California, Carter of Wyoming, Cartwright, Chalmers, Chindblom, Chiperfield, Christopherson, Clancy, Clark of North Carolina, Clarke of New York, Cochran of Pennsylvania, Cole, Collier, Colton, Connolly, Cooper of Ohio, Corning, Cox, Coyle, Cramton, Cross, Crowther, Culkin, Cullen, Dallinger, Darrow, Davenport, Davis, De Priest, Dickinson, Dickstein, Dorsey, Douglas of Arizona, Doutrich, Drewry, Eaton of Colorado, Eaton of New Jersey, Elliott, Ellis, Englebright, Estep, Evans of California, Finley, Fish, Fitzgerald, Fitzpatrick, Fort, Foss, Free, Freeman, French, Fuller, Fulmer, Gasque, Gibson, Gifford, Glover, Goodwin, Goss, Green, Guyer, Hadley, Hale, Hall of Illinois, Hall of Indiana, Halsey, Hancock of New York, Hardy, Hartley, Hastings, Haugen, Hess, Hoch, Hogg of Indiana, Hogg of West Virginia, Holaday, Hooper, Hope, Hopkins, Hudson, William E. Hull, Irwin, James of North Carolina, Jenkins, Johnson of Illinois, Johnson of Nebraska, Johnson of Washington, Jonas of North Carolina, Kading, Kendall of Kentucky, Kerr, Ketcham, Knutson, Kopp, Korell, Lambertson, Langley, Lanham, Lankford of Virginia, Leavitt, Leach, Lehlbach, Letts, Lindsay, Linthicum, Loofbourow, Luce, McClintock of Ohio, McCormick of Illinois, McDuffie, McKeown, McLeod, Manlove, Mansfield, Martin, Mead, Menges, Michener, Mooney, Morgan, Mouser, Murphy, Nelson of Maine, Niedringhaus, Norton, O'Connor of Oklahoma, Oliver of New York, Owen, Palmisano, Parks, Perkins, Pittenger, Pou, Harcourt J. Pratt, Ruth Pratt, Purnell, Ragon, Frank M. Ramey, Ransley, Reece, Reed of New York, Rich, Rogers, Sanders of New York, Sanders of Texas, Schafer of Wisconsin, Sears, Seger, Seiberling, Shaffer of Virginia, Short of Missouri, Simms, Sloan, Smith of Idaho, Smith of West Virginia, Snell, Sparks, Sproul of Kansas, Stalker, Stobbs, Strong of Pennsylvania, Sullivan of New York, Sullivan of Pennsylvania, Summers of Washington, Swick, Taber, Tarver, Taylor of Tennessee, Thatcher, Thurston, Tilson, Timberlake, Tinkham, Treadway, Turpin, Underhill, Vestal, Vincent of Michigan, Wainwright, Walker, Warren, Wason, Watres, Welch of California, Welsh of Pennsylvania, White, Whitley, Wigglesworth, Williamson, Wolverton of New Jersey, Wolverton of West Virginia, Wood, Woodrum, Wright.

Nays—148: Abernethy, Ackerman, Allen, Almon, Arnold, Ayres, Barbour, Black, Box, Briggs, Browne, Brumm, Brunner, Buchanan, Burtness, Byrns, Cannon, Celler, Christgau, Clague, Cochran of Missouri, Collins, Condon, Connery, Cooke, Cooper of Tennessee, Cooper of Wisconsin, Craddock, Crail, Crisp, Crosser, Dempsey, DeRouen, Dominick, Doughton, Dowell, Doxey, Driver, Dunbar, Edwards, Eslick, Esterly, Evans of Montana, Fisher, Frear, Gambrill, Garber of Oklahoma, Garner, Gavagan, Goldsborough, Granfield, Greenwood, Gregory, Griffin, Hall of North Dakota, Hancock of North Carolina, Hare, Hickey, Hill of Alabama, Hill of Washington, Houston of Delaware, Howard, Huddleston, Morton D. Hull, Hull of Tennessee, Hull of Wisconsin, James of Michigan, Jeffers, Johnson of Oklahoma, Johnson of Texas, Jones of Texas, Kearns, Kelly, Kinzer, Kurtz, Kvale, LaGuardia, Lankford of Georgia, Lozier, Ludlow, McCormack of Massachusetts, McFadden, McLaughlin, McMillan, McReynolds, McSwain, Maas, Magrady, Mapes, Merritt, Miller, Milligan, Montague, Montet, Moore of Kentucky, Moore of Ohio, Moore of Virginia, Morehead, Nelson of Missouri, Nelson of Wisconsin, Nolan, O'Connor of New York, Oldfield, Oliver of Alabama, Palmer, Parker, Parsons, Patman, Patterson, Peavey, Prall, Quin, Henry T. Rainey, Ramseyer, Ramspeck, Rankin, Rayburn, Reilly, Robinson, Romjue, Rutherford, Sandlin, Schneider, Selvig, Shott of West Virginia, Simmons, Sinclair, Snow, Somers of New York, Speaks, Stafford, Steagall, Stone, Sumners of Texas, Swanson, Swing, Taylor of Colorado, Temple, Tucker, Underwood, Vinson of Georgia, Whittington, Wilson, Wingo, Wolfenden, Woodruff, Wyant, Yon, Zihlman.

Not voting—53: Allgood, Bachmann, Bell, Buckbee, Chase, Clark of Maryland, Denison, Douglass of Massachusetts, Doyle, Drane, Dyer, Erk, Fenn, Garber of Virginia, Garrett, Golder, Graham, Hall of Mississippi, Hawley, Hoffman, Hudspeth, Igoe, Johnson of Indiana, Johnson of South Dakota, Johnston of Missouri, Kahn, Kemp, Kendall of Pennsylvania, Kennedy, Kiefner, Kunz, Larsen, Lea, McClintic of Oklahoma, Michaelson, Newhall, O'Connor of Louisiana, Pritchard, Reid of Illinois, Rowbottom, Sabath, Shreve, Sirovich, Spearing, Sproul of Illinois, Stevenson, Strong of Kansas, Thompson, Watson, Whitehead, Williams, Wurzbach, and Yates.

So the amendment was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Graham with Mr. Stevenson.
Mr. Buckbee with Mr. Hall of Mississippi.
Mr. Dyer with Mr. Allgood.
Mr. Hawley with Mr. Larsen.
Mr. Golder with Mr. Williams.
Mr. Reid of Illinois with Mr. Igoe.
Mr. Shreve with Mr. Drane.
Mr. Erk with Mr. Kennedy.
Mr. Bachmann with Mr. McClintic of Oklahoma.
Mr. Johnson of South Dakota with Mr. Bell.
Mr. Watson with Mr. Douglass of Massachusetts.
Mr. Chase with Mr. Kemp.
Mr. Denison with Mr. Garrett.
Mr. Kendall of Pennsylvania with Mr. Kunz.
Mr. Wurzbach with Mr. O'Connor of Louisiana.
Mr. Sproul of Illinois with Mr. Sabath.
Mr. Pritchard with Mr. Whitehead.
Mr. Kiefner with Mr. Lea.
Mr. Garber of Virginia with Mr. Sirovich.
Mr. Fenn with Mr. Hudspeth.
Mrs. Kahn with Mr. Doyle.

Mr. GOSS. Mr. Speaker, this is an important matter, and I doubt if there is a quorum present.

Mr. O'CONNOR. Mr. Speaker, I was going to join with the gentleman from Connecticut by saying it is such an insignificant matter that I think a quorum should be present.

The SPEAKER. Does the gentleman make the point of order that there is no quorum present?

Mr. GOSS. Mr. Speaker, I withdraw my point of order.

Mr. MICHENER. Mr. Speaker, I yield 15 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, I think the House knows that for some time I acted as chairman of this committee and am now the ranking member on the minority side.

When, some eight years ago, this matter was brought to my attention I was not particularly interested in having more amendments added to the Constitution. The "lame-

duck" amendment, so called, standing by itself, did not greatly appeal to me, but when our much respected Clerk, Tyler Page, who has been here for 50 years, told us that there were 12 unanswerable questions which it was the plain duty of our committee to look into, I became convinced that there was a very great necessity for an amendment to the Constitution.

The lame-duck amendment is of very little importance compared to section 3 and section 4. Just because something has not happened in 140 years is no reason why it may not happen. And that danger was foreseen 100 years.

Mr. GOSS. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is not a quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 18]

Abernethy	Davenport	James	Oliver, N. Y.
Aldrich	De Priest	Jenkins	Pettengill
Ayres	Dickstein	Johnson, Ill.	Purnell
Bachmann	Dieterich	Johnson, S. Dak.	Rankin
Bacon	Douglass, Mass.	Johnson, Wash.	Ransley
Baldridge	Doutrich	Kahn	Reid, Ill.
Beck	Dyer	Kelly, Ill.	Rogers, Mass.
Beers	Eaton, Colo.	Kelly, Pa.	Sabath
Bloom	Eaton, N. J.	Kemp	Schneider
Boland	Erk	Kendall	Seger
Bowman	Estep	Kennedy	Selvig
Brand, Ohio	Evans, Mont.	Ketcham	Sirovich
Briggs	Fish	Kinzer	Smith, Va.
Britten	Fishburne	Knutson	Smith, W. Va.
Brunner	Freeman	Kurtz	Snell
Burch	Gambrill	Lankford, Va.	Stalker
Burdick	Garrett	Lea	Strong, Kans.
Carden	Gasque	Lovette	Sullivan, Pa.
Carter, Wyo.	Golder	Ludlow	Sweeney
Chapman	Granata	McClintock, Ohio	Taber
Chase	Granfield	McDuffie	Treadway
Chiperfield	Griffin	McGugin	Tucker
Cochran, Pa.	Guyer	McLaughlin	Underhill
Collier	Hall, Miss.	McMillan	Underwood
Colton	Hancock, N. Y.	Maloney	Welsh, Pa.
Connery	Hancock, N. C.	Manlove	White
Connolly	Hartley	Montet	Wigglesworth
Cooke	Hawley	Moore, Ohio	Wolfenden
Coyle	Hopkins	Nelson, Wis.	Wood, Ga.
Crosser.	Houston	Niedringhaus	Wood, Ind.
Crowe	Igoe	Norton, N. J.	

The SPEAKER. Three hundred and eight Members have answered to their names; a quorum is present.

On motion of Mr. POU, further proceedings under the call were dispensed with.

Mr. GIFFORD. Mr. Speaker, I should like to have it understood by the membership of the House that I was not responsible for the roll call, but rather requested that it should not be made.

When my remarks were interrupted I was explaining that the first part of this resolution, the so-called "lame-duck" section, did not appeal to me as being important enough for a constitutional amendment to be presented to the country. But I felt otherwise when it was shown us how important the other matters are which are now incorporated in sections 3 and 4, and have to deal with the event the President elect, or the Vice President elect, or both die before their respective successors are named.

However, I do favor the "lame-duck" provision in the proposed amendment. Looking into the matter from my own standpoint, I would prefer not to come back here and legislate after having been defeated, because I suppose I would have to continue in my former frame of mind and sometimes vote directly against the exact wishes of my constituents as expressed in the election of my opponent. So I am now in favor of that proposition.

It is perfectly clear that nearly all the difference of opinion now comes on the limitation of the second session, having in mind elections held in those years and the national convention every four years. For one, I heartily agree that there should be a limitation on the second session.

My reasons may be a little different from those advanced by some others, but I have in mind that there is another body in the Congress. That body has vastly altered in the last many years, until to-day we have to reckon with that change, and I do not want the time ever to come when we can not extricate ourselves from the interminable delays originating in that body. And if the so-called Longworth amendment should fail, I shall offer an amendment that it seems to me should be satisfactory.

In the debates of last year the argument was made that we should not surrender our rights to the Executive, that we should not be called in to extra session merely at the whim of the Executive, but that we should hold to our own rights; and my proposed amendment provides that although we shall agree to terminate the second session on May 4 there would be the added words "unless the Congress appoint a different day." Hence if May 1 comes and we find we can not get through on May 4 by joint action of the Congress we can continue, without any consideration of what the President may desire. But the action should be joint. It should not be left to the whim of either branch to prolong sessions indefinitely.

I do not wish to be unparliamentary, but I think that a very serious condition becomes apparent when we compare the two bodies. We of the House seem not to trust ourselves. We tie ourselves up with all sorts of rules. We scarcely have time for reasonable debate. Even five minutes is very often hard to obtain. In the other branch, however, there are no such limiting rules. The Senate might actually keep us in continuous session. There have been occasions when for weeks we have had to stay here and recess three days at a time waiting for them to exhaust themselves in endless debate.

The third and fourth articles are, I feel, extremely important. If there should be no President of the United States having qualified on the 4th day of March, it would be a most serious matter.

Because of the Jefferson-Burr controversy, as you remember, it became necessary to pass the twelfth amendment, and I wish to read a little from the argument presented on the floor of the Senate in order to show to this House the high character of the debate of those days. No wonder Governor MONTAGUE, the gentleman from Virginia, and others have often spoken in the House and reminded us of the debates of our fathers. I read for days the debates of 1803 on the twelfth amendment, and the high character of those debates seems far ahead, I am sorry to say, of what is carried on to-day.

If there had been no President of the United States elected—

Hear this from the Senators of the old days of 1803—

there would have been every reason to believe that gloomy, indeed, would have been the prospect. A long train of evils, incalculable in their consequences, could hardly have failed to overspread the face of this delightful country. Indeed, sir, what would have been the ultimate issue it is not within the compass of human foresight to divine. This great, this flourishing country, which at this time pours forth innumerable streams of prosperity displaying in vast and rich variety every means of individual happiness, every means of national happiness, and every means of true national glory, instead of exhibiting the present pleasing, animating prospect, before this period might have been enveloped in dark and dismal clouds of confusion, disorder, and political distraction. The bands of society being thus in a manner broken asunder and all the angry, turbulent passions incident to man left unrestrained, what fatal consequences might be expected to follow! What violence of party, what rage of ambition, what dreadful commotions, might be expected to agitate this then unfortunate country! And, sir, is there a single American living whose blood is so far chilled with indifference concerning the fate of this country, that he would not be stricken with awful alarm at the prospect of such an event—an event tending directly to produce so complete a state of anarchy with all its concomitant calamities?

I think it is perfectly parliamentary to read the speech of Mr. OLIVER of New York, made last year, during which he said on page 5981 of the RECORD:

Mr. Chairman, ladies and gentlemen of the committee, I remember that when the House and the Senate were first formed, they said the House of Representatives was like a cup into which the coffee was poured hot and that the Senate was like the saucer in which it cooled off. Now time has changed that and the saucer has become Tabasco sauce, dynamite, gasoline, and the only cool body left is the cup of the House of Representatives. [Laughter.]

I have shown you the character of senatorial debate in former days. Now, with what humility must we read the Senate debate of yesterday, or the day before, when the Senator from Nebraska made use of this language, as appears in the RECORD:

A bright newspaper man last night over the radio told us that Mr. Dawes had left his knee breeches over in London and that Andy was going to wear them when he got over there. Think what a spectacle he would present standing on his diminutive pipestems in Dawes's breeches in the presence of aristocracy in the greatest diplomatic center on earth! [Laughter.]

A great man once said that anyone who could make two blades of grass grow where only one grew before was a benefactor of the human race. My judgment is that Andy will not wear Dawes's breeches, but, following in the pathway of the man who made two blades of grass grow where one grew before, he will take a pair of his trousers and cut them in two slightly above the knee and thus have two pairs of trousers where only one existed before.

Mr. HOWARD. Will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. HOWARD. Does the gentleman from Massachusetts think it is wicked on the part of the Senator from Nebraska to quote the words of a former Vice President, and now the practical President? [Laughter.]

Mr. GIFFORD. Mr. Speaker, I remind the gentleman from Nebraska that I am talking about the present-day speeches on the floor of the other body.

Mr. HOWARD. And I am for them. [Laughter.]

Mr. GIFFORD. Mr. Speaker, I am extremely sorry to hear such an acknowledgment from my dear friend, the gentleman from Nebraska. I had hoped that the House does not feel that way about it.

Mr. Speaker, as I said before, the point of difference is on the limitation. I am willing that by joint action of the House and the Senate Congress may sit longer in session. That is fair, and that removes all the objections which were made last year, to the effect that we should be ruled by the whim of the President as to whether we had a special session or not.

Mr. Speaker, when the resolution originally came over from the Senate I thought that it was a lame-duck proposition with which they were chiefly concerned, but after the several days in conference I was made to realize, to my amazement, that the principal thing in their minds was to do away with the short session of Congress. The lame-duck provision seemed a very secondary matter.

In the committee of conference of last year the House conferees proposed that the limitation of the session should be made on June 4. Was that agreeable? No. The suggestion was then made that it should be July 4. But no; there was not a spark of the spirit of compromise, even though we had voted in this House by 229 to 148 in favor of the limitation after long and full debate, whereas there had been little, if any, debate on limitation in the Senate.

The Senator from Arizona, Mr. ASHURST, about 10 years ago presented this matter in the most extended discussion that has been held in that other body. Much credit belongs to the Senator from Arizona in bringing this matter to the attention of the Congress at that time.

When the Senate resolution came before our committee, our good friend the gentleman from Missouri [Mr. LOZIER], a member thereof, gave the matter much study, as did several others. The author of the resolution was requested to appear before us and was informed that the Senate resolution would have to be greatly changed and would require careful consideration. To-day we see that everything has been stricken out after the enacting clause and a new resolution has been written.

For eight long years the committee has given careful consideration to this. We now have a resolution favored by the American Bar Association, which has given the subject exceedingly careful consideration and has for many years been in favor of the proposed changes. Our late Speaker Longworth told you last year that the American Bar Association favored this limitation of May 4.

Mr. Speaker, as a member of the committee I will vote for the resolution whether these amendments are carried or not, but I reserve the right to support as strongly as I can the principle of a limitation by which we can ourselves have equal rights with the Senate regarding the date of adjournment. [Applause.]

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. O'CONNOR]. [Applause.]

Mr. O'CONNOR. Mr. Speaker, in this Seventy-second Congress of the United States there are many great problems confronting us. Such questions have never before been presented to our country in all its history. During the past 160 years of our liberty we have divided politically on only two questions. Men have been elected President, party platforms have been framed with the chief difference between the major political parties, first, slavery, and later, the tariff. To-day, however, we are faced with an economic situation in this Nation and likewise throughout the world which requires the greatest leadership, which requires men of the greatest insight into economic, financial, and reconstructive policies.

Here we are to-day, I remind you, spending two precious days of this first session of the Seventy-second Congress, considering what, to my mind, is a most insignificant piece of legislation. [Applause.]

Why, the Congress of the United States, with 8,000,000 of our citizens unemployed and hungry, should devote two whole days—and maybe more—of its time to considering this particular constitutional amendment is beyond my conception. If I have any capacity to hear the voice of our people, I know they are unalterably opposed to any constitutional amendment, meritorious or not, except an amendment to repeal the despicable eighteenth amendment.

While I can not subscribe entirely to the remarks made yesterday as to leadership in this House, I do want to say to the country the primary purpose of our Democratic majority should be to solve the present unparalleled economic situation which confronts our Nation to-day. [Applause.] We should not waste our valuable time with a measure such as this—conceived by crackaloos, propagated by crackpots, and supported by thoughtless demagogues.

Mr. LAGUARDIA. Mr. Speaker, a point of order. The gentleman is out of order in making reference to the author of this resolution in the other body.

The SPEAKER. The gentleman will proceed in order.

Mr. O'CONNOR. My colleague from Harlem diverted me.

Mr. LAGUARDIA. Mr. Speaker, I make a point of order that the gentleman is again out of order, and I ask that his words be taken down.

The SPEAKER. The gentleman will proceed in order.

Mr. O'CONNOR. Mr. Speaker, why does the public sometimes laugh at us here? Why, I have heard it said that a half million dollars has been spent in this Congress in an attempt to change the name of a mountain out in the State of Washington from Rainier to Tacoma. The propaganda beseeched us not to continue the name of a great English explorer as the patron of such a lofty peak, but that our patriotism should impel us to change the name to that of an illustrious Indian polygamist, Chief Tacoma. I further am informed that hundreds of thousands of dollars have been spent in propagating the idea of having 13 months in the year. Our CONGRESSIONAL RECORD is filled with charts and diagrams worrying over the "Wandering Sabbath." I do not know whether the idea is Chinese or Harlem. [Laughter.] What I mean to call to your attention is that the country laughs at us for wasting the time of the Congress of the United States on such insignificant matters. Why, the gentleman from Cape Cod [Mr. GIFFORD]—and those words can be taken down, too—should weep copious tears over the importance of this resolution I leave to your own sense of humor. What I can not understand is why two precious days—48 hours—of this Congress should be devoted to such an insignificant, unimportant proposition such as this. Will anybody here tell me what difference it makes whether we meet on March 4 or January 24? We are in session right now. Let us devote our present time to doing something for the benefit of our country. Have we done it yet?

Why, we have swallowed, hook, line, and sinker, everything from the other end of Pennsylvania Avenue. I hear a great

number of Members saying, "Right." Of course I am right. Everybody here knows what I am saying is right. To-day we should be bringing up on our own Democratic initiative—rather than waiting for another body or the Executive to hand us a bill—many of the proposals to remedy our economic situation, such, for instance, as the Costigan-La Follette bill to provide $375,000,000, or what not, to relieve unemployment. We should be doing that and many other things. Now, let us get down to just that work.

[Here the gavel fell.]

Mr. POU. Mr. Speaker, I yield one additional minute to the gentleman from New York.

Mr. O'CONNOR. The only possibility by which this resolution—and it is not entitled to the dignity of that name; at least, the capital should be omitted—should pass the House is with the so-called Longworth amendment. [Applause.]

"How long, O Lord, how long" must we wait for the leadership of this House to assert itself?

Is this all we are here for, to determine when we shall meet and when we shall adjourn? The country wants us to do something. In good times business wants us to adjourn. In bad times they lay all their troubles on our doorstep. We have not done all we should do yet. Let us do it now and stop this "monkey business," if I may call it that, about when we shall meet and when we shall adjourn. [Applause.]

Mr. POU. Mr. Speaker, I yield the remainder of my time to the gentleman from New York [Mr. CELLER].

Mr. MICHENER. Mr. Speaker, I understand we have some time remaining on this side.

The SPEAKER. The gentleman has consumed all of his time. The gentleman from Michigan [Mr. MICHENER] spoke for 5 minutes, the gentleman from Wisconsin [Mr. STAFFORD] for 10 minutes, and the gentleman from Massachusetts [Mr. GIFFORD] for 15 minutes, which makes a total of 30 minutes.

Mr. POU. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan have five additional minutes on his side.

Mr. CELLER. Reserving the right to object, I will not object if I am not taken from the floor.

The SPEAKER. The gentleman will not be taken from the floor.

Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. POU. Mr. Speaker, I yield to the gentleman from New York [Mr. CELLER] the remaining time I have.

The SPEAKER. The gentleman from New York is recognized for five minutes.

Mr. CELLER. Mr. Chairman, I regret the unseemly language of my colleague the gentleman from New York [Mr. O'CONNOR] with reference to this bill. It is not insignificant.

It is one of the most important pieces of legislation we will have to deal with in this session, or any other session, regardless of the importance of the problem of unemployment, which in due course will also be solved in this Chamber as well as in the other Chamber.

I remind my colleague from New York that he used language, to my mind, which was rather shocking, concerning a venerable and distinguished Member of the other Chamber, whom I again remind the gentleman had the courage and the stamina in the face of vilification and persecution from some certain benighted Republicans to support that sterling Democrat, Alfred E. Smith, for the Presidency. [Applause.] I admire a man who, though a Republican, is willing to come forward and recognize the splendid qualifications exemplified in the personage of Alfred E. Smith, a great Democrat. [Applause.] Therefore we should not permit use of remarks of that character concerning him.

Now, gentlemen, this is the lame-duck resolution. What is a lame duck? A lame duck is a wild bird that has been hit with a bullet by a hunter and is brought down. It is not killed, merely lamed and wounded. It is usually tractable, docile, and is easily tamed. So it is with lame ducks in this House and probably in the other House. They have been hit with the shot of defeat by their constituents, and they become very lame, docile, and tractable, and when they have jobs dangled before them they do the bidding of the Executive or those who may be in power.

Now, it seems to me inconceivable that for these many years lame ducks defeated by their constituents have been able to come back to this House and vote on any proposition, be it appropriations or what not. It is inconceivable that we should allow something as illogical as that to adhere as a barnacle to our Constitution, and give these lame Members, repudiated at the polls, the right, for example, to vote for a President or a Vice President, as was the case on three distinct occasions in this Chamber. It is as ridiculous, if not as barbarous, as the old Chinese custom of binding up the feet of their children. We should do away with it. No country on the face of God's footstool allows 13 months to elapse between the time of an election and the proroguing of their parliaments. It may startle and surprise you to know that nowhere else do we have that great so-called cooling period of 13 months between the election and the coming together of the duly elected representatives of the people. It is argued that during the 13 months the passions and prejudices stirred up by a political campaign will have become dissipated. That is ridiculous. The people should have the opportunity to register their wishes through their representatives as soon after election as possible. They should not be compelled to wait 13 months. That is not representative government.

In no country other than ours does 13 months elapse between election and convocation of parliament. The practice in Great Britain, Canada, Australia, and New Zealand has been to make the interval between elections and the summoning of parliaments as short as possible. In France the Chamber of Deputies meets 10 days after election. In Norway the election is in November and the meeting in January. In Sweden the election occurs in September and the lower house convenes in January.

In Germany the Reichstag assembles not later than 30 days after the election. This lapse of 30 days appears in almost all constitutions in the Republics of Europe created out of the World War. In Italy the King is authorized to prorogue the sessions and to dissolve the Chamber of Deputies any time he sees fit. In the event of a dissolution, however, the King must order new elections and convoke a new meeting within the space of four months. In Austria the Nationalrat must be summoned by the President to meet within 30 days after election. In Hungary the new Diet must meet six weeks after it has been elected. In Brazil the Chamber of Deputies assembles May 3—unless a sooner day is designated by law—following election, which occurs on the first Sunday in February. In Argentina the House of Deputies meets in regular session from May 1 to September 30. The election occurs on the first Sunday in March of even-numbered years.

In all the constitutions that grew out of the treaty of Versailles the period is usually 30 days between election and convocation of parliament. It should be similar here.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. WILLIAM E. HULL. Does the gentleman favor allowing Congress to continue indefinitely in the second term?

Mr. CELLER. The Congress does not continue indefinitely. The Congress is elected for two years and the Congress continues for two years now.

Mr. WILLIAM E. HULL. But there is an adjournment on March 4. What I want to bring out is whether the gentleman would favor the elimination of a definite time for adjournment in the second term?

Mr. CELLER. I am not in favor of that. I want no constitutional limitation. Congress can set its own day for adjournment. The Congress would not continue in session for all of the two years. The Congress would not continue indefinitely two years. That is inconceivable. Under the present régime we do not continue indefinitely. We could go right on till next December and then on till March 4,

1933. But instead we will adjourn around June 15—the latest July 1—to enable us to attend the national convention. Does that answer the gentleman's question?

Mr. WILLIAM E. HULL. That does not answer my question. I wanted to bring out whether the gentleman was in favor of having the Congress continue in session indefinitely in the second term?

Mr. CELLER. I would not favor making a definite time for adjournment and embed it in the Constitution. We can trust ourselves not to continue our labors without respite, without vacation. We would set an appropriate date for adjournment each year. The idea of putting a limitation on any amendment that in the even-numbered year—now the year of the short session ending March 4—so that the session in that year shall not go beyond, say, May 4, seems to me repugnant to this pending Norris amendment. In that event we would still have a so-called short session. It would extend to May 4 instead of March 4.

I herewith set forth remarks of mine in the Seventieth Congress:

The very reason that actuated the Members in the other Chamber in bringing about this Norris amendment to the Constitution was to do away with the obnoxious filibuster. But what do you do by this May 4 amendment? I say to the members of the committee that you still continue the filibuster. You had presented to you the handle of a sword that would cut out the filibuster, but you have failed to grasp it. I have as yet to hear a proper explanation as to why you have put the May 4 provision in the resolution. There is no reason why you should fix the limitation as of May 4. Why can you not leave that out and disregard it entirely as the Senate did? They set no limitation, and, you know, if you leave it at May 4 and there are men who are "filibuster minded," as it were, when that day approaches they are going to train their guns so as to conduct a filibuster and talk against time. But if you have the right to change the date from time to time and the session draws near to the day agreed for closing and a filibuster is brewing, then you can agree to postpone for a week or two weeks or indefinitely the closing time, and thus frustrate the plans of those who would filibuster.

Under the proposed amendment you are blocked. You can not agree to adjourn beyond May 4. That becomes the constitutional limitation of time for adjournment, just as now that limitation is March 4. Filibusters always occur just before March 4 of the even years. Under the proposal they will occur just prior to May 4. There is really no difference. If we are going to do a job, let us do the job right.

Mr. TILSON. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. TILSON. Does the gentleman undertake to say that we are limited now as to the time of meeting and adjournment? Did not the gentleman hear the gentleman from Texas when he explained thoroughly how we now have absolute power under the Constitution to meet any day within the two years?

Mr. CELLER. Yes; but because the term of office comes to an end on March 4 of the even year, you can not go beyond that by constitutional limitation.

Mr. TILSON. Of course, we can not go beyond the period for which we are elected, but we can fix any date within that period of time under the Constitution now.

Mr. CELLER. Yes; adjourn any time up to March 4, but you can not now even turn back the hands of the clock after noon March 4, as was often tried.

Mr. TILSON. Certainly not after our term of office or our commission has expired.

Mr. CELLER. I say that should not occur; in other words, you can take away the May 4 limitation and you will do away with the obnoxious filibuster. There should be no short session either to March 4 or May 4. Both sessions should be indefinite, as the long session is now. That is not provided in this resolution, and for that reason I hope an amendment will be offered to strike out that date.

Mr. LOWREY. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. LOWREY. I think I agree with the gentleman about removing this limitation of May 4, but that has been mentioned several times, and I believe it ought to be said that this does give at least two more months than we have now for the short term, and there is that much advantage over the present situation.

Mr. CELLER. Oh, yes; indeed. There is the advantage of that small period of time over the present condition; but I say when you have at hand the means of going further, why not take advantage of such means?

Mr. LOWREY. Why not set the time for opening further back and give us longer than three months for the short session? Congress has the right to do that.

Mr. CELLER. Congress is authorized to do that, except that the sessions can not begin prior to December 1.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, I hope my colleague from New York will not step out just now.

Mr. O'CONNOR. I will stay.

Mr. LAGUARDIA. I was very much impressed with the confession made by my colleague from New York [Mr. O'CONNOR], who came here in the early part of the session and announced to the whole world that he was going to be the floor leader of the Democratic Party; but the vicissitudes of his party seemed to ordain otherwise. When the gentleman from New York complains of the inactivity of Congress, and of the House in particular, permit me to remind him that he is one of the outstanding leaders of the party in control. He is an influential member of the powerful Committee on Rules, and it is within his power to bring on the floor any legislation he deems the country requires at this time. I will ask him to bring before this House the Costigan-La Follette relief bill. Is the gentleman for that bill? I am. I will ask him to bring before this House the Wagner construction bill to provide work for the unemployed. I ask him to use his influence to bring before this House a plan for national unemployment insurance. But to date I have not seen any activity on the part of the distinguished member of the Rules Committee [Mr. O'CONNOR] on any of these measures. Yet he talks about wasting time. I will say to the gentleman from New York that it is up to him to bring about this activity for which he has so eloquently pleaded.

In reference to the gentleman's sneering remark about the district which I represent, I am proud to represent Harlem in the House of Representatives. [Applause.] I am not ashamed of it. I would not refer to the gentleman's district by sneering at it; but I will say to the gentleman from New York——

Mr. GAVAGAN. Will the gentleman yield?

Mr. LAGUARDIA. Yes; I will yield to my colleague from New York.

Mr. GAVAGAN. I hope the gentleman knows I represent the better part of Harlem, New York. [Laughter and applause.]

Mr. LAGUARDIA. I will say to my colleague that he, too, represents a good part of Harlem and incidentally that he is trying to add it to my district in the reapportionment. I will gladly accept it and will be proud to represent west Harlem as well as east Harlem. [Applause.]

I am certain that the gentleman from New York [Mr. O'CONNOR] will, upon reflection, regret the offensive reference to one of the greatest living statesmen of this country. Senator GEORGE NORRIS is the author of this resolution. Like many other reforms that he has sponsored, in this instance he has labored long and patiently but always effectively. He is often subjected to abuse and always this abuse comes from quarters who are seeking some undue advantage or some special privilege and who are opposed to the beneficial and progressive legislation which the Senator sponsors. I am proud to be of the same school of politics as the distinguished Senator from Nebraska, the author of this resolution. Nothing that has been said by his many, many enemies who do not want to see legislation to better conditions of the people, a better administration of justice, and the protection of the natural resources of the country, has injured or can injure this great man.

Mr. Speaker, as my colleague from New York [Mr. CELLER] said, this bill is not an unimportant, insignificant bill. Instead of making it appear, as the gentleman from New York is endeavoring to do, that it only provides for appearing here in March, we will come here in January, as my colleague from New York has said, it means that instead of convening 13 months after the election we will convene two and a half months after the election and be able to translate the wishes and the issues of the American people into legislation immediately after election. That is in keeping with true democracy. I want to warn the House to beware of amendments on this resolution. If you want to bring about

a change in the Constitution and provide for the meeting of Congress immediately after election, vote down every amendment and make the passage of the resolution certain. [Applause.]

[Here the gavel fell.]

Mr. POU. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. JEFFERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of joint resolution (S. J. Res. 14) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (S. J. Res. 14), with Mr. BULWINKLE in the chair.

The Clerk read the title of the joint resolution.

Mr. JEFFERS. Mr. Chairman, I ask unanimous consent that the first reading of the joint resolution be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JEFFERS. Mr. Chairman, I will consume 10 minutes.

Mr. Chairman, this matter, as everyone knows, has been under consideration several times in this body and has been discussed at length. I trust that during the discussion to-day the Members of the House will observe the meaning of the rule and devote themselves to the contents of the proposed amendment.

Let me say that this is a very important constitutional amendment. We have often seen the chaotic condition in the Congress which comes about during the so-called short session, or so-called "lame-duck" session, of the Congress when Members of Congress who have been defeated at the preceding November election take it upon themselves to shackle the Congress in both branches and interfere with, or even prevent, the consideration of important legislation upon which the country wants action. So I regard this as a very important reform and one which should receive the careful attention and thoughtful consideration of all Members.

Let me say that in appearing here to-day on the majority side in charge of the time on this bill, I am simply acting in the place of our beloved and esteemed colleague, Mr. Rutherford, of Georgia, who passed away a few days ago. I am taking his place at this time, and I want to say that the work on this bill at this session of Congress was done largely by our esteemed and beloved colleague, Mr. Rutherford, of Georgia, before he was called away from us. He labored on the report for the two or three days just prior to his untimely death, and has presented to us a splendid report, which the Members will find very helpful in the consideration of this proposed constitutional amendment.

Let me also say that the material in this report is taken largely from the report compiled last year through the efforts of the then chairman of the committee, now the ranking minority member, the gentleman from Massachusetts [Mr. GIFFORD]. Great credit is due to the gentleman from Massachusetts as well as to our late chairman, Mr. Rutherford.

Now, let me try to explain the resolution which is before us. Section 1 of the Senate joint resolution, which is superseded by the language of the Rutherford bill as we have it now, provides that—

> The terms of the President and Vice President shall end at noon on the 15th day of January, and the terms of Senators and Representatives at noon on the 2d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

We have stricken out all after the enacting clause of the resolution as it passed the Senate and substituted the Rutherford bill, section 1 of which proposes that—

> The terms of the President and Vice President shall end at noon on the 24th day of January, and the terms of Senators and Representatives at noon on the 4th day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

Section 2 of the Senate resolution provides that—

> The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 2d day of January, unless they shall by law appoint a different day.

The text of the House bill changes this to January 4 and still carries the proviso "unless Congress by law appoints a different day." Now, it is on this section that it has been proposed, or suggested, here that an amendment may be offered to place a limiting date on the ending of that even-numbered year session of the Congress.

Now, such a limiting date, I feel, would be a foolish thing for the Congress to adopt. Suppose, looking forward 20, 30, or even 50 years, and longer, it develops that Congress actually needs more time each year to complete its business, we can not foresee what the business of the Nation may be 50 years hence, and if they do need more time then they will find that we have shackled them by placing in the Constitution of the United States a fixed and certain date beyond which they could not go, save by the calling of a special session of Congress.

And suppose they have down at the other end of the Avenue a Chief Executive who refuses to call the necessary special session of Congress. The Congress must simply go out of existence if such an arbitrary limiting date is placed in the Constitution of the United States. And even if such an amendment should be adopted, as the gentleman from Massachusetts [Mr. GIFFORD] proposes, the Senate would be in position to absolutely block the House, or the House could block the Senate, because it would require the joint action of both Houses. I think it would be very presumptuous in this Congress to adopt such an arbitrary limiting date to apply for all time to come, because we can not foresee what need may come up in the future. We should allow future Congresses to control that for themselves, according to what they, in their own judgment, may then determine to be necessary and wise.

The first sentence of section 3 of the Senate resolution provides that whenever the right of choice of a President devolves upon the House, the Vice President shall act as President, as in the case of the death or other constitutional disability of the President, if the House has not chosen a President before the time fixed for the beginning of his term. The corresponding provision of the House amendment—the first clause of the second sentence of section 3—is broader in that the Vice President elect acts as President not only when the House fails to choose a President before the time fixed for the beginning of his term but also in any case where at that time the President fails to qualify for any reason. This part of the House amendment specifically provides that the Vice President in such cases acts as President only until a President has qualified. The Senate resolution on this point fails to state whether the Vice President acts as President for the whole term or only until a President has been elected or has qualified.

The second sentence of section 3 of the Senate resolution gives Congress the power by law to declare what officer shall act as President in a case where the election of the President is thrown into the House and that of the Vice President is thrown into the Senate, and neither the President nor the Vice President is chosen before the time fixed for the beginning of their terms. This includes not only the case where the failure of both to qualify is caused by the failure of the House to choose a President and the failure of the Senate to choose a Vice President, but also other causes of the failure of both to qualify, such as resignation, death, inability, ineligibility, and so forth. Under the House amendment the law of Congress may declare who shall act as President or the manner of selecting a qualified person to

act. The person so acting as President may act only until a President or Vice President has qualified.

Section 4 of the House amendment gives Congress the power to provide by law means by which a President or a Vice President may be selected, when the right of choice devolves upon either body, if any of the persons from whom the House may choose a President or the Senate may choose a Vice President, as the case may be, has died. There is no corresponding provision in the Senate resolution.

Section 4 of the Senate resolution provides that the constitutional amendment shall take effect on the 15th of October after its ratification. Section 5 of the House amendment provides that sections 1 and 2 of the constitutional amendment shall take effect on the 30th of November of the year following the year in which the constitutional amendment is ratified. Under the Senate resolution the provisions relating to the terms of President, Vice President, Senators, and Representatives, and the provisions relating to the meeting day of Congress, take effect on the 15th of October next following ratification, whereas under the House amendment such provisions take effect on the 30th of November of the year following the year of ratification. Under the Senate resolution the provisions relating to the contingencies with respect to the filling of the office of President take effect on the 15th of October, following ratification whereas under the House amendment such provisions take effect upon ratification.

Now, Mr. Chairman and my colleagues, your committee has given very careful consideration to this complicated and technical matter, and I feel that we have inserted some very helpful and remedial provisions in the resolution which should be included in the proposed constitutional amendment and submitted to the States for ratification. Permit me to say that we feel that we have put only constructive matter into this resolution.

I believe your committee has given thoughtful attention and careful consideration to the matter, and has presented a resolution which should pass as it is now written. Let us not "muddy the waters" and spoil the chances for the final adoption of this much-needed constitutional amendment by adding unnecessary and unwise amendments to it. [Applause.]

Mr. RAMSEYER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. CABLE].

Mr. CABLE. Mr. Chairman, our Constitution contains no provision relative to the beginning of the term of the President. The Constitution was ratified by the ninth State on July 2, 1788, and thereupon became operative. Thereafter the Continental Congress set "the first Wednesday in March next"—March 4, 1789—as the day Congress should convene and the President should be inaugurated. It happens that the first Wednesday was the 4th of March, and for that reason Congress convenes and a President is inaugurated on March 4. There were reasons then, not existing to-day, for a considerable period of intervention between election and commencement of work by the new Congress. Originally Senators were elected by the legislatures; these legislatures did not convene until January or February. By the seventeenth amendment the Senators are now elected in November. Communication and transportation have greatly improved. The first House did not organize until April 2; the Senate on April 6. Thereafter the electoral votes were counted. It was not until April 30, 1789, that George Washington was inaugurated President. Now there is no reason to wait until March for the convening of Congress. The delay now occasioned by the convening of Congress until December of the following year often causes the expenditure of a large sum of money. For example, we usually have 8 or 10 election contests in the House, and very often a few in the Senate. Thirteen months now intervene until Congress convenes and is ready to consider the contests. If the contestant is finally seated, it means that the taxpayers of this country pay two men for representing that particular district. As proposed by this amendment, Congress shall meet on January 4 following the election. The contested cases will quickly be decided and the rightful holder of the seat will be determined and considerable salary and clerk hire money will be saved.

An important part of this amendment, in my opinion, is the fact that the majority people have a right to have created quickly into law their own desires as expressed at the November election. Under our present method, as we all well know, an election occurring in November, the new Congress does not begin to legislate for almost a year and a half. The will of the majority may be denied. The delay of 13 months in convening of Congress prevents a new Member from showing his worth before he must campaign for reelection. He has no record to present to his constituents. But there is an equally important provision in this amendment and that is this——

Mr. GIBSON. Will the gentleman yield right there?

Mr. CABLE. I yield.

Mr. GIBSON. Is it not a fact that Congress, under the Constitution, has the power to fix the date for its meeting?

Mr. CABLE. Congress has the power to fix the date.

Mr. GIBSON. For its assembly?

Mr. CABLE. Yes; but since the term of the President is for 4 years, and of a Member of the House is 2 years, and of a Senator 6 years, the convening of Congress can not be changed except by a constitutional amendment.

Mr. GIBSON. Is it not true that the Congress on various occasions has fixed some other date than the first Monday in December for assembling?

Mr. CABLE. Congress has that full authority, but the beginning of the term is March 4.

Mr. GIBSON. But has it not fixed a date other than the first Monday in December for convening upon no less than 18 occasions?

Mr. CABLE. That is for the assembling of Congress, but the term begins March 4.

Mr. GIBSON. But there is nothing to prevent a session of Congress before it adjourns to fix the meeting time of the next session.

Mr. CABLE. There is no inhibition in the Constitution, as I understand, as to the date of assembling, but to carry into effect the will of the people and the enactment of laws promised in the convention and campaigns we must change the present date of the assembling of Congress. The reasons for the March date no longer exist. We should meet earlier, not later; that requires a constitutional amendment.

But there is another important reason why we should change the present situation. Our machinery has been amended once already relative to the selection of the President. We now have the twelfth amendment. This is the first time that I am aware where we seek to amend for the second time any part of the Constitution of the United States. The framers of our Constitution and the Congress that wrote the twelfth amendment left defects or inadequate machinery for the selection of the President. Let me call attention to this fact: If a President elect should die, if he should become disqualified, and likewise the Vice President, the United States of America would be without a President and Vice President. A constitutional amendment is not necessary to provide for the case of the death of a party nominee before the November election. Presidential electors and not the President are chosen at the November election. The electors would be free to choose a President, notwithstanding the death of a party nominee. This same rule applies in event of the death of a party nominee after the November election and before the electors' vote.

But if the President elect and the Vice President elect should both die or become disabled or found disqualified before March 4 our country would be without a President. Dire results would follow. The law dealing with succession applies to the President, not the President elect.

Sections 3 and 4 of the House resolution provide remedies against the contingencies I have just called to your attention.

Second, if the President elect could not be determined on a count of the electoral votes, the election would be thrown into the House. Under our present procedure we would have a Congress that may have been repudiated at the polls making the selection for the American people of a Presi-

dent for the four following years. In all fairness to the people, I say to you that the recently elected Congress rather than the Congress which has been defeated should be the one to determine who will be President.

If the gentleman from New York, who criticized this resolution a while ago, would take five minutes of his time to study the measure and consider the very serious and important points of the resolution he would not have made the statement he made concerning it.

We have had this resolution before our committee for 10 or 12 years. It has been before this House under able leadership, as has been pointed out by the gentleman from Alabama; the Members, in my opinion, are ready to vote on it, and it should be carried overwhelmingly.

I submit and prophesy that when submitted to the legislatures of the various States it will quickly be ratified and become a part of our Constitution; and when it does, the safety of the American people so far as the Presidency is concerned, and the security of the American people so far as placing on our statute books the will expressed by the last election will be assured.

Mr. JEFFERS. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman, I very seriously regret my inability to agree with my worthy colleague from New York [Mr. O'CONNOR] in his ex cathedra pronunciamento that this resolution is insignificant legislation. If it is insignificant legislation to so amend the Constitution of the United States so that the will of the electorate may be speedily crystallized and translated into legislation, then this is insignificant legislation. If it is insignificant legislation to provide against a calamity that may result from a deadlock in the Electoral College, which would thwart the will of the people and compel the members of a political party in this House, voting by States, to vote for the candidate for President of an opposite political faith, and thereby disfranchise them from voting for a man who represents their political convictions, then this is insignificant legislation.

If it is insignificant legislation to correct the present system under which Members of Congress are elected and then stand by and remain inactive 13 months before a regular session of Congress convenes, and before they can express and reflect the will of their constituents, then this is insignificant legislation. Under the present arrangement, when the people pass judgment on parties and policies in a November election, they must wait 13 months before their will can be registered in Congress. Does the gentleman consider legislation curing this outrageous condition insignificant?

Under the present system, when a Representative has been repudiated at the polls, and another person chosen by the voters to succeed him, does the gentleman think the repudiated Congressman should be permitted to return to Congress and for four months speak for and represent the people who by their ballots have chosen another agent or representative to speak for them?

Does not the gentleman think that the newly elected Representative who comes fresh from the people with a vote of approval and confidence, should speak for and represent the people rather than the rejected and discarded Representative? Should a Representative, no matter how good and able he may be, but whose policies have been repudiated by his constituents, be allowed to come back to Congress for four months, and vote for and secure the enactment of legislation that his constituents have repudiated?

I want to say to my worthy friend from New York that in my nine years' experience in this Chamber I do not believe any bill or resolution has ever been considered by Congress that embodies as wholesome, wise, and important provisions as this resolution. The question involved in the pending resolution is whether or not the American people have a right to express their will and opinions on public questions, and then to have their opinions and mandates presented to Congress and crystalized into legislation without 13 months' delay.

The resolution now under consideration represents many years' hard work by committees of the House and the Senate. For nine years I have been a member of the Committee on the Election of President, Vice President, and Representatives in Congress, which committee has jurisdiction of this legislation. We have studied the proposal from every standpoint. We have greatly enlarged its scope, and extended its provisions so as not only to eliminate the so-called "lame-duck" sessions of Congress but to provide for presidential succession in several contingencies for which the present Constitution has made no provision.

I want to say in this connection that if a resolution was ever industriously and studiously considered over a long term of years, and if a resolution ever came before the House in what is practically a perfect form, that is, embodying the last and best word that could be said upon the subject involved, in my opinion it is this resolution. And I hope I may not be considered presumptuous in making this claim.

Some reference has been made to the author of this resolution, a Member of another body of the Congress. I hold no brief for GEORGE W. NORRIS, the man whose name will go down in history as the great proponent of the principle embodied in this resolution, but I want to say, as I have said in this Chamber before, that when this resolution becomes a part of the Constitution of the United States, as it most surely will at no distant date, the lion's share of the credit will be due to the Senator from Nebraska, GEORGE W. NORRIS, the Tribune of the People, and outstanding advocate of social justice. The brilliant Irish poet and patriot of Boston, John Boyle O'Reilly, referring to William Lloyd Garrison, the Great Liberator, said:

He dared to be traitor to country
When country was traitor to right.

May I paraphrase this language and say of the Senator of Nebraska—

He dared to be traitor to party
When party was traitor to right.

With a commendable zeal he labored in season and out of season to have this principle incorporated in our organic law. Beset on every hand by the reactionary and stand-pat elements in both the Democratic and Republican Parties, he stood steadfast in favor of this legislation, because he realized, as the country realizes, that this resolution is a long step toward giving the people of the United States representative government in the true sense of that term. Let no thoughtless or envious man underappraise his services to his country in securing the submission and ratification of this amendment.

It is true that the resolution which we are now considering is not the original Senate resolution. Seemingly that resolution has been introduced in the Senate in practically the same form year after year and session after session, featuring the "lame-duck" part of the resolution, but omitting that part of the pending resolution relating to the presidential succession. The responsibility for perfecting that resolution and providing for contingencies which were not covered by the Senate resolution fell upon the House committee. While I had only a modest part in formulating this perfected bill, my whole soul is in this legislation, and I am looking forward with unalloyed pleasure to the time this resolution will become a part of our organic law.

Mr. O'CONNOR. Will the gentleman yield?

Mr. LOZIER. Yes; I yield to my friend from New York.

Mr. O'CONNOR. The gentleman says it has been introduced in the same form.

Mr. LOZIER. Practically the same form in the Senate, but not in the form in which the House committee now presents it.

Mr. O'CONNOR. It has been amended at least forty times and the gentleman must know it bears no resemblance to the form in which it was introduced originally by the distinguished gentleman from Nebraska.

Mr. LOZIER. I am constrained to say that the gentleman from New York is in error. The first and second para-

graphs are essentially the same as in the bill that was originally introduced in the Senate by the Senator from Nebraska. The third section in the pending bill is an enlargement and improvement of the provision of section 3 of the original Norris resolution. The fourth section in the House resolution was formulated by the House committee of which I am a member. The provisions of this section are not to be found in the Norris or Senate resolution. The first and second sections deal with the so-called "lame-duck" sessions of Congress, the terms of the President, Vice President, and Representatives in Congress, and the assembling date of Congress. The third and fourth sections relate to the presidential succession.

Credit for perfecting the third section and for the addition of the fourth section of this resolution is due to the House committee, but the proposal for eliminating the "lame-duck" session of Congress has been in every Senate bill since I entered Congress. Nothing that anyone can say or do will deprive the Senator from Nebraska of the credit for putting over the "lame-duck" provisions of this resolution, but to the House belongs the credit of providing for contingencies relating to the presidential succession which were not covered by the Senate bill.

Now, let me very briefly call your attention to the provisions of this bill. The original Norris bill made no provision for a contingency such as might have happened in 1924 or similar presidential contests. You will recall that there were three candidates for the Presidency—Calvin Coolidge, John W. Davis, and Robert M. La Follette—and there was a widespread opinion for many months that there would be a deadlock in the Electoral College, and that neither one of the three candidates would have a majority of the electoral votes. In that event, under the Constitution, the election would have been thrown into the House of Representatives—not the newly elected House of Representatives, but the old House of Representatives elected in 1922; not the House of Representatives coming fresh from the people, not the House of Representatives elected in the 1924 presidential election, not the House of Representatives that represented the last expression of the people, but the old House of Representatives selected two years before the three parties came to grips in the 1924 presidential election. Now, in electing a President when the Electoral College fails to perform that function, under the Constitution the Members of the House, voting by States, must vote for one of the highest three candidates who were voted for in the Electoral College. If one of the three dies, the choice is confined to the surviving two.

In 1924 suppose there had been a deadlock in the Electoral College, no candidate having a majority. Then the election would have been thrown into the House, the membership of which was elected in 1922. Also, suppose that between the time of the meeting of the Electoral College and the time the House met to elect a President, President Coolidge had died. Under the Constitution, you Republicans, voting by States, when your names were called, would have been in a very serious predicament. Mr. Coolidge being dead, you would not have had the privilege of voting for some other Republican for President, although the Republicans might have had, as they did have, a tremendous popular majority in the November, 1924, presidential election. You would have been bound down by the straight-jacket provisions of the Constitution and been compelled to vote for either John W. Davis or Robert M. La Follette, a situation no Republican, Democrat, or Progressive could justify.

On the other hand, in 1924 if there had been a deadlock in the Electoral College, and John W. Davis had died between the meeting of the electors and the assembling of the Congress, every Democratic Member of the House would not have had the poor privilege of voting for some other Democrat for President, but would have been disfranchised under the Constitution or been compelled to vote for Calvin Coolidge or Robert M. La Follette, which would have shocked the political conscience of an orthodox Democrat.

Section 4 of the pending resolution, which is the product of the labors of the House Committee, makes provision for a contingency of this kind and authorizes Congress to enact statutes so as to avoid the intolerable situation that may arise under the present provisions of the Constitution.

[Here the gavel fell.]

Mr. JEFFERS. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. LOZIER. I may say to the distinguished gentleman from New York that in section 4 we are providing a remedy that may prevent sedition or the disfranchisement of the major or minor party in a presidential election where the Electoral College fails to function and the election is thrown into the House.

It is an act of wisdom and patriotism for Congress to provide against contingencies of this kind that would result in injustice and perhaps precipitate sedition. Congress, looking into the future and seeing the dangerous complications that may at any time flow from the present unsatisfactory provisions of our Constitution, should have the foresight and courage to amend the Constitution so as to make impossible these dangerous conditions; and in all fairness it can not be said that an amendment that will accomplish this is insignificant and unimportant legislation?

And may I say, Mr. Chairman, in conclusion, the American people, when they express themselves at the ballot box, have the right to have their will respected and reflected in legislation. We must not set ourselves up as a wet nurse of the people. We have no right to ignore their mandates or delay the crystalization of their demands into laws. Under our form of government the American people have a right to be wrong, if they want to. According to the genius and spirit of our institutions, when policies and issues are submitted to the American people and they, speaking through the ballot box, pass on these policies, whether in your opinion their verdict is right or wrong, the people have the right to demand that their representatives meet speedily and translate their mandate into legislation, subject, of course, to constitutional limitations; and the man in this Congress or the man outside of Congress who opposes a policy and a principle of this kind is a stranger to the genius and the spirit of our institutions. I have made a number of speeches in this Chamber advocating the passage of this resolution. In view of the strong sentiment in favor of this proposed amendment, I will say no more. Let us pass this resolution by an overwhelming majority. [Applause.]

Mr. JEFFERS. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I am heartily in accord with this joint resolution seeking to amend the Constitution of the United States, and desire to speak briefly with reference to sections 1 and 2, which read as follows:

That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 24th day of January, and the terms of Senators and Representatives at noon on the 4th day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 4th day of January, unless they shall by law appoint a different day."

The terms of Representatives in Congress elected in November commence under existing law on the following 4th of March, but they do not meet in session until December thereafter, 13 months after their election. A short session, commencing the first Monday in December and ending March 4, follows said election, in which Representatives defeated in November continue to serve for three months; and that short term has been called the "lame-duck" Congress.

To get rid of that condition and to have a Congress responsible to the will of the people this amendment has been proposed. A similar resolution I introduced in 1923.

To delay longer its passage would be a grievous wrong. This will put an end to the "lame-duck" Congress, where Members defeated for reelection in November continue to

legislate and are more liable to listen to influence of special interests who seek to defeat legislation desired by the people and to executive influence rather than the expressed will of their constituents. Why wait 13 months after the election to respond to the wishes of the electorate? In every State of the Union and in all other countries of the world no such delay is permitted. Only here in the United States is there such long delay to enact into law the legislation desired by the people. For 10 long years this proposed amendment has been fought and delayed. In no country on earth does there exist such power to defeat and delay the passage of legislation sought to be enacted in the interest of all the people for whose benefit government was created.

The rule of the people is the safety of the Republic. Representative government must be preserved. The power of the people must not be weakened by inaction or long delays. This is the method desired by those who would control the Government and its activities.

Centralization of power in the hands of a few has gone too far and must be ended or the voice of the people will be forgotten. The struggle for control of government and its agencies has been the contest in all ages.

There is no better way to preserve the rights of the masses than to have an early response to the declared will of the people by their elected representatives.

Keep in mind that the preservation of the life of our Republic depends on the will of the people being preserved and not defeated by inaction. Well may the people be anxious to have their expressed will carried into effect without undue delay by their representatives in Congress and in all departments of the Government.

I hope this long-delayed proposed constitutional amendment passed by the Senate time and time again will pass Congress now and be submitted forthwith to the 48 States for ratification.

Mr. RAMSEYER. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, I was wondering, as Winston Churchill sat over in the rear of the House a few minutes ago, what his emotions would be if, in the Parliament of England, he and his colleagues sat around for 13 months after election before they took their seats for legislative work at the next regular session. There, the English people throw out an administration upon their own vote, returning the new Parliament that then comes in and legislates, while we wait 13 months unless called here in extra session.

We are the only Government in the world, so far as I can learn, at least I have not heard of any other, that does that strange thing by virtue of the present provision of the Constitution. I speak of this because the gentleman from New York [Mr. O'CONNOR] says that this is a frivolous proposition—I believe that is the term he used.

Let me read what is stated in the report on that point:

> Under our present system, the old Congress expires on the 4th day of March of the odd years, and the first meeting of the new Congress is on the first Monday of the following December. The newly elected Members have no opportunity for 13 months even to begin to put into effect the policies on which they were elected, unless an extraordinary session of the Congress should be called by the President before that time.

No other government in the world waits 13 months after the representatives come in before they take their seats. And yet the gentleman from New York calls this an unimportant or frivolous resolution. The reasons for an earlier meeting of Congress are obvious. This resolution has been about Congress for 10 years, and yet we are asked by the gentleman from New York why we do not do something in legislation instead of waste time with this resolution. Well, we legislated on the moratorium, and the gentleman did his share, and I congratulate this Democratic side of the House in what they have done to remove the business depression. Both sides of the House have united on every aid bill that has been presented.

We legislated through a $2,000,000,000 credit appropriation, and $125,000,000 for farm relief, all for the same purpose, and yet the gentleman objects because more has not been accomplished in two months' time. I never criticise those who differ with me in bringing in legislation, but why not tell us what other relief bills he wants us to pass, if any are in mind.

We are trying to pass legislation. We are trying to do our full duty, and also to cure by this resolution a manifest defect in our legislative sessions. Is it unimportant to try and cure this situation? That is what this resolution proposes to do.

A gentleman a moment ago came over from your side of the House to our side, urging us to vote for the Longworth amendment. I said to him, "If you do that, it may kill the bill again, as it did the last time." He smiled, and said something to the effect that that would not do much harm. Now, if any gentleman wants to kill the bill, why put on such a limitation. It defeated the bill in conference before; it will probably do so again. We are trying to get the resolution passed by both Houses and sent to the States for their action. We want to get through Congress this resolution.

No gentleman has gotten up on the Republican side and said that without the proposed amendments he would vote against the resolution. In fact, speakers have generally said, if for the amendments, they would support the resolution without them. If it is a good resolution in this shape, irrespective of the amendments, which some Members believe ought to be passed, why not pass the resolution as it is, so that it will not be killed in conference as before?

Mr. BANKHEAD. Will the gentleman yield?

Mr. FREAR. I yield.

Mr. BANKHEAD. Why is it that the House, if its amendment is advisable and necessary on a material matter, should be placed in the attitude by another body of take that or nothing?

Mr. FREAR. That is a fair question. This resolution came originally from the other side. For several years it has come to us from the Senate. We have been placed here in the position of obstructionists by insisting on amendments that Members say are not important to them if the bill will be supported without their addition. I am speaking of the House's action last session and in prior sessions.

We did not offer originally any kind of a resolution. We eventually acted on the Senate resolution, but we put on an amendment that was objectionable to the other body and the conferees could not get together. I do not know who is responsible, nor do I care. The important thought is that 13 months is to continue in the future, during which we are to serve inactive unless something is done with this proposal. I believe the House has as much right to its judgment as the Senate has, but they studied this question over there and prepared the resolution which we have sought to perfect, with the aid of those who first offered the Senate resolution. I say this with some knowledge, because I know that both Chairman Rutherford and Senator NORRIS were practically agreed as to its terms. If we put on that amendment limiting the sessions with the knowledge that we will defeat it, how can we justify that action?

Mr. GIFFORD. Will the gentleman yield?

Mr. FREAR. I yield.

Mr. GIFFORD. The Senate never has had a vote on this amendment. We do not know.

Mr. FREAR. That is not the question. I am not questioning who is primarily responsible, but why invite another defeat of the resolution?

Now, I have only 10 minutes or I would be glad to yield further.

What is the Longworth amendment? As was suggested, it provides that one of the sessions shall be shortened to May or June. Is that an important limitation to urge? My State legislature has no limitation. Why should it have? Why should Congress bind itself to a fixed time limit? The suggestion is made that in another body they may filibuster and delay things, but is that any justification for an amendment which in effect says we can not control ourselves and can not curb ourselves as to length of sessions whenever the question comes up? We have done so in the past under the 3-day recess until both Houses were agreed. We have always been able to meet that situation. We always have done it.

Yet we are asked to shorten one session arbitrarily to three or four months, however important the legislative situation may be. Why should we insist upon it this time, with certain knowledge that last session it resulted in the defeat of the bill? Now, that is the Longworth amendment. Those of us who are thoroughly interested in the bill vote for it with the belief that it will defeat the bill again if it is amended. If the membership desires to defeat the bill, that is their privilege, of course. Few will vote against this resolution, I take it, if the Longworth amendment is defeated, but its acceptance will prevent the resolution's passage; that will be the probable result.

The other amendment is for the resolution's adoption by the States in seven years. Alabama's legislature meets only once in four years. The others meet in shorter times, but the danger in State action with a matter of this kind is that it is not to the State legislatures a matter of supreme importance. They may not realize the importance of it in a 60-day session which is often the usual term. For that reason we are liable to defeat the resolution by failing to secure adoption by 36 States which must then act upon the resolution within the period of seven years. They may or they may not.

Of course there is the chance that a legislature which meets only once in four years will act upon it; but if they do not, the resolution might by that limitation be defeated.

There is no object in 7 years' limitation for the States to act any more than 9 years or 10 years. I feel that we ought to pass this resolution in the House, if we believe it is right, and we should put it through without hanging amendments onto it that will embarrass its final passage. Any amendments that we place on it may result in the defeat of the resolution. We do not know what will happen 20 years or 50 years from now. We are legislating for the future as far as this resolution is concerned, so either the Longworth amendment or any other may be a source of trouble hereafter. Of course the time for the sessions to begin can be fixed under the resolution, but the resolution is offered to cover the 13 months' delay under the present practice, and it does not need any defense.

Now, I have just been placed on the committee. I regret exceedingly that the gentleman who was the chairman of the committee, Mr. Rutherford, a splendid official, is not here to present the resolution. His death leaves it to Mr. JEFFERS, who has made a fair and complete statement. I repeat, if these amendments are placed on the bill we stand a chance of losing a resolution again that has been worked over for 10 years. We all recognize, I believe, that it is right in principle, and, as I said, we are the only country in the world that has such a legislative situation regularly presented.

In my extension of remarks, I ask permission to put in a tabulation that has been prepared for me, showing the time of legislative service and other data in the different States.

The CHAIRMAN. Without objection, it is so ordered.

The matter referred to is as follows:

What price lawmakers?

[Prepared by Waldo Schumacker, professor of political science, University of Oregon]

State	Length of term (years)		Salary fixed by statute	Sessions		Salary		Allowances per mile for one round trip per session unless otherwise stated
	Senate	House		Time	Limit	Regular session [1]	Special session	
Alabama	4	4		Quadrennial	50 days	$4 per day		10 cents.
Arizona	2	2	Yes	Biennial	60 days	$15 per day		20 cents one way.
Arkansas	4	2		do	do	$1,000 for 2 years	$6 per day	5 cents.[2]
California	4	2		do	None [3]	$2,400 for 2 years		5 cents.
Colorado	4	2		do	None	$1,000 for 2 years		Traveling expenses.
Connecticut	2	2		do	5 months	$300 for 2 years		Do.
Delaware	4	2		do	60 days	$10 per day		$25 for supplies.
Florida	4	2		do	do	$6 per day		10 cents.[2]
Georgia	2	2		Annual	50 days	$7 per day		10 cents.
Idaho	2	2		Biennial	60 days	$5 per day	$5; 20-day limit	Do.
Illinois	4	2		do	None	$3,500 for 2 years		Round-trip fare weekly; $50 for stationery.
Indiana	4	2		do	61 days	$6 per day	$6; 40-day limit	$5 for 25 miles.
Iowa	4	2	Yes	do	100 days	$1,000 for 2 years	$10 per day	5 cents.
Kansas	4	2		do	50 days	$3 per day	$3; 30-day limit	15 cents.
Kentucky	4	2	Yes	do	60 days	$10 per day		Do.
Louisiana	4	4		do	do	do		10 cents per trip; not over 3 trips.
Maine	2	2	Yes	do	None	$400 for 2 years	$2 per day	$2 for ten miles.
Maryland	4	4		do	90 days	$5 per day		20-cent limit; $25 for stationery.
Massachusetts	2	2	Yes	Annual	None	$1,500 per year		$4.20 per mile, one way.
Michigan	2	2		Biennial	do	$3 per day	$3; 20-day limit	10 cents.
Minnesota	4	2	Yes	do	90 days	$1,000 for 2 years		15 cents.
Mississippi	4	4	Yes	do	None	do	$10 per day	10 cents.
Missouri	4	2		do	do	$5 per day; 70-day limit.		Traveling expenses; $30 for postage.
Montana	4	4	Yes	do	60 days	$10 per day		10 cents.
Nebraska	2	2		do	None	$800 for 2 years	$10; 10-day limit	Do.
Nevada	4	2	Yes	do	60 days	$10 per day	$10; 20-day limit	10 cents; $20 for stationery
New Hampshire	2	2		do	None	$200 for 2 years	$3; 15-day limit	Traveling expenses.
New Jersey	3	1		Annual	do	$500 per year		
New Mexico	4	2		Biennial	60 days	$5 per day	$5; 30-day limit	10 cents.
New York	2	1		Annual	None	$2,500 per year		$1 for 10 miles.
North Carolina	2	2		Biennial	do	$600 for 2 years	$8; 20-day limit	10 cents.
North Dakota	4	2		do	60 days	$5 per day		Do.
Ohio	2	2	Yes	do	None	$2,000 for 2 years		Round-trip fare weekly.
Oklahoma	4	2		do	do	$6 per day; $2 after 60 days.		10 cents,[2]
Oregon	4	2		do	40 days	$3 per day [4]	$3; 20-day limit	$3 for 20 miles.[2]
Pennsylvania	4	2	Yes	do	None	$3,000 for 2 years	$500	35 cents weekly; $150 for postage; $50 in special session.
Rhode Island	2	2		Annual	60 days	$5 per day		8 cents.
South Carolina	4	2		do	40 days	$400 per year		5 cents; $5 for postage.
South Dakota	2	2		Biennial	60 days	$5 per day		5 cents; $200 for living expenses.
Tennessee	2	2		do	75 days	$4 per day	$4; 20-day limit	$4 for 25 miles.[2]
Texas	4	2		do	None [3]	$10 per day; $5 after 120 days.		$2.50 for 25 miles.
Utah	4	2		do	60 days	$4 per day	$4; 30-day limit	10 cents.
Vermont	2	2	Yes	do	None	$400 for 2 years	$4 per day	20 cents.
Virginia	4	2	Yes	do	60 days [5]	$720 for 2 years	$360; 30-day limit	10 cents.
Washington	4	2		do	60 days	$5 per day [4]		Do.[2]
West Virginia	4	2		do	60 days [5]	$500 per year		Do.
Wisconsin	4	2	Yes	do	None	$2,400 for 2 years		Do.
Wyoming	4	2	Yes	do	40 days	$12 per day		Do.

[1] In States paying on a yearly or biennial basis, the salary per year is shown if annual sessions are held. The salary for 2 years is shown if sessions are biennial.
[2] An attempt to increase the stipend through an allowance for incidental expenses was held unconstitutional.
[3] Divided session; first part limited to 30 days.
[4] A proposal to increase the salary was defeated by the voters at the last general election.
[5] Session may be extended: In West Virginia by two-thirds vote in each house, in Virginia by three-fifths vote in each house for not more than 30 more days.

Mr. GIFFORD. I yield the gentleman from Wisconsin one additional minute that I may ask him a question.

Remarks have been made directed to the point that if these amendments are carried the resolution will be defeated. Is it a fact that if the amendment is not incorporated that we may not get two-thirds vote for the resolution itself?

Mr. FREAR. Every gentleman who has risen in his place, I believe, and made remarks about the resolution has said, if I remember correctly, that he would vote for the resolution whether the amendments were there or not. There may be those who would not.

Mr. BANKHEAD. Will the gentleman yield?

Mr. FREAR. I yield.

Mr. BANKHEAD. Is it not the gentleman's conception that the really material part of this proposed amendment, as far as the "lame-duck" feature of it is concerned, is in making the terms of Members of Congress begin just a few months after election?

Mr. FREAR. Yes.

Mr. BANKHEAD. And the amendment that may be proposed does not go to the very essence of the proposition?

Mr. FREAR. Well, I believe the resolution does and meets the present difficulty it is intended to remedy.

[Here the gavel fell.]

Mr. JEFFERS. Mr. Chairman, I yield five minutes to the gentleman from Oklahoma [Mr. CARTWRIGHT].

Mr. CARTWRIGHT. Mr. Chairman, as a member of the committee that brought out this resolution, I want to say I have given it some study. While it has been changed a little, it is essentially the Norris amendment. I introduced the same resolution in the last Congress, but, of course, such bills get the name of the chairman. This has passed the Senate several times, and this will be the second time to pass the House. So, after years of fighting and agitation, I believe the "lame-duck" Congresses with legislation by men who have been repudiated by their people is near the end. It should have passed years ago.

Senator NORRIS is to be congratulated for his fight. For a long time he has been crying in the wilderness, but I believe the American people have been with him all the time.

Mr. Chairman, if nothing further were to be accomplished by the amendment than to do away with the absurdity of electing Members of Congress 13 months before they are allowed to become full-fledged Congressmen, that alone would be enough to justify prompt action on our part.

There was some justification for such a provision in the days of the ox cart and tar bucket, when the average rate of travel was 5 or 6 miles an hour; there is none to-day in this wonderful age of scientific achievement and material progress—the age of flying machines and fast automobiles. In times like these it is a travesty on democratic government to elect Representatives to serve the people in the transaction of business of vital importance and then not allow them to begin that service for more than a year. Think of engaging anyone to begin work more than a year hence. Imagine a farmer buying seed or work animals or implements and not be allowed to use them for more than a year. Imagine a bank electing directors to do nothing but watch other directors transact the business for over a year. Fellow Members, nowhere except in the United States are the elected representatives of the people put into a political morgue and kept there for over a year before they can take action. For generations it was our boast that in America we had established a government "of the people, by the people, and for the people." To-day the Government of England and several other governments are far more responsive to the will of the people.

First. This amendment will free Congress of the dead hand of the so-called "lame duck." Of course it is no disgrace to be a "lame duck," but they have been "crippled," their responsibility to the people has been lessened, they have been rejected by the people, yet they often hold the balance of power in both Houses, and so have it in their power to decide matters of the greatest importance to the Nation. It is well known these "lame ducks" have often been influenced by expectations of favors to come from the White House.

Second. It is also during the so-called "lame-duck" session that the filibuster flourishes. It is also during this session that the undemocratic cloture is made use of to jam measures through Congress without adequate debate or understanding.

Mr. WARREN. Will the gentleman yield?

Mr. CARTWRIGHT. I yield.

Mr. WARREN. The gentleman says that this resolution will do away with filibustering. I call the gentleman's attention to the fact that there have been good filibusters and bad filibusters.

Mr. CARTWRIGHT. I admit that. But one of the main purposes of the amendment is to do away with the short session. By so doing it increases by a big percentage the chances of legislation being given the fullest consideration and being decided by representatives who are fresh from the people and who look directly to the people and nowhere else for their reward.

Third. Under this amendment each Congress would organize itself. At present the dying Congress provides by caucuses the offices and organization for the newly elected Congress. A dead Congress seeks to control the machinery of a Congress that is yet to come into being. The proposed amendment would put a stop to that undemocratic practice.

Fourth. This resolution should pass because it has received the approval of the American Bar Association and of a great many farm, labor, and women's organizations. The press throughout the whole country is for it. I do not know of anybody or group that is openly against it, and I believe the States will vote a ratification of the proposed constitutional amendment at the first opportunity. [Applause.]

Mr. JEFFERS. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. MONTAGUE]. [Applause.]

Mr. MONTAGUE. Mr. Chairman, I have never seen the necessity of this legislation. I have felt that to embark upon amending the Constitution in order to meet the presidential aspect of this resolution was too nebulous and too obscure and might involve us in more difficulties than we are now in. I doubted our wisdom and capacity to bring in any amendment that would meet the difficulties that nobody can foresee, but which will develop in time in connection with the election of a President if it should fall into this House. But can not I say, as some consolation to those with whom I agree on this subject, that we have not been hurt by the present practice? What President has this House elected, "lame-duck" Congresses or brand new Congresses? Was not Thomas Jefferson elected by a "lame-duck" Congress? Is there any large public sentiment in America which regrets that election? Was not John Quincy Adams elected by a "lame-duck" Congress? Our Republican friends, I am sure, do not regret the election of Mr. Jefferson or Mr. Adams. [Applause.]

I now leave that aspect of it, with the repetition, if you please, that the game is not worth the candle; that a constitutional amendment is too big a weapon to wield in order to achieve the small results contemplated by this resolution.

Let us go back a bit. What is the source of this legislation? What is the cause of this legislation? I think "lame-duck Members" is a capitalistic terminology to destroy the usefulness of the legislative branch of our Government, which is the desire of some people. It is unfortunate that the election of Members and the service of Members should be at times so far separated. I do not undertake to justify that; but if that is the trouble to be cured, I ask you why go to a constitutional amendment to remedy it? Why have we stood here all these years, with a constitutional principle and provision in the existing legislative power for immediate exercise? We have an existing concrete remedy in the Constitution itself.

I will read the section of the Constitution which supports this contention:

The Congress shall assemble at least once in every year, and such meeting shall be on the first Monday in December, unless they shall by law appoint a different day.

That is as plain as a pikestaff. That is as plain as your hand before your eyes. Having that power why do we not exercise it rather than to pursue the circuitous route of a constitutional amendment in order to cure some imaginary difficulties, especially as relating to the presidential election?

Mr. TILSON. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. TILSON. As a matter of fact, during the period immediately following the Civil War did not the Congress, by statute, appoint the 4th of March, or soon thereafter, for the meeting of each succeeding Congress, and for about six years this was the law, until the passions of the Civil War had somewhat cooled, when the law was repealed and Congress went back to the original provision of the Constitution regarding the meetings of Congress, from which no subsequent Congress has departed?

Mr. MONTAGUE. I thank the gentleman for the suggestion. I did not intend to go into any complete history of this. However, I couple his suggestion with the observation that war, civil or otherwise, always wrenches governments out of their sockets, and it takes a long time to outlive the evils that war brings upon us. I say we now have this power. If I had my own way I would not rush a Congress here immediately upon its election. I am not afraid of the words "cooling time." I would bring them quicker than now provided for, but I would give them some time to make physical preparations to come here to discharge their duties, and I would give them some time to get free of the atmosphere of partisanship, which is the most insidious disease any of us possesses, and those who possess it most think they possess it least. [Applause.]

Mr. GIFFORD. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. GIFFORD. The gentleman says that this could be done by law rather than by constitutional methods, but does not the gentleman recognize that we could not well get rid of the "lame-duck" session, at which the votes for a President might be cast, except through this constitutional provision?

Mr. MONTAGUE. If the gentleman will recall, I stated that the only instances in which we did not get rid of them we elected Jefferson and John Quincy Adams.

Mr. PARSONS. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. PARSONS. Under the present arrangement, could the Congress enact legislation that would permit the Members elect to elect a President and the Members elect of the Senate to elect a Vice President, in case the President elect or the Vice President elect should become disqualified in any way?

Mr. MONTAGUE. I have not thought of that sufficiently or maturely to give the gentleman an opinion.

Mr. PARSONS. That is the only virtue or the only advantage in this proposition.

Mr. MONTAGUE. I think so; but, as I say, I think that is very attenuated and very negligible, and the instances we have had have not proved harmful but have proved beneficial to the American people.

Now, about Congress. I have been here a good, long while. I have seen some of the most eminent men go. We seem to think that if a man is defeated for Congress he is no longer fit for public service or anything else; that he has suffered some blast to his reputation, and he is suddenly inefficient and incompetent to discharge any public trust. This is a violent assumption and the record is full, and the proof is ample, to the contrary. Representative William McKinley was a "lame-duck" and came back to this Capital as President of the United States [applause], and I might name many others who have come back to this Capital, not as President, but have come back to the Senate or back to the House again or to the Cabinet or some other high position.

Mr. BANKHEAD. Champ Clark was a "lame-duck," I will remind my friend.

Mr. MONTAGUE. Yes; Abraham Lincoln was, also.

I have observed some of these men in the House after their defeat, and I ask you to remember this if you forget everything else I may say. They have one factor of legislative equipment; they are free from the hope of reward or the fear of punishment. [Applause.] They live, I repeat, in an atmosphere of legislative calm. They are free and independent legislators, and it is well for us to have a small class of men of this character in this House who after the storm of battle will stand up and vote with the future not in view.

Mr. LOZIER. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. LOZIER. Admitting the high character of some "lame-duck" Representatives, does the gentleman think it is a sound and wholesome policy for a man who has been repudiated by his constituents to come back and enact legislation against their will—is that Americanism?

[Here the gavel fell.]

Mr. JEFFERS. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. MONTAGUE. Suppose a man is defeated in the primary? Do you think we should get rid of him and never allow him to run for office again?

Mr. LOZIER. That is not the question.

Mr. MONTAGUE. The same principle is involved.

Mr. LOZIER. Does the gentleman think it is Americanism, Democracy, or Republicanism to allow a man who has been rejected at the polls, and his policies repudiated, to come back and have 13 or 14 months' time in which to legislate and to put into effect those same policies?

Mr. MONTAGUE. I would not give him 13 or 14 months.

Mr. LOZIER. Well, he has them now.

Mr. MONTAGUE. I do not say that I would not make a change, but I say we have ample power now to change that.

Mr. O'CONNOR. Will the distinguished gentleman from Virginia yield?

Mr. MONTAGUE. For a question; yes.

Mr. O'CONNOR. If the argument of the gentleman from Missouri [Mr. LOZIER] were carried to its logical conclusion, after election day, on the first Tuesday after the first Monday in November, the President should not be entitled to function any more. That is the gentleman's theory.

Mr. LOZIER. The President can not enact legislation.

Mr. O'CONNOR. The theory is that because a man is defeated in election he is going to sacrifice his Government is not good Americanism either.

Mr. MONTAGUE. I ask now not to be interrupted until I have finished this thought. I would bring, if you please, the legislators elect into the discharge of their duties sooner than they now come, but I am simply arguing that it is a mere bugaboo to say that what we have been doing all these years will now suddenly destroy the country, and I have been trying to emphasize the fact that when men are free from any ulterior consideration, if they have any patriotism or any character whatever—and many men have been defeated who had as much patriotism and as much character as those who were not defeated—these men are then freer to exercise their attributes of statesmanship and to exercise their principles of patriotism, which I am sure they possess, than many of us who stand here day by day crowded with letters, oppressed with propaganda, hardly able to find 10 uninterrupted minutes in any day in which to study any governmental subject, with department work which makes almost every Representative a slave, with all the modern appliances of American ingenuity and mechanism, if you please—telegraph, telephone, and what not—to press and press and drive us on to a conclusion, which sometimes, if we were independent, we know we would not do. So I have seen some of these so-called "lame-ducks," if I may repeat an expression which I did not intend to use when I did use it, I have seen them run farther and fly farther than they did before they ever were injured. [Laughter and applause.]

I desire to pay my great respect to the gentlemen who have brought forward this bill; they have labored diligently, intelligently, and ably, and the House, I am sure, gives full credit to them.

Now, one thing further. My esteemed friend from Wisconsin [Mr. FREAR] made some comparisons. There is no possible analogy between this system and the English system. This is to save the President in an emergency. Their Government does not have a President. They have one ruler in the form of a King.

Their whole system for years has been a cabinet system, picked from a legislative body. If it is not sustained by the house or the chamber or the parliamentary institution under which they function, they go out and enter upon another election. It is pretty near a democracy.

After the revolution in the seventeenth century, they came out a limited monarchy. After our Revolution in the eighteenth century we came out a limited democracy.

Mr. FREAR. If the gentleman will pardon me, I had reference to the parliamentary situation.

Mr. MONTAGUE. I appreciate that; but it is not analogous to the proposition that now confronts the House. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I yield five minutes to the gentleman from Connecticut [Mr. GOSS].

Mr. GOSS. Mr. Chairman, I had not intended to speak on the bill to-day, but inasmuch as so much has been said about the Longworth amendment I want to take time to read it. It is as follows:

SEC. 2. The Congress shall assemble at least once in every year. In each odd-numbered year such meeting shall begin at noon on the 4th day of January, unless they shall by law provide a different day. In each even-numbered year such meeting shall be on the 4th day of January, and the session shall not continue after noon on the 4th day of May.

I remember when the late Speaker came down into the well of the House and said that he desired to call our attention to what in his mind was a fundamental objection to the bill, which is the same bill we have to-day, and in the same form. This fundamental objection was that this would allow the Congress to be in perpetual session, and that he felt the Congressmen should be able to go home and have some four months to prepare for the coming election.

That is my own feeling. I want to see this amendment adopted. It is very simple. I happen to be on a committee where other members do not want to report out a bill because a gentleman at the other end of the capital does not want it to come out in that way.

This same gentleman is telling us, in the bill sent over here for us to consider, that he does not want this House to have its way in this matter.

I think it is high time that the House should act independently and do what it wishes in the consideration of these matters regardless of what the other body may do with the legislation. In my judgment, we ought not to pass this bill without the amendment, and thus become subservient to the Senate. [Applause.]

Mr. Chairman, I yield back the remainder of my time.

Mr. GIFFORD. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, the gentleman from New York [Mr. O'CONNOR], during the discussion of the rule, reminded the House of its pressing duty to always keep in mind the relief of unemployment and the distressed people of this country. That precipitated a rather humorous debate between, among others, "the two gentlemen from Harlem,"—Mr. GAVAGAN and Mr. LAGUARDIA—but they did not inform the House of the all-important question, and we are still waiting to hear which of those gentlemen represents the two famous Americans—"Amos 'n' Andy," of Harlem. Of course, we Members of Congress are but doctors or physicians in taking care of or curing the country. We can give the people medicine—that is, a law—but the vitality of the patients—the people of the country—and their virility are the main things. In the last analysis the people must help themselves.

To-day has been a rather noteworthy day on the floor of this House in that Mr. Winston Churchill, one of the strong men in the World War and one who helped England to go through the postwar period, has been on the floor of the House. We also had a brilliant oration on Abraham Lincoln by the gentleman from Illinois [Mr. CHIPERFIELD], and he told us that Lincoln talked faith and courage as Henry Ford does to-day.

I think in view of these developments and the fact we are discussing a change in the model of our laws, the Constitution of the United States, it is pertinent to announce that the newspapers of the country in prominent headlines to-day call attention to precedents in changing models, and to the fact that the foremost American business man, Henry Ford, has enlisted on a vast business program and a crusade to help cure this depression which the gentleman from New York has brought to our attention.

Mr. Ford is gambling on better times by getting out a new model 8 car.

The whole automobile industry itself was already enlisted in a great gamble. It is the only industry to-day in the United States that dares to teach and preach and act optimism. Other industries are yelling for Government aid for money or for tariffs, and so forth.

A change in 218 auto models means the expenditure of millions of dollars for machinery alone, in the junking of practically new machinery and installing still newer machinery.

Wall Street has been perked up by this news that was given to the country yesterday by Henry Ford, on the birthday anniversary of his old friend, Thomas Edison, for Wall Street sees great aid to labor, to raw materials, and to other industries. Mr. Ford, himself quite an aged man, has been working with his coat and vest off and in his shirt sleeves for several months to get out his new model.

This means much to my State but also much to the whole 48 States in which there are subsidiary agencies, factories, and branches. The news is so great and wonderful that it should give some satisfaction to anxious Members of the House, because not only is the Ford Co. putting on tens of thousands of workmen and buying hundreds of millions of dollars' worth of raw material, but also the Hudson, the Packard, the Graham-Paige, the Hupp, the Chevrolet, and other General Motors companies are employing many more men and buying vast quantities of steel, lumber, glass, rubber, cloth, copper, and so forth.

About two years ago the President called in the leaders of the automotive industry and told them that they represented the key industry of the country, and if they started work on a great scale all the country would benefit and a general revival would result.

They told the President that their surveys indicated to them that the people could not buy the cars, and that they would lose a great deal of money if they did turn their factory wheels on a large scale. They turned them, nevertheless, as a patriotic measure, on the insistence of the President, and they took losses of millions and millions of dollars.

But now they are riding forth majestically again on another great gamble.

Mr. Ford has asked those who control the raw materials not to raise the prices of the raw materials to the manufacturers, because that will throttle the patriotic effort. We, as Members of Congress, were also incidentally asked by these men and by Mr. Ford's own representative a couple of weeks ago to give the auto industry a chance to get out of the "red" and aid all industry without a crushing handicap of additional sales taxes. The Ways and Means Committee was implored not to place upon them an increased burden of taxation which would throttle their glorious endeavor, for the industry is already overtaxed. May the House have mercy, for mercy is wisdom in this case.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, several members of the committee have asked if this debate would continue after to-day. I would like to ask the chairman or anyone in charge when this debate is supposed to continue?

Mr. JEFFERS. It will go on to-morrow, and the bill is supposed to be finished to-morrow up to the point of a vote. That is the agreement, as I understand it. Debate is continued, and the vote is to be taken on Tuesday.

Mr. GIFFORD. May I inquire about what time we intend to close the debate to-day?

Mr. JEFFERS. I think all gentlemen who have asked for time and who are here present should be given an opportunity to speak to-day.

Mr. GIFFORD. I suppose the gentleman would be willing to have an understanding that we would not sit longer than 5 o'clock?

Mr. JEFFERS. As a matter of fact, the leadership very much desire to have general debate finished to-day, if possible, and we will run along as long as it is necessary to conclude that.

Mr. GOSS. When does the gentleman expect to go under the 5-minute rule?

Mr. JEFFERS. To-morrow, as soon as we arrive at that point.

Mr. GOSS. There may be a vote if there was a motion made to recommit.

Mr. JEFFERS. Well, we will only go to the previous question to-morrow afternoon.

Mr. HASTINGS. When will the three hours' general debate provided under the rule expire?

Mr. GIFFORD. That would take us until after 6 o'clock.

Mr. JEFFERS. Mr. Chairman, we are going along out of order now.

I yield 10 minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Chairman, ladies and gentlemen, we have before us to-day one of the most important questions that this Congress will be called upon to consider. There is a Senate joint resolution, No. 14, by Senator NORRIS proposing an amendment to the Constitution of the United States and fixing the commencement of the terms of the President, Vice President, and Members of Congress, and also fixing the time of the assembling of Congress.

It was my privilege to serve on the Committee on Election of President, Vice President, and Representatives in Congress for the first two years of my service in Congress, and we had before us this proposed amendment to the Constitution of the United States and conducted hearings and drafted in practically the identical words contained in this proposed substituted amendment the amendment that is proposed to be adopted in lieu of the Senate joint resolution.

I heartily agree with the sentiment expressed by many on the floor of this House and in the press that the Constitution of the United States should be amended only when it became absolutely necessary for the same. The necessity for the change as proposed in this amendment to the Constitution is so plain and urgent that there should not be any opposition to it whatever on the floor of this House.

Practically this identical joint resolution was passed by the House in its last session with one amendment, known as the Longworth amendment, which limited the short term of Congress to four months. I supported that amendment because I thought that there should be a limit of time placed on the short session. But I am going to support this resolution without any amendment to it in order that there may be no question of it being accepted by the other body.

Section 1 provides:

> The terms of the President and Vice President shall end at noon on the 24th day of January, and the terms of Senators and Representatives at noon on the 4th day of January, of the years in which such terms would have ended if this article had not been ratified, and the terms of their successors shall then begin.

Under the law that we have now we meet on the first Monday in December, and the day fixed for adjournment by the Constitution is fixed as March 4 for the short session, and by the time the Congress is organized the Christmas holidays are on, and then there is usually an adjournment of two weeks, and there is practically nothing done by Congress until they reconvene after the holidays in January. So this would eliminate that expense of holding Congress in session during the time that very little or nothing is usually accomplished.

Beginning with the 4th day of January Congress will have ample time for the completion of all its work, and Congress could easily discharge all of its duties by the 1st of June unless some emergency should arise that would require a longer term.

Section 2 provides as follows:

> The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 4th day of January, unless they shall by law appoint a different day.

Under this provision of the Constitution the Congress would not be required to forever meet on the 4th of January, but could, if after discussion thought wise, change the time of meeting to a different day in the year.

As the Constitution now is the meeting day is fixed by the Constitution and Congress can not change it.

Section 3 provides as follows:

> If the President elect dies, then the Vice President elect shall become President. If a President is not chosen before the time fixed for the beginning of his term, or if the President elect fails to qualify, then the Vice President elect shall act as President until a President has qualified; and the Congress may by law provide for the case where neither a President elect nor a Vice President elect has qualified, declaring who shall then act as President, or the manner in which a qualified person shall be selected, and such parson shall act accordingly until a President or Vice President has qualified.

This provision should have always been in our Constitution. When this amendment is adopted Congress could then pass an act that would clarify this situation and would provide who shall act as President in a case of this kind.

Section 4 provides:

> The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice devolves upon them and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice devolves upon them.

When this amendment to the Constitution is adopted, then Congress can provide by an act of Congress who shall be selected in cases of this kind and which might arise at any time.

The last section, section 5, simply provides that sections 1 and 2 shall take effect on the 30th day of November of the year following the year in which the article is ratified.

This amendment has been freely referred to by the press and others as the "lame-duck amendment." Under the present Constitution when a Representative in Congress is elected, unless there is a special session called by the President, about 13 months elapse before he can act for his people who elected him to represent them in Congress. Conditions of this kind should never have existed. When people elect their Representative to Congress on important issues, the issues should be considered at the earliest possible moment in order that these issues may be enacted into law by Congress, if Congress thinks wise to do so. At least the people are entitled to hearings at the earliest possible time.

As stated by the committee in its report, a serious emergency would exist in the event of the death of the President elect, or both the President elect and Vice President elect, for the present Constitution contains no applicable provision, and the following situations are possible:

(1) A party nominee may die before the November elections.
(2) A party nominee may die after the November elections and before the electors vote.
(3) The President elect may die after the electors vote and before the votes are counted.
(4) If the election of the President is thrown into the House, one or more of the three highest may die before the House chooses.
(5) The President elect may die before the date fixed for the beginning of his term.
(6) The Vice President elect may die.
(7) If the election of the Vice President is thrown into the Senate, one or both of the two highest may die before the Senate chooses.
(8) Both the President elect and the Vice President elect may die.

When this proposed constitutional amendment is adopted by Congress and ratified by the States every emergency that could arise could be taken care of by act of Congress.

It is my hope that this constitutional amendment may receive the unanimous indorsement of this Congress. [Applause.]

Mr. GIFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. STOKES].

Mr. STOKES. Mr. Chairman, on this anniversary of the birth of Abraham Lincoln, who has justly been called the most American of all Americans, it is a pleasure to briefly review a few of his words and catch the trend of his thoughts, for his great achievements have filled with admiration not only America but the entire civilized world.

He was a Member of this House for two years and during the term made numerous speeches on various topics, which he illustrated with humorous stories, which kept the House in roars of laughter.

He was a deep student of the works of the founder of our country and of those principles which were embodied in the Declaration of Independence and the Constitution.

He made it his duty to fight with all his might against anything he believed to be an infringement of the blessings of liberty as stated in the Declaration of Independence or of these self-evident truths—that all men are created equal and that they are endowed by their Creator with certain inalienable rights—life, liberty, and the pursuit of happiness.

On his way from Springfield to Washington to assume his duties as President, he was invited by the citizens of Philadelphia to raise the flag of the United States over old Independence Hall. On this occasion he said:

I have never had a feeling, politically, that did not spring from the sentiments embodied in the Declaration of Independence. I have often pondered over the dangers which were incurred by the men who assembled here and framed and adopted that declaration. I have pondered over the toils that were endured by the officers and soldiers of the Army who achieved that independence.

I have often inquired of myself what great principle or idea it was that kept this Confederacy so long together. It was not the mere matter of separation of the Colonies from the motherland, but that sentiment in the Declaration of Independence which gave liberty, not alone to the people of this country, but hope to all the world, for all future time. It was that which gave promise that in due time the weight would be lifted from the shoulders of all men and that all should have an equal chance. This is the sentiment embodied in the Declaration of Independence.

President Lincoln wisely called about him the best minds that were available in the country, among whom were Seward; Chase, whom he later appointed Chief Justice; and Stanton; most of whom were his political enemies, but he always put the Nation's interest before his own feelings.

While he was a lawyer by profession, he became deeply interested in politics and the important questions of the day.

It was in this field that he made his great impression on the people of the State of Illinois.

It was his reputation for rugged honesty, courage, intelligence, patience, perseverance, and fair play, combined with a great capacity for hard work, which so effectively inspired the people of his State to present his name as a candidate for President of the Republican Party in 1860. He was previously comparatively unknown, but he had engaged in a series of debates with Senator Douglas in 1858, which brought him prominently before the country.

At 51 years of age he found himself elected President of the Republic.

In the words of Emerson—

He grew according to the need; his mind mastered the problem of the day; and as the problem grew, so did his comprehension of it. In the war there was no place for holiday magistrate nor fair-weather sailor. The new pilot was hurried to the helm in a tornado. In four years—four years of battle days—his endurance, his fertility of resource, his magnanimity were sorely tried and never found wanting. There, by his courage, his justice, his even temper, his fertile counsel, his humanity, he stood a heroic figure in the center of a heroic epoch.

He had plenty of common sense, and desired just as we do to-day to reduce expenses of government, as illustrated by the following story: He was shown a telegram from the War Department to the effect that the southern army had captured a brigadier general and 12 Army mules. "I don't mind the brigadier general," he said. "I can replace him in five minutes, but those Army mules cost the Government $200 apiece."

Many are the stories that are told of his wit, humor, and kindly sarcasm. But I will recall only one to-day about General Grant, who always found plenty of critics to urge the President to oust him from his command. They repeated the gossip that General Grant drank.

"What does he drink," said the President.

"Whisky, of course," was the reply.

"Just find out what brand he uses and I will send a barrel to each of my other generals," answered the President.

Mr. Choate said:

He led public opinion, but did not march so far in advance of it as to fail of its effective support in every great emergency.

He knew the heart and thought of the people as no man not in constant and absolute sympathy with them could have known it, and so holding their confidence he triumphed through and with them.

The rough backwoodsman, who had never seen the inside of a university, became in the end the master of the finest literary style.

Loyal, strong, and brave,
Type of the plan,
Great nature offers
When God builds a man;
Great fame, great aim, great soul were thine,
A chosen vessel for a task divine.

[Applause.]

Mr. JEFFERS. Mr. Chairman, before yielding further time I wish to state that we are anxious to finish the debate on the pending measure this afternoon. So far as this side of the House is concerned, we have all our time allotted and the gentlemen are here to use it. I would advise the ranking minority Member to let his speakers know about this, so if they are not present at this moment they can be advised that they must be here so that we may finish the debate this afternoon if possible.

Mr. GIFFORD. Mr. Chairman, in reply to the gentleman I will say that I have requests for the full amount of time. One Member is sick and two other Members insist on going on to-morrow morning and have informed me they will doubt the presence of a quorum if it is insisted that they go on now. In any event, we have got to stay here until 6 o'clock if we use up all the time. I have other speakers that can use the time.

Mr. RAMSEYER. Mr. Chairman, will the gentleman yield to me?

Mr. GIFFORD. I yield.

Mr. RAMSEYER. There are some proposals of a serious nature that ought to be discussed, and they ought to be discussed when there are more Members here. The gentleman, of course, knows that I shall endeavor to incorporate an amendment known as section 6 in the concurrent resolution that passed last year. Here we are with only a few dozen Members present. It seems to me that when a constitutional amendment is up for consideration we ought to have the Members here, and it was thought that some of the time for general debate would be saved for to-morrow and we could then have plenty of time to consider the few amendments in an orderly way.

With respect to making speeches for the RECORD, I am not interested. When time is allotted to me I want to make an argument to the membership of the House on an important amendment.

Mr. JEFFERS. I might suggest to the gentleman that if we finish general debate this afternoon we will have a better opportunity for discussion under the 5-minute rule to-morrow, whereas if we consume time to-morrow in general debate that will cut down our time under the 5-minute rule.

Mr. RAMSEYER. Well, it will not be a lot of time. It will probably be 40 or 50 minutes to finish the general debate, and then the Members will be here and it will just save that much time under the 5-minute rule.

Mr. JEFFERS. Forty or fifty minutes at the beginning of the day usually runs into an hour or so. I think it would be wise to finish general debate this afternoon, which will give us an entire afternoon to-morrow for consideration and

discussion under the 5-minute rule, when amendments can be offered.

Mr. LOZIER. Will the gentleman yield?

Mr. JEFFERS. Yes; certainly I yield to my colleague.

Mr. LOZIER. I may say that I recognize that the gentleman from Iowa [Mr. RAMSEYER] has an important amendment, an amendment which I think should be presented when we have as full a membership of the House as possible here. May I make this suggestion? I think it will be the disposition of the majority, when the gentleman comes to offer his amendment, to have sufficient time, and I am quite sure the House will give him ample time to present his amendment and not hold the gentleman down to the rigid requirements of the 5-minute rule.

Mr. JEFFERS. Why, yes, of course; I shall assist the gentleman along that line. Now, Mr. Chairman, at this time I yield five minutes to the gentleman from Colorado [Mr. TAYLOR].

Mr. RAMSEYER. Does the gentleman think we ought to go on with general debate with the few Members we have here now?

Mr. JEFFERS. I intend to give to the gentlemen who are here present and who have patiently waited for their time to speak the opportunity to be heard.

Mr. JEFFERS. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. NORTON].

Mr. NORTON. Mr. Chairman, ladies and gentlemen of the House, when a resolution similar to the pending Norris resolution was being considered by the House four years ago, I had the privilege, as a member of the committee which had framed the resolution, to speak in its support on the floor of this House. I am equally grateful for the opportunity now afforded to urge favorable consideration of this proposed constitutional amendment.

It is easy to understand the causes which were mainly responsible in the writing of the constitutional provision which this measure seeks to amend. Since conditions have very materially changed since that time, those causes no longer exist. Then why continue a provision of the Constitution which is not in harmony with the conditions and requirements as we find them to-day? To be more specific, if we did not have our modern means of communication, if we had no telegraphs, no telephones, no radios, and no fast-mail service, we would be compelled to wait, as they were in those days, for weeks before the result of an election in one part of the country could be known in another part thereof. As then, it would take considerable time to gather the election returns in order to determine the result. Even after the result had been ascertained, it would take time for that information to become generally known throughout the country. If conditions were now what they were 145 years ago, we would not have our present system of good roads, but would have roads that would be almost impassable; there would be no automobiles, no train service, no airplanes, and we would be compelled to rely on the stagecoach and the saddle horse for our travel. Under such conditions it would take weeks, and perhaps months, even after the result of the election had been learned, before the Congress could assemble and become organized.

Another most important change has been made in our Constitution which affects this matter. Following the ratification of the Constitution, and in fact until quite recently, the United States Senators were elected by the legislatures of the various States. The State legislature did not meet until in January, and since contests often developed, it was considerably later than that before selections were announced. Senators so elected could not have attended a session of Congress convening in the month of January.

Nor have we a right to say, or even to assume that the framers of the Constitution would not have decided, as we now propose, if they could have foreseen developments in the years to follow. I am not one of those who believe that since the work of the Constitutional Convention was so well done, we should not tamper with the Constitution; that we should refrain from making changes for fear that we might err in our efforts. Apparently that was not the viewpoint of those who framed the Constitution, for they provided ways of amending it. Although they could not possibly have foreseen the tremendous changes which time has wrought, they were wise men who realized that the changing conditions of the years to come would require changes in the fundamental law of the land. It must also be remembered that the Constitution was, at least in some of its provisions, the result of compromises. Then as now men differed in their viewpoints with reference to government.

Apparently that fundamental difference of viewpoint, wherein some of our people believe that government exists for the benefit of the privileged few who alone are qualified to decide the policy to be pursued, while others cling to the view that government exists for service to the masses and that the people as a whole are competent to govern themselves, has always existed. That difference of viewpoint is in evidence in various debates of the constitutional convention; it exists to-day. Those who believed in popular government, in the rule of the masses, then as now maintained that even though the people in the exercise of their rights might make mistakes, they had a fundamental right to do so, for in that way alone could they best learn the functions of government and, profiting by their mistakes, more wisely direct the course their government should pursue.

However that may be, our country has adopted 19 amendments in the manner provided for such changes by the Federal Constitution since its adoption. Five additional amendments, I believe, have been submitted by Congress which have not been ratified by a sufficient number of States to become a part of the Constitution. Of the 19 amendments ratified, the first 10 were submitted by the first session of the first Congress. In fact, several of the Colonies had ratified the Constitution with the distinct understanding that the first session of the first Congress would submit those 10 amendments, which since have become known as the "bill of rights."

Therefore, in the last 145 years the Congress has submitted, and the required number of States have ratified, only nine additional amendments to the Constitution. It has been with caution that Congress has submitted amendments, and it has been with equal caution that the legislatures of the various States have ratified them. That is as it should be. But there may be times when that caution may be carried too far, when the exercise of it may defeat the will of the people and prevent changes which the people demand. To further delay the submission of the pending resolution would, as I view it, be a case of that kind.

What are some of the benefits to be realized in the event of the submission and ratification of the pending resolution? In the first place, it would provide for the assembling of the Congress and the inauguration of the President and Vice President in January following their election. The amendment to the resolution which is proposed by the House committee would also provide for the election of a President in certain emergencies. In the brief period of time which has been allotted me I shall speak only with reference to that part of the resolution which provides for the elimination of the so-called "lame-duck" session of Congress. Nor shall I attempt to speak of all advantages to be realized, but only those which appear to be of the greatest importance.

The first result would be the taking over of the offices by those chosen in the preceding election. As we say, they would be fresh from the people. The result of the election and the issues discussed therein would be fresh in their minds, and they would be anxious to carry out the promises which they had made to the people in the course of the campaign. To this there are those who would reply that we need a cooling-off period, so that the actions of the Congress may not be too hasty or ill-advised. Apparently that was not the view of the framers of the Constitution, for they provided 2-year terms for the Representatives. In that way each Member is compelled to return frequently for further indorsement and instructions. Besides, I fear that the country suffers more from too much, rather than too little, cooling-off. As everyone knows, there are forces constantly at work in an effort to cool the ardor and the enthusiasm of the people's Representatives in Congress, and for that

reason it is only logical to assume that the greater the delay the less apt becomes the Member to correctly register his vote in keeping with the wishes and interests of his constituents and the more apt will he be to register the wishes, if not the demands, of these cooling-off influences.

In answer to those who may be fearful lest sufficient check is not provided, I need only to point to the fact that we have so much check now that the enactment of legislation in the interest of the great masses seems at times almost impossible. What greater check can be needed than that which is provided in our two branches of Congress, each checking the other, and the Chief Executive checking them both. If this does not provide a sufficient check, how can certain other nations with a single legislative branch of government, and in which the representatives of the people meet almost immediately after election to administer the affairs of government, function with safety to their people?

A further objection to the present arrangement is to be found in the fact that the new Member of Congress is not generally sworn in until 13 months after his election. Almost immediately thereafter he finds himself in the midst of a campaign for renomination. Up to that time he has had insufficient time to carry out the promises which he has made to his constituents, and but little opportunity to demonstrate his capabilities in other respects. Likewise the people whom he has been chosen to represent have not had a proper chance to properly weigh his qualifications, so as to know whether he comes up to their expectations, before they are called upon to vote for or against his renomination. In such an emergency a new Member of Congress must choose between two alternatives, either that of making a thorough and aggressive campaign, or of remaining on the job, giving the best service of which he is capable, and permitting the campaign to take care of itself. If this amendment should become a part of our Federal Constitution, newly elected Members of Congress would in the future have the necessary time to demonstrate their capabilities and properly register their views with reference to legislative matters before engaging in another campaign, and their constituents would likewise have time to better judge their qualifications.

The third point which I desire to stress, and the one which has probably been discussed more than any other in connection with this proposal, involves the present situation wherein a defeated Member of Congress continues to serve during the short session. It is not fair to him to ridicule his position or his activities, or to merely refer to him as a "lame duck," since he is not to blame for the situation. He does not only have the right but it is his solemn duty and responsibility to continue his service to the best of his ability in his capacity as a Member. However handicapped and humiliated he may be in his public efforts following his defeat, his is not the fault. Neither can the blame be placed upon the people of the Nation, since the sentiment for this proposed constitutional change is overwhelmingly favorable and has been so for a considerable length of time. Nor can it be charged to the State legislatures, since these bodies have not been given an opportunity to ratify the proposed change, which I have every reason to believe nearly all of them favor. The blame then, if such there be, must rest with the Congress for its failure to act sooner in this very important matter.

But even if the defeated candidate is not at fault the present situation is a most undesirable one. During the campaign the Member who has been a candidate for reelection may have advocated certain legislation which after his defeat he is in a position to continue to support, contrary to the verdict and the wishes of his people. Furthermore, in the event of an emergency wherein the election of a President is thrown into the House of Representatives, he would be in a position to vote for a minority candidate, likewise contrary to the verdict of his constituents. It has been charged at times that a defeated Member of Congress is often influenced in his voting through some promise of an appointment which he is later to receive. Whether that is true or not, the present provision makes such a charge and such an arrangement possible, and the opportunity therefor should be removed through a change in the Constitution.

Finally, the proposed change would result in the elimination of the short session of Congress. In this connection I wish to say that I am not in favor of providing for another short session by fixing a definite date for the adjournment of the last session of any given Congress. To do that would be to continue a situation which this proposal seeks to end. If the last session of a Congress, one in which the regular appropriation measures must be considered, is made a short session by constitutional limitation many of the evils now complained of in connection with the present short session would be permitted to continue. I refer in particular to the opportunity for filibustering in such sessions of Congress. Not only that, but a short session of Congress makes impossible the proper consideration of appropriation measures, involving the expenditures of not only millions but billions of dollars. Besides, in the rush which naturally follows, many important measures are sidetracked, while others, less desirable, are given approval and are passed. It is my view that Congress should be left to be its own judge as to the length of each session during the 2-year period of its existence.

In conclusion may I ask what opposition is there to the approval and submission of this proposal? Why has necessary action relative thereto been so long delayed? Many of my constituents have expressed themselves as being favorable to it, and none have spoken in opposition. I assume that has been the experience of many, and perhaps nearly all of the other Members. As to indorsements, the press of the country is known to be overwhelmingly in favor of the proposed change. The American Bar Association has indorsed it. Business and professional men are everywhere favorable to it, and the same is true of leading farm organizations and likewise true of the American Federation of Labor. The proposal has received the approval of the League of Women Voters, women's clubs, and many other women's organizations. Many are they who are enthusiastic supporters of the proposal.

It does seem strange that a change which everyone seems to want, no one seems to be able to bring about. Not a single civilized nation in the world permits of a similar situation, and not a single State in the Union has such an arrangement with reference to the assembling of its legislative body. As I view it, the change would be in the interest of a more efficient, a more direct, and a more representative administration of governmental affairs. It would bring the Constitution into harmony with the present conditions and requirements of our times. I most earnestly hope that the resolution may be approved and submitted by this Congress; that it will be ratified at an early date by the legislatures in the required number of States so that it may become a part of the fundamental law of the land. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. GIFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, this is an important era in the life of parliamentary governments. Europe is a civic laboratory testing out new theories of government, but time only will tell their worth.

Our representative system has been workable for our conditions and our people. Lately it has been under attack. Some writers of responsibility advocate the adoption of one of the many European systems. We, to protect a system we believe in, should remove the point of proper attacks. The hold-over Congressmen have been an inspiration to criticism. Their very presence, after repudiation, is a denial of representation. It would be wise for the confidence we seek that we change our times of meeting. The expression of the people at the polls as readily as possible should be translated into official action. The Congress has done well, no matter which political party has controlled its deliberations, but it can be more immediately responsive to the public will by this amendment.

After all, a Congressman, "lame-duck" or live, is human. Some will doubt this. The "lame-duck," anxious for his future, will be more amenable to Executive suggestions than he might otherwise be.

Congress, as the legislative body, has suffered by contrast with the Executive head of the Government. It is quite natural, because of the manner in which we proceed, that that should be. A bill comes into Congress; it goes to a committee; it is deliberated upon; hearings are held; the press carries stories about the hearings and there is editorial reaction. The bill goes to the White House or to the governor's office, as may be, in the case of a State legislature, and the executive head has had the benefit of the debates in the legislative branch, the hearings, the editorial reaction, and all the proceedings, and he frames his message of approval or disapproval.

He is able to give out a statement which has been carefully prepared, and the people say: What a wonderful President we have or what a wonderful governor we have and what a terrible Congress or terrible legislature we have. That is all due to the manner in which these things are carried on. The public can come into our galleries. The press is in our galleries. They report everything that goes on on the floor of the House and the public sees everything. Now and then, in the friction of debate, outrageous things may be said, and, of course, the high lights are carried throughout the country. The careful work that is done in the committees is seldom apparent, so that the representative body suffers generally because of these high lights. Of course, we can not blame the press, for it is news.

On the other hand, you never see a Capitol guide go over to the White House and you never see a guide in a State capitol go into the governor's office and say, "My friends, here is a President at work" or "Here is a governor at work." So the executive branch of our Government does not have the high lights sent all over the country by the press, and much that goes on in the executive branch of the Government is kept from the public eyes. That is one thing we can not help; but it is a point of attack and it is being used, as I say, by those who advocate executive control of the Government of the United States, and there is no small movement on foot for some kind of a dictatorship in this country.

Now, as to the "lame-duck" situation, we can not cure the other situation, but we can cure the presence here of hold-over Congressmen after they have been repudiated by the people of their own districts. It is a thing we can do and that we ought to do. In view of the convulsions going on all over the world—the civic convulsions, the upsetting of governments, the establishment of new rules and new doctrines of government, and the advocacy of new theories, some of them with a fairly intellectual support—I think it is well for us at every place we can to cure anything that may give rise to criticism, and I know of nothing that gives rise to more criticism than the "lame-duck" situation. Therefore, I hope this resolution will prevail. [Applause.]

Mr. GIFFORD. Mr. Chairman, I yield such time, up to 15 minutes, as the gentleman from Minnesota [Mr. NOLAN] may care to use.

Mr. NOLAN. Mr. Chairman, I do not know that any discussion of this question at this time is anything but a waste of time. I think the attendance here this afternoon indicates that so far as the membership of this House is concerned everyone has made up his mind how he is going to vote upon this question when it comes up for final action. It has been before the Congress for a number of years. It has been discussed in the public press and by those who are interested in our Government.

It is a change in the Constitution that does not in any way affect any of the fundamental rights contained in that document. It does not in any way change the structure of our Government. It is merely a mechanical change or a change in our procedure. It makes our representative Government more representative and more directly responsive to the will of the people as expressed in an election.

When the Constitution was adopted we were living in a period of the stage coach, poor roads, no adequate means of communication. Conditions have changed now. We are living in a period of highways, electricity, steam, telegraph, telephone, and other means of communication, and all that this amendment of the Constitution will do will be to bring the Constitution itself up to date, so that it will conform with the times in which we live and make our Government more in harmony with the theory and practices of responsible, representative government. [Applause.]

Mr. GIFFORD. Mr. Chairman, I yield myself three minutes on the matter of the Longworth amendment as it may possibly be amended.

I am one of those who fear, unless the Longworth amendment is adopted in this House, we will be unable to get a two-thirds vote in favor of the resolution; but, in the event the Longworth amendment is defeated, I am extremely anxious that we understand the other amendment that will be offered.

The limitation of May 4 in the second session of Congress would remain in that amendment, with the words added "unless the Congress shall by law appoint different dates." This removes any question of the President's failing to call a special session if needed, but both branches of Congress by joint action could call the extra session. If, a few days before the session was to be concluded, it was found that the business could not be properly transacted, the Congress itself could vote a different date for adjournment, but it would be by joint action. I want to impress upon the Members the fact we are not yielding our rights to the Executive, and all the argument I have heard up to this time has been based upon the fact that the President might fail to call us in special session if needed. We can continue ourselves in session; but, I repeat again, it must be by joint action of both branches, and I am very anxious and very desirous that the Members who have been opposing the Longworth amendment should give consideration to this amendment, if and when proposed.

This is the purpose for which I yielded myself the three minutes, Mr. Chairman, and I trust now that we may be able to agree upon a time for adjournment for the day.

Mr. JEFFERS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the Senate Joint Resolution 14, had directed him to report that it had come to no resolution thereon.

LEAVE OF ABSENCE

The following leave of absence was granted:

To Mr. NIEDRINGHAUS (at the request of Mr. COCHRAN of Missouri), for 10 days, on account of important business.

To Mr. GRIFFIN (at the request of Mr. BOYLAN), indefinitely, on account of illness.

LEAVE TO EXTEND REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that all Members who have spoken to-day may have the privilege of revising and extending their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LABOR'S INTEREST IN UNITED STATES OIL INDUSTRY

Mr. AYRES. I ask unanimous consent to extend my remarks in the RECORD and incorporate therein a statement by Harvey C. Fremming, international president of the Oil Field, Gas Well, and Refining Workers of America.

The SPEAKER. Is there objection?

There was no objection.

Mr. AYRES. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include a summary of a statement made before the House Ways and Means Committee Thursday, February 4, on the proposed excise tax on foreign petroleum products by Harvey C. Fremming, international

president of the Oil Field Gas Well and Refining Workers of America, this statement being joined in by Edward J. McGrady, legislative representative, American Federation of Labor; M. J. Flynn, America's Wage Earners' Protective Conference; D. C. Cone, Brotherhood of Signalmen; A. S. Stout, Brotherhood of Maintenance of Way; A. J. Lovell, Brotherhood of Firemen and Enginemen; George Laughlin, Brotherhood of Locomotive Engineers; W. D. Johnson, Order of Railroad Conductors; J. A. Farquharson, Brotherhood of Railroad Trainmen, this group representing directly affiliated members in a number exceeding five and one-half million, practically all of whom are citizens and voters.

The statement is as follows:

The workers in the oil industry, joined by workers in allied industries not directly connected with the production, transportation, and refining of petroleum, are requesting from Congress the same protection which in the past has been accorded to other industries and their workers. We are asking that American markets be reserved for American products in order that American labor may maintain American standards of living, that we may have for our jobs that degree of security to which we believe we are entitled.

American patriotism is silenced in many of the oil-producing communities, where workers are listening with active interest to the doctrines of Bolshevism and communism, while clever and unscrupulous agitators emphasize to them the iniquities of an economic system which dooms to starvation armies of American workers while a few great oil-importing concerns or their subsidiaries are paying hundreds of millions of dollars yearly in dividends, whose rates sometimes reach as high as 400 per cent per year. These men are faced by a condition which no arguments can minimize. They know that their communities would be prosperous, that they would be earning American wages, maintaining their families under normal American standards, if the industry in which they labor was not utterly demoralized by the imported products of cheap labor to the fabulous enrichment of a few wealthy corporations.

The proper protection of the American petroleum industry is the only means by which we can correct the evils of the present situation and cure that growing spirit of unrest which is now seriously questioning the justice of our whole economic and political system. Only through such a measure can we restore to employment the hundreds of thousands of oil workers now idle and a like employment for hosts of other workers producing material and other products either used by the petroleum industry or consumed by its employees.

The four points made by the spokesman for the oil-importing firms at the hearing on the excise bill carry their own refutation. While these are palpably misstatements of fact, it might not be amiss to constructively set forth the actual facts, which are at total variance with the fabulous statements presented by this apologist for the present disastrous situation.

The first of these gross misstatements is that unemployment in the oil industry amounts to only about 35,000 workers. The official data compiled by the Bureau of Labor Statistics in the United States Department of Labor shows an average decrease to 65.7 among oil workers for 1931, compared to the base year of 1926, while for December, 1931, employment of those engaged in the production of crude petroleum was 58.2, if 1926 is assumed to be 100, while pay-roll totals decreased to 54.9 on the 1926 base of 100. This means nearly a 50 per cent cut in employment and in wages and shows the unemployment in the oil industry to be 350,000 men, in round numbers.

The second misleading statement of the spokesman of the oil-importing firms, who are the only ones profiting from the present demoralizing conditions, is that the employment in Venezuela is mainly American and at American wages.

It is utterly false to state that the employment in the Venezuelan petroleum industry is largely American, since there is only one American for each 100 natives employed, and it is equally false to claim that American wages are generally paid, when those wages sometimes are only less than one-tenth of the amount paid in the United States to American labor for doing similar work. Those living standards which have been won by American labor only after long years of struggle can not be maintained if we are forced to enter our home markets in competition with the foreign labor earning such a small fraction of the wages paid in this country.

The third point attempted by the representative of the great oil importers is that there is no available fuel oil equal to foreign fuel oil in quality as well as volume. Twenty-one tankers are now tied up on the Pacific coast with a total dead-weight tonnage of 195,000 tons. If these tankers could be put in operation, as would be necessary to comply with the law requiring that American products be carried in American bottoms in coastwise and intercoastal traffic, employment would be given to many seamen now in distress, needed employment would be afforded to our merchant marine, and it would have the effect of increasing the amount of tolls received by the Panama Canal, while there would not be sufficient increase in cost laid down at Atlantic ports to seriously affect the use of this commodity by those who might prefer it to coal.

The tremendous quantity of fuel oil already available—99,000,000 barrels—waiting in storage in California alone evidences the absurdity of any claim that we could not supply the American market for this commodity. When to the amounts available in California one adds the large quantities now in storage in other oil States, it can be seen that the provision of an American market for American fuel oil would be of tremendous importance in relieving the present pressure of cost in carrying these quantities of oil in storage.

The statement that American producers operating in foreign lands have prior rights to American markets is vigorously challenged. The logical conclusion of such an argument would mean the immediate abandonment of the development of our own natural resources in any case where American capital had discovered, purchased, or obtained control of similar resources in foreign lands.

Labor has an especial interest in such suggestions. It need surprise no one that labor is wondering whether the same theory will not be carried into the immigration field as well as into other fields.

One logical conclusion of this theory that American producers operating abroad have prior rights to American markets would carry the suggestion that it is as proper for American capitalists to import foreign labor as to import the products of foreign labor and place them in competition with the products of American workers. From the standpoint of labor, there is no difference whatever between American labor being brought into competition with cheap foreign labor in this country or with the products produced by the same, or an even lower class of cheap labor in some foreign countries, such as Russia or Venezuela. When we recall that in December, 1931, a great tanker laden with Soviet gasoline entered an American port and declared the production cost of that gasoline was 1.94 cents per gallon, we may understand why American labor has a very keen and fundamental interest in the passage by Congress of legislation which will protect American workers from such hopeless competition. The only alternative to such legislation is an abject surrender either to the foreign product or else the debasement of the American living standards, of which we have long boasted.

For the sake of hundreds of thousands of American workers, organized and unorganized, in behalf of American industry, paralyzed through the vanishing purchasing power of these workers, in behalf of the railroad workers of the Nation whose present plight is due to the drop in freight movements because of the wreckage of a basic industry of the Nation, and in the name of American justice and fair play, equal rights, and open opportunity, the American petroleum industry should be restored, even at the cost of decreasing the swollen dividends of a few great oil-importing corporations.

EXTENSION OF REMARKS

Mr. ARENTZ. Mr. Speaker, I ask unanimous consent to insert in the RECORD a brief statement made by Lester Balliet, director-chairman of the governor's emergency committee on employment, Tonopah, Nev.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I regret that I shall be constrained to object.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 366. An act for the relief of Dr. Luis H. DeBayle;

S. 1306. An act to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial; and

S. 2179. An act for the relief of Alexander M. Proctor.

ADJOURNMENT

Mr. JEFFERS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 4 minutes p. m.) the House adjourned until to-morrow, Saturday, February 13, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committees scheduled for Saturday, February 13, 1932, and Monday, February 15, 1932, respectively, as reported to the floor leader by clerks of the several committees:

Saturday, February 13, 1932

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

(10 a. m.)

National defense bill.

Monday, February 15, 1932

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

Percentage of enlisted airplane pilots (H. R. 6599).

COMMITTEE ON THE JUDICIARY

(10 a. m.)

Short selling of securities (H. R. 4, H. R. 4604, H. R. 4638, and H. R. 4639).

COMMITTEE ON PATENTS

(9.30 a. m.)

General revision of copyright legislation.

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(10 a. m.)

Alaskan fisheries (H. R. 497 and H. R. 6483).
Extension of the Public Health Service (H. R. 6732).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GREEN: Joint Committee on the Disposition of Useless Executive Papers. A report on the disposition of useless papers in the Department of Commerce (Rept. No. 428). Ordered to be printed.

Mr. GILBERT: Committee on the Library. S. Con. Res. 14. A concurrent resolution granting the consent of Congress for the temporary removal to the Corcoran Art Gallery of certain portraits in the Capitol Building; without amendment (Rept. No. 429). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 8072. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.; without amendment (Rept. No. 430). Referred to the House Calendar.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 8766. A bill to amend the sixth exception in section 3 of the immigration act of 1924 with reference to nonimmigrant status of certain aliens; without amendment (Rept. No. 431). Referred to the House Calendar.

Mr. WELCH of California: Committee on Pensions. H. R. 4724. A bill to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes; without amendment (Rept. No. 432). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOREHEAD: Committee on the Post Office and Post Roads. H. R. 4594. A bill to fix the rate of postage on publications mailed at the post office of entry for delivery at another post office within the postal district in which the headquarters or general business offices of the publisher are located; with amendment (Rept. No. 439). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 1383. A bill for the relief of certain United States naval officers; without amendment (Rept. No. 433). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 1907. A bill for the relief of Nolen N. Reynolds; without amendment (Rept. No. 434). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 3420. A bill for the relief of Joseph B. Lynch; without amendment (Rept. No. 435). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 3422. A bill for the relief of Michael F. Calnan; without amendment (Rept. No. 436). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 3426. A bill for the relief of Robert J. White; without amendment (Rept. No. 437). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 4311. A bill for the relief of Ralph McAlpin; without amendment (Rept. No. 438). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 7311) granting an increase of pension to Mary E. Derrick, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MITCHELL: A bill (H. R. 9252) establishing an institution for the confinement of United States prisoners; to the Committee on the Judiciary.

By Mr. FIESINGER: A bill (H. R. 9253) for the construction of a waterway connecting the Ohio River with Lake Erie, between Sandusky and Portsmouth, via the Scioto and Sandusky Rivers, Ohio; to the Committee on Rivers and Harbors.

By Mr. WILLIAMSON: A bill (H. R. 9254) to authorize the exchange of a part of the Rapid City Indian School land for a part of the Pennington County Poor Farm, South Dakota; to the Committee on Indian Affairs.

By Mr. FULMER: A bill (H. R. 9255) to transfer the administration of the affairs of Federal intermediate credit banks to the Department of Agriculture; to the Committee on Banking and Currency.

By Mr. SIROVICH: A bill (H. R. 9256) to amend certain laws relating to American seamen, and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. PERKINS: A bill (H. R. 9257) providing for the deepening of the Hudson River channel, at Edgewater, N. J.; to the Committee on Rivers and Harbors.

By Mr. COLTON: A bill (H. R. 9258) for the relief of the confederated bands of Ute Indians, located in Utah, Colorado, and New Mexico; to the Committee on Indian Affairs.

By Mr. CHRISTOPHERSON: A bill (H. R. 9259) to amend section 106 of the act to codify, revise, and amend the laws relating to the judiciary (U. S. C., title 28, sec. 187); to the Committee on the Judiciary.

By Mr. CROWE: A bill (H. R. 9260) to provide additional compensation to World War veterans for the loss of use of an eye in active service in line of duty in the World War; to the Committee on World War Veterans' Legislation.

By Mr. LUDLOW: A bill (H. R. 9261) to authorize appropriations for improvements at Schoen Field, Fort Benjamin Harrison, Ind.; to the Committee on Military Affairs.

By Mr. CARY: A bill (H. R. 9262) to amend section 321 of title 18 of the United States Code; to the Committee on the Post Office and Post Roads.

By Mr. HARLAN: A bill (H. R. 9263) to provide for the settlement of claims against the United States on account of property damage or loss, personal injury, or death; to the Committee on Claims.

By Mr. DRIVER: A bill (H. R. 9264) to extend the times for commencing and completing the construction of a free highway bridge across the St. Francis River at or near Madison, Ark., on State Highway No. 70; to the Committee on Interstate and Foreign Commerce.

By Mr. NIEDRINGHAUS: A bill (H. R. 9265) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. DRIVER: A bill (H. R. 9266) granting the consent of Congress to the State of Arkansas, through its State highway department, to construct, maintain, and operate a free highway bridge across St. Francis River at or near Lake

City, Ark., on State Highway No. 18; to the Committee on Interstate and Foreign Commerce.

By Mr. CROWE: A bill (H. R. 9267) to provide for the renewal of 5-year level premium term Government insurance policies for an additional 5-year period without medical examination; to the Committee on World War Veterans' Legislation.

By Mr. RAYBURN: A bill (H. R. 9268) to regulate the business of freight forwarding, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McLEOD: A bill (H. R. 9269) to provide for the employment of local architects, landscape architects, and engineers in the construction of public buildings; to the Committee on Public Buildings and Grounds.

By Mr. BLACK: Resolution (H. Res. 142) urging an investigation of alleged lawless conditions in Harlan and Bell Counties, Ky.; to the Committee on Rules.

By Mr. MOREHEAD: Joint resolution (H. J. Res. 285) authorizing the issuance of a special postage stamp in honor of J. Sterling Morton; to the Committee on the Post Office and Post Roads.

By Mr. McCORMACK: Joint resolution (H. J. Res. 286) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H. J. Res. 287) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's memorial day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDRESEN: A bill (H. R. 9270) granting a pension to Barton V. Yates; to the Committee on Pensions.

By Mr. BOLAND: A bill (H. R. 9271) for the relief of Richard Matthew Hallinan; to the Committee on Pensions.

By Mr. BURDICK: A bill (H. R. 9272) to correct the rating of John Huntz Roloff, Fleet Naval Reserve; to the Committee on Naval Affairs.

By Mr. CHASE: A bill (H. R. 9273) granting an increase of pension to Hannah E. Bainey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9274) granting an increase of pension to Salena Hoffer; to the Committee on Invalid Pensions.

By Mr. CONNOLLY: A bill (H. R. 9275) granting a pension to Harry A. P. Neel; to the Committee on Pensions.

By Mr. DOWELL: A bill (H. R. 9276) granting a pension to Mary Frances Culbertson; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 9277) granting an increase of pension to Grant Combs; to the Committee on Pensions.

By Mr. GAVAGAN: A bill (H. R. 9278) for the relief of Samuel Charles Hampton; to the Committee on Pensions.

By Mr. GIFFORD: A bill (H. R. 9279) granting an increase of pension to Michel Robitaille; to the Committee on Pensions.

By Mr. GRISWOLD: A bill (H. R. 9280) granting a pension to Emma V. Burson; to the Committee on Invalid Pensions.

By Mr. HOLLISTER: A bill (H. R. 9281) granting a pension to Catherine M. Wilson; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Missouri: A bill (H. R. 9282) granting an increase of pension to Mary F. Maples; to the Committee on Invalid Pensions.

By Mr. KLEBERG: A bill (H. R. 9283) authorizing the President to reappoint Edward C. Engelhardt a first lieutenant of Field Artillery, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 9284) for the relief of Capt. J. O. Faria; to the Committee on Claims.

Also, a bill (H. R. 9285) for the relief of C. K. Morris; to the Committee on Claims.

By Mr. LEWIS: A bill (H. R. 9286) granting a pension to Bertie L. Belt; to the Committee on Invalid Pensions.

By Mr. LUCE: A bill (H. R. 9287) for the relief of Casimir Kaczorowski; to the Committee on Naval Affairs.

By Mr. LUDLOW: A bill (H. R. 9288) granting an increase of pension to Pearl Thomas; to the Committee on Invalid Pensions.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 9289) granting an increase of pension to Minerva E. Herren; to the Committee on Invalid Pensions.

By Mr. McDUFFIE: A bill (H. R. 9290) granting an increase of pension to Jean Jadwin; to the Committee on Pensions.

By Mr. McLEOD: A bill (H. R. 9291) to reimburse officers, nurses, and civilian employees of the United States Public Health Service and inmates of the United States Public Health Service hospital at Corpus Christi, Tex., for losses sustained as the result of a storm which occurred in Texas on September 14, 1919; to the Committee on Claims.

By Mr. MILLARD: A bill (H. R. 9292) renewing patent to Maria Ewing; to the Committee on Patents.

By Mr. MURPHY: A bill (H. R. 9293) granting an increase of pension to Elizabeth King; to the Committee on Invalid Pensions.

By Mr. PARKER of New York: A bill (H. R. 9294) granting an increase of pension to Lottie Porter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9295) for the adjudication and determination of the claims arising under joint resolution of July 14, 1870, authorizing the Postmaster General to continue in use in the Postal Service, Marcus P. Norton's combined postmarking and stamp-canceling hand-stamp patents, or otherwise; to the Committee on Claims.

By Mr. PERKINS: A bill (H. R. 9296) granting an increase of pension to Mary Jane DeHart; to the Committee on Invalid Pensions.

By Mr. RICH: A bill (H. R. 9297) granting an increase of pension to Mary A. Minihan; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 9298) granting an increase of pension to Maggie Moon Wilcox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9299) granting an increase of pension to Lillie E. R. Withey; to the Committee on Invalid Pensions.

By Mr. WELCH of California: A bill (H. R. 9300) for the relief of the estate of Harry Johnson; to the Committee on Claims.

By Mr. SIROVICH: Resolution (H. Res. 140) petitioning the Governor of California to issue a pardon to Thomas J. Mooney; to the Committee on the Judiciary.

By Mr. LaGUARDIA: Resolution (H. Res. 141) urging the Governor of California to extend executive clemency to Thomas J. Mooney; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1799. By Mr. ALDRICH: Petition of Walter D. Kenyon and 50 others, of Ashaway, Hopkinton, Westerly, Canonchet, Potter Hill, Conimicut, Peace Dale, and Shawomet Beach, all in the State of Rhode Island, opposing repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

1800. By Mr. AYRES: Petition of Woman's Christian Temperance Union of Augusta, Kans., in behalf of maintenance and enforcement of the prohibition laws; to the Committee on the Judiciary.

1801. By Mr. BLOOM: Petition of advisory council of the New York State division of the Women's Organization for National Prohibition Reform, urging favorable consideration of a change in the prohibition law which shall restore to New York State its sovereign right to determine a system of control of the manufacture, sale, and transportation of alcoholic beverages within its own borders, the revenue from

which would reduce the State deficit and furnish appropriations for general welfare; to the Committee on the Judiciary.

1802. By Mr. BOEHNE: Petition of Fraternal Order of Eagles, Aerie No. 427, of Evansville, Vanderburgh County, Ind., urging the repeal and nullification of the eighteenth amendment; to the Committee on the Judiciary.

1803. By Mr. BOYLAN: Letters from Columbia University, New York City; the Brooklyn Children's Museum, Brooklyn; the Westchester County Conservation Association, White Plains; the principal of Haaren High School, New York City, and others, all of the State of New York, favoring the immediate passage of House bill to establish a National Everglades Park in Florida; to the Committee on the Public Lands.

1804. By Mr. BURDICK: Petition of Rev. G. C. Lauden and 55 other residents of East Providence, Rumford, Providence, and Greenwood, R. I., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

1805. By Mr. CAMPBELL of Iowa: Petition of 147 citizens of Woodbury and Sac Counties, Iowa, consisting of service and nonservice men, urging the passage of House bill 1; to the Committee on World War Veterans' Legislation.

1806. Also, petition of the Sioux City (Iowa) Chapter, No. 13, of the Disabled American Veterans of the World War, urging the immediate cash payment at face value of adjusted-compensation certificates; to the Committee on World War Veterans' Legislation.

1807. By Mr. CRAIL: Petition of Lieut. H. L. McCorkle Camp, No. 2, United Spanish War Veterans, Johnson City, Tenn., favoring the passage of House bill 8020, Philippine travel pay bill; to the Committee on War Claims.

1808. Also, petition of 137 citizens of Los Angeles County, Calif., protesting against House bill 8092, which aims to require compulsory Sunday observance in the District of Columbia; to the Committee on the District of Columbia.

1809. By Mr. DICKINSON: Petition of 66 citizens of Clinton, Mo., against compulsory Sunday observance; to the Committee on the District of Columbia.

1810. Also, petition of Albert E. Anderson and 53 other citizens of Belton, Mo., asking that the Federal Farm Board be abolished and that the Frazier bill 1197 and the Swank bill 7707 be enacted into law; to the Committee on Agriculture.

1811. By Mr. GARBER: Statement by the Federal Council of the Churches of Christ in America, adopted by the administrative committee, calling attention to evils attending the use of court injunctions in labor disputes; to the Committee on the Judiciary.

1812. Also, petition of St. Louis Chamber of Commerce, urging a preventative for the Grosthof crime in reference to kidnapping; to the Committee on the Post Office and Post Roads.

1813. Also, petition of Citizens' Medical Reference Bureau opposing the Senate bill 572, commonly known as the maternity bill; to the Committee on Interstate and Foreign Commerce.

1814. By Mr. GIBSON: Petition of the women of the Protestant churches of Montpelier, Vt., opposing shipment of arms and ammunition and granting of loans to belligerent nations; to the Committee on Foreign Affairs.

1815. Also, petition of G. W. St. John and certain other residents of Brandon, Vt., opposing the Beck-Linthicum resolution; to the Committee on the Judiciary.

1816. By Mr. GOLDSBOROUGH: Memorial of Rev. Oren B. Rice, minister, the Methodist Episcopal Church, Parsonsburg, Md., favoring the amending of the preamble of the National Constitution to read in substance as follows: "We, the people of the United States, devoutly recognizing the authority and law Jesus Christ, the Savior and King of nations, and desiring to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America"; to the Committee on the Judiciary.

1817. Also, petition of the Mont Faucon Post, No. 482, Veterans of Foreign Wars, Perryville, Md., supporting the Patman bills, providing for pensions for widows and orphans of veterans of the World War, and providing for cash payment of the adjusted-service certificates; to the Committee on World War Veterans' Legislation.

1818. By Mr. HALL of North Dakota: Resolution of the Northwestern Lumbermen's Association, opposing paternalism in any form in our Government and to the continued growth of bureaus with doubtful functions seeking to regulate the operation of private business or to furnish it with unnecessary advice; to the Committee on Appropriations.

1819. By Mr. HAINES: Petition signed by 17 citizens of Hanover and McSherrystown, Pa., urging passage of Bankhead bill, H. R. 4743; to the Committee on Education.

1820. Also, petition signed by 23 citizens of York County, Pa., protesting against Federal excise tax on motor cars or the motor industry; to the Committee on Ways and Means.

1821. By Mr. HOGG of West Virginia: Petition of Kenova Unit, Railway Employees and Taxpayers' Association, urging the enactment of such legislation as will provide relief for the railroads and their employees, particularly the proposals which have the indorsement of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

1822. Also, petition of West Virginia Hotels Association, requesting a modification of the national prohibition act and the necessary legislation for submitting to the States the question of the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1823. Also, petition of citizens of Sistersville against any modification, resubmission, or repeal of the prohibition law; to the Committee on the Judiciary.

1824. Also, petition of Bluefield Chamber of Commerce, protesting against any appropriations for governmental expenditure not indispensably necessary; to the Committee on Appropriations.

1825. Also, petition of the Great Kanawha Valley Improvement Association, requesting hearings on the Shipstead-Mansfield bill; to the Committee on Rivers and Harbors.

1826. By Mr. HUDDLESTON: Petition of members of the Ladies' Auxiliary of Fulton Springs Church, favoring the maintenance of the prohibition laws; to the Committee on the Judiciary.

1827. By Mr. KELLER: Petition of the voters of Coulterville, Ill., urging the passage of the Swing bill granting pensions to needy veterans who served in the campaign of the southern Philippines; to the Committee on Pensions.

1828. Also, petition of Marion Rebekah Lodge, No. 93, Independent Order of Odd Fellows, of Marion, Ill., requesting a veterans' hospital in the vicinity of Marion, Ill.; to the Committee on World War Veterans' Legislation.

1829. Also, petition of Local Union, No. 303, United Mine Workers of America, Orient, Ill., requesting a veterans' hospital for southern Illinois; to the Committee on World War Veterans' Legislation.

1830. By Mr. KOPP: Petition signed by Peter G. Hitch and many other representive manufacturers, merchants, and professional men of Fort Madison, Iowa, urging reduction of governmental expenditures, and expressing their opposition to further taxation; to the Committee on Appropriations.

1831. By Mr. KVALE: Petition of Minnesota Implement Dealers' Association (Inc.), urging enactment of the Capper-Kelly bill; to the Committee on Interstate and Foreign Commerce.

1832. Also, petition of the Woman's Christian Temperance Union of Atwater, Minn., protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1833. Also, petition of the Woman's Christian Temperance Union of Hazel Run, Minn., protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1834. Also, petition of the United Garment Workers' Union, Local No. 27, urging enactment of House bill 5597; to the Committee on the Judiciary.

1835. Also, petition of Minnesota Implement Dealers' Association (Inc.), urging enactment of emergency bill allotting appropriation for grasshopper control; to the Committee on Appropriations.

1836. Also, petition of the Woman's Christian Temperance Union of Browns Valley, Minn., protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1837. By Mr. LANKFORD of Georgia: Petition of stockholders of the Growers' Finance Corporation, Atlanta, Ga., urging aid and assistance to the intermediate-credit-banking system; to the Committee on Banking and Currency.

1838. By Mr. LEWIS: Petition of Lois Watkins and 36 others, of Bethesda, Md., opposing any change in the eighteenth amendment; to the Committee on the Judiciary.

1839. By Mr. LINDSAY: Petition of St. Louis Chamber of Commerce, favoring the passage of House bill 4537 and Senate bill 1525; to the Committee on the Judiciary.

1840. Also, petition of the Westchester Conservation Association, White Plains, N. Y., favoring the establishment of the Everglades National Park in Florida legislation; to the Committee on the Public Lands.

1841. Also, petition of American Association for Old Age Security, favoring the passage of House bill 7926; to the Committee on Labor.

1842. By Mr. LONERGAN: Petition of Hartford Chapter, No. 56, National Sojourners, urging the strengthening of national defense; to the Committee on Appropriations.

1843. By Mr. MEAD: Petition of Major General R. P. Hughes Camp, No. 17, Department of New York, United Spanish War Veterans, urging the early enactment of House bill 7230; to the Committee on Pensions.

1844. Also, petition of Women's Organization for National Prohibition Reform, New York State division, urging a change in the prohibition law; to the Committee on the Judiciary.

1845. By Mr. MOREHEAD: Petition protesting against House bill 8092 providing for the closing of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

1846. By Mr. NIEDRINGHAUS: Petition of Camilla Lamers and sundry citizens of St. Louis, Mo., opposing the Bankhead bill, H. R. 7525; to the Committee on Interstate and Foreign Commerce.

1847. By Mr. RAINEY: Resolution of Scott County Farm Bureau, favoring the Glenn-Smith bill; to the Committee on Irrigation and Reclamation.

1848. By Mr. REID of Illinois: Resolution adopted by the Kane County Woman's Christian Temperance Union at Aurora, Ill., on February 10, 1932, representing 600 people, protesting against the resubmission of the eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

1849. By Mr. RUDD: Petition of Brooklyn Children's Museum, Brooklyn, N. Y., favoring the establishment of the Everglades National Park in Florida legislation; to the Committee on the Public Lands.

1850. Also, petition of John H. Baker, 48 Wall Street, New York City, favoring the establishment of the Everglades National Park in Florida legislation; to the Committee on the Public Lands.

1851. Also, petition of the Westchester County Conservation Association, White Plains, N. Y., favoring the establishment of the Everglades National Park in Florida legislation; to the Committee on the Public Lands.

1852. Also, petition of New York City League of Women Voters, favoring the passage of the so-called "lame-duck" resolution; to the Committee on Election of President, Vice President, and Representatives in Congress.

1853. Also, petition of Reid Ice Cream Corporation, Brooklyn, N. Y., opposing a tax on all checks issued; to the Committee on Ways and Means.

1854. Also, petition of St. Louis Chamber of Commerce, St. Louis, Mo., favoring the passage of House bill 4537 and Senate bill 1525; to the Committee on the Judiciary.

1855. By Mr. SANDERS of New York: Petition of Edith M. Andrews and other citizens of Warsaw, N. Y., supporting the prohibition law and its enforcement, and against modification, resubmission, or repeal; to the Committee on the Judiciary.

1856. By Mr. SINCLAIR: Petition of Albert Berget and 38 others of Keen and Sanish, N. Dak., and vicinity, favoring the Frazier, Wheeler, and Swank farm relief bills; to the Committee on Agriculture.

1857. Also, petition of 67 residents of Benedict, N. Dak., and vicinity, in opposition to any measure looking to the modification, resubmission, or repeal of the prohibition law; to the Committee on the Judiciary.

1858. By Mr. SNOW: Petition of W. N. Baxter and other citizens of Stockholm, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1859. By Mr. SPARKS: Petition of 30 people from New York State, favoring the Sparks-Capper alien resolution to bar aliens from being counted in congressional apportionments; to the Committee on the Judiciary.

1860. Also, petition of 375 residents of Hill City, Kans., and vicinity, sent in by Estella Boyle Wiseman, president of the Woman's Christian Temperence Union of Hill City, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1861. Also, resolution of Woman's Christian Temperance Union of Plainville, representing 50 members, sent in by President Mable Moore Gilbert, Plainville, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1862. Also, resolution of the Christian Missionary Society of the Christian Church of Plainville, signed by the president, Mrs. P. D. Posegate, Plainville, and the secretary, Mrs. Louis Ellett, Plainville, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1863. Also, resolution of the Dorcas Club, of Plainville, sent in by the president, Mrs. W. J. Winters, and the secretary, Mrs. Wayne Conger, both of Plainville, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1864. Also, petition of 70 residents of Monument and vicinity, sent in by Lila Willars, president Woman's Christian Temperance Union of Monument, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1865. Also, resolution of Women's Foreign Missionary Society of Northbranch, sent in by Gertrude Hadley, president, and Lena Hafren, secretary, of Northbranch, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1866. Also, resolution of the Woman's Christian Temperance Union of Goodland, representing 28 people, sent in by Mrs. B. A. Wells, president, and Mabel McCall, secretary, of Goodland, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1867. Also, petition of 109 residents of Wakeeney and vicinity, sent in by Rev. H. P. Woertendyke, of Wakeeney, Kans., sponsored by the Woman's Christian Temperance Union, protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1868. By Mr. SPENCE: Petition of Inspiring Heart Circle, of Covington, Ky., protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1869. Also, petition of Woman's Christian Temperance Union of Fort Thomas, Ky., opposing modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1870. Also, petition of the Alice Adams Bible Class, Fort Thomas, Ky., protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1871. By Mr. SUTPHIN (by request): Petition of Catholic Daughters of America of Carteret, N. J., protesting against the passage of House bills 4739 and 4757; to the Committee on Education.

1872. By Mr. TABER: Petition of Jennie D. Draper and others, urging the support of the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1873. Also, petition of Gertrude L. Sanders and others, urging the support of the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1874. Also, petition of Ladies' Aid and Universalist Church of Auburn, N. Y., urging the support of the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1875. Also, petition of Lucy Ingersoll and others, urging the support of the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1876. By Mr. TIMBERLAKE: Petition of the Church of the Nazarene, Boulder, Colo., protesting against submission of the eighteenth amendment to a referendum vote in the States; to the Committee on the Judiciary.

1877. By Mr. WEEKS: Petition of Woman's Christian Temperance Union of Waterbury, Vt., protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1878. Also, petition of Woman's Christian Temperance Union of East Arlington, Vt., protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1879. Also, petitions supporting maintenance and enforcement of the eighteenth amendment from Fair Haven, Vt.; to the Committee on the Judiciary.

1880. By Mr. YATES: Petition of Mr. and Mrs. O. E. Smith, G. W. Rollins, C. A. Hedges, and other citizens of Moweague, Ill., opposing any modification of the eighteenth amendment; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

SATURDAY, FEBRUARY 13, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We beseech Thee, our Father, that Thou wilt quicken all who walk in the way of duty and those who may search out neglected duty, and may they take upon themselves the whole service of our country. We thank Thee that Thou dost overflow with tenderness and grace, and that they come to us who are full of faults and weaknesses; we praise Thee that Thou art our remedy and our hope. O God, may our country build that new heaven and that earth in which dwelleth righteousness and happiness; then men shall be able to stand the wear and the tear of the exigencies of time and change. Do Thou minister to the social influence of the family by affection, by refined taste, and by that peace and joy which have their pattern in Thee. Amen.

The Journal of the proceedings of yesterday was read and approved.

FRED R. MILLER

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The SPEAKER. The gentleman from North Carolina offers a privileged resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 89

Resolved, That there be paid out of the contingent fund of the House $600 to Fred R. Miller for extra and expert services as expert legal examiner to the Committee on Pensions from March 4, 1931, to March 4, 1932, second session of Seventy-first Congress and first session of Seventy-second Congress.

Mr. WARREN. Mr. Speaker, this resolution and the one which I intend to offer immediately following are the regular resolutions passed in reference to the special examiners assigned to the Committees on Pensions and Invalid Pensions. I am instructed by the Committee on Accounts to inform the House that it will not be the future policy of the committee to approve these two resolutions.

Mr. STAFFORD. Will the gentleman yield?

Mr. WARREN. I yield.

Mr. STAFFORD. I notice we are virtually giving back pay to the gentleman, because the resolution provides for payment from March 1, 1931, to March 1, 1932. What is the reason for the belated introduction of this back-pay resolution, even though the amount is small?

Mr. WARREN. It is for the past year. This resolution is for services rendered up until March 4 of this year.

Mr. STAFFORD. We will cease this practice after this resolution is adopted?

Mr. WARREN. That is the unanimous opinion of the committee.

Mr. STAFFORD. And the gentleman believes this $600 is a small amount for terminating this service?

Mr. WARREN. That is correct.

The resolution was agreed to.

AMY C. DUNNE

Mr. WARREN. Mr. Speaker, I offer a privileged resolution and ask its immediate consideration.

The SPEAKER. The gentleman from North Carolina offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 96

Resolved, That there be paid out of the contingent fund of the House of Representatives $465 to Amy C. Dunne for extra and expert services rendered the Committee on Invalid Pensions from March 11, 1931, to December 19, 1931, as assistant clerk to such committee by detail from the Veterans' Administration.

The resolution was agreed to.

JAMES W. BOYER, JR.

Mr. WARREN. Mr. Speaker, I offer a further resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from North Carolina offers a further resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 118

Resolved, That there be paid out of the contingent fund of the House $600 to James W. Boyer, jr., for extra and expert services as expert legal examiner to the Committee on World War Veterans' Legislation.

Mr. STAFFORD. If the gentleman will yield, will the gentleman explain to the House whether this is the customary resolution for these services? I do not recall that the House has heretofore ever paid extra services to any clerk of the Veterans' Bureau. I do recall having paid for extra services to clerks connected with the Committee on Pensions and the Committee on Invalid Pensions.

Mr. WARREN. This is a customary resolution that has been passed in this case for the last two years. There are only three. These are the three I have just presented.

The resolution was agreed to.

EXPENSES INCURRED BY COMMITTEE ON COINAGE, WEIGHTS, AND MEASURES

Mr. WARREN. Mr. Speaker, I offer a further resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from North Carolina offers a further resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 136

Resolved, That the expenses of conducting the investigation authorized by House Resolution 72, incurred by the Committee on Coinage, Weights, and Measures, acting as a whole or by subcommittee, shall be paid out of the contingent fund of the House

on vouchers authorized by the committee, signed by the chairman thereof and approved by the Committee on Accounts, but shall not exceed $5,000.

The resolution was agreed to.

IMPEACHMENT CHARGES—REPORT FROM COMMITTEE ON THE JUDICIARY

Mr. SUMNERS of Texas. Mr. Speaker, I offer a report from the Committee on the Judiciary, and I would like to give notice that immediately upon the reading of the report I shall move the previous question.

The SPEAKER. The gentleman from Texas offers a report, which the Clerk will read.

The Clerk read the report, as follows:

HOUSE OF REPRESENTATIVES—RELATIVE TO THE ACTION OF THE COMMITTEE ON THE JUDICIARY WITH REFERENCE TO HOUSE RESOLUTION 92

Mr. SUMNERS of Texas, from the Committee on the Judiciary, submitted the following report (to accompany H. Res. 143):

I am directed by the Committee on the Judiciary to submit to the House, as its report to the House, the following resolution adopted by the Committee on the Judiciary indicating its action with reference to House Resolution No. 92 heretofore referred by the House to the Committee on the Judiciary:

Whereas Hon. WRIGHT PATMAN, Member of the House of Representatives, filed certain impeachment charges against Hon. Andrew W. Mellon, Secretary of the Treasury, which were referred to this committee; and

Whereas pending the investigation of said charges by said committee, and before said investigation had been completed, the said Hon. Andrew W. Mellon was nominated by the President of the United States for the post of ambassador to the Court of St. James and the said nomination was duly confirmed by the United States Senate pursuant to law, and the said Andrew W. Mellon has resigned the position of Secretary of the Treasury: Be it

Resolved by this committee, That the further consideration of the said charges made against the said Andrew W. Mellon, as Secretary of the Treasury, be, and the same are hereby, discontinued.

MINORITY VIEWS

We can not join in the majority views and findings. While we concur in the conclusions of the majority that section 243 of the Revised Statutes, upon which the proceedings herein were based, provides for action in the nature of an ouster proceeding, it is our view that the Hon. Andrew W. Mellon, the former Secretary of the Treasury, having removed himself from that office, no useful purpose would be served by continuing the investigation of the charges filed by the Hon. WRIGHT PATMAN. We desire to stress that the action of the undersigned is based on that reason alone, particularly when the prohibition contained in said section 243 is not applicable to the office now held by Mr. Mellon.

FIORELLO H. LAGUARDIA.
GORDON BROWNING.
M. C. TARVER.
FRANCIS B. CONDON.

Mr. SUMNERS of Texas. Mr. Speaker, I think the resolution is fairly explanatory of the views held by the different members of the committee. No useful purpose could be served by the consumption of the usual 40 minutes, so I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

PRINTING OF HEARINGS

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. I desire to ascertain if under the implied intent of the rules of this House, before a bill may be properly considered by the House, the hearings pertaining to the particular bill under consideration should be available to the membership. What I have in mind, Mr. Speaker, is this: That at the time the House considered the bill relating to the Reconstruction Finance Corporation all of the hearings were not printed. In a very few days, as I understand—as we are informed by the press—we will be called upon to consider another bill on the question of the Federal reserve and the issuance of additional currency. Hearings are now being held, and I desire to be informed if it is not possible for the membership to have those hearings before we are called upon to consider the bill.

The SPEAKER. As the gentleman is aware, the rules of the House do not require the printing of hearings before committees. The gentleman will have to address his inquiry to the chairman of the committee having the bill under consideration.

Mr. BRAND of Georgia. Mr. Speaker, the hearings were finished yesterday and I am satisfied that any Member can see the testimony to-day or on Monday morning.

Mr. LAGUARDIA. That will be very satisfactory, and I thank the gentleman for the information.

COMMENCEMENT OF TERMS OF PRESIDENT, VICE PRESIDENT, MEMBERS OF CONGRESS, ETC.

Mr. JEFFERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (S. J. Res. 14) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (S. J. Res. 14), with Mr. BULWINKLE in the chair.

The Clerk read the title of the joint resolution.

Mr. JEFFERS. Mr. Chairman, I yield myself one minute. Let me call the attention of the Members to the fact that during the afternoon we will have up for consideration in connection with this proposed constitutional amendment several amendments, and I hope the membership will remain here so that we will not be caused to lose valuable time if some one should make the point of no quorum. I trust the Members will remain in the Chamber. We are going to get through with the consideration of this resolution this afternoon under the 5-minute rule after we conclude the general debate.

Now, Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. FIESINGER].

Mr. FIESINGER. Mr. Chairman, I am a member of the committee that has had this resolution under consideration. I concur in the action of the committee and I rise to state that I am favorable to the resolution. I believe it is a step in the way of progress and I believe further that it has the command of the American people, and I know of the people of my district.

It has been indicated and asserted in the debates and by mention of individual Members that a number of amendments will be offered. While not in any way impugning the motives of the proponents of such amendments and believing that such amendments will be offered with a sincere desire to be helpful, yet I shall be constrained to vote against all such amendments because of the fear I entertain that the amendments will tend to impede the final adoption of the resolution which I interpret to have the righteous command of the American people.

Any amendment offered to extend the terms of Members of the House of Representatives I shall especially oppose, because in my humble judgment its tendency would be to centralize power and tend to lessen the rights of the people in popular government.

I desire to take no further time and I yield back the balance of my time.

Mr. JEFFERS. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. LEWIS]. [Applause.]

Mr. LEWIS. Gentlemen of the committee, you are about to propose a most desirable change in our institutions, a change which the passage of time has indicated to be necessary for the efficient operation of the great function of national legislation.

I am about to bring to your attention an ingredient in that institution where another change is equally shown to be necessary and important in the operation of the legislative part of our Government.

When this House of Commons was established, ladies and gentlemen, there were few parliaments in the world from whose rituals we could draw.

The ancient democracies gave us virtually no faith-inspiring instruction as to a proper length of term for Members of the representative body.

May I say that research discloses that in only two countries of the world, in Colombia and in Mexico, is the term of the member of their lower house as long as two years. In 18 of the leading 25 countries of the world the term is four years or more, and in the following countries, the first naturally to come in our minds when we consider matters by way of comparison, we have Canada with a 5-year term, France with a 4-year term, Germany 4 years, Italy 5 years, Japan 4 years, Sweden 4 years, Switzerland 4 years, and in England a term of 5 years.

Looking into the effect of the "vote of confidence" on the prematuring of the term, I found that in England, taking all the votes of want of confidence into account, during the Victorian age the term in the House of Commons lasted, on the average, some 3 years and 10 months.

Gentlemen of the House, we are definitely Representatives of the people who live within our districts. How many do we represent? On the average, 285,000. Remember that we are the principal human avenues of approach of these 285,000 to our great Government, with its present multiplied and magnified relations to human life. Two hundred and eighty-five thousand to serve. In Canada it is 41,000, in France 67,000, in Germany 108,000, in Italy 107,000, in Sweden 27,000, in Switzerland 22,000, and in England 72,000.

On top of our shortened term and of this greatly magnified number of people we are called upon to represent we have another onerous circumstance. It is the double election that characterizes the politics of our country. It was 13 months before we were allowed to assemble here on this occasion. Already primary troubles had begun to show themselves—yea, and to assert their depleting claims in the hearts of many of the Members of this body.

We are human beings. We are, naturally, going to think of our own futures as well as the well-being of our country. I want to say to you that, judged not only by my individual experience but judged by those comparisons which I have only too briefly given you of the experience of other countries, the 2-year term in the United States does not stand justified by present needs or present human circumstances.

It is a matter of tradition that the makers of the Constitution greatly feared oligarchy and absolutism in their day and that the 2-year term was determined upon so that quick, opposing, and antagonistic responses would come from the people if those higher in the Government should attempt such reactionary conduct. Happily, such fears have been completely dissipated by experience. Not only is there no sign of such absolutism but, thinking of the stability of our institutions, if there be anything unstable on this planet after a century and a half of experience with the ideals of our fathers, thank God we are able to say that it is monarchical institutions, aristocratic institutions, that stand in peril and not those other democratic institutions planted on the wider base of the whole population of the country. [Applause.]

Mr. BURTNESS. Will the gentleman yield?

Mr. LEWIS. I do, gladly.

Mr. BURTNESS. I was interested in the figures with reference to the number of people represented by individual members in other parliaments. The gentleman has served here before. Has the gentleman any observation to make with reference to the additional amount of work done by Members now as compared with a few years ago?

Mr. LEWIS. The gentleman's question is most timely and appropriate. It happens that after some six years of service in this body my services ceased here and other public work took its place. Coming back now, after some 14 years, the break in my legislative experiences has compelled comparisons. I certainly am not overstating the comparison when I say that the number of problems now presented are four times as great as they were 20 years ago and that they have lost nothing in complexity in the intervening time. [Applause.]

Statistics of membership and representation in lower houses of legislatures of certain foreign countries

Country	Number of members	Year	Population	Number represented by each member [1]	Term
					Years
Argentina [2]	158	1930	[3] 11,192,702	70,840(33,000)	4
Australia [4]	76	1930	[3] 6,438,999	84,724	3
Belgium [5]	187	1929	[3] 8,060,189	43,103(40,000)	4
Brazil [6]	212	1929	[3] 40,272,650	189,965	3
Canada [7]	245	1930	[3] 9,934,500	40,549	5
Chile [8]	132	1931	4,264,819	32,309(30,000)	4
Colombia [9]	131	1928	7,851,000	59,931 (60,000)	2
Czechoslovakia [10]	300	1929	[3] 14,608,412	48,695	6
Denmark [11]	149	1925	3,434,555	23,051	4
France [12]	612	1926	40,743,897	66,575	4
Germany [13]	577	1925	62,410,619	108,164 (75,000)	4
Greece [14]	250	1928	6,204,684	24,819	4
Hungary [15]	245	1930	8,683,740	35,444	5
Italy [16]	400	1931	42,874,801	107,187	5
Japan [17]	466	1929	65,703,953	140,996	4
Mexico [18]	[19] 150	1930	16,404,030	109,360 (60,000)	2
Netherlands [20]	100	1929	7,832,175	78,322	4
Norway [21]	112	1930	2,890,000	25,804	3
Peru [22]	110	1927	[4] 6,147,000	55,882	5
Portugal [23]	164	1920	6,032,991	36,787	3
Rumania [24]	387	1919	17,393,149	44,944	4
Sweden [25]	230	1929	[4] 6,120,080	26,609	4
Switzerland [26]	187	1930	4,067,305	21,750 (22,000)	4
United Kingdom [27]	615	------	44,025,518	71,586	5
England	492	1921	35,230,225	71,606	5
Northern Ireland	13	1926	1,256,322	96,640	5
Scotland	74	1921	4,882,497	65,980	5
Wales	36	1921	2,656,474	73,791	5
Venezuela [28]	77	1926	3,026,878	39,310 (35,000)	3

[1] Figures obtained by dividing population by the number of members. When the basis of representation is given in the source from which the information was obtained that figure is given in parentheses as well as the one obtained by actual division.
[2] Statesman's Yearbook, 1931 (pp. 651, 652).
[3] Estimated population as given in Statesman's Yearbook, 1931
[4] Statesman's Yearbook, 1931 (pp. 346 and 348).
[5] Ibid., pp. 672, 673.
[6] Ibid., pp. 697 and 699.
[7] Ibid., pp. 280 and 282.
[8] Ibid., p. 717, 718. Political Handbook of the World, as of Jan. 1, 1930 (p. 32).
[9] Statesman's Yearbook, 1931 (pp. 752, 753).
[10] Ibid., pp. 770 and 772.
[11] Ibid., pp. 783 and 785.
[12] Ibid., pp. 837 and 841.
[13] Ibid., pp. 916, 917.
[14] Ibid., pp. 965, 966. Political Handbook of the World, as of Jan. 1, 1930 (p. 84).
[15] Statesman's Yearbook, 1931 (pp. 989, 990). Political Handbook of the World, as of Jan. 1, 1930 (p. 93).
[16] Statesman's Yearbook, 1931 (pp. 1012, 1013).
[17] Ibid., pp. 1045 and 1048.
[18] Ibid., pp. 1088, 1089.
[19] Under an amendment to the Constitution July 30, 1928, the basis of representation was increased and the membership of the lower House was reduced from 271 to "about 150." Political Handbook of the World, as of Jan. 1, 1930 (p. 126).
[20] Statesman's Yearbook, 1931 (pp. 1111 and 1113).
[21] Ibid., pp. 1144, 1145.
[22] Ibid., pp. 1180, 1181.
[23] Ibid., pp. 1201, 1202.
[24] Ibid., p. 1222. Political Handbook of the World, as of Jan. 1, 1930 (p. 157.)
[25] Statesman's Yearbook, 1931 (pp. 1294 and 1296).
[26] Ibid., pp. 1310 and 1312.
[27] Ibid., pp. 5, 6. Constitutional Yearbook, 1931 (pp. 218 and 251).
[28] Statesman's Yearbook, 1931 (pp. 1343, 1344).

Mr. GIFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Chairman, it had not been my purpose to speak at any length on this resolution. On two occasions when it was discussed here—March, 1928, and February, 1931—I took my full share of time and participated quite freely in the debate. I am not doing it to-day, because, first, lack of time, and second, because I feel that the remarks heretofore made by me express my views quite as accurately and completely as I could now express them. These views are pretty well understood by the older Members and the younger Members will be able to gather all the information and inspiration on this subject that they may need if they listen to the remarks of the others.

I do not regard this as the most important piece of legislation in the world. To this extent I agree with the gentleman from New York [Mr. O'CONNOR], that there are many more important things that this Congress should do. The fact is that for more than 140 years we have gone along on the original provision of the Constitution on this subject.

Compared with other countries of the world, we surely have not suffered by having followed the provision in connection with the meeting time of Congress. Until quite recently there was no effort on the part of anyone to change this provision of the Constitution, but it has been so long since any legislation has been enacted under the provision which per-

mits Congress to meet at any time that there has gone out over the country the notion that Congress can not meet until 13 months after election, and that the retiring Member continues to serve until December. Of course, anyone who reads the Constitution understandingly knows better. The term of a retiring Member expires on the 3d of March. The new Member begins on March 4 to act as a Member in all nonsession duties. He is sworn in either at the regular session in December, or sooner, at a special session called by the President, if the public interests demand it.

In earlier days, on a number of occasions, Congress did act under the constitutional provision relating to meetings of Congress, and fixed the date when Congress should assemble. The most memorable example of the action of Congress in this respect was in the early days of the administration of Andrew Johnson, when there was such a bitter state of partisanship existing that Congress professed to believe that the Government was not safe in the hands of President Johnson unless Congress were in session. Therefore Congress did act and fixed the date of the meeting of subsequent Congresses on the 4th day of March of the odd years. For three successive Congresses, Congress did meet on that date and continued in potential session all through the 2-year term.

In all fairness, I should add that some of the worst legislation ever enacted in the history of our country was enacted during that period, from some of which the Nation is still suffering 60 years afterward.

After the passions of the Civil War had somewhat subsided Congress very sensibly concluded that there was no necessity for so early assembling after the election and repealed the law. Congress then rejected what will surely prove to be the result if this amendment is ratified—a continuous session during the two years or life of the Congress. Therefore in the early seventies this statute was repealed and Congress went back to the time fixed by the Constitution in case Congress fails to set a different date. From that time to the present day Congress has never seen fit to fix a different date from that thus provided for in the Constitution, but the President on many occasions has seen fit, when the public interests seemed to demand it, to convene Congress in a special session—not 13 months after election but immediately after the 4th day of March.

The President can now call a special session at any time if he deems the public interests demand it, while any Congress has the power to bind its successor to the extent of compelling the new Congress to meet at any time after March 3.

When, if ever, has the country suffered by reason of Congress not being in session? I do not recall the occasion and history is silent on the subject. Then why change the Constitution for such a purpose? In my remarks on this floor when a similar resolution was being discussed in the Seventieth Congress, I said:

> While fixing the date on which Congress shall meet is not of vital importance, changing the Constitution for this or any other purpose is a serious matter. Of the amendments adopted since the first 10—which were to all intents and purposes a part of the original Constitution—some were unnecessary, some have not worked as expected, some have worked badly, and some have not worked at all.
>
> Doubtless I am somewhat old-fashioned in this respect, but I have a deep, sincere affection and admiration for that old document, and I hate to see it changed without the best of reasons. Our experience in changing this precious instrument has not been such as to encourage further experiment along this line, except for reasons clear and compelling. I do not believe that the reasons given for the proposed change are sufficient or convincing, but, on the contrary, that when analyzed they become untenable.
>
> What are the alleged reasons for adding the proposed amendment to the Constitution? The one argument upon which the demand for a change in the meeting date of Congress is based is that the time is too long between the election and the meeting of the new Congress. Looked at superficially, this is a plausible argument, especially when made to appear that 13 months must elapse after the election before the newly elected Member actually takes his seat; but even this formidable charge can be met and readily answered. In the first place, this charge is not true as I have stated it and as it is usually stated. Under our present Constitution only four months must elapse before the new Member may take his seat. Any longer time than four months is only because Congress, in its wisdom, has not seen fit to fix March 4 as the date for the new Congress to meet. Then we are called upon to pass a constitutional amendment in order to have Congress meet 60 days earlier than it could otherwise. And even then, in the case of a new President, he will not come in for 20 days longer, so that in reality the new Congress will gain only 40 days by meeting January 4 instead of March 4.
>
> But we are told in all seriousness that it will never do for the new Congress to meet as late as March 4, which can be done by a simple resolution, because that would mean running into midsummer, and it is hot in Washington during June and July. Shades of our illustrious predecessors! Shall we amend the Constitution of our country in order to avoid a few days of personal discomfort? [Applause.]

In connection with the present resolution the same reasons and excuses have been advanced as in previous discussions, but little that will stand up under analysis. Of course, the practice of other countries has been dwelt upon always without referring to the totally different conditions existing in those countries, especially as to the form of government. In my remarks during the debate on the subject I said:

> The practice in foreign countries of early assembling is cited, but there is no real similarity, and any argument based on such an analogy is not well grounded but is altogether misleading. In other countries governments fall and cease to function, carrying in their fall both executive and legislative authority, which are not separated, so that a new government must be formed to carry on. There is no such thing in our system of government. Our executive and legislative powers are distinct and our terms of office are fixed by law or the Constitution. And, on the whole, has not the plan worked reasonably well, even as compared with foreign countries?

Later, after much had been said about foreign parliaments, I referred to the matter again:

> The practice of foreign countries in early assembling is cited and made much of, but this is readily disposed of when it is remembered that in this respect our Government, where the legislative and executive powers are separated, is entirely different from any of those countries where the legislative and executive powers are combined so that when one ministry falls and fails to function another must promptly take its place. Who can say that this difference has not added to rather than detracted from the success achieved by our Government? The practice of foreign countries has no analogy to our own, so that arguments based upon it are without substantial foundation.

There are real, substantial, practical reasons in the case of our Government why it is better, except in cases of emergency or when some very important extraordinary legislation like a tariff bill is to be passed, that there should be a long interval between the elections and the convening of the new Congress. I can do no better than quote from previous remarks made by me on a similar occasion:

> Let us consider for a moment whether any real harm comes from postponing the date of convening the new Congress even the full limit of 13 months. We are now under a Budget system and it is working well. During the summer and autumn the President, through the heads of executive departments and the Director of the Budget, prepares the estimates of the several departments and makes up the Budget. It is sent to Congress the first week in December. As at present, the old Congress is organized and before January 4 is well under way in the consideration of the supply bills. The Cabinet heads, who under the outgoing President have submitted their estimates, now come before the committees of Congress and explain each the portion of the Budget which relates to his department. Before March 4, if Congress attends to business, all the supply bills and other necessary legislation is passed, and the old Congress and the old President, with his Cabinet heads and their assistants, all go out together. The new President comes in on March 4 with a new Cabinet and assistants and begins at once to prepare for the new estimates and the new Budget to be submitted in the autumn.
>
> Meanwhile, the new Congress on and after March 4 stands ready to meet in case of need to pass emergency or any other legislation deemed necessary for the public interest. Time after time the new Congress has been called together early for one reason or another, and there is no danger that the public interest will ever suffer for want of a Congress ready to serve.
>
> Let us see what would be the situation under the proposed amendment. The old President and his Cabinet must make up the Budget, as before, but can not submit it before January 4. It is then submitted to a new Congress, not thoroughly organized and without committees. Meanwhile the "lame-duck" President holds on for 20 days. Whether he delivers a message on the state of the Union to the new assemblage, now cleansed of its "lame-duck" contamination, is not specified in the resolution.
>
> Having organized—if no deadlock interferes—and counted the electoral vote, if there is time, the now pure congressional aggregation, out of deference to the new President soon to come in, will probably twiddle their thumbs until January 24 arrives. And now work must begin—on the supply bills, at any rate. A new Cabinet will have taken the place of the old and without time to learn

anything whatever about their several departments, with no knowledge whatever of the estimates or the Budget, they must appear before the committees of Congress to explain and defend the provisions of their several bills. The new President must take on faith the Budget of his "lame-duck" predecessor, for surely he is not in position to make up one of his own; and so throughout the first year of his term, the most important year of all for him, the benefits of the Budget system may be nullified, so far as he is concerned. Can you imagine anything worse than such a situation? And yet I have not in the least overdrawn what must inevitably happen in case this amendment should be ratified.

If the "lame-duck" session is a bad thing we can abolish it by a joint resolution and meet on the 4th day of March, after the elections, and in the even years at any time Congress may see fit to fix. It is not necessary to pass this resolution in order to eliminate the "lame-duck" session. I said so emphatically in the debate to which I have referred in the following language:

But it is not necessary to amend the Constitution in order to have an early meeting of the new Congress; and if it be believed that this is what is needed and what the people are demanding, let it be done by an act of Congress. As it stands to-day, Congress can fix any date of meeting it may deem best; and if it should turn out that the day fixed is not the best date, it can be changed and go back to the old date that has served satisfactorily throughout our history. But once fix the date by the Constitution, and it must stand whether satisfactory or not, whether it work well or ill.

As to the harm that might come from "lame-duck" Members, participating in legislation, it seems to me this has always been the most preposterous thing that ever could be offered to influence rational men. The idea that because a man is defeated for Congress he is thereby discredited and disqualified from acting as a legislator is grotesquely absurd. As the gentleman from Virginia [Mr. MONTAGUE] said so forcefully and cleverly yesterday, the proposition is utterly ridiculous.

As he said, this is one time in the life of a Member of Congress when he can vote his real convictions without the hope of reward or the fear of punishment. I defy successful contradiction of the statement I am about to make: That some of the best legislation that has ever been passed by any Congress has been passed in the short session, and often when a considerable number of men have been defeated. The percentage of men not returning is small, many of these retiring voluntarily; in fact, so small as to have no influence whatever, even though we might concede the thing that is not true, that they have been discredited and that, having been discredited, they would betray the interests of their country. The idea is preposterous. [Applause.]

The part of the resolution providing for the election of President has been referred to as one of the important provisions of this amendment. One trouble with this is that we do not know where the new proposition might land us, because no one can foretell what will arise in the future. We have tried the old and have not suffered from it, but no one can tell how the provisions of this amendment will work in case of a controversy.

There is one thing I wish to call particular attention to, and that is the fact that Congress under the present provision is organized and ready for legislation. In the proposed amendment it is not. In 1876, when the unfortunate controversy between Hayes and Tilden occurred, when there was danger of civil strife or revolution in this country, the fact was that the House had been organized, the Speaker had been elected, Congress was actually in existence and was able to act.

Congress took action to meet the emergency. A commission was appointed. Whether we agree with the final decision of the commission has nothing to do with the case. The point is that Congress was in a position to act and did act and did appoint a commission to save the country from danger. The magnanimous action of the defeated candidate for President, Mr. Tilden, should always be gratefully remembered by all of the people of these United States. [Applause.] The fact I wish to emphasize is that at this time Congress was organized. The contests of the election had been settled, which can not be the case under the proposed change. More than that, when the choice of a President depends on the action of the new Congress, not organized, the difficulty of organizing may be greatly increased. Let us assume that the parties are fairly evenly divided in the House, so that the change of a vote or two might, in its result, make a difference in the presidency itself.

We can readily foresee that there might be very serious danger from having the old Congress out of existence, and the new Congress, without organization, to be depended upon to count the votes or to elect the President. Please observe, also, that by this resolution only 20 days are allowed in which Congress must organize and elect a President, if one has not been elected by the Electoral College. I called attention to this danger in previous remarks on the subject, as follows:

Can we afford to take such a step which, once taken, can not be retraced? It matters nothing to me personally. It matters little to any of us older Members, whose time here after this amendment is in effect at most will not be long; but it does matter very much to the people of the country through all the years to come and to those who follow us here in giving service to the country. I have one boy of my own, dearer to me than my own life, as every father will understand. He is only a schoolboy now, but in the dreams of a fond father touching his son I have seen him standing here in my place, giving himself to the service of his country as his father has faithfully tried to do. I would not for this right arm do anything by my vote that would make his path more difficult or render his service and that of the others who will then stand where we now stand, less effective or useful.

Among all the many able newspapermen gathered here in Washington none has described the so-called "lame duck" resolution we are now considering so concisely or so accurately as the brilliant columnist George Rothwell Brown when he characterized it as a quack remedy for a disease of the Constitution that it does not have. Nor can I close my own remarks now more fittingly than by quoting what I said in closing four years ago:

I can not vote for this resolution. Neither can I allow it to pass without giving voice to my opposition and utterance to my conviction that its adoption will be an unfortunate mistake which those responsible for it should never cease to regret. And remember, when we give our vote for it and send it on its way all the harm of which it is capable throughout the years to come will have been done, so far as we are concerned.

[Applause.]

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. TILSON. My time has expired.

Mr. KELLER. I wanted to ask a question and the question is this——

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. GIFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. RAMSEYER].

Mr. RAMSEYER. Mr. Chairman, a resolution similar to this one was before the House in 1928 and again in 1931. Like the distinguished gentleman from Connecticut [Mr. TILSON] who preceded me, I have addressed myself at length to the membership of the House on each occasion when the proposition was before us. The gentleman from Connecticut and myself are on different sides of this proposition. I have a profound respect for the gentleman for his attitude and for his courage always in taking the side of any controversy that he thinks is right. I first became interested in this proposal when it was being studied by a special committee of the American Bar Association. It was before such special committee a number of years. This committee made a report to the American Bar Association in 1923. I was present at the particular session when this resolution was up for discussion. It was unanimously indorsed by the American Bar Association at the convention of that association in 1923. This committee prepared a resolution to be introduced in Congress. I took the proposed resolution and introduced it on the first day of the following session here, that is, the first Monday in December, 1923. Afterward, during that

session, I appeared before the committee having charge of the joint resolution and argued in favor of it.

I do not attach as much importance to this resolution as some Members do. I am in entire sympathy with the gentleman from Connecticut in resenting the reflections cast by some upon Members who happen to be defeated—that their defeat means there is something wrong with them and that they can no longer be trusted. Some of the leading men of our country, including Lincoln, were defeated time and again. In fact, some of the noblest characters of history never could be elected to any office. They were guillotined, burned at the stake, and even crucified.

I have favored the resolution in the past and still favor it. I think newly elected Members should be allowed to go into action sooner than they do now under the present practice. If I were responsible for the program for this House, this resolution would not be here exactly at this time. I agree with what has been said—that there are more important matters before the country that should receive attention. The passing of this resolution will not feed the hungry nor furnish any jobs to the unemployed. It will not help to solve the economic paradox of impoverishment in the midst of abundance, to correct the inequitable distribution of wealth, or to solve the money and credit problem, which I consider at this time the most important problem before the American people.

The resolution before us I favor in the main. There have been suggestions made during the debates that we must not amend this resolution in any manner. I do not know why Members take the floor and speak that way. When this resolution passes the House it should reflect the independent judgment of this House. [Applause.] Thomas Jefferson, in his Manual, after stating the rule against referring to debates and votes in the other House, gives as his reason in support of the rule, the following:

> Because the opinion of each House should be left to its independency, not to be influenced by the proceedings of the other.

One of the amendments to be offered is the Longworth amendment. I did not vote for it when it was offered before and shall not vote for it to-day, for the reason that I think we should go on the assumption that Congress will have sense enough to adjourn when it is through with its business; but if I had believed in that amendment when it was considered before, if I still believed in it, I would vote for it to-day. I would express my own independent judgment. Just because the other body has not taken kindly to this proposal is no reason why Members should not at this time exercise their own independent judgment on that amendment or any other amendment that may be proposed. [Applause.]

There is no danger of this resolution proposing an amendment to the Constitution getting lost in the shuffle. It was lost at the end of the last session because there were only a few days of the session left when it was sent to conference. If there are some provisions in the resolution different from the Senate resolution—and there are already provisions in it that are materially different—it will go to conference. The conferees can come back for further instruction. The same with the Senate conferees.

The Longworth amendment, and also an amendment which I shall offer at the end of the resolution, have never been considered by the other body. No one here knows what the other body thinks about either one of them. Even though some of you may think you know how the other body feels about it, it is all the more reason why you should at this time express your own independent judgment on the amendments to be offered. Probably the gentleman from Maryland [Mr. LEWIS] will offer an amendment. Each House should be left to its own independency of judgment on these matters. There is no reason in the world why this House should have an inferiority complex every time the other body is mentioned, or when we find the views of the other body are different from this body. If we truckle to the other body, or if the other body truckles to us, it will simply result in the body being truckled to losing respect for the other body, and the body truckling will lose its own self-respect. Exercise your own independent judgment on any of the amendments that are going to be offered under the 5-minute rule.

In 1928 when this joint resolution was before this body we printed as a House document the debate and proceedings. I have regarded this document as the best debate on any subject ever had in either House since I have been a Member of this House. I have made a somewhat careful study of each amendment to the Constitution beginning with the thirteenth amendment, and the procedure in the States in ratifying those amendments. Mr. Garrett, of Tennessee, formerly leader of the Democratic side, was probably as careful and as thorough a student of the Constitution as we have had in this body during recent years. When this proposal was before the House in 1928 Mr. Garrett offered an amendment to the resolution, which was adopted by a vote of 187 to 23, on a rising vote. That amendment was incorporated in the resolution which was before this House during the last session as section 6. For reasons or for no reason, the committee this time eliminated section 6. This section I regard as most important to insure orderly consideration of proposed amendments. My time is up. I will have more to say on my amendment under the 5-minute rule. [Applause.]

[Here the gavel fell.]

Mr. JEFFERS. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. HASTINGS].

Mr. HASTINGS. Mr. Chairman, we have under consideration the joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress.

A similar resolution has been before Congress for a number of years. It passed the House during the last session of Congress with an amendment fixing the date of the adjournment of the second session of each Congress.

This resolution contains five sections.

Section 1 fixes the time when the terms of President and Vice President shall end at noon on the 24th day of January, and the terms of Senators and Representatives at noon on the 4th day of January of the years in which such terms would have ended if this article had not been ratified. At the present time, of course, the terms begin and end on the 4th day of March.

Section 2 provides for the assembling of Congress at least once in every year and fixes the date of the meeting to begin at noon on the 4th day of January, unless Congress shall by law appoint a different day.

Section 3 provides for the election of a President and Vice President if death should occur to either or if the President elect or the Vice President elect fails to qualify. This section authorizes Congress to provide for this situation.

Power is given to Congress to provide by law who shall act as President in this case or the manner of selecting who shall act as President, but such person shall act only until a President is qualified or a Vice President is qualified.

Section 4 provides that Congress may provide for the contingency of death of any of the persons from whom the House of Representatives may choose a President or the Senate may choose a Vice President.

The report of the Committee on Election of President, Vice President, and Representatives in Congress is an exhaustive one and goes thoroughly into the reasons why favorable action should be had upon this amendment. It has been called to the attention of the public for a number of years.

I think everyone agrees that it is advisable to have sessions of Congress convene soon after the election.

When the original Constitution was adopted and our Government was organized in 1789 we had no modern facilities for communication or transportation and it was then necessary to have more time intervene between an election and the convening of Congress. This was particularly true when some of the Western States were admitted into the Union. Now all sections of the country have been brought together by modern means of communication and transportation, so

that the necessity no longer exists for having such a long time intervene between the election and the date when Congress convenes and the Members elect assume office.

I voted for a similar resolution before and favor the passage of this resolution now.

Section 5 provides for this resolution to take effect on the 30th day of November of the year following the year in which this article is ratified.

This resolution must pass both branches of Congress by a two-thirds vote and be ratified by three-fourths of the States before it becomes operative, and not then until the 30th day of November of the year following the year in which this amendment is ratified and promulgated.

I have heard no convincing argument advanced why this resolution should not be passed proposing this amendment. There is always a reluctance to amend the Constitution. The framers of our Constitution provided a method of amendment. Without a general agreement to add the first 10 amendments the Constitution would not have been ratified. We could not have financed the World War without the income-tax amendment.

In brief, it will do three things:

First. It will provide for an early convening of the new Congress after each election;

Second. It will clarify the law with reference to filling the office of President in event of death or other failure to assume the duties of office before inauguration; and

Third. It will provide a speedy recall in the event the Members of Congress do not reflect the true sentiment of the people of their districts.

Mr. JEFFERS. Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, whenever we come to the responsibility of amending the Constitution of the United States we approach the most solemn responsibility, perhaps, which can be placed upon a Member of the American Congress.

During my period of service here one thing particularly has impressed itself upon me. In every field of human endeavor, except in the operation of government, men recognize that there are basic fundamental natural laws which limit human beings. That is true in every field of human endeavor except in the operation of government. Is not that an interesting fact? A person who would be a physician goes to school to learn the laws of nature which govern the human body. He succeeds in his practice in proportion as he is able to harmonize his practice with them. The scientist seeks to learn the laws of nature which govern in the field of endeavor. We have agricultural schools to teach boys how to work in accord with the laws of nature; but when we come to the point of undertaking to operate the complex machinery of a great Government we do not take cognizance of the fact that there are natural laws which limit our discretion. That is an interesting fact.

Now, I make this further observation, and I make it with all respect, that when you come to the scientific operation of government, in my humble opinion—and I put myself in the same class—we are about in the same relative development that medical science was when it bled George Washington to death over a hundred years ago. We do not even recognize that there are natural laws which govern in the realm in which you and I work.

That is preliminary to just one general statement I am going to try to get across. The Fourth of July orators tell us about the fact that the fathers met in some constitutional conventions and arranged our system of government with three coordinate branches. The truth of it is, of course, that the people who sat in the Constitutional Conventions did not have a single thing to do with reference to the arrangement of our system of Government in three coordinate branches. That arrangement of Government had been developing under natural law through a process of centuries among a people peculiarly gifted with the genius of self-government. It was not a debatable question when the constitutional conventions met. The men who assembled in those conventions were the agents of exactly that sort of government.

That brings me to the practical point to which I direct your attention, and that is the necessity of preserving, as far as we can, those lines of cleavage, not because those lines of cleavage originated from human genius but because they originated from the genius of God Almighty, who made the natural laws which govern governments.

Human experience has demonstrated beyond any peradventure of doubt that when you come to determine policy of government you need the counsel of many minds. No one man who sat in the Constitutional Convention would have done otherwise than shipwreck the whole system if he alone had been privileged to write the policy that was incorporated in the Constitution. When you come to execution you need a single Executive.

There is a tendency in this country, manifested when we come to write a tariff bill—and I do not want to get into the realm of partisan politics—and in the agencies of government that are expending these billions of dollars—in fact everywhere the tendency of the representative branch of the Government—to surrender the powers which nature says belong to the representative branch.

They are being surrendered to the Executive. That is the truth of it, and we are accumulating about the President of the United States powers so great that no human being in human history has been able and no human being ever will be able to possess without their abusive exercise. I mean, God Almighty has put that limitation upon human capacity.

When we come to deal with our powers and responsibilities, gentlemen of the Congress, let us not try to hide ourselves and protect ourselves against the people through the shifting of powers to the Executive, powers which belong to us.

I am trying to speak fundamentally. We are falling into another error in this country. We are undertaking to establish a sort of guardianship, each generation of the generations that are to come after us. That can not be done either. In the time allotted to me I can only state the basic reasons which underlie opposition to the amendment known as the Longworth amendment, which I understand is to be offered to the resolution. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Massachusetts is recognized for one minute.

Mr. GIFFORD. Mr. Chairman, in this one minute I want to state that for years I have been considering this resolution. I have been brought to favor the "lame-duck" amendment idea, but now I very much regret that I have favored the "lame-duck" idea at the price of removing a limitation similar to that which we have always had in this Government. It is not a question to-day of "lame-duck" legislation. The debate has been and will be to the question as to whether or not we shall have two long, possibly continuous, sessions of Congress. While I am a friend of the amendment and probably shall vote for it because I can not retrace my steps so far, I want to appeal to the House to stay with their opinion of last year in a vote of 229 to 148, and listen to the words of Jefferson, quoted here to-day, that we vote our own independent thought, not considering the attitude of another body.

[Here the gavel fell.]

Mr. JEFFERS. Mr. Chairman, I ask unanimous consent that all Members who have been recognized be permitted five legislative days to extend their remarks.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. All time has expired, and the Clerk will read the resolution for amendment.

The Clerk read as follows:

That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. May an amendment to the preamble be offered after the word "Constitution" in line 4, page 3, or must we wait until the first section has been read?

The CHAIRMAN. The amendment should be offered now.

Mr. CELLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER: On page 3, line 4, after the word "Constitution," strike out the colon and insert "within seven years from the date of the submission hereof to the States by the Congress."

Mr. McKEOWN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McKEOWN. Has the amendment of the committee been offered?

The CHAIRMAN. The committee amendment is pending under the special rule.

Mr. McKEOWN. Is it proper at this time to attempt to amend the committee amendment?

The CHAIRMAN. That is proper.

Mr. RAMSEYER. Mr. Chairman, I do not know whether the colloquy between the Chair and the gentleman from Oklahoma [Mr. McKEOWN] is with respect to any question of policy or not. We did not get the gentleman's question.

Mr. McKEOWN. The question was whether or not the amendment to the committee amendment could be considered before the committee amendment was offered.

Mr. RAMSEYER. That was taken care of by the rule yesterday.

Mr. CELLER. Mr. Chairman, the only purpose in offering this amendment is to remove whatever there may be of ambiguity in the bill, as I see it, concerning the period during which ratification may be perfected.

Article V of the Constitution makes no provision with reference to the time within which ratification may be had, either by the State legislatures or by the conventions assembled in the States. If we do not put some limitation in this proposed amendment, seven years or some other reasonable provision, we might have a situation develop where one State would ratify this year, another State would ratify next year, and the procedure might continue along for 20 years. The question would then arise whether or not 20 years is a due and proper period of ratification within the spirit and letter of the Constitution.

We have a decision of the United States Supreme Court, a very important decision, and I hardly think we should act, or much less deliberate, upon this proposition unless some knowledge is brought to us concerning this decision.

When the eighteenth amendment was tested in the Supreme Court, the court held as to ratification in the case of Dillon *v.* Gloss (256 U. S. Repts.), that the 7-year provision which was attached to the eighteenth amendment was a reasonable provision, and then it went on, significantly, to make this statement——

Mr. RAMSEYER. Will the gentleman yield?

Mr. CELLER. In just a moment, when I have finished this statement, I shall be very happy to:

Proposal and ratification—

As embodied in the fifth amendment—

are not treated as unrelated acts, but as succeeding steps in a single endeavor, the natural inference being that they are not to be widely separated in time * * * the reasonable implication being that when proposed—

That is, when amendments are proposed—

they are to be considered and disposed of presently * * * there is a fair implication that it must be sufficiently contemporaneous—

That is, the ratification—

in that number of States to reflect the will of the people in all sections at relatively the same period, which, of course, ratification scattered through a long series of years would not do.

I take it if through a long period of years there are separate ratifications by various States, that would not, in the spirit of this decision, be an appropriate ratification of the Constitution. In other words, the proposal of the amendment by the House and the Senate and the ratification by the States must be contemporaneous. They must be related one to the other, and there is good reason for this.

There must be some homogeneous will on the part of the entire people expressed, not necessarily at one moment but during a reasonable period of time, and the court has held that seven years can be deemed a reasonable period. We are safe, therefore, in providing for seven years. The court might hold that 10 years would not be a reasonable period. This might not be "presently" or "contemporaneous." So in order to remove ambiguity, I think it is, indeed, well to insert in this bill that the ratification by the legislatures must be consummated within a period of seven years.

It is very significant that most of the successful ratifications have occurred within four years. Prior to the eighteenth amendment there were 17 amendments, and 17 were adopted in one year.

I respectfully urge that the amendment be adopted.

[Here the gavel fell.]

Mr. JEFFERS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if this amendment has any virtue, which I doubt, and I am not going to argue the merits of the amendment at this time, because I think it is very clear that it is out of place where it is being offered; but if the amendment has any virtue and is entitled to any consideration, I think it should be offered at the end of the resolution as an additional section, and then if it should be adopted it would be a part of the constitutional amendment.

As it is now offered it would only be a part of the proposal clause of the constitutional amendment but would not be in the constitutional amendment.

Mr. CELLER. Does the last clause of section 5 refer to sections 1 and 2?

Mr. JEFFERS. If the gentleman wants his amendment in the Constitution, it should go in as a new section, or section 6. As he has now offered it, it would be of no avail, as he is offering it as a part of the proposal clause and not as a part of the proposed constitutional amendment. Let me suggest to the gentleman that he withdraw his proposed amendment at this point and then offer it, if he desires to do so, at the point where it might properly be considered.

Mr. RAMSEYER. Mr. Chairman, I move to strike out the last word. The amendment proposed by the gentleman from New York is somewhat similar to the amendment that I intend to offer at the end of the resolution. The gentleman will probably recall the amendment that was offered by the gentleman from Tennessee, Mr. Garrett, when the resolution was up in 1928. The amendment I shall offer is the same as the Garrett amendment.

The gentleman from New York referred to the Supreme Court decision, which held valid a like provision in the eighteenth amendment. The eighteenth amendment carried that 7-year provision as section 3, and it was that provision that the Supreme Court held to be valid. The gentleman from New York has a good deal the same ideas about this that I have. I think we should play safe, inasmuch as the Supreme Court has held the provision valid. Would it not be better for the gentleman to withhold his amendment until after the resolution is read and offer it as a separate section?

Mr. CELLER. The gentleman will offer his amendment in section 6?

Mr. RAMSEYER. I intend to offer section 6 as it was in the resolution that passed the House a year ago word for word.

Mr. CELLER. I am inclined to withdraw my amendment in the light of what the gentleman from Iowa has said, but I want to be certain that if he offers it as a separate section, that our purpose will not be defeated by virtue of the fact that on page 3 of the bill it provides for the ratification by legislatures without specifying any limit at that point. If the gentleman is certain that it will not defeat our purpose, I am willing to withdraw my amendment.

Mr. RAMSEYER. I am confident—I will not say certain—that it is not subject to a point of order. Section 6 goes to the entire article, as to how it shall take effect. It appears

in the eighteenth amendment as the last section of the amendment. It has appeared at the end of the resolution both times it was before the House in 1928 and again in 1929, and I am confident that is the place for it.

Mr. MICHENER. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. MICHENER. Yesterday, when the rule was up I inquired about section 6 of the resolution as it passed the House last year and gave notice that an amendment would be offered—is that the amendment to which the gentleman referred?

Mr. RAMSEYER. Yes.

Mr. MICHENER. The amendment included a provision——

Mr. PARSONS. Mr. Chairman, we can not hear what is going on.

Mr. RAMSEYER. The gentleman from Michigan wants to make sure that the amendment I am going to offer is the same he proposed yesterday in the debate on the rule.

Mr. PARSONS. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. PARSONS. I want to say that the legislatures of some States meet every two years, and some every four years. Why not make it four years or five years?

Mr. RAMSEYER. Well, the amendment is not up now. I shall be glad to discuss that when it is up. Right now, I am trying to get the gentleman from New York to withdraw his amendment and offer it at the end of the resolution.

Mr. CELLER. Mr. Chairman, I will withdraw my amendment.

The CHAIRMAN. Without objection, it is so ordered.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I have not attempted to take any time to discuss this resolution. The question of the "lame-duck" Congress is a question, to my mind, that is not the important thing in this resolution. Congress can change the time of its meeting when it sees fit. That is in the Constitution. It does not take a constitutional amendment to change it. But the vital thing that underlies this legislation is, in the event an election of the President of the United States is thrown into the House of Representatives that that election will be conducted by new Congressmen coming directly from the people, who have the interest of the people at heart when they come to cast their votes in that election.

What right has the House of Representatives to sit and determine an election at which perhaps more than half of the Members have gone down to defeat in the previous election of the President? The fundamental thing that underlies this amendment is to have the new Congress elect act, a Congress that will come so recently from the people as to respect the sentiment and votes of the people in the election of a President of the United States. In view of the fast-growing blocks in this country, in view of the fast-growing groups in this country, in view of the great difference in the ideas of economic conditions in this country whereby the interests of one particular part of the country are in opposition to another part of the country, it seems to me that this matter ought to be considered very carefully. If we ever have any trouble in this country, it is going to be over economic conditions, because the economic situation in one part of the country is different from that of other portions of the country, and what will help that part of the country is possibly detrimental to other portions of our country. The one great thing that we have to guard against in the future to preserve the country is going to be a determination on the part of the lawmakers of the country to do exact justice between all parts of the Union. It will be the obligation of men coming from my part of the country to see to it that proper laws are enacted to protect the interests of the great Northwest and the great Northeast, just as it is to see that fair and equitable laws are passed to protect the economic conditions of the people that I represent. That is going to be in the future the great contest in America for its preservation, and it will be the obligation of Congressmen to meet the economic requirements with fairness and justice to all parts of the country. I repeat, the underlying principle, the main thing in this resolution, is not the "lame-duck" feature, because Congress can change that under the Constitution as it is at the present time; but the main thing is the fact that the election for President may be thrown into the House of Representatives, and it should come before a Congress recently elected at the time when the election is held for the President of the United States. I withdraw the pro forma amendment.

Mr. LEHLBACH. Mr. Chairman, I offer the following amendment, which I send to the desk:

The Clerk read as follows:

Amendment offered by Mr. LEHLBACH: Page 3, line 3, after the word "by," strike out the words "the legislatures of" and insert "conventions chosen for that purpose in."

Mr. LEHLBACH. Mr. Chairman, the purport of my amendment is so plain that it does not require any extended explanation. It substitutes for ratification by the legislatures of the States, ratification by conventions chosen for that purpose. Every amendment to the Constitution is of sufficient importance that it be dealt with upon its merits, to the exclusion of other questions, and not as a sort of petty chore for legislatures when matters are pending which to the legislators may seem to be more important. Particularly this amendment is entitled to careful consideration by the people and to action by the representatives of the people chosen by them after they have had an opportunity to give it careful consideration. Many questions are to be considered with respect to this resolution. Is it proper for a defeated, outgoing administration to prepare the Budget for the next administration; or, on the other hand, is a new administration with new department heads, the first thing it comes in, before it knows what its functions are, qualified to prepare estimates and the Budget. There are many questions of this sort in this resolution that are not apparent, but that can be brought out in debate in a campaign in which members of a convention are elected to pass upon them. As I say, every amendment to the Constitution merits consideration by itself, and not as a side issue by a legislature.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. Very few people have anything whatever to do with the selection of delegates to a convention, and the people generally have very little voice in conventions. Delegates are usually selected through the manipulation of two or three politicians. After you elect the delegates and they go to a convention and the convention takes action, the convention is responsible to nobody. There is no one who can hold it responsible, but legislatures are responsible to the people for what they do. The members of a legislature are elected by the people. They are the chosen representatives of the people, and if they do not do as they promised the people they would do, the people have a means of redress by removing them from office in the next election. Therefore I am in favor of ratification of all amendments by legislatures chosen by the people and not by conventions, the acts of which would be the result of manipulation.

I can see where my friend, the gentleman from New Jersey [Mr. LEHLBACH], would want it done by convention, because he has so long been a member of a party that manipulates through conventions, led by a few important leaders, of which he is one, that such method suits him; but I prefer for the people to have their little voice in all such matters, and I am strictly against ratification by the convention method.

Mr. LEHLBACH. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. LEHLBACH. Does not the gentleman utterly confuse a convention for the purpose of passing on a constitutional provision with a convention to make nominations?

Mr. BLANTON. Oh, no. No matter how it is chosen or for what purpose it is chosen, to whom is it responsible? It is responsible to nobody. It can do what it pleases and there is no power that can call it to account. A legislature can be called to taws by the people who elect it.

My views on this "lame-duck" resolution are known already. I do not have to debate this question again. I have

debated this matter from the floor in several Congresses. The RECORD contains my views.

But I do want to say that I am uncompromisingly against the amendment that is going to be proposed from the floor to increase the term of office of a Member of the House of Representatives from two years to four years. One of the greatest safeguards which the American people now have to insure their wishes being observed is the fact that every one of us every two years has to go back and account to them for our stewardship and get our commission fresh again from the people. It is a great safeguard to the people, and I hope that if such amendment is passed here, attaching to the Norris proposal a 4-year term, that the people, exercising their sovereign rights, will cause their legislatures to refuse to ratify it, because it is safer for them to have Representatives come back to them and be indorsed every two years.

Mr. LEWIS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. LEWIS. How about the 6-year term of Senators?

Mr. BLANTON. Oh, they are so far removed from the people already that the people have ceased to regard them as of very much value. [Laughter.] The people look to the Members of the House to carry out their wish and will. The people back home look to the Members of this House to protect them in their rights.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. FULBRIGHT. Is it not a fact that during the past few years the Senate of the United States has been far more progressive and more responsive to the will of the people than has the membership of the House? [Applause.]

Mr. BLANTON. I am not permitted to discuss the Senate. But, with all due respect, I know of a legislative body other than this House which is known better for its dignity than anything else, and, with all due respect to it, I have never heard it praised for economy until this year.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Chair desires to call the attention of the committee to the rule of the House in regard to speaking about the other body. The gentleman will proceed in order.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BANKHEAD. Inasmuch as I am the one who proposed the 4-year term, in view of what the gentleman just said about the United States Senate, I am wondering if the gentleman himself has changed his opinion since he was a candidate for that high office? [Laughter.]

Mr. BLANTON. That is a fair question. We all make mistakes. I made one. I discovered that I made a terrible mistake when I thought there was more honor over there than there is here.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. FULBRIGHT. I would like to ask the gentleman if the contempt in which the gag rule is held by people throughout the country did not originate in the House of Representatives?

Mr. BLANTON. Oh, that is because we Members for a while permitted it. There is not any gag rule here now; not a bit. The most humble Member of this House has an opportunity, if he knows the rules, to get up here and express his sentiments at any time. If he does not learn the rules, he ought to get out of here, because without an intimate knowledge of the rules he is as helpless as a carpenter without a hammer and saw trying to build a house. I say this body is the real representative body of the people who look to us for proper redress.

What is the condition of the country now? The people are all dissatisfied. They want us to change unbearable conditions. The people are dissatisfied with the administration. They are highly displeased with the way public affairs have been mismanaged. They want us to stop wasting public money. They know how it has been spent by the White House. They do not like the policy of the retiring Secretary of the Treasury, who retires to-day. Who, aside from Secretary Mellon and probably Ogden Mills and probably the President, are as well off now as they were when Secretary Mellon went into office? Nobody. They are the only three that I know of who are as well off to-day as they were when that régime started. All the rest of us are worse off, and people are looking more to the House of Representatives right now for proper protection and proper relief than they are looking to any other agency in the United States.

Mr. HOWARD. Will the gentleman yield?

Mr. BLANTON. Certainly; but I only have three minutes.

Mr. HOWARD. I just wanted to ask the gentleman if he could point to any action that this House has taken since it assembled that is in harmony with the wishes of the people?

Mr. BLANTON. Oh, that is because the President has deluged us with his many hurried and desperate so-called relief measures. He has demanded that Congress pass them immediately. I am afraid that Congress has passed many of them blindly. But when we recover our equilibrium things will be different.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, this amendment has been considered each time the resolution has been considered. No amendment to the Constitution has ever been ratified in that manner. I took great pains to read from the Debates of 1803 why the twelfth amendment was not ratified by convention rather than by the States.

I want to quote the exact words of Mr. LUCE in the debate of last year.

> A State convention once having assembled is the embodiment of the sovereignty of the State, is a law unto itself, and may consider any question that it sees fit to take up.

It has always been the feeling of those who oppose the convention system of ratifying amendments that such convention might bring something else before it. We were told last year that the State of Illinois had long resisted a convention for any purpose lest the question of redistricting might be brought up. It has been stated that other States have resisted conventions because there were outside questions that would surely be brought before the convention.

Mr. LEHLBACH. Will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. LEHLBACH. Of course, a State convention may deal with anything after it is constituted, but a convention called for the purpose of amending the Constitution of the United States can only deal with that which is submitted by two-thirds of the votes of both Houses of Congress.

Mr. GIFFORD. That is a question which I hope the Supreme Court will settle some day, but up to date all authorities have resisted that argument. It is claimed that once a convention is assembled it can bring forward anything it pleases.

Mr. CELLER. Will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. CELLER. Is not the gentleman confusing the question of proposal with ratification? State conventions may propose and consider other matters at a ratification convention.

Mr. GIFFORD. That is it exactly.

Mr. CELLER. But that would not militate against the argument of the gentleman from New Jersey [Mr. LEHLBACH], and it has nothing whatsoever to do with it, as far as I see. The States may propose, but as far as the deliberations of that convention are concerned they need only be limited, as far as a national amendment is concerned, to the ratification of it.

Mr. GIFFORD. The gentleman is exactly correct. I stated that once called into session they can propose any subject they may desire.

Mr. LEHLBACH. But the Constitution itself says that no amendment may be considered unless it is submitted by Congress.

Mr. GIFFORD. That may be as far as considering a national amendment is concerned, but I was speaking about any other proposal that might be made.

Mr. HASTINGS. Mr. Chairman, may the amendment be again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again read the amendment.

Mr. LOZIER. Mr. Chairman, I rise in opposition to the amendment. I think there can be no question as to the power of Congress to determine in what manner a proposed amendment shall be ratified, whether it shall be submitted to the legislatures of the several States or to conventions called for that purpose. Dual plans are authorized, and Congress, in its wisdom and judgment, may designate which plan shall be followed.

I am opposed to this amendment, because I think it is absolutely unnecessary and because it would entail a tremendous expense upon the 48 States of the Union, an unnecessary expense which would increase the almost unbearable burdens under which the Commonwealths of this Nation are now staggering.

If this resolution were a new proposition that had not been the subject of discussion for more than a decade, if the newspapers of this Nation had not for many years discussed this proposition in all of its details, if it had not been discussed in Congress for 10 or 15 years, and if it had not already been sold to the American people there might be justification in the proposition to call conventions in the several States for the purpose of bringing this proposed amendment directly to the electorate, to the end that they might have an opportunity to inform themselves as to the provisions of this proposed amendment; but the pending resolution has been thoroughly discussed and its provisions thoroughly understood by the American people. Under our system of government and under our procedure for amending the Constitution, may I say that there never has been a constitutional amendment submitted for ratification that had not previously been the subject of years and, in many instances, decades of public discussion and disputation. No amendment has ever been submitted until the American people, through the Congress, by the press, from the platform and forum had not been advised as to the details of the proposed amendment. Consequently, the adoption of the amendment offered by the gentleman from New Jersey would lay upon 48 Commonwealths an enormous burden in the form of increased expenditures which would have to be raised by taxation, and if there ever was a time when this Congress should not place a burden of that kind upon the 48 American Commonwealths now is that time. No useful purpose could be served or promoted by submitting this amendment to conventions rather than to the legislatures of the several States, and would impose a heavy and unnecessary burden of expense on the States. Therefore I hope the committee will not adopt the amendment offered by the gentleman from New Jersey.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The amendment was rejected.

The Clerk read as follows:

SECTION 1. The terms of the President and Vice President shall end at noon on the 24th day of January, and the terms of Senators and Representatives at noon on the 4th day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

Mr. BANKHEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: After the period, in line 11, page 3, insert a colon and the following: "*Provided*, That the terms of Representatives shall end as herein provided every fourth year after they are chosen by the people of the several States."

Mr. LOZIER. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill or to the section which has been read, and in support of my point of order I call the attention of the Chair to the decisions upon similar amendments to similar resolutions in this House, especially the decision by Chairman LEHLBACH, which is printed in the House Manual, volume 31, section 952 (a), in which the decisions of Speakers and Chairmen of the Committee of the Whole House on this question are collated, analyzed, and applied, and from which it conclusively appears that this amendment is not germane either to the section or to the bill.

The CHAIRMAN. Does the gentleman from Alabama desire to be heard on the point of order?

Mr. BANKHEAD. I do, Mr. Chairman.

Mr. Chairman, in as few words as I may properly do so, I desire very earnestly to ask the indulgence of the Chair while I undertake to show that while a former decision has been made upon this proposition, presented in a somewhat different form, yet, in my opinion, the conclusions reached by the then Chairman of the committee are unsound.

The gentleman from Missouri [Mr. LOZIER] has interposed the point of order against this amendment that it is in contravention of the following rule:

And no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

I realize, of course, as I said in the beginning, that I am in the position of an attorney appealing for a new trial, as it were; but I have undertaken to give some consideration to the philosophy of these rules and to the common sense upon which they are based, and I feel that times do arise in the history of a legislator when he is justified in appealing not only to the judgment of the Chair but sometimes to the judgment of his colleagues upon a question of this importance; and, of course, the importance of the question that is now presented is not the merits of this amendment but the proper construction of the rules of the House as to the germaneness of this proposition.

Now, what does this resolution undertake to do, Mr. Chairman? It will be observed that the original proposition, the Senate bill, proposed an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress, and then followed the Senate resolution. The House committee, in its wisdom, struck out the entire Senate bill and has substituted in its stead an entirely different proposition, and it does not undertake, in the title of the House bill which we are now considering, to propose an amendment to the Constitution fixing the commencement of the terms of President and Vice President; but, upon the contrary, it provides—

That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified.

So that in its essence, Mr. Chairman, the amendment here, in its various sections, is proposing a new amendment to the Constitution of the United States in terms therein set out.

There is nothing said in this House resolution about the time when any term shall commence. Upon the contrary, section 1, to which I am now addressing myself—and I desire to read it and have it incorporated in the RECORD in connection with this argument—provides:

The terms of the President and Vice President shall end at noon on the 24th day of January, and the terms of Senators and Representatives at noon on the 4th day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

So what is the essence of the problem with which we are dealing? What is the language of the bill itself? What is the material out of which this proposition is constructed? What are the essential features in connection with it? Why, it deals wholly and exclusively with the ending of the terms of three different sets of persons, President, Vice President, United States Senators and Representatives in Congress.

They say it is not germane under the rules of the House, where a proposition here is proposed fixing the ending of the term of Representatives to undertake to extend that principle of the ending of a term and say when, in the

judgment of the House, it shall end. This is the crux of this whole proposition and why, upon a sound basis of reasoning, is it not fundamentally germane to the issues involved in this section?

The Chair, of course, is familiar with the proposition that where there are a number of subjects set out in a measure that an amendment setting up some different phase of the same proposition—that is, the essentials of the proposition—may be held to be germane and ought to be held germane for the consideration of the committee.

My friend from Missouri cited some precedents that had been cited by the then Chairman LEHLBACH in his opinion, which appears in the Manual, but I can also cite for the consideration of the Chair—and I am not going to undertake to elaborate them, because I want to conserve the time of the committee as much as possible—well-considered opinions, delivered by able Chairmen of the Committee of the Whole, which, it seems to me, sustain the fundamental soundness of my attitude upon this proposition.

In Hinds' Precedents, volume 5, section 5582, this principle is announced:

To a bill proposing one mode of arranging the presidential succession, an amendment proposing a joint resolution for submitting a constitutional amendment on a plan differing as to details was held germane.

Now, when I merely seek to extend by amendment the term of a Representative, surely that is more germane than the proposition proposing a joint resolution for submitting a constitutional amendment on a plan differing as to details.

What is the effect of the amendment? They will argue that it merely fixes the commencement of these terms. As a matter of fact, when you analyze the effect of it, it is going to be a shortening of the term of a Representative by two months. How ridiculous it appears to me, in the matter of cold reasoning, that to a bill shortening the term it would be beyond the scope of the rules of the House to offer an amendment extending the time of a Representative, or saying when it should end.

That is all that is involved here. The whole subject relates to the end of the term, and my proposal simply provides, as it was read from the Clerk's desk, when the term should end. That is the exact language—

That the term of the Representatives shall end at noon on the 4th day of January.

My amendment provides that it shall end every fourth year.

When this matter was up for consideration on the floor of the House, when one of these decisions was rendered by the same Chairman, the gentleman from New Jersey—I want to read the exact language of a statement made by a former Member of this House—and I say this without any criticism of the ability of my present colleagues, this man had the most luminous intellect of any man that I have come in contact with in my service, a man who was as familiar with the philosophy of the rules of the House as any man who has served here.

He sustained the reasoning that I am now suggesting. He said:

Mr. GARRETT of Tennessee. Mr. Chairman, I should like to say that I am addressing myself purely to the parliamentary situation and in no way to the merits of the amendment, because I do not happen to be in sympathy with the amendment.

We have here before us a resolution which contains three distinct, separate, and unrelated propositions. Sections 1 and 2, standing alone, would be complete. In other words, the integrity of those sections would not be affected in any way if the House should conclude to strike out all the remainder. So of section 3 and so of section 4. Therefore it would seem to fall within the line of decisions that where a measure contains two or more subjects it is in order to offer a third subject of the same class. I call the Chair's attention to citations from the Manual, which state:

"Thus, the following have been held to be germane: To a bill admitting several Territories into the Union, an amendment adding another Territory; to a bill providing for the construction of buildings in each of two cities, an amendment providing for similar buildings in several other cities; to a resolution embodying two distinct phases of international relationship, an amendment embodying a third."

In other words, Mr. Garrett, by asserting the proposition that here was the resolution that in three essentials undertook to amend different sections of the Constitution of the United States—and in this which I am setting out it does not even undertake a departure in undertaking to set up a separate section dealing with this matter—held it might well be; but I am merely undertaking to add language that will continue for two years the ending of the terms which are set out in the resolution which we are now considering.

I am not going to argue the merits of the amendment here now. I would be very glad to undertake to do that if in the wisdom of the Chair this matter could properly be presented to the committee for consideration. The purpose of it is to extend the term of the Members of Congress from two to four years, and that is the object I am seeking to effect by proposing this amendment. I could cite other authorities upon it, but the matter has been fully discussed, and that is all I believe I care to say upon the proposition.

Mr. LEHLBACH. Mr. Chairman, I do not desire at this time to discuss the merits of the point of order, but to correct an error on the part of the gentleman from Alabama. He referred to a decision in the last Congress as a decision of the Chairman of the committee, but by reason of the appeal from the Chair to the Committee of the Whole House on the state of the Union the decision of the Chair was merged in the decision of the House itself.

Mr. BANKHEAD. But I think we have a considerably different personnel in the present House.

Mr. STAFFORD. Mr. Chairman, unless the Chair has made up his mind, I would like to be heard for a few minutes. Otherwise I do not care to take up the time of the committee in discussing this mooted question of germaneness.

The CHAIRMAN. The Chair would be glad to hear the gentleman.

Mr. STAFFORD. The Chair will notice that the pending resolution in no wise seeks to change the term of Representatives as the Constitution, in section 2 of Article I, provides, or the time of Senators as the Constitution, in section 3 of Article I, provides, but merely seeks to fix the date when the terms of Representatives and Senators and the term of the President of the United States shall begin. In no particular does it seek to change the 2-year term of Representatives as provided by the Constitution, the 6-year as provided for Senators, or the 4-year term as provided for the President. It merely seeks to change the date when their terms shall begin. In no way does it seek to lengthen their term other than as it may be affected by the date of the commencement of that term; and with all due respect to the logic of the distinguished gentleman from Alabama [Mr. BANKHEAD] I respectfully contend that it is rather sophistry to argue that because merely the date is attempted to be affected when the term will begin, that, ergo, we have authority to change other substantive provisions of the Constitution which pertain to the fixed length of terms of Representatives, Senators, and the President.

Mr. BANKHEAD. Mr. President, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BANKHEAD. The gentleman constantly refers to the fact that this seeks to change the term when it shall begin. I would like the gentleman to refer to any clause in my proposed amendment which does that. On the contrary, the whole proposition is based on the idea of when terms shall end.

Mr. STAFFORD. The words are coterminous, so far as the language of the section is concerned. It says that the terms shall end on a certain date. True; but the term that ends is the beginning of another term, and in no wise here in this resolution is there an attempt made to extend the length of the terms of the respective officials whose terms of office are sought to be terminated, except in one instance only, and that is the ending and the inferential beginning of the succeeding term.

I direct attention to the fact that this bill also affects the method of electing the President in case there is a vacancy

either by death or by some happening that may occur after the President elect has been elected by the Electoral College, or in case the Vice President has not qualified to fill that position. The gentleman relies for his major support on the argument that his amendment shall be in order because this resolution relates to more than two subject matters. It is true that it relates to more than two subject matters, namely, the change of the date when the terms of the Representatives and Senators shall begin or end—I care not so much which way he wishes to refer to it—and of the President; and also how the office of the President and Vice President shall be filled in case of certain eventualities, but the very basis for the rule of germaneness as supported by the later decisions of the Chair is that the House should be protected against the consideration of any proposal unless it may appear as a reasonable presumption that that proposal has first received the deliberate consideration of the committee. No one can reasonably claim that this committee, whose one purpose has been to seek to terminate the hold-over sessions of Congress after an election, has given by any phrase or clause in the Senate proposal, or in the House substitute, consideration to the lengthening of the terms of Representatives or Senators, or of the President. The mere fact that this resolution embodies two distinct proposals does not give a Member the right to add another proposal foreign to that which has been considered by the committee and which is being now considered by the Committee of the Whole House on the state of the Union. That is the very fundamental principle of the rule of germaneness.

Otherwise the House would never come to an agreement on any proposal. There is one thing for consideration, as submitted by the Senate resolution and as submitted by the substitute offered by the committee, and that is merely these proposals changing or ending the date of the terms of Representatives, Senators, and President when this proposed amendment to the Constitution is ratified. Other than that, the question is foreign. The Chair will find many decisions where the Chair has held that although the bill relates to 2, 3, or 4 distinct, substantive propositions you can not engraft, for the consideration of the House or the committee, another distinct, substantive matter that has no direct relation to the matters proposed.

The rule of germaneness is for the protection of the House. Being for the protection of the House it is for the protection of the legislative integrity of the House in safeguarding against ill-advised, unconsidered legislation that has not been given consideration by the committee, or can not be presumed to have been given consideration by the committee.

Mr. BANKHEAD. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BANKHEAD. I have great respect for the gentleman's opinion as a parliamentarian, but I do not believe that upon reconsideration the gentleman would definitely take the position that the Chairman of the committee, in undertaking to construe a question of germaneness, should have put upon him the burden of undertaking to determine what was in the mind of the committee reporting the bill, but, upon the contrary, he should be confined strictly to the language contained within the four corners of the document. That is the only definite expression of what the committee had in mind.

Mr. STAFFORD. I agree with the gentleman's statement that the Chairman should consider only what is within the purview of the definitive propositions that are submitted to the House. What are those definitive propositions? There are only two. One, when the present term of Representatives, Senators, and the President shall end, after ratification of this proposed amendment; and, two, the filling of the vacancy of President, in case of death or otherwise, in case of some unforeseen occurrence. Those are the two substantive propositions.

Now, it is proposed to bring up a question which has not been under consideration in general debate, which has not been given any consideration by the committee, which has not been given any consideration at any time, so far as I recall—the question of lengthening the term of Representatives.

Mr. KELLER. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. KELLER. Is it not true that this amendment shortens the length of the term?

Mr. STAFFORD. It only shortens the length of the term in that contingency when the amendment has been adopted, and must necessarily shorten the term. Otherwise there could be no change in the date as established by law when our Government began.

It was a legislative anachronism that March 4 was determined upon as the date for the beginning of the Government and of the congressional terms and senatorial terms. Now we are seeking to change that one date, March 4, and bring it back to January 4, and to that extent only, after this amendment, the terms of Representatives and Senators will be shortened, and thereafter the provisions of the Constitution, to which I have referred, as to the terms of Representatives and Senators and President will be applicable, namely, 2 years, 6 years, and 4 years.

Mr. KELLER. Will the gentleman yield further?

Mr. STAFFORD. I yield.

Mr. KELLER. If this amendment does shorten the term, is it not equally true that it may lengthen the term?

Mr. STAFFORD. Oh, yes; in this one particular: It was once proposed that instead of having March 4 as the date when Congress should begin its work it should be April 30. All this arose as the result of bad weather conditions during President Taft's inauguration, when we had a tremendous snowstorm and the proceedings had to be held indoors. It was then proposed that we would extend the time until April 30. If in the judgment of the House they wish to change the date from March 4 to April 30 or May 4, that is within their province, but you can not effect something that is not under consideration, namely, the lengthening of the terms of Representatives, President, and Senators.

Mr. LOZIER. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. LOZIER. If I understood the gentleman from Alabama when he interrogated the gentleman from Wisconsin, the gentleman said this section dealt with the time the terms should end, and nothing with reference to the time when the terms should begin. The last sentence provides:

> And the terms of their successors shall then begin.

The section not only provides when the term shall end, but it provides when the term shall begin.

Mr. STAFFORD. If the gentleman will read section 2, instead of stating that the term shall end, it says the term shall begin.

Mr. BLANTON. Will the gentleman yield for a question?

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Alabama [Mr. BANKHEAD] offered an amendment to section 1 of the resolution in words as follows:

> *Provided*, That the terms of the Representatives shall end as herein provided, every fourth year after they are chosen by the people of the several States.

The gentleman from Missouri raised a question under a point of order as to the germaneness of the amendment to the pending resolution. The amendment offered by the gentleman from Alabama seeks, as the Chair has stated, to amend section 1 of the pending resolution by lengthening the terms for which Members of the House of Representatives are elected. Article I, section 2, of the Constitution of the United States, provides—

> That the House of Representatives shall be composed of Members chosen every second year by the people of the several States.

Therefore, the amendment offered by the gentleman from Alabama seeks to amend this section of the Constitution by electing the Members to the House of Representatives for a term of four years instead of for a term of two years.

The present section 1 of the joint resolution is one which seeks to amend Article I, section 4, of the Constitution, which is:

The Congress shall assemble at least once in every year, and such meeting shall be on the first Monday in December unless they shall by law appoint a different day.

The pending resolution does not, therefore, seek to change by legislation the terms of the Members of the House of Representatives, with the exception of the change which must necessarily follow if the amendment is ratified by the several States and becomes a part of the Constitution of the United States, in shortening the terms of Members for one Congress.

The subject of the resolution is for the time of the convening of the Congress. The subject of the amendment offered by the gentleman from Alabama is for the lengthening of the terms of the Members of the House of Representatives. Clearly, in the mind of the present occupant of the chair, the amendment falls under the purview of section 7 of Rule XVI of the House of Representatives, which is:

And no motion or proposition on a subject different from that under consideration shall be amendment under color of amendment.

Within the past four years, upon two previous occasions, the germaneness of a similar amendment, similar in substance, the phraseology just a little different, to a similar resolution, has been ruled upon by the then Chairman of the Committee of the Whole House on the state of the Union. In view of section 7, Rule XVI, of the House of Representatives, as to the germaneness of amendments, and in view of the previous decisions of the former Chairmen, the Chair sustains the point of order.

Mr. BANKHEAD. Mr. Chairman, I respectfully appeal from the decision of the Chair and ask to be recognized.

The CHAIRMAN. The gentleman from Alabama is recognized for five minutes.

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, of course I have, as I stated in the beginning, profound respect for the necessity of following, as far as they are consistent and logical, the precedents that have been established by the decisions of Chairmen of the Committee of the Whole. I have that character of respect for the present able presiding officer over this committee and for the views of the distinguished gentleman from New Jersey [Mr. LEHLBACH], who was in the chair on both occasions before when this question was presented. But, nevertheless, gentlemen, without undertaking to repeat the argument I attempted to present to the Chair upon the presentation of this question, it appears to me that the former Chairman who sustained the point of order and the present Chairman of this committee have certainly made a very technical construction of the rules of the House as affecting this proposition.

The able Chairman in stating his views said that this matter dealt with the question of changing the times of the beginning of terms. With all due respect, it appears to me the Chairman of the committee was improvident in making that statement, for, as I asserted in the beginning, this whole question is based upon the proposal to amend the Constitution of the United States. I say it is consistent with the precedents of this House and it is consistent with the terms of the phraseology of the section we are now considering to hold that we are dealing with the proposition of the ending of terms of three different classes of men. The committee presenting this resolution has undertaken to assert its convictions upon that question. I contend that the Committee of the Whole has the right to differ with the conclusions of the committee with reference to the ending of the terms and that there should be submitted to the judgment of the Committee of the Whole the question as to whether or not it has an independent opinion as to when these terms should end.

I do this with the greatest and most profound respect for my friend, the present Chairman, and the former Chairman, but I am so thoroughly convinced of the correctness of my attitude upon this question and that it is a question of the highest privilege, else I would not assume to appeal from the decision of the Chairman of my own committee. There is no politics involved. It is a more profound question than that. It is a question involving the Constitution of the United States, and when as Members of this House we go to dealing with that instrument certainly we ought to have some privilege of expressing our independent views upon it in terms other than already laid down for us to follow by the committee presenting it and only asking a change as to the ending of the terms there mentioned. [Applause.]

Mr. BLANTON. Mr. Chairman, I ask recognition in opposition to the motion of the gentleman from Alabama.

Mr. LEWIS. Mr. Chairman, I rise in favor of the motion of the gentleman from Alabama.

The CHAIRMAN. The gentleman from Texas is entitled to prior recognition.

Mr. BLANTON. Mr. Chairman, I submit to my colleagues of the committee that the opinion of the Chair is clear, distinct, able, profound, and follows the decisions of previous chairmen of this House for several years, and especially follows an appeal to the House where the House itself upheld the decision of the Chair. The Chair has fairly stated that the proposal brought in by the committee does not in any way seek to amend the article of the Constitution which the amendment offered by the gentleman from Alabama seeks to amend.

Mr. BANKHEAD. Why does it not deal with that proposition?

Mr. BLANTON. It is an entirely distinct proposition. There is nothing in the Norris proposal here which seeks to extend the terms of Representatives in the House from two to four years. It provides that there shall be a meeting of the House, after the election, on January 4; but after that first meeting the term of office of every Representative of this House remains just the same, namely, two years. There is no change in the Constitution. They are elected in November for their term to begin on January 4, and it extends after that for two full years until January 4.

Mr. JEFFERS. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. JEFFERS. And the only reason for any change whatever on the part of the committee reporting this resolution was to enable that machinery to become effective. That is all.

Mr. BLANTON. Certainly. I want to say this: Our friend from Alabama, whom we all love and respect, is one of the finest parliamentarians in this House. I had hoped that he would be up here saying that "regardless of the merits of the amendment he would support the Chair in his honest ruling."

Mr. BANKHEAD. Will the gentleman yield?

Mr. BLANTON. I have followed the distinguished gentleman from Alabama. I sincerely wish that it were so that I could follow him now. But I am forced to a different conclusion. I have seen him on occasions when he was in favor of a proposition stand up and uphold the Chair even though my friend may have differed from the honest opinion of the Chair.

Mr. BANKHEAD. Now, will my friend yield?

Mr. BLANTON. Certainly.

Mr. BANKHEAD. I appreciate the complimentary reference the gentleman has made to me, but I resent, as a personal reflection, the statement the gentleman made that if I were not the proponent of this proposition I would be voting otherwise. [Applause.]

Mr. BLANTON. I did not mean that as a reflection. I have a high regard for my friend from Alabama, and I know he is honest and sincere. He wants his amendment submitted to the House; but I do know the gentleman is in favor of upholding the Chair, whether the Chair is Democratic or Republican, when the Chair is honest and sincere and is backed up by the precedents of the House, as is true in the present case.

I know that there is a desire on the part of many Members here this afternoon to have the amendment of the gentleman from Alabama considered so that they may have an opportunity to discuss it on its merits. I would not be adverse to that discussion but for the fact that to overrule the decision of the Chair would be to establish a very unwise precedent, one which on the last occasion when a similar

appeal was made from the identical decision the House refused to establish. Expediency may cause you to change and establish as a precedent just the opposite of that already established by the House, but I want to register my protest against it.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee?

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 56, noes 106.

So the decision of the Chair did not stand as the judgment of the committee.

Mr. BANKHEAD. Mr. Chairman, I ask recognition in favor of the amendment.

Mr. Chairman, I hardly think it necessary for me to add anything whatever to what I have already stated with reference to the purpose of this amendment. We have now submitted to the judgment of the committee the question of the wisdom of the amendment. I did not undertake to argue the merits of the amendment in presenting the statement which I made to the Chairman of the committee.

I want to be entirely candid with the committee in stating to you that the prime reason that actuated me in undertaking to raise this question four years ago in the House of Representatives was based upon the constant and unremitting inquiries submitted to me by my constituents at home in my district, as well as in other districts, women and men of intelligence and of character and of patriotism, why it was, taking me as an illustration, I had to run every two years in a primary and every two years in a general election.

Why, we were only sworn in on the 4th day of last March in our present term, and on yesterday I had to file my notice with the Democratic committee in Alabama as a candidate for reelection, one year or less than one year after my present term of office began.

My friends, it is my solemn opinion that the people of America will ratify this feature of the amendment if it stays on the resolution. It is in conformity with principles of sound, common sense. [Applause.]

Mr. FULBRIGHT. Will the gentleman yield?

Mr. BANKHEAD. Yes; I will be pleased to yield.

Mr. FULBRIGHT. I want to ask the gentleman if he is not thoroughly convinced in his own mind that if this amendment is attached to the resolution, it means the death of the resolution?

Mr. BANKHEAD. I may say to my friend that I am glad that he has asked me this question. I am not of that type of representative of the American people in the House of Representatives, representing a constituency of the character of mine, that wants to come here and vote upon questions of this sort because somebody else, somewhere else, has some form of opinion about this proposition. [Applause.] I am earnestly and sincerely in favor of this proposition, because I believe in its soundness, because I believe in its sense, because I believe the American people get tired of being constantly harassed with these continual biennial elections, and because I feel that in no sense will it impair the proposition that this is the popular branch of the people in the Government of the United States.

This is my answer to my distinguished friend. I have great respect, of course, for the opinions of the able Senators who are back of this other proposition, but as long as I am in Congress—and I submit this to the candid judgment of my friend—I am going to stand here and vote what I think is right regardless of any outside considerations of policy. I think this is what we ought to do. I intend to vote for the Norris resolution, if my amendment is defeated.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. BANKHEAD. I yield to the gentleman from Illinois.

Mr. MORTON D. HULL. Would it make any difference to the gentleman from Alabama whether the 4-year term of a Representative coincided with the presidential-election year?

Mr. BANKHEAD. That is another argument that appeals to a great many people. When you go out, as we are going out this year, to make a presidential campaign for the people of America by popular vote to express their judgment not only upon the candidates but upon the policies of the Nation, I think it is entirely reasonable that we should have a Congress to carry out the policy of the successful presidential candidate.

Mr. MORTON D. HULL. Does the gentleman believe that is the way it would operate? The ratification might come at a time when that would not follow.

Mr. BANKHEAD. I am not considering here question of political expediency, I will say to my friend.

Mr. MORTON D. HULL. No; that is not it at all.

Mr. BANKHEAD. I misunderstood the gentleman.

Mr. MORTON D. HULL. It may happen in the ratification that the amendment would go into effect so as to make the 4-year term of the Representatives not coincide with the beginning of the presidential term. The amendment of the gentleman has not taken care of that phase of it.

Mr. BANKHEAD. That is a proposition that will have to take care of itself. I could not undertake, in a proposition of this sort, to work out all contingencies that may arise in a matter of this sort, because we do not know when the amendment will be ratified. [Applause.]

Mr. LOZIER. Mr. Chairman, I am sorry that this amendment must be considered and determined in the atmosphere which has just developed in this Chamber, but which situation I had no part in creating. May I say that for the gentleman who offered the pending amendment, Mr. BANKHEAD, of Alabama, I have not only a profound respect but an unfeigned affection, because of his sterling qualities of mind and heart. I regard him not only as a valuable legislator but a man of absolute sincerity, robust character, and integrity of purpose. And in opposing this amendment I want it distinctly understood that I recognize the right of the gentleman from Alabama to propose and aggressively advocate its adoption. In so doing he is not only within his rights, but he is performing his duty as he sees it. He should not be criticized, nor should his motives be impugned, because I am sure he is actuated by the same lofty motives which I have always found motivated him in his official and personal conduct. [Applause.]

But I can not bring myself to approve this amendment, and I am constrained to oppose it, notwithstanding my respect for and appreciation of the gentleman who proposed it. In my opinion the amendment strikes at important safeguards in our scheme of government, namely, the provision which gives the people the right to change their Representatives every two years if they are not satisfied with the manner in which they have discharged their duties. The provisions fixing the term of Representatives at two years and the term of Senators at six years were the result of a compromise in the convention that framed our Federal Constitution. There is a profound philosophy underlying this arrangement.

The House is the popular branch of the American Congress, at least in theory, and that was the conception entertained by our constitutional fathers. Taxation and revenue measures must originate in the House. Those who wrote our Constitution zealously guarded the exercise of the taxing power, and vested that authority in the House composed of Members who came fresh from the people every two years, and who would be disposed to exercise these powers wisely and moderately, because they would have to return to the people every two years for a new commission or election.

Our constitutional forefathers saw fit to write into the Constitution that the Members of the House must come every two years fresh from the people, and every two years they should return to the people to give an account of their stewardship, so the electorate would have an opportunity every two years to pass judgment upon the legislative record of their Representatives, and to approve or disapprove the policies which their Representatives supported or opposed, with the further right to change their Representatives, if, in the judgment of the people, they failed to reflect the views and wishes of their constituents with reference to legislative proposals. Inasmuch as the Senators have a 6-year term and need not account to their constituents for six years, it is the more important that the people should

have Representatives in the House who well understood that if they were faithless to their constituents they would be replaced at the end of two years.

The longer the term of a public official the more liable he is to become indifferent to the interests of his constituents, and the greater the temptation to betray those who gave him a commission to represent them. It would be exceedingly unwise to change this system and to remove or postpone this responsibility and accounting to their constituents. If the Bankhead amendment becomes a part of the Constitution it will tremendously reduce the power of the common people to work their will and will make Representatives less responsive to public opinion and more indifferent to the welfare of the people they are supposed to represent.

It is a wise system which requires every Representative to go to his constituents every two years, render an account of his stewardship, and allow the people to pass favorable or unfavorable judgment on his record. If a Representative is faithless to his constituents, under the present system the people may repudiate him after a 2-year term; but under the plan proposed in the Bankhead amendment a faithless Representative will have four years in which to misrepresent his people. Under the present system a faithful Representative may with reason expect a reelection. The present plan enables a district to retire an unsatisfactory Representative at the end of a 2-year term but also enables them to keep a faithful servant in office for a long term of years if they are satisfied with his legislative activities.

This House is supposed to be a progressive body, but our reputation as such will suffer severely if we incorporate the Bankhead amendment in the pending resolution. I think it exceedingly unwise, and, may I say, unfair, for Members of this House to incorporate in this resolution a provision which is intended to lengthen the terms of Members of Congress from two to four years. This would be entirely foreign to the purposes of the pending resolution. The proposition to lengthen the term of Representatives has not been advocated in or out of Congress, and there is no public demand for such a change. Why engraft this proposal on the pending resolution? Why take advantage of the popularity of the pending resolution to extend the term of Representatives in Congress? If the proposal in the Bankhead amendment is sound and there is a public demand for the proposed change, why not present it as a separate resolution and let it stand or fall on its own merits? It should not be tacked on to the Norris resolution, because combining the two propositions will, in my opinion, defeat the Norris resolution, for which there is a widespread public demand.

The proposal to abolish the "lame-duck" session of Congress has been discussed for many years, and there is a nation-wide demand for this amendment. On the other hand, the proposal to extend the terms of Members of Congress from two to four years has not been discussed in Congress, in the press, on the platform, or elsewhere; and why should that controversial subject be linked with the pending resolution to abolish the short sessions of Congress and to provide for presidential succession? If the friends of the Bankhead proposal think it should be submitted as an amendment to the Constitution, they should bring it forward as a separate and distinct proposition, so it can be considered on its merits or demerits, instead of tying it onto the Norris resolution, the effect of which will undoubtedly be to defeat the pending resolution and make its ratification by the States impossible.

I am opposed to extending the term of Representatives from two to four years. I will vigorously oppose this proposal, not only as an amendment to the pending bill but also if the proposition is presented in a separate resolution. I am convinced that it is not for the best interests of the American people to make this change. It is an insidious attack against popular government and the rights of the common people. The terms of Representatives should remain two years, which will continue in the people the power to change their Representatives every two years if they so desire. [Applause.]

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Every Democratic Member in this Chamber who superseded a Republican indicts himself as being the unworthy successor of the Republican whom he defeated if he votes for this amendment to make the term of office of Members of the House of Representatives four years instead of two. [Applause.] I have seen in my term of service here two distinct occasions when a Republican administration, with the President having the support of both Houses, was defeated by the people in their might, so far as the House of Representatives is concerned, when they turned the Republican majority out and put in control a Democratic majority. Are you going, by your vote now, to say that the sovereign people of America were wrong in superseding the Republican majority?

A MEMBER. What do you say?

Mr. STAFFORD. I say no. [Applause.] The voice of the people in the election of their representatives is the supreme law of the land. I am a believer in the right of the people to have their say every two years to determine the personnel of this body, regardless of my personal convenience. There is no one in the House who during the last 28 years has had to fight more strenuously for his place here than have I against socialistic organizations, not alone in my home district but those of the entire country.

My people, too, have said to me, "Why not lengthen the term of office?" and I have replied to them that I bottom my position on the fundamental principle of the mandate of the popular will of the people to elect their House of Representatives every two years. I am perfectly willing to go back to the people every two years and give them an accounting of my service here.

This proposal is merely a bid for the convenience of Members. It will be subversive of the principle of popular government, of going back to the people and giving an accounting every two years.

Let me give you another instance. Back in 1910, under the administration of President Taft, after the Republicans had been in control for 16 years of all branches of the Government, the people turned the Republicans out on the tariff issue and the Democrats came in, so far as the House of Representatives was concerned. Are you going to say that Speaker Clark and a majority of the people did not have the right to say that the House of Representatives should be changed in its political complexion when the ruling party was in opposition to the will of the people?

This is fundamental. Do you Democrats now in control of the House of Representatives want to enact an unpopular piece of legislation, want to kill this resolution entirely, which seeks only one purpose, and that is to do away with the irresponsibility attendant on the hold-over session of Congress, by voting to lengthen the term of office of the Members of the House of Representatives to four years?

I am not in sympathy with any such policy. I would rather go through the rigors of campaigns every two years, and have my votes held up to scrutiny, close scrutiny, of a well-informed popular electorate than merely to satisfy my own convenience by sitting here for four years.

Mr. PARSONS. Is it not a fact that the people will have the right to pass on this in conventions or legislatures?

Mr. STAFFORD. It means the defeat of the one objective of this resolution, and that is to do away with the hold-over sessions of Congress. You may defeat this resolution, but I hope you will not do it with this undemocratic amendment.

Mr. RAMSEYER. Mr. Chairman, if Members of the House can get over their excitement and calm themselves, I should like them to listen to me for a very few minutes. I want you all to understand the situation. Of course, every once in a while when we have a large representation here, as we have now, we develop a psychological situation.

Mr. KELLER. A psychological complex.

Mr. RAMSEYER. Or a psychological complex, as the gentleman from Illinois suggests. Respectfully I suggest the House is in what you might term a state of mob psychology at the present time. We had this amendment before us two years ago to extend the terms of Members of the House from two to four years. I made the point of order against

the amendment when it was offered in 1928, and that point of order was sustained by the Chairman and the Chairman in turn was, on appeal, sustained by the Committee of the Whole. I think the present chairman was right in his ruling a moment ago, but the judgment of the Committee of the Whole is different, and the amendment is before us. Now, I want you to know just what the situation is. If you vote this Bankhead amendment on this resolution you can not get a separate vote upon it in the House when we rise, because this resolution will be reported with the House amendment as amended. I am opposed to the amendment offered by the gentleman from Alabama. I would be opposed to it as a separate proposition. I am opposed to it on this particular resolution. I am opposed to amending the Constitution to make the terms of the Members of the House four years.

Mr. Chairman, that is all I care to say at this time. I simply want the RECORD to show my opposition to this amendment.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. BLANTON. I call my friend's attention to the fact in respect to his reference to mob psychology that it was largely the vote of his colleagues on the Republican side, many of whom are against the Norris amendment, who through expediency helped to overrule the decision of the Chair. [Cries of "No!"]

Mr. RAMSEYER. Mr. Chairman, I contradict the statement of the gentleman from Texas. I was here and I saw the vote, and I know that more gentlemen rose on the Democratic side to overrule the decision of the Chair than on the Republican side.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. MICHENER. As bearing upon the matter just stated by the gentleman from Texas, let me refer to the debates in the first session of the Fifty-ninth Congress, volume 40, page 827, where the Senator from Nebraska, Mr. NORRIS, then a Member of the House, introduced a proposed constitutional amendment in the House, section 2 of which provides, "the term of office of Members of House of Representatives shall be four years." This was on June 20, 1906. The same constitutional amendment provided for the election of United States Senators by direct vote of the people. Considerable debate was had on the floor of the House on the proposal. At that time the distinguished Senator was very much of the opinion that the terms of Representatives should be changed from two years to four years, and it seems to me that it would be presuming much to suggest that the learned Senator had changed his mind on this proposition. A part of the argument presented by the Senator at that time is as follows:

> The second proposition contained in the proposed amendment to the Constitution, extending the term of office of Members of the House of Representatives from two years to four years, is practically a new question, although the injustice both to the Member and to the country in general on account of this short term has long been recognized.
>
> Under the existing provision Members of the House of Representatives are elected in November, but do not actually begin their official duties until a year from the following December. Their term of office has practically half expired before they take the oath. Before they are fairly started in the work for which they were elected they were plunged into a campaign for renomination. Their attention and energy are diverted from their official duties in the Capital City to the local political contests in their respective districts. This is an injustice to the Member and is likewise unfair to the people he represents.
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> A longer service than two years is required in the House before a Member can expect to have any voice in the actual solving of national legislative problems or in the shaping of the Government's policies. It is a recognized and well-known fact that the congressional district which changes its Representatives every two years has practically no voice in national legislation.
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> In a country like ours, controlled by political parties, each standing for different and sometimes antagonistic policies of government, it is but just and fair that sufficient time be given for the party successful before the people to properly inaugurate and fairly test the policies and principles for which that party stood in the election. Two years is not sufficient time for any party to inaugurate the policies so approved by the people and give them sufficient trial to fairly and justly test their effectiveness and wisdom. Under our present system a party placed in power as a result of a campaign and election on some plain issue will often find itself dethroned and cast out before it has had time to enact into law, much less given a fair trial, the principles and policies approved by the people at the election.
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> It is a recognized truth that the necessary expense connected with a membership in the House of Representatives is frequently prohibitive to many able Members whose wise counsel our country can not well afford to lose. Many of the most able and efficient Members are continually withdrawing from the work for the sole reason that they can not afford, for pecuniary reasons, to remain. It has become quite generally understood that a poor man can not afford to retain a seat in the House of Representatives. The greatest item of expense connected with the retention of a membership in the House is the cost connected with the nominating primaries and conventions, the campaigns, and the elections. The extension of the term of office to four years would materially lessen such expenses and would thereby enable men in moderate circumstances to live within the limits of the salary.
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> The national election at which Members of the House of Representatives are chosen always has a depressing and unhealthy effect upon all branches of business, and there is always during such campaigns and elections an uncertainty in business affairs throughout the country and a hesitancy on the part of business men in the extension and enlargement of their investments. This condition can but result in detriment and injury to the prosperity of the entire country. * * * An uncertainty in the future policy of our Government, to be determined at an election, always retards our commercial advancement and affects the prosperity of our entire people.
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> The possibility also that a policy once adopted may be cast aside within two years is likewise detrimental to our advancement. The proposed change would tend to give stability and take away the uncertainty now existing.
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> There is a sentiment throughout the entire country that we have too many elections. The people are not free from the unpleasantness of one political controversy before they are thrust into another. They have become tired of and disgusted with the continual political quarrel and strife.
>
> The people are tired of this continuous drama, and as a result are inclined to give no attention to the primaries and the conventions—the very foundation of our political system—the forum wherein the country's interests can best be guarded and protected.
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> With an election every two years the political grafter who thrives on partisan strife and on the nervous uncertainty controlling candidates for office is able to live from one election to another by the boodle secured at his unholy business. The adoption of the proposed amendment would render it less possible for this creature to ply his trade. * * *
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> It is apparent to all of us that we can not perform our duty in justice to ourselves or to our people and have an election every two years as well as we could if the term was four years. It is perfectly proper, as we all know, that men who come here should be able to give their entire attention to public affairs; but as a practical truth, if they stay here, it is necessary for them to pay more or less attention—generally more—to political matters that go on at home in which they have a personal interest, while their attention ought to be attracted and given to public questions in which the entire people have an interest. Now, I know, Mr. Speaker, it was said the framers of the Constitution intended that this House should be close to the people. I agree with that sentiment and the adoption of this amendment will not take away that idea from the Constitution.
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> Men of great ability and honor often refuse to become candidates for the House of Representatives because they know that before they become familiar with the duties of their office they will be compelled to again enter the arena of political controversy to retain it. It was no doubt the idea of the framers of our Constitution that Members of the House of Representatives should be close to the people and be required to frequently give an account of their stewardship. A change in the term of office from two to four years would be no violation of this principle, but would better enable Members to devote their energies and abilities to the actual service of the country and their constituents. Four years is not so long that there could be any valid objection from that source. The history of many of our States where the terms of office have been lengthened from two years to four years gives ample proof for this assertion. It is likewise true that the experience of States where some of the officials are elected for a term of four years and some for a term of but two years shows that the officials serving a 4-year term are more efficient than officials serving a 2-year term.
>
> There is nothing sacred that I know of in the 2-year term. If a short term makes Congress better, then we ought to change the tenure to one year. Then we would enjoy the distinction of going out of office before we got in, or at least within a month or two of it.

The reasoning advanced by the above distinguished Member of the House in 1906 is applicable to-day, and in view of the fact that that Member of the House is at this time a Member of the Senate and is the author of the resolution which the House is now considering makes the reading of his views at that time most interesting.

Mr. BLANTON. Is the gentleman from Michigan a follower of Senator NORRIS?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. RANKIN. Mr. Chairman, I can not agree to this amendment. I have always objected to pulling up the sheet anchors that have guided the destinies of this Republic for over 150 years. I have always said that this provision limiting the terms of Representatives in Congress to two years was one of the wisest provisions, from my viewpoint, that the fathers of this Republic engrafted into the fundamental laws of the land.

You gentlemen who have discovered something wrong with the Constitution should not forget that George Washington presided over the Constitutional Convention, which was composed of a great aggregation of the greatest minds the world has ever seen. They put this provision in the Constitution in order that the people might have a check upon a bad administration. See how well it worked last year. [Laughter.] You Democrats who came in last year ought to be thankful for this provision of the Constitution, instead of trying to destroy it. [Laughter.]

The distinguished gentleman from Alabama tells you what the people think. No man in this House has a higher regard for the gentleman than I have, personal and otherwise. His district touches mine for more than a hundred miles. We represent the same kind of people. They speak the same language. They have approached me on the subject, and I have said I would go out of Congress before I would ever vote to change the term of Representative in Congress from two years to four years. Why? I said that was put there as a safeguard for the American people. It was placed there by men like Washington, Madison, Franklin, and Hamilton, the great founders of this Republic. It has served a most salutary purpose, and as long as I am here I will never vote for such an amendment, and if it is adopted I will fight its confirmation by the legislatures of the various States. If it goes in, I expect to vote against the entire resolution. [Applause.] But that is not all. The American people do not have the same view of this measure that some Members have who are running for reelection, and when this comes before the legislatures and these wise men, these old ex-judges of the supreme court, these old Republican and these old Democratic judges and lawyers and statesmen, who are not running for Congress, will pick up their pens and show the people of this Republic that this 2-year provision is necessary and that it was placed here as a salutary safeguard for the American people, in order to protect them against misgovernment. You will find such sentiment against this amendment that the whole thing will got down to defeat.

Not only that, but we Democrats are opposed to centralization of power. This is one of the greatest moves toward centralizing power in the White House that I have ever seen. We have heard all this cry of "Stand by the President." We will hear it this fall. You Republicans will hear it, and if we had a Democrat in the White House we would hear it. It will be the main issue in every campaign. Individualism in the House will disappear, but the only question will be: "Are you standing by the administration?" This is the greatest step, in my opinion, toward centralization of power in the White House and the perpetuation of the party in power, that has been proposed since I have been a Member of the House.

I had made up my mind to vote for the Norris amendment, although I did it reluctantly, but if this amendment is adopted I shall not only oppose it here but I will oppose it out of this House. I will do everything I can to prevent the legislature of my State and the legislatures of other States from tearing up the sheet anchor of safety that was planted by men who knew more about government than any man in either end of this Capitol to-day. I shall do everything in my power to preserve this Constitution and pass it on to our posterity, that this grand old Republic may go down to the future with strength in her loins, hope in her soul, and a Miriam song of triumph on her lips. [Applause.]

Mr. JEFFERS. Mr. Chairman, may I say to the committee that this resolution as it is now before us, having had stricken out all after the enacting clause of the Senate resolution and inserting in lieu thereof the House resolution, the language of the Rutherford bill is the result of long and careful study on the part of the House committee which reported the bill. We believe we are presenting a good resolution here now, one which probably will be presented to the States for ratification, just as we are submitting it to you here now for your consideration.

Now, this proposition of injecting this half-baked, ill-considered amendment for a 4-year term for Members of Congress is very unwise, in my judgment. Let me call attention seriously to this thought. It would take long and careful study to work out a plan whereby it would be assured, if such an amendment should be adopted, that the beginning of the 4-year term of Members of Congress would coincide with the beginning of the 4-year term of the President. If it were not so, it would be a chaotic condition. We have been over this whole proposed constitutional amendment time after time in the committee. We have been trying to think it through, in order that we might bring something in here to you which could be depended upon as being workable. If we now add any of these amendments we may make the whole scheme impractical, unacceptable, and unworkable, and I trust this amendment will not be injected into the resolution. I hope it will be voted down.

Mr. LEAVITT. Will the gentleman yield?

Mr. JEFFERS. Surely, I yield to the gentleman.

Mr. LEAVITT. With regard to one of the fears of the chairman of the committee permit me to state that if this proposed amendment should be adopted I intend to offer an amendment to section 5, following the word "year," to insert these words, "in which presidential electors are chosen next," so that section 5 would read:

Sections 1 and 2 shall take effect on the 30th day of November of the year in which presidential electors are chosen next following the year in which this article is ratified.

There would be no doubt then as to when it would go into effect.

Mr. JEFFERS. With all due respect to my friend the gentleman from Montana, it is an impracticable proposition to take chances in proposing an amendment to the Constitution of the United States, to jump up here and try to decide in five minutes on such an amendment.

If we should submit a constitutional amendment to the Nation which is found by students of the subject to be unworkable and unwise, it will, of course, subject this Congress to criticism the Nation over.

Mr. SWING. Will the gentleman yield?

Mr. JEFFERS. Yes.

Mr. SWING. I fully concur with what the gentleman says about the phrasing of legislation which is ultimately to become a part of the permament Constitution of the United States. If an amendment such as the one now under consideration is to be adopted, language should be worked out which would stagger the terms of the Members so that half would be elected every two years, thus preserving the original intention of getting the sense of the country every two years.

That proposal would have to be worked out very carefully. It takes time to work out those things, and so important will be the result of whatever is done in connection with a constitutional amendment that we should not at 3 o'clock in the afternoon be taking up entirely new amendments which have not been carefully considered by the committee.

Mr. JEFFERS. The remarks of the gentleman from California amply illustrate some of the questions which might arise. He has suggested that if this should be put into this resolution the terms should be staggered, so that one-half of the Congress would be elected in one even-numbered year and the other half in the other even-numbered year.

I want to say that if you will look at sections 3 and 4 of this resolution, read them carefully, and consider them for a moment you will realize how difficult it has been to write the provisions which are now in this resolution. Therefore,

this thing which we are talking about now should receive some real study before we take the serious step of recommending it to the States as a proposed amendment to the Constitution of the United States.

[Here the gavel fell.]

Mr. LAGUARDIA. Mr. Chairman, I am sure it is not necessary before opposing an amendment to indulge in expressions of confidence in and love for the sponsors of it. Members have a right to offer amendments. I never did subscribe to any such custom. Let us get right down to the proposition. I believe I express the viewpoint of every Member of the House that the office of Representative in Congress is a mission and not a job. If anyone thinks it is a job, let him vote for this amendment. It is convenient; it is comfortable for the Member; it insures a 4-year tenure of office without the necessity of going back to the constituency every other year. But, regardless of the personal convenience and regardless of any merit there may be in it, the term of two years for Representative in the House and six years in the Senate, with a 4-year term for the President, is typically an American institution. The 2-year term—just half of that of the President—gives the people a check and control on the Executive. Remove that and we will have absolute control of government in the Executive and his policies for a period of four years without the opportunity on the part of the people to protest by electing a House in opposition. We all know that little by little powers have been taken away from the people. We must not remove this necessary and wise provision which is so necessary as a safeguard in a democracy.

Imagine a President with a large majority in both Houses adopting policies contrary to the wishes or interest of the people. Why, under our present constitutional safeguard, as soon as the people realize that a check is necessary they soon have the opportunity to protect themselves by electing an adverse House which has the power of thwarting any Executive. With a 4-year term this power is taken entirely from the people.

Mr. LEWIS. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. LEWIS. Very many parliaments have been established in the world and constitutions written since ours was written.

Mr. LAGUARDIA. Yes.

Mr. LEWIS. Perhaps the gentleman will explain why only Mexico and Colombia have the 2-year precedent adopted here.

Mr. LAGUARDIA. In reply to that I will refer the distinguished scholar, the gentleman from Maryland, to the constitutions that have been patterned after ours but which have failed to retain this safeguard, and I will ask him if we have not outlived every other republic that has been established? [Applause.]

Others which have been patterned after ours have sought to overcome the inconvenience of submitting to the people every other year. It may be convenient to politicians, but it is contrary to the best interest of the country. A number of republics in South America have even ignored the constitutional provisions with reference to their elections. That is what happens when people lose direct contact with their own governmental affairs.

I say, my friends, that right now when the tendency is away from self-government and away from representative government toward dictatorship is the time we should be on guard more than ever. There is no telling how any presidential election may go, sweeping with it control of both Houses of Congress, and then a policy established directly in opposition to the viewpoint of the majority of the American people. Their only salvation is every other year to send a House of Representatives to protest against any such policy. [Applause.]

Mr. CELLER. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. CELLER. Is it not true that in England and France, as well as in practically every European country, the tenure of office of the representatives in the lower houses of parliament is coterminous with the administration and that elections are far more frequent than once in every two years.

Mr. LAGUARDIA. Yes. And more than that, whenever the administration loses control of the House, it automatically goes out of office and the decision is left with the people.

Let us be frank about all this. There is opposition to the "lame-duck" amendment, and every Member opposing it has the right to do so if he really has convictions against it. I believe the idea of coming here 13 months after election is as antiquated as the stagecoach and muddy roads which made that provision necessary 150 years ago.

But as to the method of approach, if you are opposed to the "lame-duck" amendment, stand up like men on the roll call and vote against; but do not load it down with impossible, un-American provisions. [Applause.]

Mr. DICKINSON. Mr. Chairman, I am intensely interested in the passage by this House of Representatives of the pending resolution, Senate Joint Resolution 14, which passed the Senate on January 6, 1932, which reads as follows:

That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

ARTICLE —

SECTION 1. The terms of the President and Vice President shall end at noon on the 24th day of January, and the terms of Senators and Representatives at noon on the 4th day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 4th day of January, unless they shall by law appoint a different day.

SEC. 3. If the President elect dies, then the Vice President elect shall become President. If a President is not chosen before the time fixed for the beginning of his term, or if the President elect fails to qualify, then the Vice President elect shall act as President until a President has qualified; and the Congress may by law provide for the case where neither a President elect nor a Vice President elect has qualified, declaring who shall than act as President, or the manner in which a qualified person shall be selected, and such person shall act accordingly until a President or Vice President has qualified.

SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice devolves upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice devolves upon them.

SEC. 5. Sections 1 and 2 shall take effect on the 30th day of November of the year following the year in which this article is ratified.

Passed the Senate January 6, 1932.

In 1923, when a Member of this House, I introduced House Joint Resolution 65, similar to sections 1 and 2 now pending here, and which, as introduced by me, read as follows:

Joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of Members of Congress

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

SECTION 1. That the terms of Senators and Representatives shall commence on the first Monday in January following their election.

SEC. 2. That the Congress shall assemble at least once in every year, and such meeting shall be on the first Monday in January, unless they shall by law appoint another day.

SEC. 3. That the terms of Senators and Representatives who may be in office at the time of the adoption of this amendment shall end at noon of the first Monday in January of the year in which such terms would otherwise have ended on the 4th of March.

Time and again has effort been made, particularly in the other body, to pass this proposed amendment to the Constitution. Great credit has been properly given by the country to that distinguished progressive, Senator NORRIS, of Nebraska, for the passage of this joint resolution, time and again to pass in the Senate, only to fail of passage in the House of Representatives.

It has been suggested that Senator NORRIS, the author of the original resolution, while a Member of the House, favored a 4-year term for Members of Congress. Whatever may have been the then judgment of the author of this proposed

amendment to the Constitution, as to whether it should be four years or two years, it comes here after full consideration by the Senate in the shape in which it is now before the House, without changing it from two years to four years.

If you should amend it by placing a 4-year provision in the resolution, you would not know whether it would run coterminous with the election of the President. I am not entirely out of accord with the thought that a Congress elected at the same time that the President is elected would better enable legislation to be enacted into law in response to the declared will of the people, but the amendment as now proposed does not seek to bring this about, as well stated by a Member on the other side of the aisle, for section 5 provides that sections 1 and 2 shall take effect on the 30th day of November of the year in which this article is ratified, which might result in election of Representatives in Congress in off years, rather than in presidential years. I am opposed to this proposed amendment, seeking to substitute 4-year terms for the present terms of two years for Members of Congress, for I earnestly desire the passage of this joint resolution now, in its present shape, and not its defeat at this session.

The proposed amendment has been thoroughly discussed throughout the country, and the sentiment of the country largely favors its adoption. The change from two years to four years has not been discussed before the people of the United States. This matter has been delayed long enough, and it ought not to be defeated or delayed by amendments that would tend to defeat it and prevent it from being submitted by this Congress.

Mr. Chairman, if the proposed amendment should go to the people or the legislatures of 48 States for ratification, with a provision lengthening the terms of Members of Congress from two to four years, it might meet defeat by those whose Representatives we are. The people are justly jealous of surrendering power, and in my judgment they might be reluctant to extend the terms of their Representatives from two to four years, and thus we would invite the defeat of this much-desired amendment to the Federal Constitution by the required three-fourths of the legislatures of the 48 States. I thought the amendment was germane as offered by the distinguished member of the Rules Committee, Mr. BANKHEAD, of Alabama, but on the question as to whether it should be adopted as an amendment to this resolution I am utterly opposed to it for the reasons I have stated. I want a change in the Constitution so that Representatives in Congress shall not only discuss before their constituents in their several districts every two years legislation that has been pending in Congress or desired by the people, but I am anxious that Congress shall meet in January after the November election to carry into effect the will of the people to whom they are responsible, and not wait 13 months as now after their election before they are sworn in and take their seats in Congress, leaving to defeated Members the enactment or defeat of legislation pending in Congress in the short session of Congress as now exists.

Let us pass this joint resolution seeking to amend the Constitution, and thus get rid of what we understand is called by the people and in the press the "lame-duck" Congress. Let us allow this proposed amendment to go to the country now without further delay, and let us not by adopting amendments kill it or delay its passage, or jeopardize its ratification by the legislatures of the several States. Amend by changing two to four years, and you will either fail to secure ratification by three-fourths of the legislatures of the 48 States or long delay this amendment of the Constitution, and thus continue for many years your "lame-duck" Congresses, to be controlled as heretofore by those selfish interests that seek to dominate legislation.

I hope the amendment, proposed in good faith, I am sure, by my friend, Mr. BANKHEAD, of Alabama, will be defeated. [Applause.]

Mr. GIFFORD. Mr. Chairman, as a member of the committee, I wish to appear on the record as against this amendment. While it has not been directly before the committee of late, we are familiar with its purpose, and the committee has always refused to add something to the amendment which seemed to be of a selfish purpose.

We are trying to correct a principle of government. It has always appeared to us that this amendment would kill the resolution, as has been so ably expressed by the last speaker.

Mr. Chairman, if this amendment should prevail, I would plead with the proponent of the legislation to frame such a section to be added to the resolution that will allow it to be voted on separately when it is proposed for ratification by the people. I think that they should do this. May I remind the House that when the first 10 amendments were presented to the people, they were presented in such a way that each amendment was voted on separately.

Mr. MAPES. Mr. Chairman, I should not have asked for recognition at this time except for the parliamentary situation with respect to this legislation.

As I understand it, we are proposing to strike out all after the resolving clause of the Senate resolution and to substitute the resolution of the House committee. This means that when the Committee of the Whole rises, it will have an opportunity to vote upon the substitute as perfected here in the Committee of the Whole in toto or en bloc, but not upon the different amendments separately that are put upon the substitute here in the Committee of the Whole.

For this reason, Mr. Chairman, I want to put myself squarely on record with regard to this particular amendment. I do not want to be a party to putting amendments upon this co-called "lame-duck" resolution which, in my judgment, are going to prevent its ratification by three-fourths of the legislatures of the States, and I think if you couple the amendment sponsored by the gentleman from Alabama and by the gentleman from Maryland with the amendment as reported by the committee, it means the sure defeat of the whole proposition.

We know; we have seen what effect it has had on the membership of the House of Representatives here. Men have taken the floor who have said that they are in favor of the resolution as reported by the committee, but they say if this amendment is put onto it they will oppose the whole resolution—not only here in the House of Representatives but in their State and other States as well.

For myself I want to go on record and have the RECORD show that I will not be a party to loading up this resolution with amendments which mean its sure defeat. [Applause.]

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. I wish to inquire, for the information of the House, whether the amendment to the rule that was moved by the gentleman from North Carolina, providing that the substitute should be considered as an original bill, does not put it on the same status that any amendment that might be adopted by the committee would be subject to a separate vote when the committee rises and reports the resolution back to the House?

The CHAIRMAN. The Chair thinks that is a question which should be decided in the House.

Mr. STAFFORD. There are many Members present here who were absent when the amendment was offered by the gentleman from North Carolina providing that the substitute reported by the committee should be considered as an original bill. I think under those circumstances any amendment adopted as a substitute would be open to a separate vote in the House.

Mr. MAPES. I think the precedents are so firmly established that there is no question about the parliamentary situation. I have discussed the matter with those who have some parliamentary responsibility in handling legislation here in the House, and I think there is no question about the parliamentary procedure so far as that is concerned.

Mr. KELLER was recognized.

Mr. JEFFERS. Will the gentleman from Illinois yield to me?

Mr. KELLER. I will.

Mr. JEFFERS. Mr. Chairman, I have no desire to take gentlemen off the floor, but I believe everybody here wants to get through with this bill this afternoon, and I wonder if we can not arrive at some decision as to debate on this amendment and the section.

Mr. DOWELL. I want a few minutes.

Mr. MICHENER. We only had three hours of general debate on this constitutional amendment. This is Saturday afternoon, and we are not going to take up anything else, and it seems to me that the membership should be allowed to express themselves on this most important matter.

Mr. JEFFERS. I have no desire to cut anybody off.

Mr. RAMSEYER. What limitation of time did the gentleman have in mind?

Mr. JEFFERS. About 15 minutes.

Mr. ROMJUE. Will the gentleman from Illinois yield to me?

Mr. KELLER. I will yield.

Mr. ROMJUE. I want to ask the gentleman for his opinion on this question. If this amendment is placed here in the resolution, when it comes to be ratified in the future, and is ratified so that it will be effective in a presidential election, so that Congress and the President are elected at the same time always, if the gentleman does not believe that it will have a tendency to deter and abrogate the checking power of the minority party and be detrimental and injurious to legislation and the public welfare; a great safeguard to our Government rests in the fact that we have two strong political parties, so that whichever is in power the minority party for the time being is usually strong enough to serve as a check and balance on the party in power?

Mr. KELLER. I think you are right.

Mr. Chairman, I helped to bring this discussion up because I wanted to hear it. I am glad I have, for to me it has made one thing very clear, and that is that this amendment should not prevail. I doubt whether any other amendment should prevail any more than this one, for the simple reason stated by my colleague, Judge DICKINSON, in which he said that the people of this country know all about this amendment, and are ready to ratify it. But if we put anything on it in addition, they are not ready to ratify it, and they will not ratify the resolution if amended. If this amendment is attached to this resolution, it will be defeated, in my judgment. We ought not to jeopardize the resolution. I thank you.

Mr. DOWELL. Mr. Chairman, I believe the decision of the Chair in holding this amendment not in order was correct, but the Committee of the Whole has overruled the decision of the Chair and has held by vote that it is in order. This subject matter is entirely different from the proposition that is before the Congress. There has never been any proposition of this kind submitted with reference to this constitutional amendment until it was presented here to-day. In my opinion, by the adoption of this amendment, you are going to inject an entirely different proposition than the one we have been called upon to pass on.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. DOWELL. Yes.

Mr. MICHENER. Did I understand the gentleman to say that the matter before this committee has never received consideration before?

Mr. DOWELL. Not on this resolution.

Mr. MICHENER. Certainly not on this resolution that we have up to-day.

Mr. DOWELL. And not before the House.

Mr. MICHENER. Was the gentleman in the room when I called attention to a resolution introduced in the Senate by Senator NORRIS?

Mr. DOWELL. But it has not been considered.

Mr. MICHENER. Oh, it was debated extensively.

Mr. DOWELL. It has not been here for consideration. I believe the House should not adopt this amendment. I am heartily opposed to placing on this resolution such a proposition, and probably destroy the original resolution. I am opposed to this amendment, and hope the amendment will not be adopted.

Mr. PATTERSON. Mr. Chairman, I am opposed to this amendment for two reasons. First, I think it will defeat this proposed constitutional amendment, and, second, it is a fundamental change in the principle of our Government. I want to outline to you in a few brief words what this will do. Had this amendment been in effect at the time of the election in 1928, we would still have a Speaker elected by the majority party who went in at that time, and that party would be overwhelmingly in the majority in the House of Representatives now, and this biennial appeal, which resulted in a Democratic House, could not have come about. I think this change has been and is valuable. I believe we should have this check on an administration. It is fundamental in that respect, and all throughout the history of our Government this check has justified itself. It would take more and more power away from the people of the country, as has been attempted of late in various ways. I do not see how Members believing in the fundamental principles of democracy and progressivism can advocate tying this amendment on here. I very much fear that such an amendment will be a blow to democracy and check the voice of the people in their choice of the Members of the House of Representatives, that great body that enacts revenue legislation. We would have to change the organization of the House from two years to four years, and there could be no change of expression in the country even though sentiment changed as it does. You can point to two or three times in the past where a change of administration of the lower House of Congress was a splendid thing. Go back to 1910, when the Republican Party was in power.

In 1911 the Democratic Party organized the Congress, and there were some splendid reforms for the good of representative government. That would not have occurred if the 4-year term had been in existence, and there is no one who could tell what would have happened two years later if those reforms had not been brought about.

Mr. FULBRIGHT. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON. Yes.

Mr. FULBRIGHT. Does not the gentleman think it is unfair for the advocates of extending the length of term of Members of the House to attempt to write it into the Constitution on a "lame-duck" amendment?

Mr. PATTERSON. I am opposed to the amendment but would not want to put it that way, for I have all respect in the world for my colleagues who differ with me on this and all other questions. I am like the gentleman from Mississippi, I would give up my term as a Member of the House before I would vote to extend that term, and as the gentleman from New York said, this is not a job, this is a mission where we are called upon to serve our people and speak their voice, and for me I shall not support any such legislation.

Mr. FULBRIGHT. Does not the gentleman think that an amendment to the Constitution extending the term of office of Members of the House should stand upon its own bottom?

Mr. PATTERSON. Something as far reaching as this is should have long and careful consideration and should not be tacked on to a measure like this. I hope that the Members of this Congress who believe in democracy will defeat this amendment first, because it will prevent the ratification of this proposed constitutional amendment, and second, it will change the fundamental principles of our Government, which to me is the bright and shining star in the constellation of all governments. And in closing permit me to point with a feeling of pride to the framers of this great Constitution as well as that great patriot whose birthday we celebrated on yesterday. As for me, I will stand here and battle as best I can for a government "of the people, by the people, and for the people," and fight rather to increase the power and check of the masses on our Government, believing thereby I can come nearer perpetuating the ideals of Americanism.

Mr. HOWARD. Mr. Chairman, we have only one proposition here, and that is whether or not we will pass this "lame-duck" resolution. I am just a little bit astonished that some of my splendid colleagues should wish to ride in on a "lame duck" with an amendment which, in my judgment, although I give them all credit for sincerity, can mean nothing less than the defeat of the original Norris resolution as amended by the House committee. I am in favor of the "lame-duck" resolution. Therefore I am opposed to any and all amendments to the report brought in by the committee. I am not a worshipper of committees. I follow no committee unless I think it is right. Do the American people desire the destruction of the "lame-duck" proposition, or do they want to continue to let it flutter along to the injury of the country as it has for these many years? I think they want to see this "lame duck" brushed off the earth for good. I have not time to argue at length nor eloquently, even if I had the ability, in behalf of this "lame-duck" amendment, but I take it for granted that every one of my colleagues occupies pretty much the position of myself in his own community. If he saw here a man of magnificent character, well posted along certain lines, and over there another one well posted along other lines, and he believed in the man, in his integrity, and when he did not have time to weigh a proposition himself, he would naturally follow the advice of that man. I am in that attitude right now. If I were blind and could not read, if I were deaf and could not hear, still if only by the sense of touch it could be made known to me that this resolution was prepared by the hand of that magnificent American patriot, GEORGE NORRIS, I would say it must be a good thing anyway, and I would vote for it.

Mr. GLOVER. Mr. Chairman, I am very much opposed to this amendment and to the manner in which it is brought here. We are dealing to-day, in the resolution that is before us, with a matter that has been before the country, and the voice of the people has been heard upon it. Here is another proposition brought in and put on like a tail to a kite on this resolution. That is a very important matter and that is a fundamental part of our law now. I think if it is desired to submit that question to the people, there should be two separate submissions. Submit each on its own merits, and let the people vote on it.

Much has been said to-day about "lame ducks." I want to say to you that if you tack this amendment on and send it back to the people and thwart the will of the people, you will make more "lame ducks" than you have heard of in a long time. [Applause.]

I say to you that when you tamper with the will of the people, you are tampering with that which is sacred. The gentleman from Alabama who offered this amendment is my personal friend, and I regard him highly as a legislator. The gentleman said that his people had come to him and wanted to know why he had to come back every two years. Oh, that man was his friend. But the other fellow, who might not have been so well satisfied with what had been accomplished, has to wait for four years before he can express his will. The man who is for you is glad to meet you and greet you every two years and indorse your acts. Let me say to you that one of the ways the country keeps posted with reference to national affairs is by the policy that we have now in our Constitution, when we come back home and talk to our people face to face and tell them what we have done and what we have tried to do, and let them give us our marching orders for another term. [Applause.] When you have the privilege of going back home in a short time, you will have the privilege of telling them all about the good things you did for them—about the two billion dollar bill which you have given to the great wealth of the country, and you have given no bread to the poor. You boys would like to tell them about that. They want to hear you, face to face, and they will talk out. They will ask some questions why it was you did so and so, and they have a right to do that. That is where you hear the voice of the people.

Of course, you would like to have four years without a contest for reelection, but in my experience in public service there is no greater delight than going back to my people and letting them judge my acts in any representative body in which I have ever served, and have them let me know whether I am correctly representing them in their views. [Applause.] That is the only way you can feel the pulse of your district. Go back to them and get your indorsement and get your marching orders and stay two years.

Let us not change this. There is not a man here who is opposed to this resolution who will not vote for this amendment. I know when you go back to the legislatures of the various States of the Union, you will not get the constitutional number required to indorse this proposition. If you want a correction as is provided in the resolution, let us adopt it without amendment. If you want to kill it, vote for this amendment and vote for all the other amendments which are proposed.

I am going to vote for this resolution as it stands. I have some convictions with reference to some things in it that I would like to have changed; but I know that if we amend it, it will be the death knell of the bill, so I am going to support it just as it is written. [Applause.]

Mr. DOUGLASS of Massachusetts. Mr. Chairman, it has been some time since I have had the physical courage to address this House, but I hope to-day I have the political courage to oppose this amendment.

I shall have to fight as hard as any man in this House for renomination to this honorable body. I have had to do it for the last four elections. You should all be willing to do likewise to acquire the great dignity of this position. If there be any sound and logical argument for the adoption of this amendment, it has not been stated upon this floor to-day. Whatever seemed to be the motives that guided the judgment of some Members, as I have been able to find them since this debate began to-day, those motives seem to come—I dislike to make the statement—but they seem to come from private interest rather than public good and necessity.

Mr. Chairman, under our beneficent Constitution, particularly that part of it which requires that election to this House shall be biennial, we have achieved the reputation of being the greatest deliberative body in the world, and it behooves you not to rush to judgment now, but calmly and deliberately consider just what we are doing. Are you willing, upon the specious reasons and private reasons that have been advanced—one class publicly advanced and the other secretly here to-day—to make this great change in our form of government? Are you going to lessen the dignity of this great body by changing it from a body that represents the popular will every two years to one that shall become a body which will be but a part of an elected administration? [Applause.] That is what you will do. You will change yourselves from Representatives of the people to puppets of the administration, whatever it may be, Democratic or Republican.

Have you consulted your constituents in this regard? Have you asked them how you should vote? Have they had notice of the calling up of this amendment to the Norris resolution?

My time is brief, and I would I had more, but I can not ask it. But one thought that has been running through my mind as I have sat here listening to-day is this: What is going to be the effect back home in your districts if you vote for and adopt this amendment? What will your people and the people of the country at large think of you as Members of Congress? In these days of depression, when 8,000,000 people are clamoring for work and public employment, when at least 3,000,000 people are clamoring for a bite to eat and a place of shelter for their shivering bones, are you going to go before the country and say, as you have said up to this time, "You shall not have a million dollars or even a thousand dollars for public works; you shall not have anything that can be considered in the nature of a dole to feed your hungry stomachs, but we Congressmen, we $10,000 a year Congressmen, elected for two years with our salaries coming regularly every month, are going to elect ourselves to two more years in the form of a 4-year term"? I dare you to do that and go back to your constituents. [Applause.]

Mr. GOLDSBOROUGH. Mr. Chairman, there are a great many reasons of convenience which justify this amendment; but after the very best thought I have been able to give it for many years, I am profoundly convinced that the 2-year term is a fundamental part of democratic government. [Applause.] There are a great many things that are worse, my friends, than the inconvenience of frequent elections.

Now, gentlemen, of course it is inconvenient for Congressmen to go before the people every two years. A great many men are in districts where they have to go twice, once in the primaries and once in the general election. That is all true; but I am one of those who believes that the perpetuation of this Republic depends upon the separation of the executive, legislative, and judicial branches of this Government. [Applause.] When you adopt this 4-year provision, when you elect your President along with the Members of your House, the tendency is to absolutely subordinate the legislative branch of the Government to the executive branch.

Now, do not do this. I beg of you, my friends, do not do this. We have in this country now too much centralization of all kinds. We have too much pressure on us now from the executive branch of the Government. Let us remember, my friends, the words of the man whose birthday we celebrated yesterday and do what we can to see "that government of the people, by the people, and for the people shall not perish from the earth." [Applause.]

Mr. JEFFERS. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. CELLER. Mr. Chairman, I hesitate to take up any more time of the committee any further than to point out to the members something which was said upon this subject many, many years ago when the Constitution was adopted. It was Hamilton, in the Federalist, fifty-third volume, who said:

> Where annual elections end, then tyranny begins.

Hamilton, conservative as he was, wanted the elections of the Members to the lower House to be annual. Why was it made every two years? That was a compromise. Hamilton bowed to the argument that there were great distances to travel. The Representatives had to use the stagecoach and the horse in those days, and that was one of the reasons why the election was held every two years for representation in this House. Surely if distance then was used as an argument to increase the term from one year to two years, the shortening of distances through the use of our present rail transportation and airplane transportation should not be used as the reason for increasing the tenure for two years more.

Hamilton again said, in volume 52 of the Federalist, February 8, 1788:

> Biennial elections will be as useful to the affairs of the public as * * * they will be safe to the liberty of the people.

Blackstone, in his Commentaries, volume 1, page 189, if you will go back as far as that for authority, speaking of the tenure of the more representative branches of government, had this to say:

> A legislative assembly which is sure to be separated again would be bound to feel its own interests as well as its duties bound up with those of the community at large.

Story, the great authority on the Constitution, in the fifth edition of his book on the Constitution, section 588, page 588, says:

> Frequent elections are unquestionably the soundest, if not the sole, policy by which dependence upon the people, sympathy with the people, and responsibility to the people that elected them can be effectually secured from the people's representatives.

In conclusion, if any more need be said upon the subject to persuade you to vote down this amendment, let me again call your attention to other remarks by the great Hamilton. He said (sec. 587, Story on the Constitution):

> It may, therefore, be safely laid down as a fundamental axiom of republican governments that there must be a dependence on and responsibility to the people on the part of the representative which shall constantly exert an influence upon his acts and opinions and produce a sympathy between him and his constituents.

He thus said that this nearness of people to Congress could only be brought about by most frequent elections.

Why is it that our Constitution provides that bills to tax shall originate in the lower House? This was put there because the framers of our Constitution knew that this House, of all parts of our Government, was nearest the people. The people can reach out to the membership here and quickly and effectively register their will, under penalty of defeat at the polls. They want this body, which has power to originate taxes, amenable to their immediate will. [Applause.]

Vote for this proposal and you serve the best interests of yourselves only.

I therefore ask you to vote down this amendment.

Mr. SHANNON. Mr. Chairman, there are many Members of this body who in good faith are for the Norris amendment. They believe in it. They have been taught to believe in it. It has been before the country for many, many years. It has reached this House before, but by strange ways has met defeat.

I regret to say that the so-called liberalizing of the rules of this House does not make them liberal enough so that we can get a roll call on this particular amendment to the Norris amendment. I dislike to believe that I shall have to tell my people when I go back home that our rules are so poorly "liberalized" that those of us who believe in the Norris amendment have had to vote for it with an obnoxious amendment, or else vote the whole thing down.

I say this is unfair. It is not fair to the people. If the proposal of the gentleman from Alabama is offered in good faith, the gentleman should come in here and offer it as a separate amendment.

As the gentleman from Massachusetts said a moment ago, when the first 10 amendments to the Constitution were offered they were voted upon separately, and those 10 amendments came from the followers of Thomas Jefferson. I say to you gentlemen who believe in the teachings of Hamilton, get those on our side of the House who are really Hamiltonians and form a new coalition; make it a Hamiltonian group; but let those of us who believe in giving the people their own government have a chance, so that even though we may be in the minority we will be heard as Jeffersonians and not as Hamiltonians.

Again I say to you that I am here as one of the protesting Members of this body. My predecessor was elected by a substantial majority. I come from the center of the great agricultural belt of the West. I am in the very heart of it. There was but one vote of my predecessor's that was considered in the late election, and that was his vote on the tariff bill. After the people considered it, and gave thought to the vote of this gentleman, they elected poor me by 46,600. [Applause.]

When you take away this off-year election, you leave no method by which the people may pass on the existing administration, and you do them an injustice.

Jefferson said he would not give a fig for a people who did not have the spirit of revolt in their blood lest those at Washington take away from them their Government. The vote of the people at the last election was a vote of protest; in fact, it was a revolt against this administration; and now you come in and say by this proposed amendment to the Norris amendment that this right of approval or disapproval shall not be left with the people.

Let me remind you that this protest has been used frequently. It was used against that great soldier, U. S. Grant, and it did not hurt the Grant administration a particle. It made it a better administration. It was used against that great character, Grover Cleveland, and it improved his administration. Then it was used against that fine soldier and great lawyer, Benjamin Harrison, and it made his administration a better one. Then when the mighty Wilson went out and said, "Send me back a Congress of my own political party," the American people stood up and protested, and I want to say to you that it made the Wilson administration better, by serving notice upon him that this

is a people's government and not merely a President's government. [Applause.]

In conclusion, no matter what may be the motives of the gentleman who proposes this amendment to the Norris amendment, the public will accept it as being intended for no purpose other than to kill the amendment offered by the Senator from Nebraska. Let me urge you to meet it face to face. Do not be cowards. Come forward and vote yes or no stating, "We are for the Norris amendment, or we are against the Norris amendment." [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. SHANNON. Yes.

Mr. BLANTON. The gentleman has correctly stated the parliamentary situation. If the committee adopts the Bankhead amendment, then the gentleman will have to vote for it if he votes for the Norris amendment.

Mr. SHANNON. Then I will be put in the position of being compelled to vote against something I have been for for years, for I shall not vote in favor of the amendment with the Bankhead amendment on it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. BANKHEAD) there were 65 ayes and 112 noes.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 4th day of January, unless they shall by law appoint a different day.

Mr. WARREN. Mr. Chairman, I offer the following amendment: Strike out all of section 2, and insert in lieu thereof the following:

SEC. 2. The Congress shall assemble at least once in every year, and in each odd number of years such meeting shall be on the 4th day of January, unless they shall by law establish a different day. In each odd number of years such meeting shall be on the 4th day of January, and the session shall not continue after noon on the 4th day of June.

Mr. WARREN. Mr. Chairman, I have no desire to discuss this amendment, having said all I care to say about it on yesterday. But I want to call attention to the fact that I have followed verbatim the Longworth amendment, with the exception that the date of adjournment is extended until the 4th day of June, rather than the 4th day of May, as contained in the amendment offered last year.

I again call the attention of the committee to the fact that this is the amendment that was largely supported on both sides of the House and was made a part of this resolution last February.

Mr. JEFFERS. Mr. Chairman, I have no intent or desire to delay the proceedings, because we want to go right along. I have hesitated to take the floor at this juncture, but let me just suggest one or two things. Why is it necessary to limit this date? It will become a part of the Constitution, and at some future time in the history of the Nation, when the business of the country has changed, and we can not foresee to what extent it may be necessary for them to have more time for the sessions of Congress, we are, in effect, saying now that they will not have sense enough to judge for themselves what time is necessary. They will think we were very presumptuous here in 1932 to insert in the Constitution a hard and fast date for them to be bound by at a time, say, 20 or 30 or 40 or 50 years hence. We should leave them free then to decide for themselves.

Now, they contend that the President could call a special session of Congress immediately. But suppose the President would not do that? The Congress would be without the power to work its own will. Let us leave it to our successors to determine when the session of Congress in which they serve shall end. Surely we can trust them to do that.

I agree with the gentleman from Iowa [Mr. RAMSEYER] when he says that this body should act independently on its own initiative and not be controlled by any other influence. I agree to that, and in the Committee on Election of President, Vice President, and Representatives in Congress, as well as in this Committee of the Whole House on the state of the Union, my own attitude is based on what I think and believe to be right, and not upon what somebody else dictates. I say that this should not be a part of the bill, and that is my own judgment, after giving much consideration to it as a member of the committee and as a conferee.

Mr. BLANTON. Will the gentleman yield?

Mr. JEFFERS. Surely; I yield.

Mr. BLANTON. My friend does not believe that after the present Congress has passed the proper relief bills and the proper appropriation bills it is going to remain here any longer.

Mr. JEFFERS. No; Congress, when it finishes its work, will go home. Congress is not going to sit here an undue length of time.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. JEFFERS. Yes; certainly.

Mr. MAY. I have heard a lot said this evening about the wisdom of the framers of the Federal Constitution. If they placed a limit of three months on the second session of Congress, is not this a rather liberal allowance to extend it for two additional months?

Mr. JEFFERS. Now, then, the gentleman knows that that is not a fair question. The reason there is a limit on the session of Congress to which he refers is because on the 4th day of March that Congress goes out of existence automatically. The forefathers did not arbitrarily place that limit. The Congress goes out of existence at that time by operation of the Constitution.

Mr. PATTERSON. And this would be arbitrary limitation.

Mr. JEFFERS. Why, of course.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. JEFFERS. Yes.

Mr. BURTNESS. As a practical proposition, was not the adoption of this amendment or a similar one a year ago what prevented the two Houses from getting together in conference then and having the resolution go to the people?

Mr. JEFFERS. To a certain extent that is true. That conference happened in the closing days of the last Congress. The conference was tied up; it was in the jam at the end of the session, with Members of the House and of the Senate hurrying back and forth from the conference room to the floor of the Senate and the floor of the House. While that was somewhat responsible, it was not entirely so.

Mr. SUMNERS of Texas. Mr. Chairman, I regard this as an exceedingly important amendment. Let us get down to the only question involved. The question as to how long the Congress should sit is not involved. Let us get that straight. There is but one question involved, and that is, Shall the Houses of Congress be trusted to determine the length of time during which they shall undertake to transact the public business without having to resort to Executive consent? Is that clear? Is there a man on the floor of this House who will controvert that question? I yield if there is one; I yield in my own time. There is not a man on the floor of this House who can controvert that statement of fact. That is the question. In a Government of three coordinate branches, with Members of the House of Representatives sent here by a sovereign people, will you in this hour confess to your people that you have not the sense or the courage to determine how long you are to sit here to transact the public business?

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. RANKIN. As a matter of fact, under certain recent rulings, would not this cut the session 10 days shorter, because the President can cut down the law by vetoing a bill within the last 10 days?

Mr. SUMNERS of Texas. I shall not leave the major proposition. That is, Shall the Members of the House confess to the country that they believe that they have not the sense or the patriotism or the courage to determine how long they ought to sit here to take care of the public business? I say to my friend who offers this amendment, and for whom I have the highest respect, I am not unwilling to join you in

asking the President of the United States to sit as the arbitrator of that question.

Mr. GLOVER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I regret I can not yield. I shall not yield to any man on that question, and I shall not yield to any man who ever sat in the White House or who ever will sit there to be the supreme judge above the judgment of my colleagues in this body chosen by the sovereign citizenship of this country on a question so vital as the continuity of its effort until the work is done. We ought to vote this amendment down out of a sense of responsibility and a willingness to meet it.

Mr. PATTERSON. And this would be an arbitrary setting of a seven months' period for which we draw salary when we could not transact business.

Mr. SUMNERS of Texas. I shall not leave the major question and that is, Will we Members of the representative branch of this Government yield to anybody in another branch of the Government the right to determine for us how long we shall sit here in the transaction of the public business? That is the question and the only question. Every other thing fades into insignificance. It is no wonder that people make fun of the Members of the House. Why should they not make fun of you if you agree to a proposition like this and thereby confess that you have not either the sense to know or the courage to fix how long you will sit here to transact the public business. Of course they ought to make fun of you on every vaudeville stage in the United States if you do this sort of thing. The people will respect the Congress when it respects itself.

Mr. GIFFORD. Mr. Chairman, this is a separate proposition, one entirely by itself. We have lived under this limitation ever since the Congress was organized. There has been a limitation when we have to adjourn. This has nothing to do with the "lame-duck" matter, for which so many have said that they want to vote. The matter has been so long under consideration that we are anxious to legislate thereon. This limitation has been considered before, and last year it was the vote of this body, by a vote of 229 to 148, that it should be continued in some form. The amendment accepted at that time has been liberalized to-day to June 4, giving five long months, even, in the second term. That is long enough, surely. We have now, in fact, only two and a half months. But if, by chance, the House shall reverse itself from the opinion expressed last year, and the gentleman from Texas still feels that he does not want to be under the control of another branch of the Congress, I give notice that I shall immediately offer this same amendment, changing the Longworth amendment but little, to provide that in each even year the sessions shall not continue after noon of the 4th day of June unless the Congress shall by vote appoint a different date for adjournment, leaving it entirely within the hands of Congress by joint action as to whether we shall sit here or not, and thus deliver us from the possibility of another body deliberately keeping us here by their interminable debates.

Mr. LOZIER. Certainly my friend from Massachusetts does not contend that the language used in his amendment would enable the two Houses of Congress to determine the length of their sessions, without the President in the usual manner approves the action of Congress. There are many places in the Constitution which authorize Congress by law to do this or that, but this means that Congress shall act in the customary way, and its action must have the approval of the President. The gentleman's amendment in substance provides that Congress may by law determine the length of its sessions, but the courts would construe that to mean that the action of Congress would have to be approved by the President like any other law before it would be effective. The language in the gentleman's amendment does not and can not enlarge the power of the two Houses of Congress to such an extent as to enable them to extend their sessions beyond the time limit mentioned in the amendment unless the congressional action meets with Executive approval. The language that Congress may by law provide for this or that means that Congress in those cases would function just like it functions in the enactment of tariff bills, appropriation bills, and other legislation, namely, with the approval of the President. The proposed amendment is not sufficiently broad to take from the President the power to veto the action of the Congress.

Mr. RANKIN. I wonder if the gentleman would offer an amendment along that line to take from the President the power to veto bills for 10 days prior to the end of that session.

Mr. GIFFORD. I wish it could be done.

Mr. RANKIN. It can be done by an amendment to the Constitution.

Mr. MICHENER. Does the gentleman want this on this particular resolution? I would not discuss it, if it is not germane to this resolution.

Mr. RANKIN. If you want to amend the Constitution at all along that line——

Mr. GIFFORD. I do not yield to outside discussion like that.

Mr. STAFFORD. To meet the objection raised by the gentleman from Missouri [Mr. LOZIER] the amendment proposed by the gentleman from Massachusetts would require the approval of the President. I suggest that might be overcome in this way: Instead of having it done by law, have it done by concurrent action by both Houses of Congress, in the form of a concurrent resolution. Would the gentleman be willing to change his amendment to embody that idea?

Mr. GIFFORD. I should be glad to have it changed to meet that objection, but we often overturn a veto of the President of the United States, and it would be effective in such a case.

Mr. STAFFORD. But the Congress should determine for itself whether it should continue in session.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BARTON. Mr. Chairman, being a new Member, my opinions on this subject were formed outside of this body. Therefore, I may view the question from an angle somewhat different from many of you.

It has been suggested that this resolution would change the Constitution, a thing not to be thought of for light or transient reasons. It is urged that the present arrangement originated in the wisdom of the fathers and should, therefore, remain unmolested.

Bear in mind that one of the purposes of this amendment is to change the date on which the President, Vice President, Senators, and Representatives in Congress enter upon the discharge of their official duties. I have been much interested in the history by which this was fixed. Curious as it may seem this date is not mentioned in the Constitution. In fact when that instrument was written it was not known whether it would be ratified and, if ratified, when operation under it would begin. The length of the terms of these officers, however, was definitely fixed, so we have but to determine the beginning and the end is made certain.

On September 13, 1788, the Continental Congress, by resolution, found that the requisite number of States had ratified and declared the "first Wednesday in March next" as "the time for commencing proceedings under the new Constitution." The first Wednesday in March, 1789, was the fourth day. This date has therefore been recognized and followed for more than a hundred and forty years, and I think will be followed until changed by constitutional methods.

On another phase of this resolution—changing the date for Congress to convene—it is urged that a constitutional amendment is too big a weapon to wield in order to achieve the small results contemplated, "that the game is not worth the candle"; and that the substantial results can be attained by a simple statute. To this I do not subscribe.

It is true under the Constitution that Congress may fix any date for its convening, but there are practical obstacles well-nigh insurmountable. Suppose we fix March 4, as has been done in the past. If there should be much work, the session would run far into the summer. I am informed that summer weather at this place is inconsistent with good

work. You can not repeal the weather, neither can you change it by an act of Congress.

Again, suppose we fix the convening date on January 4, as contemplated by this resolution, without changing the official terms. This would make the long session a month shorter, and, if the short session should last more than two months, would present the remarkable and awkward situation of changing membership in the middle of the session.

The welfare of the country demands the deliberate and unimpassioned judgment of its officers. This is especially true in the legislative branch, where such broad discretions are exercised. I agree with the gentleman from Virginia [Mr. MONTAGUE] that partisanship "is the most insidious disease any of us possesses, and those who possess it most think they possess it least." I also agree that every effort should be made to remove our deliberations from the sordid atmosphere of partisan politics.

A "cooling time" is urged—meaning a time after an election for its heat and passion to subside. "'Tis a consummation devoutly to be wished." I would also warn you of a "warming time," meaning a time before an election when the heat and passion and hope of the approaching contest are being generated and agitated. How shall we dodge the rock and miss the whirlpool?

Let us examine our present situation from this angle. This session convened 13 months after our last election—an ample time for the cooling process. It began only 11 months before our next election, and will probably end 5 months before that contest is determined. We have dodged the rock but the whirlpool lies before us. Free as this Congress has been from partisanship, the shadow of the coming campaign now lies across our pathway, the atmosphere is charged with politics. The "warming time" is on and obstructs and retards our deliberations and perhaps influences them.

From this angle the short session is no better. It convenes only one month after the election. Those reelected return with all the heat and passion of the campaign. Recommissioned they feel not only authorized but directed to write into law what they advocated on the stump. While there are outstanding exceptions the attitude of those defeated is even worse. Some do live in an atmosphere of legislative calm without hope of reward or fear of defeat, but too many entertain a grouch. I have never known a man to be convinced of error in his position by being defeated at the polls. Too often in such a mind his party is personified and loyalty to it is deified. Free from all restraint he goes any length to further the interest of his party. We do not now dodge the rock nor avoid the whirlpool in the short session.

Again, under our party system, elections frequently turn upon principles rather than men. The defeat of a candidate is often the rejection by the electorate of the laws he advocates. It is an anomaly, to say the least, for a man to hold a commission by which he can write into law principles after they have been rejected and repudiated by his constituents. In this debate we have heard described stirring scenes when a party, knowing the end of its power was at hand, made strenuous efforts to pass laws already rejected by the people and the party already elected and approved for succession equally resourceful and anxious for delay. Such, in my opinion, is not for the best interests of our people.

Again, I see no reason for a long session and a short session. A better arrangement would be to equalize the work so the sessions would be of about equal length.

For these reasons I am for the resolution.

Mr. JEFFERS. Mr. Chairman, I move that all debate on this amendment close in 10 minutes.

The motion was agreed to.

Mr. MAPES. Mr. Chairman, this resolution has been kicked about in Congress now for several years. Some Members say it is not of first importance. That may be conceded; but Congress has magnified its importance by its failure to pass it, and every time it refuses to pass it, it makes it more important in the eyes of the people.

I am one of those who have consistently supported the resolution every time it has been before Congress, ever since I have been a Member of this body, and I have as consistently opposed any amendment to it which would fix the time for adjournment of the second session of Congress. It seems to me that that may well be left to the discretion of future Congresses, to be exercised in the light of the exigencies as they may exist at the particular time. In my judgment, it is not a proper provision to put into the Constitution. It would put Congress in a straight jacket such as it ought not to be put into. I am not afraid to trust Congress to fix its own time for adjournment. I do not believe that anyone need be afraid that the sessions of Congress will be unduly prolonged without such a provision. The personal interests and inclinations of Members, if nothing else, will take care of that. Congress is more likely to adjourn when there is business to be performed, when there is legislation that ought to be considered and passed, than it is to stay in session when there is no business before it and when it ought to adjourn. Who ever knew it to continue in session under such conditions? The urge is all the other way.

I wish to say further that I do not entertain the notion that Congress hurts the legitimate business of the country. Business is sometimes inclined to criticize Congress, but it is the first to rush to Congress whenever it gets into trouble. We had an illustration of this this last year. Congress adjourned on the 4th day of March. Some business men said "That is a good thing; it will give us an opportunity to go along about our business without being molested by Congress, and give the country an opportunity to get back into a prosperous condition." We all know what happened. The same critics, before the summer was over, were anxious to have Congress get together again, and as soon as the first Monday in December came and Congress was in session, they were here asking Congress to pass legislation to help them out, and very properly so.

I hold in my hand a copy of an address entitled, "Amending the Constitution," which I was privileged to hear over the radio last Sunday afternoon, delivered by the former distinguished leader of the Democratic Party in this body and now Associate Justice of the United States Court of Customs and Patent Appeals, Hon. Finis J. Garrett. As everybody here would expect, it was a highly interesting and able address. Of course, he said nothing about this proposed amendment in that address, but he did discuss it in the Seventieth Congress, and I have before me a copy of his remarks at that time.

I want to call attention to what he thought of this particular amendment. He said:

> Mr. Chairman, it seems to me that the House committee has taken a proposal—

And let me say that the House committee at that time reported the resolution with a provision in it fixing the day of adjournment. In the last Congress the committee left out that provision, as it has in this Congress, but with the prestige of the Speaker behind the amendment in the last Congress, as you all know, it was put into the resolution after it was reported by the committee.

This is what the distinguished leader of the Democratic Party in the House at that time said in the Seventieth Congress about the amendment now proposed:

> Mr. Chairman, it seems to me that the House committee has taken a proposal which was relatively not of overwhelming importance, but which was sufficient to merit amendment of the Constitution, and has attached to it a principle which will do infinitely more harm if adopted than all the good that will be wrought by the original proposal. [Applause.]
>
> While I stated in the early part of the debate on this matter my willingness and desire to support that part of this proposal which is a question of mechanics—and I use the word again because I can think of none better—I was unwilling then, and nothing has been stated in the debate which makes me willing now, to vote to lay this limitation upon the power of Congress itself to determine as to the termination of its sessions. [Applause.] And with that as an integral part of this amendment, I can not vote to submit it for ratification.
>
> Some gentlemen have said, "Submit it and let it go to conference." Upon legislative propositions I might be willing to do that; but upon an amendment to the organic law I am unwilling to risk my vote to the determination of conferees. The principle of this matter has been asserted by many and it is not necessary for me to go into it. I could bring to your attention

many illustrations of possibilities and probably many illustrations of probabilities that would render this undesirable as a matter of principle. Take, for example, the question of impeachment. Congress is called upon to exercise this great function, and has frequently done it. With a limitation such as proposed, fixed by the Constitution itself, Congress might be helpless even in the exigency of an impeachment of the Executive himself. After May 4 of the second year the President is the only power that can bring the Congress back together under this proposition. [Applause.]

Mr. Chairman, we all know that there are two evils which are inescapable at the end of a short session of Congress, when we are automatically compelled to adjourn on the 4th of March, namely, the filibuster and the rushing through of ill-considered legislation. The same evils would exist at the end of any session which was obliged to adjourn automatically on a given day. [Applause.]

[Here the gavel fell.]

Mr. SWING. Mr. Chairman, in the constitutional amendment before the House, as in every constitutional amendment, we are considering the granting of power by the people to the Federal Government. We have here provided for the meeting of Congress. The precise amendment now under consideration proposes the limitation that Congress shall not be permitted to act or function in its constitutional capacity except by and with the consent of one man. No one knows who that one man is going to be, what his temperament is going to be, or what his mental or physical condition is going to be at the time some important June 4 arrives.

The Constitution, being fundamental law, ought to provide for all contingencies which may happen, and not merely provide for most of the contingencies that may arise.

Who can see into the future and know what the situation will be confronting the country on some June 4 when, by the provisions of the Constitution, if this amendment is adopted, a succeeding Congress will be compelled to adjourn? We might be in the midst of a national or international crisis, yet the Congress would cease to function unless the President of the United States was in a mood to call a special session.

It seems to me this amendment is primarily prompted by the question of the comfort and convenience of the Members. We are accustomed to adjourn about June 4. We realize the weather is warm at that time. We therefore hope that in the future, while we remain in Congress, we will be permitted to adjourn at about that time. Prompted by this desire for comfort and convenience, we are asked to write into the fundamental law of the land that the Congress must adjourn June 4 and go home.

We are willing to give to future Congresses the power and the authority to vote on such important measures as aid to commerce; we are willing to permit future Congresses to incur debts, provide for the coinage of money, and pass laws relative to our financial and national banking system. We are even willing to give future Congresses the power to declare war; yet under this amendment we propose to withhold from them the inconsequential power of passing a motion to adjourn when the business of the House and the Congress has been completed. If we can trust their judgment on these other momentous questions, why can we not trust them to make a right decision on a motion to adjourn? [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken; and on a division (demanded by Mr. WARREN) there were—ayes 54, noes 98.

So the amendment was rejected.

Mr. GIFFORD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GIFFORD: Strike out all of section 2 and insert in lieu thereof the following:

"The Congress shall assemble at least once a year. Such meeting shall be on the 4th day of January. In each even-numbered year the session shall not continue after noon on the 4th day of June, unless the Congress shall by law or by concurrent action of both Houses of Congress appoint different dates for meeting or adjournment."

Mr. LAGUARDIA. Mr. Chairman, I reserve a point of order against the amendment. It seems to me it is the same amendment that was just voted upon.

The CHAIRMAN. Will the gentleman state his point of order?

Mr. LAGUARDIA. If I can not reserve it, I make the point of order that in substance it is the same amendment which was just voted upon by the committee.

The CHAIRMAN. No. It is a different amendment. The Chair overrules the point of order.

Mr. GIFFORD. Mr. Chairman, I want to call briefly the attention of the committee to the fact that it seems to me this amendment ought to meet the objection of the gentleman from Texas. Certainly, it removes the time of adjournment from the power of the President. It certainly answers the objection of the gentleman from California, and I might call the attention of the gentleman from Alabama [Mr. JEFFERS] to the fact that the gentleman advocated this, I think, last year.

I regret very much that the other amendment was lost; but, seemingly, this amendment ought to answer practically all the objections made against the other amendment.

I regret that this limitation should be regarded as new matter. I repeat, that we have had this limitation on the second session ever since the Government was organized, but we treat it here to-day as if it were a new thing, as if we were talking about our own convenience. Under this amendment we are extending the time from two and a half months to five months and, Mr. Chairman, I sincerely hope the amendment will be adopted.

Mr. JEFFERS. Mr. Chairman, I do not desire to extend this debate now because I know the members of the committee want to vote, and I am perfectly willing for them to vote, but since it has been stated that this is a proposition which I sponsored last year, I must state that in trying to arrive at something to modify the hard-and-fast date last year I did suggest something to this effect. But it was then suggested as a modification of the other and more rigid amendment. I was not for this amendment except as a matter of compromise between the two, and that goes for what happened in conference, also. I think this proposed amendment simply "muddies the water" and we do not know just what the effect of it might be.

The language of the committee resolution has been studied carefully by the committee. I think this pending amendment should be voted down.

Mr. SANDLIN. Will the gentleman yield?

Mr. JEFFERS. Certainly; I yield to my friend.

Mr. SANDLIN. Would not the amendment, if adopted, simply mean that if a majority of the Congress wanted to adjourn they could not adjourn unless we passed a law, and then the President could veto it and it would take a two-thirds vote to override the veto?

Mr. KVALE. If the gentleman will yield, it is the exact reverse of that. It puts it in a negative way so that unless Congress takes positive action it literally ties the hands of Members for the last six months of their term.

Mr. SANDLIN. I understand that, but we would have to get the consent of the President also.

Mr. JEFFERS. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. GIFFORD) there were—ayes 58, noes 88.

So the amendment was rejected.

Mr. SUMNERS of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 3, strike out all after "unless" in line 14 down through line 15 and insert in lieu thereof the following: "by concurrent action of both Houses of Congress a different day is appointed."

Mr. SUMNERS of Texas. Mr. Chairman, I just want a minute of indulgence on the part of the committee to explain the proposed amendment. This amendment is intended to

bring this section in line with what seems to be the will of the committee with reference to the general question under consideration, and may I ask the Clerk to read section 2 as it would appear if amended?

The Clerk read as follows:

SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 4th day of January, unless by concurrent action of both Houses of Congress a different day is appointed.

Mr. LAGUARDIA. Will the gentleman yield for a question?

Mr. SUMNERS of Texas. Yes.

Mr. LAGUARDIA. This comes rather suddenly. The outgoing Congress could then, by concurrent resolution, fix the date for the convening of the new Congress, and if it were an antagonistic Congress, instead of advancing the date it could retard the date up to almost the very last day.

Mr. SUMNERS of Texas. May I say to my friend from New York that the resolution would have to be agreed to by the House and the Senate, and if we assume that the House and the Senate will do an unconscionable thing with regard to the time when their successors are to meet—well, we are just in a pretty bad fix.

What I want to do is to place in the House and in the Senate the power to control their own business without having to go to the other end of the Avenue to get the consent of anybody.

Mr. STAFFORD. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. STAFFORD. Does the gentleman mean that the power should be vested in the Congress simply to control the convening date of that Congress, or also of subsequent Congresses? The gentleman will recall that Andrew Jackson vetoed a resolution to appoint a different date for the convening of a subsequent Congress because the President held that it infringed his prerogative to convene Congress in extraordinary session. The phraseology of the amendment submitted by the gentleman would seem to give power to fix the convening date of subsequent Congresses.

Mr. SUMNERS of Texas. Mr. Chairman, I realize that it is hardly fair to the House, hardly fair at this stage of the proceedings, to offer an amendment of this character, and I ask unanimous consent to withdraw it, hoping that it may appear in conference. [Applause.]

The CHAIRMAN. Without objection, the amendment will be withdrawn.

The Clerk read as follows:

SEC. 5. Sections 1 and 2 shall take effect on the 30th day of November of the year following the year in which this article is ratified.

Mr. RAMSEYER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within seven years from the date of the submission hereof to the States by the Congress; and the act of ratification shall be by legislatures, the entire membership of at least one branch of which shall have been elected subsequent to such date of submission.

Mr. RAMSEYER. Mr. Chairman, this amendment I have just offered does not go to the substance of the pending resolution. That part of the resolution which proposes to change or amend the fundamental law is found in sections 1 to 4, inclusive. My amendment has to do with procedure of ratification.

This is the same section I have referred to as having been offered to this resolution when first considered in 1928 in this House. Mr. Garrett, the then minority leader, was the author of this amendment. It was adopted after a debate of some length by a vote of 187 to 23.

Last year this same proposal was a part of this resolution as reported by the committee.

I am offering the same amendment that was offered by Mr. Garrett in 1928 and was adopted by a vote of 187 to 23. It is word for word the same as section 6 in the resolution last year. Then there was no opposition to it.

Now, my amendment has two clauses. The first is that the proposed article to the Constitution shall be inoperative, unless ratified within seven years. There is a similar provision in the eighteenth amendment, the prohibition amendment, and the Supreme Court in a decision said in regard to the validity of the 7-year provision that:

Whether a definite period for ratification shall be fixed so that all may know what it is and speculation on what is a reasonable time may be avoided, is, in our opinion, a matter of detail which Congress may determine as an incident of its power to designate the mode of ratification.

In another portion of this opinion the court said:

That all amendments must have the sanction of the people of the United States, the original fountain of power, acting through representative assemblies.

Now, the first clause of the amendment is that the proposed article shall be inoperative unless ratified within seven years after submission. The second clause, which I regard more important from the standpoint of orderly procedure, is that the ratification shall be by legislatures, the entire membership of at least one branch of which shall be elected after the date of submission. This is to give the people, the original fountain of power, an opportunity to get acquainted with and to pass judgment on the congressional proposal before their agents in the State legislatures are intrusted or empowered to act.

Now, the 7-year limitation is reasonable. It has the sanction of the Supreme Court. It affords ample time for the States to act.

Furthermore, every one of the 19 amendments to the Constitution was ratified within four years after its submission. No one can insist with reason that seven years is not long enough.

Now, the second clause, which delays action on the part of the State legislatures, is to insure the people an opportunity to instruct the members of at least one branch of the legislature how to vote on the proposed amendment submitted by the Congress. I do not know how anyone who understands the Constitution and the fundamentals of the Constitution can possibly object to this clause requiring a delay in action on the part of the legislatures. The Constitution of the United States is the people's law. What is in the Constitution is law. Only the people can change that law. An act passed by a Congress is a law by the agents of the people, and is valid only if that law does not conflict with the fundamental law as found in the Constitution. A resolution to amend the Constitution proposes to change the people's law. The first step is to submit it by a two-thirds vote of each House of Congress. It goes to the States for action by assemblages representative of the people. We could refer it to State conventions. If we referred it to State conventions, the people would have to elect delegates to the conventions, and thereby we would get the proposition before the people. Now there are State legislatures in session none of the members of which were elected to pass judgment on the pending resolution. They should not be allowed to pass on this proposal until the people themselves have had an opportunity to consider it. I am sure everyone who understands the Constitution as the people's law will agree with me on this.

On February 14, 1931, I discussed Constitution amending at some length, and presented in detail the action of the States on each of the amendments which have become a part of the Constitution since the twelfth amendment. Some of these amendments were ratified by the States before there was an election to elect members of the State legislatures. In other words, the act of ratification was not by the people but by agents of the people. Agents not selected for that purpose. Briefly, I call your attention to a few facts.

The thirteenth amendment was submitted on February 1, 1865. In that same year 27 States ratified that amendment. In all these States the legislatures acted without instructions from the people. The people were not consulted.

The fourteenth amendment was submitted on the 16th of June, 1866, and that same year six States ratified it. The next year 16 States ratified it. When the fourteenth amend-

ment was up in the House of Representatives Thaddeus Stevens, who was the leader on the Republican side, wanted the amendment passed before the sun went down in order that it might be acted upon by the State legislatures, 22 of which were in session at that time. The spirit of Thad Stevens still lives. Some Members here are just as impatient as Stevens was and are just as disinclined to give the people a chance to pass on constitutional amendments.

The fifteenth amendment was submitted on February 27, 1869; that same year 20 States ratified it. It is needless to call attention to the fact that in these States the people had no opportunity to express themselves. The sixteenth amendment is the income tax amendment, and that was not so hastily ratified. Only a few States ratified it before new legislatures were elected.

The seventeenth amendment was submitted May 6, 1912. Three States ratified it in that same year. The eighteenth amendment was submitted on December 17, 1917. Fifteen States ratified it in the year 1918 by legislatures the membership of which was elected before the amendment was submitted.

The nineteenth amendment, the woman's suffrage amendment, was submitted June 5, 1919, and twenty-two States ratified it the same year. No new legislatures had been elected. The purpose of my amendment is, first, to prevent ratification after the proposal has gone out of the people's mind, and, second, to delay the act of ratification until the people have had an opportunity to study what the Congress has submitted to them and to instruct the members of their legislatures accordingly.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. PARSONS. Why make it seven years? Why not make it four years?

Mr. RAMSEYER. That is a matter of judgment. There is nothing sacred about the figure 7.

Mr. PARSONS. They will go on from year to year and forget about this matter, and some of these years we will wake up to find that we have an amendment to the Constitution.

Mr. RAMSEYER. Seven years has been accepted as a reasonable time.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. MAPES. I recently read the discussion of the gentleman on this subject in the Seventieth Congress. It was very interesting and informative. Is not the importance of the gentleman's amendment discounted a good deal by the fact, as the gentleman pointed out in his discussion in the Seventieth Congress, that all of the 19 amendments that have been adopted were adopted by the States within four years; and the further statement of the gentleman after reviewing the decisions of the Supreme Court, that in his judgment the court would hold that the adoption of an amendment long after it was submitted would be invalid and not binding?

Mr. RAMSEYER. The 7-year limitation, just as the Supreme Court has said and as I read to the gentleman a moment ago, is reasonable and should go in here so that people may know the definite period they have for ratification. On second clause, of course, there is absolutely nothing that can be said against a stay of ratification until the people shall have had an opportunity to elect and instruct the membership of at least one branch of the legislature.

Mr. KVALE. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. KVALE. On that point, would the gentleman not admit that would be largely ineffective, due to the fact that it would be impossible to divorce all local issues that would enter into the election of legislators in a State?

Mr. RAMSEYER. There might be such issues, but I contend that we should at least give the people an opportunity to instruct their legislators for or against the proposed amendment.

Mr. KVALE. But there could be no clear-cut decision of this one proposition.

Mr. RAMSEYER. There might be. They should have an opportunity, at least, and no one who is in favor of orderly procedure in connection with Constitution amending and who has any respect whatever for the will of the people, can say anything against deferring action until the people have had a chance to express themselves as proposed in the second clause of my amendment.

Mr. PERKINS. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. PERKINS. Does the gentleman know that in one case a State legislature attempted to adopt a constitutional amendment which had been passed by Congress 84 years prior?

Mr. RAMSEYER. Well, that is true.

Mr. HARLAN. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. HARLAN. Does the gentleman think that placing this amendment on the proposed constitutional amendment which, in effect, means the fifth article of the Constitution, the general article allowing for amendments, will give power to select a legislature which is to do the amending?

Mr. RAMSEYER. Oh, my amendment simply affects this particular proposed article to the Constitution and does not in the least change Article V of the Constitution. It directs that the act of ratification of this proposed article shall be delayed until after one general election. Its purpose is to bring Constitution amending near to the people, where it should be and to give the people an opportunity to consider the proposed amendment at least during one election campaign.

[Here the gavel fell.]

Mr. LOZIER. Mr. Chairman, I always listen with much interest and profit to the arguments advanced by the gentleman from Iowa, a profound lawyer, a very industrious, able, and useful legislator, but I can not see the necessity for his amendment. Now, let us look this situation squarely in the face. The practical effect of his amendment is to make it more difficult for this constitutional amendment to be ratified. Why? Because it specifically provides that it must be ratified within seven years. It erects a barrier at the end of seven years, and nullifies everything that has been done unless 36 States ratify the amendment within that period. If 35 States ratify the amendment in the 7-year period and the thirty-sixth State acts one day after the seven years, all action by the 36 States would be futile, and Congress would have to begin over again and resubmit the amendment or forego the much-needed reform. The amendment erects a barrier or barb-wire entanglement at the end of seven years that can not be surmounted. I believe more than 36 States will ratify the amendment within less than seven years, but why create a situation that may ultimately defeat ratification, if some of the States should be tardy in acting on the amendment. Thirteen States can prevent the ratification of this amendment.

Suppose 35 States ratify it; the end of the seven years is approaching. If those who oppose this amendment can induce any one of the 13 States to withhold favorable action until the 7-year period has passed, then everything that has been done by Congress and 35 States will amount to nothing. Consequently everything will have been done in vain.

Thirty-five State may ratify this amendment within a year. It is not inconceivable that none of the remaining 13 States may act within the 7-year period. But if the thirty-sixth State does not ratify the amendment in seven years, the entire movement ends in failure, though the thirty-sixth State might act soon after the expiration of the 7-year period. Why should a limitation be placed on the time within which this amendment shall be ratified? Why should we adopt this provision which makes it more difficult to secure ratification and might ultimately defeat the amendment?

Mr. RAMSEYER. Will the gentleman yield?

Mr. LOZIER. I yield.

Mr. RAMSEYER. The gentleman knows there is no amendment that has been made to the Constitution which has taken longer than four years to ratify. The Supreme

Court says seven years is a reasonable limit, so that everybody will know that there is an end to it some time. If this goes into effect, it will be ratified within the next three years.

Mr. LOZIER. I hope the gentleman is right—and he usually is right. But the gentleman does not mean to say that the Supreme Court has held that seven years, and only seven years, is a reasonable time limit in which an amendment may be ratified.

Mr. RAMSEYER. Oh, no.

Mr. LOZIER. If the gentleman's amendment prescribed a time limit of 8 years, 10 years, or 5 years, no doubt the Supreme Court would hold it reasonable.

Mr. RAMSEYER. I do not know.

Mr. JEFFERS. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. RAMSEYER) there were—ayes 42, noes 65.

So the amendment was rejected.

Mr. JEFFERS. Mr. Chairman, I move to strike out all after the enacting clause in Senate Joint Resolution 14 and insert in lieu thereof the committee amendment which we have had under consideration.

The CHAIRMAN. The question is on the committee amendment as a substitute for the Senate joint resolution.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule the committee rises.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration Senate Joint Resolution 14, proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress, and had directed him to report the same back with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

The SPEAKER. Under the rule the previous question is ordered, and under the agreement made by the House the vote on the resolution will be taken next Tuesday.

Mr. BANKHEAD. Mr. Speaker, the vote will be taken immediately after the reading of the Journal and the disposition of matters on the Speaker's desk?

The SPEAKER. That is the Chair's understanding.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MOORE of Ohio (at the request of Mr. COOPER of Ohio), on account of sickness in family.

EXTENSION OF REMARKS—SENATE JOINT RESOLUTION 14

Mr. JEFFERS. Mr. Speaker, I ask unanimous consent that all Members be permitted for five legislative days to extend their remarks on the resolution we have had under consideration to-day.

The SPEAKER. The gentleman from Alabama asks unanimous consent that all Members be permitted for five legislative days to extend their own remarks on Senate Joint Resolution 14. Is there objection?

There was no objection.

Mr. GRIFFIN. Mr. Speaker, while I shall, in all probability, vote for the so-called Norris resolution, or the substitute proposed by the House committee, I must confess that I am not convinced of the necessity of a constitutional amendment to accomplish the purpose aimed at.

There can be no question but that it is a glaring anomaly to have the Members of Congress wait in suspense for 13 months after their election before they begin to render service or perform their duties. They begin to draw their pay on the March 4th following their election and there is no reason in the world why they should not begin on that very day to earn it.

Surely the Constitution is not at fault. That superb instrument was drawn with admirable foresight and leaves the time of convening completely in the hands of Congress itself. It provides in article 1, section 4, subdivision 2, that Congress:

> Shall assemble at least once in every year, and such meeting shall be the first Monday in December, unless they shall appoint a different day.

"Unless they shall appoint a different day!" There is the authority. Why not make use of it if we are really serious about doing away with "lame-duck" sessions?

If each new Congress should meet on the March 4th following its election all complaints about "lame-duck" sessions would vanish. The new Members would have three months in which to prepare to take up their new duties and those not reelected would have the like period in which to resume their accustomed nonpolitical vocations.

The practice of having the new Congress begin its sessions on March 4th following its election has been tried before and in practical results it was successful. The only reason I can conjecture for the abandonment of the practice is that it deprived Washington society of its much-worshiped soirées, fashionable receptions, and dinner parties. If the demands of fashionable society in the Capital are deemed of sufficiently momentous importance, Congress, which has the power, can provide for a session to begin in December of the odd-numbered years, to last through the dance season, up to, say, February 15. This will give the débutantes a chance to dance with Members of Congress every second winter.

But whatever plausibility there may be in requiring Congress to meet earlier than March 4, there is absolutely no good reason to have the newly elected President and Vice President take office within two months after the election at which they are supposed to be chosen. The change is fraught with danger. If there should be a tie in the electoral college, throwing the choice into the House of Representatives, a prolonged contest there would have elements of much mischief.

In short, all of the practical, useful, and desirable features of this proposed amendment to the Constitution could be fully covered by a simple law requiring Senators and Congresmen to begin work when they begin to receive their pay and let the new President and Vice President begin their duties with them.

The thing that really needs amendment is the awkward and absurd twelfth amendment itself, with its undemocratic expedient of the electoral college, putting the States to the utterly unnecessary expense of going through the form of electing groups of figureheads, who have not a thing to say about the election, except to vote as a majority of the voters of their respective States direct them to vote.

The twelfth amendment should be repealed and the President and Vice President should be elected by direct vote of the people.

The hue and cry about "lame-duck" sessions is simply furnishing fodder to bolshevists.

Mr. ROMJUE. Mr. Speaker and Members of the House of Representatives, on to-morrow when we are to vote upon the above-named resolution submitting the matter involved in said resolution either for adoption or rejection by the people of the various States, it is presumed that the resolution will be passed by this body, thereby submitting the matter for the determination of the various States.

The resolution itself has been so thoroughly discussed I want to take time here mainly to call attention and to express my views as to two or three proposed amendments that have been offered to the resolution. First, I wish to consider the merits of the proposed Bankhead amendment, which is, in words, as follows:

> *Provided*, That the terms of the Representatives shall end as herein provided every fourth year after they are chosen by the people of the several States.

I do not think this amendment should be added to the resolution because I believe it would be an unwise thing to

do. Those men who framed the Constitution of the United States were an exceedingly able body of men; wise in experience and of great deliberation, and much time was given to the writing of this, which we have so often referred to as an immortal document. While, of course, the Constitution being of human creation has never been proposed as perfection, but certainly whenever its terms are sought to be changed it should only be done under the greatest and most pressing need.

After much debate at the time of the framing of the Constitution, the terms of the United States Senators were made to extend for a period of six years, while the terms of Members of the House of Representatives were made to be for a period of two years. The reason for the short period of tenure given to the House of Representatives was a desire to have the Members of this body keep in close contact with the people throughout the various States so that each two years they could come back fresh from contact with the people and would be much more closely in contact with the needs and wishes of the people. The greatest danger to all human governments has rested in the fact that they have been inclined to get away from the masses of the people and have gradually grown centralized.

If this amendment to this resolution is adopted none can now tell, even if the matter is finally adopted, just when the last of the requisite number of States will add its approval, if at all, and if the term of a Representative is extended from two to four years there is an extreme likelihood of the terms of the Members of the House of Representatives beginning and ending with the terms of the President of the United States; and should the matter finally be ratified by the requisite number of the States, so that the terms of the President and the Members of the lower House of Congress would be coterminous, I think it would be an unfortunate situation for the people of this country.

I have had a great many people express to me the belief that a Congressman's term should be four instead of two years. Those who have so expressed themselves to me have usually been personal friends of mine, and have expressed the regret that we Representatives were required to make a campaign every two years. So far as the individual Representative is concerned, of course it would be much less expensive to him to have a 4-year term instead of two, but his contact with the people that he represents would very likely be not more than half as much under the 4-year term as it is at the present time, and personal contact with one's constituents enables a Member to much better reflect their views and wishes than one would be able to do if he did not have that frequent contact.

I think one of the most fortunate things in our system of government is the fact that we have two very strong and reasonably well-balanced political parties, so that whichever political party is in control of the Government, usually the other political party, whether it be Democratic or Republican, is of sufficient strength to hold quite a check upon the party in power, thus holding and reserving in the interest of the people a well-balanced political situation that is much more beneficial to the public interest than would be the case if one or the other political party were overwhelmingly in the majority in the control of the Government. Even as the matter stands to-day, there occasionally comes sweeping across the political horizon such a shift of power that one party becomes overwhelmingly in control. There is nothing more helpful to this Government than to have the off year, when elections shall occur between presidential elections, when there is much less expenditure in campaigns, and when people are not so much under the excitement of a hard-fought campaign, are privileged to cast their ballots more free from undue excitement and influence; and so I believe that if Congressmen were only elected when the President was elected that the influence of the presidential election would have a tendency to carry along too strongly perhaps the membership of the House, so I believe it will best preserve the balance of power, which has been so wisely provided for us by those who framed the Constitution, to have the election of Congressmen every two years instead of every four, and, for the reason given, this amendment to the resolution should be defeated.

Now we come to the proposed amendments offered to the resolution by Mr. WARREN and Mr. GIFFORD. These amendments are practically the same except that in each odd year, under the Warren amendment, Congress would be forced to adjourn on the 4th day of June, and the provision in the Gifford amendment would provide that in each even year Congress would adjourn automatically on the 4th day of June unless by joint resolution of the House and Senate further time for meeting would be extended. I know there are those who differ with me in their views as to the limitation being put upon every other session of Congress. Under the Constitution, as it is at the present time, each session of Congress begins early in December and the long session may extend until the corresponding time a year later, while the short session begins at the same time in December but automatically comes to an end on tne 4th of the following March. So we now have one long and one short term; the short term being a 3-month session. If either the Gifford or the Warren amendment were adopted to the resolution, the short term would then be five months long. I believe it is a wise policy for a provision to be maintained in the Constitution of the United States so that Congress will be compelled to adjourn alternately, at least every other session. There is one thing certain, if Congress is not in session it will not be spending the public's money; and in any emergency under the present Constitution, or in case this resolution is finally adopted by the required number of States, the President has power to call Congress into session, and I think one of the greatest dangers to our country is excessive taxation and excessive expenditures of the people's money.

In my State of Missouri there is a limitation put upon the legislative body of that State. Compensation runs at $5 a day for 70 days. After that, compensation is $1 a day and usually all necessary business is transacted within the 70-day period, so the limitation serves rather as an automatic closing of the legislature. Every State in the United States, so far as I know, has wisely found it necessary to place in the constitution limitations upon taxing power, and that is one of the wisest provisions that has ever been written into any constitution, because there comes a time in legislative bodies, just as there comes a time with private individuals, when there is a tendency to get on a spending spree; and while the private individual may have a right to squander his own private means and property, no public official should go unbridled and have unlimited power with the restraint to extravagantly spend the public funds. In practically all well-organized municipalities throughout the United States a limit has been provided so that officials in power and authority can not levy taxes beyond a certain limit, and wise is such provision when written into the organization of such municipalities by the State and municipal laws. The truth is we should be very slow in changing the fundamentals of our Constitution in any respect. If the next generation goes as rapidly as the present and past ones have gone in this respect, 50 years from now we will see little left of the fundamental principles of our Government.

I am, and have always been, a great admirer of "Old Hickory" Jackson, and he and Thomas Jefferson, I think, have been the two greatest Presidents the country has ever had. This Government came into existence and soon after assumed the payment of the colonial debts, and our country has never been out of debt from that day since except during the administration of Andrew Jackson. During his administration the United States Government was entirely free from public debt. I doubt if the American people will ever see that condition exist again, and I so heartily approve the presidential conduct of Andrew Jackson that I am ready to believe that he never made to exceed one official mistake in his life. If there is to be a single mistake chalked up against Andrew Jackson it is that when he walked out and found the committee in dispute as to where the United States Treasury Building ought to be located. Being vexed at their differences of opinion, he struck his old

hickory cane down in the sod and said, "Thar is where the Treasury Building should be, and thar is where it will be." It so happens that he put his cane down between the White House and the Capitol, so that when the President of the United States looks over to Congress, the first thing that greets his eye is the Public Treasury; and when Congress looks down Pennsylvania Avenue toward the White House, the eyes of that body function immediately upon the Treasury Building, and there is where the money is, and so a ready invitation to spend is offered.

It might have been better had Jackson struck his cane in the sod in some out-of-the-way and obscure place so Congress and the President could not have so readily had before their eyes the United States Treasury. For these reasons I believe that it would be a wise policy that at least every other year Congress should be compelled by a law or by the Constitution to automatically adjourn. It is at least equally and I think more important, that the representatives of the people shall return to their homes occasionally and meet with their constituency and find out more what they are thinking and what they are wanting than it is to remain in session all the time without limitation, because certainly when they are not in session the Public Treasury will not be disturbed. For these reasons I favor the adoption of the limiting amendment.

Notwithstanding what I have said of "Old Hickory" Jackson, I think the times through which we are now going demand nothing so much as a President of the United States of his type. When he was chosen to lead the American troops at New Orleans at first there was a tie vote and the choice of the commander of the troops depended upon the Governor of Tennessee, who at that time happened to be Gov. Archibald Roane. It so happened that he was a distant relative of my own mother, and I am glad he had the good judgment and good sense to place the troops that were to fight at New Orleans under the command of General Jackson.

Mr. GIBSON. Mr. Speaker, the gentleman from Connecticut [Mr. TILSON] and the gentleman from Virginia [Mr. MONTAGUE] have pointed out clearly that the amendment is unnecessary for the purpose of fixing the time for the meeting of sessions of Congress, since Congress, under the Constitution, now has the power to appoint the meeting times. All that is desired may be brought about by law rather than by the cumbersome method of a constitutional amendment.

Congress has acted under its granted power and appointed other days than the one fixed by the fundamental law on no less than 19 occasions.

The First Congress, with the full meaning of the Constitution fresh in the minds of the Members, passed an act setting January 4, 1790, as the date for the beginning of its next session. The following regular session appointed the fourth Monday in October, 1791, for its next meeting. The precedent was followed with frequency. The same date was selected at least ten times prior to 1821. The third and fourth Mondays in November were also chosen, as well as the fourth Monday in October. The short session was set by law on two occasions for the fourth Monday in May.

The gentleman from Connecticut [Mr. TILSON] has referred to the plan followed during the late part of the administration of President Johnson. The act of 1867 provided that—

> In addition to the present regular times of meeting of Congress there shall be a meeting of the Fortieth Congress of the United States and of each succeeding Congress thereafter at 12 o'clock meridian on the 4th day of March, the day on which the term begins for which the Congress is elected.

The Fortieth, Forty-first, and Forty-second Congresses convened in accordance with that law, which was repealed April 20, 1871.

Since that time we have departed from the intent of the Constitution that Congress should primarily fix the date for its meetings.

The Members of the early Congresses knew the meaning of the Constitution and followed it in spirit and letter. We can profit by their examples, and before this session adjourns fix a date for the meeting of the short session immediately after the coming elections so that more time will be available for the consideration of necessary legislation.

The last session of the Seventy-first Congress could have fixed March 4, 1931, for the convening of the present Congress and thereby have shortened the time between the date of the election of the Members and the actual commencement of their legislative work from 13 months to 4 months.

I will vote for the resolution that it may be submitted to the States for consideration, and because there appears a widespread demand for its approval. I do this with full knowledge that there is nothing constructive or liberal in the section that deals with the convening of Congress.

Mr. REILLY. Mr. Speaker, the principal purpose of the joint resolution now before the House is to amend the Constitution of the United States so as to provide a new date for the commencement of the terms of the President, Vice President, and the Members of Congress, and a new date for the assembling of Congress.

This proposed amendment provides that the terms of the President and Vice President shall begin on the 24th day of January at noon and the terms of Senators and Representatives at noon on the 4th day of January of the years in which such terms would have ended if this article had not been ratified; and that the terms of their successors shall then begin.

This amendment further provides that Congress shall assemble at least once in every year, and such meetings shall begin at noon on the 4th day of January in each year unless Congress shall by law appoint a different day.

The amendment also changes and supplements present constitutional provisions as to the election of President by the House in case a President should not be elected by the Electoral College, and also supplements provisions for filling all vacancies in case of death or disability of the President and President elect.

Sections 3 and 4 of this proposed amendment read as follows:

> SEC. 3. If the President elect dies, then the Vice President elect shall become President. If a President is not chosen before the time fixed for the beginning of his term, or if the President elect fails to qualify, then the Vice President elect shall act as President until a President has qualified; and the Congress may by law provide for the case where a President elect nor a Vice President elect has qualified, declaring who shall then act as President, or the manner in which a qualified person shall be selected, and such person shall act accordingly until a President or Vice President has qualified.
>
> SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice devolves upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice devolves upon them.

Under this amendment the newly elected Congress will count the electoral votes, and in case no candidate shall receive a majority in the Electoral College shall choose the President of the United States, and the Senate, including the new Members, shall choose the Vice President of the United States, instead of the electoral vote being counted and the President and Vice President being elected by the old House and the Senate, as provided by the Constitution at the present time.

This amendment will cut short the term of Congressmen and Senators and the President and Vice President in office at the time of its adoption two months. In other words, the terms of their successors will begin two months earlier, and consequently the old terms will be two months shorter. Under this amendment the House of Representatives has the power to choose a President whenever the right devolves upon it, after the time fixed for the beginning of this term—in the event that it should not be able to choose a President before that time. Congress has the power to provide by law who would act as President until a President or Vice President should be elected.

This, of course, all pertains to when there is no choice in the Electoral College. At the present time in case the President elect should die, there is some doubt as to whether or not the Vice President elect should become President of

the United States. This amendment specifically provides that in case of the death of the President elect before he assumes office, the Vice President shall become President of the United States.

Under this amendment, Congress is given power to provide by law for the case where neither the President nor Vice President has qualified before the time fixed for the beginning of their terms, no matter what the reason for such failure to qualify. This situation is not covered by any provision in the present Constitution.

This amendment also does away with the so-called short session or "lame-duck" session of Congress, and that is where it gets its name. This constitutional amendment has been before Congress for more than 10 years.

It has passed the United States Senate at least one-half dozen times and has been favorably reported by committees of the House several times. It was passed by both Houses of Congress in the last session, but because of an amendment attached to the resolution in the House, it died in conference.

While the amendment works out more carefully the constitutional provisions providing for emergencies in the matter of naming the President and the Vice President of the United States, the important purpose attempted to be accomplished by this amendment is to do away with the short session of Congress, or the second session of Congress, wherein oftentimes the President and certain Members of the House and Senate function as lawmakers, for three months notwithstanding the fact that at the last general election they may have been repudiated by the electorate.

Under the present constitutional system we elect a Congressman and a United States Senator in November of an even year and these elected and chosen lawmakers of the people do not and are not permitted to take their offices as lawmakers, unless a special session of Congress is called, until 13 months after their election.

This situation may have been necessary in the early years of our Republic when we did not have the facilities for travel and communication that we have to-day, and when the Members of the Senate were elected by State legislatures, that did not meet until several months after the November elections; but now all this is changed.

We are living in a day and age when science and invention have annihilated space and time, and travel is not only easy, but rapid, and when every hamlet in our land has in its evening papers the happenings not only of our country, but also of the whole world in the last 24 hours.

Again, the function of State legislatures in choosing the United States Senators has been done away with and a Senator is ready to perform as a legislator the day after his election in November, just the same as a United States Congressman.

If this amendment is adopted, the Congress elected in November will assemble on January 4, following the November election, unless Congress should determine another date by law.

Of course, as is well known under the present Constitution, Congress must assemble on the first Monday of each year unless Congress should fix another date by law.

It is a fact, however, that during the period following the Civil War, when the country was in a great state of excitement and turmoil, Congress, by statute, appointed March 4, or soon thereafter, for the meeting of each succeeding Congress, and for about six years this was the law, until the passions of the Civil War had cooled down, and the law was repealed and Congress went back to the original provision of the Constitution regarding the meetings of Congress, from which no subsequent Congress has departed.

Under the present Constitution, the terms of the office of President and Vice President and of the Members of both Houses of Congress begin and end on the same day, March 4. Under this proposed amendment the terms of the Members of the United States Senate and the House of Representatives begin on January 4 and the terms of the office of the President and Vice President begin on January 24. This arrangement was made necessary by the fact that the new Congress must meet in session prior to the beginning of the term of office of the President and Vice President in order to enable Congress to count the votes of the electoral college and decide who is to be President and Vice President of the United States.

Under the present Constitution the old House, in the short or "lame-duck" session, performed this duty, while under this amendment it becomes necessary to call the newly elected Senators and Representatives of the House together at an earlier date in order to perform the constitutional functions of counting the electoral votes or of electing a President or Vice President in case the electoral college failed to make a choice.

The attempt to make a part of this amendment a provision increasing the term of office of the Members of the House of Representatives from two to four years was wisely defeated, in my judgment. While under the present plan a Congressman has only a few months service in Washington, before he is obliged to stand for reelection, under the new plan, as provided by this amendment, he will take office and become a legislative functioning Congressman about one year earlier and he will have plenty of time within which to exemplify, to his constituents, his merits as a legislator.

In the first place, the proposal to change the term of the Members of the House of Representatives from two to four years is a new and distinct constitutional proposition. While the proposal to fix a new date for the meeting of Congress and to do away with the short session or the lame-duck session of Congress has been widely discussed in and out of Congress and I believe the people are ready to vote upon that proposition at this time. The people are waiting for the submission of this amendment. The tacking on to this amendment of a proposal to increase a Congressman's term might defeat the amendment entirely.

On the other hand, I am opposed to putting into this amendment or any other amendment the proposal to increase the term of a Representative in Congress from two to four years. While it may be a hardship upon Members of this House to make a campaign every two years, still, the fact is that this is the popular body of Congress, and in the election of Congressmen every two years, the people have the right, a right that ought to remain with the people, to change national governmental policies.

The men who framed our Constitution wisely provided that every two years the people would have the right to approve or disapprove of the rule of the party in power. To take from the people this right and to give them that privilege only every four years would be to strike a fatal blow to popular government.

I never expect to see the time come when the States of this Union, either through their legislatures or constitutional conventions, will ever take away from the people the right of the biennial opportunity now given to them for approving or disapproving the conduct of our national affairs.

I also think that this House wisely defeated this amendment to this joint resolution providing that in each even-numbered year the said session of Congress shall not continue after noon on the fourth day of June. Under the present Constitution the so-called short session in the odd-numbered years must expire on the 4th day of March, after a session of only three months, for the reason that the terms of all Congressmen and one-third of the Senators end every two years, on March 8; but if this amendment is adopted the situation will be changed and there will be no reason for terminating a session of Congress in the odd years on a certain definite date.

The State legislature of my State is not subject to any constitutional provision as to when its sessions should adjourn.

Congress should adjourn when its business is finished, no sooner and no later. Congress should adjourn when the President and the Members of both Houses agree that an adjournment should take place and not before. I include the President in this agreement, because if Congress should adjourn contrary to the views of the President he would have the privilege of calling it back in a special session.

By adopting an amendment limiting the length of a session of Congress, this Congress will convey to the world that

in its judgment Congress is incapable of determining as to how long it should remain in session.

I believe that the Congress can be trusted to determine the length of its own sessions. I believe that much ill-considered legislation has been passed by Congress in the short sessions, because of the fact that Congress must adjourn on a certain date, which said fixed date of adjournment prevented the giving of such legislation the necessary consideration.

I am in favor of the so-called "lame-duck" amendment without any amendments, so that it may go to the people carrying the principal idea that, in the future or after its adoption, there will be no short sessions of Congress, and there will be no legislating in this country by a Congress or a President after they have been repudiated at the polls.

WASHINGTON, THE NATION'S CAPITAL

Mr. COCHRAN of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN of Missouri. Mr. Speaker, outside of their own community the people of this Nation are more interested in the city of Washington than any city in the country. This is very properly so, because Washington is the Nation's Capital, its seat of government, destined to be the most beautiful capital city in the world.

Housing, as it does, the offices wherein the Government's business is transacted, there is also within its borders hundreds of interesting places which no doubt accounts for the millions that visit this city every year.

During 1932 this city will be the scene of the celebration of the two hundredth anniversary of the birth of the Father of our Country, Gen. George Washington. Starting February 22 and continuing throughout the year, various events interesting as well as educational will be staged. Probably more of our citizens will come to Washington in 1932 than ever before in its history.

Ceded to the Government by the States of Maryland and Virginia, Washington is an independent city, known as the District of Columbia. Congress is its legislative body, and its affairs are handled by a board of commissioners provided for by an act of Congress. It has no representation in the Halls of Congress and its citizens have never been accorded the right of suffrage. For years this has been a topic of discussion and some day, no doubt, an amendment to the Constitution will be presented to the States that will provide for a change in existing conditions.

In view of the fact that millions of our citizens, your constituents and mine, will visit the seat of government in 1932; it is only fitting that something should be said in reference to this interesting city at this time.

Visitors are ever reminded of our first President during their stay in this city by Washington's Monument. It is 555 feet in height and can be seen from any part of the city. Another memorial to Washington that every visitor should see is Mount Vernon, where he lived and died. It is but a few miles from the city, and the Government, in connection with the 1932 celebration, has provided a wonderful new highway that leads to its gates.

The Lincoln Memorial, for which that great Missourian, Champ Clark, was mainly responsible, is one of the outstanding pieces of architecture in the United States.

It was in Ford's Theater on Tenth Street between E and F Streets, where President Lincoln was shot. He was carried across the street to a residence where he died. Congress recently provided for the reconstruction of Ford's Theater and it now houses an interesting collection of articles formerly the property of Lincoln and is now known as the Lincoln Museum.

Among the many public buildings that should be visited are the White House, the Capitol, the Library of Congress, the two museums under the control of the Smithsonian Institution. Missourians will be interested in the old National Museum because, among the thousands of exhibits, will be found, as soon as you enter the main door, hanging from the ceiling the *Spirit of St. Louis*, the plane used by Col. Charles A. Lindbergh in his flight across the Atlantic. The White House can be visited any morning. In the afternoon a trip to the Bureau of Engraving and Printing, where the currency is printed, as well as Government securities, stamps, etc., will be interesting.

Arlington Cemetery, formerly the home of Gen. Robert E. Lee, is across the river in Virginia and can be reached by passing over the new $10,000,000 Memorial Bridge. The new driveway will take you to the Tomb of the Unknown Soldier and the Arlington Amphitheater. This cemetery is the last resting place of generals and admirals, majors, captains and colonels, lieutenants, nurses, and privates who served in the Military and Naval Establishments. Heroes of the Civil, Mexican, Indian, Spanish, and World Wars are buried within its gates. To the south of the cemetery is Fort Meyer, a cavalry post.

Of recent construction is the new Department of Commerce Building, four blocks long, and the new building housing the Bureau of Internal Revenue. Four other buildings are in course of construction, but a look at the completed buildings will give one an idea of what new Washington will resemble when all the buildings are completed.

The Treasury Building, under the roof of which is housed more gold and silver than under any other in the world, is east of the White House. The beautiful State, War, and Navy Building is on the west of the White House. Throughout the city will be found Government buildings, all more or less interesting, many with historical backgrounds.

Washington is a city of parks and has one of the finest zoos in the country.

National societies have set up in Washington their headquarters and many scientific organizations have their own buildings and museums. It is also an art center and visitors interested in art should see the Freer Gallery as well as the Corcoran Art Gallery.

Its churches are not surpassed anywhere. There is now under construction a new Episcopal Cathedral to cost in the neighborhood of $25,000,000; the Shrine of the Immaculate Conception, to cost an equal amount, which will be located on the grounds of the Catholic University. They are partly completed and should not be overlooked. In the Episcopal Cathedral crypts are the remains of the late President Wilson and Admiral Dewey.

The Franciscan Monastery, in the northeast section of the city, constructed by the friars, is a replica of the monastery in the Holy Land and the American citizen who has never had an opportunity to go abroad is afforded a chance to learn of the customs of the past and the activities of this religious order. Its crypts, its catacombs, its altars, works of art, and its grounds have historical significance.

Outstanding among the buildings in Washington is the Capitol. Therefore it is my purpose to dwell at some length on this historical building.

A TRIP AROUND THE CAPITOL

In order to understand the Capitol, we must not only see its architecture, examine its works of art, but we must know something of its history. We are now standing at the east entrance of the basement floor of the Capitol, known as the Supreme Court entrance. At our left is a large tablet commemorating the one hundredth anniversary of the laying of the corner stone of the Capitol on September 18, 1793. The corner stone was laid by President George Washington, and Masonic lodges participated in the exercises. The corner stone is not visible. The records show it was laid in the southeast corner and that it was necessary to descend into a trench in order to lay the corner stone. Consequently, this historic stone is below the ground level at the present time.

When Congress removed to Washington from Philadelphia and the Government was moved here in the year of 1800, there was but one rectangular building standing, and it is in the southeast corner of this rectangular building that the cornerstone was laid. The dimensions of the building were as follows: Length, 134 feet; width, 120 feet. These are approximate dimensions, and both the north wing and the south wing form a part of the circular wall of the present rotunda.

Entering the Capitol Building by the Supreme Court entrance, we find ourselves in a small vestibule. In this vestibule are six historic columns called by some "the cornstalk columns." These columns were designed by Latrobe and executed by Giuseppe Franzoni in the year 1809. These columns were here when the Capitol was burned by the British in 1814. They are the oldest examples of architectural decorations in the Capitol Building.

At our right as we enter this vestibule we find a door leading to the law library of the Supreme Court. We may enter if we will be very quiet for the readers must not be disturbed. This room was the old Senate Chamber and was originally two stories in height. After the Capitol was burned by the British and the restoration was commenced, the arrangement was changed so that the Senate Chamber occupied the space immediately above this and the Supreme Court used the present law library as a court room. In the center of the curved space to the west side of the hall is a bas-relief of Justice, the work of Giuseppe Franzoni.

Proceeding to the central portion of this Supreme Court section of the building, we find a rotunda, two stories in height. This lower story is supported by large square columns. Proceeding we come to a tiled vestibule, 44 feet long, which connects the old building with the present Senate wing. This vestibule is paved with tile made at Stoke-upon-Trent, England. In fact, all of the tile floor of the Senate wing is composed of tile of this character. This vestibule represents the extreme north end of the old Capitol.

We proceed northward and enter what is known as the Senate wing of the Capitol. We are still in the basement of the Capitol. At our right are telegraph offices and the Senate restaurant, dignified by the somewhat ancient name of "refectory." Upon this floor we find many mural decorations. There are two corridors running east and west. We find in these corridors much that would interest the visitor in the way of mural decorations. These decorations are not duplicated in the basement floor of the House wing of the Capitol. It should be remembered that when this Capitol was erected there was no provision made for elevators, neither for electric lighting. Changes have been made from time to time to accommodate the introduction of elevators and an electric-lighting system as well as such further improvements as air conditioning and steam heating.

By an elevator we come to the main floor of the Senate. Passing out of the door at the east end of the main corridor we find ourselves on a portico giving us an extended view of the park area to the east of the building. At our left we can see the Union Station, the Senate Office Building, at the east the Library of Congress and an unimproved area similar to the area of tne Library of Congress where the Supreme Court of the United States will be located. At our right and at the south we can see the House Office Building and the new House Office Building now in course of construction. The doors through which we enter this portico are ornamented by two bronze doors called "the Crawford bronze doors," typifying and illustrating early periods of American history. Over this door is a sculptural group representing History and Justice, the work of Thomas Crawford and practically the only work relating to the Capitol completed under his supervision. We should not forget, however, that the pediment over the portico at the east of the Capitol is ornamented by sculptural work designed by Thomas Crawford and executed here in Washington by artists working from the Crawford models. This pediment represents the progress of American civilization and the decadence of the Indian inhabitants.

Returning to the Senate wing we find at our right a large reception room used by those waiting to see the Senators, and from this room the cards are sent in to the floor of the Senate. The side walls and ceiling of this room are beautifully decorated, and the room is lighted by two prism chandeliers of cut glass. Proceeding by a cross corridor we come to the grand eastern staircase built of Tennessee marble. On this staircase is a celebrated painting by W. H. Powell entitled "The Battle of Lake Erie." This painting covers the entire area of the east wall of the staircase. At the foot of the staircase on our right is a heroic-size statue of Benjamin Franklin, the work of Hiram Powers. Turning through the south corridor of the main floor of the Senate, we find upon the walls portraits of distinguished citizens of the United States, formerly connected with the legislative branch of the Government. Clay, Calhoun, Morrill, Allison, Sumner, and Webster may be seen upon the walls. In niches on the north side are busts of those who have been Vice Presidents of the United States. Further along the corridor we find portraits of John Langdon, Abraham Lincoln, Andrew Jackson, George Washington, Thomas Jefferson, John Adams, and Patrick Henry. The visitor ought to spend a few minutes in examination of the beautiful tile floors to be found in this corridor.

At the west end of the corridor we come to the west grand staircase. This is built of white marble. At our right is a statue of John Hancock, by Horatio Stone, placed upon a pedestal from the Hancock home in Massachusetts. This pedestal is inscribed "He wrote his name where all the nations could behold it, and where all time should not efface it."

In the niches of the gallery floor of the Senate Chamber are busts of former Vice Presidents. A list of busts of Vice Presidents of the United States in the Senate Chamber and the Senate wing of the Capitol follows:

List of Vice Presidents of the United States in the Senate Chamber and the Senate wing of the Capitol

No.	Name	State	Period of service	Name of sculptor
1	John Adams	Massachusetts	Apr. 30, 1789—Mar. 3, 1797	Daniel Chester French.
2	Thomas Jefferson	Virginia	Mar. 4, 1797—Mar. 3, 1801	Sir Moses Ezekiel.
3	Aaron Burr	New York	Mar. 4, 1801—Mar. 3, 1805	Jacques Jouvenal.
4	George Clinton	do	Mar. 4, 1805—Apr. 20, 1812 [1]	Vittorio A. Ciani.
5	Elbridge Gerry	Massachusetts	Mar. 4, 1813—Nov. 23, 1814 [1]	Herbert Adams.
6	Daniel D. Tompkins	New York	Mar. 4, 1817—Mar. 3, 1825	Charles H. Niehaus.
7	John C. Calhoun	South Carolina	Mar. 4, 1825—Dec. 28, 1832 [2]	Theodore A. Mills.
8	Martin Van Buren	New York	Mar. 4, 1833—Mar. 3, 1837	U. S. J. Dunbar.
9	Richard M. Johnson	Kentucky	Mar. 4, 1837—Mar. 3, 1841	James P. Voorhees.
10	John Tyler	Virginia	Mar. 4, 1841—Apr. 4, 1841	Wm. C. McCauslin.
11	George M. Dallas	Pennsylvania	Mar. 4, 1845—Mar. 3, 1849	Henry J. Ellicott.
12	Millard Fillmore	New York	Mar. 5, 1849—July 9, 1850	Robert Cushing.
13	William R. King	Alabama	Mar. 4, 1853—Apr. 18, 1853 [1]	Wm. C. McCauslin.
14	John C. Breckinridge	Kentucky	Mar. 4, 1857—Mar. 3, 1861	James P. Voorhees.
15	Hannibal Hamlin	Maine	Mar. 4, 1861—Mar. 3, 1865	Franklin Simmons.
16	Andrew Johnson	Tennessee	Mar. 4, 1865—Apr. 15, 1865	Wm. C. McCauslin.
17	Schuyler Colfax	Indiana	Mar. 4, 1869—Mar. 3, 1873	Frances M. Goodwin.
18	Henry Wilson	Massachusetts	Mar. 4, 1873—Nov. 22, 1875 [1]	Daniel Chester French.
19	William A. Wheeler	New York	Mar. 5, 1877—Mar. 3, 1881	Edward C. Potter.
20	Chester A. Arthur	do	Mar. 4, 1881—Sept. 19, 1881	Augustus Saint-Gaudens.
21	Thomas A. Hendricks	Indiana	Mar. 4, 1885—Nov. 25, 1885 [1]	U. S. J. Dunbar.
22	Levi P. Morton	New York	Mar. 4, 1889—Mar. 3, 1893	F. Edwin Elwell.
23	Adlai E. Stevenson	Illinois	Mar. 4, 1893—Mar. 3, 1897	Franklin Simmons.
24	Garret A. Hobart	New Jersey	Mar. 4, 1897—Nov. 21, 1899 [1]	F. Edwin Elwell.
25	Theodore Roosevelt	New York	Mar. 4, 1901—Sept. 14, 1901	James Fraser.
26	Charles W. Fairbanks	Indiana	Mar. 4, 1905—Mar. 3, 1909	Franklin Simmons.
27	James S. Sherman	New York	Mar. 4, 1909—Oct. 30, 1912 [1]	Bessie Potter Vonnoh.
28	Thomas R. Marshall	Indiana	Mar. 4, 1913—Mar. 3, 1921	Moses A. Wainer Dykaar.
29	Calvin Coolidge	Massachusetts	Mar. 4, 1921—Aug. 3, 1923	Do.
30	Charles G. Dawes	Illinois	Mar. 4, 1925—Mar. 3, 1929	Joe Davidson.

[1] Died. [2] Resigned.

Some of the desks of the Senate Chamber are from the old Senate Chamber and when additional desks were necessary owing to the admission of new States and election of new Senators therefrom, desks following the patterns of the old desks were manufactured to supply the need.

The Vice President's room contains furniture of more than ordinary elegance, mahogany desk, chair, side tables, and a clock of which the case is also mahogany. On the east wall is a large portrait of Washington by Rembrandt Peale. This portrait formerly hung in the old Senate Chamber. There are also on the east wall two busts, one of Lafayette S. Foster, sometime a President pro tempore of the Senate, and of Henry Wilson, former Senator and a Vice President of the United States. The bust of Wilson is the first bust of a Vice President of the United States to be purchased by the Government. A bronze tablet was designed by the Henry-Bonnard Bronze Co., the copy for which is said to have been furnished by Senator George F. Hoar. The inscription upon this tablet is as follows:

In this room Henry Wilson, Vice President of the United States and a Senator for eighteen years, died November 22, 1875. The son of a farm laborer, never at school more than twelve months, in youth a journeyman shoemaker, he raised himself to the high places of fame, honor, and power, and, by unwearied study, made himself an authority in the history of his country and of liberty, and an eloquent public speaker to whom Senate and people eagerly listened. He dealt with and controlled vast public expenditure during a great civil war, yet lived and died poor, and left to his grateful countrymen the memory of an honorable public service, and a good name far better than riches.

Proceeding west, we come to the marble room, retiring room for Senators. Here are found easy chairs, current newspapers, reading stands supplied with bookcases. The side walls are of Tennessee marble.

We now come to the President's room, the richest room, containing the most elaborate decorations of any room in the Capitol. The decorations on the side walls and ceiling are by Constantino Brumidi. The portraits on the side walls are those of Washington's first Cabinet. The ceiling decoration is of group pictures representing Executive, Liberty, Legislation, and Religion. In the corners are portraits of Franklin, Brewster, Columbus, and Vespucius, two Americans and two explorers. In the southwest corner of the room is a bronze bust of William McKinley by Emma Cadwalader-Guild.

Facing the President's room is one of the private entrances by which the Senators pass to the rooms below. There are four of these stairways in the Capitol, two upon the House side and two upon the Senate side. They are similar in design.

Proceeding up the west staircase and reaching the corridor floor we find on the west wall of the staircase a large painting of the Battle of Chapultepec, painted by James Walker, an artist who was in the City of Mexico at the time of the commencement of the breaking out of the Mexican War. He remained secreted for some time, finally escaped at night, joined the American forces, and acted as guide and interpreter, remaining with the forces during the Conquest of Mexico.

In this corridor and facing the Battle of Chapultepec is a large portrait of Washington in the uniform of the Commander in Chief of the American Army. This portrait was painted by Charles Willson Peale in the year 1799.

Proceeding to the south gallery corridor of the Senate wing we find the entrance doors by which visitors are admitted to the gallery. On the south side of the wall and on either side of the entrance of the Senate document room are portraits of Hon. Henry Latimer, M. D., and Hon. James Latimer, both citizens of Delaware and intimately connected with the early history of that State. At the east end of the corridor are four historic paintings by John Blake White relating to incidents connected with the Revolutionary War. Passing around to the east corridor of the gallery floor we obtain a better view of the Battle of Lake Erie, the largest canvas in the Capitol. Facing the Battle of Lake Erie is the Recall of Columbus, by A. G. Heaton, depicting an important event in the life of Columbus and the turning point which led to the possibility of his discovery of America.

We have now reached the east corridor of the Senate wing. On pedestals we find busts of Lincoln, Pulaski, Charles Sumner, James Bryce, Giuseppe Garibaldi, Zachary Taylor, Aysh-ke-bah-ke-ko-zhay (Chippewa Chief) and Be-sheck-kee; also the bust of Kosciusko. On the east wall are portraits in mosaic of Lincoln and Garfield, the work of Salviati, which were presented through Tiffany Bros. of New York. On the north wall is a portrait of John A. Dix, memorable for his famous sentence "If any man attempts to haul down the American flag, shoot him on the spot." Also on the north wall is the largest portrait group to be found in the Capitol entitled "The Florida Case." The portraits in this picture are careful studies of the persons represented, made by the artist Mrs. Cornelia Adele Fassett.

In the north room of this east corridor are located two large paintings by Thomas Moran, the Grand Canyon of the Yellowstone and the Chasm of the Colorado. On the south wall of this room is a painting entitled "Niagara in Winter" by Regis Gignoux. There is also a bust of Thomas Crawford, the sculptor whose works are so well represented throughout the Capitol. This bust is by Tomaso Gagliardi.

Passing down the east staircase, we return to the south corridor of the Senate and thence pass through the central portion of the Capitol. On our right are the offices of the clerk of the Supreme Court. On our left is the Supreme Court Room, well worth a visit. Around the wall of the Supreme Court Room are busts of former Chief Justices of the United States, nine in number. The bust of Chief Justice Taft has not at the present time been added to the collection. This room was the Senate Chamber until 1860. Back of the seats of the Justices is a screen of columns with an interior facing of walnut paneling. In this space are also two very ancient mantels. The exact history of these mantels has never been clearly determined. They belong to a very early period, undoubtedly of the restoration of the Capitol, after it was burned by the British. The upper right and left hand central panels present a garland of 13 stars representing the thirteen original States. In the central panel is a figure of the assembling of sticks, representing the union of the States. In the extreme right and left are garlands of wheat and in a long panel or stiles of the mantel are sculptural representations of faces with the liberty cap. The northern mantelpiece bears similar decorations, except that in the central panel is a figure of a stalwart man attempting to break over his knee the bundle of sticks representing the union of the States.

The room south of the Supreme Court Room is the office of the marshal of the United States Supreme Court. It is said that in this room the first meetings of the Supreme Court were held in January, 1801.

Passing toward the rotunda, we enter a smaller rotunda by which we can see the floor below. This rotunda marks the location of the old double staircase existing when the Capitol was burned August 24, 1814. In the rebuilding, the staircase was omitted. The ceiling is supported by columns known as "the tobacco columns," for the reason that the capitals of the columns are formed from tobacco leaves arranged in a conventional manner. These capitals were executed by Francisco Iardella in 1816. On the west side of the corridor is a door leading to the dome, a long walk of 365 steps.

We now enter the rotunda of the Capitol. The old Capitol, as it is sometimes termed, represented three separate building operations: The construction of the Supreme Court section completed and ready for occupancy in 1801; the Statuary Hall section completed and ready for occupancy in 1811; and this central portion in which the corner stone was laid in 1818 and which was completed in 1825.

On the walls of this rotunda are eight historical paintings. Those on the east side of the central line represent pre-American history; those on the west side of this central line represent periods of the Revolutionary War. On the east side, the first painting at the north is the Embarkation of the Pilgrims, by Robert Walter Weir; the next the Landing of Columbus, by John Vanderlyn; the next painting is the Discovery of the Mississippi River by De Soto, by

William H. Powell, who also painted the Battle of Lake Erie. The last painting on the east side is the Baptism of Pocahontas, by John G. Chapman. This painting was completed in this city in premises in the rear of a dwelling house on G Street. On the west side, the first picture to the south is the Signing of the Declaration of Independence, the next toward the north is the Surrender of General Burgoyne, the third painting is the Surrender of Lord Cornwallis, and the last picture on the west side is Washington Resigning His Commission. The last four paintings are by John Trumbull.

In this rotunda may be found four marble statues, one bronze statue, and three busts. The busts are Lafayette, by David d'Angers; bronze bust of Washington, by the same artist; a bronze statue of Jefferson, by the same artist; a plaster statue of Washington after the original marble, by Houdon in Richmond; a marble statue of Alexander Hamilton, by Horatio Stone; marble statue of Baker, by Horatio Stone; marble statue of Grant, by Franklin Simmons; statue of Lincoln, by Vinnie Ream, afterwards Mrs. Hoxie; and head of Lincoln, by Gutzon Borglum. Over the four entrance doors are high relief groups, the one over the south door being that of Boone and the Indian, over the north door Penn's Treaty with the Indians, over the east door the Landing of the Pilgrims, and over the west door Pocahontas Saving the Life of John Smith.

We must not omit in our visit to the rotunda to pay some attention to the large painting forming the ceiling of the rotunda, 180 feet above the floor where we are standing. This painting represents the apotheosis of Washington, encircled by 13 female figures, the head of each crowned with a star. These figures represent the 13 States: Delaware, Pennsylvania, New Jersey, Georgia, Connecticut, Massachusetts, Maryland, South Carolina, New Hampshire, Virginia, New York, North Carolina, and Rhode Island. These figures are represented geographically and not in the order in which the States adopted the Federal Constitution. When we consider that this work is 180 feet above the floor of the rotunda and that it is composed of two circular compositions, the inner representing the circle of the 13 States, the outer representing War, Agriculture, Mechanics, Commerce, Marine, and the Arts and Sciences, we may properly appreciate the merit of this work. This large painting is the work of Constantino Brumidi.

High up on the walls of the rotunda is a series in fresco representing epochs in American history. This series has never been completed. The work is that of Constantino Brumidi and Filippo Costaggini.

While visiting the rotunda, we should get a view of the city to the eastward from the central entrance or portico of the Capitol. As we move to the east we see at our left hand a group of statuary, by Horatio Greenough, called "The Rescue Group," and a group of statuary at our right hand called "The Discovery Group," by Luigi Persico.

We are now facing the east main entrance of the Capitol. This is the location where all of the inaugural ceremonies attending the inauguration of a President are held. Large platforms are erected seating thousands of people stretching along the east line of the Capitol Building. On those occasions the grounds and all available space to the east are filled with spectators, for although they may not be able to be close to the inaugural stand, by the process of amplification the visitors are able to hear for some two squares distant from the platform the voice of the President as he delivers his inaugural address. In niches in the wall of the Capitol are found two statues, one in the right hand, the Statue of War, the other in the left hand, the Statue of Peace. These statues date from the year 1843 and are the work of Luigi Persico. Over the main entrance is a decorative bas-relief showing the crowning of Washington. This work is by Capellano, the Florentine sculptor, and dates from the year 1825. We must also look at the bronze doors modeled somewhat after the bronze doors of the Baptistry of Florence. These doors are known as the "Roger Doors," sometimes called the "Columbus Doors," for the reason that the panels depict incidents in the life of Columbus. These doors were cast in Munich at the Royal Bavarian Foundry and were first put up at the south entrance of Statuary Hall and afterwards removed and placed in their present location. The pediment is by Luigi Persico, said to be after a design by John Quincy Adams, then President of the United States. There were 30 competitors for the honor of filling this space with statuary but the commission was finally given to Mr. Persico from suggestions by the President.

A visit to the portico of the west front of the Capitol at this time is well worth our attention. This gives us a wonderful view of all of the city to the westward. At our right hand is the Capitol walk leading to Pennsylvania Avenue at the foot of which is the Peace Monument. At our left hand is the Capitol walk leading to Maryland Avenue. At the foot of this Avenue is the Garfield statue. We can see the Washington Monument, New National Museum, Smithsonian Institution, Lincoln Memorial, the far-off hills of Virginia, the Potomac River, and church spires at our right and at our left. This portico is the work of Charles Bulfinch, and seems to be the only portion of the work of Bulfinch that is specifically his own. Bulfinch was the architect in charge of the erection of the central portion of the Capitol; the plans, however, had been prepared long before his appointment to this position. This portico, however, seems to have his own introduction of his idea of the best treatment of this important portion of the building. All this west front of the Capitol and the central portion was formerly occupied by the Library of Congress before the present Library Building was erected and occupied in 1897.

Leaving the rotunda and proceeding to the south, at our right we find a staircase with stone steps leading to the gallery of the old Hall of the House of Representatives. This hall is now known as Statuary Hall. In 1864 by an act of Congress it was set apart as Statuary Hall. This is probably the most beautiful room in the Capitol Building when considered from the standpoint of an architect. It was burned in 1814. At that time the hall was in the form of an ellipse or a rectangle abutting upon two half circles. The columns were Aquia Creek sandstone and were so badly damaged by fire they had to be removed. The new columns are of Breccia marble. The capitals are of Italian marble and were carved in Carrara, Italy. This carving was in charge of Giovanni Andrei, who was sent to Carrara, his home city, in 1815 to superintend the carving of these capitals to be used in the restoration of this hall. The side walls and the frieze are of Aquia Creek sandstone.

In 1864 Congress enacted a law providing that each State should be requested to send two statues in marble or bronze of deceased citizens such as the State may desire to commemorate in this manner. This Statuary Hall now contains 64 statues. A list of these statues follows:

Statues in Statuary Hall

State	Name of statue	Name of sculptor
Alabama	J. L. M. Curry	Dante Sodini.
Do	Gen. Joe Wheeler	Berthold Nebel.
Arizona	John Campbell Greenway	Gutzon Borglum.
Arkansas	Uriah M. Rose	F. W. Ruckstull.
Do	James P. Clarke	Pompeo Coppini.
California	Junipero Serra	Ettore Cardorin.
Do	Thomas Starr King	Haig Patigian.
Connecticut	Roger Sherman	C. B. Ives.
Do	Jonathan Trumbull	Do.
Florida	John Gorrie	C. A. Pillars.
Do	E. Kirby Smith	Do.
Georgia	Alexander H. Stephens	Gutzon Borglum.
Do	Dr. Crawford W. Long	J. Massey Rhind.
Idaho	George L. Shoup	F. E. Triebel.
Illinois	James Shields	L. W. Volk.
Do	Frances E. Willard	Helen Farnsworth Mears.
Indiana	Oliver P. Morton	C. H. Niehaus.
Do	Lew Wallace	Andrew O'Connor.
Iowa	James Harlan	Neillie V. Walker.
Do	S. J. Kirkwood	Vinnie R. Hoxie.
Kansas	John J. Ingalls	C. H. Niehaus.
Do	George W. Glick	Do.
Kentucky	Henry Clay	Do.
Do	Ephraim McDowell	Do.
Maine	William King	Franklin Simmons.
Maryland	Charles Carroll	R. E. Brooks.
Do	John Hanson	Do.
Massachusetts	Samuel Adams	Anne Whitney.
Do	John Winthrop	R. S. Greenough.

Statues in Statuary Hall—Continued

State	Name of Statue	Name of Sculptor
Michigan	Lewis Cass	D. C. French.
Do	Zachariah Chandler	C. H. Niehaus.
Minnesota	Henry M. Rice	F. E. Trievel.
Mississippi	Jefferson Davis	Augustus Lukeman.
Do	James Z. George	Do.
Missouri	Francis P. Blair	Alex. Doyle.
Do	Thomas H. Benton	Do.
New Hampshire	John Stark	Carl Conrads.
Do	Daniel Webster	Do.
New Jersey	Richard Stockton	H. K. Brown.
Do	Philip Kearney	Do.
New York	Robert R. Livingston	E. D. Palmer.
Do	George Clinton	H. K. Brown.
North Carolina	Zebulon B. Vance	Gutzon Borglum.
Ohio	James A. Garfield	C. H. Niehaus.
Do	William Allen	Do.
Oklahoma	Sequoyah	Vinnie R. Hoxie.
Pennsylvania	J. P. G. Muhlenberg	Blanche Nevin.
Do	Robert Fulton	Howard Roberts.
Rhode Island	Nathanael Greene	H. K. Brown.
Do	Roger Williams	Franklin Simmons.
South Carolina	John C. Calhoun	F. W. Ruskstull.
Do	Wade Hampton	Do.
Tennessee	Andrew Jackson	Belle Kinney Sholz and L. F. Sholz.
Do	John Sevier	Do.
Texas	Stephen F. Austin	Elisabet Ney.
Do	Samuel Houston	Do.
Vermont	Ethan Allen	L. G. Mead.
Do	Jacob Collamer	Preston Powers.
Virginia	Washington	Jean Antoine Houdon.
Do	Robert E. Lee	Edward V. Valentine.
West Virginia	John E. Kenna	Alex. Doyle.
Do	Francis H. Pierpont	Franklin Simmons.
Wisconsin	James Marquette	G. Trentanove.
Do	Robert M. La Follette	Jo Davidson.

Visitors from different States may find here representative citizens selected by the States for these places of honor.

The acoustics of the hall are very difficult and from certain points remarkable echoes can be heard. Not only was this hall unsuited on account of its form and arrangement for the purposes of a deliberative assembly, but the growth of the country made necessary a larger space for the meetings of the House of Representatives. The House met here until the 16th of November, 1857, when it moved to its new quarters in the wing where the present House is established. A low gallery surrounds the curvature of this auditorium. Immediately over the northern door is a group called "The Car of History," or "The Franzoni Group." This work was executed by Carlo Franzoni in 1819. Carlo Franzoni was a younger brother of Giuseppe Franzoni, whose work we have seen in the cornstalk columns in the Supreme Court entrance of the Capitol.

On the south wall of Statuary Hall, high above the frieze, is a plaster statue of Liberty, by Enrico Causici. On the frieze immediately over the south entrance to Statuary Hall is an eagle with extended wings, the work of Giuseppe Valaperti, and the only work of this sculptor known to exist in this country. This belongs to the period of the restoration in 1816.

Proceeding to the south we pass through an archway formerly occupied by the Columbus doors. On our right is the bust of James R. Mann, formerly a prominent Republican Member of the House of Representatives. On the left is the bust of Champ Clark, of Missouri, popular Democratic Speaker of the House. Just before entering the corridor running east and west in the north corridor of the Hall of the House of Representatives we find on our right a bust of Martin B. Madden, for some time chairman of the House Committee on Appropriations. On our left is a bust of Claude Kitchin, majority leader during the administration of Woodrow Wilson. Proceeding around the corridor to the east we may see from the northern windows of this corridor an excellent view of the east grounds of the Capitol. On pleasant days all available parking space is occupied by automobiles.

At the foot of the east grand staircase of the House of Representatives we find a marble statue of Thomas Jefferson, the work of Hiram Powers. This statue and the statue of Franklin on the Senate side and a bust of Chief Justice Marshall are the only examples of the work of this celebrated sculptor of the period from 1850 to 1857. Facing the east grand staircase is the large painting by Francis B. Carpenter entitled "The First Reading of the Emancipation Proclamation." The picture is more properly known as "The Emancipation Proclamation" or "Lincoln and his Cabinet." This staircase follows closely in marble and architecture the east staircase of the Senate, Tennessee marble being used in both east staircases.

We are now in the House wing of the Capitol. At the time of its construction the House wing and the Senate wing were designated as "Extensions to the Capitol." The cornerstone of these extensions was laid in the northeast corner of the House wing of the Capitol on July 4, 1851, by Millard Fillmore, then President of the United States. The principal oration on that occasion was made by Daniel Webster, then Secretary of State. The architect of these wings was Thomas U. Walter.

Architects in considering the Capitol as a whole and bearing in mind the fact that it comprises four different building operations, are free to admit that as a completed whole it has no lack of unity and that it is not only the Capitol but the most beautiful monumental building existing in the United States.

The old Capitol had a low dome. The present dome was included in the building operations of the extensions. That is, the Senate wing, the House wing, and the new dome of the Capitol were followed along the same building plan and under the charge of the same architect. The House of Representatives, the finest deliberative body of the world, occupied its new quarters for the first time on the 16th of November, 1857. The Senate moved from the present Supreme Court Room to the present Senate Chamber in January, 1860.

We find on the gallery floor of the House the same decorative treatment of the floors in tile that is found in the Senate wing. Facing the First Reading of the Emancipation Proclamation, we are enabled to see the portraits of all of the members of President Lincoln's Cabinet as it existed in 1863. This picture is seen at the best advantage at a little after 12 o'clock on a bright day. On such occasions there is abundant light to bring out all of the features of this wonderful painting. This canvas was painted in the White House. It was criticized from time to time by President Lincoln. Shortly after his death it was exhibited in all of the large cities of the United States and many engravings of this picture were sold at the time of the exhibition. The picture was finally presented to the Government by Mrs. Elizabeth Thompson. Public exercises, presentation, and acceptance were held in the Hall of the House of Representatives.

From this gallery floor we are able to see on the wall facing the Emancipation Proclamation picture a large painting of Henry Clay, by John Neagle. Also, a portrait of Gunning Bedford, jr., by Charles Willson Peale, and north of the portrait of Henry Clay, the portrait of Charles Carroll of Carrollton, by Chester Harding.

The west grand staircase contains a large mural painting called "Westward the Course of Empire Takes Its Way." The painting is by Emanuel Leutze and historically the picture marks a period during which work was nearly suspended in the Capitol. In the dark days of 1862 Emanuel Leutze completed this picture and for a time it was about the only work of importance that was carried on in the Capitol Building. The picture is graphic in its portrayal of the hardships of the immigrants who were moving to the West. All types of these hardy pioneers are found in this painting.

Facing the mural decoration Westward the Course of Empire Takes Its Way is a large seated portrait of Chief Justice Marshall, by Richard N. Brooke. This picture is a copy of an original by W. D. Washington now in the court house at Warrenton, Va. It shows the Chief Justice wearing his robe of office, with a background for the painting, strongly reminiscent of the old chamber of the Supreme Court now occupied by the law library of that court.

At the foot of the west grand staircase is the bronze bust of Be-sheck-kee, Chippewa chief. This bust is a replica in bronze of the bust in the Senate wing, by Vincenti.

The floors of the main and basement floors of the House wing of the Capitol are now tiled with marble replacing the highly ornamental tile such as now exists in the Senate

wing of the Capitol. This was necessary on account of the wear which had occurred in the more than one-half century that this tile had been in place, and for the further reason that it was impossible to secure additional tile of the same pattern to replace damaged spaces.

From the east portico of the House wing we are able to secure a much better view of the Library of Congress, House Office Building, and the new House Office Building. At our left, close in line with the House Office Building, is the church spire of St. Peter's Church.

The bronze doors of the House side were designed by Crawford, but completed by W. H. Rinehart. They contain three panels and a medallion, picturing events in American history. The subjects portrayed upon the House doors are: Upper panel, left-hand door, the Massacre of Wyoming, July 17, 1778; center, the Battle of Lexington, April 19, 1775; lower, Presentation of Flag to Gen. William Moultrie for his Defense of Sullivans Island, Charleston Harbor, June 28, 1776; and the medallion at the bottom shows the Death of General Montgomery, December 31, 1775. The upper panel of the right-hand door depicts the Declaration of Independence; below this the Paris Treaty of Peace between the United States and Great Britain, September 3, 1783; the next, Washington's Farewell to His Officers at New York, December 4, 1783; and the medallion at the bottom of the door contains a seated figure of Franklin.

The pediment over the House wing of the Capitol was unveiled August 2, 1916. The unveiling exercises were held on the lot immediately in front of the House wing of the Capitol. Interesting addresses were made by Champ Clark, then the Speaker of the House of Representatives, and by Paul W. Bartlett, the sculptor. The sculptural work in this pediment is considered to be one of the finest examples of work of this class in the United States. It was executed by Mr. Bartlett when he was at the full height of his powers of sculptural expression.

The Capitol Grounds contain 58.8 acres. The area to the north of the Capitol which is now being landscaped will, when completed, give to the entire Capitol Grounds an area of a little more than 120 acres.

Proceeding toward the south by the east corridor of the House wing of the Capitol we come to the Speaker's lobby. This space used to be occupied as offices for the Speaker, Sergeant at Arms, and one room for the members of the press. About 1879 additional openings were cut through to this corridor so that there might be an opportunity for ventilation from windows at the south. About that time there were hanging on the walls of the Speaker's room small portraits of former Speakers. These portraits have been given a place in the present room of the Speaker in the southeast corner of the building and the larger portraits have been introduced in this corridor between the floor of the House and the room occupied by Members when they desire to meet and discuss matters or to examine papers. A list of portraits of former Speakers in the Speaker's lobby follows:

Portraits of former Speakers in the Speaker's Lobby

Name	State	From—	To—	Name of artist
Banks, Nathaniel P.	Massachusetts	Feb. 2, 1856	Mar. 3, 1857	R. W. Vonnoh.
Barbour, Philip P.	Virginia	Dec. 4, 1821	Mar. 3, 1823	Kate Flournoy Edwards.
Bell, John	Tennessee	June 2, 1834	Mar. 3, 1835	Willie Betty Newman.
Blaine, James G.	Maine	Mar. 4, 1869	Mar. 3, 1871	Freeman Thorp.
Do	do	Mar. 4, 1871	Mar. 3, 1873	
Do	do	Dec. 1, 1873	Mar. 3, 1875	
Boyd, Linn	Kentucky	Dec. 1, 1851	Mar. 3, 1853	Stanley Middleton.
Do	do	Dec. 5, 1853	Mar. 3, 1855	
Cannon, Joseph G.	Illinois	Nov. 9, 1903	Mar. 3, 1905	W. T. Smedley.
Do	do	Dec. 4, 1905	Mar. 2, 1907	
Do	do	Dec. 2, 1907	Mar. 3, 1909	
Do	do	Mar. 15, 1909	Mar. 3, 1911	
Carlisle, John G.	Kentucky	Dec. 3, 1883	Mar. 3, 1885	Ellen Day Hale.
Do	do	Dec. 7, 1885	Mar. 3, 1887	
Do	do	Dec. 5, 1887	Mar. 2, 1889	
Cheves, Langdon	South Carolina	Jan. 19, 1814	Mar. 3, 1815	Hal Morrison.
Clark, Champ	Missouri	Apr. 4, 1911	Mar. 3, 1912	Boris Gordon.
Do	do	Apr. 7, 1913	Mar. 3, 1915	
Do	do	Dec. 6, 1915	Mar. 3, 1917	
Do	do	Apr. 2, 1917	Mar. 3, 1919	
Clay, Henry	Kentucky	Nov. 4, 1811	Mar. 3, 1813	Giuseppe Fagnani.
Do	do	May 24, 1813	June 19, 1814	
Do	do	Dec. 4, 1815	Mar. 3, 1817	
Do	do	Dec. 1, 1817	Mar. 3, 1819	
Do	do	Dec. 6, 1819	Oct. 28, 1820	
Do	do	Dec. 1, 1823	Mar. 3, 1825	
Cobb, Howell	Georgia	Dec. 22, 1849	Mar. 3, 1851	Lucy Stanton.
Colfax, Schuyler	Indiana	Dec. 7, 1863	Mar. 3, 1865	Freeman Thorp.
Do	do	Dec. 4, 1865	Mar. 2, 1867	
Do	do	Mar. 4, 1867	Mar. 3, 1869	
Crisp, Charles F.	Georgia	Dec. 8, 1891	Mar. 3, 1893	Robert Hinckley.
Do	do	Aug. 7, 1893	Mar. 3, 1895	
Davis, John W.	Indiana	Dec. 1, 1845	Mar. 3, 1847	W. D. Murphy.
Dayton, Jonathan	New Jersey	Dec. 7, 1795	Mar. 3, 1799	Henry Harrison.
Gillett, Frederick H.	Massachusetts	May 19, 1919	Mar. 3, 1921	Edmund C. Tarbell.
Do	do	Apr. 11, 1921	Mar. 3, 1923	
Do	do	Dec. 3, 1923	Mar. 3, 1925	
Grow, Galusha A.	Pennsylvania	July 4, 1861	Mar. 3, 1863	W. A. Greaves.
Henderson, David B.	Iowa	Dec. 4, 1899	Mar. 3, 1901	Freeman Thorp.
Do	do	Dec. 2, 1901	Mar. 3, 1903	
Hunter, Robert M. T.	Virginia	Dec. 16, 1839	Mar. 3, 1841	Richard N. Brooke.
Jones, John W.	do	Dec. 4, 1843	Mar. 3, 1845	James B. Sword.
Keifer, J. Warren	Ohio	Dec. 5, 1881	Mar. 3, 1883	Charles A. Gray.
Kerr, Michael C.	Indiana	Dec. 6, 1875	Aug. 19, 1876	Do.
Longworth, Nicholas	Ohio	Dec. 7, 1925	Mar. 3, 1927	Robert Doblhoff.
Do	do	Dec. 5, 1927	Mar. 3, 1929	
Do	do	Apr. 15, 1929	Mar. 3, 1931[1]	
Macon Nathaniel	North Carolina	Dec. 7, 1801	Mar. 3, 1803	Robert David Gauley.
Do	do	Oct. 17, 1803	Mar. 3, 1805	
Do	do	Dec. 2, 1805	Mar. 3, 1807	
Muhlenberg, Frederick A. C.	Pennsylvania	Apr. 1, 1789	Mar. 3, 1791	Copy by S. B. Waugh.
Do	do	Dec. 2, 1793	Mar. 3, 1795	
Orr, James L.	South Carolina	Dec. 7, 1857	Mar. 3, 1859	Esther Edmonds.
Pennington, William	New Jersey	Feb. 1, 1860	Mar. 3, 1861	Joseph Lauber.
Polk, James K.	Tennessee	Dec. 7, 1835	Mar. 3, 1837	Rebecca Polk.
Do	do	Sept. 4, 1837	Mar. 3, 1839	
Pomeroy, Theodore M.	New York	(2)	(2)	Geo. L. Clough.
Randall, Samuel J.	Pennsylvania	Dec. 4, 1876	Mar. 3, 1877	W. A. Greves.
Do	do	Oct. 15, 1877	Mar. 3, 1879	
Do	do	Mar. 18, 1879	Mar. 3, 1881	
Reed, Thomas B.	Maine	Dec. 2, 1889	Mar. 3, 1891	John S. Sargent.
Do	do	Dec. 2, 1895	Mar. 3, 1897	
Do	do	Mar. 15, 1897	Mar. 3, 1899	
Sedgwick, Theodore	Massachusetts	Dec. 2, 1799	Mar. 3, 1801	Edgar Parker.

[1] Died Apr. 9, 1931.

[2] Elected Mar. 3, 1869, and served but 1 day.

Portraits of former Speakers in the Speaker's Lobby—Continued

Name	State	From—	To—	Name of artist
Stevenson, Andrew	Virginia	Dec. 3, 1827	Mar. 3, 1829	Spencer Baird Nichols.
Do	do	Dec. 7, 1829	Mar. 3, 1831	
Do	do	Dec. 5, 1831	Mar. 2, 1833	
Do	do	Dec. 2, 1833	June 30, 1834	
Taylor, John W	New York	Nov. 15, 1820	Mar. 3, 1821	Miss C. L. Ransom.
Do	do	Dec. 5, 1825	Mar. 3, 1827	
Trumbull, Jonathan	Connecticut	Oct. 24, 1791	Mar. 2, 1793	H. I. Thompson.
Varnum, Joseph B	Massachusetts	Oct. 26, 1807	Mar. 3, 1809	Charles L. Elliott.
Do	do	May 22, 1809	Mar. 3, 1811	
White, John	Kentucky	May 31, 1841	Mar. 3, 1843	Gerard Barry.
Winthrop, Robert C	Massachusetts	Dec. 6, 1847	Mar. 3, 1849	Daniel Huntington.

The first portrait acquired of a former Speaker of the House of Representatives is the portrait of Henry Clay, by Giuseppe Fagnani. This portrait was given to the Congress in 1852 and was accepted by the House and Senate at about the time of the death of Mr. Clay.

There are now 38 portraits, painted by different artists of the United States. The most conspicuous is probably the portrait of Thomas B. Reed, a Speaker from the State of Maine, the Fifty-first, Fifty-fourth, and Fifty-fifth Congresses. This portrait was painted by John S. Sargent, the most celebrated portrait painter of his period, and was presented to the House of Representatives by a large number of the admirers of Thomas B. Reed.

From this corridor there are four entrances to the Hall of the House of Representatives. The seating capacity of the Hall has been changed several times in order that the increase in membership might be accommodated. At the present time there are no separate desks for the Members. In this Hall at the right and left of the Speaker are portraits of Washington, by Vanderlyn, and of Lafayette, by Ary Scheffer. This last-named portrait was presented to the Congress by the artist in 1824 and was hung in the old Hall of the House of Representatives, now Statuary Hall, this being the first picture to be given a place upon the wall. In the southwest corner of the room is a mural by Constantino Brumidi. It has a rather long title, "Cornwallis Sues for Cessation of Hostilities under a Flag of Truce." This decoration was placed on the wall in 1857 for the purpose of giving the Members an idea of the effect of filling the wall spaces with paintings depicting American history. In later years there were added two paintings by Bierstadt, but they were not considered appropriate and are now occupying spaces in the corridor at the east and west ends of the Hall of the House. The clock over the north entrance to the Hall is flanked on either side by a figure of an Indian and a pioneer, the work of Rinehart, the sculptor from Frederick, Md., who is also represented by the bronze doors of the House wing of the Capitol. These bronze doors, as well as the bronze doors of the Senate, were cast at Chicopee, Mass. There are 435 Members of the House of Representatives.

On the north wall of the House Hall is a bronze tablet designed by Paul W. Bartlett. The text is by Charles E. Fairman and is as follows:

> Speakers of the House of Representatives of the United States. Chosen by the people, honored by the preferment of their associates, these makers of history are memorialized as a tribute of their worth to the Nation.

This tablet hangs underneath the portrait of Frederick Muhlenberg, the first Speaker of the House of Representatives.

At the east end of the Hall of the House is the Discovery of the Hudson River and at the west end of the Hall is the picture entitled "Entrance into Monterey," both paintings by Albert Bierstat. The last-mentioned painting contains a representation of the first celebration of mass in California by Father Junipero Serra. A statue of Father Serra has been erected in Statuary Hall, a gift from the State of California.

Proceeding by the broad staircase to the ground or basement floor of the House wing, in passing to the west we find upon our right and left the restaurant used by the House of Representatives.

It is worth while to visit this portion of the Capitol on account of the beautiful hall of the columns, reaching the entire width of the House wing from south to north. These columns are of American marble and have a variation of the Corinthian architecture. The capitals are formed to bear a strong resemblance to the tobacco leaves.

Proceeding northward, we pass through the House connection until we again enter the area formerly covered by the old Hall of the House of Representatives. On this floor are the offices of the doorkeeper, bookkeepers, different clerical offices relating to the House of Representatives. An eastern entrance seen at our right is said by some to be probably the entrance used by the British troops when they entered the House wing of the old Capitol on August 24, 1814. It should be remembered that at that time the central portion of the Capitol did not exist and all that there was of the Capitol were two detached rectangular buildings connected by a wooden walk about 125 feet in length.

We now continue to the north and pass through the crypt of the Capitol. Here we find many examples of the Doric architecture and the columns used to support the floor of the rotunda above. Here is also a group of statuary presented by the National Woman's Party to the United States in the year 1921. The group consists of three busts forming a part of a huge marble pedestal. These busts are of the pioneers in the woman's movement. They are Lucretia Mott, Susan B. Anthony, and Elizabeth Cady Stanton. The work was executed at Carrara, Italy, by Adelaide Johnson, and the large base upon which this block of marble rests was also from that far-off Italian city.

Continuing north, we come to a circular vestibule and at our right we find the entrance known as the "Supreme Court entrance" of the Capitol, the point where we started.

There are some statistical facts which will probably appeal to those interested in statistics. The Capitol contains 430 rooms now devoted to office, committee room and storage purposes, 679 windows, 550 doorways, and 140 fireplaces.

The Capitol is heated, lighted, and furnished with power from a central power plant located in Garfield Park. This power plant not only furnishes this service for the Capitol but similar service for the Senate Office Building, the House Office Building, the Library of Congress, the city post office, the Government Printing Office, and will furnish such service for the annex and addition to the Library of Congress, new House Office Building, Botanic Garden, and the Supreme Court of the United States when these buildings have been completed.

The length of the Capitol Building is 751 feet 4 inches. The height of the Statue of Freedom above the east base line of the Capitol is 287 feet 5½ inches. The weight of the Statue of Freedom is 14,985 pounds. The weight of the dome is 8,909,200 pounds. The number of steps to the dome is 365.

In 1929 the estimated value of the Capitol was $52,868,000, of which $37,500,000 is represented by the building.

The Capitol also contains 323 works of art, not including mural decorations and sculptural works, upon the exterior and in the Capitol grounds.

I am not only grateful but indebted to Mr. Charles E. Fairman, art curator and chief clerk of the architect's office, for his assistance in furnishing many of the interesting historical data that enabled me to present this information about the Capitol.

REGISTRATION AND VOTING IN RHODE ISLAND

Mr. CONDON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a copy of a bill which I introduced a few days ago.

The SPEAKER. Is there objection?

There was no objection.

Mr. CONDON. Mr. Speaker, the Constitution vests in Congress the authority to prescribe the manner of holding elections for Senators and Representatives. Thus far this power has not been exercised but has been left to the several State legislatures. As a result the requirements for enrolling the qualified electors at such elections vary greatly in the various States. My State of Rhode Island, for example, has a peculiar provision requiring so-called registry voters to register their names with official boards of registration several months in advance of election day, at a time when there is little, if any, interest in political matters. The effect of such a requirement is to deprive thousands of voters of their rights and disqualify them as electors. Strange as it may seem, it is necessarily early in the spring of every election year to carry on an intensive and extensive campaign to acquaint the voters with the necessity of registering in order to vote in the following November. So fundamentally important is this campaign that it has become a political axiom in Rhode Island that elections are won in June and not in November.

The Rhode Island constitution requires registry voters to register their names with the local boards of canvassers and registration on or before the 30th day of June in the year of election otherwise they will not be qualified to vote in November. Manifestly such a requirement is calculated to keep many otherwise qualified voters from the polls, and that is exactly its effect. In an attempt, never wholly successful, to minimize the evil effect of this law, an organized concerted effort is undertaken in May and June to persuade the voter to register and safeguard his right to vote in the fall election. It is not easy at such a time, however, to arouse the voter from his accustomed lethargy and hence as the deadline approaches there rises the almost universal cry from press, pulpit, and platform, "Unless you register before the end of June you can not vote in November, and if you can not vote you are at the mercy of those who can."

Despite this widespread energetic appeal thousands fail to register, and at every election hundreds of men and women, otherwise qualified to vote, are turned away from every voting precinct in the State. The question naturally arises, Why do the people of the State tolerate such a condition which in effect works a wholesale disfranchisement of their fellow citizens? For the answer we must go back almost a century to the famous Dorr rebellion, the only instance on record in our national history where it was necessary for the people of a State to resort to arms to obtain their electoral rights as American citizens. At that time Rhode Island was without a constitution and was functioning as an American State under a royal charter granted by King Charles II in 1663. Under this charter only a freeholder could vote. Not until after the Dorr rebellion in 1842 was a constitution adopted which accorded to every citizen the right to vote; but as the electors who ratified it and the convention which framed it were limited exclusively to freeholders, this newly accorded right was hedged about with restrictions so as to discourage the great mass of the citizenry of the State from seeking to qualify as electors. One of these restrictions is the registration requirement mentioned above.

This constitution is as difficult to change as the ancient laws of the Medes and Persians. Since its adoption an incessant battle has been waged to alter and amend its archaic provisions, but its very article of amendment makes that all but impossible. And so this registration requirement remains embedded in this unalterable instrument of government—a monument to the ingenuity of these reactionary conservatives of a bygone day. The dead hand of the favorites of a royal charter stretches out from the grave to bar the way to hundreds of living American citizens in the exercise of their right to choose the Representatives who shall serve them in the greatest representative democracy in all the world.

The Democratic Party in Rhode Island, true to the traditions of its great founder, has waged for over a century a never-ending battle against this denial of the franchise, but always it has been opposed by the party of reaction, first the Federalists, then the Whigs, and now the Republicans. As the successor to the old Federalist and Whig Parties, the Republican Party inherited their distrust of the people and popular government and has sought in every way to prevent the masses of the electorate from participating in the government of the Commonwealth. As the Federalist remnants were cowed into granting a constitution by the Dorr rebellion, so the present Republican machine gives ground only when seriously threatened and alarmed. And so the fight for electoral rights in Rhode Island is still going on, with the Democratic Party championing the cause and confident that ultimate victory will be achieved. We ask no Federal aid in this fight; the battle for a free and unrestricted franchise for the election of State and local officers will be fought by citizens of the State within the State; but in so far as the right to vote for Senators and Representatives in Congress is impaired and the exercise thereof hindered by our antiquated local law we deem it just and proper to call upon Congress for a remedy which it is authorized and empowered to prescribe under its grant of power in the Federal Constitution.

Congress should no longer tolerate in its elections any State law which unfairly deprives thousands of voters of an opportunity to vote for Members of that body. Members of Congress are not merely delegates of and from the States which elect them; they are something of far greater importance, the representatives of all the people of this great Federal Union of States, and as such the guardians of their rights and liberties. Their mandate to sit and legislate in this Capitol in that exalted capacity ought to emanate from the solemnly expressed will of a majority of the largest possible number of qualified electors in each State and no unreasonable and unjust barriers should be placed in the way of such a number being officially enrolled and placed upon the voting lists. In this way, and in this way only, can we truly say that we have a Government by majority rule.

That desirable end can be readily accomplished, Mr. Speaker, by the prompt enactment into Federal law of the bill which I have introduced. It is brief in content and easily understood. It prescribes no qualifications for voters and, therefore, can not possibly be obnoxious to any State or section of the country. It merely provides that those electors in each State already otherwise qualified to vote for Senators and Representatives in Congress shall be given the longest possible period of time within which to register their names upon the voting lists prior to election day. The time prescribed in the bill is the period any time in the year of election and ending 30 days prior to election day. The 30-day period immediately preceding the election during which time the registration books would be closed I believe would afford ample time for the proper officials to print, correct, and canvass the voting lists in preparation for their use in the elections. The bill is not intended to operate as a restriction in any State where the law gives the voter a longer time to register and to make this clear, section 2 carefully provides against any such restriction, limitation, or abridgement. The passage of this bill can not possibly work harm, but, on the contrary, I am confident that it will be of positive benefit to hundreds and even thousands of citizens of my State who will by force of its provisions be saved their right to participate in the election of the Senators and Representatives of their country notwithstanding the antiquated law and constitution of their State.

H. R. 9068

A bill to provide for the registration of electors qualified to vote for Senators and Representatives in Congress

Be it enacted, etc., That where in any State it is required by law of electors qualified to vote for Senators and Representatives in Congress to register their names and other facts pertaining to their residence and citizenship as a prerequisite to the enrollment of their names on the official voting lists to be used at any election

for said Senators and Representatives, it shall be sufficient therefor for such electors to so register with the proper local authority for that purpose any time 30 days prior to the day set for the election of said Senators and Representatives.

SEC. 2. The provisions of this act shall not be construed to limit or abridge in any way a longer period of time for such registration allowed or prescribed by the provisions of the statute of any State.

ADJOURNMENT

Mr. JEFFERS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 59 minutes p. m.) the House adjourned until Monday, February 15, 1932, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

439. A letter from the Secretary of War, transmitting a report dated February 11, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Leland Harbor, Mich.; to the Committee on Rivers and Harbors.

440. A letter from the Secretary of War, transmitting a report dated February 11, 1932, from the Chief of Engineers, United States Army, on preliminary examination of Tannana River, Alaska, at or near its confluence with the Yukon River; to the Committee on Rivers and Harbors.

441. A communication from the President of the United States, transmitting supplemental estimates of appropriations pertaining to the Legislative Establishment, House of Representatives, for the fiscal year 1933, in the sum of $7,860 (H. Doc. No. 247); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WARREN: Committee on Accounts. H. Res. 89. Resolution to pay Fred R. Miller for extra and expert services to the Committee on Pensions (Rept. No. 440). Ordered to be printed.

Mr. WARREN: Committee on Accounts. H. Res. 96. Resolution to pay Amy C. Dunne for extra and expert services to the Committee on Invalid Pensions (Rept. No. 441). Ordered to be printed.

Mr. WARREN: Committee on Accounts. H. Res. 118. Resolution to pay James W. Boyer, jr., for extra and expert services to the Committee on World War Veterans' Legislation (Rept. No. 442). Ordered to be printed.

Mr. WARREN: Committee on Accounts. H. Res. 136. Resolution relative to expenses of conducting investigation authorized by House Resolution No. 72 (Rept. No. 443). Ordered to be printed.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. Res. 143. Resolution to discontinue consideration of impeachment charges against Hon. Andrew W. Mellon (Rept. No. 444). Ordered to be printed.

Mr. DELANEY: Committee on Naval Affairs. H. R. 6735. A bill to authorize the Secretary of the Navy to fix the clothing allowance for enlisted men of the Navy; without amendment (Rept. No. 473). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Irrigation and Reclamation. H. R. 7914. A bill granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Big Horn River; with amendment (Rept. No. 474). Referred to the House Calendar.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 9203. A bill to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes; with amendment (Rept. No. 475). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BRUMM: Committee on Claims. H. R. 971. A bill granting insurance to Lydia C. Spry; without amendment (Rept. No. 445). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1406. A bill for the relief of Lottie Naylor; without amendment (Rept. No. 446). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1414. A bill for the relief of Jeanie G. Lyles; with amendment (Rept. No. 447). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1553. A bill for the relief of Johana Armstrong; without amendment (Rept. No. 448). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1813. A bill for the relief of Daniel Coakley; without amendment (Rept. No. 449). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2064. A bill for the relief of Thomas J. Allen, jr.; without amendment (Rept. No. 450). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2084. A bill for the relief of Col. Richard M. Cutts, United States Marine Corps; with amendment (Rept. No. 451). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2296. A bill for the relief of Charles W. Dworack; with amendment (Rept. No. 452). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3029. A bill for the relief of William K. Lovett; with amendment (Rept. No. 453). Referred to the Committee of the Whole House.

Mr. LOZIER: Committee on Claims. H. R. 3460. A bill for the relief of Caughman-Kaminer Co.; with amendment (Rept. No. 454). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3551. A bill for the relief of Beryl Elliott; with amendment (Rept. No. 455). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3561. A bill for the relief of Sophia A. Beers; with amendment (Rept. No. 456). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3775. A bill for the relief of Eula K. Lee; without amendment (Rept. No. 457). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3791. A bill for the relief of Douglas B. Espy; without amendment (Rept. No. 48). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4059. A bill for the relief of Rosamond B. McManus; with amendment (Rept. No. 459). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4274. A bill for the relief of Charles Hellyer; without amendment (Rept. No. 460). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4405. A bill for the relief of Jose O. Enslew; without amendment (Rept. No. 461). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 5429. A bill for the relief of Busch-Sulzer Bros. Diesel Engine Co.; with amendment (Rept. No. 462). Referred to the Committee of the Whole House.

Mr. BRUMM: Committee on Claims. H. R. 5682. A bill for the relief of Miles Thomas Barrett; without amendment (Rept. No. 463). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5793. A bill for the relief of Lawrence A. Jett; without amendment (Rept. No. 464). Referred to the Committee of the Whole House.

Mr. LOZIER: Committee on Claims. H. R. 6003. A bill for the relief of A. L. Marshall; without amendment (Rept. No. 465). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 6855. A bill for the relief of Sam Echols; without amendment (Rept. No. 466). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 7656. A bill for the relief of William R. Nolan; with amendment (Rept. No. 467). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 964. A bill for the relief of Howard Emmett Tallmadge; without amendment (Rept. No. 468). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 2599. A bill for the relief of Henry Dixon Linebarger; without amendment (Rept. No. 469). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 3601. A bill for the relief of Arthur L. Hacykell; without amendment (Rept. No. 470). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 5595. A bill for the relief of Harry Manning Lee; without amendment (Rept. No. 471). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 6000. A bill for the relief of Austin L. Tierney; without amendment (Rept. No. 472). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLER: A bill (H. R. 9301) to extend the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark.; to the Committee on Interstate and Foreign Commerce.

By Mr. SWING: A bill (H. R. 9302) to authorize promotion on the retired list of certain officers of the Army, Navy, Marine Corps, and Coast Guard in recognition of World War service; to the Committee on Military Affairs.

By Mr. SWANK: A bill (H. R. 9303) to make rating schedules of disabilities and all rules and regulations adopted by the Veterans' Administration available for use of certain organizations, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. McLEOD: A bill (H. R. 9304) for the relief of the widows of certain members of the police and fire departments of the District of Columbia who were killed or died from injuries received in the line of duty, and for other purposes; to the Committee on the District of Columbia.

Also, a bill (H. R. 9305) authorizing an appropriation for the purchase of 92 oil portraits of commanding generals and men of the American Expeditionary Forces to make complete for the Smithsonian Institute the Chase collection of war portraits; to the Committee on the Library.

By Mr. BURTNESS: A bill (H. R. 9306) to amend section 99 of the Judicial Code (U. S. C., title 28, sec. 180) as amended; to the Committee on the Judiciary.

By Mr. JAMES: A bill (H. R. 9307) to repeal the act of May 24, 1928; to the Committee on World War Veterans' Legislation.

By Mr. MARTIN of Oregon: A bill (H. R. 9308) to provide for the Government purchase of American goods; to the Committee on Expenditures in the Executive Departments.

By Mr. HASTINGS: A bill (H. R. 9309) to authorize appropriations for construction at Hat Box Field, Muskogee, Okla., a new hangar and three sets of noncommissioned officers' quarters; to the Committee on Military Affairs.

By Mr. HALL of Mississippi: A bill (H. R. 9310) for the erection of a public building at Bay St. Louis, Hancock County, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. HORR: A bill (H. R. 9311) directing the Secretary of the Navy to station the battle force, United States Fleet, in the waters of the Puget Sound area for a period of not less than three months of each year; to the Committee on Naval Affairs.

By Mr. McLEOD: A bill (H. R. 9312) to provide for the construction of public buildings or additions thereto by local contractors; to the Committee on Public Buildings and Grounds.

By Mr. HALL of Mississippi: A bill (H. R. 9313) for the erection of a public building at Pascagoula, Jackson County, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. GARBER: A bill (H. R. 9314) providing for the purchase of a site and the erection of a public building thereon in the city of Perry, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. PERSON: A bill (H. R. 9315) to establish a national economic council to promote regularization of trade between the States; to the Committee on Interstate and Foreign Commerce.

By Mr. MONTAGUE: Resolution (H. Res. 144) to provide for the printing of certain historical statements relative to the Seven Days' Battles near Richmond, Va., June 25 to July 1, 1862; to the Committee on Printing.

By Mr. MORTON D. HULL: Joint resolution (H. J. Res. 288) inviting the President to use his good offices to prevent a breach of the general pact for the renunciation of war; authorizing the President to determine and proclaim, in the name of the United States, which, if any, of the belligerents is guilty of a violation of that treaty, and to prohibit the export to such state or states of materials of war; authorizing the President within his discretion to prohibit by proclamation the export from or the import into the United States of any article of merchandise whatsoever from such state or states, or any loan or extension of credit to such state or states or the nationals thereof; and requesting the President to refuse recognition to any treaty or agreement effected by other than pacific means; to the Committee on Foreign Affairs.

By Mr. ALLGOOD: Concurrent resolution (H. Con. Res. 20) authorizing a joint commission on reduction of governmental expenditures; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 9316) granting a pension to Mary J. Estes; to the Committee on Invalid Pensions.

By Mr. ALLGOOD: A bill (H. R. 9317) for the relief of W. L. Hamer; to the Committee on War Claims.

By Mr. ANDREW of Massachusetts: A bill (H. R. 9318) granting a pension to Annie Beals; to the Committee on Invalid Pensions.

By Mr. ANDREWS of New York: A bill (H. R. 9319) granting a pension to Belle M. Harris; to the Committee on Pensions.

By Mr. ARNOLD: A bill (H. R. 9320) granting a pension to Laura M. Gillaspie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9321) granting an increase of pension to Mary A. Oller; to the Committee on Invalid Pensions.

By Mr. AYRES: A bill (H. R. 9322) granting a pension to Sarah Ann Thomas; to the Committee on Invalid Pensions.

By Mr. BEERS: A bill (H. R. 9323) granting an increase of pension to Mary M. Snyder; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 9324) granting an increase of pension to Mary E. McConnell; to the Committee on Invalid Pensions.

By Mr. GOLDER: A bill (H. R. 9325) for the relief of Joseph John Martin; to the Committee on Naval Affairs.

By Mr. GUYER: A bill (H. R. 9326) for the relief of John E. Davidson; to the Committee on Naval Affairs.

By Mr. HOLMES: A bill (H. R. 9327) for the relief of Eric Sundberg; to the Committee on Naval Affairs.

Also, a bill (H. R. 9328) for the relief of John A. Casey; to the Committee on Military Affairs.

By Mr. HOPKINS: A bill (H. R. 9329) granting a pension to Dorothy B. Jones; to the Committee on Invalid Pensions.

By Mr. HORNOR: A bill (H. R. 9330) granting an increase of pension to Minerva E. Bailey; to the Committee on Invalid Pensions.

By Mr. LEAVITT: A bill (H. R. 9331) for the relief of Octavia Gulick Stone; to the Committee on Indian Affairs.

By Mr. LUCE: A bill (H. R. 9332) to reimburse D. W. Tanner for expense of purchasing an artificial limb; to the Committee on Claims.

By Mr. MONTAGUE: A bill (H. R. 9333) for the relief of Charles R. Yarbrough; to the Committee on Military Affairs.

Also, a bill (H. R. 9334) for the relief of Charles J. Latimer; to the Committee on Military Affairs.

By Mr. PALMISANO: A bill (H. R. 9335) for the relief of Margaret Lloyd; to the Committee on Claims.

Also, a bill (H. R. 9336) for the relief of Emily Addison; to the Committee on Claims.

By Mr. RAMSEYER: A bill (H. R. 9337) for the relief of W. G. Wood; to the Committee on Claims.

By Mr. SMITH of Virginia: A bill (H. R. 9338) authorizing the Court of Claims to hear and determine the claim of Central Romana (Inc.), and to render judgment for just compensation; to the Committee on Claims.

Also, a bill (H. R. 9339) authorizing the Court of Claims to hear and determine the claim of Ingenio Porvenir C. por A., and to render judgment for just compensation; to the Committee on Claims.

By Mr. THURSTON: A bill (H. R. 9340) granting an increase of pension to Sarah M. McCullough; to the Committee on Invalid Pensions.

By Mr. TIERNEY: A bill (H. R. 9341) for the relief of George Rutherford; to the Committee on Military Affairs.

Also, a bill (H. R. 9342) granting an increase of pension to Alfred L. Booth; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1881. By Mr. ANDREWS of New York: Petition of Nye Mortgage Corporation and George T. Ballachey Co., Buffalo, N. Y., protesting against home-loan bank system; to the Committee on Banking and Currency.

1882. Also, resolution of the Willard Woman's Christian Temperance Union, Niagara Falls, N. Y., and residents of the fortieth district of New York, opposing the resubmission of the eighteenth amendment for ratification by State conventions or State legislatures; to the Committee on the Judiciary.

1883. Also, resolution of the New York State division of the Women's Organization for National Prohibition Reform; to the Committee on the Judiciary.

1884. Also, resolution of Major General R. P. Hughes Camp, No. 17, United Spanish War Veterans, Buffalo, N. Y., favoring passage of House bill 7230; to the Committee on Pensions.

1885. Also, petition of Lockport (N. Y.) Board of Commerce and Guardian Casualty Co., of Buffalo, N. Y., opposing the La Follette-Costigan bill; to the Committee on Appropriations.

1886. By Mr. BOEHNE: Petition of Mrs. D. E. Cadick and others, urging the support of the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

1887. By Mr. BURTNESS: Petition of the president and secretary of the North Dakota Woman's Christian Temperance Union, urging support of the eighteenth amendment and its enforcement; to the Committee on the Judiciary.

1888. Also, petition of 40 citizens of Northwood, N. Dak., urging support of the eighteenth amendment and its enforcement; to the Committee on the Judiciary.

1889. Also, petition of 80 citizens of Bismarck, N. Dak., urging support of the eighteenth amendment and its enforcement; to the Committee on the Judiciary.

1890. Also, petition of 46 citizens of Hunter, N. Dak., urging support of the eighteenth amendment and its enforcement; to the Committee on the Judiciary.

1891. Also, petition of 27 citizens of Northwood and Aneta, N. Dak., urging support of the eighteenth amendment and its enforcement; to the Committee on the Judiciary.

1892. Also, petition of 19 citizens of North Dakota, urging support of the eighteenth amendment and its enforcement; to the Committee on the Judiciary.

1893. By Mr. CAMPBELL of Iowa: Petition of the congregation of the Methodist Church of Merrill, Iowa, opposing the resubmission of the eighteenth amendment, and favoring adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

1894. By Mr. CLARKE of New York: Petition of Carrie M. Judson and 26 residents in and about Milford, N. Y., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

1895. By Mr. CULKIN: Petition of 35 members of the Woman's Relief Corps, No. 149, Oswego, N. Y., urging full payment of all adjusted-compensation certificates at this time; to the Committee on World War Veterans' Legislation.

1896. Also, petition of Martha M. Ross and sundry other citizens, of Copenhagen, N. Y., praying for the prompt enactment of the Sparks-Capper stop-alien representation amendment; to the Committee on the Judiciary.

1897. By Mr. CULLEN: Petition of Federal Postal Employees Association (Inc.), Denver, Colo., protesting against any reduction in the compensation of Federal employees; to the Committee on Ways and Means.

1898. Also, petition of the thirty-second regular convention of the United Mine Workers of America, in session at Indianapolis, Ind., indorsing the La Follette-Costigan bills for direct relief and work relief, and urging upon the Senate and the House of Representatives the adoption of these measures in the best interests of not only the people but of the Government itself; to the Committee on Appropriations.

1899. Also, petition of the executive committee of the Department of the District of Columbia, the American Legion, opposing and declaring that any effort to reduce or withhold appropriations to carry into effect the provisions of the national defense act as un-American and disgraceful; to the Committee on Appropriations.

1900. By Mr. GARBER: Petition of Grain Dealers Association of Enid, urging agricultural interests; to the Committee on Agriculture.

1901. Also, petition of the Midland Flour Milling Co., of Kansas City, protesting against the heavy and unwise expenditure of Congress; to the Committee on Appropriations.

1902. Also, petition of American Legion, opposing efforts to reduce or withhold appropriations to carry into effect the provisions of the national defense act; to the Committee on Appropriations.

1903. Also, petition of members of the Laverne Christian Church of Oklahoma, urging the enforcement of the eighteenth amendment; to the Committee on the Judiciary.

1904. Also, petition of citizens of the eighth district, upholding the eighteenth amendment; to the Committee on the Judiciary.

1905. By Mr. GIBSON: Petition of the Sons and Daughters of Liberty, G. O. Farr Council, No. 15, of Plainfield, Vt.; to the Committee on Immigration and Naturalization.

1906. By Mr. GLOVER: Resolution of McGehee Rotary Club, of McGehee, Ark.; to the Committee on Irrigation and Reclamation.

1907. By Mr. HILL of Washington: Petition of Davenport (Wash.) Woman's Christian Temperance Union, opposing modification, repeal, or resubmission of prohibition law; to the Committee on the Judiciary.

1908. By Mr. HOGG of Indiana: Petition of 51 leading business men of Auburn, Ind., requesting reduction of Federal salaries, elimination of needless governmental activities and expenditures, and the strictest economy in administration, so that the present tax burden may be substantially reduced; to the Committee on Ways and Means.

1909. By Mr. HOGG of West Virginia: Petition of Spencer Woman's Club, opposing resubmission of prohibition to the States by a resolution to submit a repeal amendment either

to State conventions or to State legislatures for ratification; to the Committee on the Judiciary.

1910. By Mr. KURTZ: Petition of Park Avenue United Brethren Church, of Johnstown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1911. Also, petition of the Hill Top Woman's Christian Temperance Union, of Johnstown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1912. Also, petition of the Missionary Union of Chambersburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1913. Also, petition of the Kishacoquvillas Chapter, Daughters of the American Revolution, Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1914. Also, petition of the Scotland Woman's Christian Temperance Union, of New Castle, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1915. Also, petition of the Woman's Christian Temperance Union of Bristol, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1916. Also, petition of the Londonderry Woman's Christian Temperance Union, of Cochianville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1917. Also, petition of the congregations of the Lutheran and Methodist Churches of Fort Loudon, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1918. Also, petition of the Woman's Christian Temperance Union of Mount Jewett, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1919. Also, petition of the Steelstown Woman's Christian Temperance Union and church and Sunday school of Annville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1920. Also, petition of the Woman's Christian Temperance Union of Meshoppen, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1921. Also, petition of the Woman's Christian Temperance Union of Cresson, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1922. Also, petition of the First Methodist Episcopal Church of Kane, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1923. Also, petition of the Woman's Christian Temperance Union of Wind Gap, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1924. Also, petition of Mount Pleasant Woman's Christian Temperance Union, of Mount Pleasant, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1925. Also, petition of the Woman's Christian Temperance Union of Elwood City, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1926. Also, petition of Altoona Woman's Christian Temperance Union, Altoona, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1927. Also, petition of the Vandergrift Woman's Christian Temperance Union, Vandergrift, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1928. Also, petition of Schuylkill Township Woman's Christian Temperance Union, of Chester County, Phoenixville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1929. Also, petition of the Woman's Christian Temperance Union of Crafton, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1930. Also, petition of the First Baptist Church of Factoryville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1931. Also, petition of the Woman's Christian Temperance Union and First Presbyterian Church of Osceola, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1932. Also, petition of the Norway Woman's Christian Temperance Union of Mendenhall, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1933. Also, petition of the Men's Bible Class of the First United Presbyterian Church of Wilkinsburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1934. Also, petition of the legislative section of the Bellevue Woman's Christian Temperance Union, Bellevue, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1935. Also, petition of the Woman's Christian Temperance Union of Wattsburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1936. Also, petition of the Woman's Christian Temperance Union of Saltsburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1937. Also, petition of the Woman's Christian Temperance Union of Quakertown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1938. Also, petition of the Woman's Christian Temperance Union of Montrose, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1939. Also, petition of the Woman's Christian Temperance Union of Milton, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1940. Also, petition of the Emanuel Evangelical Church of Allentown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1941. Also, petition of Middlesex Presbyterian Church, Butler, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1942. Also, petition of the Woman's Christian Temperance Union of New Castle, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1943. Also, petition of the board of Calvary Reformed Church, Philadelphia, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1944. Also, petition of the Church of the Nazarene, Pittsburgh, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1945. Also, petition of the Woman's Christian Temperance Union of New Cumberland, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1946. Also, petition of the Woman's Christian Temperance of South Waverly, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1947. Also, petition of the Woman's Christian Temperance Union of Greenville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1948. Also, petition of the Woman's Christian Temperance Union of Turbotville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1949. Also, petition of the Woman's Christian Temperance Union of Carlisle, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1950. Also, petition of the Woman's Christian Temperance Union of Carbondale, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1951. Also, petition of the Woman's Christian Temperance Union of Sharpsville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1952. Also, petition of the Woman's Christian Temperance Union of Orangeville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1953. Also, petition of the Woman's Christian Temperance Union of Ford City, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

1954. By Mr. McCORMACK: Petition of Massachusetts State Guard Veterans, James T. Hunt, State commander, 75 Winthrop Street, Brockton, Mass., protesting against the elimination from the appropriation bill now under consideration by Congress of all appropriations for the active training of the reserve officers of the Army of the United States, all appropriations for the citizens' military training camps, and all appropriations for the active training of the Reserve Officers' Training Corps; to the Committee on Appropriations.

1955. By Mr. LINDSAY: Petition of United Mine Workers of America, Indianapolis, Ind., favoring the passage of the La Follette-Costigan bills for direct relief and work relief; to the Committee on Appropriations.

1956. Also, petition of Stanard Tilton Milling Co., St. Louis, Mo., favoring immediate tariff adjustments and reductions; to the Committee on Ways and Means.

1957. By Mr. NIEDRINGHAUS: Petition of Central Woman's Christian Temperance Union, representing 175 members, opposing resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and favoring adequate appropriations for law enforcement and education in law observance; to the Committee on the Judiciary.

1958. By Mr. PERSON: Resolution of Livingston Camp, No. 62, United Spanish War Veterans, Howell, Mich., urging a noninterference policy in the far-eastern dispute; to the Committee on Foreign Affairs.

1959. By Mr. RANSLEY: Memorial of the Philadelphia Board of Trade, urging the immediate necessity of drastic reductions in those appropriations which in recent years it has been customary to make with steadily increasing generosity in the distribution of the public moneys, which are naturally derived from taxation and the burden of which is ultimately borne by all of the people, the levy falling the more oppressively upon commercial and industrial enterprise; to the Committee on Expenditures in the Executive Departments.

1960. By Mr. REID of Illinois: Resolution adopted by Methodist Episcopal Church of Westmont, Ill., on February 7, 1932, representing 50 people, protesting against the resubmission of the eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

1961. Also, resolution adopted by the Big Woods Congregational Church and Sabbath school and the Woman's Christion Temperance Union of Naperville, Ill., on February 9, 1932, representing more than 50 people, protesting against the resubmission of the eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

1962. Also, resolution adopted by the Ridgewood Woman's Christian Temperance Union, of Joliet, Ill., on February 2, 1932, representing 50 people, protesting against the resubmission of the eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

1963. Also, resolution adopted by Woman's Christian Temperance Union, of Elwood, Ill., on February 6, 1932, protesting again the resubmission of the eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

1964. Also, resolution adopted by the Woman's Christian Temperance Union of Plainfield, Ill., on February 10, 1932, representing a membership of 27 people, protesting against the resubmission of the eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

1965. By Mr. ROMJUE: Petition of Mrs. F. E. Bowers and others, of Putnam County, Mo., opposing any measure looking toward the modification, resubmission to the States, or repeal of the prohibition law; to the Committee on the Judiciary.

1966. By Mr. RUDD: Petition of Colonial Daughters of the Seventeenth Century, favoring certain House and Senate bills for our national defense and protesting against any further cuts in the personnel of the Army; to the Committee on Military Affairs.

1967. Also, petition of Federal-Postal Employees' Association, Denver, Colo., opposing any reduction in compensation of Federal employees; to the Committee on Appropriations.

1968. Also, petition of Stanard Tilton Milling Co., St. Louis, Mo., referring to tariff adjustments and reductions; to the Committee on Ways and Means.

1969. By Mr. SNOW: Petition of C. E. Sargent and other citizens of Atkinson, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1970. Also, petition of H. A. Moore and other citizens of Sebec, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1971. Also, petition of J. A. Smith and other citizens of Masardis, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

1972. By Mr. SPARKS: Petition of 50 people from Burr Oak and vicinity, sent in by LaVina G. Kivett, of Burr Oak, Kans., sponsored by the Woman's Christian Temperance Union, protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1973. Also, resolution of the Woman's Christian Temperance Union of Burr Oak, sent in by LaVina G. Kivett, president, of Burr Oak, and Veida Craven, secretary, of Northbranch, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1974. Also, resolution of the Women's Foreign Missionary Society of the Methodist Episcopal Church of Penokee, sponsored by the Woman's Christian Temperance Union, and signed by Mrs. C. L. Kobler, president, and Mrs. R. A. Collins, assistant secretary, protesting against any change of the eighteenth amendment; to the Committee on the Judiciary.

1975. Also, resolution of Downs (Kans.) Woman's Christian Temperance Union, sent in by Mabel Landon Plumer, signed by Melia Davis, president, and Ida Shaw, secretary, all of Downs, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1976. Also, petition of 25 citizens of St. Francis, sponsored by the Woman's Christian Temperance Union of St. Francis, and sent in by Jennie B. Denny, president, protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1977. Also, resolution of the Sorosis Club, representing 27 women, signed by Margaret Tindale, president, and Violetta Chessmore, secretary, and sent in by Jennie B. Denny, president of the Woman's Christian Temperance Union, all of St. Francis, Kans., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

1978. Also, petition of 49 members of the St. Joseph Society, sent in by Secretary A. J. Otter, all of New Almelo, Kans., protesting the passage of House bill 7525 to promote health and welfare of mothers and infants; to the Committee on Interstate and Foreign Commerce.

1979. By Mr. STALKER: Petition of residents of Hornell, N. Y., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

1980. Also, petition of residents of Elmira, N. Y., urging the support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

1981. Also, petition urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

1982. By Mr. STRONG of Pennsylvania: Petition of Conemaugh-Franklin Post 633, American Legion, Conemaugh, Pa., favoring the immediate payment of adjusted compensation to World War veterans, as proposed in House bill 1; to the Committee on Ways and Means.

1983. By Mr. TABER: Petition of W. L. Pierce and others, protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

1984. By Mr. TIMBERLAKE: Petition of citizens of Sedgwick, Colo., protesting against submission of the eighteenth amendment to States for referendum, and asking strict enforcement of law at all times; to the Committee on the Judiciary.

1985. By Mr. VESTAL: Petition of Anna Cottrell and others on Sunday observance; to the Committee on the District of Columbia.

1986. By the SPEAKER: Petition of Woman's Christian Temperance Union of Stoughton, Wis., opposing the resubmission of the eighteenth amendment, and urging adequate appropriations for law enforcement; to the Committee on the Judiciary.

SENATE

MONDAY, FEBRUARY 15, 1932

(Legislative day of Friday, February 5, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 366. An act for the relief of Dr. Luis H. DeBayle;

S. 1306. An act to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial; and

S. 2179. An act for the relief of Alexander M. Proctor.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Byrnes	Fletcher	Johnson
Austin	Capper	Frazier	Jones
Bailey	Caraway	George	Kean
Bankhead	Carey	Glass	Kendrick
Barbour	Connally	Goldsborough	Keyes
Barkley	Coolidge	Gore	King
Black	Copeland	Hale	La Follette
Blaine	Costigan	Harrison	Lewis
Borah	Couzens	Hastings	Logan
Bratton	Cutting	Hatfield	McGill
Brookhart	Dale	Hawes	McKellar
Broussard	Dickinson	Hayden	McNary
Bulkley	Dill	Hebert	Neely
Bulow	Fess	Hull	Norbeck
Norris	Robinson, Ind.	Stephens	Wagner
Nye	Schall	Thomas, Idaho	Walcott
Oddie	Sheppard	Thomas, Okla.	Walsh, Mass.
Patterson	Shipstead	Townsend	Walsh, Mont.
Pittman	Smith	Trammell	Watson
Reed	Smoot	Tydings	Wheeler
Robinson, Ark.	Steiwer	Vandenberg	White

Mr. FESS. I wish to announce that the junior Senator from California [Mr. SHORTRIDGE] is still ill and necessarily detained from the Senate. I ask that this announcement may stand for the day.

Mr. REED. I have been asked to announce that my colleague the junior Senator from Pennsylvania [Mr. DAVIS] is necessarily absent on account of urgent business.

Mr. GEORGE. I wish to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is necessarily detained on account of illness. I wish to let this announcement stand for the day.

Mr. BAILEY. I wish to announce that the senior Senator from North Carolina [Mr. MORRISON] is necessarily detained from the Senate on public business.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on February 11, 1932, the President approved and signed the following acts:

S. 9. An act respecting the qualifications of the assessor of the District of Columbia to testify in condemnation proceedings;

S. 2077. An act to relieve the Commissioners of the District of Columbia of certain ministerial duties;

S. 2278. An act authorizing the Secretary of War to reduce the penalty of the bond of the Brazos River Harbor Navigation District, of Brazoria County, Tex., furnished as surety for its doing certain work on the improvement of Freeport Harbor, Tex.; and

S. 2684. An act for the relief of F. P. Case.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the executive committee, department of the District of Columbia, the American Legion, protesting against withholding or reducing appropriations to carry into effect the provisions of the national defense act, which was referred to the Committee on Appropriations.

He also laid before the Senate a memorial of members of the Philadelphia (Pa.) branch of the Society of the First Division, American Expeditionary Forces, remonstrating against any reduction in appropriations for the Army or its civilian organizations and the Navy, which was referred to the Committee on Appropriations.

He also laid before the Senate the petition of Frederick Ries, of Compton, Calif., praying for the establishment of a scientific national board of education, which was referred to the Committee on Education and Labor.

He also laid before the Senate resolutions adopted by the Woman's Christian Temperance Union of Cazenovia, N. Y., and the Woodlawn Woman's Christian Temperance Union, of Chicago, Ill., protesting against a referendum on the national prohibition amendment of the Constitution and favoring the making of adequate appropriations for law enforcement and education in law observance, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Doris Welles Auxiliary of the Women's Foreign Missionary Society of the First Methodist Episcopal Church of Santa Ana, Calif., favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. SHIPSTEAD presented a resolution of the City Council of Minneapolis, Minn., expressing appreciation of the services rendered by the Engineer Corps of the Army, and protesting against any change in its status which would subordinate it to any other department of the Government, which was referred to the Committee on Military Affairs.

Mr. KEAN presented a resolution adopted by the German-American Political Club of Essex County, Newark, N. J., favoring discontinuance in certain cases of the services of a wife where both husband and wife are employed in the Government service, which was referred to the Committee on Civil Service.

Mr. BROOKHART presented a petition of sundry citizens of Fort Madison, Iowa, praying for a reduction in Federal salaries and expenditures, which was referred to the Committee on Civil Service.

He also presented two memorials of sundry citizens of Scranton and Sheldon, in the State of Iowa, remonstrating against the imposition of a 10 per cent tax on theater admissions, which were referred to the Committee on Finance.

He also presented a petition of sundry citizens of the State of Iowa, praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of the tenth congressional district of Iowa, praying for the passage of legislation providing for the payment in full of adjusted-service certificates at the present time (bonus), which was referred to the Committee on Finance.

Mr. TYDINGS presented a petition of sundry citizens in the State of Maryland, praying for the passage of legislation proposing an amendment to the Constitution granting equal rights to men and women throughout the United States and its possessions, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of the State of Maryland, praying for the passage of the so-called La Follette-Costigan emergency public works bill, and also legislation providing unemployment insurance and increased estate taxes and surtaxes, which was ordered to lie on the table.

He also presented a memorial of sundry citizens of Baltimore, Md., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which was referred to the Committee on the District of Columbia.

Mr. CAPPER presented a petition of sundry citizens of McPherson, Kans., praying for the immediate payment in full of adjusted-service certificates of ex-service men (bonus), which was referred to the Committee on Finance.

He also presented petitions numerously signed by sundry citizens of the District of Columbia praying for the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, known as the Copeland Sunday health bill, which were referred to the Committee on the District of Columbia.

He also presented petitions of sundry citizens of Fredonia and St. Francis, and of the congregation of the Baptist Church of Sterling, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Good Samaritan Class of the Methodist Episcopal Sunday school of St. Francis; the Woman's Foreign Missionary Society of the Methodist Episcopal Church, of Penokee; the Lowell Literary Club, of Highland; and the congregation of the Presbyterian Church, of Osage City, all in the State of Kansas, and Frances Willard Chapter of the Woman's Christian Temperance Union of Washington, D. C., protesting against the resubmission of the eighteenth amendment of the Constitution, to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and for education in law observance, which were referred to the Committee on the Judiciary.

Mr. COPELAND presented memorials numerously signed by sundry citizens of the State of New York, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of New York City, N. Y., praying for the passage of House Joint Resolution 97, providing for an amendment to the Constitution excluding unnaturalized aliens when making apportionment for congressional districts, which was referred to the Committee on the Judiciary.

He also presented memorials and papers in the nature of memorials from numerous citizens and organizations in the State of New York, remonstrating against the proposed resubmission of the eighteenth amendment of the Constitution, to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the executive committee of the Parent-Teacher Association of Pelham, N. Y., protesting against any reduction in the appropriations for educational facilities in the State of New York, which were referred to the Committee on Education and Labor.

He also presented a memorial of sundry citizens, being employees of the Hudson, N. Y., post office, remonstrating against the proposed decrease in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by Woodhaven Post, No. 118, Department of New York, the American Legion, of Woodhaven, N. Y., protesting against the passage of legislation that might weaken the national defense in any way, which was referred to the Committee on Naval Affairs.

He also presented resolutions adopted by the Elmira (N. Y.) Association of Commerce, favoring the prompt discontinuance of all governmental activities which are not absolutely necessary, and also the reduction of the governmental pay scale, which were referred to the Committee on Civil Service.

Mr. BLAINE presented a petition of 42 citizens of Wheeler, Wis., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented a resolution of the Rockland Methodist Episcopal Church, of Rockland, Wis., protesting against the resubmission of the eighteenth amendment to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which was referred to the Committee on the Judiciary.

Mr. WALSH of Montana presented resolutions adopted by the Woman's Christian Temperance Unions of Plevna, Sidney, Belgrade, Bridger, and Miles City; the Bridger Woman's Club, the Methodist Episcopal Ladies' Aid Society, and the Young People's Branch of the Woman's Christian Temperance Union, of Bridger; and the Methodist Missionary Society of Corvallis, all in the State of Montana, protesting against the resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and for education in law observance, which were referred to the Committee on the Judiciary.

VIEWS OF HON. WILLIAM G. M'ADOO ON TAXATION

Mr. WALSH of Montana. Mr. President, I send to the desk a letter from Hon. William G. McAdoo relating to taxation matters, which I ask may be referred to the Committee on Finance and printed in the RECORD.

There being no objection, the letter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

LOS ANGELES, CALIF., *February 3, 1932.*

MY DEAR SENATOR: Replying to your recent letter, I feel honored that you should want my views on taxation, and I am glad to submit a few suggestions without attempting to go into all phases of the problem.

I expressed the conviction some years ago that the policy of paying our war debt over a short term of years was unjust to the present generation, because it imposed upon it a larger part of the burden than it should be required to bear. I believe, of course,

that the quicker the Nation gets out of debt the better; but in determining what is the reasonable period over which the war burden should be spread we should have regard to economic conditions and the ability of the taxpayers of this generation to carry the load. During the past 12 years a larger portion of the debt has been paid than should have been justly apportioned to the present generation. For this reason I think that we may with wisdom fund a considerable part of the Treasury deficit into long-time bonds and thereby reduce the amount of new taxation which the public will otherwise be forced to bear. This is particularly necessary in view of the exhausted condition of the country. Reports are so conflicting that I am unable to make a satisfactory estimate as to the probable Treasury deficit for the fiscal year 1932. I understand that it will amount to $2,000,000,000 or more. In any case, I should say that it would be sound and wise to fund 60 per cent of it into long-time obligations and to raise the remaining 40 per cent by taxation.

When it comes to the distribution of the new tax burden we naturally turn first to incomes.

Having regard to the present distressing conditions, I think it would be unwise to reduce existing exemptions, and I think, too, that it would be extremely hurtful to make the new income taxes retroactive to 1931. Manifestly, the surtaxes should be increased on large incomes, especially on those above $100,000, although it should be borne in mind that the heavier this tax the greater will be the inducement to owners of large incomes to escape it by investing in tax-exempt securities. Already there are more than $30,000,000,000 of tax-exempt bonds in the United States. The income from this vast amount of wealth is immune from all taxation except inheritance taxes. I have long been opposed to the practice of issuing tax-exempt bonds. Our Federal, State, and local governments have carried it to extremes. The courts have upheld the validity of these exemptions, and there is no excape from what has already been done. But the policy ought to be discontinued. It is unsound and uneconomic to enlarge this tax-exempt refuge and to further increase that privileged class which makes no contribution to the support of our Federal, State, and local governments. I mention this fact, not because it is altogether relevant to the subject of this letter but to indicate that the return from excessive surtaxes on large incomes is not, for the reasons stated, a safe reliance for greatly increased revenues.

In the field of excise taxes it is difficult to say where the burden may be placed with least distress to the masses of the people. Excise taxes are consumption taxes. If confined to luxuries, or so-called luxuries, they are not sufficiently productive, especially in hard times; nevertheless, we should get all the revenue obtainable from that source. Obviously, taxes should not be laid upon the necessaries of life. Gasoline is a case in point. Gasoline has become a necessity of modern life—to the farmer who operates his tractor to cultivate his field and his automobile to haul his produce to market; to the laboring man who must have a motor to carry him to and from his work; and to every class of our people to which the automobile is an indispensable accessory of present-day life. Already the various States have imposed large taxes on domestic gasoline, and it seems to me that it would be unwise for the Federal Government to invade this field and put new burdens on gasoline users. I think it would be better to lay a tax on imported crude and fuel oil and on imported gasoline. This would produce not only a substantial revenue but it would tend to revive the domestic oil industry in some of the most important States of the Union, all of which are now suffering from a flood of foreign oil importations, with resulting shutdowns of wells and enforced idleness of thousands of oil workers who, with their families, are suffering from actual want. Moreover, the reduction and, in many cases, the actual cessation of royalty payments to great numbers of farmers and others who own oil-bearing lands and the reduction or suspension of oil dividends have contributed in no small degree to the prevailing distress in large sections of the country.

It occurs to me—and I submit it merely as a suggestion—that it would be wise to impose, for the year 1932, a very heavy tax on passports with a special provision for reductions in cases where it can be shown to the satisfaction of the State Department that passports are required for necessary business purposes or to meet emergencies arising from illness or accidents. While the revenues from this source might not be great, the contribution to our domestic prosperity would be substantial if our citizens who now spend in European and other foreign countries vast sums of money on holiday tours would spend that money at home this year. It would stimulate American summer resorts and American trade in thousands of directions with marked benefit to the economic situation. I am sure that patriotic Americans are willing to cooperate by this means to help their country in this trying period.

I think, too, that a levy should be made on the initial offering of all foreign securities in the United States. The evidence developed by Senator JOHNSON in his recent investigation of foreign bonds sold in our markets will, doubtless, put an end to or greatly reduce such offerings for the present, but the time is opportune to establish the policy and it should have a salutary effect. This form of taxation is not without precedent in other countries.

We all read, from time to time, statements about the vast amount of money the Government is losing because of the prohibition laws. It is said that bootleggers are making a billion and a half dollars per annum from their illicit trade; that if the Government would legalize and tax the liquor business, this immense sum would flow into the coffers of the Treasury.

Without discussing the accuracy of these statements or the futility of the suggestion because of insuperable legal obstacles, or the merits or demerits of prohibition, I think that if the bootleggers are profiting each year to the extent of $1,500,000,000, or any other sum, through violation of the laws of the United States, it is the obvious duty of the Government to take the entire amount of such profits through taxation. It is a fundamental principle of law that no one shall be permitted to profit by his own crime. Bootlegging is a crime under the laws of the United States. The Government has the unquestioned power to destroy the illegal business by taxing all the profit out of it. If there is no profit, there will be no incentive to engage in the business, and there will be no money to corrupt officers of the law and to instigate murder and other crimes. If, in the new revenue bill, an income tax of 100 per cent should be laid upon all profits arising from any business, occupation, or operation conducted in violation of the antinarcotic laws and the prohibition laws, we might succeed in transferring to the Federal Treasury the income derived from those sources until they are dried up. Such a tax, combined with the inquisitorial power possessed by the Bureau of Internal Revenue, is one of the most effective weapons that could be employed to destroy the bootleggers and narcotic dealers.

It may not be possible to collect 100 per cent of the illegal income, but certainly the wholesalers—the crux of the problem, can be reached; and if they should be driven out of business, the small operator or retailer will find it difficult to ply his nefarious trade. Those who argue that the Government should not tax unlawful business, fail to realize that if incomes from illicit operations are exempted from or permitted to escape taxation while incomes from lawful operations are not, the criminal is rewarded and the honest man is punished.

I have not attempted to enter upon a full discussion of the tax problem. I submit these reflections merely for what they may be worth.

With warm regards, I am, cordially yours,

W. G. McADOO.

Hon. THOMAS J. WALSH,
United States Senate, Washington, D. C.

RELIEF OF UNEMPLOYMENT

Mr. BLAINE. Mr. President, I have on my desk a petition of the Wage Earners National Relief Association containing over 45,000 names. I want to submit the petition and I wish to have inserted in the RECORD in connection therewith a copy of the resolution covering the intent and purposes of the petition and also the letter transmitting it.

There being no objection, the petition was ordered to lie on the table and the resolution and letter of transmittal were ordered to be printed in the RECORD, as follows:

Resolution covering the intent and purposes

Whereas the unemployment situation has become of such magnitude that its severity is being felt in every city and hamlet throughout the United States, causing widespread suffering and privation, particularly among the wage earning and salaried people; and

Whereas the supporting heads of these families have been unable to obtain employment, through no fault of theirs, which would provide the necessary funds to support their dependents, therefore they have become the unwilling objects of private charity, which is reluctant as well as unable to cope with a situation of such magnitude; and

Whereas this appalling economic disaster and national tragedy called the depression is expected to continue throughout the coming winter, causing prolonged suffering, starvation, and want and producing a greater strain on the already depleted resources of institutions of charity; and

Whereas it now becomes necessary for national planning and action to be undertaken in the form of unemployment insurance to provide immediate relief and succor to those who have fallen the helpless victims of our existing economic order, and to prevent the reoccurrence of this national catastrophe in the future: Now, therefore, be it

Resolved, That in view of our belief in the sincerity and high degree of public responsibility manifested on many occasions by the President of the United States, and expressing confidence in the fairness and justice of our great lawmaking body, the Congress of the United States, and in cooperation with the efforts of its Members who are studying and planning unemployment-relief measures, this initiative petition by and for the wage earners and salaried people of the United States shall upon completion provide the vitally necessary public support for, and shall be presented with, a suitable bill to the Congress of the United States at Washington, D. C., demanding of that body such legislative action as shall, without further delay, provide for the immediate relief of the unemployed, thereby restoring peace and security to distressed millions, bringing about a new order of national responsibility and renewing absolute faith and confidence in the soundness, flexibility, and permanence of our form of government, thus insuring an improvement of business and stabilizing national economic conditions.

THE WAGE EARNERS NATIONAL RELIEF ASSOCIATION (INC.).

CLEVELAND, OHIO, *February 12, 1932.*

Hon. JOHN J. BLAINE,
Senate Office Building, Washington, D. C.

DEAR SENATOR BLAINE: We take great pleasure in shipping to your office by prepaid express memorials to Congress in the interest of unemployment-relief measures and unemployment insurance, bearing 45,512 signatures, which we trust you will have entered in the CONGRESSIONAL RECORD. The itemized list is given below for your convenience:

* * * * * * *

Toledo, Ohio	150
Detroit, Mich	250
Louisville, Ky	350
Baltimore, Md	1,943
Dayton, Ohio	350
Buffalo, N. Y	1,615
Chicago, Ill	6,348
Cincinnati, Ohio	16,200
Cleveland, Ohio	18,286
Total	45,512

We are indeed very grateful to you for your assistance in this matter, and assure you of our deep interest in this most important cause—that of adequate unemployment relief. We have the honor to be, sir,

Your most obedient servants,

THE WAGE EARNERS NATIONAL RELIEF ASSOCIATION,
J. CALVIN NEWMAN, *Executive Secretary.*

REPORTS OF COMMITTEES

Mr. FLETCHER, from the Committee on Military Affairs, to which was referred the bill (S. 480) for the relief of Peter C. Hains, jr., reported it without amendment and submitted a report (No. 238) thereon.

Mr. DALE, from the Committee on Civil Service, to which were referred the following bills, reported adversely thereon:

S. 2494. An act to amend section 4 of the legislative, executive, and judicial appropriation act, passed and approved March 4, 1925, relating to the compensation of Members of and Delegates to Congress; and

S. 2495. An act to repeal section 17 of the act passed and approved July 28, 1866, relating to mileage of Members of Congress.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 2437) for the relief of Robert E. Edgecumbe, reported it with amendments and submitted a report (No. 239) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 816. An act for the relief of E. H. Flagg (Rept. No. 240); and

S. 2436. An act for the relief of Alfred G. Simmons, jr. (Rept. No. 241).

Mr. PATTERSON, from the Committee on Military Affairs, to which was referred the bill (S. 1294) for the relief of Henry Flanery, reported it with amendments and submitted a report (No. 242) thereon.

He also, from the same committee, to which was referred the bill (S. 3027) for the relief of James J. Jordan, reported it with an amendment and submitted a report (No. 243) thereon.

Mr. REED, from the Committee on Military Affairs, to which was referred the bill (S. 460) to give war-time commissioned rank to retired warrant officers and enlisted men, reported it with amendments and submitted a report (No. 244) thereon.

He also, from the same committee, to which was referred the bill (S. 1529) for the relief of Charles Morton Wilson, reported it with an amendment and submitted a report (No. 245) thereon.

LAWLESSNESS IN LAW ENFORCEMENT—PROPOSED PRINTING OF DOCUMENT

Mr. NORRIS, from the Committee on the Judiciary, to which were referred certain reports of experts of the National Commission on Law Observance and Enforcement, prepared under the direction of Judge William S. Kenyon, and also two pamphlets, one entitled "Draft of Mooney-Billings Report," and the other "Appendix Containing Official Documents," submitted a report (No. 246) thereon.

He also, from the same committee to which the above matter was referred, reported a resolution (S. Res. 166), which was ordered to be placed on the calendar, as follows:

Resolved, That the two pamphlets heretofore transmitted to the Senate by the Attorney General, one entitled "Draft of Mooney-Billings Report" and the other entitled "Appendix Containing Official Documents," be printed as a public document.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. HALE, from the Committee on Naval Affairs, reported favorably sundry nominations of officers in the Navy, which were placed on the Executive Calendar.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEAN:

A bill (S. 3634) to amend section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122); to the Committee on the District of Columbia.

By Mr. BROUSSARD:

A bill (S. 3635) to establish a national military park to commemorate the campaign and battle of Chalmette, in the State of Louisiana; to the Committee on Military Affairs.

By Mr. WHITE:

A bill (S. 3636) granting a pension to Carl Newton; to the Committee on Pensions.

By Mr. REED:

A bill (S. 3637) granting an increase of pension to Jean L. Jadwin; to the Committee on Pensions.

By Mr. NYE:

A bill (S. 3638) to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Idaho:

A bill (S. 3639) for the inclusion of certain lands in the Coeur d'Alene and St. Joe National Forests, State of Idaho, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. BROOKHART:

A bill (S. 3640) to provide for the purchase of domestic materials for use in Government construction work in or near the Canal Zone; to the Committee on Commerce.

By Mr. TYDINGS:

A bill (S. 3641) for the relief of the Maryland Casualty Co. of Baltimore, Md.; to the Committee on Claims.

By Mr. JOHNSON:

A bill (S. 3642) relating to the premium rate on certain policies of Government insurance; to the Committee on Finance.

(By request.) A bill (S. 3643), amending the shipping act, 1916, as amended, for the purpose of further regulating common carriers by water in interstate commerce of the United States engaged in transportation by way of the Panama Canal; to the Committee on Commerce.

By Mr. CAPPER:

A bill (S. 3644) granting an increase of pension to Ellen R. Shumate (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH of Montana:

A bill (S. 3645) granting a pension to Caroline M. Allen; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 3646) authorizing the purchase of certain lands within the State of Utah; to the Committee on Public Lands and Surveys.

By Mr. FESS:

A bill (S. 3647) granting an increase of pension to Anna Rockwell (with accompanying papers); to the Committee on Pensions.

By Mr. GEORGE:

A bill (S. 3648) relating to equitable relief in actions at law; to the Committee on the Judiciary.

By Mr. SHIPSTEAD:

A bill (S. 3649) to amend the radio act of 1927, as amended; to the Committee on Interstate Commerce.

By Mr. BORAH:

A bill (S. 3650) granting an increase of pension to Tennessee F. Maynard (with accompanying papers); to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 3651) to authorize the presentation of a distinguished-service cross to Cicero Blythe Bond; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 3652) for the relief of Annie Moran; to the Committee on Claims.

By Mr. FRAZIER (by request):

A bill (S. 3653) to authorize the collection of penalties, damages, and costs for stock trespassing on Indian lands;

A bill (S. 3654) to authorize turning over to the Indian Service vehicles, vessels, and supplies seized and forfeited for violation of liquor laws; and

A bill (S. 3655) to provide for the leasing of the segregated coal and asphalt deposits of the Choctaw and Chickasaw Indian Tribes, Oklahoma, and for an extension of time within which purchasers of such deposits may complete payments; to the Committee on Indian Affairs.

By Mr. KING:

A bill (S. 3656) granting certain lands to the State of Utah for use and benefit of the water storage commission of such State and for the use and benefit of the University of Utah; to the Committee on Public Lands and Surveys.

By Mr. WAGNER:

A bill (S. 3657) authorizing Susan Sanders Cook to submit claim against the United States to the Court of Claims; to the Committee on Claims.

By Mr. WALSH of Montana:

A joint resolution (S. J. Res. 101) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 102) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on Post Offices and Post Roads.

By Mr. BLAINE:

A joint resolution (S. J. Res. 103) authorizing the issuance of a special stamp in honor of Brother Joseph Dutton; to the Committee on Post Offices and Post Roads.

CHANGES OF REFERENCE

On motion of Mr. JONES, the Committee on Appropriations was discharged from the further consideration of the bill (S. 3349) authorizing the purchasing officers of the Government to give preference to domestic articles, and it was referred to the Committee on Expenditures in the Executive Departments.

On motion of Mr. JOHNSON (for Mr. SHORTRIDGE), the Committee on Military Affairs was discharged from the further consideration of the bill (S. 1934) for the relief of Joseph Gottlieb, and it was referred to the Committee on Claims.

RELIEF OF FARMERS IN DRAINAGE DISTRICTS, ETC.—AMENDMENT

Mr. BRATTON submitted an amendment intended to be proposed by him to the bill (S. 1856) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation, and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes, which was ordered to lie on the table and to be printed.

RELIEF OF WATER USERS ON IRRIGATION PROJECTS—AMENDMENTS

Mr. HAYDEN and Mr. COSTIGAN each submitted an amendment intended to be proposed, respectively, to the bill (S. 3422) for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law, which were ordered to lie on the table and to be printed.

UNIFORM REQUIREMENTS AFFECTING GOVERNMENT CONTRACTS—AMENDMENT

Mr. BLAINE submitted an amendment intended to be proposed by him to the bill (S. 1395) to establish uniform requirements affecting Government contracts, and for other purposes, which was referred to the Committee on the Judiciary, ordered to be printed, and to be printed in the RECORD, as follows:

On page 21, line 19, after the word "rights," to add the following: "*And provided further*, That nothing contained in this act shall be construed to affect the act of March 3, 1931 (46 Stat. 1494), or its enforcement."

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. ODDIE submitted an amendment intended to be proposed by him to House bill 8397, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill insert the following:

"Boulder Canyon project: For the continuation of construction of the Hoover Dam and incidental works in the main stream of the Colorado River at Black Canyon, to create a storage reservoir, and of a complete plant and incidental structures suitable for the fullest economic development of electrical energy from the water discharged from such reservoir; to acquire by proceedings in eminent domain or otherwise, all lands, rights of way, and other property necessary for such purposes; and for incidental operations, as authorized by the Boulder Canyon project act, approved December 21, 1928 (U. S. C., Supp. V, title 43, ch. 12A); $15,000,000 to be immediately available and to remain available until advanced to the Colorado River Dam fund, which amount shall be available for personal services in the District of Columbia and for all other projects of expenditure that are specified for projects included in this act under the caption, "Bureau of Reclamation," without regard to the limitations of amounts therein set forth."

"FIGHT OF HIGH FINANCE AGAINST PROHIBITION"

Mr. HATFIELD. Mr. President, I ask leave to have published in the RECORD a speech delivered by the senior Senator from Iowa [Mr. BROOKHART] over the National Broadcasting System, at Washington, D. C., on the 13th instant, under the auspices of the Radio Education Committee.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Upton Sinclair has written a very attractive novel under title of The Wet Parade. It is the truthfulness of his picture that gives it the greatest power. He has torn off a mask from every face of the antiprohibition fight. In its true face it is a deceptive, cowardly, and selfish picture.

To-night I want to point out to you some of the insidious and camouflaged activities of high finance in its assault upon prohibition. The first national organization was called the Association Against Prohibition. This association was set up by a small number of big financial men who are heavy income-tax payers into the Treasury of the United States because they are heavy profiteers upon the labor and earnings of the people of the United States. They were, in fact, an association of tax dodgers looking for an opportunity to transfer their taxes to the backs of the laboring people and the common people of the country by the nullification of the eighteenth amendment and the legalizing of beverages of low alcoholic content. They cared nothing for the moral devastation to be wrought by such a course and nothing for the economic cruelty to women and children that would follow its adoption. Their selfish purpose was to reduce their taxes, increase their ruthless profits, and establish an economic autocracy over our Government. Every pronouncement of this financial association refers to this tax question in some form. The latest letter received by me, dated February 6 of this year, points out that 10 States have demanded the repeal of the eighteenth amendment; that they represent only 29.42 per cent of our population, but they pay 63.69 per cent of the individual income taxes of the United States. This insidious statement neglects to tell you that the financial crowd in these same States are levying a tax upon the people of the whole country in the form of excess profits of a good deal more than 63.69 per cent. In fact, they are levying these extortionate profits with such monopolistic power that 92 per cent in number of American business enterprises ultimately fail. And it is therefore evident that high finance in these States is not now and never has paid anything like its just share of the income taxes.

An outgrowth of this organization is another association of women for so-called prohibition reform. This association is not

for reform at all. It is against reform. Its whole purpose is to supplement the tax dodgers of the Association Against Prohibition in its efforts to tax the laboring people of the country who drink beer instead of the big incomes of the profits of monopoly.

We next find another organization which calls itself "The Crusaders." Again this is a camouflaged title. They adopt a religious name for an irreligious purpose. Under this mask they not only supplement the arguments of the tax dodgers but they dive deep into economics and insist that the return of intoxicating liquor would restore prosperity. Again there is a deep and sinister purpose in this argument. We have dropped down into the biggest depression in our time. This catastrophe of economic disaster has been brought upon the country by this same financial crowd of extortionate profiteers through their power of monopoly. They built bubbles of inflation, watered stocks, and inflated bonds, induced the public to invest their savings in these mythical values, and now since the bubble has burst they would have the public enter the fight over prohibition and forget the criminal excesses of this same financial crowd.

The latest and perhaps the most contemptible exploit of this financial campaign is the publication of a fake newspaper in Philadelphia under the title, Herald of Good Times. In a big, full-page headline this paper declares, "Hoover demands prohibition repeal," and in another headline it says, "Fess resigns on eve of Hoover message." In smaller type, purposely less noticeable, it says, "All imaginary—more's the pity." This deceptive paper was mailed to all Members of Congress, accompanied by a letter under heading "Republican Citizens' Committee Against National Prohibition," signed by Raymond Pitcairn. This letter is perhaps the most insolent and traitorous document that has been published, and quoting the Wall Street Journal, it advocates revolt and rebellion in the following language:

"When on the night of July 14, 1789, the Duc de Liancourt reported to King Louis that the Bastille had fallen to the assaults of the people, the King cried, 'Why, this is a revolt.' 'No, sire,' was the reply, 'it is a revolution.' People have been revolting against our prohibition laws; the elections show the revolt is changing to revolution before which this legislative tyranny must fall."

The first revolt and rebellion we ever had in this country was in this same State of Pennsylvania, and known in history as the whisky rebellion, and was put down by President Washington. And if this insolent and autocratic Wall Street crowd want to promote another alcoholic rebellion it, too, will be put down, and the taxes on the financial crowd will be raised instead of lowered to pay the bill.

In spite of all of this froth and foam of the financial crowd against the eighteenth amendment and the Volstead Act, the result is not at all disheartening to the prohibitionists. A test was brought to the United States Senate upon a question of a referendum, and the wets were only able to muster 15 votes against 55. There is no danger to the prohibition cause except the insidious power of money. This power is able to control the vast majority of the public press. If it is able to, it puts its decoy ducks even in some of the great labor organizations; but it has wholly failed to impress the moral sense of the country. In spite of its efforts at nullification, conditions are greatly improved over the old saloon days, even in the great wet cities of the country.

I do not want to encourage the temperance organizations of the United States to be indifferent to this violent agitation. On the other hand, I want them to awaken and meet every argument against the advance of prohibition and law enforcement. If properly presented to the people of the country, they will understand that all the issues presented by the wet crowd are in bad faith and without any rational purpose. Before the eighteenth amendment can be changed or modified in any way the proposition must be submitted by a two-thirds vote of both Houses of Congress.

At this time, instead of being two-thirds in favor of such change the House of Representatives is two-thirds against it and the Senate is three-fourths against it. After such amendment or change should be submitted it must then be ratified by three-fourths of the States, or 36 in number, before it would become effective. There are two methods of ratification, one by a vote of the legislatures of the various States and the other by a convention of delegates elected for that purpose. Congress has the power under the Constitution to submit either method of ratification.

The wet crowd, having been beaten in 46 of the 48 legislatures upon the ratification of the eighteenth amendment itself, now demand a submission to conventions, which they fallaciously call a referendum. There is no provision in the Constitution for a referendum upon any question. The financial crowd that demand a referendum upon prohibition are against referendums upon any economic question. They single out prohibition for a referendum as a last forlorn hope, because all constitutional methods have failed when invoked against it. This position is entirely unfair as well as unlawful. However, the wet crowd camouflage and cover up the idea of a referendum with a demand for the convention method of ratification. With their financial means of corruption they feel they could buy enough delegates in these conventions to secure a ratification. Such a submission would open up the greatest orgy of corruption in the history of our country, and it is the financial crowd that has both the desire and power of corruption.

The fight is over now so far as the Constitution and the law is concerned. There is no vital question left except that of enforcement, and enforcement is improving. If the temperance forces of the country will now point their guns at this financial crowd hiding behind newspapers and other organizations, the agitation itself will soon be over and the eighteenth amendment will be enforced in all the States of the Union as reasonably in proportion as other laws.

UNVEILING OF TABLET TO LATE SENATOR GREENE

Mr. DALE. Mr. President, I ask unanimous consent to have printed in the RECORD an account of the unveiling of a memorial tablet to the late Senator Frank L. Greene, of Vermont, in the statehouse at Montpelier, Vt.

The VICE PRESIDENT. Without objection, it is so ordered.

The account is as follows:

[From the Burlington Free Press and Times, February 11, 1932]

UNVEIL TABLET IN MEMORY OF SENATOR FRANK L. GREENE AT STATEHOUSE, MONTPELIER—PRESENTED BY FORMER GOV. E. C. SMITH AND RECEIVED FOR STATE BY GOVERNOR WILSON—MANY ST. ALBANS PEOPLE ATTEND

MONTPELIER, February 10.—A tablet to the memory of Frank L. Greene, United States Senator and well-known and much-loved son of Vermont, was unveiled at the statehouse this afternoon in the presence of a large number of his former fellow citizens of St. Albans, who made the trip to the State capital in a special car. It was presented by former Gov. E. C. Smith, of St. Albans, and received on behalf of the State by Gov. Stanley C. Wilson.

The large bronze tablet bears at the top a bas-relief portrait of the late Senator and beneath is the inscription:

"To Frank Lester Greene, 1870–1930, newsboy, stenographer, editor, captain in Spanish War, Representative in Congress, 1912 to 1923, United States Senator, 1923 to 1930. This tablet is here placed in affectionate remembrance by his friends and neighbors throughout the State of Vermont."

It was unveiled by two of Senator Greene's grandchildren, Mary Elizabeth Greene, daughter of Capt. and Mrs. Richard L. Greene, and Betty Alexander, daughter of Mr. and Mrs. Harris W. Alexander, of St. Albans. Stephen S. Cushing, of St. Albans, acted as master of ceremonies.

PRESENTATION

In presenting the memorial, the gift of Frank Greene's many friends from all parts of the State, Mr. Smith said:

"My friends and neighbors, in assembling here to present to the State of Vermont this memorial to Frank Greene, it seems to me almost like reciting a twice-told tale to offer any eulogy on his life to you, his friends and neighbors, who are gathered here in honor of his memory and who knew him during all the years of his life quite as well and as intimately as I did. You knew the story of his life and his struggles and his triumphs through an intimacy with him that can not be broadened or emphasized by any words of mine. You knew him as a boy when he was earning his pennies to aid in the support of his family. You knew him as he developed his years and his ability and his resources, when his mind and capability were expanded and when he came to manhood and assumed its responsibilities. You watched and wondered at the sparkle and scintillation of his wit and at the brilliant, wonderful development of his youthful hopefulness and optimism, springing up as it did out of a native ability which shone through the clouds of adversity that shadowed all the years of his youth and early manhood. You knew also full well how he triumphed and stepped up from one responsibility to each higher one, and you shared with him, as I did, the brilliant glint of his intelligence that shone from the waves and surface of the whole stream of his life like the dancing sunlight on a woodland river flowing through a forest of brilliant colors.

"All this you knew and shared and enjoyed and have good reason to bless yourselves and him that you were permitted to join in the life of such a hopeful, buoyant nature. To this side of Frank Greene's life I can add nothing to what each one of you shared and enjoyed. You and each of you will cherish your own portion of your association with his daily life, as well as your own fair recollection of what he meant to you, and to each of you. Upon the walls of your memory there hang priceless recollections of his loyalty, of his wit, and of his manly affection.

"All these memories are delightful and within the scope of your personal association with him, but with your vision of them, comes the sober thought that there was indeed much more to Frank Greene than a superficial brilliancy. Everybody will acknowledge after reflection that there was beyond all these qualifications, and above them all, something greater and stronger, something that in every crisis of his life lifted him above the assaults of adversity, so that when each crisis had passed he was left stronger and greater. It was something that steadied him and strengthened him and overcame misfortunes that threatened his existence, something that carried him to a higher and still higher plane of life. So in addition to all that we knew intimately about him, there is also this latter quality which we commemorate in this tablet. This quality was the sterling character of the boy and of the man. It was the elemental in his soul. It was founded on an eternal sense of right which possessed his being and controlled his actions and its unerring grasp upon his life carried him triumphantly from newsboy to reporter, to editor, to a command of men in war, to Representative of his State at Washington, to a seat in the Senate of the United States. It is this righteous element of his character that really brings us here to place on the

walls of this House this memorial of his life. It will remain as a shining example to those who come hereafter.

"In this spirit, your excellency, we turn over to the State of Vermont the ownership and custody of this tablet, in the belief that it will be received and held by the State as a fitting tribute to a worthy son, who by his life and work and record justly earned the name and the fame of a true Vermonter."

GOVERNOR WILSON SPEAKS

Governor Wilson, in reply, said:

"In behalf of the State of Vermont I accept this tablet to be preserved here in our statehouse as a memorial to Frank L. Greene, one of Vermont's distinguished sons.

"No man was ever more loyal to Vermont than was he. No man ever gave his State more whole-hearted, able, and honest service.

"His life history is the kind of a record that gives us renewed faith in the permanence of our institutions, and the good, sound judgment of our people. The boy of to-day may read it and learn that opportunity lies open to him here in Vermont if he only has the ability to grasp it and the character to sustain his hold.

"Frank Greene was a typical Vermonter, whose success was measured not so much by his accomplishments in his profession, not so much by the height to which he climbed in public office, but especially by the esteem, the confidence, and the love of all who knew him.

"It is fitting that here in the capitol of the State he loved, through the efforts of his friends and neighbors, shall be placed this tablet to perpetuate the memory of Frank L. Greene, the editor, the soldier, the United States Senator, but above all the real man all loved and whose memory we revere."

REGULATION OF SECURITY ISSUES

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to have printed in the RECORD several editorials published in the Atlanta (Ga.) Constitution relating to the Federal regulation of seurities of corporations.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

THE PILLAGE OF THE CONSUMER AND THE INNOCENT INVESTOR

Fostered by three Republican administrations and unhampered by Federal restraint, the high financing which in the past 10 years blossomed into overcapitalization and came to fruit in profit-grabbing holding companies is in a fair way to feel the pruning knife when Congress meets in December.

Often adversely criticized, the holding-company scheme of high financing is now under a withering fire leveled against it by many Democrats and a number of Republicans; and if the trend toward establishing Federal control is as strong as the present current of public opinion indicates, Congress will act surely and swiftly to put an end to a scheme which has been disastrous in its results and remains sinister in its tendencies. Beyond all doubt, this modern financial Frankenstein, rampant in its ruthlessness during the past 10 years, has contributed vastly to bringing about present conditions in America's banking, commerce, and industry.

Senator DAVID I. WALSH, of Massachusetts, in a speech delivered in the Senate last March referred to high financing and its malignant excrescences of holding companies and watered stock as "an issue more immediately important than prohibition." After asserting that the political responsibility of subnormal business conditions should be fixed, Senator WALSH said he believed the depression, with its accompanying widespread unemployment and other economic troubles which hamper readjustment, to be "due largely to financial exploitation and stock manipulations which have taken place in this country since the war."

And he added this scorching indictment of the predatory activities which were the beneficiaries of the aid and comfort of three complacent Republican administrations:

"Mergers, consolidations, refinancing schemes, changes in financial structures, rights, and warrants, all causing overcapitalization, stock watering and a highly inflated condition of security prices are responsible in large measure for our present economic breakdown.

"These false and artificially created values gave a wrong and false impression of the real status of business, and that false impression was hailed as "prosperity," when, in fact, we now know that what we had was an unsound, if not a dishonest, inflation of capitalization in industry and finance.

"To speak plainly, it was gambling, and the false showing made by gambling. We are to-day the victims of an orgy of gambling with money, securities, businesses, and industries that is without parallel in the history of the world."

The results of the past decade of high financing—a decade which Senator WALSH calls an epoch of mergers and financial exploitation without check, hindrance, or restraint—has been both nefarious and ruinous. Nor is the Massachusetts Senator overstating when he refers to "this epoch of the triumph of greed and selfishness, this era of complete subservience to materialism," and brands it as the natural and inevitable result of "a philosophy and a political leadership dominated by the selfishness of the powerful few who control the vast mergers of the wealth of the country," in short, the Republican Party, which in 10 years has passed from political debauchery to tight-lipped complacency and now is the abject slave of tariff pirates and moneyed interests.

Courageous and clear is Senator WALSH in his charge that this high financing, with corporations merged and finally swallowed by a holding company; this "redoubling of the capitalization of our industries and our financial structures, which is alleged to have run into fifty billions," is responsible "for the terrible decline in values, the widespread business depression and the general unemployment."

This method of working out the mergers and organizing holding companies has been developed into a fine art by large groups of investment bankers since the war. These investment bankers, asserts Senator WALSH, "have been buying prosperous industries, consolidating them, inflating the capital, and then dumping the stocks on the public and destroying the industry." Indeed, reckless mishandling of financial power is one of the causes of the depression in New England, where, according to Senator WALSH, fine industries, 75 to 100 years old, with a national reputation, known in every financial institution in the world as solid and substantial, "have been looted, consolidated, and reconsolidated, so that to-day they have a capitalization that makes it impossible to produce at a going price the products which they have been manufacturing."

In Senator WALSH's own community there is one industry which in the past 15 years has gone through five consolidations. In the process of merging, the physical valuations of the consolidated industries were inflated from $15,000,000 to $40,000,000. Before the crash came, the bottom of the stock in the consolidated industries dropped out, and among those who lost much—in some cases their all—were professional men, school-teachers, and widows, who had bought the certificates of stock in the parent industries, which were most prosperous and had a world-wide reputation.

These victims of consolidations and reconsolidations and holding companies, says Senator WALSH, "could not take the time to study and investigate the manipulations and the changes in the financial structure that were with rapidity carried on, and which resulted in the securities becoming practically worthless." Obviously, these uninformed purchasers of high-financed stock could not keep track of the manipulations which, free from Federal control, were not confined to a charted financial path. Even seasoned stock traders are often baffled, and only a few days ago a report by a committee of the Investment Bankers' Association of America stated that "the different levels of securities that the public is asked to buy, the impossibilities in not a few instances of following their relative liens or obligations, the practical impossibility of pursuing them to ultimate account and settlements, result in marked uncertainty about them. * * * Conspicuous holding companies are now simple or are in process of becoming so, while unfortunately others are apparently oblivious of the need."

Fortunately there are many Congressmen, both Democratic and Republican, who are not oblivious to the need of simplifying the high-financing schemes which have either mulcted the public or forced up prices beyond a decently profitable basis and put a burden on the public in order that profits may be squeezed out of watered and rediluted stocks. There are also governors who are aware of the needs to protect the public, and who realize that not the State, but the Federal Government must pass the necessary legislation and vigorously enforce it.

Both Governor Roosevelt and Governor Pinchot have been making intensive studies of this holding-company scheme, and their views are in line with those of Senator WALSH, particularly in the public-utilities situation, which has been so notoriously overdone it is now reacting on the original companies which were lured or forced into consolidation.

Unquestionably too little public attention has been given to the part which holding companies, escaping both State and Federal regulation, have had in creating an artificial market. That is the opinion of Gov. Gifford Pinchot, of Pennsylvania, who, like Governor Roosevelt, has been in close contact with this menacing public-utilities situation. Governor Pinchot scoffs at the idea that the concentration of utilities amounted, as has been claimed, to a kind of painless dentistry which took the teeth out of the law without harmful effect, and he adds: "Ask the people who bought 200 utility stocks that are now down to 20."

It is Governor Pinchot's contention that the result of these mergers, "engineered by holding companies outside of State control and not within Federal control, was to help largely in creating a stock-market level which many of our largest business leaders are now freely describing as 'crazy.' For years when there was a slight slump, a new utility merger would again lead the list upward." For the want of Federal legislation, these uncontrolled holding companies have, according to Governor Pinchot, carried on speculative and riotous stock jobbing. This has not only hurt the investor, but "it has prevented operating utility managers from reducing rates, even if they wanted to, to the extent which the engineering advances in the industry warranted."

How shall the problem of the holding company be handled? Certainly it is beyond the reach of the State, or even of groups of States under compact, as Mr. Pinchot says. There are those who are opposed to Federal control—particularly do the holding companies object.

Here are Governor Pinchot's views on this point:

"We are told that Federal regulation will impair State regulation. What will it impair? Certainly not the control of the holding companies, for the States have none now. And yet what the holding companies do in frenzied finance is the essence of what needs to be stopped or controlled in the utilities field to-day."

The problem is one for Federal control, and it is the undebatable duty of the approaching Congress to pass regulatory legislation for two reasons—first, to protect the consumer; and, next, to protect the innocent investor. And there is no need for the Democrats to wait until 1932 for a platform pronouncement—the Democratic Party, in convention assembled in 1924, in a plank which to-day seems both a prophecy and a warning, but which is also no less than a mandate, said:

"We favor the immediate passage of such legislation as may be necessary to enable the States efficiently to enforce their laws relating to the gradual financial strangling of innocent investors, workers, and consumers, caused by the indiscriminate promotion, refinancing, and reorganizing of corporations on an insane basis, resulting already in the undermining and collapse of many railroads, public-service, and industrial corporations, manifesting itself in unemployment, irreparable loss and waste, and which constitute a serious menace to the stability of our economic system."

The arguments advanced by Senator WALSH, Governor Pinchot, and Governor Roosevelt, as well as the enunciated principles of Democracy, call for action. The greed of the Republican bosses has kept them silent and inactive.

The Democrats, free from predatory control, can offer no excuse if they fail to act promptly in behalf of the public.

NOW UP TO CONGRESS!

From Washington during the past week came the news that the editorial in the Constitution of last Sunday on the plight of the consumer and the innocent investor, victims of pillage by stock-jobbing mergers, has stirred congressional circles not merely to laudatory comment but to unequivocal pledges of action at the approaching session.

Among those who have expressed their commendation of the Constitution's call for legislative action that will place holding companies and other forms of "high financing" under Federal control are—

Senator PETER NORBECK, chairman of the Senate Committee on Banking and Currency.

Senator JAMES COUZENS, chairman of the Senate Interstate Commerce Committee.

Senator SMITH W. BROOKHART.

Senator GEORGE MCGILL.

Senator ARTHUR CAPPER.

Senator JOHN J. BLAINE.

Senator CORDELL HULL.

Senator NORBECK and Senator COUZENS have been making a comprehensive and an intensive study of the chaotic conditions brought on by the unrestrained flood of consolidations, pyramided mergers, holding companies, and watered stock, which have swept away the levees of sound and logical business procedure. Interviews with these two Senators, along with statements by Senators BLAINE and MCGILL, are printed in the news columns of the Constitution this morning. Senator NORBECK, after commending the Constitution's editorial, calls for action, asserts the Banking and Currency Committee's subcommittee, of which Senator GLASS is chairman, will go thoroughly into the vexing and menacing problem of labyrinthine stock manipulations. It is not to be doubted, as Senator NORBECK suggests, that the committee will make definite recommendations for a wholesome improvement in the present situation. There is, as the Constitution pointed out and Senator NORBECK now emphasizes, something unquestionably wrong with our financial structure, and he makes the comforting assertion that an effort will be made to uncover the weakness.

And by way of indicating the direction in which a lack of caution and conservatism and a departure from sound business methods are leading financiers, Senator NORBECK recalls that the testimony of Charles E. Mitchell, chairman of the board of National City Bank, of New York, before the subcommittee of the Senate's Banking and Currency committee "showed that large banks with their affiliates gambled in stocks on the New York Stock Exchange."

It is also indicated that holding companies and "racketeering" in stocks and bonds will have their methods bared by the NORBECK-GLASS committee.

Senator COUZENS, whose interview is also printed in the news columns of this issue, is in hearty accord with the Constitution's belief that there should be Federal regulation of "high financing" and its attendant evils of holding companies and watered stock. The Senator from Michigan, who is a man both of wealth and large business experience, has in the past warned the financial interests of the country they were treading on dangerous ground in their stock-manipulation schemes. Senator COUZENS now asserts that "the false and artificially created values built up in the precrash era are the fundamental causes of present-day distress." This is precisely the point made by the Constitution in its editorial of Sunday, and the same conclusion was reached some time ago by Senator DAVID I. WALSH, Gov. Gifford Pinchot, and Gov. Franklin D. Roosevelt.

That the lack of Federal control has enabled holding companies to carry on speculative and riotous stockjobbing is obvious. Governor Pinchot in a recent speech stated that the uncontrolled holding companies have not only brought losses to investors but "prevented operating utility managers from reducing rates to the extent which the engineering advances in the industry warranted." On the same line, Senator COUZENS stated to the Constitution's Washington correspondent that because of the absence of Federal control interstate holding and management companies squeeze the consumer, and pictured one of the processes, as follows: "Operating utilities in the mere process of padding operating expenses through supply contracts with 'affiliated' companies are able to charge rates with which, on paper, they may be losing money, but which in fact reflect a net profit in the corporate pocket of the parent concern." It might well be added that in times of economic dislocation the holding companies "bear down" on the operating companies and force them to make a drive to pay the interest on watered stock; when the limit of high-pressure salesmanship is reached employees are discharged and salaries cut. The sins of the holding company are thus transferred to the operating group, which must meet adverse local criticism in a situation out of their control.

Senator WALSH of Massachusetts has not only discussed the holding companies' methods, but in his recent speech on the subject gave an interesting example of the steps leading to consolidation and watered stock, how investment bankers make fortunes out of unsuspecting investors and open the road to the destruction of once profitable properties.

In response to a fellow Senator's query concerning consolidations, Senator WALSH made the following straightforward and illuminating reply:

"Why do promoters offer $1,000,000 each for two plants worth $500,000 apiece?

"Is it not done by the banker to recapitalize them for $3,000,000 or $4,000,000, and thus put two or three million dollars in his pocket?

"That is what has been going on in industry and business in the last 10 years. That is what has made smokeless chimneys, deserted villages, empty homes in the land.

"It is a terrible story of wreck and ruin that cries to Heaven for vengeance."

Senator WALSH's picture of "high financing" and its results is not overdrawn.

One instance is enough to illustrate the seriousness of the evil. The Constitution has in mind a railroad corporation which has an outstanding bond issue of hundreds of millions of dollars and has not retired a bond in 70 years.

The stock of this company has been watered, rewatered, and drenched. Now the innocent investor holds the bag, for the company announces that it can not pay a dividend this year. It is all it can do to meet the interest on its bonds.

In the approaching Congress the House of Representatives will be Democratic. The opportunity to set the Nation's financial house in order is at hand.

It is futile to talk about appointing "investigating" committees, The fact are known, and have been known for too many years.

If the Republicans discover they must await a mandate from their next party convention, there is no such excuse for the Democrats. Seven years ago the Democratic Party nailed to its platform a plank which demanded the legislation necessary to put an end "to the gradual financial strangling of innocent investors, workers, and consumers caused by the indiscriminate promotion, refinancing, and reorganizing of corporations on an insane basis, resulting already in the undermining and collapse of many railroads, public-service, and industrial corporations, manifesting itself in unemployment, irreparable loss, and waste, and which constitute a serious menace to the stability of our economic system."

Seven years ago the Democratic Party was aware of the unhealthy financial conditions which, then threatening disaster, two years later brought it about.

Seven years ago!

And in the seven years that followed the Republican Party, reeking with every form of scandal, expressed itself through the platitudes of a Coolidge pledging perpetual prosperity in the face of approaching economic upheaval and the parrotings of a Hoover prophesying the passing of poverty in the midst of a calamity accentuated by Republican complacency and inefficiency.

Republicans may continue their program of blind inanition, but Democracy, courageous and clear visioned, can conjure up no excuse for failing to fulfill its destiny of duty to the people.

HOLDING-COMPANY EVILS

Senator WILLIAM E. BORAH is 1 of 11 Members of the Senate who have heartily commended the proposal of the Constitution that the Federal Government should undertake to regulate holding companies and put an end to the rampant speculative stock jobbing perpetrated by this modern method of profit grabbing. In previous editorials relating to the mulcting of consumers and the pillaging of investors through the menacing holding-company scheme, emphasis was placed on a condition which has served to direct attention to stock-jobbing mergers. This reference is to the fashion in which holding companies crush the last penny of profits out of operating companies, and thus force the more or less localized victims of the merger into an equivocal position.

In his statement, printed in the news columns, Senator BORAH is forthright in his condemnation of what he calls "the sinister influence of and the capacity for evil of these holding companies." He mentions one example which was cited by the Federal Trade Commission—the case of a top holding of $1,000,000 which controlled $370,000,000 of operating capital. Another instance he mentions is that of a $100,000 holding company which controls a corporation the bonds and stock of which total more than $4,750,000. There is "literally no end to the concentration of wealth and the power of wealth under such a system if left uncontrolled by law," says Senator BORAH, and adds: "The Constitution has brought forward one of the most important problems

with which we have to deal. Congress ought not to delay legislation on the subject."

Senator DAVID I. WALSH, of Massachusetts, in a speech last spring gave interesting examples of the disastrous merger methods of holding companies based on watered stock and how investment brokers make fortunes out of unsuspecting investors and open the way to the destruction of once profitable properties. On this point Senator BORAH asserts that under the system as fathered by "high finance" there are almost unlimited opportunities "for manipulations and for increasing the profits of the controlling concerns without considering the interests of other security holders and investors and the consuming public." And then, with that frankness which has drawn the admiration of many not fully in accord with his policies, Senator BORAH, referring to the holding-company scheme, says: "It is a legalized system of exploitation, amounting in some instances to brigandage."

In line with the views of Senator BORAH are those of Senator HOWELL, of Nebraska, whose statement was printed in the Constitution of Saturday. The Nebraskan cited a specific example of holding-company pyramiding which enabled the top organization to squeeze out dividends ranging from 48 per cent in 1924 to 212 per cent profit in 1930. Senator HOWELL asserted that the holding company is "absolutely unnecessary to properly conduct any form of business." He is aligned with those who intend to attempt to find legislative means for dehydrating watered stock and controlling the reckless refinancing methods of the larger corporate interests.

Senator GEORGE and the two Senators from Alabama have expressed their awareness of the need to investigate fully the menacing activities of holding companies and devise a method of Federal control which draws the claws of these financial monstrosities. Senator GEORGE in an interview printed a few days ago asserted that the postwar period witnessed "the formation of mergers and consolidations in industry and finance upon a scale hitherto undreamed of," and added:

"This spirit of speculation held undisputed sway. Overcapitalization of business, rotten and legitimate alike, occurred on an extended scale.

"Legitimate industry, built upon the foundation of personal integrity, was exploited by stockbrokers and gamblers—the people were in large numbers their victims."

Senator BLACK, of Alabama, believes "the holding company has materially aided in concentrating the wealth in a few hands," and that during the past decade "too many corporations have been organized to flim-flam the public on stock issues." He is also of the opinion, which he expresses without equivocation, that "overcapitalization is simply a method of fleecing the public, because dividends can not be paid on watered stock."

Senator BANKHEAD, of Alabama, believes that "a nation-wide 'skin game' in stock jobbing has been worked on the American people for years," and adds:

"A thorough investigation of the whole situation relative to high finance, stock juggling, overcapitalization, and profit grabbing should be made by a suitable committee of the Senate, and upon completion of the investigation no time should be lost in enacting regulatory legislation."

Senator DILL, of Washington, brands the holding-company-promotion racket in this country as "one of the most astounding monetary evils of modern times." He asserts that holding companies are not only absolutely unnecessary but that they are responsible for "a hybrid business racket with no foundation or recognition in law," and expresses the opinion that "the Constitution has touched the sore spot of the present business stagnation."

As for investigating the destructive holding company and watered stock situation, the facts are known, asserts Senator DILL. He shows that the Federal Trade Commission has already developed a wealth of information concerning stock promotions and consolidations.

"What we need now is action more than investigation," asserts Senator DILL.

That is the belief of the Constitution. The facts are available. The Democratic Party, in convention assembled, has denounced holding companies, overcapitalization, and stock jobbing.

At hand is the session of Congress. It brings to Democracy an opportunity to justify itself as the party of the people. Too long have they been the victims of a predatory and uncontrolled system of financial rackets. Federal action is the antidote for the pernicious speculative schemes which have engulfed alike consumer and investor.

DEMANDS FEDERAL CONTROL

From the amount of discussion aroused and the general commendation received by the Constitution's call for Federal regulation of holding companies, refinancing, and consolidations, it is obvious there is real need for action that will curb the evils of the rampant "high financing" schemes which have been evolved in the past decade.

In the statement indorsing the Constitution's editorials on the necessity for Government control of holding companies and similar organized mergers, Senator BANKHEAD asserted that in his judgment "so-called holding companies can be made all right, but they are not all right to-day." He added that "with the protection of adequate 'blue sky' laws there is no reason why holding companies can not be made servants of the people instead of their enemies. * * * If Congress does not act the people themselves are going to act."

The Constitution agrees with Senator BANKHEAD's assertion that "so-called holding companies can be made all right," provided, always, that the plan gives consideration to the innocent investor.

All holding companies are not of that type which has mulcted millions and millions of dollars from the trusting and unwary investor.

But the fact that there are holding companies which have not followed the path of those which have drawn the fire of many Members of Congress is no argument against the Constitution's position that all holding companies should be placed under Federal regulation. As a matter of fact, organizations which have not failed in their trust to investor and consumer should welcome investigation and regulation. For when the Government acts to prevent the "milking" of industries or utilities by pyramiding until value of its securities reach the vanishing point, those mergers which have been effected in good faith and are based on sound economics will have nothing to fear. And unless and until Federal control is established over interstate transactions of these holding and merger offerings the investor will be wary of every form of corporate security.

Congressmen who have commended the Constitution's attitude on the need for Federal regulation of "high finance" are men who have either studied carefully this amazing and menacing condition or have been in a position where their contact has enabled them to express sound opinions and give warnings that should be heeded. Among the number of such men is Senator M. M. LOGAN, Democrat, of Kentucky. He has been attorney general of his State, chief justice of the State court of appeals, and chairman of the State tax commission. As attorney general, he helped frame a number of laws in Kentucky looking to the safeguarding of the public against stock racketeering. Further, as he stated in an interview in which he applauded the Constitution's call for Federal action, Senator LOGAN has been instrumental in organizing industrial companies and is aware of the dangers accompanying mergers and the formation of holding companies.

Senator LOGAN "does not ordinarily favor the creation of a new commission," but asserts that "if a new one is needed to curb or regulate the stock 'racket.' I will lend it my support." The Kentucky constitution has a provision to prevent the issue of company stock beyond the actual and ascertainable value of the stock, but this has failed to prevent interstate stock dealings which follow in the wake of mergers and holding companies.

"All the evils of consolidations, reconsolidations, and holding companies outlined by the Constitution do exist," asserts Senator LOGAN, and he believes, as does the Constitution, that "the problem is one for Federal solution." Holding companies and mergers which are not tainted by overexploitation of stock values and milking of subsidiaries have nothing to fear from Government regulation.

Others will find that the end of their path to illegal profits and pillaged investors has been reached.

HOLDING-COMPANY MAGIC

Indications that action will be taken by Congress to put holding companies under Federal control are increasing. None questions that the Democratic Party stands for Government regulations of these superholding companies, and recent statements made by leaders of both parties give assurance that a move will be made at this session to curb the pillaging of the consumer and the innocent investor. And if further evidence as to the need of Federal regulation were required, that is furnished by the investigation of the manipulations resorted to by the North American Light & Power Co., which started in Maine, dragged its length several times across Delaware, and is now operating in the Middle West as an Insull property.

Holding-company merger magic makes Houdini's tricks seem very ordinary, since everyone is aware the magician must put something—a rabbit or what not—into the hat before he takes it out. The real similarity of the two examples of legerdemain is that the public doesn't know how the rabbit gets into the hat or how the holding company gets the smaller, if inflated, corporation into its maw. Perhaps the evidence given during the past few days before the Federal Trade Commission, which is referred to in the following paragraph, will shed some light on the mystic methods of holding companies.

Testifying last week before the Federal Trade Commission, Examiner Kenneth A. Miller asserted that the North American Light & Power Co. was originally known as the North American Light & Power Corporation and its birthplace was Maine. It is interesting, fascinating, to trace the tortuous twistings and windings of this organization, growing in size, changing its name, and adding millions to its book values in order that its charges to the ultimate consumer could be increased.

First comes the Maine corporation. Its assets and liabilities were transferred to the Universal Light & Power Co., a Delaware corporation, organized, not to help the consumer or the innocent investor, but solely, simply, and selfishly to take over the Maine company. And why? In order that the latter company, in conjunction with a specially organized Delaware corporation, could be merged with North American Light & Power Co., of Delaware, which, strangely enough, was a subsidiary of the Maine corporation.

The situation seems to be getting somewhat complex, but the fog of consolidation and reconsolidation grows thicker. Now comes a fourth company, the National Light & Power Co., of Delaware, which was organized to get up cash to carry out the merger of the three other companies. Then this last-named company

disappears. The North American Light & Power Corporation of Maine disappears. The two Delaware companies become the North American Light & Power Co. Apparently, a Maine corporation and three Delaware corporations have been merged, but that is not the case. According to Examiner Miller, what really happened was the merger of two Delaware companies.

Evidence before the Federal Trade Commission Wednesday was to the effect that the North American Light & Power Corporation of Maine had appreciated its investments more than $23,000,000—from $1,250,000 to $24,430,434. Of this increase $16,000,000 was the result of appreciation of investments largely on the basis of engineering appraisals, while $8,000,000 was added by resolution of the board of directors. It is as simple as that.

As amazing as the foregoing inflation of values by the Maine company seems, it is merely an incident compared to the story of the growth of the North American Light & Power Co., which at present serves electricity to 350,000 customers and natural or manufactured gas to 163,000 customers, besides supplying street railway and bus service and heat and water in a territory containing an aggregate population of 1,600,000 in Illinois, Iowa, Kansas, and Missouri. The fixed capital and investments of this giant utilities holding company have grown from $22,027,000 in 1923 to $308,602,000 at the end of 1930, and its net earnings have increased from $8,890,000 in 1924 to $18,350,000 in 1930, a gain of 106.4 per cent in that 7-year period. Among the activities of this holding company about 1927 and later were investing in gas field leases in Kansas and Texas and organizing the Kansas Pipe Line & Gas Co., the McPherson Gas Co., and the McPherson Oil & Gas Co. Meanwhile, the holding company had acquired 38 municipal properties.

But let us get back to the Maine company, which was the inspiration—or victim—of the holding company which now has its habitat in the Middle West. As has been said, the Maine company was swallowed by the Universal Light & Power Co. of Delaware, which was merged with the North American Light & Power Co. of Delaware; and later a special company to furnish additional cash capital, the National Light & Power Co., was organized. Among the holders of capital stock in the Universal Light & Power Co. and the National Light & Power Co. were Clement Studebaker, jr., and six associates; E. H. Rollins & Sons; and Field, Glore, Ward & Co. They took part in a species of high financing that would have made the helpless consumer and the innocent investor quake if they had known about it. Mr. Studebaker and his six associates turned in $625,000 of par value capital stock of the two Delaware companies and received securities having a stated value of $11,942,135, or almost 20 for 1; Rollins & Sons was less fortunate, since for $625,000 of identical stock that concern received only $10,066,560 in securities, or nearly $2,000,000 less than the Studebaker group; but Field, Glore, Ward & Co. evened matters up, receiving $2,422,238 of securities for only $125,000 of par value capital stock.

The foregoing account of holding-company financing will give an indication of the extravagant watering of stock on which the pillaged consumer must pay the interest; and if the original corporations are "milked," as is too often the case, the innocent investor loses much or all of his original investment. For a perfect example of the "milking" of sound institutions by holding schemes, one need not go outside of the South. The majority of the stock of a magnificent newspaper property, valued at millions of dollars and with more than $1,300,000 cash in bank, was purchased by a group of financiers. A holding company was formed, and the $1,300,000 was deliberately taken from the assets of the newspaper corporation. Not so many months ago the newspaper went into the hands of a receiver and was sold for less than half its value. Bondholders and minority stockholders in the newspaper, who had purchased these securities in good faith, helplessly saw the assets back of their investment dissipated and the values of their holdings drop 50 per cent or more through a process of financial high binding.

It is scarcely matter for wonder if in this maze of unregulated holding-company freebooting the memories of financiers who deal in mergers and reconsolidations should be weakened; that holding-company officials should forget all about the picayune sum of $44,100 drawn out in cash. Neither Martin J. Insull nor his treasurer, when questioned by the Federal trade commissioner, could recall, or perhaps they dare not do so, why or how that amount was expended by their company.

Unless Federal control is speedily invoked it may be discovered that holding-company officials have permitted lapses of memory to grow from a habit into a disease, and then, instead of forgetting about sums of $44,000, they will not be able to remember what happened in transactions involving hundreds of thousands or millions of dollars.

"BACK TO THE FARM" MOVEMENT

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Rev. Benjamin Charles Few, of Rogers, Ark., suggesting a "back to the farm" movement and some methods for carrying out that movement.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ROGERS, ARK., *February 1, 1932.*

Senator JOSEPH T. ROBINSON,
Washington, D. C.

MY DEAR SENATOR ROBINSON: I am keenly interested in the movements inaugurated for establishing confidence and credit in the Nation. These activities are essential, of course. Yet my own thinking is that in order to bring about a permanent prosperity it is necessary to link these devices into an agency for independence which is not dependent upon world markets. Whatever may be said of the wealth piled up during our recent foray into the world markets as an industrial nation, it remains that security of economy along with security of our ideals must be first grounded in the home. I mean to say that the farm home must solve our problem; our people must be brought to a contentment with such conditions as their genius and energy can shape from the facilities in the farm home; and industrialized sections must be removed from their vantage point to make their actual slavery less alluring in comparison with conditions on the farm. The farm-bred thousands among the unemployed of every State must be aided to return to the farm, where, although they can not hope for wealth, they will be assured of the essentials of livelihood.

Much is being said of direct aid in the matter of unemployment, and the ugly word "dole" usually creeps into a discussion to make the idea repugnant. We do not relish the pauperizing idea of a dole; but direct help is in the offing. It therefore seems attractive to "kill two birds with one stone." In view of the tremendous needs of the insurance companies, along with the pauperism of the railroads, some plan should be worked out whereby selected persons could be aided in buying lands which the insurance companies hold so that insurance companies might liquidate this frozen asset and the liability of an unemployed family transferred to the assets of the Nation.

It seems that by cooperation, grouping all the properties of the insurance companies together, and making available their records for aid, these companies could help in this by using the liabilities on their books in the form of loan or cash values of insurance contracts to help buy their own lands, making their liabilities convertible into assets. There are many ways of helping to do this desirable thing.

I am not unmindful of the grave and forbidding aspects in present low price and lack of market for farm products. But the movement itself will solve a part of this problem by reestablishing a confidence which will make prices better. Take one-third of the unemployed out of the cities, off the lists of charity organizations, and prices of everything from farm labor to silk hats will feel the impetus.

The first upward trend of prices must be in farm real estate. (Of course, I speak without considering the possibility of a temporary upturn through war on a scale which will make considerable demands upon our resources.) The suffering millions who have gone through a nightmare experience recently ought to be aided to get into homes on the farm before that price advances overmuch. These will make better farmers, with a wider background in their social life and a kindlier attitude toward the real culture of life for having made their mistake, and it is my studied judgment that millions are ready to cash in on their experience and accept a less rosy and a more secure life.

My apology for this long letter is my extreme interest in a patriotic service that is much too big for any single individual or section. I yearn for the privilege of working actively in the interest of rehabilitation of our national character. I am thrilled with the rare opportunities for service which this present day holds. Never a day was grander than this, measured by the chance to live bravely and to do daring things in the interest of mankind. Never in our Nation has there been so grave a threat of dissolution and destruction. If the Government permits the defeatist attitude of the soup kitchen to grip the emotions of a sick nation and let that attitude arise into a flame, it will be too horrible to contemplate. This problem is not going to be solved by the thinking of the masses. It will be determined by the power of an intelligent leadership to grip and direct the emotions of the unthinking rank and file by a genuinely constructive helpfulness, or else it will be seen that the outcome is a bursting of volcanic power in an elemental state of madness and flaming passion.

With eager hope and readiness to serve my country and my day, and with kindest personal regards, I am,

Cordially yours, B. C. FEW.

THEODORE ROOSEVELT'S WORLD PEACE PLAN

Mr. LOGAN. Mr. President, I ask unanimous consent to have printed in the RECORD Theodore Roosevelt's World Peace Plan, reprinted from the New York Times of October 4 and October 18, 1914.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[Reprinted from the New York Times of October 4 and October 18, 1914]

THEODORE ROOSEVELT'S WORLD PEACE PLAN—LATE PRESIDENT, IN 1914, WROTE HIS VIEWS ON A QUESTION NOW REVIVED AT GENEVA

(In the light of the debate over disarmament at Geneva (and especially the Tardieu proposal); of recent events in China and of the unflinching opposition of the Republican leaders to the League of Nations, the following extracts from two articles by Theodore Roosevelt which appeared in the Times in October, 1914, are interesting.)

By Theodore Roosevelt

Events have clearly shown that it is the idlest of folly to assert, and little short of treason against the Nation for statesmen who

should know better to pretend, that the salvation of any nation under existing world conditions can be trusted to treaties, to little bits of paper with names signed on them, but without any efficient force behind them.

At present in every great crisis treaties have shown themselves not worth the paper they are written on, and the multitude of peace congresses that have been held have failed to secure even the slighest tangible result, as regards any contest in which the passions of great nations were fully aroused and their vital interests really concerned. In other words, each nation at present in any crisis of fundamental importance has to rely purely on its own power, its own strength, its own individual force. The futility of international agreements in great crises has come from the fact that force was not back of them.

What is needed in international matters is to create a judge, and then put police power back of the judge.

FEAR OF NEIGHBORS

The essential thing to do is to free each nation from the besetting fear of its neighbor. This can only be done by removing the causes of such fear. The neighbor must no longer be a danger.

Mere disarmament will not accomplish this result, and the disarmament of the free and enlightened people, so long as a single despotism or barbarism were left armed, would be a hideous calamity. If armaments were reduced while causes of trouble were in no way removed, wars would probably become somewhat more frequent, just because they would be less expensive and less decisive. It is greatly to be desired that the growth of armaments should be arrested, but they can not be arrested while present conditions continue. Mere treaties, mere bits of paper with names signed to them and with no force back of them, have proved utterly worthless for the protection of nations, and where they are the only alternatives it is not only right, but necessary, that each nation should arm itself so as to be able to cope with any possible foe.

* * * * * * *

The one permanent move for obtaining peace which has yet been suggested with a reasonable chance of obtaining its object is by an agreement among the great powers in which each should pledge itself not only to abide by the decisions of a common tribunal, but to back with force the decision of that common tribunal. The great civilized nations of the world which do possess force, actual or immediately potential, should combine by solemn agreement in a great world league for the peace of righteousness. A court should be created—a changed and amplified Hague court would meet the requirements—composed of representatives from each nation; these representatives being sworn to act in each case as judges, pure and simple, and not in a representative capacity.

The nations should agree on certain rights that should not be questioned, such as their territorial integrity, their rights to deal with their own domestic affairs, and with such matters as whom they should or should not admit to residence and citizenship within their own borders. All should guarantee each of their number in the possession of these rights. All should agree that other matters at issue between any of them, or between any of them and any one of a number of specified outside civilized nations, should be submitted to the court as above constituted.

ENFORCEMENT OF DECREES

They should furthermore agree not only to abide, each of them, by the decision of the court, but all of them to unite with their military forces to enforce the decree of the court as against any recalcitrant member. Under these circumstances it would be possible to agree on a limitation of armaments that would be real and effective.

If any nation were unwilling to go into such a general agreement with other nations, it would of necessity have to depend upon its own armed strength for its own protection. This is the only alternative. Treaties unbacked by force can not be considered as an alternative by any sober persons of sound judgment.

Of course, if there were not reasonable good faith among the nations making such an agreement, it would fail. But it would not fail merely because one nation did not observe good faith. It would be impossible to say that such an agreement would at once and permanently bring universal peace, but it would certainly mark an immense advance. It would certainly mean that the chances of war were minimized and the prospects of limiting and confining and regulating war immensely increased. At present force, as represented by the armed strength of each nation, is wholly divorced from such instrumentalities for securing peace as international agreements and treaties. In consequence, the latter are practically impotent in great crises.

FORCE AND JUSTICE

There is no connection between force on the one hand and any scheme for securing international peace or justice on the other. Under these conditions every wise and upright nation must continue to rely for its own peace and well-being on its own force, its own strength. As all students of the law know, a right without a remedy is in no real sense of the word a right at all. In international matters, the declaration of a right, or the announcement of a worthy purpose, is not only aimless but is a just cause for derision and may even be mischievous, if force is not put behind the right or the purpose. Our business is to make force the agent of justice, the instrument in international matters, as it has been made in municipal matters, in matters within each nation.

Such a scheme as the one briefly outlined will not bring perfect justice any more than under municipal law we obtain perfect justice, but will mark an immeasurable advance on anything now existing, for it will mean that at last a long stride has been taken in the effort to put the collective strength of civilized mankind behind the collective purpose of mankind to secure the peace of righteousness, the peace of justice among the nations of the earth.

It may be, though I sincerely hope to the contrary, that such a scheme is, for the immediate future, Utopian—it certainly will not be Utopian for the future. If it be impossible in the immediate future to devise some working scheme by which force shall be put behind righteousness in disinterested and effective fashion where international wrongs are concerned, then the only alternative will be for each free people to keep itself in shape with its own strength to defend its own rights and interests and, meanwhile, to do all that can be done to help forward the slow growth of sentiment which is assuredly, although very gradually, telling against international wrongdoing and violence.

Man, in recognizably human shape, has been for ages on this planet, and the extraordinary discoveries in Egypt and Mesopotamia now enable us to see in dim fashion the beginning of historic times 6,000 or 7,000 years ago. In the earlier ages of which history speaks there was practically no such thing as an international conscience. The armies of Babylon and Assyria, Egypt and Persia, felt no sense of obligation to outsiders and conquered merely because they wished to conquer.

In Greece a very imperfect recognition of international right grew up so far as Greek communities were concerned, but it never extended to barbarians. In the Roman Empire this feeling grew slightly, if only for the reason that so many nations were included in its bounds and were forced to live peaceably together. In the Middle Ages the common Christianity of Europe created a real bond. There was at least a good deal of talk about the duties of Christian nations to one another, and although the action along the lines of the talk was lamentably insufficient, still the talk itself represented the dawning recognition of the fact that each nation might owe something to other nations and that it was not right to base action purely on self-interest.

SENTIMENT AGAINST WAR

There has undoubtedly been a wide expansion of this feeling during the past few centuries * * * there is a real advance in good will, respect, and understanding between the United States and all the other nations of the earth. The advance is not steady and it is interrupted at times by acts of unwisdom, which are quite as apt to be committed by ourselves as by other peoples, but the advance has gone on. There is far greater sentiment than ever before against unwarranted aggressions by stronger powers against weak powers; there is far greater feeling against misconduct, whether in small or big powers, and far greater feeling against brutality in war.

There is every reason to feel dissatisfied with the slow progress that has been made in putting a stop to wrongdoing. It is our bounden duty to act now so as to secure redress for wrongdoing, but, nevertheless, we must also recognize the fact that there is now a good deal of real sentiment, and some efficient sentiment, against international wrongdoing. There has been and is a real growth toward international peace, justice, and fair dealing.

We have still a long way to go before reaching the goal, but at least we have gone a little way toward the goal. The growth will continue. We must do everything we can to make it continue.

RELIEF OF UNEMPLOYMENT

Mr. TRAMMELL. Mr. President, I send to the desk a splendid editorial by Judge John W. Dodge, appearing in the Gadsden County Times (Florida), which I desire to have printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the Gadsden County Times, Thursday, February 11, 1932]

"WE PLAN"—THE PRESIDENT'S PLAN

By Judge John W. Dodge

Almost every newspaper, magazine, or periodical we read has a proposed plan to do away with the depression. They are too numerous to even mention.

Let us start with the President's plan. In his Indianapolis address President Hoover said:

"I am able to propose an American plan to you."

He told us over the radio before his election that poverty would be banished from the United States. We are now wondering if his "American plan" is what he prophetically forecast or is it what we have experienced since his election.

Again, he says now, "We plan more leisure for men and women and better opportunities for its enjoyment." With about 6,000,000 idle now who want work and others starving, except for donated relief, and homes sold and clothing worn out, are we to have more such "leisure" and "opportunities" and "enjoyment"? Is that his "American plan"? Sounds like and seems to be more of a "British plan," as we think of dear old England's condition.

Again, however, he now says: "We plan to secure a greater diffusion of wealth, a decrease of poverty, and a great reduction in

crime. And this plan will be carried out if we just keep on giving the American people a chance." Undoubtedly the "American people," the masses as distinguished from the special classes, the fewer but wealthier millionaires—the "American people"—have had "a greater diffusion" of what wealth they had scrimped and saved for their future—it has been diffused. But into whose possession, hands, and control has it landed?

United States Steel in 1931, under the "American plan" of our President, "depleted resources to the extent of $48,000,000 by paying dividends last year with no earnings on the common—the span from the high price of last year to current levels has cost the share owners over a billion dollars in reduced market values—stock is being offered to employees at $40 a share, which contrasts with a similar offer last year at $140," says the Financial World on February 10, 1932, page 25. Was that and is that the President's "American plan" for a greater diffusion of wealth, a decrease in poverty?

We need a different "American plan" than the one in vogue at present as now being administered.

GRAZING FEES AND LIVESTOCK VALUES IN WYOMING

Mr. CAREY. Mr. President, I ask unanimous consent to insert in the RECORD telegrams from the presidents of the Sublette County Cattle Growers' Association and the Johnson County Wool Growers' Association, of Wyoming, and a letter from the president of the Lincoln County (Wyo.) Wool Growers' Association, favoring a reduction in grazing fees. Also in that connection I desire to have printed in the RECORD an article which appeared in the Denver Post under date of February 6, 1932, giving figures to show the decline in livestock values in Wyoming during the past two years.

The VICE PRESIDENT. Without objection, it is so ordered.

The telegrams and article are as follows:

BUFFALO, WYO., *February 13, 1932.*

ROBERT CAREY,
United States Senate:

Believe it very important to secure reduction grazing fees, forest reserve. Present conditions require every economy, and Government should assist growers to save industry.

JOHN ESPONDA,
President Johnson County Wool Growers' Association.

PINEDALE, WYO., *February 9, 1932.*

Hon. ROBERT B. CAREY,
United States Senate, Washington, D. C.:

In regard to the resolution introduced by you in conjunction with Senator THOMAS of Idaho, and supported by Senator ODDIE, of Nevada, for the 50 per cent reduction in grazing fees on national forest for one year meets with hearty approval of our association.

SUBLETTE COUNTY CATTLE GROWERS' ASSOCIATION,
L. H. HENNICK, *President.*

LINCOLN COUNTY WOOL GROWERS' ASSOCIATION,
Rock Springs, Wyo., February 5, 1932.

Senator ROBERT D. CAREY,
United States Senate, Washington, D. C.

DEAR SENATOR CAREY: I have read with a great deal of interest comments on Senator JOHN THOMAS'S of Idaho and your continued fight for the lowering of grazing fees. Recently I wrote him a letter of appreciation for his continued support in our behalf. I wish you would go over this letter with him and see if there isn't something that can be done.

It seems so absurd to have to plead the cause of the sheep business. The industry has been hit so bad and for so long a time that one would think that a reader in the primary grade of the public schools knows the troubles of the sheep business. Why do we have to continually plead with our own United States for assistance when they have poured so many millions into foreign governments? Does it not seem that our Government should begin to recognize that the sheep business is in a deplorable state and that it needs help?

I made the statement a year ago, and I reiterate, that our National Government could have done more good for the sheep industry by waiving the 1931 fees, or at least cutting them in two, than any other move—not so much in the saving of money to the individual sheep outfits but from the force of their example to others, railroads in their rates, herders in their wages, and all other expenses down the line.

You, of course, must be aware of the terrible winter conditions that we are facing in Wyoming this year. With the weather constantly colder—reports of 18, 20, 30, and 35 below zero—following the drought last summer, the sheepman has one of two recourses: Let his stock perish entirely or feed corn, cotton cake, or some grain with baled hay. You can well appreciate from your experience what putting out baled hay is going to do to the financial structure of the sheep outfits with prospects for income as the price of wool they are talking for this coming spring. This condition has just about exhausted the pioneer sheepmen, who are about ready to give up in disgust.

This letter could go on and on and it would not recount anything that you do not know or that has not been discussed and explained time and time again during the last two years.

We would appreciate your continued work in our half.

Yours very truly,

B. J. CAROLLO, *President.*

[From the Denver Post, February 6, 1932]

WYOMING STOCK HAS INCREASED IN LAST TWO YEARS—VALUATION, HOWEVER, FALLS 50.5 PER CENT SINCE 1930 VALUATION

CHEYENNE, WYO., February 6 (A. P.).—Wyoming livestock has increased in numbers the last two years, but valuations have declined 50.5 per cent, A. J. King, statistician for the Federal-State cooperative crop and livestock reporting service, said this week in his annual report.

The total value of all livestock on hand January 1 was $41,166,000 compared with $63,566,000 a year ago and $83,155,000 in 1930.

The figures, King emphasized, were the inventory values of all livestock on farms January 1 and did not include the valuation of livestock production nor the income from livestock.

"The number of cattle in Wyoming continued the increase begun in 1928, and the number on hand January 1, 1932, was 863,000 head compared with 830,000 a year ago and 790,000 in 1930," King said.

AVERAGE VALUE SHOWS MARKED DECREASE IN THREE YEARS

"The average value has shown a marked decrease during the last three years, and on January 1 was $24.50 a head compared with $40.30 a year ago and $54.30 two years ago, giving a total valuation of $21,122,000 this year and $33,490,000 a year ago and $42,875,000 in 1930."

King said there was little change in the number of dairy cattle on hand, there being 72,000 head in the State January 1.

Wyoming sheep increased in numbers from 3,540,000 head in 1930 to 4,128,000 on January 1, 1932. The total valuation of Wyoming sheep on January 1 was $14,850,000 compared with $32,466,000 two years ago, the decrease totaling $17,616,000 and the increase in numbers 17 per cent.

There were 123,000 head of swine on January 1 compared with 137,000 a year ago. The value per head was $5.40 this year and $12 two years ago. The total value was $662,000 this year and $1,482,000 last year.

BALANCING THE BUDGET

Mr. COSTIGAN. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "The Nation's Task of Balancing Its Budget," which appeared in the New York Times of yesterday. It was written by the nationally known journalist and author, Mr. Charles Merz.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. HAYDEN. Mr. President, in connection with the request made by the Senator from Colorado [Mr. COSTIGAN] it seems to me very important that there be included in the CONGRESSIONAL RECORD the graphs contained in the article in the New York Times. The drawings are merely line drawings, and I ask that they may be included in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The article and the accompanying graphs are as follows:

[From the New York Times—Sunday, February 14, 1932]

THE NATION'S TASK OF BALANCING ITS BUDGET—WITH THE TREASURY DEFICIT RAPIDLY GROWING, LEADERS IN CONGRESS SEEK A WAY TO REVERSE THE TREND NEXT YEAR—FACTORS INVOLVED IN PARING EXPENSES AND ADDING TO INCOME—THE VARIOUS PROPOSALS

By Charles Merz

The Ways and Means Committee of the House of Representatives began last week to draft a tax bill which aims at a balanced Budget. Its interest in this question rises above the routine duty of finding money with which to meet expenditures in an ordinary year. Leaders of both parties in the House have declared that an important factor in restoring confidence is to give the country proof that there is at least one public agency in a debt-ridden world whose credit position is impregnable and whose affairs are water-tight—the Government of the United States.

The present difficulties of this Government are a matter of common knowledge. After a series of fortunate years from 1921 to 1930 it closed its books last June with a deficit of $903,000,000. This was not only the largest peace-time deficit in the country's history; it was a larger deficit, in proportion to income, than that of any other important government in the world. Measured in these terms, an accurate way of taking a financial sounding, the deficit of the British Government was six-tenths of 1 per cent; the deficit of the German Government was 9 per cent; the deficit of our own Government was 27.

But this is only the prelude to a still more formidable situation. The Government keeps its books by fiscal years, which begin on July 1 and end on the following June 30. Large as its deficit was

last year, its deficit for the present year, of which we have now reached the eighth month, will be far larger.

THIS YEAR'S DEFICIT

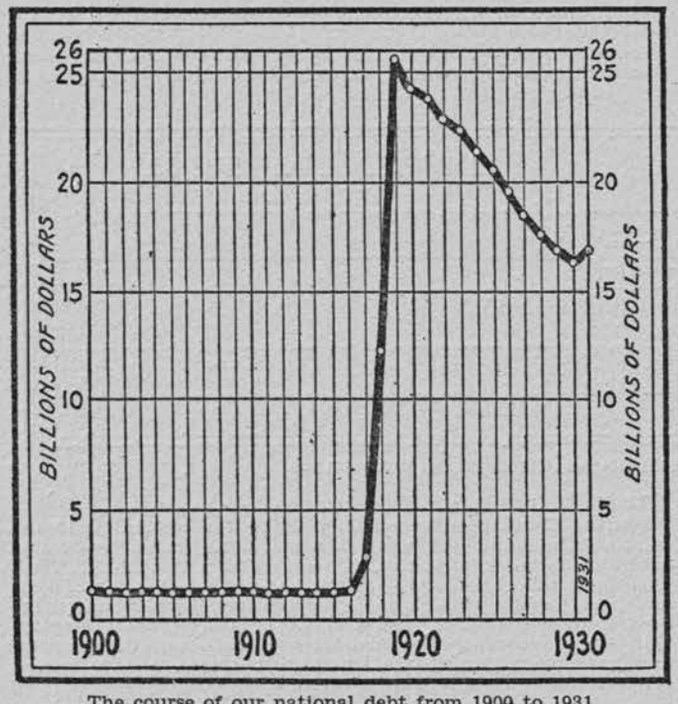
President Hoover estimated in his message to Congress last December that the figure would reach $2,123,000,000, thereby more than doubling last year's deficit. But events have overtaken this prediction. The Government's receipts are running approximately $100,000,000 below its estimates of last December. Its expenditures have been increased beyond anything contemplated in the Budget by the appropriation of $500,000,000 for the new Reconstruction Finance Corporation and of $125,000,000 for the Federal farm loan system. While these sums will be used for the purpose of advancing loans rather than of making gifts and while they are expected to return to the Treasury when the present storm is over, they will appear as expenditures when the Government balances its books in June and increase its costs accordingly. With receipts falling below expectations and expenses rising above, this year's deficit will be closer to $3,000,000,000 than to $2,000,000,000.

That anything can be done to reduce this deficit substantially, no one in Washington believes. The year is too far gone. Half of the revenue is already in. Nearly two-thirds of the expenditure is already out. But the new fiscal year which now looms ahead, the year which begins next July, is another matter.

ACTION FOR THE COMING YEAR

In his message to Congress the President urged that for this new fiscal year certain economies be made and certain taxes be increased, in order to bring the Government within about $500,000,000 of balancing its Budget. By taking these steps, he said, the Government would then be in a position to balance its Budget entirely in the following year, 1933–34.

During the two months since this advice was given to Congress, the opinion has plainly gained ground in Washington that the Government ought not wait until 1933–34 to square its receipts



The course of our national debt from 1900 to 1931

with its expenditures, but should, if possible, present the Nation with a balanced Budget in the fiscal year which begins in July.

This policy was recommended to the Ways and Means Committee recently by the new Secretary of the Treasury, Mr. Mills. It has prompted the Democratic Speaker of the House, Mr. GARNER, to pledge himself to "work incessantly to accomplish the balancing of the National Budget not later than sometime in 1933."

If this proposal goes beyond the earlier program submitted to Congress, and contemplates more immediate action, it is not difficult to find the reason. The two months since the President's message of last December have unquestionably been disappointing, both at home and abroad. The threat of war in China, the forced abandonment of the Lausanne conference to discuss German reparations, and the political uncertainty which continues to rule central Europe have been disturbing influences in the foreign news. Meantime, hoarding of currency in the United States, due to lack of confidence in the immediate future, has reached a total estimated by the President at $1,300,000,000. What are presumably the best securities in the world, bonds of the United States Government, backed by the total resources of the American people, sell at prices substantially below par.

PROMOTION OF CONFIDENCE

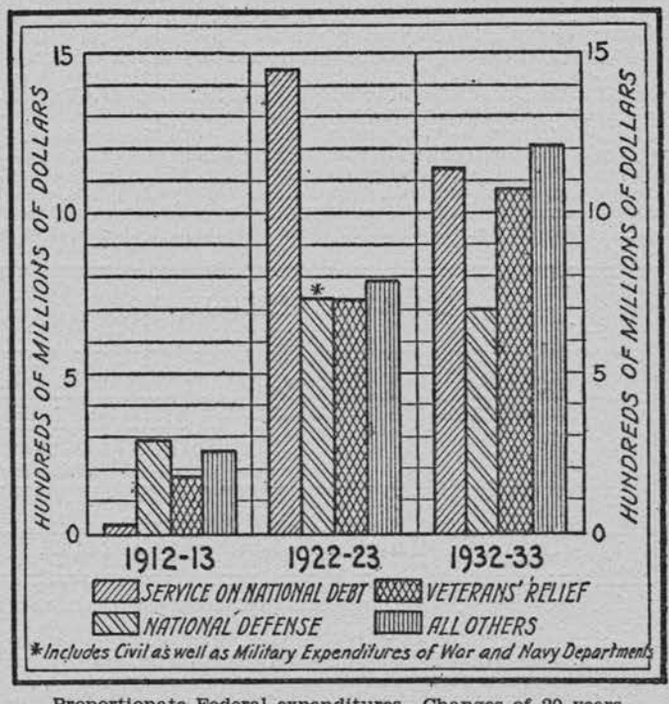
It is the belief of many of the public officials and party leaders who urge Congress to balance the Federal Budget without further loss of time that no single act could promote confidence more effectively; that the decision to take this step would bring money out of hoarding by showing it one absolutely safe investment; that it would end the drain on our gold reserves resulting from the desire of nervous investors in foreign countries to repatriate their funds; that it would arrest the process of rapidly undoing all that was done between 1920 and 1930 to reduce the national debt by $9,000,000,000; that it would enable the Government to borrow on better terms the large additional sums that it must have in order to pay its bills during the four months that remain of the present fiscal year; that it would promptly lift the prices of all Government securities, and thereby strengthen the position of banks which are now reluctant to make loans, and that it would give an uneasy public the assurance that Federal credit stood like Gibraltar in a world of swirling currents.

For those officials in Washington who hold these views, the goal, then, is a balanced Budget in 1932–33, that is, in the fiscal year immediately ahead. What factors enter into the problem? How much could be done by reducing Federal expenditures? How much would be needed in new taxes? What alternative plans for new taxes have been proposed?

The business of making a Federal Budget begins with an estimate of necessary expenditures and then raises the question of finding revenue with which to meet them.

I—EXPENDITURES

Congress now has before it a sheaf of bills which represents the President's estimates of the cost of operating the Federal Government in 1932–33, estimates totaling $4,112,909,950. A division of



Proportionate Federal expenditures—Changes of 20 years

all expenditures into two main groups is readily noted. There are certain "fixed" items which Congress can not dodge. There are other items which, for want of a better phrase, can be described as "movable." Let us consider them in this order:

(A) FIXED EXPENDITURES

The first and most obvious fixed charge is interest on the national debt—a debt entirely due, in its present proportions, to American participation in the World War, since it rose suddenly in 1917 from $1,200,000,000, a point near which it had hovered lazily for more than half a century, to $25,400,000,000 in 1919. The Government must pay interest on approximately $18,000,000,000 now outstanding. For this purpose the Budget for 1932–33 allots $640,000,000, or 15.6 per cent of the year's expenditures as a whole.

The second fixed charge is closely allied to the first one, namely, payment of principal on the debt, made for the purpose of gradually reducing it—in other words, the sinking fund. At the present time this term is a misnomer, since the debt is rising faster than the sinking fund can sink it. Nevertheless, the Treasury regards this as an indispensable item in the Budget, constituting a pledge of continued debt reduction when the Government's revenues again exceed its expenditures. Payment of principal during 1932–33 is estimated at $496,803,400, or 12.1 per cent of the Budget.

The third fixed charge is far smaller than either of its predecessors. It consists of refunds of customs receipts and taxes which, if based upon just claims, the Government can not avoid. This item is estimated at $64,301,100 in the new Budget, or 1.5 per cent of the total

SUMS FOR VETERANS' RELIEF

Finally, there is the appropriation for veterans' relief, including payment made into the adjusted-service-certificate fund. Technically, this is not a fixed charge, since it would be possible for

Congress to scale down the expenditures of the Veterans' Administration by repealing existing laws. Actually, there is no likelihood that this will be done. Neither party in the House of Representatives is considering it. For all practical purposes, the cost of veterans' relief is a fixed charge, and the largest of all charges, whether fixed or movable. To this purpose the Budget allots $1,072,064,527, or 26.1 per cent of the total.

These four fixed items—interest on the national debt, payment of principal, tax refunds, and veterans' relief—aggregate $2,272,899,027, or 55.3 per cent of the total, in the estimates for the new year.

It is at once clear that any effort to balance the Budget by reducing expenditures is heavily handicapped at the outset by the fact that Congress has no real control over items comprising more than half of the cost of Government.

Any reduction of costs must accordingly take place entirely within the 44.7 per cent of the Budget which represents movable expenditures.

(B) MOVABLE EXPENDITURES

In considering the smaller part of the Budget, which is comparatively flexible, it is convenient to divide the Government's expenditures into six main groups: (1) National defense, (2) public works, (3) law enforcement, (4) special aids to special interests, (5) the postal deficit, and (6) miscellaneous appropriations for a wide variety of less expensive purposes.

(1) *National defense.*—The Budget carries $694,805,800 for national defense, exclusive of the sums spent by the War Department for nonmilitary purposes. This is 16.9 per cent of the Budget as a whole, and the largest item it contains, with the exception of the appropriation for veterans' relief. Military expenditures are estimated at $319,696,200, an increase of about $7,000,000 over those for the boom year 1929; naval expenditures, at $374,836,600, an increase of about $10,000,000.

(2) *Public works.*—This heading includes both the normal activities of the Government in constructing public buildings, roads, harbors, etc., and the emergency construction it has undertaken for the purpose of increasing employment. For this purpose the Budget carries an estimate of $392,873,000 (9.5 per cent of the total). This is not far short of twice the amount spent for the same purpose in 1929, when the problem of unemployment was comparatively small, but about one-fourth less than is being spent during the current fiscal year.

(3) *Law enforcement.*—For the support of the courts, the enforcement of prohibition, and other Federal laws, and the activities of the various regulatory commissions of the Government, the Budget proposes to appropriate $101,300,100 (2.5 per cent of the total). This is an increase of $25,000,000 over 1929.

(4) *Special aids.*—Here are listed items calling for an appropriation of $227,693,200 (5.5 per cent of the Budget), to be distributed as follows: Aids to agriculture, $73,000,000; aids to industry and trade, $15,000,000; aids to labor, $7,000,000; aids to aviation, including losses on contract mail routes and foreign air mail routes, $29,000,000; aids to the merchant marine, including losses on transportation of foreign mail in American vessels, $103,000,000. The amount which it is proposed to spend for these purposes in 1932–33 is half again as large as in 1929, but it is about 45 per cent less than is being spent this year. This is due chiefly to the fact that it is proposed to add no new appropriations next year to what remains of the "revolving fund" at the service of the Farm Board.

(5) *Postal Deficiency.*—After deducting losses listed in the previous paragraph, under aids to the merchant marine and aviation, this item amounts to $116,519,000 (2.8 per cent of the Budget).

(6) *Miscellaneous.*—Finally, there remain certain miscellaneous expenditures, not easily grouped elsewhere, amounting to $306,819,823 (7.5 per cent of the Budget). The largest items in this group are 80 millions, for trust funds and 78 millions for fiscal administration, including control of currency and banking.

These are the "movable" expenditures, amounting in the aggregate to $1,840,010,923, over which Congress has some measure of control. How much could be cut from this part of the Budget, the comparatively flexible 44.7 per cent of it, if Congress were prepared to go about the task in a militantly economic mood?

No definite answer can be made to this question, but one comparison is instructive. In the boom year 1929, when business was prosperous and taxes poured an ample revenue into the Federal Treasury, the Government spent $203,000,000 less for these various purposes than it now proposes to spend in 1932–33. Meantime, retail costs have declined by 14.3 per cent and wholesale costs by 31.8 per cent. At least in theory, therefore, it is possible to cut some such sum as $400,000,000 from the Budget, without bringing the expenditures of the Government below their level in 1929, measured in terms of the purchasing power of money.

HOW FAR WILL CONGRESS GO?

It is impossible to foresee what action Congress will take. It may go this far, if it is sufficiently impressed by the arguments of those who urge a balanced Budget. It may so still farther and put the Government back on the basis of its expenditures in 1927, when it spent $600,000,000 less than it proposes to spend in 1932–33, using a currency which had less value. It is also possible that Congress will take the opposite tack and appropriate funds in excess of the President's estimates, by adopting one or another of the various plans proposed for new naval construction, additional farm relief, or an enlarged program of public works.

For the present, let us assume that the President's estimates remain substantially intact. As noted above, the total expenditure recommended in these estimates, in both fixed and flexible items, is $4,112,909,950. Barring action on the part of Congress in the direction either of reducing expenditures or increasing them, this is the sum which must be raised in revenue next year in order to achieve a balanced Budget.

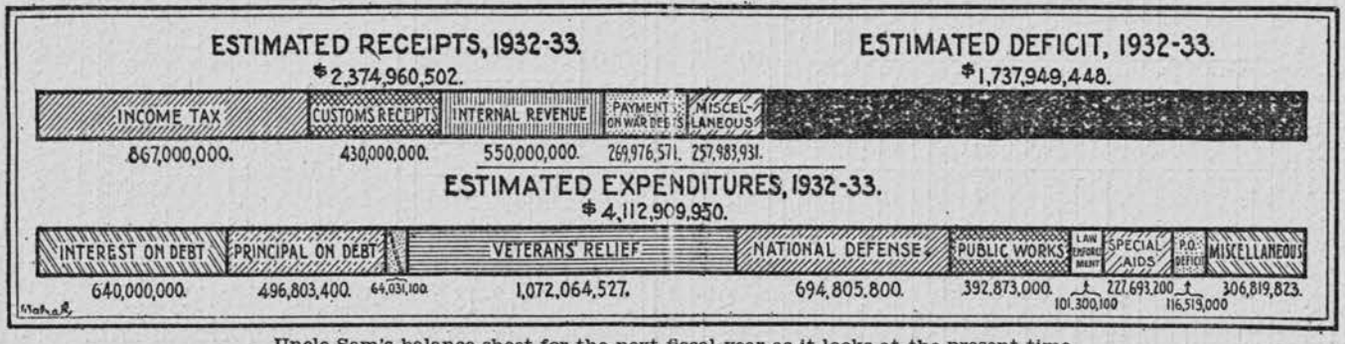
II—REVENUE

Against this proposed expenditure of $4,112,909,950, the Treasury estimates that the Government will receive next year, if taxes remain unchanged, revenue amounting to $2,374,960,502. In round numbers the difference between these figures is $1,738,000,000, appearing, unfortunately, on the wrong side of the ledger. This is the deficit now indicated for 1932–33 and the distance to be traveled to a balanced Budget. What sources of new income are available to the Government?

The Treasury has four main sources, and only four:

First. Taxes on individual and corporate incomes, yielding in prosperous years about 50 per cent of the Government's receipts.

Second. Internal-revenue taxes, primarily on tobacco, but also on documentary stamps, estates, admissions and dues, playing cards, etc., yielding about 20 per cent.



Uncle Sam's balance sheet for the next fiscal year as it looks at the present time

Third. Customs receipts, yielding about 15 per cent.

Fourth. Miscellaneous revenue, yielding the remaining 15 per cent and including such varied items as payments by foreign governments on their war debts, receipts from trust funds, Panama Canal tolls, fines, and penalties imposed for violation of Federal laws (chiefly prohibition), passport fees, licenses under the Federal water power act, sales of Government property (everything from waste paper to Alaskan sealskins), royalties from oil and gas, quarantine charges, immigration fees, and a modest revenue from gifts and contributions.

In the present circumstances, little can be expected of sources 3 and 4. Any increase in customs fees is necessarily dependent upon a gain in foreign trade; no faction of either party of Congress is now proposing to raise the high rates in the Hawley-Smoot Act, in the hope of adding to the Government's income.

Meantime, miscellaneous revenue lies for the most part beyond the control of Congress. Payments by foreign governments on their war debts, the largest single item, can not be revised upward in the face of existing treaties merely because we need revenue; we shall probably be fortunate, in fact, if the full amount of $270,000,000 included in the estimates is actually paid us in 1932–33. Receipts from trust funds change little from one year to another. Panama Canal tolls are at the lowest point since 1925. The other items are relatively unimportant.

There is just one place among these miscellaneous items where a windfall might add a substantial sum to the Treasury's income. The chairman of the Farm Board stated recently that the affairs of his bureau could be liquidated for $250,000,000. Since the $500,000,000 originally appropriated for the Farm Board is carried on the Treasury's books as money already spent, such liquidation would in effect add $250,000,000 in new revenue. But the farm bloc in Congress is militantly opposed to liquidation.

It is not surprising, in these circumstances, that all plans for increasing the revenue of the Government ignore sources 3 and 4 and fall back on sources 1 and 2—income taxes and internal revenue. This is true of the Treasury plan, of the Democratic plan, and of such independent plants as have won support in Washington.

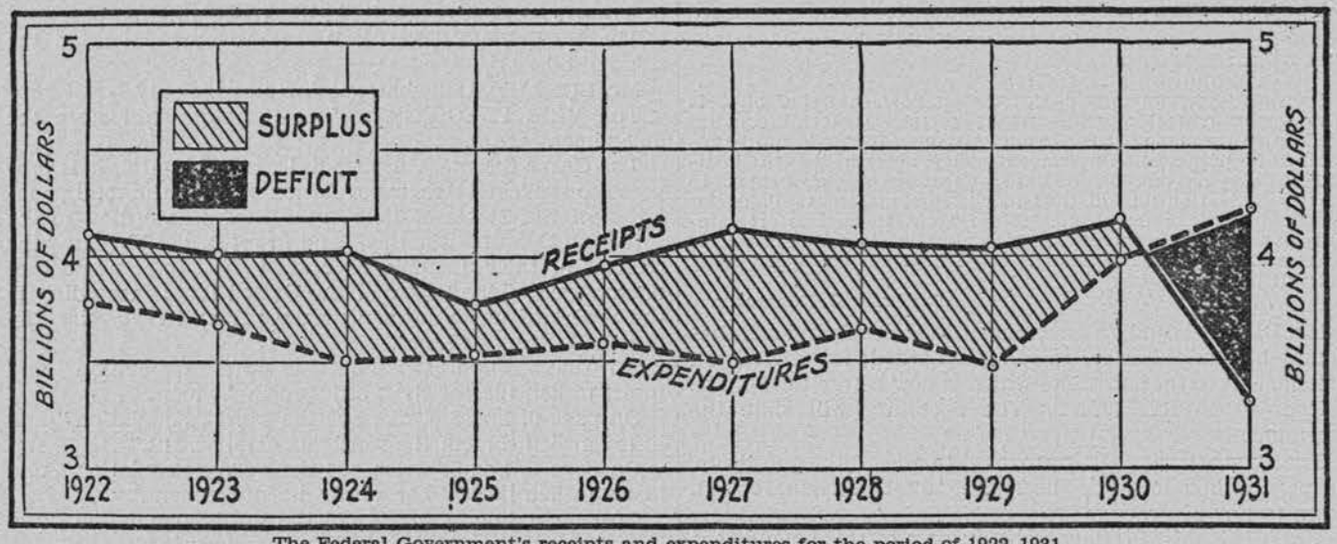
(A) THE TREASURY PLAN

The program submitted to Congress by the Treasury Department would increase normal income-tax rates from the present 1½, 3, and 5 per cent to 2, 4, and 6; reduce personal exemptions for heads of families from $3,500 to $2,500 and for unmarried taxpayers from $1,500 to $1,000; replace the existing surtax of 20 per cent on incomes above $100,000 with a graded surtax rising from 37 per cent to 40; advance corporation taxes from 12 to 12½ per cent; increase present taxes on estates, on stock transfers and on tobacco; establish a 2-cent stamp tax on bank checks and drafts; place a 5 to 10 cent impost on telephone, telegraph, cable, and radio messages; increase amusement taxes; raise postal rates, and put a sales tax on automobiles, tires and accessories, and radios and phonographs.

The Treasury estimated in December that these taxes would add $920,000,000 in new revenue, but has now reduced its estimate to $786,000,000. This compares with the prospective deficit of $1,738,000,000 which we have already noted. As it now stands, the Treasury plan would accordingly require new economies on the part of Congress amounting to $952,000,000 if the Budget is to be balanced.

(B) THE DEMOCRATIC PLAN

When the Ways and Means Committee began its recent hearings, the Democratic members stated that they hoped to draft a plan which would differ from the Treasury's chiefly in two respects: It would avoid lowering present exemptions on personal-income taxes and abandon the "retroactive" feature of the Treasury's plan; that is, it would apply new rates of taxation to incomes earned during the calendar year 1932 instead of 1931, as the Treasury advised.



The Federal Government's receipts and expenditures for the period of 1922–1931

The proposals discussed by the Democratic Members of the committee have included: Increases in income taxes as recommended by the Treasury, but without lowering exemptions; the same maximum surtax of 40 per cent, but its application to incomes of $150,000 instead of $500,000; the same increase in corporation taxes; a lower tax on automobiles; repeal or modification of the capital gain-and-loss provision; a gift tax to prevent evasion of the estate-tax levy; a tax of 5 per cent on electrical energy, and of from 2 to 5 per cent on illuminating gas, to be collected from the consumer; a 5 per cent excise on oil, with a heavier tax on imports; and a levy of 10 cents a month on telephone sets, to be collected from the consumer through the telephone companies.

The Ways and Means Committee has asked the Treasury to estimate the amount of new revenue which this program would yield. No figures are now available.

In the face of forecasts which indicate a steadily increasing deficit, it seems likely that the Democratic Members will be forced to look to some of the suggestions advanced by various independent groups.

(C) INDEPENDENT PLANS

Four independent proposals have met with some support in Washington. They call, respectively, for higher surtaxes, for higher estate taxes, for a general sales tax, and for a tax on manufactures.

(1) *Higher surtaxes.*—In place of the Treasury's plan for surtaxes of from 37 to 40 per cent on incomes above $100,000, members of the Progressive bloc in Congress have proposed to restore the war-time rates of from 48 to 65 per cent. The Treasury replies that this plan would defeat its own purpose by drying up liquid resources which should be available as working capital for industry. Members of the Progressive bloc insist that it would yield an additional $120,000,000.

(2) *Higher estate taxes.*—This plan also owes its impetus to Progressive backing. Representative RAMSEYER of Iowa predicts that more than $400,000,000 in new revenue could be raised by a tax which began at 1 per cent on estate values at $10,000 or less and continued upward to 45 per cent on estates above $15,000,000.

(3) *Sales tax.*—Senator REED of Pennsylvania, the most active advocate of this plan, estimates that a general tax of one-half of 1 per cent upon all sales would net the Government, $2,000,000,000. The argument made in favor of this tax is the certainty of a large yield. In opposition it is argued that the tax would be difficult to administer, that it would involve duplication, and that by raising living costs it would place a burden on those least able to bear it.

(4) *Tax on manufactures.*—Finally, there is the plan for a tax on manufactured products. The American Petroleum Institute has proposed a levy of 1 per cent and, by estimating the value of manufactures at $60,000,000,000, has predicted that it would yield $600,000,000. This estimate would seem to be too high, since it assumes that the value of manufactures in 1932 will reach the level of 1927. A larger revenue, however, could be derived by increasing the tax. In Canada, where this plan is employed, the rate is 4 per cent.

Such a tax, of course, would add indirectly to the cost of living, though not to the same extent as a general sales tax. In its behalf, however, it is argued that it would be easier to administer than a sales tax, that it would avoid duplication, that it would manifestly yield a large revenue, and that, unlike special taxes on special products, it would put all industries on an even basis.

It is possible that before the Ways and Means Committee finishes drafting its bill it will borrow ideas from some of these four independents plans. Its goal, if it intends to balance the Budget, is to wipe out an indicated deficit of $1,738,000,000 by new taxes, new economies, or both.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Latta, one of his secretaries.

RELIEF OF UNEMPLOYMENT

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

The VICE PRESIDENT. The Senator from Wisconsin [Mr. LA FOLLETTE] has the floor.

Mr. LA FOLLETTE. Mr. President, on Friday when I obtained the floor I was in hopes that some agreement to limit debate, which would result in the bill being disposed of to-day, might be adopted. That seems impossible at this time, and therefore I do not wish to speak this morning. I yield the floor.

Mr. THOMAS of Oklahoma. Mr. President, I offer an amendment to the pending bill, which I ask may be printed and lie on the table.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

Mr. HATFIELD. Mr. President, I send to the desk an amendment in the nature of a substitute for the amendment of the Senator from Alabama [Mr. BLACK] to the pending bill, which I ask to have printed and lie on the table.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

Mr. THOMAS of Oklahoma. Mr. President, there appears on the first page of this morning's Washington Post a very short news item, which, I think, has a very direct bearing on the pending bill. The article is very short, and I ask unanimous consent that it be read at the desk.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as requested.

The Chief Clerk read as follows:

[From the Washington Post, February 15, 1932]

HOOVER IS LEADING MURRAY IN BALLOT

DES MOINES, IOWA, February 14.—President Hoover and W. H. (Alfalfa Bill) Murray are running neck and neck in a newspaper presidential straw vote, latest results of which were announced in a copyrighted story in the Des Moines Sunday Register.

The latest tabulations showed Hoover had 10,291 votes in his home State, to 9,597 for Murray. All Democratic candidates, however, were running ahead of all Republican presidential possibilities, with 25,845 votes to 11,716. On the Democratic side the tabulation showed Roosevelt, 8,749; Smith, 2,822; Baker, 2,532; and Ritchie, 1,525.

Mr. WAGNER. I send to the desk a telegram which I received from the Governor of the State of New York, which I ask unanimous consent to have read. It is quite brief.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read the telegram.

The Chief Clerk read the telegram, as follows:

ALBANY, N. Y., *February 10, 1932.*

Hon. ROBERT F. WAGNER,
United States Senate:

I am glad you are working for the employment relief bill. It is an important factor in the present emergency. It will equalize the burden throughout the Nation. Although it should not be regarded as a permanent Government policy, nevertheless it is justified as carrying out the definite obligation of Government to prevent starvation and distress in this present crisis. Plans for large public works are possible if the works themselves are carefully planned and economically necessary, but they do not relieve distress at this moment. That is why I hope the emergency relief bill will pass.

FRANKLIN D. ROOSEVELT.

Mr. DILL. I send an amendment to the desk and ask that it may be read. I desire to call it up a little later. It is an amendment to the substitute which is now before the Senate.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. It is proposed to amend the substitute, on page 4, line 16, after the figure " 6," by striking out all down to line 20 on page 4.

Mr. DILL. Mr. President, the purpose of this amendment is to strike out that part of the substitute in section 5 that requires the governor to recommend to the legislature of his State and the people thereof the action that may be necessary and appropriate to insure repayment to the United States of the amount received by the State pursuant to its request. I do not know what order of business is now before the Senate, and I will not at present discuss the amendment further.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from New York [Mr. WAGNER], which will be stated.

The CHIEF CLERK. On page 5, lines 4, 5, and 6, it is proposed to strike out the words " their population bears to the total population of the States of the United States according to the Fifteenth Decennial Census " and insert in lieu thereof " the number of their unemployed bears to the total number of unemployed of the States of the United States according to the report of unemployment, classes A and B, of the Fifteenth Decennial Census."

On page 5, line 8, strike out the word " population " and insert in lieu thereof the word " unemployment."

On page 6, line 3, strike out the word " population " and insert in lieu thereof the word " unemployment."

On page 6, line 5, strike out the word " population " and insert in lieu thereof the word " unemployment."

On page 6, line 23, strike out the word " population " and insert in lieu thereof the word " unemployment."

On page 8, line 22, strike out the word " population " and insert in lieu thereof the word " unemployment."

On page 9, line 5, strike out the word " population " and insert in lieu thereof the word " unemployment."

On page 9, line 8, strike out the word " population " and insert in lieu thereof the word " unemployment."

On page 10, line 12, strike out the word " population " and insert in lieu thereof the word " unemployment."

The VICE PRESIDENT. The question is upon agreeing to the amendment proposed by the Senator from New York.

Mr. BLACK. Mr. President, is that an amendment to the proposed substitute or to the original bill?

The VICE PRESIDENT. It is an amendment to the original bill. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The original bill is open to further amendment. The Chair understood the Senator from West Virginia to state that he had an amendment which he desired to offer.

Mr. DILL. Mr. President, I have an amendment pending.

The VICE PRESIDENT. Is it an amendment to the original bill?

Mr. DILL. No; my amendment is proposed to a substitute.

The VICE PRESIDENT. Amendments to the original bill have not yet been completed, and therefore the amendment of the Senator from Washington is not now in order.

Mr. BORAH. May I ask if the amendment which the Senator from New York offered was to the original bill?

The VICE PRESIDENT. It was an amendment to the original bill.

Mr. BORAH. And what was the amendment?

The VICE PRESIDENT. The Secretary will state the amendment again.

The CHIEF CLERK. On page 5, lines 4, 5, and 6, it is proposed to strike out " their population bears to the total population of the States of the United States according to the Fifteenth Decennial Census " and insert in lieu thereof " the number of their unemployed bears to the total number of unemployed of the States of the United States according to the report of unemployment, classes A and B, of the Fifteenth Decennial Census."

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Mr. MCKELLAR. Mr. President——

Mr. COSTIGAN. Mr. President, the amendment offered by the Senator from New York to the original bill was adopted under a misapprehension. If I may do so, I should like to move a reconsideration of the vote whereby the amendment was agreed to.

The VICE PRESIDENT. Is there objection to a reconsideration of the vote? The Chair hears none, and the vote by which the amendment was adopted is reconsidered.

Mr. MCKELLAR. That is what I intended to ask for.

The VICE PRESIDENT. The question is now upon the amendment offered by the Senator from New York.

Mr. LA FOLLETTE. Mr. President, I shall be pleased if the Senator from New York will explain the amendment. I think it is a very important amendment, and one which should not be adopted without full information on the part of the Senate as to just what it proposes.

Mr. WAGNER. Mr. President, under the bill as it is now pending the so-called Costigan-La Follette bill, the apportionment of 40 per cent of the amount authorized to be appropriated is according to the census of population. I propose to change the basis of the apportionment of that 40 per cent so that it may be according to the census of unem-

ployment. The purpose of the bill is to relieve distress among the unemployed, and in order to do that it is not necessary to apportion it according to population.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. FLETCHER. I am afraid we are getting into a field where we shall be all at sea, because I do not understand that there is any official census of unemployment up to date, and I doubt if there is any such census in any State.

Mr. WAGNER. I may say to the Senator that there was an official census of unemployment taken at the same time that the census of population was taken in 1930, which is an official document in the records of the Census Bureau.

Mr. JONES and Mr. BORAH addressed the Chair.

The VICE PRESIDENT. Does the Senator from New York yield; and if so, to whom?

Mr. WAGNER. I yield first to the Senator from Washington.

Mr. JONES. As I understand, the Senator's proposition is based upon the census of unemployment of 1930.

Mr. WAGNER. Yes.

Mr. JONES. I hope the Senator will appreciate the fact that the conditions in reference to unemployment in the western section of the country, at any rate, were far different at that time from what they are now, and probably that is true in other sections of the country. The acute condition with reference to unemployment in my section of the country has occurred since 1930, and I think it would be very unjust to that portion of the country if the amendment of the Senator from New York were adopted.

Mr. WAGNER. Mr. President, there has been, of course, an increase in unemployment since the census of 1930 was taken. I have a communication from the head of the statistical bureau of the Department of Commerce, which is in touch with unemployment statistics such as are now being collected. That communication shows that in the industrial sections of the country there has been a larger increase in unemployment than in what may be called the rural or agricultural sections. So, if anything, the necessity for relief in the industrial sections, where the greatest degree of unemployment exists, even according to the statistics of unemployment for 1930 is out of proportion to the need elsewhere.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Kentucky?

Mr. WAGNER. Yes.

Mr. BARKLEY. The Senator will recall that as the result of the census of 1930 it was given out officially that there were only about two and a half million people unemployed in the United States, when everybody knew there were between five and six millions unemployed. Not only were the figures which were given out, based upon the census, inaccurate, but the proportions which were given out as to the total number of unemployed were not accurate and failed to show the real situation. They might likewise fail to show the proportion of unemployed. Later, from an entirely different source, the Secretary of Commerce announced that there were some six million men unemployed.

Mr. WAGNER. That was a year later.

Mr. BARKLEY. That was a year later, but the estimate was based on the census figures of 1930 and was therefore official in that sense. I am afraid if we adopt as a basis a more or less flexible and moving figure as to unemployment, which is always changing, that we are likely to do injustice to some communities, whereas the census of population is fixed, and on it as a criterion, heretofore all our legislation for the distribution of Federal funds has been based.

Mr. WAGNER. Mr. President, there have been quite a number of errors made also in taking the census of population.

Mr. BARKLEY. But generally it is recognized as about the best census we can get.

Mr. WAGNER. The census of unemployment was taken by the same machinery and the same methods which were employed in taking the census of population.

Mr. BARKLEY. They were more anxious to get all the people listed than they were to list the unemployed as unemployed.

Mr. WAGNER. If the Senator had had an opportunity to study the records of unemployment which have been published since the taking of the unemployment census of 1930, he would be persuaded that in the industrial sections, where in 1930 unemployment existed to a large extent, the increase has been even larger in proportion to the unemployed in other sections of the country where conditions are not so acute.

Mr. BARKLEY. The only trouble about the Senator's plan is that it proposes what seems to me to be a shifting basis for the distribution of this large sum of money.

Mr. WAGNER. If we intend to relieve real unemployment we have got to go where the distress is greatest. There is no doubt that that is very distinctly reflected by the census of 1930, together with the expert opinion that the ratio has kept about the same except that unemployment has increased somewhat in the urban sections of the country.

Now, let me give an illustration which I think will be persuasive on the proposition of the inequality of the distribution of the pending bill.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. May I give the illustration first? There are a number, and I will point out this one.

Here is the State of Rhode Island, and here is the State of South Dakota. They have practically the same population. I think the population of South Dakota is slightly larger than that of Rhode Island. Under the 1930 census, Rhode Island had about 35,000 unemployed, which has increased since. I am using only approximate figures. In the State of South Dakota, on the other hand, the unemployment was a little over 3,000; yet under the apportionment provided for in this legislation those two States will receive exactly the same amount of relief, although there is nine or ten times as much unemployment and distress in the State of Rhode Island as there is in the State of South Dakota.

Throughout you can find any number of instances. New York under the 1930 census had an unemployment of a little over 13 per cent of all of the unemployed in the United States. Under the apportionment by population it will receive about 10 per cent.

Illinois in 1930 had 9 per cent of the unemployed in the United States, but receives but 6 per cent under the apportionment provided for in the pending bill.

Massachusetts had 5 per cent of the Nation's unemployed, and receives only a little over 3 per cent of aid under this bill if apportioned according to population.

So I could go on with instance after instance to indicate that this bill does not distribute the funds so as to relieve the unemployment situation. I think the unemployment census would be a fairer method of distribution.

Mr. BORAH. Mr. President, the principle for which the Senator from New York is contending seems to me to be a sound one; but I do not regard the census of 1930 as a correct or fair basis for such distribution. At that time the storm had not really struck. The situation had not developed in any sense whatever. To go back two years and take figures which were gathered under the circumstances under which they were gathered at that time as a basis for distribution I do not think would carry out the principles for which the Senator is contending. I should like to see this money distributed according to needs, but I am reasonably sure that the census of 1930 will not effectuate that.

Mr. WAGNER. Mr. President, there has been considerable shifting in population since the census was taken, and yet we are going to rely upon the census of 1930. There has been a shift in most cases; but I am looking for the letter that I had put into the RECORD from the head of the bureau which collects these statistics, who, after a thorough examination, wrote me to the effect that the ratio, even considering the unemployment situation to-day, is

about the same as it was in 1930, except that if it has been intensified at all it has been in the urban sections, in the industrial sections of the country.

Mr. BORAH. The trouble with that is that the people who are writing those letters are more familiar with the industrial portion of the country, and they are less familiar than they ought to be with the other portion of the country. I do not think anyone can give a just comparison based upon the 1930 census.

Mr. LA FOLLETTE. Mr. President, the object which the bill seeks to accomplish, and the one which the Senator from New York seeks to accomplish by his amendment, is a rapid distribution of a portion of the funds for relief in order to get the money into the various communities in time to be of service in this critical emergency.

I admit that the population census is not an ideal basis upon which to predicate the 40 per cent apportionment provided in the bill. However, I also agree with the statement made by the Senator from Idaho [Mr. BORAH] that this economic storm did not strike all parts of the country with equal intensity at the same time. The unemployment census of 1930 was taken only about six months after the stock-market crash and after the acceleration of the process of deflation and unemployment began.

I think the Senate also should be informed that the unemployment census itself has been under the most serious criticism from disinterested statisticians, as well as those who participated in advising the Census Bureau concerning the methods of its being taken. I quote from Miss Mary van Kleeck, one of the best known and one of the ablest statisticians in the United States. She is connected with the Russell Sage Foundation.

On page 513 of the hearings held by the Manufactures Committee on the bill to establish an economic council there appears this criticism from Miss van Kleeck of the statistical accuracy of the 1930 unemployment census:

From the moment when the first preliminary returns were announced on June 26—

That is, 1930—

The census has been challenged. The New York State industrial commissioner called them premature and not designed "to give a true picture." In so far as New York State was concerned, they gave too great weight to rural areas. Moreover, to give the percentage in terms of the aggregate population was not a significant figure. The important fact was the percentage of the wage-earning population, and it would have been better to have withheld the figures a month or two for more complete data.

Some newspaper and magazine comment was particularly severe. The New York World, on July 11, 1930, said, "The Department of Commerce is again offending common sense by putting forth alleged figures of unemployment." The New Republic, on August 20, commented on the "attempt [of the Census Bureau] to minimize the number of the unemployed," and even concluded that "it is impossible not to infer that the administration was glad to have the underestimates pass as good currency."

The resignation of Dr. Charles E. Persons from his position as expert on unemployment in the Census Bureau brought to light his view of what he regarded as inadequacy in counting the unemployed. In a signed article in the New York World, he objected to the impression given that data for the jobless only gave a fair measure of unemployment and he made a number of other criticisms of the validity of deductions from the areas included in preliminary announcements, the scanty representation of industrial States in the first returns, and an overestimate of the proportion of the total population included in this sample. He held that all of these factors reduced the total estimate of the unemployment.

A former Commissioner of Labor Statistics, Dr. Royal Meeker, issued a statement which concluded:

"A careful analysis of this first census report [of August 23] indicates that while the figures are probably correct, they invite misunderstanding and have been grossly misinterpreted because of the narrow limited definition of unemployment used in the census. Those who use these statistics should know what they mean."

These criticisms are cited to show the importance of a clear analysis now of the whole procedure of the Bureau of the Census in taking the census of unemployment and in compiling the results.

I cite his statement as an indication that the unemployment census of 1930 is not the ideal basis upon which to predicate the distribution of 40 per cent of the funds provided under the bill that it would seem to be when first presented.

While I admit in conclusion, as I did at the outset, that neither base is perfect, I think that after due and careful consideration there is much to be said for the population base rather than the base of the unemployment census of 1930, in view of the statistical criticisms of it, and in view of the further fact that it is more than 2 years old.

Mr. WAGNER. Mr. President, may I remind the Senator that in the case I cited, that of Rhode Island and South Dakota, where the population is the same, and I think it will be generally conceded that there is a difference of about nine to one in the unemployment situation, under the bill as the Senator proposes it the apportionment will be exactly the same in those two States.

Mr. LA FOLLETTE. I admit the example cited is a compelling argument; but, on the other hand, I point out to the Senator and to the Senate that if the unemployment census of 1930 is taken as the base, while I can not at this moment furnish examples of unfairness in that distribution, I am satisfied, in view of the criticism of the statistics taken by the Census Bureau, and in view of the further fact that this unemployment wave has swept into other communities since the census was taken, that if the Senator's base is taken for the distribution, many States which did not have much unemployment as shown by the census in 1930 are now undoubtedly suffering from a large number of unemployed.

In other words, may I say to the Senator that I am in hearty accord with the objective of trying to get this money into the various Commonwealths on the basis of relieving the burden of unemployment; but, at the same time, I wanted to point out and to have the Senate understand that there would not be an equitable distribution under the plan suggested by the Senator.

Mr. WAGNER. May I say to the Senator that the criticism which was made upon the census of unemployment of 1930 was that in the industrial sections, the very sections which then suffered and now suffer, there were not the proper precautions taken to secure a full account of the unemployed. I remember that at the time I directed criticisms at the method of taking the census; but it was in the industrial sections of the country where the failure was greatest, and it was at that census, thus taken, that the criticism was directed.

May I take the time to read just a portion of a letter which was sent to me by Mr. J. Frederick Dewhirst, who is the acting chief of the division of economic research of the Department of Commerce, in which he says——

Mr. ROBINSON of Arkansas. Mr. President, may I ask what is the date of the letter?

Mr. WAGNER. The letter is dated February 3 of this year.

Mr. ROBINSON of Arkansas. 1932?

Mr. WAGNER. Yes.

Mr. Dewhirst says:

MY DEAR SENATOR: This is in reply to your letter of February 2, requesting my opinion regarding the distribution of unemployment in the States. As you know, there are no current statistics which would make it possible to give an exact quantitative measurement of the amount of unemployment in each State.

My own judgment is, however, that the increase in unemployment which has occurred since the time of the census has fallen most heavily in those States in which unemployment was shown to be most severe in April, 1930. In other words, if the States were ranked according to the severity of unemployment existing in each, my belief is that the ranking would be much the same as at the time of the census, but that the disparity of "spread" between those States with the lowest percentage of unemployment and those with the largest percentage would be greater now than in April, 1930.

This conclusion is based upon an examination of the distribution of unemployment as reported in the census of 1930 and a study of the employment indexes published by the Bureau of Labor Statistics. The States in which the percentage of gainfully occupied in classes A and B combined was greatest were also those States which are predominantly industrial in character, and it is precisely from these occupations (i. e., manufacturing, mining, and construction, as well as railroads) that the largest numbers have been laid off since April, 1930. The increase in unemployment has been relatively less severe in the more widely distributed mercantile and service occupations and in agriculture, so that it would seem that the nonindustrial States have experienced a somewhat less pronounced increase of unemployment.

Another factor which would tend to cause a relatively greater increase of unemployment in the States which already had a large

percentage of unemployment in April, 1930, is that these States, such as Michigan, Illinois, Massachusetts, Pennsylvania, Rhode Island, New York, etc., are largely urban in character, with large cities into which the casual unemployed labor from the rural sections tends to drift in midwinter. Of course, this is merely stating what is generally recognized by students of the subject—that unemployment is largely an industrial and urban phenomena.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. WALSH of Montana. That was the view I had of the matter, that so far as the census reports are concerned it is an urban proposition. Can the Senator tell us how, in an agricultural community, a determination is made as to whether a man is unemployed or is not unemployed?

Mr. WAGNER. I suppose the same question was directed to him that was directed to a resident of any other section of the country. He was asked to answer certain questions, which determined his status.

Mr. WALSH of Montana. How would a question be directed to a farmer as to whether he belonged to the unemployed or employed class?

Mr. WAGNER. That depends on whether he was employed or not.

Mr. WALSH of Montana. He is never employed except on his farm, and just at the time the question was asked he was not doing anything. It was the season when he was not doing anything except feeding his stock. In other words, when we speak about unemployment we have reference to wage earners. Unquestionably the census refers to wage earners.

Mr. WAGNER. And the suffering to-day is among the wage earners, who are without work, who wish to work, and can not secure work.

Mr. WALSH of Montana. The Senator is not able to speak from very intimate personal acquaintance with the farming sections of the West, at least, or he would not say so.

Mr. WAGNER. I am certainly as anxious as is the Senator from Montana to relieve hardship wherever it may be, whether it be in an agricultural section or in an urban section, but I am talking simply on the question of apportioning this fund where the greatest need for relief exists, and I think that is where men are unemployed, with nowhere to go, with no farms, with no place to get food except the bread line, who want to work, but who, because of our present economic depression, can not find employment.

Mr. WALSH of Montana. I am very sure the Senator is desirous of assisting all who need assistance, but I submit that his plan of distribution would really be eminently unfair to the agricultural sections, where there is great need and great suffering, where the census of unemployment would really show no considerable amount of unemployment—that is to say, no great number of wage earners who are out of jobs.

Mr. SMITH. Mr. President, carrying out the thought expressed by the Senator from Montana, I am sure that there are States—and I represent one of them—where the number of unemployed in the farming sections, people walking the roads hunting positions in which they might be employed, is greater by incalculable numbers than ever before in the history of at least our State. That is true, according to the information I get, in practically every agricultural State in the Union. So that it would not be just to apportion this fund according to the census taken in 1930, which was the result largely of an investigation in industrial centers, leaving out of the calculation entirely the distressing condition of the unemployed in the purely agricultural sections of our States.

I do not know but that the provision in the bill now under consideration, if it should become law, would mean a more equitable distribution of the money than an attempt to apportion it according to the census of 1930.

All of us are familiar with the methods by which a census is taken, and we know that it is almost impossible to get a correct census of the unemployed in the rural communities at this time, because this is the first time in the history of agriculture that I know anything about when such a condition as this has existed, and the distress now existing is nothing short of a phenomenon. Such a condition never existed before that I know of, at least in anything like the proportion that now obtains.

Mr. ROBINSON of Arkansas. Mr. President, taking the report on unemployment, classes A and B of the fifteenth decennial census, and turning to page 18 of volume 1, it appears, for purposes of illustration, that the State of Arkansas had a population of 1,854,482; that the number of gainful workers was reported as 667,870; persons out of employment, able to work and looking for labor, who comprise class A, numbered 12,820, or seven-tenths of 1 per cent of the population. The number embraced in class B was 5,531, or three-tenths of 1 per cent of the population.

The number of gainful workers out of employment in that State in class A, according to the census referred to, was seven-tenths of 1 per cent of the population; and the percentage of gainful workers embraced in class B, embracing persons laid off without pay, is eight-tenths of 1 per cent.

Upon the basis which the amendment provides, therefore, the amount that would be allotted to the State of Arkansas would be inconsiderable. I have not yet had an opportunity to make a calculation, but it would amount to very little, and would afford no substantial measure of assistance.

I must say that where an appropriation is made for the relief of unemployment, to my mind unquestionably the number of unemployed is the correct standard; but the question very naturally arises whether the census of 1930, which it is contemplated by the amendment shall be used, constitutes an accurate basis of arriving at the number of unemployed.

In no State that does not embrace large industrial centers would the 1930 census show any considerable number of unemployed, and therefore practically all of the fund appropriated would be available for the large industrial centers.

It is important in this connection also to point out the fact that while these industrial centers undoubtedly have the problem of unemployment very greatly accentuated and emphasized under present conditions, it is also well to bear in mind that the industrial centers are also centers of wealth, as well as of unemployment, and that they are abler to sustain their own burden of unemployment than are the communities where industrial activities are comparatively small.

I merely point out those figures for the consideration of the Senate.

Mr. TYDINGS. Mr. President, a few days ago in the course of the debate it was stated upon the floor of the Senate that the mayor of Frederick, Md., when interviewed as to whether or not his city needed the proposed assistance, had stated that it did need it, and that he would be glad to have it. Inasmuch as that is in the RECORD, I would like to read a telegram which I have received from the mayor of Frederick, Mr. Elmer F. Munshower. In the telegram he states:

I have been quoted in Baltimore Sun in editorial as favorable to Federal relief bill and needing same for Frederick. This is incorrect, as I advised committee in questionnaire we did not need relief, as Frederick, through local agencies, is taking care of the unemployed splendidly.

As far as I know, no Maryland town or city has asked for this assistance. Inasmuch as Mr. Munshower has been pictured as asking for it, I ask that this telegram be given consideration.

Mr. LA FOLLETTE. Mr. President, may I just say, in this connection, that I have looked the matter up since it was referred to, and I find that in answering the questionnaire the mayor answered the seventh question in the affirmative; that is, for Federal aid.

Mr. BROOKHART. Mr. President, a few days ago the Senator from Ohio [Mr. FESS] took considerable time in explaining the difference in principle between appropriating money by taxation of cities or States for this kind of relief, and appropriating it from the National Treasury. I do not know whether he got the matter explained satisfactorily or

not, but I received an explanation this morning which I think is quite satisfactory.

A citizen of Illinois residing in the city of Chicago states that Mr. Silas H. Strawn, president of the United States Chamber of Commerce, who is so strongly opposed to this Federal relief, or "dole," as he calls it, pays $120 personal tax under the laws of Illinois locally in Chicago, but he pays more than $40,000 income tax into the United States Treasury. Therefore it is a vastly different matter in principle with Mr. Strawn to have the money appropriated by the Federal Government than to have it appropriated by the State of Illinois. His proportionate share would be only about three hundred times more if it were paid by the Federal Government, and, of course, that makes a vast difference in principle.

Mr. KEAN. Mr. President, I desire to have printed in the RECORD a protest of certain taxpayers of New Jersey against the Costigan-La Follette bill.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

CLEMENTON, N. J., *February 14, 1932.*

Hon. HAMILTON F. KEAN,

United States Senate Office Building, Washington, D. C.:

A representative cross section of the citizens of Camden County strongly disapprove the enactment of the communistic Costigan-La Follette seven hundred and fifty million dole from the Federal Treasury to the States. No self-respecting State governing body should think of imposing further burdens upon the Federal taxpayers who will be called upon to make up the appalling national deficit necessary to balance the Budget, protect and safeguard investments in Government securities, the very bone and sinew of our entire financial structure. Governor Moore and the people of New Jersey are at work on the problem, and you may be assured that it will never be said of the State or its people that they failed in the discharge of the duty they owe to humanity in distress. Ten per cent at least of any such fund created would be spent by the Federal agency created to administer it. We are overrun and annoyed now by the army of Federal snoopers and "wise guys" to the point of open revolt. The people are aroused as never before in this generation. They want work; they demand that the cost of government be reduced; they lack confidence in the ability of our political leaders and statesmen. They have unsheathed their tomahawks and scalping knives. Every Federal nation-wide activity except those dealing with finance, health, and law enforcement should be drastically curtailed or discontinued entirely. It is a sad commentary on the simple social justice of a democracy when the personnel and salaries of Federal employees are maintained upon a high-prosperity basis while the common people are denied the right to work, while their homes are being sold for taxes and their families devoid of the bare necessities of life. The Republican Party is on trial. It can not escape the responsibility for this political economic outrage. I am a Republican, but I join with every other straight-thinking, patriotic American in commendation and approval of the courageous two-fisted statement of Congressman CRISP on the tax problem, however distasteful the subject of tax increases may be. We at least have the facts and know the worst and can prepare to do our part. Thank you.

C. L. BARDO,
President New Jersey Taxpayers' Association.

Mr. KEAN. Mr. President, I also desire to have printed in the RECORD a resolution adopted by the State Highway Commission of New Jersey asking that $125,000,000 be appropriated for road construction.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Be it resolved by the State Highway Commission of the State of New Jersey, That the Congress of the United States be requested to make a special appropriation of $125,000,000 for Federal aid to the States in road construction, the funds to be used in the same manner as in 1931, when advance appropriations were made to the several States to help relieve the unemployment situation.

I hereby certify the above to be a true copy of a resolution adopted by the State highway commission at its meeting held February 9, 1932.

A. LEE GROVER, *Secretary.*

Mr. REED. Mr. President, in speaking about the bill on Thursday last I made the statement that I understood there were only two States which had not already made some provision for their unemployed. One of those exceptions was my own State of Pennsylvania, where an act had been passed by the legislature making an appropriation for distress within Pennsylvania, but the act had been tied up in litigation and consequently was thus far inapplicable. I am very happy to be able to say to the Senate that this morning the common pleas court decided that this act is constitutional and therefore the appropriation made by it can now be paid over to local communities for relief.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator from Pennsylvania what was the amount of the appropriation?

Mr. REED. Ten million dollars.

Mr. WAGNER. Mr. President, I do not want to prolong the discussion unduly, but I would like to invite the attention of the Senator from Arkansas [Mr. ROBINSON] to these facts. Arkansas, under the census taken in 1930, had unemployment in classes A and B amounting to 18,351, which is six-tenths of 1 per cent of all the unemployed of the United States. Under the distribution of relief on the basis of population, Arkansas would receive 1.5 per cent.

Mr. ROBINSON of Arkansas. Mr. President, manifestly the figures of unemployment in that State, if reliable, are relatively very small under either standard. Of course it is inconceivable to me that under present conditions, in a State having a population of nearly 2,000,000, there should be only 18,000 persons unemployed. There probably are more persons unemployed within a single county in the State of Arkansas than the total number listed in the census as of 1930. I can not say with certainty that there has been a great increase in unemployment in that State since the census of 1930 was taken. The significance of the figures presented, so far as the State of Arkansas is concerned, is clear. The amount which that State would receive under either proposal would be very small.

Mr. WALSH of Montana. Mr. President, I would like to inquire of the Senator from New York if he has prepared a table showing the amount that would go to each State under the distribution plan proposed in the bill and under the distribution plan proposed in his amendment?

Mr. WAGNER. Not in amount; only in percentages.

Mr. CONNALLY. Mr. President, referring to the matter to which the Senator from Arkansas [Mr. ROBINSON] has just called attention, is it not a fact, though the Senator from New York may not be advised of this, not living in that section, that in taking the unemployment census agriculturists, for instance, were not listed as unemployed, because they were out on their farms supposedly engaged in carrying on their operations. However, as a matter of fact, they are probably in greater distress because of drought conditions than those who are actually unemployed. That class of citizens was not listed as unemployed, but in all probability at that time were more direly in need of assistance than those who had had good jobs and were temporarily unemployed.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New York. [Putting the question.] The noes seem to have it. The noes have it, and the amendment is rejected.

Mr. HAYDEN. Mr. President, is it in order to offer an amendment to the substitute at this time?

The VICE PRESIDENT. Not at this time. Are there further amendments to the original text?

Mr. THOMAS of Oklahoma. Mr. President, a few moments ago I sent to the desk an amendment to the original bill. The amendment is now upon the desk of the Presiding Officer. In the consideration of the question before us we find some five or six different proposals. If I may have the attention of those who are sponsors of the different proposals, I present my amendment in the nature of a compromise. The amendment has not been distributed to Senators. I ask unanimous consent that the pages may furnish copies to those who desire copies.

The VICE PRESIDENT. That order will be made.

Mr. THOMAS of Oklahoma. It occurs to me that we should have a picture of the issues now presented to the Senate. The LaFollette-Costigan bill provides an authorization in the sum of $375,000,000 for the purpose of direct aid to the States. This bill carries an amendment offered by the Senator from Nebraska [Mr. NORRIS] authorizing an appropriation in the sum of $375,000,000 for the purpose of constructing roads. So the bill now carries authorizations in the total sum of $750,000,000.

When the La Follette-Costigan bill is completed we will then have submitted to the Senate an amendment in the form of a substitute proposed by the Senator from Alabama [Mr. BLACK], the Senator from Montana [Mr. WALSH], and the Senator from Ohio [Mr. BULKLEY]. This substitute likewise carries total authorizations in the sum of $750,000,000. The first part of the authorization is in the sum of $375,000,000 for the purpose of building roads. That is already taken care of in the Norris amendment to the La Follette bill. The second proposal in the Black-Walsh-Bulkley substitute is for $375,000,000 to be loaned to the States so that in turn the States may supply and distribute the money to the counties and other subdivisions of the State. It occurs to me that if the Congress desires to furnish money to aid the people in distress, there is no occasion for having to go through the several States in order to reach those we have in mind. If we expect to provide aid direct to the people, we may just as well accept the La Follette-Costigan proposal and get the money into their hands before they starve.

If the La Follette-Costigan bill is not amended by the adoption of the substitute just mentioned, there will then be proposed a second amendment in the form of a substitute by the distinguished Senator from New York [Mr. WAGNER]. His proposal likewise carries an authorization for $750,000,000. The first part of the authorization is for road construction and the second part is for aid to the people. So in substance the La Follette-Costigan bill, as amended, carries the same proposal as does the amendment of the Senator from New York. The details of course, are different.

If the Wagner amendment should not be adopted, then there will be another one proposed by the distinguished Senator from Illinois [Mr. LEWIS]. His proposal will authorize only $500,000,000. He would save the Government $250,000,000; but his amendment has for its purpose the relief of industry, and through industry relief to the people of the country who desire to work.

If that should be defeated, then the Senator from Michigan [Mr. COUZENS] will offer a proposal in the form of a substitute. He has cut the amount down to $375,000,000, and this sum is to be given the President to be used as the President may see proper.

Mr. President, there is sufficient interest in this matter to get some legislation out of the several proposals. There are two distinct proposals pending before the Senate: First, aid for the people of the country to-day who are hungry and who are cold; second, there is a proposal pending to give aid to the unemployed in the form of work.

The amendment submitted by myself does not materially change the La Follette-Costigan proposal. The only change is a slight change in the authorization. It accepts the Norris amendment. Then it incorporates the substance of the Wagner Act passed during the last Congress.

If we remember for a moment, during the last session we had two bills introduced and sponsored by the distinguished junior Senator from New York [Mr. WAGNER]. One of those bills was passed by the Congress and signed by the President. Under that act a special commission has been working all summer with the departments of the Government devising plans to give work to the needy and unemployed. Their report is now pending before the Senate. It embraces proposals in the form of public works which the departments want—proposals like highway construction, as covered by the amendment of the Senator from Nebraska [Mr. NORRIS], river and harbor improvements, flood control, public buildings—projects that the Government would desire to see constructed if and when funds are available.

At this time I will ask that my proposal be read. I ask that the clerk read the first paragraph, which is a duplicate of the authorization in the La Follette-Costigan bill. It does not change the substance, but changes slightly the form.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

Strike out section 2 of Title I and section 1 of Title II, and insert in lieu of section 2 of Title I the following:

"SEC. 2. There is hereby authorized to be appropriated the sum of $1,000,000,000, to be immediately available, for purposes as follows:

"(a) Such sums as may be necessary in carrying into effect the provisions under Title I, not exceeding $375,000,000 for allocation to the several States by the Federal Emergency Relief Board created by section 3 in the manner hereinafter provided. Not more than $125,000,000 of this amount shall be expended in the fiscal year ending June 30, 1932."

Mr. THOMAS of Oklahoma. Mr. President, that does not modify the substance of the bill pending before us so far as authorization is concerned. The second subdivision covers the authorization under the Norris amendment and transfers it at this point, so I will not have it read, because it is simply a copy of the Norris authorization transferring same from section 1 of title 2 to subdivision (b) of section 2 of title 1.

Subdivision (c) authorizes an appropriation of $250,000,000 to start work under the terms of the Wagner Act passed last year. I want to address myself to the Members on this side of the aisle for a moment. During the past summer, after we learned that the President had vetoed the second Wagner bill, Democratic Members of this body saw fit to criticize the President. Democratic Members of the House saw fit to criticize the President for vetoing the Wagner bill. The Democratic press criticized the President for vetoing the Wagner bill. Criticism was quite general among Democrats and likewise among many Republicans. Now, we have an authorization to carry into effect the terms of the first Wagner proposal. Surveys have been made, projects have been approved, and the plan is before us. The departments of Government want to begin the work, but can not get the money. The authorization carried in my amendment proposes $250,000,000 to start to do the things which have been approved and which await only the funds to cover costs of construction. The special point in the amendment offered authorizes appropriations to start the work of carrying into effect the provisions of the Wagner Act.

Before consideration of the matter is concluded we will have a vote as to whether we are going to sustain the Wagner Act or whether we desire to repeal it. A vote against an authorization of funds to start work under the act will have the effect of virtually repealing the law.

I will now ask the clerk to read paragraph (c) of the authorization proposal.

The PRESIDING OFFICER (Mr. WALSH of Montana in the chair). Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

(c) The sum of $250,000,000 for carrying into effect the provisions under Title III for initiating and developing the program of public construction work set forth in the report of the Federal Employment Stabilization Board, entitled "Preliminary Report of 6-Year Federal Planning Program for Construction, Repairs, and Alterations," and dated January 20, 1932: *Provided*, That any unused portion of funds authorized under (a) and (b) may be appropriated and used in carrying into effect the provisions under Title III, and such sums shall be in addition to the allocation in this subdivision (c).

Mr. THOMAS of Oklahoma. Mr. President, I have added a new proposal to the pending bill and designated it as Title III. Title III is a copy of the resolution now pending before the Senate, submitted by the Senator from New York [Mr. WAGNER]. I will ask that it may be read.

The PRESIDING OFFICER. Without objection, the Secretary will read, as requested.

The Chief Clerk read as follows:

TITLE III

SECTION 1. The President, the Federal Employment Stabilization Board, the Director of the Bureau of the Budget, and the construction agencies as defined in the Federal employment stabilization act (46 Stat. 1084) are severally requested to exercise the authority conferred upon them by said act to the end that supplemental estimates of public-works emergency appropriations in an amount as provided in subdivision (c) of section 2 of Title I may at the earliest possible time be transmitted to Congress pursuant to such act so that an emergency public-works program may be inaugurated and the policy of Congress declared in such act may be effectuated.

Mr. THOMAS of Oklahoma. Mr. President, in the latter part of the proposal are some minor amendments that would naturally follow in the event this proposal should be

agreed to. The proposal, which is in the nature of a compromise, is nothing more nor less than this: It accepts the La Follette-Costigan bill as it is, thus providing relief for those in distress. It then accepts the Norris amendment authorizing $375,000,000 for road-construction purposes, of which some $125,000,000 is to be available the first year. That has already been agreed to.

Then, sir, I propose a more liberal internal-improvement program, carrying out the terms of existing law and putting into effect the construction of the identical projects which are desired by members of the Cabinet, such as public buildings, Army housing, hospitals for veterans, hospitals for Indians, the identical projects for which the several Cabinet members have asked the Budget Bureau for money. The proposal follows the regular procedure, carries out provisions of existing law, and is not radical. We are going to enter upon those projects anyway, just as soon as we can get the money. If we can get the money now we can erect these buildings and improvements to-day cheaper than we can erect them next year, perhaps. Then we will have the improvements, and their construction will serve the same purpose as direct appropriations for relief, because these public works will be scattered throughout the country and the money will find its way into the hands of the great mass of people, enabling them to earn wages which they will spend for clothing, for fuel, and for food.

I contend, Mr. President, that it is much better for the Congress to appropriate a million dollars and to give $1 apiece to a million men than to appropriate a million dollars and give it all to one man. The million men with $1 apiece will spend that money to-day buying things which they now need. They will make business better at the little stores throughout the country; they will make business better for the big stores in the cities; they will make business for the wholesalers, and business for the factories of the country. The railroads must carry the goods back and forth; that will make business for the railroads; an increased demand will arise for farmers' produce; and all the time the banks will be getting the benefit of this trade and commerce.

At this point I want to call attention to one or two statements in support of what I have to say. Last summer William Randolph Hearst made a radio address. I quote from that address. He was talking first about Mr. Hoover's program of public improvements. Mr. Hearst said:

> When Mr. Hoover was a candidate for the Presidency he won many to his support by the magnificent program of public improvements which he described as the main feature of his policy.
>
> This program was comprehensive and complete, including highways, waterways, flood control, and water-power conservation.
>
> It covered every part of the country and embraced the inland waterways of the East, the Columbia River development of the Northwest, the water and power dams of the Southwest, and a gigantic plan for both flood control and water and power conservation on the Mississippi River and its tributaries.

Later on he mentions roads and public internal improvements.

So at that time Mr. Hoover was in favor of a program of internal public improvements.

I desire to quote a brief paragraph from one of his speeches. In his address of acceptance—and I am quoting from a book entitled "The New Day," pages 21 and 22. The paragraph is headed "Expense no Obstacle":

> Objection has been made that this program, as laid down by the party platform, may require that several hundred million dollars of capital be advanced by the Federal Government without obligation upon the individual farmer.

He was speaking there, of course, to farm relief; and that is explained in the next sentence:

> With that objection I have little patience. A nation which is spending $90,000,000,000 a year can well afford an expenditure of a few hundred millions for a workable program that will give to one-third of its population their fair share of the Nation's prosperity. Nor does this proposal put the Government into business, except so far as it is called upon to furnish capital with which to build up the farmer to the control of his own destinies.

Then only recently the president of one of the big railroads of this country, Mr. Willard, is reported to have made a speech in Pennsylvania. I wish to quote briefly from that speech. He was speaking about this identical problem now pending before the Senate—the question of wages for the unemployed; the question of help for those who need it most. He said:

> I can think of nothing more deplorable than the condition of a man, able and axious to work, with no resources but his labor and perhaps with others even more helpless dependent upon him.
>
> Unless he is willing to starve and see those who justly look to him for support also starve, his only alternative is to seek charity, and, failing in that, to steal. And while I do not like to say so, I would be less candid if I did not say that in such circumstances I would steal before I would starve.

Mr. President, in further support of the statements I have just made, I desire to read from an address delivered by the former Governor of New York State. In a syndicated article of date August 10 former Gov. Alfred E. Smith said:

> Unemployment has now taken on the aspect of a real emergency.
>
> Private charity and voluntary relief will not solve the problem throughout the coming winter.
>
> If we double public construction, we shall go a long way toward providing work for our unemployed.

Mr. President, at this point I want to read from a magazine which came to me this morning. This publication is entitled "American Monthly," February issue, 1932. On page 11 I find an article entitled "Washington Spotlights," and under that title I read the following:

> As to the effects of the moves already made by the administration, it is probable that they will improve business conditions and help the stock market for a few weeks—say through February. Then will come the customary seasonal spring upturn in March, which will run at least three or four weeks. That will bring the country up to April. Then will come the test—will the business improvement continue or will the artificial stimulation have worn itself out by that time?
>
> The fear of most of the experts here is the latter. They are not optimistic about business prospects next summer and autumn.
>
> This fear, in turn, may force the administration to reverse its policy of opposition to the unemployment relief bills of Senator WAGNER, of New York, and Senator LA FOLLETTE, of Wisconsin, providing huge public-building programs. If those bills are passed and new Federal money is thus injected into business channels, both through the increased purchasing power of the 8,000,000 unemployed and through the direct governmental purchase of building materials, the prospects for economic revival between now and election will be much better.

Mr. President, this bill can be made into a relief measure not only for those who are hungry and cold to-day but also for the country generally. I do not believe that the laws already passed by this Congress are destined to help very greatly the folks who are in real distress. I think the amendment which I have proposed will take care of those who to-day are needy, who are hungry, and who are cold. It will take care of a construction program embracing roads and embracing those projects which the Government itself wants to construct.

If the authorization can be passed in the sum of $1,000,000,000 it does not mean that a billion dollars is to be appropriated immediately. Even under the provision of the La Follette bill authorizing an appropriation of $375,000,000 for direct help, before the money can be forthcoming a bill must be introduced in regular form and reported by the Committee on Appropriations, and unless that committee can be shown that the entire amount is needed I have confidence that it will not appropriate the entire sum, but it will have the authority and the power to recommend the appropriation of such sums immediately as in its wisdom it may see proper. That would be a sum necessary to take care of the actual distress that is existing throughout the country.

Then under the Norris amendment a highway program can be gotten under way.

Under the amendment I have proposed, providing an authorization of $250,000,000 more, the departments can submit to Congress requests for money with which to build the structures they have been and are asking now.

My proposal, Mr. President, does not necessarily mean appropriation of a billion dollars; it might not take such a vast sum of money to render assistance to those who are needy and who require help. The balance of the sum authorized would be available for construction of public works already planned and surveyed. The machinery would be provided and available, so that if times should get worse

before spring or before the Congress shall adjourn we would have the machinery in the hands of the Government with the estimates made, and all Congress would have to do would be to make the appropriations. The departments would have their surveys and would know exactly what they wanted to do and could start immediately putting men to work.

I notice in a newspaper of yesterday, Mr. President, I think a New York newspaper, under very heavy headlines, these words:

Thirty governors back war on depression. Many mayors also pledge aid to national job appeal of the Legion and other groups. Drive to start to-morrow.

That is to-day. The drive is on.

Another headline:

But some units have already begun a canvass to obtain work for a million men.

Mr. President, here are 30 governors and many mayors not asking in this news story for money to furnish to the helpless and the distressed but asking for money with which to begin public improvements to give a million men work. In addition to the La Follette authorization, and in addition to the Norris authorization, I propose a third authorization to do this identical thing.

If in order I offer formally this amendment in the form of a compromise and ask that it be pending.

Mr. LA FOLLETTE. Mr. President, may I say to the Senator from Oklahoma that the parliamentary situation requires that any amendments to be made in the nature of perfecting amendments to the pending bill must be disposed of before the vote can come on the substitute. Therefore, if the Senator desires to offer this amendment to the pending bill before the vote is had upon the substitute proposed by the Senator from Alabama, the Senator from Montana, and the Senator from Ohio, it will be necessary for him to take a determination on that question at this time.

Mr. THOMAS of Oklahoma. Mr. President, I realize the parliamentary situation; but inasmuch as I had no chance to get this proposal before the Senate until to-day, I have had no chance to confer with any of the proponents of the several amendments submitted. I should like to ask the distinguished Senator from Wisconsin [Mr. LA FOLLETTE] if he has any objections to the incorporation of this amendment as a part of the text of his bill.

Mr. LA FOLLETTE. I may say to the Senator that I am in accord with all that he has said concerning the advisability of expanding the public-works program. However, I believe that the critical emergency character of the relief situation is such that it is not advisable to jeopardize a determination of the issue involved concerning direct relief by attempting also to link with it and to join in that determination the question of enlarging the public-works program.

The PRESIDING OFFICER (Mr. WALSH of Montana in the chair). Will the Senator from Wisconsin yield to the occupant of the chair until a statement can be made concerning the parliamentary situation?

The amendment offered by the Senator from Oklahoma is an amendment to the original bill, and in due course should now be disposed of, being the only amendment pending to the original bill.

In view of the circumstances adverted to by the Senator from Oklahoma, however, the occupant of the chair suggests that the Senator from Oklahoma ask unanimous consent that a vote may be taken upon the matter at a later time, after consideration of amendments to the proposed substitute.

Mr. THOMAS of Oklahoma. Mr. President, it is impossible to present a comprehensive amendment and have it considered for a few moments' time and get a vote that would really express the convictions of the Members. Because I do not want to have a vote on it now, I ask unanimous consent that the amendment may be considered pending to the La Follette proposal, to be called up later.

Mr. LA FOLLETTE. Mr. President, may I say to the Senator that we can not make any progress in considering this legislation until the text of the pending bill is perfected and the substitute is disposed of. However, as I understand, if the substitute should not be agreed to, the Senator then would have an opportunity to offer his amendment to the pending bill; but the parliamentary situation, as I understand it, is such that unless the Senator's amendment to the pending bill is disposed of we can not proceed to vote upon the substitute.

The PRESIDING OFFICER. The Chair will state that according to the custom of the Senate the amendments proposed to the original bill must first be disposed of; but, of course, by unanimous consent, that could remain in abeyance until some further progress is made concerning the perfection of the substitute.

Mr. LA FOLLETTE. I would not interpose an objection if the Senator asked unanimous consent that his amendment should be in order following a disposition of the substitute.

The PRESIDING OFFICER. Let the occupant of the chair inquire of the Senator from Oklahoma if he accepts the suggestion of the Senator from Wisconsin that unanimous consent be requested that his amendment may be in order after the disposition of the substitutes offered.

Mr. THOMAS of Oklahoma. I ask unanimous consent that the compromise just proposed be considered as pending, to be called up later.

Mr. DILL. Mr. President, before that request is acted upon I should like to make a parliamentary inquiry.

Do I understand it to be the construction of the rule that after a substitute has been voted down no other substitute can be offered?

The VICE PRESIDENT. No. Other substitutes can be offered if one is voted down.

Mr. DILL. If the substitute offered here now is voted down, will not the Senator from Oklahoma have a right to offer his substitute?

The VICE PRESIDENT. The proposal of the Senator from Oklahoma is not a substitute for the whole bill.

Mr. DILL. Will he not have a right to offer his amendment, then? Are all amendments precluded when the substitute is voted down?

The VICE PRESIDENT. The amendment of the Senator from Oklahoma is in order now.

Mr. DILL. But, I say, is not the bill always open to amendment if the substitute is voted down?

The VICE PRESIDENT. Yes; if the substitute is voted down, it is still open to amendment.

Mr. DILL. That is what I thought.

Mr. LEWIS. Mr. President, in order to save the time of the Senate, instead of reading the amendment, I respectfully ask permission to have the amendment which I tendered printed in the RECORD.

The VICE PRESIDENT. Without objection, that order will be made.

The amendment is as follows:

Amendment intended to be proposed by Mr. LEWIS to the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving hardship and suffering caused by unemployment, and for other purposes, viz: Strike out all after the enacting clause and insert the following:

"That there shall be authorized from the Treasury of the United States the sum of no less than $500,000,000 to be credited to the manufacturers and employers of labor, industrial and agricultural, in the United States with the purpose and object of enabling said employers to resume the work of their industries and farms as may return to employment those who have been engaged or may be engaged in the line of occupation of the said industries of city or farm, the purpose of the said credit being that the merchants, manufacturers, or agriculturists may sell their produce to such establishments, domestic and foreign, as shall make such satisfactory contract with the producer as will enable the producer to serve the demands on credit of the purchaser for such length of time as under the circumstances as to the parties seem appropriate and practical.

"SEC. 2. That the object of the appropriation herein provided by the Government of the United States as credit to the merchants, manufacturers, and agriculturists is to extend only such sum as will be shown from proper examination to cover the exact losses of the producer so as to enable the producer to put forth the product without loss to himself, reserving the right to such profits as may be earned from the payment of such customers as

shall contract for the supplies, the object of the appropriation herein provided being to offset the losses in order to enable the employers of labor to return the idle labor to employment and furnish work for the needy who are appealing for the privilege of toil in the different lines of industry and agriculture of the United States.

"SEC. 3. There shall be created at the instance and under the direction of the President of the United States such board comprised of officials of the Departments of the Treasury, Commerce, and Agriculture, who shall serve ex officio without additional salary to that now obtaining, who by this amendment are authorized to cause to be made an investigation of the demands of applicants for the credit provided herein and to adjudge and recommend to the Treasury Department the amount to be apportioned to the different applicants in order to ascertain and decide what sum would be just sufficient to cover the losses and for the board to be assured that the sum is advanced to those whose industries are opened to employment and which have put to work in quantity those fitted for the labor necessary to the industry. Said board shall have authority to pass upon and adjudge and recommend as to the qualification and worthiness of the applicant applying for credit and to investigate the good faith of the application and the fidelity of the undertakings and work professed in order that only those who open their plants or continue their plants and put to work the idle who are the objects being provided for under the provisions of this act.

"SEC. 4. That said board shall be authorized to take such security from those to whom credit is advanced as shall be satisfactory both in the quality of the security and the conditions under which it is issued, the security subject to being returned upon the payment by the manufacturer or agriculturist borrower of the amount of credit extended. Discretion is hereby conferred on the board as to the length of time each credit is to be afforded within the limits of the operation of this act.

"SEC. 5. It is hereby authorized and permitted that the security given by the customer, domestic or foreign, for goods or supplies of factory or farm may be accepted by the board as a portion or all of the security for the advance of credit given to the producer, and it is hereby authorized to the board at any time to have investigation made of the action and method of procedure of the business industry or undertaking to which credit has been advanced, in order to be assured honesty and good faith is being kept in continuing the work in distributing the supplies to legitimate debtors and establishing the employment at such proper rates and under such proper circumstances as labor under the supervision of unions or organizations protecting and guarding the same is now the practice or custom.

"SEC. 6. This act is to be designated as credit for the aid of the industries to afford employment, and is not to extend for a period of more than one year unless increased and continued by the act of Congress. This act shall go into effect immediately upon passage and approval, as required by law."

Mr. GORE. Mr. President, I desire to ask my colleague a question. As I understand, the preliminary report of the Federal Employment Stabilization Board has been submitted.

Mr. THOMAS of Oklahoma. It is now on the President's desk.

Mr. GORE. And it recommends a number of projects in practically each of the several States.

Mr. THOMAS of Oklahoma. That is correct.

Mr. GORE. Aggregating all together something like a billion dollars.

Mr. THOMAS of Oklahoma. Yes.

Mr. GORE. The pending bill, including the Senator's proposal, would authorize the appropriation of a billion dollars.

Mr. THOMAS of Oklahoma. That is correct.

Mr. GORE. I should like to ask my colleague if he has considered the advisability of preparing a substitute for all these pending measures which would embody the various and sundry recommendations contained in this preliminary report, so that all this money that is expended would bring something to the Government in return—that none of it would be a gratuity?

Mr. THOMAS of Oklahoma. Mr. President, replying to the inquiry, my substitute practically embodies that identical matter, for this reason: That part of the funds consumed by the LaFollette bill will decrease the billion dollars just that much.

Mr. GORE. Yes; but that is $375,000,000.

Mr. THOMAS of Oklahoma. Yes. If that is all expended, that would still leave $625,000,000 to be expended for public works. The Norris amendment is nothing more nor less than an authorization to carry out one provision of this special report on highway construction.

Mr. GORE. Does the report contemplate as much as $375,000,000 for public highways in addition to the regular appropriation made for that purpose?

Mr. THOMAS of Oklahoma. No; it does not. To that extent the Norris proposal goes farther than the recommendations in this special report submitted by the board. My amendment proposes that the part of the La Follette authorization not used for direct relief can go to carrying out this public-improvement program, and the part not used by the Norris authorization can likewise be used to carry out this public-improvement program; so, if this shall be agreed to, in my judgment there will be at least $750,000,000 available to build the things that the Government itself is now asking to be built as soon as it can get the money, and this proposal would authorize the appropriations. I think that answers the question.

Mr. GORE. It does; yes. What I was trying to get at is some plan by which the money that we spend can be devoted to public improvements, and that none of it should be in the nature of a gift or a gratuity.

Mr. THOMAS of Oklahoma. If my proposal should be accepted, the only part of the billion dollars that would be spent in the way of a gift or gratuity would be that part spent under the La Follette-Costigan bill; and, as I understand it, we are all practically agreed that if we have citizens to-day who are cold and hungry and starving and in need of medical supplies some means should be found to provide relief.

Mr. GORE. Unless work could be found for them.

Mr. THOMAS of Oklahoma. Mr. President, I agree with the Senator entirely; but there is a certain class of our people that can not work. I have particular reference to the aged, the infirm, the widows, the orphans, and the sick. I think that some fund should be made available to take care of that particular class of our citizenship in sections where the local community, county, or State is unable to take care of them, or for any reason does not do so.

Mr. WALSH of Montana. Mr. President, I think possibly a misconception might arise from a part of the colloquy between the two Senators from Oklahoma.

The report made to the Senate by the Stabilization Board contemplates such work as is to be undertaken or recommended for acceptance during a period of six years—that is, six years from last year—and in that it is considered that there is authorized $125,000,000 a year for road construction, with a deduction of $16,000,000 per year—that is to say, one-fifth of the $80,000,000 emergency appropriation voted last year—for the first five years of that time. So that it may be considered, then, that there is a recommendation of $125,000,000 for six years, and authorizations have been made for two years only of the road construction program. So that really the La Follette bill, as it is amended by the Norris amendment and the substitute offered by the Senator from Alabama and the Senator from Ohio and myself, does not contemplate $375,000,000 in addition to the amount included in the report of the Stabilization Board.

Mr. NEELY. Mr. President, a single comforting generalization may be confidently deduced from the prolonged debate on the unemployment relief measures now before the Senate. That generalization is that in certain circumstances the United States Government may, by direct action, preserve and protect the lives of its citizens. Even the mailed champion of the opposition to Federal relief for the unemployed, the unclothed, and the unfed, the able chairman of the Republican National Committee and versatile senior Senator from Ohio—Doctor FESS—even he has reluctantly admitted that he would prefer Federal relief to actual starvation.

The able Senators from Colorado and Wisconsin [Mr. COSTIGAN and Mr. LA FOLLETTE] in their masterly discussions of their very comprehensive relief measure presented an overwhelming array of precedents and authority to justify the Congress in passing the pending bill. The eloquent Senator from Colorado supported his convincing argument with the Declaration of Independence, which proclaims that

all men are endowed with the inalienable rights of life, liberty, and the pursuit of happiness. He then proved, with the irresistibility of a mathematical demonstration, that the Costigan-La Follette bill is properly designed to preserve the most vital of this great trinity of blessings, namely, the right of life.

It has also been shown that the passage of the bill is explicitly approved by the preamble to the Constitution, which declares, among other things, that the Constitution is established to provide for the common defense and promote the general welfare. Can anyone think of a more effective or appropriate act of promoting the general welfare of a country than that of saving millions of its people from starving to death?

Let me point out another constitutional provision in favor of the bill. The first article contains the declaration that, "the Congress shall have the power to repel invasions." In this authority alone there is a firm foundation upon which to enact the humanitarian relief legislation now before us. At this hour, the entire country is invaded as it has never been invaded before. In the early days we were invaded on the east by British troops. In various wars foes have menaced both our northern and southern boundaries. But during the existence of the present nation-wide calamity, for the first time in our history, we have been simultaneously invaded from the north and the south, and the east and the west. This day, aye this very hour, our enemies are marching upon us from every point of the compass. And who and where are these invading foes? They are the demons of unemployment, who have robbed more than 8,000,000 American toilers of their jobs and caused the cry of distress to be heard in every city in the land. They are the marble-hearted monsters of poverty, hunger, and cold, which are making millions of helpless women beg for clothes; millions of starving children beg for bread. And where are these frightful foes? They are in every populous community and every industrial center in the United States.

Conclusive evidence of their brutal devastation can be seen on the streets of Washington every day and all day long. Overwhelming proof of the necessity for immediate Federal relief covers and crowds the pages of the voluminous printed hearings now on our desks. The evidence that admonishes us to action is so conspicuous that only the blind can not see it; it is so vociferous that only the deaf can not hear it; it is so pathetic that the human heart can not resist it.

The evidence of the dire necessity for immediate Federal relief for the destitute unemployed and their dependent ones increases with every swing of the pendulum. The demand for aid becomes more imperative with every tick of the clock.

All who have participated in the debate have either expressedly or impliedly admitted that millions of our people are, without any fault of their own, overwhelmed with poverty and distress, and that their suffering ought to be relieved. But as to the agencies and methods of relief, the opinions of the supporters of the bill irreconcilably conflict with the opinions of those who seek to defeat it.

Let us briefly consider the reasons which certain Senators have assigned for opposing direct Federal aid.

For example, the senior Senator from Ohio objects to the granting of Federal aid to the unemployed, the unclothed, and the unfed on the ground that the States and cities should exclusively relieve the distress of their own people, and because the Senator further believes that an unemployed, hungry citizen who accepts direct aid from the Federal Government thereby diminishes his patriotism and sacrifices his self-respect. In the most-labored and illogical argument that the distinguished Senator ever made—an argument in comparison with which Einstein's theory of relativity becomes personified, soul-satisfying simplicity—the Senate was informed that a faultless, jobless, hungry man may honorably and justifiably accept necessary relief from the government of his State or his city, but for the same man, in the same circumstances, to accept similar relief directly from the Government of his country would be demoralizing and deplorable in the highest degree. This extraordinary argument of differentiation between tweedledum and tweedledee the eminent Senator from Idaho [Mr. BORAH] promptly, eloquently, and completely annihilated, to the unrestrained delight of the crowded galleries and the entire satisfaction of the senatorial friends of the Costigan-La Follette bill.

The able junior Senator from Ohio [Mr. BULKLEY] opposes the bill on the ground that if it should be passed by the Congress, it would be vetoed by the President. But the senior Senator from Ohio, the chairman of the Republican National Committee, and the principal, if not the only real, supporting pillar of the administration, has expressly declared that even he does not know the President's attitude toward the bill. Therefore we should not be restrained from voting our sentiments and discharging our duty by the fear of the distinguished Democratic Senator as to what the Republican President will do. But if it were certainly known instead of uncertainly believed that the President would veto the bill, that fact would not afford a Member of the Senate the slightest justification for voting against the measure. It is our plain duty to pass such bills as the country desires and deserves regardless of whether the President approves or disapproves our action.

The senior Senator from Pennsylvania [Mr. REED] has, with his characteristic earnestness, argued against the proposed direct Federal aid for the alleged reasons that no justifiable necessity for such aid has been shown to exist and because each State should solve its own unemployment problems. The Senator from Pennsylvania said, among other things—

> Pennsylvania * * * has a shocking number of unemployed this minute, * * * but Pennsylvania can fend for itself.

This argument was conclusively refuted long before it was made. Since this Congress convened on the 7th day of last December two vast armies of the unemployed have besieged this Capitol and petitioned for work and shelter and food.

The greater of these armies, which consisted of about 12,000 hungry soldiers, was recruited in Pittsburgh, the home of the senior Senator from Pennsylvania. Under the leadership of no anarchist, no bolshevist, no sensationalist, but under the command of a patriotic, humanitarian, devout Catholic priest—Father Cox—that army of 12,000 unemployed trudged 300 miles to this Capitol to tell the Congress and the President that multitudes of Pennsylvanians want Federal aid in their distress and that Pennsylvania can not adequately "fend for itself." How many of Father Cox's 12,000 jobless, hungry, footsore soldiers will be satisfied with the kind of "fending" the Senator considers sufficient? Will they not, with one accord, say to the "fender" and its defender, in the words of the afflicted Job, "Miserable comforters are ye all."

The brilliant senior Senator from Alabama, for whom I have the warmest friendship and the greatest respect, has most impressively expounded the political philosophy of the immortal Jefferson in opposition to the Costigan-La Follette bill. The Senator has ably argued that for the Federal Government directly to grant and indirectly administer relief to the starving, the destitute, and diseased will be to infringe upon the rights of the States. No one in this Chamber or elsewhere shall go before me in loyalty to the political principles of Thomas Jefferson, the greatest Democrat since the crucifixion, and one of the greatest humanitarians of all time. But after I had with bated breath and the deepest appreciation listened to the Senator's speech, I read it in the calm seclusion of my room, free from the hypnotic influence of the Senator's eloquence, and searched it in vain for anything that the able Senator had attributed to Mr. Jefferson which can logically be considered an obstacle to the passage of the bill.

The one thing upon which Mr. Jefferson was perhaps more insistent than upon any other was, that laws should be so formed and enforced as to be most beneficial to the masses of the people. Who that is familiar with Mr. Jefferson's

devotion to the welfare of the common people and his unfailing sympathy for the distressed will doubt, if he were present to-day, that he would most zealously advocate the passage of the Costigan-La Follette bill? Since Mr. Jefferson can not come here from the silent land to speak for himself and the suffering humanity which he faithfully served and ardently loved, let us, in the matter of applying the political principles of the founder of the Democratic Party to the Costigan-La Follette bill, very respectfully appeal from the distinguished Senator from Alabama to Mr. Claude G. Bowers, the world's greatest authority on Mr. Jefferson and his political principles. On the 9th day of February the following article by Mr. Bowers appeared in Mr. Hearst's Washington Times:

ARE AMERICAN CHILDREN LESS DESERVING?

By Claude G. Bowers, author of the Party Battles of the Jackson Period, the Struggle for Democracy in America, Jefferson and Hamilton, the Tragic Era, and other important works

From the beginning it must have been clear that one of two things would have to be done about these 8,000,000 unemployed and their dependents; work would have to be furnished through a prosperity loan such as was urged a year ago by Mr. Hearst, Senator WAGNER, and Senator LA FOLLETTE, or money to prevent starvation would have to be appropriated from the Treasury.

The administration was against the prosperity loan—which, politically, would have been the best thing possible for the administration.

If it is now against direct relief, it goes on record as washing its hands entirely of the human problem of the unemployed; and that will not be good for the administration in any sense.

WE ARE AGAINST THE "DOLE"

We are in favor of the appropriation; and we are against the "dole." For the appropriation proposed by Senators WAGNER and LA FOLLETTE have nothing in common with the English "dole," where the term originated.

Senator LA FOLLETTE made this plain in his illuminating Senate speech:

"The bill does not contemplate definite and specific allowances to individuals and to their dependents. It is based entirely upon the traditional American method of relief, namely, relief on the basis of need. It does not propose to set up a separate agency whereby the Federal Government will, through a great bureaucracy in Washington, make direct payments in cash or in kind to individual citizens in the respective communities. The bill proposes to utilize the agencies of relief which are now in existence and which are now cracking and groaning under the load they are attempting to carry."

WE HAVE HELPED THE UNEMPLOYED IN EUROPE

The President's Unemployment Emergency Committee, under Mr. Gifford, has failed; and the testimony of Mr. Gifford before the Senate committee disclosed such a profound ignorance of conditions as to explain its failure even to comprehend the crisis.

Now men, women, and children are up against the guns. And, as Senator LA FOLLETTE said, "During the period since this depression began this is the first time that Congress has turned seriously to the consideration of the rank and file of the people of the United States."

Those eager to help the banks and railroads are seeking to impose the falsehood upon the people that the Government never has appropriated money for the relief of citizens suffering through no fault of their own. Millions time and time again have been appropriated for the purpose, as the record shows.

Not only have we appropriated millions for the relief of citizens here, but we have appropriated millions for the relief of men, women, and children in other lands. Thus money from the Treasury went to succor the destitute in Cuba, in the French West Indies, in Italy, in China.

Is the answer made that these were the victims of earthquakes? It was famine—such a famine as confronts millions of our own—in China.

But not only have we appropriated money to prevent the starvation and desolation of victims of earthquakes and famines, due to failures of crops, we have appropriated vast sums to feed the European victims of economic depression. We have appropriated money, if you please, to help the unemployed in Europe.

CHILDREN ARE DYING OF UNDERNOURISHMENT

There are millions of American children who are literally starving, dying of undernourishment because deprived of milk through the unemployment of their fathers, according to social-welfare agencies and charitable societies.

Eight years ago, when that was true of the children in a European country, a demand was made on Congress for money from the American Treasury to feed these children.

The demand was made by Herbert Hoover, a written demand served on a congressional committee.

In this demand he said:

"Our only hope is that the next generation will be better than this one, and there is no hope if they are to be stunted and degenerate from undernourishment. I recognize the arguments that may be brought against charitable actions, but I refuse to apply these arguments to children."

But it appears Mr. Hoover is applying these arguments to the children of the United States.

THE NATIONAL GOVERNMENT MUST DO ITS PART

Mr. Hoover had no objections to using the $20,000,000 appropriated from the Treasury to feed the undernourished children of Russia 11 years ago; nor did the American Red Cross. Just how does it become vicious to appropriate American money to furnish proper nourishment to American children?

And private charity is unable to furnish them with sufficient food.

And local governmental units, on which the President urges a "dole," have reached, or are reaching, the end of their resources.

And the plain, brutal truth is that if American children are not "to be stunted and degenerate from undernourishment" the National Government must do its part.

If Republican Senators have decided, as a party, to oppose the feeding of these children and their mothers, that is their privilege; they have the right to proclaim the party policy and attitude; but the humane people of America who heard no protest against the governmental feeding by us of the children of China, Cuba, Germany, and Russia still have their right to pass upon that party policy and attitude in November.

The administration can not talk "humanity" about the children of Europe and talk "dole" when it comes to the prevention of the starvation of the women and children of America.

It can not say that we can not afford as a Nation to meet the Nation's responsibility to the millions of undernourished and slowly starving children of America but can afford to take over the billions of the debts of other nations and pay them out of the American Treasury.

More and more we are convinced that what we need is an administration that thinks of America first, and of all America, and not merely a small and powerful segment of America.

My unqualified approval of all that Mr. Bowers has thus said will be indicated by my vote in favor of the bill.

The Congress regularly appropriates millions of dollars to exterminate the boll weevil and the corn borer and the numerous other pests that prey upon the plant life of the Nation. The Congress regularly appropriates money to eradicate the contagious diseases of horses and cattle and hogs. Let us not, in this crisis, forever disgrace ourselves by doing less for American women and children than we have habitually done for American cattle and hogs.

The Congress has recently appropriated hundreds of millions of dollars for the relief of the railroads and the financial institutions of the country. Few, if any, doubt that these appropriations were highly necessary and proper. No one believes that they have interfered with the rights of the States. No one believes that the cotton growers of Alabama or the stock raisers of Iowa or the owners of banks and railroads in Pennsylvania and Ohio have sacrificed any of their integrity, their self-respect, or their Americanism by accepting the aid that the Congress has extended them from the Federal Treasury.

In view of all which we should not permit any amount of fallacious reasoning or illogical argumentation to convince us that it is un-American for the Congress to grant relief to millions of destitute Americans or that it will be unpatriotic or unbecoming for the blameless, jobless, hungry American people to save their lives by accepting the relief.

As the Federal Government has in recent years directly provided shelter and clothing and food for calamity-stricken people around the world, so in this time of nation-wide suffering that beggars description and defies comprehension let us, as truly American Senators, with American money, relieve American distress. As we have fed the famished children of Europe and Asia and the islands of the sea, so let us feed the millions of American children who are starving to death.

In the same spirit of humanity and mercy in which we have relieved suffering in other lands, let us now relieve it in our native land. Let us, with American courage, American generosity, and American promptitude, extend adequate relief to every deserving, jobless, hungry American toiler and those dependent upon him, to the end that the perishing may be rescued, nation-wide suffering alleviated, and the standard of American living preserved; to the end that we may receive the blessing of the words of the Master, "Inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me"; to the end

that future generations of American women and children may sing with increased energy and intensified zeal:

My country, 'tis of thee,
Sweet land of liberty,
Of thee I sing.
Long may our land be bright
With freedom's holy light,
Protect us by Thy might,
Great God our King.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. THOMAS].

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the amendment may be considered as pending to be called up later. I realize that if the Black-Walsh-Bulkley substitute should prevail, I should not have that opportunity. I submit the unanimous-consent request.

Mr. McNARY. Mr. President, I did not understand the nature of the request of the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. I have asked unanimous consent that the amendment proposed by myself be considered as pending to be called up later, realizing that in the event another of the substitutes should carry I shall not have the opportunity to present it.

Mr. McNARY. Is this offered to the text of the original proposal or to the so-called Black amendment?

Mr. THOMAS of Oklahoma. To the text of the original Costigan-La Follette bill.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The original text of the bill is open to amendment. If there be no further amendment to the original text, the substitute is open to amendment.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. Has the time passed for the proposing of amendments to the original text?

The VICE PRESIDENT. Such an amendment can be offered at any time before a vote is had upon the substitute, but it is customary to call for all amendments to the original text before any amendments are offered to the substitute.

Mr. McNARY. Then there will not be a complete foreclosure of those who subsequently may want to offer an amendment to the original text?

The VICE PRESIDENT. There would be if any of the substitutes shall have been adopted.

Mr. McNARY. I am calling the attention of those who are in the Chamber to that situation.

The VICE PRESIDENT. The bill is open to amendment. Two Senators gave notice that they have amendments to offer.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Johnson	Robinson, Ind.
Austin	Couzens	Jones	Schall
Bailey	Cutting	Kean	Sheppard
Bankhead	Dale	Kendrick	Shipstead
Barbour	Dickinson	Keyes	Smith
Barkley	Dill	King	Smoot
Black	Fess	La Follette	Steiwer
Blaine	Fletcher	Lewis	Stephens
Borah	Frazier	Logan	Thomas, Idaho
Bratton	George	McGill	Thomas, Okla.
Brookhart	Glass	McKellar	Townsend
Broussard	Goldsborough	McNary	Trammell
Bulkley	Gore	Neely	Tydings
Bulow	Hale	Norbeck	Vandenberg
Byrnes	Harrison	Norris	Wagner
Capper	Hastings	Nye	Walcott
Caraway	Hatfield	Oddie	Walsh, Mass.
Carey	Hawes	Patterson	Walsh, Mont.
Connally	Hayden	Pittman	Watson
Coolidge	Hebert	Reed	Wheeler
Copeland	Hull	Robinson, Ark.	White

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

Mr. DILL. Mr. President, I have an amendment to the substitute, which I offered earlier in the afternoon and which is upon the desk of the Presiding Officer.

The VICE PRESIDENT. Let it be reported.

The CHIEF CLERK. The Senator from Washington proposes, in the substitute, on page 4, lines 16 to 20, to strike out the following words:

And shall also state that he will recommend to the legislature of his State and also to the people thereof such action as may be necessary and appropriate to insure the repayment to the United States of all amounts received by the State pursuant to such request.

Mr. DILL. Mr. President, my purpose in offering the amendment is to take out of the bill a requirement which it seems to me makes it necessary in some instances for the governor of a State to recommend to his legislature something that is forbidden by the constitution of the State. In some of the States the constitution forbids the creation of debt, and yet in order to obtain this relief a governor would be required to agree to ask his legislature to do a thing which under his oath of office and under the constitution of the State he is forbidden to do.

The purpose of the substitute clearly is to provide that the money is to be charged against the State. In the latter part of page 5 of the printed substitute there is a proviso reading as follows:

Provided further, That if within three years after the approval of this act any State to which advances have been made under sections 3, 4, and 5 of this act has not made provision for the repayment of the same there shall be deducted thereafter for each of the following years an amount equal to one-fifth part of the sums so advanced from any sums that would be paid to any such State by virtue of allocations from any appropriation or appropriations that may be made pursuant to and to carry out the purposes of the Federal highway act.

So that the purpose of the sponsors of the substitute is entirely protected without the requirement upon the governor to do a thing which the constitution of his State might forbid.

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Utah?

Mr. DILL. I yield.

Mr. KING. Does the Senator think anything in a State constitution would prohibit the governor from making a recommendation to the people and to the legislature for an amendment to the constitution?

Mr. DILL. No; but while that recommendation was being made and that amendment being adopted I should hope that the hard times would be over. The Senator knows we can not amend the constitution of any State without going to the people of the State. This need, if it is a need at all, is immediate, it is pressing, it is now. I see no reason for embarrassing any State, for embarrassing the governor of any State, for putting any State on a different basis from other States. In the light of the fact that the bill contains in itself language which protects the Federal Government in the future to the extent of having the money withheld by the Federal Government from later appropriations, I see no necessity for it.

I may say that the Senator from Ohio [Mr. BULKLEY] has been most interested in this language, and I have discussed it with him. He has informed me that if I will insert in section 3, in line 3, after the word "allocation"——

Mr. BULKLEY. No, Mr. President; I suggest that the insertion be made in line 11, at the end of the line.

Mr. DILL. After the word "States"?

Mr. BULKLEY. Yes; in line 12, after the word "States."

Mr. DILL. Insert the words "as advancements," so that it would read:

SEC. 3. There is also hereby authorized to be appropriated the sum of $375,000,000, one-third of which shall be immediately available, for allocation to the several States as advancements in the manner hereinafter provided. Not more than $125,000,000 of this amount shall be expended in the fiscal year ending June 30, 1932.

If I will include those words, the Senator has no objection to striking out the language I have indicated. Therefore I

shall move as a part of this amendment, in section 3, line 20, after the word "States," to insert the words "as advancements"; and I ask that the two amendments may be considered together.

The VICE PRESIDENT. Is there objection to considering the amendments together? The Chair hears none, and the question is on agreeing to the amendments.

The amendments were agreed to.

Mr. HAYDEN. I offer an amendment to the substitute.

The VICE PRESIDENT. The amendment proposed by the Senator from Arizona to the amendment in the nature of a substitute will be stated.

The CHIEF CLERK. On page 2 of the amendment in the nature of a substitute, line 15 to line 19, it is proposed to strike out the words "and except that such amounts may be expended upon highways, streets, or bridges within the limits of municipalities without regard to the limitations contained in the Federal highway act, as amended, upon construction within municipalities" and insert in lieu thereof the following: "but the same may be used to meet the provisions of such act as to State funds required on Federal-aid projects, and except that in the expenditure of such sum the limitations contained in the Federal highway act, as amended, upon construction within municipalities of 2,500 or more population and upon the payments per mile which may be made from Federal funds shall not apply."

Mr. HAYDEN. Mr. President, the amendment has a two-fold purpose. One part of it is to change the language of the proposed substitute so that the expenditure when made may not only be used as 100 per cent Federal aid but may also be used in lieu of State funds to match Federal aid. I will discuss that phase a little later.

The other part of the amendment is a mere perfection of the text, to which I think everyone will agree. The proposed substitute as it now stands seeks, in a general way, to lift the limitations with respect to the use of Federal-aid funds within municipalities; and I thought it better to refer directly to the Federal highway act, which, so far as the population of towns is concerned, reads as follows:

SEC. 2. That for the purpose of this act the term "rural post road" shall be construed to mean any public road over which the United States mails now are or may hereafter be transported, excluding every street and road in a place having a population, as shown by the latest available Federal census, of 2,500 or more, except that portion of any such street or road along which the houses average more than 200 feet apart.

My amendment refers specifically to the Federal-aid highway act so far as cities and towns of 2,500 or more population are concerned.

The other provision with respect to the limitation of cost per mile refers to the act of April 4, 1930, which reads as follows:

SEC. 3. Section 6 of such act of July 11, 1916, as amended and supplemented, is further amended so that the limitation of payments which the Secretary of Agriculture may make is increased to $25,000 per mile, exclusive of the cost of bridges of more than 20 feet clear span: *Provided*, That the Federal participation shall be limited to $15,000 per mile until the original certified 7 per cent system of such State shall have been surfaced: *Provided further*, That any such increase above $15,000 per mile shall be certified by the Director of the Bureau of Public Roads and the Secretary of Agriculture as securing actual extension of the highway system or economy in its construction.

If the bill should be passed as now written, while it would be possible to do construction work within municipalities, there could only be expended $15,000 a mile, and I am sure nobody wants that limitation left in the law. If Federal aid is to be extended to cities, the work will be in connection with overpasses or other heavy structures of one kind or another, the cost of which would amount to more than $15,000 a mile.

Now, as to the other phase of the matter—that is, the right of the States to use money appropriated under this authorization either as 100 per cent Federal aid or in lieu of State funds to match Federal funds—I beg to invite the attention of the Senate to the fact that in the last session of Congress $80,000,000 was appropriated to be used in lieu of State funds to match Federal aid. There is now good evidence that there are many States in the Union which are having great difficulty in matching their Federal aid. Therefore the States should have a 2-way advantage: First, of applying for road construction under the 100 per cent plan as is now in the bill, which is, that contracts may be let, and when it is completed the United States will pay for the entire cost of such work. That is what the Black amendment now provides. Second, where any State is unable to match its Federal aid, Congress should permit the State to do what we did in the case of the $80,000,000 appropriation last year, namely, use the money in lieu of State funds to match Federal aid. The States should have both privileges in this bill; and, if adopted, that is what the amendment will accomplish.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Arizona to the amendment in the nature of a substitute.

Mr. SMITH. Mr. President, I should like the attention of the authors of the proposed substitute as to the language on page 2, line 1, up to the provision which contains the ambiguity to which I desire to refer.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BLACK. I wonder if the Senator would object to disposing of the pending amendment before he takes up the question which he has in mind.

Mr. SMITH. Certainly.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Arizona to the amendment in the nature of a substitute.

Mr. BLACK. Mr. President, so far as I am individually concerned, I favor the amendment offered by the Senator from Arizona and trust it may be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arizona to the amendment in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. SMITH. Mr. President, in line 2, page 2, the proposed substitute reads:

Such amount—

That is the amount under this bill that will be available for the purposes indicated—

shall be in addition to any amounts heretofore authorized to be appropriated for such purposes, but not more than $125,000,000 thereof shall be expended in the fiscal year ending June 30, 1932.

Does that mean that of the sum provided in this bill, together with other amounts when added together, only $125,000,000 may be used?

Mr. BLACK. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. SMITH. I yield.

Mr. BLACK. I do not so understand. I may say that it was my intention and the intention of those who drew this amendment with reference to this particular fund to state that not more than $125,000,000 of the $375,000,000 should be used during the fiscal year.

Mr. SMITH. Exactly, but from reading this language it seems as if the two would have to be added together and that only $125,000,000 of the aggregate could be used; that is, of the amounts heretofore appropriated plus the amount authorized by the bill when added together only $125,000,000 shall be available.

Mr. BLACK. I may say to the Senator that if there is any question of ambiguity about that expression, I would invite the attention of the Senator from Montana and the junior Senator from Ohio to the suggestion that it might be made to read as follows:

Such amount shall be in addition to any amounts heretofore authorized to be appropriated for such purposes, but not more than $125,000,000 of such $375,000,000 shall be expended in the fiscal year ending June 30, 1932.

Mr. SMITH. That, I think, would make it clear.

Mr. WALSH of Montana. Mr. President, I can not conceive that the construction which the Senator from South Carolina fears might be given to this provision could possibly

be given to it. I think it would be covered if after the figure "$125,000,000" there were inserted simply the words "hereby authorized" or "authorized by this act," so as to read "not more than $125,000,000 of the amount authorized by this act."

Mr. SMITH. The Senator sees where the ambiguity might arise. The provision reads:

Such amounts shall be in addition to any amounts heretofore authorized to be appropriated for such purposes, but not more than $125,000,000 thereof.

Mr. WALSH of Montana. That refers to the amount.

Mr. SMITH. Yes; but the two have been added together. It reads "not more than $125,000,000 thereof shall be expended," and so forth. It looks as though after the two shall have been added together the expenditure shall then be limited so that only $125,000,000 of the amounts heretofore appropriated and the amount authorized by this bill may be expended in the fiscal year ending June 30, 1932.

Mr. WALSH of Montana. I suggest to the Senator, then, that he move to strike out the word "thereof" and insert "authorized by this act."

Mr. SMITH. Mr. President, in accordance with the suggestion made, I think it would clarify the text if it were amended so as to read that "not more than $125,000,000 of the amount authorized by this act shall be expended," and so forth.

The VICE PRESIDENT. Does the Senator offer that amendment?

Mr. SMITH. I offer that amendment.

The VICE PRESIDENT. Let the amendment to the amendment be reported.

Mr. GEORGE. May I invite the Senator's attention to the fact that it would be more advisable to use the words "authorized in this section," because there is another appropriation of $375,000,000?

Mr. WALSH of Montana. The Senator from Georgia is quite right about that.

Mr. GEORGE. It should be limited either to the title or to the section.

Mr. SMITH. I suggest, then, that it be amended so as to read that "not more than $125,000,000 authorized in this section shall be expended," and so forth.

The VICE PRESIDENT. Let the amendment to the amendment be reported.

The CHIEF CLERK. On page 2, line 3, after the numerals "$125,000,000," it is proposed to insert "authorized in this section."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from South Carolina to the amendment in the nature of a substitute.

Mr. BULKLEY. The word "thereof" should be stricken out.

The VICE PRESIDENT. Does the Senator from South Carolina modify his amendment accordingly?

Mr. SMITH. I do.

The VICE PRESIDENT. The amendment offered by the Senator from South Carolina to the amendment in the nature of a substitute, as modified, will be reported.

The CHIEF CLERK. It is proposed to strike out the word "thereof" and insert the words "authorized in this section."

Mr. SMITH. That is right.

The VICE PRESIDENT. The question is on agreeing to the amendment as modified to the amendment in the nature of a substitute.

The amendment, as modified, to the amendment was agreed to.

Mr. GEORGE. In line 21, page 4, I move to strike out the words "and can not be obtained either from public or private sources"; in other words, in line 21, after the word "State," to strike out the remainder of the sentence.

The VICE PRESIDENT. The Senator is using the reprint. Will he give the place in the original print.

Mr. GEORGE. After the word "State," in line 21, strike out the words "and can not be obtained either from public or private sources."

The VICE PRESIDENT. The amendment offered by the Senator from Georgia to the amendment in the nature of a substitute will be stated.

The CHIEF CLERK. On page 4, line 13, after the word "State," it is proposed to strike out the words "and can not be obtained either from public or private sources."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia to the amendment in the nature of a substitute.

Mr. GEORGE. Mr. President, I wish to explain why I offer this amendment.

The amendment offered by the Senator from Washington [Mr. DILL] has been adopted, and that amendment removes the original provision that the governor of the State, in making application for any part of this fund, shall agree to recommend to the legislature of his State or to the people of the State the repayment of the amount obtained by the State. Not only did the amendment offered by the Senator from Washington, striking out that language, prevail, but, as a part of it, it contained an affirmative provision that the moneys allocated to the States under the $375,000,000 appropriated by the third section of the substitute measure should be considered as advancements by the Federal Government to the several States.

That being true, it seems to me that there can be no possible reason for requiring the governor of the State, in making his application to share in the $375,000,000 provided in the second part of this substitute, to certify that that fund can not be obtained either from private or from public sources. Obviously, many governors would not be able to do that. Obviously, if the $375,000,000 should remain as a pure gift to the States, to be used by the States as a gratuity from the Federal Government, the language would have some appropriate place; but if this $375,000,000 is to be an advance to the State against future Federal appropriations to the State, then there is no reason why any State should be denied its part of this advance because the governor, forsooth, found himself unable to make the definite statement that the funds which he wished to administer for relief purposes in the State can not be obtained either from private or from public sources.

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Illinois?

Mr. GEORGE. I yield to the Senator.

Mr. LEWIS. I beg to interrogate the eminent Senator from Georgia on a point that arises at once in view of his last statement.

The State of Illinois appears in the public reports to have passed an act granting $20,000,000 for relief to the people of the State of Illinois. Would these amendments or these constructions, to which the Senator has alluded, prevent the Governor of Illinois from returning to the State, out of the fund received from the Federal Government, $20,000,000 to offset the $20,000,000 that has been paid by the State for the relief of its poor or its needy?

Mr. GEORGE. Does the Senator mean the presence of the language in the bill as it now stands?

Mr. LEWIS. Yes, sir. Would the suggestion made by the Senator from Georgia prevent the Governor of the State of Illinois, if he should make a succcessful request for funds from the Federal appropriation, from applying those funds to offset the $20,000,000 paid by the State to the needy of the State?

Mr. GEORGE. If I understand the Senator, I do not think any State could apply any part of the $375,000,000 to the repayment to itself of any sum of money already used or already made available for that purpose by State action; but I do not know that I understand the Senator's question.

Mr. LEWIS. Where that sum has been expended by the State for its own needy within the purposes of the bill, under the amendment suggested by the Senator from Georgia would the governor be prohibited from applying the sum obtained under the Federal measure to offset the amount that the State had paid to the needy of the State?

Mr. GEORGE. I think he would under the bill, but I do not know that my amendment would change my answer to the Senator's question.

Mr. LEWIS. I must have misunderstood the Senator's observation a moment past, then.

Mr. LOGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Kentucky?

Mr. GEORGE. I yield to the Senator from Kentucky.

Mr. LOGAN. I will ask the Senator from Georgia to explain to me how the governor of any State could comply with the certification required in the substitute unless the amendment suggested by the Senator is adopted?

The governor must certify that the funds can not be raised from public or private sources. It is true, I believe, that there is no limit in the constitution of any State on the tax rate that may be imposed for State purposes. In my State, for instance, it would be utterly impossible for the governor to certify that the money could not be raised from public funds, because there is nothing to prevent the legislature imposing such a tax rate as will raise the funds. So, unless the amendment of the Senator from Georgia is adopted, I do not see how any governor, unless he stultified himself, could make a certification that the funds could not be raised from public sources.

Mr. GEORGE. I think the Senator from Kentucky is entirely right. May I say—and this is in part answer to the Senator from Illinois—that the $375,000,000 provided for in section 3 of the substitute is now designated as an advance to the State; but while it is an advance to the State, and to be repaid by the State out of future appropriations by the Federal Government for road purposes, nevertheless the State is not entitled to share in that fund or have any part of it allocated to the State unless the governor of the State shall certify that it is necessary for emergency relief in the State. He must also certify, under the bill as it now stands, to the further fact that he can not obtain the sum either from public or from private sources.

In other words, the governor of the State must be able to certify, before his State can share in the distribution of the $375,000,000 provided in the third section of this substitute measure, that an emergency relief fund is needed in his State, that the need actually exists, and in addition that he can not obtain such fund either from private or from public sources. I think it is obvious that if the governor is required to make that certificate, few governors or few States could make the certificate.

It may be said that that is precisely the reason why the language is inserted. If so, then there is not the slightest justification for this legislation, because the Senate and not the governor of any State is called upon to adjudge whether an emergency exists in the United States that justifies the expenditure of $375,000,000 out of the Public Treasury. If the Senate adjudges that such emergency does exist, and the fund is set apart to the States as an advancement against future appropriations to the States, then there can be no justification for the requirement which is imposed in this very drastic language, to wit, that the governor must not only certify that the sum is absolutely needed for an emergency relief fund in his State but that it is impossible for him to obtain the fund from private or from public sources.

Mr. KING. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from Utah.

Mr. KING. I desire to ask a question for information. Does the Senator think that the Federal Government should make this emergency appropriation if any State is able to care for the situation?

Mr. GEORGE. No; I do not.

Mr. KING. I have understood—the Senator will pardon me—that this legislation was justified upon the ground that many of the States, or the people within the States, were not able to care for those who were out of employment, and, therefore, that the Federal Government as an emergency proposition was making an advance to the States; but it seems to me—and the Senator will pardon me; I think he has answered my question—that if States are able to deal with the question themselves the Federal Government has no business to interfere in their affairs or to assume this responsibility.

Mr. GEORGE. I am disposed to agree with the Senator from Utah; but he is discussing the merits of the measure now. I am not discussing the merits at all. I am saying, however, that it is for the Senate of the United States to adjudge of the necessity for this relief. It is not for the governor of any State to adjudge for the Senate that a relief fund is necessary to feed the hungry and to clothe the naked within his State. He should be required, of course, to meet certain reasonable conditions; and, of course, he would not be compelled to accept any of the fund unless he found that a need did exist in his State, nor would he be entitled to accept any of the fund unless he certified that there did exist a need. But if he certified that there did exist a need in his State for part of this fund, when it is recalled that it is now an advancement to the State, that ought to be sufficient, if he is otherwise willing to comply with such other reasonable requirements as may have been imposed by this legislation.

Mr. FLETCHER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Florida?

Mr. GEORGE. I do.

Mr. FLETCHER. I was called out of the Chamber, and I wish the Senator would explain precisely what his amendment proposes. I do not quite understand it. Does the Senator propose to strike out everything after the word "Treasury," in line 19?

Mr. GEORGE. I propose to strike out, after the word "State," in line 21, on page 4, the words "and can not be obtained either from public or private sources."

Mr. FLETCHER. I see. I did not know but that it was proposed to strike out everything after the word "Treasury," in line 11; but that amendment, I think, is sufficient.

Mr. GEORGE. No; I do not offer to strike out more than I have stated.

Mr. FLETCHER. At any rate, the Senator leaves in the bill the requirement that the governor shall make the request, and state that the request is based on an emergency in his State?

Mr. GEORGE. Not only that the governor shall make the request—thereby, of course, giving his consent to the appropriation to his State—but it is based upon the statement that it is necessary for emergency relief in the State; and I think that is quite sufficient.

Mr. FLETCHER. I think so, too.

Mr. GEORGE. Particularly when we have converted this appropriation into the form of an advance to the State against future appropriations to be made to it.

Mr. TYDINGS. Mr. President, I wonder if the Senator from Georgia will point out where there is any particular mandate upon the governor, once he gets this money, to use it for relief purposes. Why could he not pay off the $20,000,000 in the State of Illinois, or as much of it as he could, with the money he received from the Federal Government?

Mr. GEORGE. I do not think that is the purpose of the bill, nor do I think that is authorized by any language in the bill, because the governor must certify that it is necessary for relief purposes and he must also estimate the amount required, item by item. The Senator will see that in line 21, on page 4, the governor is required to include in his statement an estimate of the amount required for such relief and a list of the agencies within the State by which the amount requested will be administered. He is also, of course, required to report to the President and to the Senate and to the House of Representatives; and then "emergency relief" is defined in section 8 of the substitute, as I understand:

> As used in this act, the term "emergency relief" means relief in the form of money or commodities furnished to persons in their abode or habitation, or in shelters for the transient and homeless, or in the form of wages or other compensation for work furnished on the basis of need, and made necessary by reason of the emergency growing out of unemployment or other adverse economic conditions over and above the usual and ordinary ex-

penditures for such relief, but not including old-age pensions under special acts, or public aid under special acts to mothers for the care of dependent children, or relief to veterans under special acts.

Mr. TYDINGS. I think the Senator misunderstood my question. I was assuming that a State had already appropriated money for emergency relief. Would the governor then be permitted to take his State's share out of the Federal fund to liquidate an obligation of the State to take care of emergency relief formerly made?

Mr. GEORGE. I do not think so. I would not be able to construe the substitute in any such manner as to authorize that course of procedure.

Mr. TYDINGS. I thought there ought to be some provision in the bill to the effect that "no money herein authorized to be advanced to the respective States shall take the place of or be a substitute for money already advanced by the States for the purposes of this act."

Mr. GEORGE. As a safeguarding amendment, that might well be; or it could be provided that no part of the $375,000,000 should be used for other than emergency relief as defined in section 8 of the bill. That, as I understand it, is the meaning of the substitute, either with or without the amendment which I have suggested.

Mr. TRAMMELL. Mr. President, will the Senator from Georgia yield to me?

Mr. GEORGE. I yield.

Mr. TRAMMELL. I heartily agree with the purpose of the Senator from Georgia in striking out the language to which he has made reference, but if we are to strike that language, should we not probably also include language to carry the idea of Congress that this is a fund to supplement any fund which might be raised through State agencies or through private sources? It has just occurred to me that we should strike the language after the word "and" in line 21, page 4, and substitute the words "that such fund is urgently needed, in addition to funds at the time available from public or private sources." That still retains the idea that the local authorities, the States, the counties, the municipalities, and also private citizens, shall render all assistance possible in providing funds, that this policy within the State is regarded as essential, and that the governor should so certify. I make that suggestion.

Mr. GEORGE. Mr. President, I will say to the Senator from Florida that I have no objection to that, but what I have objected to and what I have moved to strike out, is the provision for the absolute statement of the governor that he could not obtain necessary relief funds from either private or public sources.

Mr. TRAMMELL. I thoroughly agree with the Senator from Georgia in his position with regard to that.

Mr. WALSH of Montana. Mr. President, the Senator from Georgia and the Senator from Florida are quite in accord, but it is a question as to how the amendment of the Senator from Georgia should be worded. I have no doubt that he would be willing to adopt the suggestion of the Senator from Florida as to the wording of the amendment.

Mr. GEORGE. I would, because it carries out the idea I had in mind. I do not want to take away from the State any obligation it may have to care for its needy.

Mr. TRAMMELL. Mr. President, I merely suggest a modification of the amendment proposed by the Senator from Georgia; that is, that on page 4, line 21, after the word "and," we strike out all down to and including the word "sources" on line 22 and insert the words "that such fund is urgently needed, in addition to funds at the time available from public or private sources."

Mr. WALSH of Montana. Mr. President, instead of moving to strike out the language suggested by the Senator from Georgia, why not strike out the language in line 13, as follows, "Such State and can not be," and insert in lieu thereof the words "addition to such funds as can be," so that it will read, "accompanied by a statement that the amount so requested is necessary for emergency relief in addition to such funds as can be obtained from either public or private sources."

Mr. TRAMMELL. That would be agreeable to me.

Mr. GEORGE. Mr. President, I do not know whether that will mean exactly what I have in mind or not. I doubt whether the language suggested would not have the same effect the present phrase would have. I would have no objection to the suggestion made by the Senator from Florida; indeed, I would be willing to accept his amendment; but if I understood the Senator from Montana, his language would perhaps be subject to the same construction as the language now in the bill.

Mr. WALSH of Montana. I would scarcely think so. It would then read:

Accompanied by a statement that the amount so requested is necessary for emergency relief in addition to such funds as can be obtained from either public or private sources.

That would mean that they would get everything they could from public and private sources, but if that were not enough, they could get money from the Federal fund also.

Mr. GEORGE. I am in perfect agreement with that idea, but I did not want to make it obligatory upon the governor simply to issue a blanket statement that he could not by any possibility obtain the money from private or public sources.

Mr. TRAMMELL. Mr. President, I rather think the suggestion of the Senator from Montana is subject to the same criticism that was directed to the original language, which the Senator from Georgia [Mr. GEORGE] seeks to strike. That is merely a little milder, and is modified a little, but the governor would still have to certify that they could not raise the funds from public or private sources within the State, under the suggestion just made by the Senator from Montana [Mr. WALSH].

The PRESIDING OFFICER (Mr. FESS in the chair). Will not the Senator from Georgia repeat his amendment, and does the Senator from Georgia accept the modification proposed by the Senator from Florida?

Mr. GEORGE. I have accepted the modification suggested by the Senator from Florida, but I am not able to repeat exactly the language he used.

Mr. TRAMMELL. Has the clerk at the desk the amendment proposed and the modification suggested?

The PRESIDING OFFICER. The clerk is having difficulty in finding where the Senator proposes to amend.

Mr. TRAMMELL. There seems to be a number of different prints of the bill, and frequently when an amendment is stated there is confusion on account of that fact. In the print of the bill I have before me the amendment will be, on page 4, line 21, after the word "and," to strike out all down to and including the word "sources," in line 22, and to insert in lieu thereof the words "that such fund is urgently needed, in addition to funds at the time available from public or private sources."

I would be glad to have the Senator from Georgia accept this modification of his amendment.

The PRESIDING OFFICER. Does the Senator from Georgia accept the suggestion of the Senator from Florida?

Mr. GEORGE. I do.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

Mr. BULKLEY. Mr. President, I dislike very much to be at variance with the distinguished Senator from Georgia [Mr. GEORGE], but I do not know whether the variance between us now is such that it can be reconciled. It seems to me that perhaps if in the modification suggested by the Senator from Florida, the words "urgently needed" might be left out and the word "necessary" substituted, perhaps we would all be on common ground. I ask the Senator from Georgia and the Senator from Florida whether that would meet the views they entertain?

Mr. TRAMMELL. Mr. President, I will not object to that. I think it is a very good idea to get as strong a certificate as possible from the governor of the State. I feel that the governor ought to realize, when he is making the certificate to obtain these funds, that he is representing to the Federal Government a case of urgency and necessity, but I do not object to any change in the language to meet the views of the Senator from Ohio.

Mr. TYDINGS. Mr. President, I think one of the purposes sought to be obtained by the Senator from Florida was to make it clear also that the money coming from the Federal Government was in addition to State and local funds, so that the governor could not take the money and apply it to some debt he had made in the name of emergency relief.

Mr. BULKLEY. Exactly so; and I think that is a laudable purpose.

The PRESIDING OFFICER. Will the Senator from Ohio suggest what the modification is?

Mr. BULKLEY. I suggest that in the modification suggested by the Senator from Florida the words "urgently needed" be stricken out and the word "necessary" be substituted therefor.

The PRESIDING OFFICER. Does the Senator from Georgia accept that modification?

Mr. GEORGE. I do. That would meet the objection I had in mind. I think it would harmonize our positions somewhat.

Mr. BULKLEY. I think that is the nearest we can get together.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

Mr. McNARY. Mr. President, what is the amendment as modified?

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The CHIEF CLERK. The Senator from Georgia propposes, on page 4 of the original print, line 13, to strike out the words "can not be obtained either from public or private sources," and to insert the words "that such fund is necessary in addition to funds at the time available from public and private sources."

The amendment was agreed to.

Mr. WALSH of Massachusetts. Mr. President, in connection with the debate on the pending bill I ask that a press statement recently issued by me and an article published in a monthly known as State Government and entitled "The Story of What Several Legislatures Have Done Toward the Relief of Jobless Citizens," be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WALSH OF MASSACHUSETTS

OBJECTIONS TO S. 3045

This bill takes from the States and municipalities the control of relief activities. A Federal board is set up, to be directed by the Chief of the Children's Bureau. This Federal board is "to be charged with the administration of the act," is "to make studies and investigations and reports," is "to supply information for the guidance of the States," and "shall insure that the conditions under which funds are allocated to the States are complied with.

The amount the largest States, where relief demands are greatest, would receive is a mere pittance compared with the cost of relief. Massachusetts would be allocated the first year ending July 1 next about $1,500,000. For every dollar of income tax collected for the country as a whole during the calendar year 1931 about 5 per cent, or one-twentieth of the whole, was collected from citizens and corporations in Massachusetts. In the light of these figures indicating Massachusetts' share of the Federal taxes for the $375,000,000 proposed to be appropriated, Massachusetts would contribute $3 to the Federal Treasury to get back $1 for relief in its own State.

None of the State governments have petitioned for Federal relief, nor have they indicated that they were not able to take care of the relief problem, though burdensome. Most States have appropriated nothing from State funds for relief. If there are States that are financially unable to meet the relief necessitated by the present depression, then it may be necessary to obtain Federal aid. In such cases I favor the making of loans by the Federal Government to such States, but the States should first seek to relieve the relief burdens of their local communities.

If Federal relief funds are to be appropriated, they should be distributed not on a basis of population but on a basis of reimbursement or contribution in aid, dependent upon the increased expenditures made by municipal, State, and private agencies in the present emergency. The sole justification for Federal aid is to relieve the burdens of the States and subdivisions because of extraordinary relief demands that are beyond their capacity to meet, and therefore those States and communities that are carrying the largest burden should receive the larger share of Federal aid.

The relief this bill contemplates, once inaugurated, is certain to increase rapidly and become a fixed principle.

OBJECTIONS TO THE SUBSTITUTE FOR S. 3045

It provides three hundred and seventy-five million for Federal aid to States for road building. (At present one hundred and twenty-five million annually is being given to States for road building on a 50-50 basis, every Federal dollar to be matched by a State dollar.) This additional road money, however, though it is to be apportioned to the States in the same way now provided for in existing law, and which I have always opposed, is to be spent differently. First, it does not have to be matched by the States with any money of their own; second, the States may expend the money to defray the cost of "highways, streets, and bridges within the limits of the municipalities without the limitations imposed in the present highway act, etc."

This road money is not a loan to the States. It is an outright gift. Not more than one hundred and twenty-five millions "shall be expended between now and June 30." Presumably the entire balance may be spent in the following fiscal year. Of this appropriation Massachusetts would pay in Federal taxes approximately $13,000,000 and receive approximately $5,500,000.

A second three hundred and seventy-five million is provided for in the bill (of which one hundred and twenty-five million is to go out between now and June 30 and the balance in the following year). This amount is to be apportioned to the States on the basis of population (same as in the Costigan-La Follette bill). But whereas S. 3045 only allocates 40 per cent of the total according to population, the substitute allocates the entire fund on that basis.

The money is to be turned over to the States on the requests of the governors "accompanied by a statement that the money so requested is necessary for emergency relief and can not be obtained either from public or private sources." The governor "shall agree that he will recommend to the legislature of his State and also to the people thereof such action as may be necessary and appropriate to insure repayment to the Federal Government of all amounts received from the United States." This puts the funds on the basis of a loan, but is indefinite as to the terms of payment.

FEDERAL AID TO STATE ROAD BUILDING

The unemployment problem and the welfare needs are exceedingly more acute in the industrial centers and populous States, yet in the distribution of Federal road building funds Massachusetts, in common with other populous States of limited areas, is in the rôle of a contributor rather than a beneficiary. No matter from what angle the figures are studied, the conclusion is inescapable that the States of the North and East bear not only the lion's share of their own road-building programs, but contribute the major share to the road-building programs of less populous States of large areas in the South and West.

So long as Federal road money was merely a drop in the bucket of the National Budget, its distribution was of minor consequence. It is no longer that. It was close to a quarter of a billion dollars this year—a vast sum of money under any circumstances and a serious matter indeed in the present circumstances of the Treasury.

In round figures, for every dollar the National Government collects in Massachusetts in Federal taxes, it gives back one cent as its contribution toward the cost of building highways in Massachusetts. For every dollar the Government collects in some of the States, in Federal taxes, it gives back $1 and even more for road building.

These are not isolated or extreme examples. Alabama, at the top of the alphabetical list of the States, contributed $4,500,000 in Federal taxes this year and was allotted $2,500,000 of Federal road aid money. That meant that Alabama got back for its roads nearly 65 cents of every dollar its citizens paid into the Federal Treasury. Arizona's Federal tax bill this year was $2,250,000, her Federal road-aid allotment $1,750,000; Arkansas' Federal tax collections totaled $1,913,706 and her Federal road money $2,174,786. Arkansas got back for her roads $1.10 for every $1 of Federal taxes paid. If Massachusetts received for her roads $1.10 of every $1 of Federal taxes paid, Massachusetts would have received in 1930, $125,000,000, instead of approximately $1,000,000.

Massachusetts, on the other hand, was credited with a total of $115,000,000 Federal tax collections in 1930 and was allotted $1,090,022 in Federal road money. In the 1931 fiscal year, ending last June, tax collections were less and the Bay State total was a little under $90,000,000. As Congress in the meantime had increased the total of Federal road money from seventy-five million to one hundred and twenty-five million, the amount allotted to Massachusetts was increased pro rata and her total was $1,813,916. That makes the State of Massachusetts' share this year two cents out of every dollar of taxes paid.

There is another angle to the Federal aid in the State road-building programs. Roughly, 5 cents out of every dollar spent by Massachusetts on her State roads is contributed by the Federal Treasury. The other 95 cents comes from the citizens of the State in State taxation. In Nevada, on the other hand, the proportions are 35 cents by the Federal Government and 65 cents by the State.

The history of the expansion of the Federal aid for State road building from modest beginnings to its present gigantic proportions furnishes an instructive example of the ways and workings of Government bureaus and of Congress and the present-day

tendency to "raid the Federal Treasury" for the carrying on of the activities that belong to the State governments.

The United States Bureau of Public Roads is an adjunct of the Department of the Interior. It was created in 1833 with an appropriation of $10,000 to "enable the Secretary of Agriculture to make inquiries into systems of road management and road building." This bureau had a quiet and inexpensive existence until 1912.

It may be noted in passing that at the time of its creation Massachusetts and New Jersey were the only States in the Union that had State highway departments.

It was the Post Office appropriation act for the fiscal year of 1913 that launched the United States bureau on its career of road building. Congress appropriated $500,000 to be expended by the bureau in cooperation with the Postmaster General "for the improvement of post roads."

In 1916 Congress was persuaded that rural free delivery required the Federal Government to take an active hand in State road building. It was proposed that in the building of "post roads," the Federal Government should assist the States on a "50–50 basis," matching every State dollar expended on such roads with a Federal dollar, within the limits of the funds appropriated by Congress for the purpose.

Congress appropriated $75,000,000 in 1916 for a "5-year" road building program, to be allotted to the States at the rate of $15,000,000 per year.

Through all the subsequent development of the Federal aid to the States for road building the mathematical formula then prescribed by Congress for the apportionment of the funds to the separate States has remained unchanged. Congress provided that appropriations from the Federal Treasury for roads should be allotted to the States as follows: One-third in the proportions of the area of the States, one-third in proportion in their respective mileage of rural post roads and star routes.

It limited the amount payable by the Government on any road to 50 per cent of its cost and not more than $10,000 per mile. The 50 per cent of cost limit still prevails except that Congress later made special provisions for the so-called "public lands" States, where large areas were Federal domain. In those States Uncle Sam contributes an additional percentage above the 50 per cent limit, in the proportion that the public lands bear to the State's total area.

The $10,000 per mile limit was recently raised to $15,000 per mile, with a new special exception where a contribution as high as $25,000 per mile is now permitted.

It is obvious that the allocation of the total Federal road money to the States on the basis prescribed by Congress tends to favor the large and sparsely settled States. Area counts for one-third and mileage of rural post roads counts for one-third and these together greatly overbalance the population advantage enjoyed by the States in the North and East.

When the $75,000,000 appropriation was obtained in 1916 for a 5-year program it was said that this was to be the beginning and the end of the Federal road aid. But it was only the beginning.

Before the 5-year period expired it was extended for another three years, at the rate of $65,000,000 a year. Now it is on an annual and perpetual basis.

Early in Mr. Coolidge's days in the Presidency the question of Government policy with respect to Federal aid to the States for road building became an acute issue. Mr. Coolidge was against such a policy. He said then that he thought it was time for the States to pay for their own roads without looking to the Federal Treasury. He was overruled by Congress. The policy has continued.

Congress in the first year of the present administration appropriated $75,000,000 for Federal aid for a single year. The appropriation for the fiscal year of 1931 was originally $75,000,000. But in the stress of the depression and the urge of the administration for the expansion of public works, and with the recommendation of the President, Congress last winter passed an emergency appropriation of an extra $50,000,000 for Federal road contributions for the then current year, thus raising the total to $125,000,000, and appropriated $125,000,000 additional for the fiscal year ending June 30, 1932.

That was not all. Congress appropriated an additional $80,000,000 as a "loan" to the States for road building—to be allocated the same as the regular Federal road money. In theory, this extra $80,000,000 is to be deducted at some indeterminate future date from whatever road money Congress may then appropriate. As a practical matter, it is not likely to figure in future appropriations.

Thus in the 12 months ending last June the Treasury was obligated to a total of $205,000,000 for contributions to the States for highway construction in addition to the administrative costs of the United States Bureau of Public Roads, now no small item.

From small beginnings, a suite of rooms and two or three clerks, it now occupies an entire building rented by the Government for the purpose, with more than a thousand employees on its pay roll, of whom nearly 500 are engineers.

Though mileage of rural post routes and star routes is still the basis of allotment to the States, the roads in the construction of which the Federal road funds are disbursed are strictly limited to a "Federal highway system" of important interstate and intercounty roads, which have been designated and mapped some years ago. The present tendency of Congress, however, is to enlarge this system to include various rural roads "to connect the farms with the schools," and so on.

The Massachusetts highway-building program is so large, and the State's total allotment of Federal road funds so small, that there is not anywhere near enough to permit a 50–50 contribution to all of the program or even a quarter part of it.

The 50–50 Federal contribution plan has another inequality and disadvantage, so far as New England is concerned, not contemplated when it was set up by Congress. If Texas, for example, builds an intercounty macadam highway at a cost of $25,000 or $30,000 a mile, the Federal Government bears half the cost. If Massachusetts builds roads, as it is now doing and must do on account of climate conditions, in some cases at a cost of $60,000 per mile or more, the Federal Government bears one-quarter or less of the cost, because of the $15,000-per-mile limit on its contribution.

THE OUT-OF-WORK—THE STORY OF WHAT SEVERAL LEGISLATURES HAVE DONE TOWARD THE RELIEF OF JOBLESS CITIZENS

By Dr. Marietta Stevenson, American Association of Public Welfare Officials, Washington, D. C.

Last winter most people considered that the responsibility for relief of unemployment was purely local. There were a few exceptions.

Oklahoma appropriated $300,000 last January for the immediate purpose of providing food, clothing, fuel, and shelter for the relief of distress resulting from crop failures, low prices, and unemployment. An "emergency relief board" was created to distribute this relief to the counties.

Several States gave additional powers to local units in order to enable them to raise more money to aid persons or families in distress. For instance, in Ohio the Pringle-Roberts bill authorized municipal corporations, townships, or counties to borrow money to supply deficiencies in revenues available for poor relief caused by abnormal unemployment conditions and crop failures.

West Virginia, Arkansas, Louisiana, Minnesota, Missouri, and South Carolina made provision for emergency disaster relief, in cases of drought, storms, floods, etc. This relief was limited to disasters known as "acts of God."

Massachusetts appropriated nearly $3,000,000 for construction of public buildings "in order to alleviate the present unemployment emergency."

The increasing need for relief and the lack of local funds has led to a demand that the States should aid the local governments in this respect. There is a clear trend, therefore, toward the assumption by the States of responsibility for emergency relief. Several States have responded to this demand during recent months.

NEW YORK

Special sessions of several legislatures have been called to consider unemployment relief. New York was the first State to take action. Two extensive surveys of unemployment conditions had been made—one in December, 1930, and another in July, 1931—by the joint committee on unemployment relief of the State board of social welfare and the State charities aid association. In September the legislature appropriated $20,000,000 to meet the needs which were disclosed by these investigations. The money for this purpose will be raised by a 50 per cent increase in the income tax and will be expended between November 1, 1931, and May 31, 1932. The statute recognizes State responsibility for assisting localities to relieve unemployment when the local governmental units are no longer able to provide adequately for the needs of their people.

A State emergency relief administration was organized under a State commission of three, with Jesse Isidor Straus as chairman and Harry L. Hopkins as executive director. This administration is given wide powers to conduct investigations and to make regulations.

The State appropriation of $20,000,000 is to be allocated as follows:

1. Five hundred and eighty-four thousand dollars for deferred bonus payments to veterans;

2. One hundred and fourteen thousand dollars for administrative expenses of the State emergency relief administration;

3. Ten million dollars or as much thereof as may be necessary for payments to public welfare districts for home relief;

4. One million dollars for State improvements to be used for work relief;

5. Eight million three hundred and two thousand dollars for payments to city and county public welfare districts for wages for local work relief, for salaries of additional employees of city and county departments of public welfare, and for State aid for salaries of employees of emergency work bureaus.

Each city or county is made a public-welfare district and before receiving State aid, each welfare district must accept the provisions of the law. Fifty-nine cities and 49 counties have given formal notice of their intention to participate. Each city and county district which participates in the plan is entitled to receive an amount equal to 40 per cent of its expenditures for home relief to the unemployed. Even larger State payment may be granted if necessary. Home relief is defined as shelter, fuel, food, clothing, light, medicine, and medical attendance when furnished to persons in their homes. Provision is made for setting up local work bureaus, and the State funds spent for work relief are not limited to a designated proportion of the local expenditure. Pamphlets and forms have been issued by the State office for both home relief and work relief. Standards of local work are being raised by State supervision.

NEW JERSEY

The New Jersey Legislature, at a special session in October, appropriated nearly $10,000,000 for emergency relief. The State emergency relief administration set up by the statute is under the supervision of a director of emergency relief appointed by the governor. The State director is given authority to appoint a county director of relief in each county. The commissioner of institutions and agencies, the commissioner of labor, and the commissioner of municipal accounts together constitute a State administrative council responsible to the director. Subject to his direction, this council administers the detailed expenditures of State funds. The State director is given extensive powers to prescribe duties for the advisory council and county directors, to make studies of needs and resources, to establish policies, make rules and regulations, and to coordinate his work with existing national, State, or local emergency relief agencies. Each municipality and county desiring State funds must submit a program for both dependency and employment relief to be approved by the State director. Funds for work relief are granted on a population basis and municipalities are reimbursed 40 per cent of the cost of dependency relief.

Since the New Jersey plan includes 21 counties and 572 municipalities, the setting up of the machinery of administration was a complicated matter. Instructions and forms for registrars have been issued by the State in the administration of the act.

New Jersey municipalities are also authorized to issue notes or bonds for the relief of the poor during the present unemployment emergency. Another act gives counties and municipalities power to undertake public works, improvements, or other governmental activities to relieve the emergency.

RHODE ISLAND

The Governor of Rhode Island called a special session of the legislature on November 24 to ask authority to lend towns and cities money already in the general treasury, in order to provide work for the unemployed on State and municipal projects. In a legislative session lasting but one day, a statute granting this authority was passed. This statute creates a State unemployment relief commission consisting of the bank commissioner, the chairman of the board of tax commissioners, and the general treasurer, each acting ex officio. The sum of $1,500,000 was appropriated for the purchase of town notes, bonds, etc. The commission is given power to make rules and regulations, to expend money for administration, and to approve the form and substance of town notes and of the estimates of necessary relief drawn up by the town directors of public aid.

PENNSYLVANIA

A special session was called in Pennsylvania for November 9 to consider a 15-point emergency program outlined by Governor Pinchot. Governor Pinchot has time after time stated that unemployment is a national problem which should be met by the Federal Government, but he nevertheless outlined a State plan. In his message to the general assembly he laid down the following conclusions in regard to State unemployment relief. These were based on formal opinions rendered by Attorney General Schnader as to what is legally possible under the present State constitution:

1. The legislature can not make appropriations to give food, clothing, or shelter to unemployed persons and their families directly.
2. Such appropriations can not be made to a State agency.
3. They can not be made to any city, county, borough, or other political subdivision of the Commonwealth.
4. They can not be made to any welfare agency, incorporated or unincorporated.

He then outlined a plan for raising private funds and providing for extra appropriations to State departments.

The legislature refused to accept the governor's program. After prolonged discussion the Talbot bill was enacted late in December. This act made an appropriation of $10,000,000 to the department of welfare for State aid to political subdivisions charged by law with the care of the poor. The money is to be expended as follows:

1931	
December	$1,000,000
1932	
January	2,000,000
February	2,000,000
March	2,000,000
April	2,000,000
May	1,000,000
Total	10,000,000

This allocation is to be made to localities in the ratio that the estimated number of unemployed persons in the county bears to the estimated total number of unemployed persons in the State. The money is to be expended for food, clothing, fuel, and shelter for those in need. The governor allowed this act to become a law without his signature, but there is naturally serious question as to its constitutionality.

Before adjournment the general assembly approved other measures which brought the total relief appropriation up to $18,546,553. Four of these acts provided direct-relief appropriations and four work-relief appropriations.

ILLINOIS

An extra session was called in Illinois on November 5 to consider tax reform and relief for unemployment. The legislature has devoted most of its time to the puzzling problem of tax reform, but on February 5 a bill providing $20,000,000 for State aid was passed.

PENDING MEASURES

Governor La Follette, of Wisconsin, called a special session of their legislature for November 24 to consider unemployment relief. In his message a program was outlined which included advancement of public works, and appropriations for relief. Several bills have been introduced to put this program into effect.

A special session was called in Arizona December 28 to consider relief legislation.

Mr. WALSH of Massachusetts. I also ask that in connection with the debate a telegram from the president of the Boston Chamber of Commerce be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

BOSTON, MASS., *February 5, 1932.*

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.:

La Follette-Costigan bill for Federal relief for unemployed handicaps fund raising and other local efforts to meet problem now being made in Boston and other places in Commonwealth. Relief work strictly local and State problem and will be adequately met in Massachusetts as in all previous similar emergencies. Boston Chamber of Commerce believes Federal participation unwise and unnecessary and urges your vote and influence against it.

FREDERIC S. SNYDER,
President Boston Chamber of Commerce.

Mr. GORE. Mr. President, I was absent from the Chamber for a few moments, and I would like to ask whether the original bill has been perfected?

The PRESIDING OFFICER. It has been.

Mr. GORE. I intended to offer an amendment to the original bill, but I will now offer it to the substitute. I send the amendment to the desk.

The PRESIDING OFFICER. The Clerk will state the amendment.

The CHIEF CLERK. The Senator from Oklahoma offers the following amendment, on page 6 of the original print, line 13, to strike out the words "in the form of money or commodities furnished to persons in their abode or habitation, or in shelters for the transient and homeless, or," so that it will read "relief in the form of wages or other compensation for work furnished."

Mr. GORE. Mr. President, this amendment would have the effect of requiring all the money appropriated under this section or title to be applied to the payment of wages for work done or services rendered. It would simply eliminate the money and the commodities. It takes out the feature which some regard as a dole. That would be the effect of the amendment.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. WALSH of Massachusetts. I understand the amendment of the Senator from Oklahoma would prevent the payment of cash or money to any beneficiary of the act?

Mr. GORE. It would; yes.

Mr. WALSH of Massachusetts. And would limit the disbursements, by whatever agency engaged in disbursing relief, to commodities?

Mr. GORE. No. I shall offer another amendment if this fails, as it probably will. This would strike out both money and commodities. It forbids advancing either.

Mr. WALSH of Massachusetts. What does the Senator propose to substitute?

Mr. GORE. If this amendment shall be adopted it will limit the use of the money to the payment of wages for work done. That is the next provision in the bill as it stands. That is the point I am driving at.

I think there are perhaps some public works and some public improvements in the United States of which the country stands in need and it might at least be advisable to spend this money to secure what we need in that respect, to construct public works and improvements upon which we will spend money in the future. Let us limit this appropriation to such improvements and such work before we embark upon the boundless sea of bestowing gifts and gratuities which are unsolicited by the States.

Mr. WALSH of Massachusetts. I suggest to the Senator that he restrict his amendment to the elimination of money, so that commodities could be distributed.

Mr. GORE. Rather apprehending from the course of the debate that by some possibility this amendment may not be adopted, as it would limit the expenditure from the public Treasury, I have offered this amendment first and, assuming that it may possibly fail, I shall then offer one in line with the Senator's suggestion. I have that in mind, but I wanted to offer this amendment first because I think that the Senate ought to be convinced—I would not say convinced beyond a reasonable doubt, but the Senate ought to be convinced—that there are no public works, that there are no public improvements, of which the country stands in immediate need and to which this money could be applied before it embarks upon the boundless sea of gifts and gratuities, or loans, if you please. Call it a gift or a loan, a loan or a gift, when this money leaves the public Treasury the farewells will be equally final. The draft upon the Treasury, the burden upon the taxpayer, will be unaffected by the name. The place that once knew it will know it no more. It will never be returned. A sovereign State is an unsatisfactory debtor. All our experience with our sovereign debtors in Europe bears witness to this truth.

This, I fear, is the beginning of the dole in the United States of America. Of all the diseases known to social pathology, the passion for a pension such as this is the most debilitating. This is a civil pension. This is the dole. The disease is infectious. The disease is contagious. In the beginning the disease is acute. It soon becomes chronic, and at last, so far as the individual is concerned, the disease becomes incurable, and so far as the community is concerned the disease becomes endemic, becomes ineradicable. We can not get rid of it once it is commenced. It is a paresis of the soul and it defies all cure, defies all remedy.

That is the policy we are beginning here this day. It is a sort of moral "jake-itis," if I may without offense use that phrase. It attacks the feet—the victim can not walk. It attacks the hand—the victim can not work. It does not attack the tongue. The beneficiaries of the dole here or elsewhere will retain their voices and will join the horse leech's daughter in the cry for "more, more, more," and we will not say them "nay" when they once organize and come to the Senate in organized numbers and demand that we open the public Treasury to continue favors once begun.

"It is an appetite that grows with what it feeds upon." The fox in the fable when invited to enter the lion's den answered, "I see many tracks leading inward; I see no tracks leading outward." This step should be the last extremity. Let us try to change the conditions which brought these calamities upon us.

Mr. President, I ask for a vote on my amendment.

Mr. BULKLEY. Mr. President, it is obvious that the amendment as proposed is subversive of the whole purpose of relief. I think no one will question that the right remedy for unemployment is employment, that jobs are better than gratuities; but we are in that unfortunate situation to-day where jobs may not be had by all, where there are many who, owing to economic maladjustment, can not by any possibility get jobs. Wages on any reasonable basis will not be spread so far as the help that will be administered through the charitable agencies. Wages will not meet this part of our situation. There are also many physically incapable of performing labor, and they are in many cases as much or more in need of relief than the others. I sincerely hope that the amendment will be voted down.

Mr. NORRIS. Mr. President, as the Senator knows, I have a great deal of respect for the opinions of the Senator from Oklahoma [Mr. GORE], but it seems to me he is taking on this question rather a hard-hearted and even cruel viewpoint. I am not contesting with him that continual giving of alms and relief has a bad effect upon the recipients, and that if we indulge in the practice any length of time the man who accepts at first with a great deal of doubt, who would much prefer some other way of getting relief through a job or something of that kind, will perhaps become an undesirable citizen.

But, Mr. President, we are confronted with a vastly more grave situation, it seems to me, than the Senator from Oklahoma anticipates. I realize that if we pass the bill or the substitute, there are some things about it that probably we will all regret more than we can say. It grieves us all to realize that we are confronted with a situation that needs this kind of a remedy. If men are suffering, if women and children are going hungry and cold on account of unemployment, we can not refuse to give relief simply because it may have a bad effect upon the recipients, and for fear that if continued indefinitely it would make mendicants and tramps of them. We can not stop on that account unless there is some other way of relieving the situation, unless we can relieve the suffering with some other remedy that is better.

Even though the method we adopt has connected with it, if continued indefinitely, something that will lead to results that are undesirable, we can not stop on that account. We can not sit idly by and see our fellow human beings suffering and dying for the want of food, with granaries bursting with an oversupply of things the starving people need. We must meet a desperate situation with remedies that are perhaps somewhat desperate. We are not legislating to cure an ordinary evil of daily occurrence. If anyone can suggest any remedy that is better than any of the remedies which have been here suggested, that will do the work, for one I would be delighted to follow him. But think as we may, study as we will, no one yet has found, in my judgment, any other plan of relief to meet the present situation.

Notwithstanding that what the Senator from Oklahoma said is good philosophy as a fundamental proposition, we can not follow it now. We can not do that temporarily. If we do, while we are following our fundamental ideas of what is proper, our people will be dying. Other millions will be suffering for something to eat and shivering with cold for lack of something to wear. These are emergencies, it seems to me, Mr. President, that can not be settled, that can not be dealt with, that can not be met under the ordinary procedure of legislation. Therefore it seems to me that we ought not to expect—so far as I am concerned I do not expect—a return of the money that is to be used. It is too much to ask that men who have nothing with which even to feed themselves and their families should be able to pay a note if they gave a note for their present emergency needs and their present emergency relief.

I do not care what it may be called. It may be called a dole, if you wish. That has to me no powerful significance. I do not call it such; but, if others' definition is different from mine and if it is a dole, then let it be a dole. It is a necessity at least, and it does not feed the poor and clothe the naked if we say we will not give relief because the giving of relief would be a dole. These people are suffering from no illegal or wrongful acts of their own. Most of those who will be relieved will be children, innocent of any wrongdoing. Men who have lost their jobs are not to blame because this terrible depression has come down upon the world and cut off their only source of revenue and livelihood. It is not a question of those people seeking alms. It is a question of life. It is a question of saving those who are suffering from a lack of the necessaries of life, and all rules and regulations that apply to the healthy and normal conditions of things do not apply here and now.

Mr. GORE. Mr. President, I have great respect for the heart and head of the Senator from Nebraska [Mr. NORRIS], and when I find myself differing from him it always raises a question as to the soundness of my own views and my own position.

Mr. President, if sympathy alone could be our only guide, our task would be an easy task. I believe that I feel as keen a sympathy for the unemployed as any Senator upon this floor. I think that every human being, man or woman, who needs employment, who wants employment, who seeks employment and is unable to find it, is a living tragedy. It

arouses sympathy and compassion in every man, in or out of this Chamber. But there are other considerations than sympathy alone. Some one has said that statesmanship consists in computing secondary reactions. Almost anyone can tell what the first reaction will be. The obvious, the inevitable consequence can be seen by the man who runs and reads. But we ought to compute secondary reactions.

What I mean is that the final effect of our legislation, the ultimate and enduring consequences, are the standards by which our wisdom will ultimately be judged. I doubt not that the ultimate effect of this legislation will be undesirable, as it affects the character of our American citizenship.

If it should undermine self-reliance or self-respect, I am old-fashioned enough to think that the virtues which have made us great must keep us great. My immediate purpose in offering this amendment is that the money be applied to the payment of wages upon necessary public works and improvements. I have no doubt but that local relief will be adequate to take care of the children and of helpless women. The men who are capable of work, if they need help, would prefer to receive it in the form of wages rather than in the form of alms or a dole. I would like to relieve their distress without crushing their spirit.

Mr. President, the danger that I apprehend has been illustrated in this Chamber in connection with the history of this very measure. The original bill came in here authorizing an appropriation of $375,000,000. That measure, sponsored by the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN], was based on hearings which lasted for weeks and weeks, running even into months. As a result of their deliberate judgment, perhaps better advised than any Members of this Chamber, after all the picture of distress and of agony was presented, they reported a measure authorizing the appropriation of $375,000,000. But, sir, the spirit of competition sprang up; the tendency which I dread became manifest, and leading Senators on this side of the Chamber, upon what additional data I do not know, brought in a substitute doubling the amount proposed by the original sponsors of this legislation, increasing it to $750,000,000. I make no particular point of that.

A suggestion has been made that the amount be increased to a billion dollars. Why not? It has even been intimated here, if I understood the course of the debate, that a State should be allowed to replenish its treasury or to reimburse its own expenditures from the appropriation for these benevolent humanitarian objects. Why not? Unless that be done there is a danger that possibly some of this money might be left in the Treasury of the United States.

So we have seen illustrated here the dangerous tendency of this kind of legislation. I do not know what governors have overwhelmed the Senate with their requests for Federal charity. It seems to me that Senators are rather outrunning themselves to thrust this donation upon unsoliciting States. We begin here in a spirit of philanthropy and of charity. We will continue it under an imperious demand—I will not say duress—when the beneficiaries become organized. Senators know what I mean. Mr. President, I did not intend to delay the Senate so long.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma to the amendment in the nature of a substitute.

The amendment to the proposed substitute was rejected.

Mr. GORE. I now move to strike out the words "money or commodities" and to insert the words "food, fuel, and clothing."

The PRESIDING OFFICER. The clerk will state the amendment proposed by the Senator from Oklahoma to the amendment in the nature of a substitute.

Mr. NORRIS. Before he does so let me ask a question. I was unable to find the prior amendment proposed by the Senator from Oklahoma in the copy of the substitute which I have on my desk. Evidently there is another print of the measure being used.

Mr. GORE. The amendment which I offered was not printed, I will say to the Senator.

Mr. NORRIS. I understand that, but the amendment is to the substitute, as I understand?

Mr. GORE. Yes, sir; it is.

Mr. NORRIS. I am trying to locate in the substitute amendment the point where the Senator proposes his amendment.

Mr. GORE. I think it is in section 8, page 6.

The PRESIDING OFFICER. The clerk will state the amendment to the proposed substitute.

The CHIEF CLERK. In the original text, page 6, line 13, the first amendment of the Senator from Oklahoma was to strike out the words "in the form of money or commodities furnished to persons in their abode or habitation, or in shelters for the transient and homeless or." In the original text the Senator from Oklahoma now proposes to strike out, in line 13, the words "money or commodities" and insert the words "food, fuel, and clothing."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Oklahoma to the substitute.

Mr. GORE. I do not care to discuss the amendment.

The amendment was rejected.

Mr. GORE. I move to strike out the words "money or." I wish to say just a word on this amendment. I offered the other amendment, which I did not discuss, substituting for money and commodities "food, fuel, and clothing," which would include the prime necessaries of the needy and the unfortunate whom we are seeking to serve. The word "commodities," as will be found in the dictionary, means everything that may be bought or sold except livestock. I thought it would be wise to limit the expenditure to necessaries.

Mr. President, I believe—and the Senator from Wisconsin or the Senator from Colorado can correct me if I am in error—that all social workers recommend that food, fuel, and clothing, or orders on grocery stores, be given instead of giving money outright. I took occasion last summer in Oklahoma City to confer with all the agencies, excepting one, that administer charity, that perform welfare work or unemployment work or extend unemployment relief. As I understand, it is their uniform belief that it is unwise to give money; that charity should be extended in the form of necessaries. It is economical and goes to the purposes for which the charity is intended.

I have had this incident called to my attention by a person who was, I believe, on the welfare board in Detroit. There they issued checks or gave money, as I understand, and one individual who was arrested for speeding turned in his relief check in part payment of his fine. [Laughter.] That showed a great deal of ingenuity, thrift, and adaptation to circumstances, showing that he could meet occasions as they arose. But Senators, seriously, it is unwise to give money as such. I think that all the relief agencies pursue and recommend a different course.

Mr. President, I ask to have printed in the RECORD a letter from Col. John H. Leavell, of Tulsa, Okla., who is connected with relief work and is receiving requests from different parts of the country for information as to the plan which has been put into operation at Tulsa. There they have worked out a system under which the needy are fed at an outlay of 6 cents a day on a wholesome diet, as this communication indicates. The system is being adopted by other communities. I myself know nothing of its sufficiency and do not pass judgment upon it, but I make the letter available in the RECORD.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

LEAVELL COAL CO.,
Tulsa, Okla., February 8, 1932.

Senator THOS. P. GORE,
Washington, D. C.

MY DEAR SENATOR: In answer to your letter about the first of the year, in which you told me you desired to put into the CONGRESSIONAL RECORD the results I am accomplishing here in Tulsa, I inclose a pamphlet, which I have been compelled to write in response to numerous requests from cities and individuals over the country.

It may interest you to know that while furnishing these foodstuffs at 6 cents per day we have accumulated a surplus of $2,000 and we vary the ration each week.

For the past three weeks we have been giving grapefruit at twice the amount of tomatoes by weight.

If you do see fit to put this into the CONGRESSIONAL RECORD, or any part of it, I would highly appreciate your sending me a copy of it.

Thanking you again for the compliment, I am,

Most sincerely yours,

JOHN H. LEAVELL.

Mr. WALSH of Massachusetts. Mr. President, I hope the amendment proposed by the Senator from Oklahoma to the substitute will be adopted. I have observed for a good many years a vast amount of relief work conducted in the various communities in my State, and I have known of only one community where cash or money has been distributed, and in that community occurred the only instance of which I have ever heard where charges of waste and abuses of the principle of relief were made. For more than a century Massachusetts has found the plan of relief given free from cash distributions most satisfactory.

The relief method of distributing food, orders upon grocery stores, orders for clothing, and paying the landlord for rent has worked very satisfactorily, indeed, and I should very much regret to see any departure from that practice in the direction of distributing money or making cash payments to those who apply for public aid. I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Oklahoma to the amendment in the nature of a substitute.

The amendment to the amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute as amended.

Mr. TRAMMELL. I desire to move an amendment to the proposed substitute amendment. On page 6, in line 4, after the word "expended," I move to insert:

And included in such report shall be the name of each person employed in the administration of such relief, the character of service performed, and the salary of each.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Florida to the amendment in the nature of a substitute.

The amendment to the amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment in the nature of a substitute as amended.

Mr. LA FOLLETTE and Mr. ROBINSON of Arkansas called for the yeas and nays.

Mr. NORRIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Johnson	Robinson, Ind.
Austin	Couzens	Jones	Schall
Bailey	Cutting	Kean	Sheppard
Bankhead	Dale	Kendrick	Shipstead
Barbour	Dickinson	Keyes	Smith
Barkley	Dill	King	Smoot
Black	Fess	La Follette	Steiwer
Blaine	Fletcher	Lewis	Stephens
Borah	Frazier	Logan	Thomas, Idaho
Bratton	George	McGill	Thomas, Okla.
Brookhart	Glass	McKellar	Townsend
Broussard	Goldsborough	McNary	Trammell
Bulkley	Gore	Neely	Tydings
Bulow	Hale	Norbeck	Vandenberg
Byrnes	Harrison	Norris	Wagner
Capper	Hastings	Nye	Walcott
Caraway	Hatfield	Oddie	Walsh, Mass.
Carey	Hawes	Patterson	Walsh, Mont.
Connally	Hayden	Pittman	Watson
Coolidge	Hebert	Reed	Wheeler
Copeland	Hull	Robinson, Ark.	White

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

Mr. HATFIELD. Mr. President, I am not quite sure as to when I should offer my amendment—whether it should be offered to the substitute that is now pending, or whether I should withhold my amendment and offer it after this amendment has been voted upon.

The VICE PRESIDENT. The Chair will state that if the substitute should be agreed to, it would then be too late to offer the Senator's amendment.

Mr. HATFIELD. In that case, I wish to offer the amendment now.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. The Senator from West Virginia offers the following amendment in the nature of a substitute for the so-called Black-Walsh-Bulkley amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $275,000,000, one-third of which shall be immediately available, for loans by the Secretary of the Treasury to the several States, in the manner hereinafter provided. Not more than $100,000,000 of this amount shall be loaned during the fiscal year ending June 30, 1932.

"SEC. 2. (a) Out of the amounts appropriated pursuant to section 1, the Secretary of the Treasury is authorized and empowered to make loans to the several States, in the proportion which their population bears to the total population of the States of the United States according to the Fifteenth Decennial Census. Such apportionment shall be made by the Secretary of the Treasury within 10 days after an appropriation has been made under the authority of this act.

"(b) Each application for a loan under the provisions of this act shall be made by the governor of the State. Loans to the States in the amount hereinbefore authorized shall be made by the Secretary of the Treasury, but no loans shall be made to any State until the governor has furnished the Secretary of the Treasury, under rules and regulations prescribed by the Secretary of the Treasury, notes, debentures, bonds, or other obligations of the State in an amount equal to the amount of the loan. Loans may be made from time to time until the State has received the full amount to which it is entitled under such authorization. Such loans shall bear interest at not more than 5 per cent and shall mature not more than five years from the date of the loan.

"(c) If any loan made to a State under the provisions of this act has not been repaid at the expiration of five years from the date of the loan, there shall be deducted in each year thereafter, and applied to the discharge of the principal and interest of such loan, an amount equal to one-fifth of the sum that would otherwise be paid to such State by virtue of allocations from any appropriation or appropriations that may be made pursuant to or to carry out the purposes of the Federal highway act, as amended.

"SEC. 3. There is also hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000,000 for expenditure by the Secretary of the Treasury for the construction, enlarging, remodeling, or extension of public buildings under the control of the Treasury Department in cities for which allocations have heretofore been made, but for which estimates have not been submitted to Congress. Such amount may be expended without regard to the provisions of section 4 of the public buildings act of May 25, 1926, as amended, requiring the submission of estimates to the Bureau of the Budget, and the Secretary of the Treasury is hereby authorized to fix the limit of cost for each of such projects. Expenditures for professional services may be made from such amount without regard to any act limiting expenditures for outside professional services. Such amount shall be in addition to any amounts heretofore authorized under such act of May 25, 1926, as amended, and except as herein otherwise provided shall be expended in accordance with existing law.

"SEC. 4. The Secretary of the Treasury is authorized to make all rules and regulations necessary to carry out the provisions of this act."

Mr. NORRIS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NORRIS. Would not that amendment be proper, no matter whether the substitute is voted in or out?

The VICE PRESIDENT. Not if the substitute should be adopted. Then this amendment would not be in order.

Mr. ROBINSON of Arkansas. Mr. President, is it not an amendment in the third degree?

The VICE PRESIDENT. It is not, under Rule XVIII. The other is a motion to strike out and insert.

Mr. ROBINSON of Arkansas. This is the same motion. The pending question is the substitute, and this is a substitute for the substitute. How many degrees removed can we be under the parliamentary practice as espoused by the Vice President?

The VICE PRESIDENT. Under the rule, where there is a motion to strike out and insert, both the original matter and

the substitute amendment may be amended, each, for the purpose of amendment, being regarded as a question.

Mr. NORRIS. Mr. President, I am not particularly interested in this particular case; but I should hate to have the Chair establish a precedent that might be the cause of trouble later. I understand that there are several other substitutes. Does the Chair hold now that for any substitute to be in order it must be offered as a substitute for the substitute? If that is the case, then it would be impossible for the Senator from West Virginia, for instance, to offer his substitute in the place of the original bill. If this is voted in now, for instance—the one that we have the roll call called for now—would it not be in order then to offer a substitute? That would become the bill then. This amendment is offered, not as a substitute for the bill itself, but as a substitute for the substitute.

The VICE PRESIDENT. The Chair will hold that the question is on the substitute proposed by the Senator from West Virginia.

Mr. NORRIS. Is it a substitute for the substitute, or is it a substitute for the original bill?

The VICE PRESIDENT. It is a substitute for the substitute offered by the Senator from Alabama.

Mr. ROBINSON of Arkansas. Mr. President, should the substitute of the Senator from West Virginia be rejected, would it be in order to offer another substitute, or, should it be accepted, would it be in order, then, to offer a substitute for the substitute of the Senator from West Virginia? [Laughter.]

Mr. NORRIS. As I understand the matter, I think the question propounded by the Senator from Arkansas is a perfectly proper one.

Mr. ROBINSON of Arkansas. Certainly it is.

Mr. NORRIS. Suppose this substitute is agreed to. I understand that some other Senators—at least two that I have heard of—have substitutes for this bill. The action on this substitute would preclude them from ever offering their substitutes, it seems to me, if the Chair is right and if we agree to this substitute. If it is rejected, I can understand how another substitute might be offered; but it seems to me the Chair is leading us into this dilemma:

Suppose the substitute upon which we are about to vote now is agreed to; then no other substitute can be offered, and Senators who have substitutes that they want to offer will never have an opportunity to do it. They will be precluded from offering an amendment in the way of a substitute.

Mr. FLETCHER. Mr. President, I desire to propound a parliamentary inquiry.

Is not the situation this: If the substitute now pending, offered by the Senators from Alabama and Montana and Ohio, is agreed to, then the Senator from West Virginia may subsequently offer what he now proposes as an amendment to the substitute adopted by the Senate. In other words, he has not lost his opportunity. If the substitute now pending is not agreed to, undoubtedly the Senator from West Virginia will have the opportunity to offer his proposal then; so that he loses nothing by a holding now that it is not in order.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from West Virginia to the amendment in the nature of a substitute. The Senator from West Virginia is recognized.

Mr. HATFIELD. Mr. President, I realize that the conditions which confront millions of our people at the present time may well be considered an emergency; and because of such belief I am willing to vote for such legislation that should be enacted only in cases of a national emergency.

The heroic efforts which are being put forward by the President, which entail at the present time an expenditure of $60,000,000 a month by the Federal Treasury in construction projects which will last for some years, should convince every citizen that nothing that can be done has been left undone by the administration.

This is very evident when we take into consideration the relief legislation which the Congress has enacted on the recommendation of President Hoover in the Reconstruction Finance Corporation, the farm-bank legislation for the relief of home owners with mortgages on real estate, agricultural relief, and other relief legislation in the process of completion.

These actions upon the part of Congress, in cooperation with the President, indicate to me that every effort possible is being made to help those of our people who are unable to secure needed employment; and from past experience I have no hesitancy in saying that continued cooperation upon the part of the Congress with the President, following lines which have proven fruitful in the past, will soon bring us out of the emergency in which we find our people at this time.

I have no objection to voting money from the Federal Treasury for cooperative work in the States. When opportunity has been presented to me, I have whole-heartedly registered my vote in favor of such a principle.

The same policy is practiced by the respective legislatures of the States in cooperation with county units in many ways and for many purposes.

I have no hesitancy in voting to take care of an emergency or catastrophe where the end can be seen; and I shall have no hesitancy in voting to place the Treasury of the Federal Government in a position to furnish credit to the States in this emergency. I can not, however, bring myself to the point of being convinced that I should vote for a direct appropriation from the Federal Government as being the way out of the situation which confronts the Congress at this time.

For Congress to place the National Treasury in a position to extend credits in the form of moneys to the States is more practical and unquestionably more equitable, in that each unit of government will be left to stand on its own responsibilities to those of its citizens who are in need or relief.

I need not dwell on the fact, apparent to all, that the States, through their subdivisions and through officials elected by their own people, are in a better position to know the wants and the needs of their own citizens than any agency which could be created by the Federal Government.

As indicating that citizens of the States prefer a loan and not a gift I call attention to the fact that of the $60,000,000 loaned to farmers in the drought-stricken areas, more than 75 per cent has been repaid, if I am correctly informed.

I do not believe that the bills presented to the Senate—the Costigan-La Follette bill or the Bulkley-Black-Walsh bill—will meet the approval of either the other branch of Congress or the President of the United States.

In making this statement I am predicating it on the previous actions of both the House and the President of the United States.

The amendment which I have proposed is in line with the past policy of our Government and is in keeping with the message of the President of the United States in which he said:

> In order that the Government may meet its full obligation toward our countrymen in distress through no fault of their own, I recommend that an appropriation should be made to the Department of Agriculture to be loaned—

And so forth.

I am opposed to the creation of any new Federal bureaus. Incidentally, it has been my observation that Federal bureaus once authorized seldom pass out of existence. I do not believe that economic conditions at the present time warrant us in enlarging any of the present bureaus.

My amendment will not add any additional expense to the Federal Government other than for the construction of public buildings which are much needed.

The idea of making it possible for the States which need financial assistance to secure such assistance from the Federal Government is as far as I am willing to go, and I believe it is the only sound and practical method for the Congress to adopt.

Such credits made possible through the Federal Treasury will place the States in a position to work out their own obligations to their dependent citizens, will eliminate that

form of bureaucracy which is obnoxious and in many instances almost impossible to deal with in a satisfactory way.

The only requirement to be met by the States in order to secure the moneys which at present they are unable to obtain would be to furnish proper securities for the money loaned by the Treasury, which loans would be liquidated within a short period of time.

I understand that there are inhibitory clauses in the constitutions of some of the States which would prevent the States from obtaining money by loans under the amendment suggested by me. But the State of West Virginia, has a constitution that is as old as the Government itself, taken largely from the constitution of the mother State, and I can hardly understand how there is a State in the Union whose constitution does not include a clause which would permit the State, through its governor or other proper authority, to negotiate a loan in order to take care of a casual deficit. There is such a provision in the constitution of West Virginia, and when I was the governor of that State I negotiated loans to take care of casual deficits.

Of course, I appreciate the fact that in other States there may be inhibitory clauses in the constitutions which would prevent such action. I am sorry for any State whose constitution is so framed, but I feel that this amendment represents the type of legislation which should appeal to every Senator and to every Representative because of its equity and its fairness, and, again, because it fixes upon one of the major units of the Government the responsibility of taking care of its own citizenship.

Again, the amendment would permit each State unit of government to handle entirely its own affairs, as was originally intended by our forefathers.

The treatment, care, and handling of governmental relief in this way will obviate any unnecessary expenditures of money.

I do not believe that the Federal Government should, without a specific request from a State or States, invade the borders of any State to carry on the activities of government which have so long and so well been administered by the officials of the States and the subdivisions thereof. So far as I have been able to learn the chief executive of only one State has appeared in Washington and advocated the enactment of relief legislation by the Congress.

I believe it will be admitted by every Member of the Senate that no State should ask Congress for funds for relief of the people of its State unless the people of that State are willing to do something themselves to relieve their own distressed and needy people.

In the case of the executive of the one State who appeared in favor of the Costigan-La Follette bill before the committee, I note in his testimony that his own State is unable, under the laws made by the people of that State, to extend the form of relief to their own people which he advocated the Congress should afford.

With all due respect for the intentions and the ability of the social-service experts who so strongly advocate the appropriation of Federal money to be spent directly for relief, I for one am unwilling to place the requests of those good people above the requests of the officials duly elected by the people themselves.

I do not believe that we are warranted at this time in making extraordinary appropriations for road building. Under present-day methods of construction, money spent for public road building is in most cases allotted for the use of machinery, and, to my mind, only a small percentage of such funds finds its way into the pockets of the skilled workers.

I am keenly interested in the enactment of some legislation which will provide employment for skilled American artisans, labor of a type which constitutes the largest group of workers, who, in order to hold their jobs, have developed an intellect and skill which we must and which we will recognize.

It is my understanding that of the million or more building-trade mechanics constituting the membership of the building-trades department of the American Federation of Labor, less than 30 per cent have had even part-time work during the past year. These workers for the most part are well paid, a large percentage of them own their own homes, have families, and are not migratory or casual labor.

In addition, through the wages they have been able to secure, they have maintained a standard of living for their associates which constitutes in great part the backbone of the purchasing and consuming power of the wage workers of America.

As few of these workers are employed in the building of roads, I feel we could use money appropriated out of the Treasury to be spent for employment relief in such ways that a larger percentage of the money we spend would find its way into the pockets of those who need employment relief.

Therefore the amendment I have proposed will permit of the spending of $100,000,000 to be used by the Treasury Department in the construction of public buildings. These buildings have already been allocated, and in many cases authorized. The construction of these buildings will render a real service to the country, and the buildings can be erected under present-day conditions at a tremendous saving to the Government, and their construction at this time will provide real employment relief for those who really need such employment.

The appropriation of the sum provided for public buildings will furnish much-needed employment also for those engaged in the fabrication of materials used in the construction of the buildings.

The railroads and railroad men will be benefited in the hauling of these commodities. The coal miner will be benefited in the use of coal needed for power and heat. Above all, it will provide actual work for that type of American labor which needs work and not charity.

The legislation which I have proposed will provide honest wages for those with families, and it will naturally be spent by those men and their families for food, benefiting the farmers; for clothing and shoes, benefiting other types of labor; and will benefit our local communities in that cities, towns, and villages will be able to collect taxes from the small-home owners, a condition which seemingly is not realized by some of the speakers who have preceded me.

I will not knowingly be a party to mere gestures or vote for legislation simply on the basis of political expediency. Since entering this body, and during my entire public life, I have tried to be a party, by my vote and my voice, to that type of legislation for which there is justifiable reason for believing it will be enacted into law.

I realize that our system of government provides that action upon the part of one House of Congress must meet the approval of the other branch of Congress and, in addition thereto, must be approved by the President. Personally I do not believe that there is any substantial number of Senators who believe that either the so-called Costigan-La Follette relief bill or the Bulkley-Black-Walsh relief bill will meet the approval of the other branch of Congress and be approved by the President of the United States.

Therefore, realizing as I do the need for beneficial emergency legislation at this time, I have proposed an amendment which, while I am not authorized to speak for the membership of the House of Representatives or the President of the United States, is in keeping with the principle of legislation which this Congress has already enacted, and which has met the approval of the President of the United States.

If my assumption is correct, the legislation which I propose will not provide a dole, will not make the recipients of the Nation's generosity carry the badge of charity, but will permit those working on public buildings to receive American wages in return for American workmanship.

The other feature of the bill will permit the State, through its chief executive, or legislative body, to secure funds from the Treasury of the United States in return for promissory

notes or bonds which, owing to the present financial situation, they might not otherwise be able to secure.

It will permit the States to provide the relief which the State officials know is needed. It will safeguard the rights of the State.

Mr. President, one of our greatest troubles to-day is the fear upon the part of our people which has actuated the hoarding of a billion and a half dollars. This has come about through the depreciation of securities. Some Government bonds have been selling in the eighties. I am told that banking institutions, due to fear on the part of the average depositor, hesitate to loan any large sums of money even on Government bonds. I am not blaming the banks; it is their duty to be able to meet the depositors' wishes for funds on demand.

However, it seems to me that if we pass legislation which will give away three or four hundred millions of dollars we will simply further depreciate the securities of our Government, and when these securities depreciate I know of no other securities which will not also further depreciate.

Mr. President, as stated before, I believe a national emergency exists. I have read with interest the hearings held upon the subject of unemployment relief, and most of the testimony was controversial as to the actual necessity for Federal assistance in the extension of relief within the States, I observe, and I observed that most of those who gave testimony appeared as individuals and not as official representatives of organizations or institutions whose primary purpose is relief. Anyone who will read the hearings will be forcibly impressed by the absence, with one or two exceptions, of any official representative of a sovereign State. This failure of the States to officially plead or advocate Federal aid for relief within their boundaries is conclusive proof that the States do not desire aid in the form of charity, and it is in this form the present measure before us voluntarily offers it.

The only State executive whose testimony appeared in the record of the hearing, the Hon. Gifford Pinchot, among other things, stated:

> My plan to borrow money from them [referring to the wealthy people of the State of Pennsylvania] to be repaid by a bond issue would have been an effort in that direction.

That would be in line with the proposed amendment which I have presented for consideration on the part of the Senate.

As a representative of the people of West Virginia and wishing to have first-hand information as to the wishes of the people of my State, I sent a telegram to a number of newspapers and several of the State officials.

The telegram which I sent read as follows:

> La Follette-Costigan bill now before the Senate provides for allocation to the various States of $375,000,000 partly on basis of population for relief in form of money and commodities to needy and distressed unemployed. Please contact proper authorities and with their conclusions and your knowledge of conditions wire me immediately if this form of relief in part a gratuity from Federal Treasury is justified by unemployed situation and economic conditions in West Virginia. An amendment to bill provides an additional $375,000,000 allocated to States for road construction.

In answer to this telegram I received several replies. First is a letter from the Hon. H. C. Ogden, editor and publisher of a group of newspapers numbering 14 or 15 in the State of West Virginia. I send the letter to the desk and ask to have the Clerk read it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as requested.

The Chief Clerk read as follows:

THE WHEELING NEWS—THE WHEELING INTELLIGENCER,
Wheeling, W. Va., February 13, 1932.

Hon. H. D. HATFIELD,
Member of the United States Senate, Washington, D. C.

DEAR SENATOR: I have your telegram in regard to the La Follette-Costigan bill.

My own reaction is against the bill, and is against anything either resembling a dole or contribution on the part of the Federal Government in relief work through the States.

In the first place, this is an invasion of our principle of local self-government, which has really been one of the bulwarks of this Republic. Everything that tends to centralize money at Washington, the collection of money and the distribution of money at Washington, tends to break down local initiative and finally to destroy local institutions.

Second. I am sure that, so far as Wheeling is concerned, and the northern part of the State is concerned, the needy are being taken care of. I think we are taking care of them this year even better than last, because we have learned how.

Third. There would be a painful amount of waste if the Government undertook this distribution. It simply means setting up a half dozen more commissions and bureaus, and employing 50 or 100 more agencies at Washington, a lot of fighting among the States and counties for the benefits to be derived, and a very great resultant dissatisfaction.

Fourth, and perhaps the greatest objection is this. The Federal Government now has a deficit of over $2,000,000,000. This deficit is going to have to be made up by extraordinary taxation. Almost inevitably this taxation will take the form of increased income taxes, and will fall heaviest upon business activities; in other words, those activities that employ labor and distribute pay rolls. If, instead of increasing the income tax, it could be decreased, you would furnish an enormous stimulus to business. We know that it has to be increased, probably, but to make another increase without absolute necessity would be most unwise.

Let me illustrate: Suppose you have a business in which you are doing a business of $100,000 annually. You work hard with a moderate degree of success and increase that business to $125,000 annually. Then suppose you have a normal profit of from 8 to 10 per cent; that you sell on 60 days' time. When you increase your business to $125,000 annually, if you have no losses whatsoever, you absorb about 20 per cent of this increase in your accounts receivable, or namely, $5,000. You probably increase your inventory, which, let us say, was $20,000 on the $100,000 basis, to $25,000, absorbing $5,000 more. Let us say that on the $100,000 business you make $10,000 profit, and paid $1,100 income tax. On the $125,000 business you made $12,500 profit, and paid $1,370 income tax. Your condition to the end of the second year will be that you will have absorbed all of your profits in accounts receivable, and additional income tax, and so far as being in an easier position is concerned, you will be just as hard up, if not harder up than you were at the beginning of the first year. Now this is an illustration of a successful business.

If you vary it by taking the experience of only a moderately successful business, or one that meets some misfortune, you can see that it may easily happen that the payment of the income tax would drive such a concern to the creation of a new debt. Now, if you increase the income tax from 11 per cent to 15 or 16 per cent, you aggravate the situation. The income tax has the effect of gradually forcing the contraction of all business instead of stimulating its expansion. Most Federal Government taxes have this effect because they fall upon business transactions, or upon trade; in other words, the processes which increase the value of commodities and employment. Under present conditions it would be next to a crime unnecessarily to increase the income-tax rates.

Instead of arranging to spend more money the Federal Government should arrange to cut its expenditures to the limit. There is no State, and I don't think, any city, or county in the United States that can not take care of its needs if it buckles down and tries to, and can take care of them with a great deal less expense, and make every dollar go a great deal farther than it ever will go if spent by the Federal Government.

Relative to the above I just talked to your friend, Hon. Robert Hazlett, head of our biggest bank, who agrees with it thoroughly.

I am sending you this to-night because you said "immediately" in your telegram. I will send you Monday statements from other men of importance in the business world here in Wheeling, and also from the heads of our charitable organizations.

With kind regards, I am, yours very truly,

H. C. OGDEN.

Mr. HATFIELD. Mr. President, I send to the desk to be read by the clerk a telegram from the tax commissioner of the State of West Virginia, signed jointly by him, the treasurer of the State, and the auditor of the State.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as requested.

The Chief Clerk read as follows:

CHARLESTON, W. VA., *February 15, 1932.*

H. D. HATFIELD,
United States Senate:

We urge that you endeavor in connection with the pending emergency legislation to provide a method whereby the Federal Government may be given authority to advance money to the States where ordinary facilities of credit are not now available because of conditions that have existed in the financial markets. The State of West Virginia has always enjoyed splendid credit, and its bonds have always been readily sold at a premium. At this time, however, some five to ten millions of authorized State-road bonds can not be marketed, and, unless some temporary means of credit can be provided through the Federal Government, road work, which employs a considerable number of people in this State, can not be carried on under the plan authorized by the State legislature. Some $2,000,000 of the State funds are tied up

in closed bank, with the result that there is a large deficit in the State-road fund. The Governor of West Virginia has authority under the constitution and laws to borrow money to meet casual deficits, and this State would be in position to take advantage of any credit facilities the Federal Government might provide. Our State treasury is facing a serious crisis. It would be highly beneficial if temporary credit can be arranged, thereby making it possible to market State-road bonds and thaw out frozen assets. Similar conditions obtain also in some of our counties. You can render a great service to the State of West Virginia and its political subdivisions if some practicable plan can be worked out whereby credit through the Federal Government can be made available in this situation.

W. S. JOHNSON, *State Treasurer.*
EDGAR C. LAWSON, *State Auditor.*
T. C. TOWNSEND, *State Tax Commissioner.*

Mr. HATFIELD. Mr. President, the obligation upon the part of the State of West Virginia as represented in bond issues over different periods, which include the local units of government, amounts to about $160,000,000. The State of West Virginia embarked upon a road-construction program following the election of 1920, in which a constitutional amendment was adopted authorizing the issuing of $50,000,000 of road bonds. The amendment was adopted by an overwhelming majority. The expenditure of the $50,000,000 thus authorized by a direct vote of the people has resulted in the building and ramification of roads in every section of the State. Until the day when West Virginia, with her hills and valleys, was confronted with the present economic depression we have had no trouble in selling those bonds at an attractive price in the bond market. Until the depression period came we have had a tremendous personnel employed by the State, through the road department of that Commonwealth, in the building of roads. Unless the State can find some avenue by which to float the $10,000,000 of available bonds in the very near future the road department will have to cease its work, and when that happens, of course, a great many people who are now employed will be added to the number of unemployed.

What I am hoping is that there may be found in this Union a sufficient number of States that have a clause in their constitutions that will permit the governors to borrow money, and that the Federal Treasury will be used as a facility through which loans can be negotiated.

In that way the chief executive of the State of West Virginia can extend relief to each and every county within the confines of the State. In no other way, in my judgment, can relief be given to the State of West Virginia, and I doubt not that there are many other States in the same position at the present time. This surely is true of cities, municipalities, and lesser units of government within all of the States.

I send to the desk at this time numerous telegrams from newspaper publishers throughout West Virginia, for which I ask unanimous consent to be printed in the RECORD in connection with my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The telegrams are as follows:

HINTON, W. VA., *February 15, 1932.*

Senator H. D. HATFIELD:
Sentiment opposed to La Follette-Costigan. Approve amendment.

HINTON DAILY NEWS.

CHARLESTON, W. VA., *February 15, 1932.*

Hon. H. D. HATFIELD,
United States Senate:
Rewire. State road commission in 1931 had an average monthly pay roll of 3,000 people, and paid out in wages and salaries $3,220,000. In addition to this, between 3,500 and 4,000 persons were employed by road contractors, and their pay roll amounted to $4,000,000.

WALTER S. HALLAHAN.

FAIRMONT, W. VA., *February 13, 1932.*

Senator H. D. HATFIELD,
Senate Office Building:
Practically no sentiment here in favor of the La Follette-Costigan bill. Local situation well in hand with the Quakers feeding the mine-camp children at their schoolhouses. This newspaper feels that the bill is wrong in principle and a trouble breeder.

THE WEST VIRGINIAN.

HUNTINGTON, W. VA., *February 14, 1932.*

Senator HENRY D. HATFIELD,
Washington, D. C.:
Replying to your request, I regard the La Follette-Costigan bill as dangerous in principle and of greatest immediate benefit only to large population centers. Nevertheless, I believe that support would be popular for the time being, but am confident that opposition, although immediately unpopular, would be justified after a period of years. Naturally our unemployment is proportionate, and I can readily see a measure of relief, but this will come substantially through the administration's program.

JIM CLENDENIN.

RONCEVERTE, W. VA., *February 13, 1932.*

Senator HENRY D. HATFIELD:
Best opinion here is that conditions do not warrant anything resembling dole from Government. Believe would retard normal recovery. Highway construction has too long ignored development of local commerce and industry and has destructively dislocated the business of railroads, an important contributing factor to depression. Unless justified by utility of roads to be constructed amount of employment provided negligible and too transitory for outlay.

WM. B. BLAKE, Jr.
Editor West Virginia News.

MOUNDSVILLE, W. VA., *February 13, 1932.*

Senator H. D. HATFIELD:
Your telegram on Federal relief. I find no sentiment here for charity on population or political basis. Charities leaders, public officials think Federal Treasury help should be last resort. Moundsville, Marshall County, taking care of themselves. Am writing you more fully.

W. L. MENGERT,
Editor The Journal.

WILLIAMSON, W. VA., *February 13, 1932.*

Senator H. D. HATFIELD,
Washington, D. C.:
Unemployment relief in Mingo County certainly does not indicate necessity for anything resembling a dole. Through the Red Cross and other agencies, situation is well taken care of. Public opinion, we feel sure, is against the La Follette-Costigan bill. Consensus here is the millions for dole will tend to confirm the habit of idleness in many and will react in greatly increased taxes upon a citizenry already overburdened with taxes.

H. G. CLARK,
Editor Williamson Daily News.

MARTINSBURG, W. VA., *February 13, 1932.*

Senator HENRY D. HATFIELD,
Senate Building:
Informed sentiment here sees no necessity La Follette-Costigan fund. Cases this section cared for local funds without difficulty. Outright appropriation not favored. No strong sentiment for road amendment, either.

EVENING JOURNAL.

PARKERSBURG, W. VA., *February 13, 1932.*

Senator H. D. HATFIELD:
Parkersburg area is caring for its own needy and distressed, and major sentiment here is strongly against Federal dole. Feeling is that respective States should care for their own poor when other than local assistance is necessary.

JOHN W. FISCHER,
Editor Parkersburg Sentinel.

CHARLESTON, W. VA., *February 13, 1932.*

Hon. H. D. HATFIELD,
United States Senate:
Answering your telegram, we believe that the intelligent opinion of the State disapproves these measures, particularly the $375,000,000 dole. As for us, we are most earnestly opposed to it. The local units of population are able to care for their own distressed people, and in West Virginia this is being proven in many places.

THE CHARLESTON DAILY MAIL,
By WALTER E. CLARK.

LOGAN, W. VA., *February 13, 1932.*

Senator H. D. HATFIELD,
Senate Building:
A meeting already scheduled for Monday night, of county business leaders, to discuss unemployment with American Legion. I will present your message and send night letter. From personal knowledge of Logan County conditions I doubt very much the need of such relief measure, but the amendment sounds interesting. Have heard much favorable comment on your radio talk last night.

CLARENCE H. FREY,
The Logan Banner.

BUCKHANNON, W. VA., *February 13, 1932.*

Senator H. D. HATFIELD:
Re telegram. Sentiment here opposes bill. Less opposition to amendment.

THE REPUBLICAN-DELTA.

KENOVA, W. VA., *February 13, 1932.*

Hon. H. D. HATFIELD,
Washington, D. C.:

Your telegram received regarding LaFollette-Costigan bill. Discussed with leaders here. All believe conditions here do not justify the provision providing for a resembled dole. The amendment for road construction will meet with approval. We are willing to bide by your judgment for we know you are very familiar with West Virginia conditions and needs. Thanking for the courtesy extended.

WAYNE COUNTY PRESS,
JOHN T. HEREFORD, Jr., *Editor.*

WILLIAMSON, W. VA., *February 14, 1932.*

Senator H. D. HATFIELD,
Washington, D. C.:

No need in Williamson or Mingo County of such legislation, which is wrong in principle; while there has been some distress because of unemployment, local agencies have so far provided for distressed and will continue to do so as long as there is need.

O. H. BOOTEN,
Editor Mingo Republican.

SHINNSTON, W. VA., *February 14, 1932.*

Senator HENRY D. HATFIELD,
Washington, D. C.:

Opposed to principle of La Follette-Costigan bill, but public sentiment, because of unemployment conditions, seems to favor some form of Federal relief.

SHINNSTON NEWS.

WELCH, W. VA., *February 15, 1932.*

Senator H. D. HATFIELD:

Responsible leaders do not believe conditions justify gratuitous relief from Federal Treasury and greatly oppose dole in any form. Opportunity to earn through construction or other work much preferred. Conditions are bad in some sections of coal field, but operators are taking good care of men in large majority of camps.

WELCH DAILY NEWS.

CLARKSBURG, W. VA., *February 15, 1932.*

United States Senator HENRY D. HATFIELD:

While there are some who feel strongly in favor of any measure intended to relieve the jobless and the needy, the preponderance of sentiment in this section appears to be against the plan of the La Follette-Costigan bill. While conditions have been bad in this section, as in other sections, local relief measures are not yet out of bounds and distress has thus far been given adequate attention through local emergency funds and measures. There is a feeling that one of the first essentials toward restored prosperity is the necessity of keeping the credit of the United States upon a firm basis, that constant depletion of the Treasury will handicap that imperative duty. I may add that there is gratification and cheer throughout the central West Virginia territory over the credit relief to be afforded by the Reconstruction Finance Corporation and over the measure now in hand to loosen Federal reserve restrictions. This credit aid to small banks, to depositors of closed banks, and to business and industry in general will be greatly beneficial. It is believed this aid should be extended to small State banks through enabling amendments. It is also believed that one of the most needful steps toward a restoration of normal business conditions is revision of the antitrust laws so as to promote beneficial cooperation, particularly with regard to basic industries, prevent ruinous competition, and yet preserve the essential antimonopoly feature of the law. This, it is felt, would do more to improve conditions than all the cash that could be doled out of the Federal Treasury.

WILLIAM L. GEPPERT,
Editor in Chief Clarksburg Telegram.

HUNTINGTON, W. VA., *February 15, 1932.*

Senator HENRY D. HATFIELD:

Public sentiment in West Virginia, in my judgment, is opposed to enactment of La Follette-Costigan emergency relief measure. Citizens appear unwilling at this time to accept unemployment situation as serious enough to warrant resort to principle of Federal dole for relief.

CLYDE A. WELLMAN,
Editor of the Advertiser.

ELKINS, W. VA., *February 15, 1932.*

Hon. H. D. HATFIELD,
United States Senate:

Sentiment here seems against dole if relief can possibly be provided otherwise, but suffering is widespread and something must be done without delay in near-by mining towns. Seven hundred and forty-six children and 40 mothers dependent on Red Cross and allied charities; many others aided. Local relief funds exhausted and new drive started. People here are giving to very limit, but outside aid appears necessary in near-by localities. Red Cross leader, Mrs. B. M. Hoover, concurs in this.

R. G. BUSH,
Elkins Intermountain.

Mr. HATFIELD. Realizing that there are other States where the condition of the people and the finances of the State and local communities may not permit the taking care of the needy, and with a firm purpose in mind to be a party to legislation which can actually be enacted into law, I have presented the amendment which I trust will meet with the approval of a majority of the Members of this body as well as a majority of the other branch of Congress and, in addition thereto, the approval of the President of the United States.

I regret exceedingly that I was not in a position to offer the amendment until this late hour in the consideration of the pending legislation. I feel that if I had done so, in all probability I would have gathered about me more support and more sympathy for the amendment, which I not only believe to be sound, but meritorious, and which I believe will go farther toward the relief of the States in their entirety and within the local units of government, which will bring more relief and that, too, through the means of money expended for labor than has been utilized in the development of projects in the States and in the counties and on the highways.

I wish to comment upon a statement taken from the hearings of the Subcommittee on Manufactures. The Hon. George W. Welsh, city manager of Grand Rapids, Mich., in his testimony before the committee, after carefully outlining the methods adopted which have adequately taken care of the unemployed situation in that city, testified that they had projects started which it would take the better part of a year to complete. These projects are taking care of the unemployment situation in that city. He testified that the city had the credit and was willing to sell bonds provided a market could be found for them.

I quote further from the testimony of Mr. Welsh:

The CHAIRMAN. Can you tell the committee what standard of work relief is given to those who are receiving this direct aid?

Mr. WELSH. In Grand Rapids we insist that every able-bodied citizen asking for relief, after having a physical examination by our own physicians as to whether he is capable of doing heavy work or light work or no work at all, is required to perform some public work and give the relief that is necessary for his family.

* * * * * * *

Mr. CHAIRMAN. How many families or heads of families are receiving aid?

Mr. WELSH. At the present time heads of 3,660 families are working for their direct relief.

The CHAIRMAN. How does that compare with a year ago?

Mr. WELSH. It is greater.

The CHAIRMAN. How much?

Mr. WELSH. I should think close to one-third. We supplement what we are doing by seeing that those in need of relief are placed on public projects where we have money available for the projects. We do not encourage projects that do not give the maximum amount of labor.

The CHAIRMAN. What type of projects have you been undertaking?

Mr. WELSH. We have used many types of projects—improvement of parks, opening of dead-end streets, grading of unimproved streets, and so forth—where the work can be done without the expenditure of moneys for materials. We have laid over 10 miles of water mains, our water department paying for the mains out of their funds and we supplying the labor.

The $435,000 item mentioned previously was for the completion of trunk sewers.

We do no projects that can not be done with the maximum of labor and the minimum of material and equipment. In other words, our equipment consists almost entirely of wheelbarrows, shovels and picks, and planks to roll the wheelbarrows on, and in doing our park work using only such equipment as the city already possesses.

We had a very interesting experiment in the past month competing with the contractors on sewer projects, competing with the engineer's estimate of the cost of the job—something over $7,000. By using no machinery we have completed the job under the estimate of the engineers and have taken care of 40 families on that job.

* * * * * * *

Senator HATFIELD. How do you raise this money—by taxation or bond issue?

Mr. WELSH. Bond issue.

The CHAIRMAN. Is there any debt limit for cities in the State of Michigan?

Mr. WELSH. Yes.

The CHAIRMAN. What is the limit?

Mr. WELSH. We are well within our limit. The Michigan statute allows 10 per cent of the assessed valuation. That would allow

us, in Grand Rapids, something over $26,000,000, against which we have at the present time outstanding bonds, minus our sinking fund, a little over $9,000,000.

The CHAIRMAN. How much of those issues is due to the employment-relief program?

Mr. WELSH. Well, we are allowed to issue, under special State provision, one-fourth of 1 per cent for emergency relief—one-fourth of 1 per cent of our assessed valuation. On that basis we have issued something over $700,000 worth of bonds. We have issued $435,000 for sewer construction, and have just recently passed and will be asking for $1,750,000 to continue that program.

The CHAIRMAN. Are these new sewer projects, or are you relaying some of the old sewers?

Mr. WELSH. It is largely new. It is the completion of a sanitary system started some time ago.

Senator HATFIELD. When will that be completed?

Mr. WELSH. We figure that it will take the better part of a year or more if we get the money. We have to sell the bonds.

There is the picture, Mr. President, in the progressive State of Michigan and the wonderful city of Grand Rapids, showing how that city has been taking care of all its unemployed. They have done so in a way to enable the beneficiaries to feel that the food they receive, the clothing which is supplied them, and the shoes upon their feet are earned by honest toil.

So far as the issuance of bonds is concerned, what is the predicament in which States and municipalities find themselves at the present time? It is similar to that affecting the bonds of the Federal Government. The fact that West Virginia has redeemed her bonds before their maturity in each and every succeeding year up to 1930 is an excellent recommendation as to the standing of West Virginia in the financial world, and should be appreciated by those who are interested in the purchase of good, substantial bonds.

I quote further from the testimony of Mr. Welsh:

* * * * * * *

The CHAIRMAN. By the public works program?

Mr. WELSH. No; I believe——

The CHAIRMAN. Or do you mean by making available to the city money for made-work programs?

Mr. WELSH. I would not advocate the usual type of made-work programs, where a small amount of that appropriated goes for labor and a large amount goes for material. I believe that the plan we have tried out for two years in Grand Rapids could be extended to the States and to the National Government. I would make this army of unemployed a work army. I believe that the Government could find projects enough throughout the country to take these men out of the city—Mr. Ryerson's 10,000 single men—and put them on projects using labor only. The work that every one of our men does is on work that requires no outlay for material or machinery—just work they can do with shovels, wheelbarrows, picks, and planks to run wheelbarrows on. We have kept over 3,000 men employed every day.

We have been running over two years, and I believe it would be possible for the Government to do the same thing at the minimum of cost.

* * * * * * *

I believe the Government could do the same thing and perhaps encourage the States to carry some of the load.

Mr. President, the picture thus depicted by Mr. Welsh confronts us in the State of West Virginia, and I do not believe the conditions that confront West Virginia are different from those that face the people generally of this country. I think the experience we are having in that State is not unlike the experience other sections are having. In my candid judgment, what the local governments need, what the States need, is credit and not charity.

Continuing to read from Mr. Welsh's statement:

I would like to emphasize, as Mr. Dykstra has, that it is not so much a question of what have we done but what are we going to do. Are we going to be able to sell bonds? If the balance of the President's program has the effect of solving that problem, our city is in a position to carry on. We are not over our bonded limit. It has not been a tremendous tax burden because the bonds have been issued over a period of three years. It will be a burden three years from now. If we could be assured of sufficient money to amortize them over a period of 15 years, we would be prepared to go through this for the next three or four years.

But if the purpose of your bills is to hand us money, and we have to hand it out, it would disrupt the system we have at the present time, and perhaps the advertisement of the fact the Federal Government will spend this money will increase our load.

* * * * * * *

Senator COSTIGAN. You do recognize an immediate emergency in the Nation as a whole?

Mr. WELSH. Yes.

Senator COSTIGAN. Which calls for some form of national action?

Mr. WELSH. Yes; the responsibility can not be the municipality's alone.

Senator COSTIGAN. What the committee is now considering is an emergency program for the prevention of suffering and starvation. The long-time program to which you refer, of keeping the idle employed, is not necessarily inconsistent with the first suggestion, is it?

Mr. WELSH. Except that I think it would be better to employ them and let them earn the relief for their families than to give the relief and leave them idle; in other words, every dollar that we have raised by bond issue, outside of those families where there is no able-bodied breadwinner, has gone into groceries and fuel which have been converted through labor into relief. They have been earning what they have received. I think that some such plan as that is feasible, and your money would go farther.

Mr. President, the amendment which I have proposed will, to my mind, make possible relief in the form of employment for those skilled workers who, due to the present financial condition or the attitude of investors, have been unable to secure employment.

While it does not create a dole, it does permit those States whose people are in need to avail themselves of a facility whereby they may secure the funds which they need in order to take care of those who are suffering and in distress.

On the other hand, it does not force upon any State control over its people by Federal bureaus.

I sincerely hope, Mr. President, that those who are in sympathy with my idea looking toward relief in this rational way will either support the amendment I have proposed or some other measure in keeping with the suggestion I have made.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from West Virginia to the amendment in the nature of a substitute.

Mr. KING and Mr. LEWIS suggested the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Johnson	Robinson, Ind.
Austin	Couzens	Jones	Schall
Bailey	Cutting	Kean	Sheppard
Bankhead	Dale	Kendrick	Shipstead
Barbour	Dickinson	Keyes	Smith
Barkley	Dill	King	Smoot
Black	Fess	La Follette	Steiwer
Blaine	Fletcher	Lewis	Stephens
Borah	Frazier	Logan	Thomas, Idaho
Bratton	George	McGill	Thomas, Okla.
Brookhart	Glass	McKellar	Townsend
Broussard	Goldsborough	McNary	Trammell
Bulkley	Gore	Neely	Tydings
Bulow	Hale	Norbeck	Vandenberg
Byrnes	Harrison	Norris	Wagner
Capper	Hastings	Nye	Walcott
Caraway	Hatfield	Oddie	Walsh, Mass.
Carey	Hawes	Patterson	Walsh, Mont.
Connally	Hayden	Pittman	Watson
Coolidge	Hebert	Reed	Wheeler
Copeland	Hull	Robinson, Ark.	White

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment offered by the Senator from West Virginia to the amendment in the nature of a substitute.

Mr. ROBINSON of Arkansas. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. ROBINSON of Arkansas. Is the amendment of the Senator from West Virginia offered to the so-called substitute, or is it proposed to the original bill?

The VICE PRESIDENT. The Chair is informed that it is proposed to the substitute.

Mr. ROBINSON of Arkansas. I merely desire to point out to the Chair that the substitute itself begins:

Strike out all after the enacting clause and insert in lieu thereof the following.

And that the amendment of the Senator from West Virginia proposes to—

Strike out all after the enacting clause and insert in lieu thereof the following.

The VICE PRESIDENT. It should be, "In lieu of the language proposed to be inserted by the Senator from Alabama," and so forth.

Mr. ROBINSON of Arkansas. Yes; the Senator from West Virginia could make his motion in that way. He could present his amendment in such a way that it would be admissible; but I am just pointing out the fact that with one substitute pending, another substitute in the form that it is offered to the original bill is given priority by the action of the Chair.

The VICE PRESIDENT. The Chair had not read the amendment, but was advised that it was proposed to strike out——

Mr. ROBINSON of Arkansas. The amendment proposed by the Senator from West Virginia in the form in which it is presented is actually an amendment to the original bill. The language is this:

Amendment (in the nature of a substitute) intended to be proposed by Mr. HATFIELD to the bill (S. 3045) to provide for cooperation—

And so forth.

And the language of the amendment is:

Strike out all after the enacting clause and insert in lieu thereof the following.

The point I am making is that with one substitute for the original bill pending it is now proposed to consider and dispose of another substitute for the original bill. The amendment, of course, could be easily made to conform to the requirements of parliamentary practice. If the Senator from West Virginia desires to have it considered as an amendment to the substitute, he should propose to strike out something in the substitute and employ the language in his amendment in place of it.

The VICE PRESIDENT. The Senator from Arkansas is correct; but the Chair was under the impression that that motion was made when the amendment was offered from the floor.

Mr. HATFIELD. Mr. President, it was the intention of the Senator from West Virginia to offer an amendment to the original bill.

Mr. ROBINSON of Arkansas. That is the way I understood it, and that is the condition that the amendment is in.

Mr. HATFIELD. Will the Senator yield?

Mr. ROBINSON of Arkansas. Yes.

Mr. HATFIELD. I tried to make that point at the time I offered the amendment.

Mr. ROBINSON or Arkansas. I make the point of order that with a substitute for the original bill pending it is not in order to consider and dispose of another substitute for the original bill prior to the disposition of the first substitute.

The VICE PRESIDENT. The Chair sustains the point of order. Unless the Senator from West Virginia changes his amendment, the point of order is sustained.

Mr. HATFIELD. Mr. President, I made the suggestion originally that my amendment had to deal with the original bill, but the Chair ruled the other way.

The VICE PRESIDENT. The Senator is mistaken about that. The Chair clearly understood that the Senator stated that his amendment was offered as a substitute for the Black amendment.

Mr. HATFIELD. Mr. President, may I make a statement?

Mr. McNARY. Mr. President——

The VICE PRESIDENT. There is nothing before the Senate. The Chair has sustained the point of order made by the Senator from Arkansas.

Mr. ROBINSON of Arkansas. The question now is on the substitute?

The VICE PRESIDENT. The question now is on the Black amendment in the nature of a substitute.

Mr. McNARY. Mr. President, the Senator from West Virginia [Mr. HATFIELD] made his position very clear, in my opinion. The Chair held—and I was wondering if the Chair will still hold—that we must vote on all these substitutes and all these proposed amendments prior to the disposition by vote of the Black amendment.

The VICE PRESIDENT. That is the attitude of the Chair. That is provided for in Rule XVIII.

Mr. McNARY. Then this does not in any way involve other substitutes that are before the Senate or that may be presented.

The VICE PRESIDENT. It would if it were agreed to. If not agreed to, then it would not. The Senator from West Virginia could offer his amendment as a substitute for the Black amendment if he desired.

Mr. FESS. Mr. President, I think there was a misunderstanding a moment ago. The amendment offered by the Senator from West Virginia, which he called a substitute, would have applied to the main bill; but the other day we decided that we must perfect the main bill before we voted on the substitute. I think the Senator from West Virginia should have offered his amendment to the main bill and had that voted on first. The fact that it was offered to the substitute I think was an error, and I agree with the Senator from Arkansas and the ruling of the Chair.

Mr. HATFIELD. Mr. President, I came over here before the Senate convened this morning, bringing my amendment, feeling that I had an amendment that would apply to the original bill; and I was advised that I should have to offer it as a substitute for the Black amendment. Then I made the point when I rose from my seat here, and again it was ruled that I should offer the amendment to the Black amendment. I could do nothing other than follow the dictum laid down by the Chair.

The VICE PRESIDENT. Does the Senator offer his amendment as a substitute?

Mr. HATFIELD. I should like to offer the amendment when it is in order.

The VICE PRESIDENT. It is in order now.

Mr. HATFIELD. Then I offer it as a substitute, Mr. President.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from West Virginia in the nature of a substitute for the Black amendment.

The amendment, in the nature of a substitute, was rejected.

The VICE PRESIDENT. The question now is upon the so-called Black substitute. Upon that question the yeas and nays have been ordered.

Mr. WALSH of Montana. Mr. President, the Senate is now called upon to make a choice between the original bill and the substitute bill sponsored by the Senator from Alabama [Mr. BLACK], the Senator from Ohio [Mr. BULKLEY], and myself.

The original bill has been modified by the amendment offered by the Senator from Nebraska [Mr. NORRIS] so that both bills provide for an appropriation of $375,000,000 for road construction. In that respect they are identical. They likewise provide for an appropriation of $375,000,000 to be turned over to the States for relief work. They differ in this respect: In the original bill the amount is to be turned over to the States without any return at all to the Federal Government; and secondly, the administration of the relief is primarily in the hands of a board or bureau whose offices will be here in the city of Washington. The substitute provides for a loan of the amounts advanced to the States, to be returned by the States; and if not returned by the States, to be deducted from the amounts which shall hereafter be allocated to the States for road construction. So that the difference between the two bills is as between a loan and a gift to the States, as between administration in Washington and administration in the various States by their own organizations.

Mr. LA FOLLETTE. Let us have the yeas and nays, Mr. President.

The VICE PRESIDENT. The yeas and nays have been ordered. The question is on the so-called Black substitute. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BARKLEY (when his name was called). On this question I have a general pair with the senior Senator from Colorado [Mr. WATERMAN], who is absent. I am informed that if present he would vote "nay." If I were at liberty to vote, I should vote "yea."

Mr. BULOW (when his name was called). I have a pair with the senior Senator from New Hampshire [Mr. MOSES], who is absent. If he were present, he would vote "nay," and if I were at liberty to vote I should vote "yea." I withhold my vote.

Mr. JONES (when his name was called). I have a pair with the senior Senator from Virginia [Mr. SWANSON], who is necessarily absent. I find I can transfer that pair, however, to the junior Senator from Nebraska [Mr. HOWELL], and I do so. I vote "nay."

Mr. KING (when his name was called). Upon this vote I have a pair with the senior Senator from North Carolina [Mr. MORRISON], who, if present, would vote "nay." I withhold my vote.

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I therefore withhold my vote.

Mr. FESS (when Mr. MOSES's name was called). The senior Senator from New Hampshire [Mr. MOSES] is unavoidably detained from the Senate. If present and not paired, he would vote "nay."

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a pair with the senior Senator from Illinois [Mr. GLENN]. I understand that if he were present he would vote as I expect to vote, and therefore I desire to vote. I vote "nay."

The roll call was concluded.

Mr. GLASS. I have a general pair with the senior Senator from Connecticut [Mr. BINGHAM], and in his absence I withhold my vote.

I also desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is necessarily absent attending the disarmament conference at Geneva.

The junior Senator from Louisiana [Mr. LONG] is also necessarily absent, detained by business in his State.

Mr. GEORGE. My colleague the senior Senator from Georgia [Mr. HARRIS] is absent on account of illness. He has a pair. If he were present and permitted to vote, he would vote "yea."

Mr. FESS. I desire to announce that the senior Senator from Rhode Island [Mr. METCALF] is paired with the senior Senator from Georgia [Mr. HARRIS]. If the Senator from Rhode Island [Mr. METCALF] were present, he would vote "nay," and I am informed that if the senior Senator from Georgia were present he would vote "yea."

I also desire to announce that the junior Senator from California [Mr. SHORTRIDGE] is paired with the junior Senator from Louisiana [Mr. LONG]. If the Senator from California [Mr. SHORTRIDGE] were present, he would vote "nay," and I am informed that if the Senator from Louisiana [Mr. LONG] were present he would vote "yea."

I wish to announce also that if present the senior Senator from Connecticut [Mr. BINGHAM] would vote "nay."

The result was announced—yeas 31, nays 48, as follows:

YEAS—31

Ashurst	Connally	Hayden	Robinson, Ark.
Bankhead	Copeland	Hull	Sheppard
Black	Dill	Kendrick	Smith
Bratton	Fletcher	Lewis	Trammell
Broussard	George	McGill	Wagner
Bulkley	Gore	McKellar	Walsh, Mont.
Byrnes	Harrison	Oddie	Wheeler
Caraway	Hawes	Pittman	

NAYS—48

Austin	Dale	Keyes	Smoot
Bailey	Dickinson	La Follette	Steiwer
Barbour	Fess	McNary	Stephens
Blaine	Frazier	Neely	Thomas, Idaho
Borah	Goldsborough	Norbeck	Thomas, Okla.
Brookhart	Hale	Norris	Townsend
Capper	Hastings	Nye	Tydings
Carey	Hatfield	Patterson	Vandenberg
Coolidge	Hebert	Reed	Walcott
Costigan	Johnson	Robinson, Ind.	Walsh, Mass.
Couzens	Jones	Schall	Watson
Cutting	Kean	Shipstead	White

NOT VOTING—17

Barkley	Glenn	Long	Swanson
Bingham	Harris	Metcalf	Waterman
Bulow	Howell	Morrison	
Davis	King	Moses	
Glass	Logan	Shortridge	

So Mr. BLACK's amendment in the nature of a substitute as amended was rejected.

Mr. WALSH of Montana. Mr. President, I ask that the substitute just voted on may be printed as it was perfected by amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The bill is open to amendment.

Mr. HAYDEN. Mr. President, I offer an amendment to Title II affecting the text, the same matter as to which the substitute was perfected.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. In the reprint, on page 13, line 23, the Senator from Arizona proposes to strike out the words "and except that such amounts may be expended upon highways, streets, or bridges within the limits of municipalities without regard to the limitations contained in the Federal highway act, as amended, upon construction within municipalities" and to insert in lieu thereof "but the same may be used to meet the provisions of such act as to State funds required on Federal-aid projects, and except that in the expenditure of such sum the limitations contained in the Federal highway act, as amended, upon construction within municipalities of 2,500 or more population and upon the payments per mile which may be made from Federal funds shall not apply."

The VICE PRESIDENT. The Chair is advised that this amendment is offered to a provision of the bill which has already been amended, and before the amendment of the Senator from Arizona would be in order the vote by which the other amendment was agreed to should be reconsidered.

Mr. HAYDEN. I do not quite understand that. The bill was amended by adding certain language to Title II. Certainly that can be perfected.

The VICE PRESIDENT. This amendment is a part of the Norris amendment, which was agreed to.

Mr. HAYDEN. I am trying to perfect the Norris amendment. It seems to me it is entirely in order to do so.

The VICE PRESIDENT. It can be done by reconsidering the vote by which the Norris amendment was agreed to. Is there objection to a reconsideration?

Mr. NORRIS. Mr. President, I object to a reconsideration; but I would not object to a request for unanimous consent to consider the amendment of the Senator from Arizona.

Mr. HAYDEN. I ask unanimous consent that the amendment may be considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the question is on agreeing to the amendment offered by the junior Senator from Arizona [Mr. HAYDEN].

Mr. McKELLAR. Mr. President, will not the Senator from Arizona explain his amendment?

Mr. HAYDEN. Mr. President, I explained the amendment when it was offered as an amendment to the proposed substitute. The effect is to make clear and certain that we are making all the changes in the law necessary in order that money may be expended within municipalities. As the text now reads we take off the limitation as to the population, but do not take off the limitation as to the cost per mile; and my amendment would change the text in both those respects.

The VICE PRESIDENT. The question is on agreeing to the amendment.

On a division the amendment was rejected.

Mr. GORE. Mr. President, I desire to offer an amendment which may be out of order under the ruling of the Chair a moment ago. The amendment is to come on page 12, line 3. I desire to move to strike out the words "money or." The Senate expressed itself as to the amendment a few minutes ago. I desire to perfect the original bill by offering

the same amendment now. If necessary, I will ask unanimous consent that the amendment may be considered.

The VICE PRESIDENT. That amendment would be in order. The amendment offered by the Senator from Arizona was an amendment to an amendment which had been agreed to.

Mr. GORE. I offer the amendment.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. In the reprint, on page 12, line 3, the Senator from Oklahoma proposes to strike out the words "money or," so that it will read:

SEC. 12. The term "emergency relief," when used in this title with respect to State expenditures, means relief in the form of commodities furnished by the State or its civil subdivisions or by private contributions from within the State—

And so forth.

Mr. GORE. Mr. President, the Senate expressed itself on a similar amendment a few minutes ago, and I think this is in accord with the judgment and experience of social and welfare workers generally.

Mr. LA FOLLETTE. Mr. President, it is not the intention of the authors of this bill, nor is it contemplated that under the bill, if it should become a law, any money would be paid out directly in the form of a so-called dole. However, as many Senators know, there is a grave situation growing up so far as rents are concerned. In many of the communities relief has been so meager that it has been utterly impossible for the private or public relief agencies to pay any rents, except to stay eviction in a few cases. The result has been that in community after community the landlords themselves, receiving no income from rents from unemployed families, are drawing upon relief in their own right or in their own interest.

It was contemplated that under this section of the bill Federal cooperation would be permitted in meeting some of the burdens of unemployment relief other than the furnishing of commodities.

Another instance is the case of the payment of gas and electric bills. Where a relief agency is endeavoring to maintain a family and to hold them together it is perfectly absurd that the family should be given groceries and not have any gas or other fuel with which to cook them. They would have to eat them raw.

The only purpose of this phraseology in this section of the bill is to enable the State and local agencies which receive assistance from the Federal Government to pay out money for necessary fuel, light, and rent in those cases where it is absolutely essential in order to maintain the family and to keep it together.

I hope the amendment will be rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. WAGNER. Mr. President, in view of the fact that the Black amendment was amended in the course of the day to conform practically to the substitute which I had intended to offer, I shall not offer the substitute.

Mr. LEWIS. Mr. President, the amendment I have tendered takes the form of a substitute to the bill. I am informed by gentlemen that there are provisions in the act heretofore passed, known as the finance credit act, which cover the feature of the amendment. So I beg to withdraw it for the present.

The VICE PRESIDENT. The amendment is withdrawn.

Mr. TRAMMELL. Mr. President, on page 3 of the print of the bill now being used at the desk, in line 12, I desire to strike out the period after the word "it" and to insert the following: "and also a report giving the names of the employees engaged in administering the relief herein provided, the character of service performed by each, and the salary paid each."

This is an amendment similar to the one I proposed to the substitute which we were considering a few moments ago.

My idea is to have publicity given to the salaries paid these additional employees and the number employed. I think it is tragic, but it sometimes occurs, that in administering even relief funds a substantial part of the funds available is used to set up practically a "pie counter" for the purpose of giving a lot of people positions who are pets and favorites of those administering the funds.

This amendment will not check it entirely; but if we give publicity to those who are the beneficiaries of the fund in the way of salaries that are paid to them and also have an explanation as to the character of service they are rendering, I believe it will at least have a deterrent effect and will get a greater part of the funds into the hands of the needy and the helpless whom we are trying to assist. I hope the Senator will agree to the adoption of my amendment.

Mr. LA FOLLETTE. If the language of the Senator's amendment confines it to any employee of the Federal administration of the act, I shall be very glad to accept it; but I would like to have him repeat it, because under the set-up contemplated by the bill the administration and distribution of relief will be carried on by States and local agencies over which the Federal agency will not have sufficient control to get the information to furnish a report as to the activities which are going on in the various localities. Will the Senator please repeat the language of his amendment so I can make certain that it applies only to the employees who might be engaged by the board or the administerial officers?

Mr. TRAMMELL. On page 3 of the print being used at the desk, in line 15, after the word "it," strike out the period and insert:

And also a report giving the names of the employees engaged in administering the relief herein provided, the character of service performed by each, and the salary paid each.

Mr. LA FOLLETTE. I think, the way the language reads, it would require the board to submit monthly a list of all employees of the relief agencies, both public and private, in every community which is receiving any assistance. I will say frankly to the Senator that I would welcome his amendment if he would confine it to the Federal bureau and the board, because I think his amendment is very sound in that respect. But under the set-up contemplated by the bill, the moment the general plan submitted by a State for the distribution of funds is approved, those funds will pass into the hands of the States and local authorities and the Federal board will no longer have any knowledge of the employees who are administering them or of the services they are performing. If the Senator would insert the word "its," so as to require the reporting of the names of "its employees," then I think it would take care of the matter; that is, it would apply to the employees of the board and of the administrative officers.

Mr. TRAMMELL. Of course, I appreciate the situation in regard to this being a monthly report. As far as the question of the application of the amendment is concerned, I think it would be decidedly better if it applied also to the State employees and the people operating in the States.

Mr. LA FOLLETTE. That might be true; but under the set-up contemplated by the bill there is such a minimum of Federal supervision involved that when, for instance, the set-up in the State of Florida proposed by the State is approved and the money apportioned, the Federal board will not know the names of any of the public or private relief forces in that State. It would be impossible, without a tremendous amount of red tape, for them to make such a report. I would be very glad if the Senator would confine it to the Federal bureau, because they, in my judgment, will have very few employees engaged in the work once the set-ups are approved. The amendment will be worth while then, I think.

Mr. TRAMMELL. I think I can meet the objection by striking out the word "the" and inserting the word "its," so it will read:

And also a report giving the names of its employees engaged in administering the relief herein provided and the character of the services performed by each and the salary paid to each.

Mr. LA FOLLETTE. I have no objection.

Mr. TRAMMELL. I will accept the suggestion; but so far as the expenditure of the money is concerned, the Federal

Government and the American taxpayers are making this contribution. It is going into the hands of the States to be administered and I believe there should be some report of the distribution of the money. I know of no better information to obtain than information concerning the people who are drawing salaries in administering it. In the States throughout the Union a very large majority of the officers and those who may be administering the fund will be honest and conscientious and economical under the circumstances, but there will be some who will be found to be otherwise. I have seen public funds wasted in almost every State in the Union by people who have had a lot of money turned over to them for some public purpose without any restrictions or any limitations. Some employees will not be deterred by the sacredness of the trust.

I know in certain localities in the country following great disasters, when a nation-wide appeal was made for assistance to help those in distress, to help those who were in need of food and raiment, and when the American people generously sent in their funds for that purpose, some of those administering the fund lived lavishly and luxuriously at public expense and limited the poor person that needed assistance to $1.50 or $2 a week.

They spent a great deal of time and money unnecessarily running around in Packard or Cadillac automobiles, stopping at the finest hotels in the city, and building up enormous expense accounts against the funds contributed by the generous-hearted people of the country which they were instructed to expend for the relief of a stricken people. There will be some of that done in connection with this fund unless we put some restriction upon it in the way I have suggested. I know in the main agents disbursing such relief funds are not guilty of such diversion and waste of funds, but there are some, and it is to somewhat check them that I have made this proposal.

Mr. LA FOLLETTE. I merely wish to point out to the Senator from Florida that this bill is under attack on the one hand from those who contend that there is altogether too much Federal authority vested in the relief board and that it means, according to the misinterpretation, as I conceive it, that they put upon the language, the establishment of a great bureaucracy here which will stand in the way of getting this money into the communities where it is needed.

On the other hand, the bill is under attack from those who believe we have not provided for sufficient supervisory power and control on the part of the Federal Government. I wish frankly to say to the Senator from Florida that if the authors of the bill have erred they have erred on the side of not providing a sufficient amount of Federal control over the administration of these funds. I hope the Senator will remember that we are in an emergency and if we grant the necessity for action we must take the risk that goes with local and State administration and the speed with which it may be gotten into operation.

Under the terms of the bill as it stands, once a general plan submitted by a State for the distribution of funds has been approved, the funds will immediately pass into the hands of the State and local public and private agencies, where they may be distributed; and the board itself will not be aware, as I said before, of the personnel of the administration provided by the State and the local communities. Therefore, while I think the suggestion made by the Senator might be an excellent one if we were setting up an organization to provide this relief directly from a Federal bureau, yet in view of the fact that we are not, in view of the fact that great administrative discretion is left with the States and the localities, then it is impractical for the Federal bureau to furnish information concerning the personnel employed by the local communities and by the State governments. Therefore I suggested to the Senator that he confine it to employees of the Federal board.

Mr. TRAMMELL. I appreciate the urgency of the situation, I hope, just as much as my good friend from Wisconsin. We might have a little different manner and way of approaching the subject of relief. This is not a matter of giving control by the national board over the State authorities, but it is merely a matter of information to be transmitted to the board and then transmitted to the Congress. It is for the information of Congress, that we may know how the local authorities in the States are administering this charity which has been extended on the part of the Congress as representatives of the taxpayers, the American people, to assist in their relief.

So far as the question of time is concerned, it will not take a great deal of time. I had a little experience once some years ago when I saw a policy similar to this requiring reports as to employees under a special fund. It was contended it would take too much time and too much money and that it could not possibly be furnished. The fight was made along that line, but we succeeded in passing the legislation with such a provision in it, and a great many people were of the impression that it resulted in saving considerable money to the State. I want to save all of this money I can for those who are in need of food, in need of raiment, in need of shelter. I do not want a lot of it probably wasted by people who merely desire to put themselves or their friends into soft snaps in the way of jobs.

So far as the question of the centralization of power in the administration of a national board over State authorities is concerned, I favor the State authorities every time. Yet there should be some restriction thrown around them in a case like this. Almost every day we have illustrations here in Washington of, we might say, absolutely reckless disregard of the interests of the States as manifested through the bureaucracies here.

We also have had illustrations of an utter lack of knowledge of local situations. I have just been reading to-day the regulations promulgated by the Department of Agriculture in connection with the $50,000,000 fund provided for loans to farms.

When I read them, knowing a little about conditions in my own State, I was impressed that the people here in the Department of Agriculture know nothing about Florida and conditions in Florida. They provide for a loan of not exceeding $25 an acre to a truck farmer for his fertilizer, seed, and everything he needs to make a crop. At a conference, attended by other Senators and myself, with the Secretary of Agriculture I informed him that was inadequate, and yet the department insists upon that ridiculously small sum. Anybody that knows anything about vegetable farming and truck farming in a State where fertilizer is used will know that such a sum is absolutely inadequate for most of the crops produced. A loan of that amount will be of little or no service to the farmers of my State.

This is just an illustration of the working of a bureau in Washington. We see instances of this kind almost every day, exhibiting evidence of a lack of knowledge and lack of appreciation of the situation back in the States.

I favor a "back to the States" administration of every possible kind, but I think if we have a little light from the State agencies as to how much of this public fund they are spending for salaries it will probably be a slight warning to anyone who may be tempted to be luxurious in the payment of salaries. There will be a lot of pets and hangers-on, people loafing around the States always looking for a little public "pap," who will want to get on the pay roll in connection with this fund. I know that most of those back in the States intrusted with this sacred obligation will be true to the trust, but not all of them will be so trustworthy and honest.

Mr. BLACK. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Alabama?

Mr. TRAMMELL. I yield.

Mr. BLACK. I invite the attention of the Senator to section 11 because the statement is made that the board approves the set-up of the State; that ends it. As a matter of fact, the State has to work under rules and regulations prescribed by the bureau in Washington under the terms of the bill. Not only that but they have to make a report, including a report of all expenditures.

May I call the Senator's attention to these words:

Each State agency cooperating with the board under the provisions of this act shall make such reports concerning its operations and expenditures as shall be prescribed or requested by the board. The board may revoke any existing certificate—

The certificate is what the State gets its money under—

The board may revoke any existing certificate or withhold any further certificate—

Which means money—

provided for in section 9 whenever it shall determine as to any State, that the State agency has not properly expended or supervised the expenditure of moneys paid to it in accordance with the plans approved under this title.

So, instead of it not requiring a report to be made by the State, it still requires the State to work under rules and regulations prescribed by this Washington board, which knows as little about the situation in the State as the Agricultural Department knows of fertilizer necessities in Florida.

Mr. TRAMMELL. Mr. President, I move the adoption of the amendment as it has been offered.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Florida. [Putting the question.] The Chair is in doubt.

On a division the amendment was agreed to.

The VICE PRESIDENT. The bill is before the Senate, and open to amendment.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate several messages from the President of the United States, submitting and withdrawing certain nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORT OF THE DIRECTOR GENERAL OF RAILROADS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Interstate Commerce:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Director General of Railroads for the calendar year 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *February 15, 1932.*

[NOTE.—Report accompanied similar message to the House of Representatives.]

RELIEF OF UNEMPLOYMENT

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. LA FOLLETTE. Mr. President, may I inquire, does the Senator from Oregon desire to proceed farther to-night? The Senator from Michigan [Mr. COUZENS] has a substitute which he desires to offer and debate, and before the final vote comes I should like to have the indulgence of the Senate. I doubt if we could finish within the next hour or two, and a number of Senators have indicated that they are not able to remain here this evening.

Mr. McNARY. Mr. President, the choice of remaining or departing always abides, of course, with the majority of the body. On Friday when I asked for a unanimous-consent agreement to vote on the bill not later than 7 o'clock to-night and that was denied, while in no way disappointed, I did say that I hoped the Senate would remain in session to-day until we reached a final vote on the bill. Inasmuch as it is only a little after 5 o'clock, I think perhaps we could conclude the discussion and reach a final vote by 6 o'clock or thereabouts. In view of the position which I took on Friday as to a vote to-day, and the fact that all Senators had notification that they should be present and remain here until the bill was completed, I do not feel, in the absence of any expression of Senators, that I should voluntarily ask at this time for a recess.

The VICE PRESIDENT. The bill is before the Senate and open to amendment.

RECESS

Mr. LA FOLLETTE. I move that the Senate take a recess until 12 o'clock to-morrow.

The VICE PRESIDENT. The question is on the motion of the Senator from Wisconsin.

The motion was agreed to; and (at 5 o'clock and 24 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, February 16, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 15 (legislative day of February 5), 1932

SECRETARIES IN THE DIPLOMATIC SERVICE

Robert B. Streeper, of Ohio, now a Foreign Service officer of class 8 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

Andrew G. Lynch, of New York, now a Foreign Service officer (unclassified) and a vice consul of career, to be also a secretary in the Diplomatic Service of the United States of America.

FOREIGN SERVICE OFFICER (UNCLASSIFIED), VICE CONSUL OF CAREER, AND SECRETARY IN THE DIPLOMATIC SERVICE

George W. Renchard, of Michigan, to be a Foreign Service officer (unclassified), a vice consul of career, and a secretary in the Diplomatic Service of the United States of America.

ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

Benjamin Nathan Cardozo, of New York, to be an Associate Justice of the Supreme Court of the United States.

POSTMASTERS

ALABAMA

Odies M. Carr to be postmaster at Dawson, Ala. Office became presidential July 1, 1931.

John W. Brasfield to be postmaster at Dora, Ala., in place of J. W. Brasfield. Incumbent's commission expired February 2, 1932.

Dyer T. Dew to be postmaster at Trussville, Ala., in place of A. J. Bass, jr., deceased.

ALASKA

Brigham Y. Grant to be postmaster at Wrangell, Alaska, in place of J. W. Stedman, removed.

ARIZONA

J. Lee Conrad to be postmaster at Scottsdale, Ariz., in place of J. L. Conrad. Incumbent's commission expired January 11, 1932.

CALIFORNIA

James H. Whitaker to be postmaster at Anaheim, Calif., in place of J. H. Whitaker. Incumbent's commission expired January 11, 1932.

Leo G. Pauly to be postmaster at Bakersfield, Calif., in place of R. L. Curran, resigned.

Ruth E. Powell to be postmaster at Claremont, Calif., in place of R. E. Powell. Incumbent's commission expired January 11, 1932.

William P. Nye to be postmaster at Covina, Calif., in place of W. P. Nye. Incumbent's commission expired January 11, 1932.

Theodore J. Brown to be postmaster at Hynes, Calif., in place of T. J. Brown. Incumbent's commission expired December 17, 1931.

Fred F. Darcy to be postmaster at Montebello, Calif., in place of F. F. Darcy. Incumbent's commission expired January 11, 1932.

George W. Archer to be postmaster at Norwalk, Calif., in place of G. W. Archer. Incumbent's commission expired January 11, 1932.

Presley E. Berger to be postmaster at Ontario, Calif., in place of P. E. Berger. Incumbent's commission expired January 11, 1932.

Marjorie G. Bray to be postmaster at Tranquillity, Calif., in place of W. J. Williams, deceased.

COLORADO

Paul P. Huston to be postmaster at Calhan, Colo., in place of P. P. Huston. Incumbent's commission expired December 17, 1931.

Emma B. Champie to be postmaster at Kersey, Colo., in place of E. B. Champie. Incumbent's commission expires February 27, 1932.

Lillian D. Watson to be postmaster at Louisville, Colo., in place of L. D. Watson. Incumbent's commission expired January 10, 1932.

Leona E. Backus to be postmaster at Two Buttes, Colo., in place of L. E. Backus. Incumbent's commission expired December 15, 1931.

James C. Wilson to be postmaster at Yampa, Colo., in place of J. C. Wilson. Incumbent's commission expired January 27, 1932.

CONNECTICUT

William P. Leete to be postmaster at North Haven, Conn., in place of W. P. Leete. Incumbent's commission expired December 19, 1931.

Harry Muir to be postmaster at Thomaston, Conn., in place of Harry Muir. Incumbent's commission expired December 19, 1931.

William C. Saunders to be postmaster at Waterford, Conn., in place of W. C. Saunders. Incumbent's commission expired December 19, 1931.

DELAWARE

Rhubert R. German to be postmaster at Delmar, Del., in place of R. R. German. Incumbent's commission expired February 10, 1931.

FLORIDA

Alice Wells to be postmaster at Port Orange, Fla., in place of J. L. Pattillo. Incumbent's commission expired March 3, 1931.

GEORGIA

Mary L. Burch to be postmaster at Eastman, Ga., in place of M. L. Burch. Incumbent's commission expired December 20, 1930.

Arthur G. Williams to be postmaster at Jesup, Ga., in place of L. O. Strickland. Incumbent's commission expired December 22, 1930.

Kenneth E. Stapleton to be postmaster at Lakeland, Ga., in place of J. W. Berryhill. Incumbent's commission expired June 3, 1930.

Minnie E. Giddens to be postmaster at Willacoochee, Ga., in place of M. E. Giddens. Incumbent's commission expired December 17, 1930.

Theodore R. Berry to be postmaster at Young Harris, Ga., in place of F. C. Berry, resigned.

HAWAII

Bert D. Chilson to be postmaster at Hilo, Hawaii, in place of B. D. Chilson. Incumbent's commission expires February 27, 1932.

ILLINOIS

Frank Willey, sr., to be postmaster at Alto Pass, Ill., in place of Frank Willey, jr., deceased.

Herbert D. Short to be postmaster at Coffeen, Ill., in place of H. D. Short. Incumbent's commission expired January 10, 1932.

William W. Taylor to be postmaster at Divernon, Ill., in place of W. W. Taylor. Incumbent's commission expired January 10, 1932.

Sibyl J. Stanley to be postmaster at Keithsburg, Ill., in place of S. J. Stanley. Incumbent's commission expires February 27, 1932.

Roy C. Hallowell to be postmaster at La Harpe, Ill., in place of R. C. Hallowell. Incumbent's commission expired February 2, 1932.

William R. Cale to be postmaster at London Mills, Ill., in place of C. E. Reed. Incumbent's commission expired May 18, 1930.

Elwood Barker to be postmaster at McLeansboro, Ill., in place of Ralph Proctor. Incumbent's commission expired January 7, 1930.

George E. Whitmore to be postmaster at Mendota, Ill., in place of G. E. Whitmore. Incumbent's commission expired January 10, 1932.

Ethel Gates to be postmaster at Pocahontas, Ill., in place of Ethel Gates. Incumbent's commission expired February 8, 1932.

Arthur M. Smith to be postmaster at Stockton, Ill., in place of A. M. Smith. Incumbent's commission expired January 27, 1932.

INDIANA

John T. Clapp to be postmaster at Beech Grove, Ind., in place of J. T. Clapp. Incumbent's commission expired January 13, 1932.

Arvel I. Martin to be postmaster at Ramsey, Ind., in place of C. C. Davis, removed.

Walter W. Creviston to be postmaster at Van Buren, Ind., in place of E. D. Bradford, resigned.

IOWA

Ethel Carl to be postmaster at Bennett, Iowa, in place of Elda Bendigkeit, removed.

Harvey E. Daines to be postmaster at Buffalo, Iowa. Office became presidential July 1, 1931.

Fritz H. Schulte to be postmaster at Kensett, Iowa, in place of H. S. Bliss, resigned.

Betty A. Thies to be postmaster at Minden, Iowa, in place of John Geiger, deceased.

David H. Mueller to be postmaster at Mount Vernon, Iowa, in place of A. A. Bauman, deceased.

Edward K. Pitman to be postmaster at Northwood, Iowa, in place of W. R. Christiansen, resigned.

Bessie M. Rice to be postmaster at Urbana, Iowa, in place of B. M. Rice. Incumbent's commission expired December 17, 1931.

Jessie E. D. Palmer to be postmaster at Walnut, Iowa, in place of J. E. D. Palmer. Incumbent's commission expired December 19, 1931.

Chester M. Burnside to be postmaster at Waucoma, Iowa, in place of C. M. Burnside. Incumbent's commission expired February 2, 1932.

KANSAS

Ella M. Greason to be postmaster at Atwood, Kans., in place of E. M. Greason. Incumbent's commission expired December 19, 1931.

Joseph A. McDowell to be postmaster at Jetmore, Kans., in place of John Irving. Incumbent's commission expired February 16, 1931.

Frank A. Moore to be postmaster at Tribune, Kans., in place of F. A. Moore. Incumbent's commission expired January 10, 1932.

Russel R. Bechtelheimer to be postmaster at Ulysses, Kans., in place of R. R. Bechtelheimer. Incumbent's commission expired January 25, 1932.

KENTUCKY

William E. Keller to be postmaster at Eminence, Ky., in place of C. E. Ransdell. Incumbent's commission expired December 19, 1931.

Edna M. Jolly to be postmaster at Mentor, Ky., in place of E. M. Jolly, deceased.

John S. Marksbury to be postmaster at Williamstown, Ky., in place of J. S. Marksbury. Incumbent's commission expired June 3, 1930.

LOUISIANA

William T. Kent to be postmaster at De Quincy, La., in place of W. W. Grimes. Incumbent's commission expired December 14, 1930.

MAINE

Lester E. Goud to be postmaster at Topsham, Me., in place of L. E. Goud. Incumbent's commission expired February 10, 1932.

MARYLAND

William J. Lyon to be postmaster at Hughesville, Md., in place of W. J. Lyon. Incumbent's commission expired January 10, 1932.

Mary W. Tise to be postmaster at Hyattsville, Md., in place of M. W. Tise. Incumbent's commission expired December 17, 1931.

Napoleon T. Nelson to be postmaster at Trappe, Md., in place of N. T. Nelson. Incumbent's commission expires February 29, 1932.

MASSACHUSETTS

William R. Farrington to be postmaster at Middleboro, Mass., in place of W. R. Farrington. Incumbent's commission expired December 15, 1931.

Palmer J. Lord to be postmaster at Petersham, Mass., in place of P. J. Lord. Incumbent's commission expired January 13, 1932.

MICHIGAN

William H. Reynolds to be postmaster at Alpena, Mich., in place of H. B. McCain, resigned.

Norman J. Laskey to be postmaster at Milan, Mich., in place of N. J. Laskey. Incumbent's commission expired January 31, 1932.

MINNESOTA

Cart G. Hurtig to be postmaster at Buffalo Lake, Minn., in place of C. G. Hurtig. Incumbent's commission expired March 1, 1931.

John S. Stensrud to be postmaster at Canby, Minn., in place of J. S. Stensrud. Incumbent's commission expired March 3, 1931.

Claus H. Lepler to be postmaster at Clara City, Minn., in place of C. H. Lepler. Incumbent's commission expired February 17, 1931.

Francis P. Kielty to be postmaster at De Graff, Minn., in place of F. P. Kielty. Incumbent's commission expired February 28, 1931.

Cora Thorson to be postmaster at Echo, Minn., in place of Cora Thorson. Incumbent's commission expired February 4, 1932.

Wilbert G. Lammers to be postmaster at Fairfax, Minn., in place of W. G. Lammers. Incumbent's commission expired February 4, 1932.

Clara S. Wollan to be postmaster at Glenwood, Minn., in place of G. C. Wollan, deceased.

Frank H. Groetsch to be postmaster at Green Isle, Minn., in place of F. H. Groetsch. Incumbent's commission expired January 10, 1932.

Jacob Gish to be postmaster at Le Sueur, Minn., in place of Jacob Gish. Incumbent's commission expired January 18, 1932.

James H. Phelps to be postmaster at Litchfield, Minn., in place of J. H. Phelps. Incumbent's commission expired February 28, 1931.

Ole E. Nelson to be postmaster at Marietta, Minn., in place of O. E. Nelson. Incumbent's commission expired April 15, 1930.

Haldor G. Johnson to be postmaster at Minneota, Minn., in place of H. G. Johnson. Incumbent's commission expired December 18, 1929.

Harry N. Nordholm to be postmaster at Red Wing, Minn., in place of H. N. Nordholm. Incumbent's commission expired February 4, 1932.

Arthur H. Rowland to be postmaster at Tracy, Minn., in place of A. H. Rowland. Incumbent's commission expired January 21, 1930.

Anton B. Trana to be postmaster at Vining, Minn., in place of T. H. Froslee. Incumbent's commission expired December 17, 1930.

MISSISSIPPI

Robert H. Redus to be postmaster at Starkville, Miss., in place of F. H. Powers, removed.

MISSOURI

Jerry Cantlon to be postmaster at Clarksburg, Mo., in place of J. W. Ralston, removed.

Joseph Q. Martin to be postmaster at Huntsville, Mo., in place of J. Q. Martin. Incumbent's commission expired January 13, 1932.

Joseph C. Forshee to be postmaster at Ironton, Mo., in place of J. C. Forshee. Incumbent's commission expired January 13, 1932.

Ethel I. Kehr to be postmaster at Marthasville, Mo., in place of E. I. Kehr. Incumbent's commission expired January 31, 1932.

Beryl S. Littrell to be postmaster at Mendon, Mo., in place of B. S. Littrell. Incumbent's commission expired February 6, 1932.

Charles A. Bathgate to be postmaster at Polo, Mo., in place of C. S. Jones, deceased.

Archie T. Hollenbeck to be postmaster at Westplains, Mo., in place of A. T. Hollenbeck. Incumbent's commission expired January 13, 1932.

MONTANA

Isaac L. Brooks to be postmaster at Culbertson, Mont., in place of I. L. Brooks. Incumbent's commission expired December 19, 1931.

NEBRASKA

Mary L. Simmons to be postmaster at Bloomfield, Nebr., in place of M. L. Simmons. Incumbent's commission expired December 19, 1931.

Elva J. Fitzgerald to be postmaster at Elm Creek, Nebr., in place of E. J. Fitzgerald. Incumbent's commission expired January 9, 1932.

Dollie W. Hyndshaw to be postmaster at Thedford, Nebr., in place of D. W. Hyndshaw. Incumbent's commission expired January 11, 1932.

George F. McMullen to be postmaster at Walthill, Nebr., in place of G. F. McMullen. Incumbent's commission expired February 14, 1931.

NEVADA

Philomena M. Borrego to be postmaster at Austin, Nev., in place of P. M. Borrego. Incumbent's commission expired December 19, 1931.

John C. Foster to be postmaster at Lovelock, Nev., in place of J. C. Foster. Incumbent's commission expired January 25, 1931.

NEW JERSEY

Annie E. Hoffman to be postmaster at Allenhurst, N. J., in place of A. E. Hoffman. Incumbent's commission expired January 22, 1931.

William T. Birkhead to be postmaster at Beverly, N. J., in place of W. T. Birkhead. Incumbent's commission expired December 15, 1931.

Horace Ricker to be postmaster at Bloomingdale, N. J., in place of Horace Ricker. Incumbent's commission expired February 28, 1931.

John T. Boyd to be postmaster at Greystone Park, N. J., in place of J. T. Boyd. Incumbent's commission expired March 3, 1931.

Walter F. Hoagland to be postmaster at Kenilworth, N. J., in place of A. J. Halladay, resigned.

Frieda M. Arthur to be postmaster at Pequannock, N. J. Office became presidential July 1, 1931.

John A. Smith to be postmaster at Wrightstown, N. J., in place of J. A. Smith. Incumbent's commission expired December 19, 1931.

NEW YORK

Giles B. Schermerhorn to be postmaster at Ausable Chasm, N. Y., in place of G. B. Schermerhorn. Incumbent's commission expired January 28, 1931.

Edgar F. Cummings to be postmaster at Beacon, N. Y., in place of E. F. Cummings. Incumbent's commission expired February 10, 1932.

James T. McLain to be postmaster at Center Moriches, N. Y., in place of J. T. McLain. Incumbent's commission expired December 19, 1931.

William S. Keene to be postmaster at Cold Spring Harbor, N. Y., in place of W. S. Keene. Incumbent's commission expired December 19, 1931.

William W. Baldwin to be postmaster at Downsville, N. Y., in place of W. W. Baldwin. Incumbent's commission expired December 19, 1931.

Frank O. Persons to be postmaster at East Aurora, N. Y., in place of F. O. Persons. Incumbent's commission expired February 11, 1931.

George H. P. Hackett to be postmaster at Ferndale, N. Y., in place of G. H. P. Hackett. Incumbent's commission expired January 31, 1932.

Hugh A. Prentice to be postmaster at Gainesville, N. Y., in place of H. A. Prentice. Incumbent's commission expired January 31, 1932.

William A. Patterson to be postmaster at Gansevoort, N. Y., in place of W. A. Patterson. Incumbent's commission expired January 10, 1932.

Walter J. Burke to be postmaster at Mineville, N. Y., in place of W. J. Burke. Incumbent's commission expired December 19, 1931.

Ruby C. Williams to be postmaster at New Lebanon, N. Y., in place of R. C. Williams. Incumbent's commission expired December 19, 1931.

Traver H. Garlic to be postmaster at North Rose, N. Y., in place of T. H. Garlic. Incumbent's commission expired March 3, 1931.

William J. Pike to be postmaster at Sanborn, N. Y., in place of W. J. Pike. Incumbent's commission expired February 4, 1932.

Truman E. Brown to be postmaster at Wells, N. Y., in place of A. R. Earley. Incumbent's commission expired December 11, 1930.

John H. Joyner to be postmaster at White Sulphur Springs, N. Y., in place of C. W. Joyner, deceased.

NORTH CAROLINA

James H. Darden to be postmaster at Faison, N. C., in place of J. H. Darden. Incumbent's commission expired January 5, 1932.

Genevieve Murray to be postmaster at Nazareth, N. C., in place of G. A. Woods, resigned.

Walter Thompson to be postmaster at Saluda, N. C., in place of C. L. Hill, deceased.

Jeremiah C. Meekins, jr., to be postmaster at Washington, N. C., in place of J. C. Meekins, jr. Incumbent's commission expired February 2, 1932.

NORTH DAKOTA

Selmer Erfjord to be postmaster at Buxton, N. Dak., in place of Selmer Erfjord. Incumbent's commission expires February 17, 1932.

Catherine Lynch to be postmaster at Lakota, N. Dak., in place of Catherine Lynch. Incumbent's commission expired December 19, 1931.

Martin E. Larson to be postmaster at Marion, N. Dak., in place of M. E. Larson. Incumbent's commission expired February 14, 1931.

OHIO

Kenneth H. Underwood to be postmaster at Caledonia, Ohio, in place of E. C. Howser, resigned.

Elizabeth McNaught to be postmaster at Frazeysburg, Ohio, in place of Elizabeth McNaught. Incumbent's commission expired January 27, 1932.

Norman B. Ervin, jr., to be postmaster at Gibsonburg, Ohio, in place of N. B. Ervin, jr. Incumbent's commission expired February 8, 1932.

John McCleery to be postmaster at Masury, Ohio, in place of John McCleery. Incumbent's commission expired December 17, 1931.

Clyde E. Loomis to be postmaster at Orwell, Ohio, in place of W. H. Aickin, resigned.

James E. Simpson, jr., to be postmaster at Racine, Ohio, in place of J. E. Simpson, jr. Incumbent's commission expired January 10, 1932.

Olive Toland to be postmaster at Rayland, Ohio, in place of Olive Toland. Incumbent's commission expired December 17, 1931.

Leonidas A. Smith to be postmaster at Ridgeway, Ohio, in place of L. A. Smith. Incumbent's commission expired January 10, 1931.

OKLAHOMA

William S. Wilhite to be postmaster at Butler, Okla., in place of W. S. Wilhite. Incumbent's commission expired December 15, 1931.

Lee R. Johnson to be postmaster at Olustee, Okla., in place of L. R. Johnson, resigned.

Bert Redmon to be postmaster at Sallisaw, Okla., in place of W. A. Peters. Incumbent's commission expired January 18, 1931.

PENNSYLVANIA

Arthur J. Nagle to be postmaster at Allentown, Pa., in place of A. J. Nagle. Incumbent's commission expired March 1, 1931.

John F. Schwarztrauber to be postmaster at Archbald, Pa., in place of J. F. Schwarztrauber. Incumbent's commission expired January 13, 1932.

Edward W. Armstrong to be postmaster at Athens, Pa., in place of A. R. Brown, deceased.

William Brice, jr., to be postmaster at Bedford, Pa., in place of William Brice, jr. Incumbent's commission expired January 18, 1932.

Robert P. Habgood to be postmaster at Bradford, Pa., in place of R. P. Habgood. Incumbent's commission expires February 16, 1932.

Sarah E. Richey to be postmaster at Carmichaels, Pa., in place of S. E. Richey. Incumbent's commission expired January 18, 1932.

Daniel J. Turner to be postmaster at Clarksville, Pa., in place of D. J. Turner. Incumbent's commission expires February 28, 1932.

John D. Gerhart to be postmaster at East Greenville, Pa., in place of J. D. Gerhart. Incumbent's commission expired January 10, 1932.

John M. Thompson to be postmaster at Elizabeth, Pa., in place of J. M. Thompson. Incumbent's commission expired January 10, 1932.

Fred L. Webster to be postmaster at Emporium, Pa., in place of F. L. Webster. Incumbent's commission expired January 18, 1932.

John C. Chamberlain to be postmaster at Everett, Pa., in place of J. C. Chamberlain. Incumbent's commission expired January 23, 1932.

Esther E. Raymond to be postmaster at Genesee, Pa., in place of R. H. Ingraham, deceased.

Edward E. Fricker to be postmaster at Glenside, Pa., in place of E. E. Fricker. Incumbent's commission expired January 14, 1932.

Edwin B. Heckler to be postmaster at Harleysville, Pa., in place of E. B. Heckler. Incumbent's commission expired January 10, 1932.

Gene M. Bisignani to be postmaster at Jessup, Pa., in place of G. M. Bisignani. Incumbent's commission expired January 18, 1932.

Samuel J. Matthews to be postmaster at Olyphant, Pa., in place of S. J. Matthews. Incumbent's commission expired January 13, 1932.

Nora L. Pickering to be postmaster at Peckville, Pa., in place of N. L. Pickering. Incumbent's commission expired January 13, 1932.

Huldah M. Greenawalt to be postmaster at Shiremanstown, Pa. Office became presidential July 1, 1930.

Harry L. Kelley to be postmaster at Slippery Rock, Pa., in place of H. L. Kelley. Incumbent's commission expired February 10, 1932.

Maurice F. O'Connell to be postmaster at Susquehanna, Pa., in place of M. F. O'Connell. Incumbent's commission expired January 14, 1932.

Samuel B. Simonton to be postmaster at Swineford, Pa., in place of S. B. Simonton. Incumbent's commission expired December 17, 1930.

Carrie Saar to be postmaster at Waverly, Pa., in place of Annie Smith, resigned.

Frances H. Diven to be postmaster at West Bridgewater, Pa., in place of F. H. Diven. Incumbent's commission expires February 28, 1932.

PORTO RICO

Antonio Miro to be postmaster at Jayuya, P. R. Office became presidential July 1, 1931.

SOUTH CAROLINA

Dora C. Folk to be postmaster at Brunson, S. C., in place of D. C. Folk. Incumbent's commission expired January 16, 1932.

David H. Taylor to be postmaster at Cameron, S. C., in place of D. H. Taylor. Incumbent's commission expired January 16, 1932.

Carl M. Norton to be postmaster at Estill, S. C., in place of C. M. Norton. Incumbent's commission expired January 16, 1932.

Oleda H. Garrett to be postmaster at North Charleston, S. C., in place of R. L. Henderson, deceased.

Robert E. Ragsdale to be postmaster at Pelzer, S. C., in place of R. E. Ragsdale. Incumbent's commission expired December 17, 1931.

SOUTH DAKOTA

Charles H. Hornbeck to be postmaster at Centerville, S. Dak., in place of C. J. Johnson, deceased.

TENNESSEE

James G. Jones to be postmaster at Ardmore, Tenn., in place of J. G. Jones. Incumbent's commission expired December 17, 1931.

Jean Brient to be postmaster at Friendsville, Tenn., in place of Jean Brient. Incumbent's commission expired December 17, 1931.

Rufus T. Hickman to be postmaster at Lynnville, Tenn., in place of R. T. Hickman. Incumbent's commission expired December 11, 1930.

Joseph M. Patterson to be postmaster at Watertown, Tenn., in place of J. M. Patterson. Incumbent's commission expired January 14, 1931.

TEXAS

Neeley R. Vaught to be postmaster at Burkburnett, Tex., in place of N. R. Vaught. Incumbent's commission expired February 10, 1932.

John C. Flanagan to be postmaster at Crystal City, Tex., in place of J. C. Flanagan. Incumbent's commission expired January 11, 1932.

Clifford C. Burrows to be postmaster at Iowa Park, Tex., in place of C. C. Burrows. Incumbent's commission expired December 15, 1931.

George C. Hoffman to be postmaster at Kingsville, Tex., in place of A. H. Firnhaber, removed.

Maude W. Hoople to be postmaster at Lorenzo, Tex., in place of M. W. Hoople. Incumbent's commission expired January 9, 1932.

Grover C. Stephens to be postmaster at Sierra Blanca, Tex., in place of G. C. Stephens. Incumbent's commission expired January 11, 1932.

VERMONT

Frank E. Robinson to be postmaster at Barre, Vt., in place of F. E. Robinson. Incumbent's commission expired January 13, 1932.

Margaret H. Walsh to be postmaster at Concord, Vt., in place of M. H. Walsh. Incumbent's commission expired February 16, 1931.

Alfred C. Hooker to be postmaster at Hardwick, Vt., in place of A. C. Hooker. Incumbent's commission expired February 8, 1932.

VIRGINIA

Henry P. Holbrook to be postmaster at Castlewood, Va., in place of H. P. Holbrook. Incumbent's commission expired February 19, 1931.

Louise A. Merrihue to be postmaster at Emory, Va., in place of M. L. Addison, to correct name.

James O. Humphreys to be postmaster at Goshen, Va., in place of J. O. Humphreys. Incumbent's commission expired January 5, 1932.

Lena Campbell to be postmaster of Madison Heights, Va., in place of W. C. Crews. Incumbent's commission expired June 8, 1930.

Claude T. DeBusk to be postmaster at Saltville, Va., in place of C. T. DeBusk. Incumbent's commission expired January 31, 1932.

WASHINGTON

William G. Powell to be postmaster at Aberdeen, Wash., in place of W. G. Powell. Incumbent's commission expired January 10, 1932.

William W. Woodward to be postmaster at Darrington, Wash., in place of W. W. Woodward. Incumbent's commission expired January 10, 1932.

Robert B. Henry to be postmaster at Lakeside, Wash. Office became presidential July 1, 1931.

Andrew H. Byram to be postmaster at Millwood, Wash., in place of A. H. Byram. Incumbent's commission expired January 10, 1932.

George W. Edgerton to be postmaster at Puyallup, Wash., in place of G. W. Edgerton. Incumbent's commission expired January 10, 1932.

WEST VIRGINIA

Stark A. Willhide to be postmaster at Durbin, W. Va., in place of S. A. Willhide. Incumbent's commission expired January 9, 1932.

Paul J. Davis to be postmaster at Keyser, W. Va., in place of P. J. Davis. Incumbent's commission expired March 3, 1931.

WITHDRAWALS

Executive nominations withdrawn from the Senate February 15 (legislative day of February 5), 1932

POSTMASTERS

ALABAMA

Clifford M. Cox to be postmaster at Ozark, in the State of Alabama.

MAINE

Edith L. Newcomb to be postmaster at Scarboro, in the State of Maine.

VIRGINIA

Mary L. Addison to be postmaster at Emory, in the State of Virginia.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 15, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We come to Thee, our Heavenly Father, in the name of Him who first felt for the struggling, toiling, laboring man, and who first taught human brotherhood. We thank Thee for Him who first said that life is more than meat and declared that it is love, beauty, and sonship with God. Oh, it is not what the hand grasps, but what the eye sees and what the heart feels that makes life great. Do Thou turn all of us into a God-centered life. We look with reverence and adoration to the illuminated cross blazing in the skies. But, merciful Father, forgive us if we fail to be aroused by the millions of crosses around which the breath of the suffering sigh and moan. Lift men up from their barbarisms, their superstitions, and their cruelties. O Lamb of God, who for the love of man stooped to a cross, dig Thou an everlasting grave for war and hate, and let the daylight come for which the world so long has waited. Amen.

The Journal of the proceedings of Saturday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On February 10, 1932:

H. R. 70. An act granting the consent of Congress to the Board of County Commissioners of Mahoning County, Ohio, to construct a free overhead viaduct across the Mahoning River at Struthers, Mahoning County, Ohio;

H. R. 474. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 4695. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.;

H. R. 4696. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River southerly from the Fort Belknap Indian Reservation at or near the point known and designated as the Power-site Crossing, in the State of Montana;

H. R. 5131. An act to extend the time for completing the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.;

H. R. 5471. An act authorizing Sullivan County, Ind., to construct, maintain, and operate a public toll bridge across the Wabash River at a point in said county to a point opposite on the Illinois shore;

H. R. 5478. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.;

H. R. 5626. An act authorizing the States of Minnesota and North Dakota, the county of Polk, Minn., the county of Grand Forks, N. Dak., or any one or more of them, to construct, maintain, and operate a free highway bridge across the Red River of the North at or near Bygland, Minn.;

H. R. 5878. An act granting the consent of Congress to the Louisiana Highway Commission and the Missouri Pacific Railroad Co. and the Louisiana & Arkansas Railway Co. to construct, maintain, and operate a free highway bridge in combination with a railroad bridge across the Mississippi River at or near Baton Rouge, La.; and

H. R. 7225. An act granting the consent of Congress to the board of county commissioners of Allegheny County, Pa., to construct, maintain, and operate a free highway bridge across the Monongahela River between the city of Pittsburgh and the borough of Homestead, Pa.

On February 11, 1932:

H. R. 149. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.; and

H. R. 7248. An act authorizing the modification of the existing project for the Willamette River between Oregon City and Portland, Oreg.

On February 12, 1932:

H. R. 225. An act providing for payment of $25 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States; and

H. R. 6663. An act to reserve certain land on the public domain in Utah for addition to the Skull Valley Indian Reservation.

TAXATION

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. Before the Chair puts the request, may the Chair state that this is unanimous-consent day? The Chair will put this request but will not recognize other gentlemen for the purpose of discussing other matters before the House to-day.

Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. PATTERSON. Mr. Speaker, a day or two ago we had a most interesting and a most pointed address by the gentleman from Georgia [Mr. CRISP] with reference to the tax situation. I rise at this time not to take issue with that address but to present another side of the question.

I feel that at a time like this—although we realize the serious condition of the Treasury, but yet the country is in a serious condition—it would be most unfortunate to try to tax ourselves out of the depression. I feel that we have now the machinery with which to raise taxes, and with some material amendments in higher brackets on income taxes and estate taxes, with corresponding gift taxes and such like—if we would return this country to prosperity—our tax system will then be such as to bring in the necessary revenue. If we try to tax everybody and to tax everything in this great country of ours now, in my judgment, we will see that it will react against the very thing we hope to accomplish to benefit the people, and for one I want to express myself now as opposed at a time like this to trying to levy a tax on every person in America and to try to broaden out the tax system to dig deeper and deeper into the pockets of the masses of the people in our country at a serious time like this. By doing this we would not only handicap ourselves in returning to prosperity, but we would bring about a system where the common masses of the people would be paying a larger and larger bulk of the taxes, which in my judgment is undesirable and would have serious consequences. With this the great productive sources of wealth of the country where the burden of taxation should be placed will be escaping more and more taxation.

For one I want to express myself in no uncertain terms as being opposed to broadening the national tax system to reach more and more the entire American people and increasing their burdens of taxation at this time in order to try to clear up the deficit or pay the national debt. In my judgment we have been brought to this sad plight by evils which should be remedied, and this does not require the poor people of our country being heavier burdened by taxation, on the contrary, what we need is relief for the masses.

I want to point out to those of you who have thought over this question that we can not tax the American people to-day and clear up the deficit and then pay the great debt that we owe under present conditions. There are other questions where we should strike for relief. We owe more to-day and it will take more purchasing power to pay the American debt than it would in 1920 when the war closed. It will take more of the commodities of our people to pay this debt and it can not be done under present conditions.

What we need now is to bring the country back to prosperity and give us a stabilized currency at a point where there will be more money in circulation, and then the working out of a proper system will be easy, but as long as conditions are like they are now, I think it is a fearful thing to talk about raising all the revenue we might need at this time out of our people, with conditions like they are now. Broaden out the base of taxation in order to further reach every man, woman, and child in this country. I want to express myself as being opposed to this.

If we are to credit press reports of the condition of the Treasury, as the gentleman from Georgia [Mr. CRISP] says, we have a serious problem to face, but I respectfully dissent from the opinion of anyone who seeks to further burden the great masses of our people who are now overburdened by tax. It can not be defended; we should relieve the farmer, laboring man, the small business man of taxes rather than loading him with more. And for me I propose to stand by this principle.

Any effort to put a burden of taxes on the necessities of our people at this time, or any of these necessities, should be resisted to the limit, and I for myself will resist them to the last. A good deal of our present tax system is inequable; take, for instance, the income tax now, there is no raise in the per cent after it crosses the $500,000 mark. A man with this amount pays the same per cent as one who has a net income of twenty millions or more. This should be remedied, but the iniquitous schemes suggested by the Treasury Department, in my opinion, will ruin this country, and I hope that Members of this House will serve notice that no such system will be upheld here. And, my colleagues, we can not escape the responsibility, for we are the revenue-raising

body, and the country will give this House credit or blame according as we act in this important matter. And I as a humble Member warn Members of my own party of the danger we face in this crisis. I repeat we can not tax ourselves out of the depression.

What we should do is to pass a bill which will raise the taxes on the higher incomes and estates and a corresponding gift tax with teeth in it and probably a few other taxes which do not lay any further burden on the masses of our people, but which will even help protect them. They can be found by getting after the international bankers, Wall Street speculators and manipulators, as well as these foreign concessionaries in our own country who have gone out into other countries and by nefarious schemes bringing us more and more diplomatic trouble and helping to make it harder and harder for some of our own legitimate industries.

Then, again, there is another group of taxes which we should resist, and that is a tax on certain commodities in general use, which should be left to the States only for taxation and not take up the entire field.

I note some of these taxes would lay tremendous burdens on some of our industries and homes, including everything from farm home to a manufacturing plant.

Now, Mr. Speaker, in closing I wish to say that the farmer, the working man, the professional man who tries to own a home, and the small business man of every class, especially those who have an independent business, are burdened very near to death with tax now, and I pledge myself to fight an extension of this burden. Upon this rock nearly all of the countries of past history have fallen to decay, and in keeping with my philosophy of love of home and country, reaching from every fireside in this land to this Capitol—North, South, East, and West—I shall oppose what I believe to be an abuse of this power, and sincerely hope enough of my colleagues will join me in preserving this glorious heritage and thereby hasten the return of prosperity to all the people. [Applause.]

EAST IS EAST AND WEST IS WEST

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by publishing an article written by the gentleman from Nebraska [Mr. HOWARD] in commendation of my colleague, the gentleman from Texas [Mr. JONES].

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JOHNSON of Texas. Mr. Speaker, under the unanimous consent granted me for that purpose I am submitting for printing in the RECORD an editorial written by Hon. EDGAR HOWARD, a Member of the Congress, and appearing in the Columbus (Nebr.) Telegram of February 3:

EAST IS EAST AND WEST IS WEST

By EDGAR HOWARD in the Columbus (Nebr.) Telegram

Some years ago a famous English author, who lived many years in India and comprehended the basic difference in the manner of thought of his own people and those of India, called attention to this difference in a poem in which he said:

"For east is east and west is west,
And never the twain shall meet."

A few days ago as I listened to a colloquy on the floor of the House I recalled those lines, and it occurred to me that here in our own country we have two schools of thought as far apart as those of which Kipling wrote.

One school of thought, national in scope and predominant throughout the vast expanse of our country to the west and south of the Alleghenies, believes that our Government should serve all sections of our country and all classes of its citizens equally and without distinction.

Another school of thought, sectional in its nature and predominant in the East, believes that it is entirely proper for our Government to bestow special favors upon the great financial and industrial interests; that Government aid should be reserved to these mighty corporations and aggregations of capital; and that the most that should be accorded the struggling farmers and other distressed individuals is a little "sympathy."

Hon. MARVIN JONES, a progressive Democrat from the great agricultural State of Texas, is chairman of the Committee on Agriculture. He is an able and courageous leader in the fight to sustain agriculture and free it from the discrimination to which it has been subject at the hands of the mighty financial and industrial interests, acting through the Federal Government, which they have so long controlled.

Hon. ROBERT LUCE, a regular Republican from the great industrial State of Massachusetts, where mighty financial interests are entrenched, is one of the most erudite Members of the Congress. He has long been recognized as an important cog in the Republican organization in the House. No Member of that body has more ably and consistently represented the interests of his own people than Mr. LUCE has represented those of the great financial and industrial groups. He more brilliantly champions those mighty interests than any other man in the Congress.

The colloquy to which I refer occurred during the discussion of the appropriation bill for the Department of Agriculture with reference to certain items concerning Government loans to farmers who are in distress.

Mr. LUCE speaks the thought predominant in the industrial and financial circles of the East. Mr. JONES voices the broader thought prevailing in the West.

The following colloquy appears on pages 2758 and 2759 of the CONGRESSIONAL RECORD of January 26, 1932:

"Mr. LUCE. Mr. Chairman, I had the curiosity to check up on the appropriations referred to in this paragraph. I have watched with some apprehension the growth of such dispensing of the benevolence of the Federal Government to help regions and classes.

"I hope there is no man in this House who excels me in sympathy for affliction. I do not question the mercy of these provisions. I am glad if they have helped.

"Let me point out the dangers here involved. We have just authorized an appropriation of $25,000,000 for seed loans without any inquiry whatever, as far as has come to my notice, either as to the extent of the need or the reasons for making the loans. An appeal to our sympathies on the general proposition that men are suffering tempts us to rash action.

"I am told that a startlingly small proportion of the loans made last spring have been collected, and I observe that this paragraph contemplates the expenditure of $500,000 simply to collect unpaid balances. Surely this is a burden on the Treasury that ought to be considered. I would suggest to the Committee on Appropriations and the Committee on Agriculture that one of them might usefully ascertain how large a percentage of the loans of 1930 and 1931 has been repaid and what is the likelihood of their repayment and that of the new loan's present circumstances. Possibly they would find that our growing practice of lending money to some one class in some one region is becoming an encouragement to debt which, after all, is the worst thing that can come to an individual or to a class of individuals. Furthermore, if the habit of letting individuals borrow from the Public Treasury is to grow, at least we ought to consider whether the borrowing should be from the Federal or from the State treasury.

"Mr. JONES. Mr. Chairman, I was interested in the statements made by the gentleman from Massachusetts [Mr. LUCE] a moment ago. I, too, doubted the wisdom of the program which the gentleman was discussing, at the time of its inception. I think I made the only speech that was made on the floor of the House in opposition to the beginning of that program; but the program has been established as a policy of the Government. It was brought by a species of economic favoritism in tariffs, freight rates, and financial control that had bled the agricultural section white and destroyed the purchasing power of the farmer.

"Regardless of what the merits of that program may be, I confess I am unable to differentiate between making small loans of two or three hundred dollars to the farmers and the policy that was established in the $500,000,000 corporation that was voted through the other day to make loans to insurance companies, bankers, railroads, and other financial institutions.

"If it is unwise for the Federal Government to make loans to the great farming group with a few million dollars as the total, how does it become wise to appropriate $500,000,000, with a possible expansion to $2,000,000,000, to take care of certain other great groups?

"Mr. LUCE. May I answer the gentleman?

"Mr. JONES. I shall be glad to yield to the gentleman.

"Mr. LUCE. The gentleman will recall that some of us fought every attempt to fasten on that bill loans to individuals. We did not believe it was wise and tried to stop it.

"Mr. JONES. Then the gentleman thinks a corporation is superior to the individual? The corporation is an artificial person; the individual is a natural person. On what basis does the gentleman justify a Federal loan to a corporation, an artificial person, and say that is wise and a sound policy, and that a loan by the same government out of the same till to an individual, a legal, natural person, can not be justified?

"Mr. LUCE. Mr. Chairman, I justify that by saying that all these loans were to be made upon the basis of adequate security.

"Mr. JONES. Well, I want to state to the chairman that every one of these agricultural loan bills that has been presented has required a first lien on the gross production of the farmer throughout the whole crop year, and the gentleman did not put into this $500,000,000 bill that the gross production of the insurance company, of the railway company, and of other financial institutions should be mortgaged and a first lien given on those things.

"Mr. LUCE. Mr. Chairman, we were not so unwise as to require that.

"Mr. JONES. Of course, it is the gentleman's philosophy, then, that it is wise when the Government provides loans to certain groups, but it is unwise when it makes loans to other groups. The gentleman says he is willing to extend his sympathy to the great group that is engaged in farming. Many times they have been the victim of financial and governmental policies that have

discriminated against them. The gentleman can bottle up his sympathy and keep it. It is not sympathy they want or need. A man can not live on sympathy alone. When a governmental policy is established, I want the farmer to have the same rights that are accorded to industry. That is American, and that is fair.

"Mr. LUCE. If the gentleman will now permit me to finish the statement, the security that is required from these institutions is such that the Nation is guaranteed a return of its money.

"Mr. JONES. Is it?

"Mr. LUCE. Let me ask the gentleman one question—

"Mr. JONES. Right on that point let us take one point at a time. As I understand, under the terms of that bill, if any of these bonds and debentures are unpaid, the Government must appropriate the money to pay such bonds and debentures. If I read the terms of the bill aright, the Government subscribes the original capital and underwrites the bonds. No one knows whether there will be a loss, nor how much; but Uncle Sam foots the bill.

"Mr. LUCE. Now, on the question of security, Mr. Chairman, am I right in my understanding that not one-third of the loans made last spring have yet been repaid?

"Mr. JONES. I do not know what that amounts to with respect to the loans made last spring. Collection on them has not been completed and times are abnormal. But with respect to the previous loans an average of above 80 per cent has been paid, and on the loans of two years ago 92 per cent has been paid.

"I want to make a plea for the tiller of the soil who lives in the far stretches of this country and who has trusted you and me to see that he is protected in his rights. He feeds the people and produces the basis of our wealth.

"He does not ask for favoritism. He asks only for a square deal. He only asks for an even chance in the race of life. He asks to be relieved of the discriminating burdens that have weighed him down. He asks to be relieved of the chains that selfish groups have forged about him. He asks for equal treatment as an American citizen in any program that is laid out by the Nation.

"That much he has a right to demand."

My chief object in presenting the foregoing views of the brilliant LUCE, recognized spokesman for the great financiers of New England and the East generally, and the views of the splendid Texan, MARVIN JONES, who for long years has so loyally pleaded in the Congress the cause of agriculture, is to give my Nebraska people a true picture of the cause of the East as championed by LUCE and the cause of the agricultural West and Middle West as championed by MARVIN JONES. I have not presented these divergent views in a partisan way. Indeed, there are a few Republicans in the Congress who repudiate the demand of the East for superior advantages at the hand of the Federal Government. And it is sadly true that in the Congress are a few Democrats who listen for and quickly obey the voice of Wall Street. In the approaching presidential campaign, and particularly in the Middle West agricultural States, the people of the farm States, Democrats and Republicans alike, should demand from presidential and congressional nominees a frank and fair statement as to whether they would, if elected, adhere to the cause of the East, as presented by Massachusetts LUCE, or to the cause of the farm States, as presented by Texas JONES.

ORDER OF BUSINESS

The SPEAKER. The Chair desires to make a statement for the information of the House. To-day is unanimous-consent day and also suspension day. It is the purpose of the Chair to recognize the gentleman from Alabama [Mr. STEAGALL] for the purpose of calling up a bill from his committee under suspension of the rules. It has been suggested to the Chair that in order to get time for additional debate on this important measure that the Chair recognize the gentleman from Alabama [Mr. STEAGALL] at 2 o'clock, with the understanding that unanimous consent will be secured at this time, if possible, that there be two hours of debate, one hour on each side. The Chair would like to know the pleasure of the House, so that the Chair may announce whether the House will take the matter up at 3 o'clock or 2 o'clock this afternoon.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the House take up the bill referred to for consideration at 2 o'clock, with the understanding that we have two hours of debate, one hour to be controlled by the chairman of the committee and one hour to be controlled by some gentleman who may get control of the time in his own right in opposition to the bill.

Mr. HOWARD. Mr. Speaker, I suggest that it might be well that the House be given some information regarding the nature of the legislation, in view of the fact that unanimous consent has been requested.

The SPEAKER. The gentleman from Nebraska can get further information about that matter. The statement of the Chair was that unless unanimous consent is given for two hours of general debate, the Chair will recognize the gentleman from Alabama, at 3 o'clock, and then there will be only 20 minutes of debate on the side. It is just a question of whether the House wants 20 minutes on the side or 1 hour on the side.

Mr. LAGUARDIA. Under the unanimous-consent request, I take it that the bill would be read section by section.

The SPEAKER. No; it would be read under the motion to suspend the rules, and the only difference would be the length of debate.

Mr. HOWARD. Mr. Speaker, the Chair did not understand me. What I desired to know was the nature of the legislation which we are proposing to take up at 2 o'clock.

The SPEAKER. The gentleman will have to ask the chairman of the committee.

Mr. HOWARD. Then, in the absence of information, I shall have to object.

Mr. BRAND of Georgia. Mr. Speaker, not only the bill but the hearings on the bill have been printed, and are now available for distribution, and the gentleman can get all the information he needs from these documents.

The SPEAKER. The effort of the Chair was simply to procure additional debate, as some gentlemen have asked for more time.

Mr. STEAGALL. Mr. Speaker, I am ready to give any information I can with reference to the bill; but, of course, I do not understand that we should go over the entire legislation under a unanimous-consent request.

Mr. BLANTON. Under the gentleman's request, we would have 2 hours for general debate; and if that request is not granted, we will have only 40 minutes under suspension of the rules. I take it it would be more beneficial to the Members of the House to have 2 hours for general debate rather than just 40 minutes.

Mr. STEAGALL. That is entirely possible. Of course, the matter rests with the House.

Mr. HOWARD. Will the gentleman yield?

Mr. STEAGALL. I am pleased to do so.

Mr. HOWARD. I am still without the information which I requested. I want to know, and I think I have a right to know, what the subject matter is that is to be taken up at 2 o'clock.

Mr. STEAGALL. I am glad to give the gentleman the information. It is what is known as the Glass-Steagall bill, with three propositions involved. One is to authorize the Federal reserve banks to make loans where it is considered desirable and prudent; to group the banks upon their joint liability, not less than five being required under the bill to constitute a group.

The second provision of the bill is authority to the Federal reserve banks to make loans to individual banks upon paper that is regarded as satisfactory to the Federal banks and the Federal Reserve Board, but upon security and collateral not eligible for rediscount.

The third provision authorizes the Federal reserve banks to accept direct Government obligations as a basis for currency in place of eligible paper upon which currency is issued under existing law. Any issues under this bill upon Government obligations will be covered, not only by such bonds but 40 per cent of gold in addition. Those are the brief provisions of the bill.

Mr. HOWARD. Mr. Speaker, I withdraw my reservation of an objection.

Mr. BLANTON. Still reserving the right to object, I want to ask the gentleman a question. Under the rules of the House and of all other parliamentary bodies, the gentleman from Pennsylvania [Mr. MCFADDEN], being the ranking member of the committee, who is against the bill, should control the time in opposition. The unanimous-consent request now pending does not guarantee that the gentleman from Pennsylvania will be the one who is recognized to conduct the opposition.

The SPEAKER. Let the Chair state the parliamentary situation. If unanimous consent is given that we have two hours' general debate, the gentleman from Alabama will

move to suspend the rules, and the gentleman from Pennsylvania will demand a second and will be entitled to one hour, and the gentleman from Alabama to an hour.

Mr. LAGUARDIA. Still reserving the right to object, I would like to ask the gentleman from Alabama a question.

Mr. STEAGALL. Before the gentleman propounds his question, I want to say that I thought it was understood that the gentleman from Pennsylvania [Mr. MCFADDEN], the only member of the committee opposed to the bill, would control the time in opposition.

Mr. LAGUARDIA. What I wanted to ask the gentleman is—the gentleman in reply to the question propounded by the gentleman from Nebraska did not state, according to my understanding, that this is the inflation bill that the gentleman is to call up.

Mr. STEAGALL. I did not so state.

The SPEAKER. The Chair does not want to take up the entire afternoon upon this proposition. If anyone wants to object, the Chair wishes he would.

Mr. KVALE. I reserve the right to object so that I may ask the leadership on that side of the aisle if there is any opportunity, even now, to take up this bill under a special rule and consider the bill a little more adequately because of its vast importance and wide scope. Can not this be set aside for a day or two so that we may then take the matter up and consider it more maturely?

Mr. STEAGALL. Mr. Speaker, this is a very short bill. I understand, as does the gentleman, that the measure deals with matters that are technical, but gentlemen who are familiar with the technicalities of banking and banking legislation understand the bill, brief as it is, without extended discussion, just as well as they would understand any other bill of similar kind. Members of the House who are not familiar with legislation of this kind would find themselves in the same difficulty if we had extended debate.

Mr. KVALE. The gentleman surely does not mean to say that this is not an important bill.

The SPEAKER. Is there objection?

Mr. KELLER. Mr. Speaker, may I ask a question? This is, as it has been said, a bill of tremendous importance. It ought to be thoroughly considered, and even with the liberal proposition of the Speaker it can not be given the consideration that it ought to have in two hours.

Mr. UNDERHILL. Mr. Speaker, I demand the regular order.

Mr. KELLER. Why not take three hours?

Mr. UNDERHILL. Mr. Speaker, I demand the regular order.

The Speaker. The regular order is, Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none. Promptly at 2 o'clock the Chair will recognize the gentleman from Alabama to call this bill up. Meanwhile the Clerk will call the Consent Calendar.

HOME AND HOSPITAL FACILITIES TO VETERANS OF THE CONFEDERATE ARMY AND NAVY

The first bill on the Consent Calendar was the bill (H. R. 4577) to extend hospital and home facilities to veterans of the Confederate Army and Navy.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. UNDERHILL. Mr. Speaker, I reserve the right to object. When this matter came up two weeks ago, I asked to have the matter passed over without prejudice. I am in a most embarrassing situation, as my motive in opposing this resolution will be misunderstood and I shall be charged with prejudice. For almost 70 years in a part of our country, impoverished by war, bled white, as it was, the people of that section established a wonderful and enviable record in taking care of their ex-soldiers, the veterans of the Confederate Army, without calling upon the Federal Government or other outside aid. It seems to me it would nullify to a certain degree that wonderful record to ask for assistance either directly or indirectly at this late day to continue for a few years more that splendid record of affection, appreciation, great sacrifice, and service, unsurpassed in the history of the world. I have consulted with a number of men who come from the Southern States, and I have found to my gratification and somewhat to my surprise that they are of the same opinion that I hold with reference to this piece of legislation.

I do not know from what source this proposition emanated. It may be, and I ought not to say so without further proof, that it was instituted by some group seeking assistance in some other kind of legislation to make use of this to obtain support for that legislation. Every Southern State has provided a soldiers' home for Confederate veterans. I have visited many of them. They are comfortable, they are well located, and those who have had the privilege of living in those homes have had nothing but praise for the kindly treatment accorded and the conduct of the officials in charge.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. UNDERHILL. Mr. Speaker, I ask unanimous consent to proceed for two minutes more.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I shall not object at this time, but this is consent day, and we must proceed under the rule. I shall object to any other request.

The SPEAKER. Is there objection?

There was no objection.

Mr. UNDERHILL. I propose to object to the consideration of this bill on behalf of thousands of the citizens of the Southland who would consider it a reflection on their willingness and ability to carry on rather than a benefit to the very few veterans who might be affected by this "gesture," as it is referred to in the report accompanying the resolution.

Mr. HILL of Alabama. Mr. Speaker, will the gentleman yield?

Mr. UNDERHILL. I have only two minutes.

Mr. HILL of Alabama. The gentleman has made a statement, and I think he ought to state who those citizens are of whom he speaks.

Mr. UNDERHILL. I speak for as many as does the gentleman from Alabama.

Mr. HILL of Alabama. Will the gentleman state whom he speaks for?

Mr. UNDERHILL. I had rather not. Mr. Speaker, I object.

MUD RIVER, STATE OF KENTUCKY

The next business on the Consent Calendar was the bill (H. R. 5865) declaring the Mud River in the State of Kentucky, a nonnavigable stream.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over and retain its place on the calendar.

The SPEAKER. Is there objection?

There was no objection.

CACHE NATIONAL FOREST, IDAHO

The next business on the Consent Calendar was the bill (H. R. 393) authorizing an addition to the Cache National Forest, Idaho.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object. There is a controversy between two departments upon this matter. The Secretary of Agriculture is in favor of the bill and the Department of the Interior is not.

Mr. SMITH of Idaho. Mr. Speaker, that difference of opinion regarding additions to national forests has been pending for 20 years. The Department of Agriculture is agreeable to having this land placed within the national forest so that it can be protected from overgrazing and protection of stream flow, and the people living at the foot of the mountain are anxious to have it placed in the national forest, as the passing of sheep across this uncontrolled area results in tramping down the terrain, which is washed into the irrigating ditches and onto their farms.

Mr. LaGUARDIA. I understand, however, that the Department of Agriculture approves it?

Mr. SMITH of Idaho. Absolutely. The Secretary recommends the legislation.

Mr. LaGUARDIA. What is the basic objection of the Department of the Interior to this kind of bills?

Mr. SMITH of Idaho. For years the Secretary of the Interior has been trying to secure the enactment of legislation to control the grazing lands on the public domain, and Congress has failed to enact such legislation to control such grazing lands because of opposition from some of the stockmen.

Mr. LaGUARDIA. But the entire membership is in accord on this?

Mr. SMITH of Idaho. They are all in accord. The bill was unanimously reported favorably from the Committee on the Public Lands. Since the letter from the Secretary of the Interior in the report opposing this legislation was written I have a copy of a subsequent letter which he wrote to the chairman of the committee, stating that he will interpose no objection to the legislation.

Mr. EATON of Colorado. Will the gentleman yield for a question?

Mr. SMITH of Idaho. I yield.

Mr. EATON of Colorado. It is understood that this is not establishing a precedent for any addition to any national forest in any State other than the one the gentleman represents?

Mr. SMITH of Idaho. Absolutely not. It is a local proposition and one that is very important to those who live on the farm lands at the foot of the mountain.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 457) be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That, subject to any valid existing claim or entry, all lands of the United States, within the areas hereinafter described be, and the same are hereby, added to and made parts of the Cache National Forest, to be hereafter administered under the laws and regulations relating to the national forests; and the provisions of the act approved March 20, 1922 (42 Stat. 465), as amended, are hereby extended and made applicable to all other lands within said described areas:

The west half of sections 6, 7, and 18, sections 19, 30, and 31, in township 8 south, range 36 east, Boise meridian; section 6 and the west half of sections 7, 18, 19, and 30, in township 9 south, range 36 east of Boise meridian; sections 1, 2, 11, 12, 13, 14, 23, 24, 25, 26, 35, and 36, in township 8 south, range 35 east, Boise meridian; sections 1, 2, 10, 11, 12, 13, 14, 23, 24, 25, and 26, in township 9 south, range 35 east of Boise meridian, Idaho.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

TO AUTHORIZE THE SECRETARY OF THE INTERIOR TO ISSUE PATENTS FOR LANDS HELD UNDER COLOR OF TITLE

The next business on the Consent Calendar was the bill (S. 1583) to authorize the Secretary of the Interior to issue patents for lands held under color of title.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

Mr. JENKINS. Reserving the right to object, the gentleman from New Mexico and I discussed this matter this morning, and I would like to ask the gentleman if the amendment we talked about will be inserted?

Mr. CHAVEZ. Yes. I am willing that that be inserted.

Mr. STAFFORD. Reserving the right to object, on the last Consent Calendar day I made inquiry as to the reason for this special legislation, special to New Mexico. I understand from conversation with the gentleman from New Mexico that conditions are exceptional in New Mexico that do not prevail in other Western States.

Mr. CHAVEZ. That is correct.

Mr. STAFFORD. There are, in New Mexico, isolated Spanish grants which have been held for a long term of years, on which improvements have been made, and this applies to contiguous lands adjoining those Spanish grants, so that claimants under color of title will not be asked to pay the appraised value, after having been in possession a hundred years or more.

Mr. CHAVEZ. The gentleman has a correct understanding of the situation.

Mr. STAFFORD. Will the gentleman inform the House as to how large an area this bill will extend to?

Mr. CHAVEZ. It is my understanding and from personal knowledge I would state that it will not affect more than 150 or 160 acres at most.

Mr. STAFFORD. With the statement of the gentleman that conditions are special to New Mexico and do not prevail in other Western States where the appraisal law applies, I shall not interpose objection.

Mr. JENKINS. Will the gentleman kindly read the amendment which he intends to propose?

Mr. CHAVEZ. The proposed amendment which I will submit is as follows:

On page 1, line 5, after the comma following the word "land," insert the following: "contiguous to a Spanish or Mexican land grant."

Mr. JENKINS. That will be satisfactory.

Mr. EATON of Colorado. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman from New Mexico upon what theory it is required that the people pay the United States Government $1.25 per acre for this land?

Mr. CHAVEZ. Upon the theory that that custom prevailed heretofore under a law similar to this. In 1926 Congress passed a law similar to this, and while citizens were in process of perfecting their titles, Congress passed a general law which the Interior Department said repealed the original law. This is only of local import to our State. I just want to make this brief statement to the gentleman so that he will understand the situation.

Mr. EATON of Colorado. Will the gentleman yield for a question?

Mr. CHAVEZ. I yield.

Mr. EATON of Colorado. Would not the gentleman's people be better off and the equities be better served if their title is more than 20 years, running from 60 to 80 or 100 years, clear back into Texas and Old Mexico, if the United States Government gave them a title without charging them $1.25 an acre?

Mr. CHAVEZ. That would be proper, but we do not want that now, because originally it was $1.25 an acre under the 1926 bill, and we are willing to pay $1.25 an acre.

Mr. COLTON. Will the gentleman yield for a question?

Mr. CHAVEZ. I yield.

Mr. COLTON. Is it not a fact that in all of these bills a payment of $1.25 an acre is required? The department would not otherwise recommend this legislation?

Mr. CHAVEZ. That is correct. So that the gentleman from Colorado will know exactly what we have in mind by this legislation.

Mr. EATON of Colorado. Will the gentleman yield further for a question?

Mr. CHAVEZ. I yield.

Mr. EATON of Colorado. I have no objection to the bill. I have no objection to the gentleman from New Mexico taking care of the situation so that these people may get a good title where it has been denied on account of technicalities, most of which have been caused by the action of men in the office of the Department of the Interior, but I can not see why the gentleman wants his people to pay again $1.25 an acre. Those people are not homesteaders. Those people have been in possession of the land for 20 years, 40, 60, 80, and 100 years, and the United States Government knew about it all the time, and now they come in to perfect their title. I would like to ask the gentleman if he would not accept an amendment in line 1 on page 2 to strike out the words "upon the payment of $1.25 an acre"?

Mr. CHAVEZ. I feel so much taken up with the merits of this legislation that I hope the gentleman will not submit that amendment. I feel the gentleman is correct. We should have it outright, without any restrictions whatsoever, but the department insists on that and it prevailed on the original bill, and now we have gone into it further and we reserve the mineral rights to the United States. All we want is the title, and we are willing to pay $1.25 per acre.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That whenever it shall be shown to the satisfaction of the Secretary of the Interior that a tract or tracts of public land, in the State of New Mexico, not exceeding in the aggregate, 160 acres, has or have been held in good faith and in peaceful, adverse possession by a citizen of the United States, his ancestors or grantors, for more than 20 years under claim or color of title, and that valuable improvements have been placed on such land, or some part thereof has been reduced to cultivation, the Secretary may, in his discretion, upon the payment of $1.25 per acre, cause a patent or patents to issue for such land to any such citizen: *Provided*, That where the area or areas so held by any such citizen is in excess of 160 acres the secretary may determine what particular subdivisions, not exceeding 160 acres in the aggregate, to any such citizen may be patented hereunder: *Provided further*, That coal and all other minerals contained therein are hereby reserved to the United States; that said coal and other minerals shall be subject to sale or disposal by the United States under applicable leasing and mineral land laws, and permittees, lessees, or grantees of the United States shall have the right to enter upon said lands for the purpose of prospecting for and mining such deposits: *Provided further*, That the term "citizen," as used herein, shall be held to include a corporation organized under the laws of the United States or any State or Territory thereof.

Mr. CHAVEZ. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from New Mexico offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CHAVEZ: On page 1, line 5, after the comma following the word "land" insert "contiguous to a Spanish or Mexican land grant."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

IMPROVEMENT OF CHEVY CHASE CIRCLE

The Clerk called the next bill, House Joint Resolution 152, for the improvement of Chevy Chase Circle with a fountain and appropriate landscape treatment.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object.

Mr. GILBERT. Mr. Speaker, the only reason we are insisting upon the passage of this resolution now is that this is quite an attractive approach to the city and the donors would like to begin this improvement so that it will be ready for the bicentennial celebration. It does not cost the Government any money.

Mr. STAFFORD. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. STAFFORD. At whose expense is the fountain to be maintained?

Mr. GILBERT. Not at any expense to the Government. The money is to be secured before the work is begun.

Mr. STAFFORD. As I understand, this circle is outside the District of Columbia.

Mr. GILBERT. It is the Chevy Chase Circle; half is within the District and half in the State of Maryland.

Mr. GREENWOOD. The District line runs through the circle.

Mr. STAFFORD. I am interested in knowing who is going to maintain the fountain.

Mr. GILBERT. The District will maintain it. It will be a beautiful fountain, and, as I understand, it will cost about $125 a year to maintain it; one of the small fountains in the District.

Mr. STAFFORD. If the District of Columbia is going to maintain it, I have no objection to the proposed fountain.

Mr. LAGUARDIA. I note that the design must be approved by the National Commission of Fine Arts. Of course that suits me, but what I am hesitating about is this: If the gentleman will walk out of this door just a few yards, he will see a bust of Abraham Lincoln, and on that bust are the names of the donors in letters several inches high. It is the cheapest piece of advertising I have ever seen, and I do not like it. It seems to me we should have some assurance that this fountain will not be plastered with the names of the donors who will have their names placed there for the purpose of advertisement.

Mr. GREENWOOD. In view of the fact that the design must be approved by the Fine Arts Commission, would they approve it with names on it?

Mr. LAGUARDIA. I hope not. I ran down the authority on this Abraham Lincolun bust. I found the Fine Arts Commission had nothing to do with it, that the Congress had nothing to do with it, and that no one on the Library Committee seemed to know anything about it. I say it is outrageous.

Mr. GREENWOOD. Are not these donations being made by citizens who are interested in having a beautiful community?

Mr. GILBERT. That is true.

Mr. LAGUARDIA. Will the gentleman call the attention of the Fine Arts Commission to the point I have raised?

Mr. GILBERT. The bill contains all the safeguards proper in legislation. Some tribunal must pass upon what amount and character of memorial recognition is proper. The legislation can not provide it. The Fine Arts Commission is the proper tribunal and no doubt will adequately protect us from the abuses which the gentleman suggests.

Mr. COLLINS. Mr. Speaker, reserving the right to object, I understand that the gentleman from Maryland [Mr. LEWIS], in whose district this fountain will be located, objects to this bill.

Mr. GILBERT. No intimation has been made to us that he has any objection to it. If there is any objection, we have not heard about it.

Mr. COLLINS. I understand that this bill does not meet with the approval of the gentleman from Maryland [Mr. LEWIS], and therefore I suggest that the bill be temporarily passed.

Mr. BLOOM. There was no objection before the committee.

Mr. COLLINS. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

REVISION OF THE BOUNDARY OF THE MOUNT M'KINLEY NATIONAL PARK

The Clerk called the next bill, H. R. 6485, to revise the boundary of the Mount McKinley National Park, in the Territory of Alaska, and for other purposes.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I understand that when this bill was under consideration two weeks ago the Delegate from Alaska, after consent had been granted for its consideration, rose to offer an amendment. I understand that amendment is going to be offered to this bill, and therefore I would like to have the gentleman from Montana acquaint the House with the amendment which the Delegate from Alaska would like to have incorporated in the bill.

Mr. EVANS of Montana. When the matter came up on the last call of the Consent Calendar the Delegate, as suggested, offered an amendment. That amendment came to the Public Lands Committee and the substance of the amendment was approved, but not in the exact language. It was approved, however, to conform to the language in the original bill, and in the absence of the Delegate from Alaska, I desire, on behalf of the committee, to present the amendment in the name of the Delegate from Alaska.

Mr. STAFFORD. Mr. Speaker, may we have the amendment read for information, so we may know what is proposed?

The SPEAKER. Without objection, the Clerk will report the amendment for information.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. EVANS of Montana, for information: At the end of line 15, on page 3, following the word "park," strike out the period, insert a semicolon, and add the following language: "*Provided further*, That nothing herein contained shall affect any valid existing claim, location, or entry under the land laws of the United States, whether for homestead, mineral, right of way, or any other purpose whatsoever, or shall affect the rights of any such claimant, locator, or entryman to the full use and enjoyment of his land."

Mr. STAFFORD. It was the intention of the framers of the bill not to disturb the rights of those included in the boundaries of the proposed national forest?

Mr. EVANS of Montana. Yes; exactly; and the Department of Agriculture reported that in their judgment the language of the original bill would cover the matter, but to satisfy the Delegate who represents this Territory we have again incorporated the language in this bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the boundary of the Mount McKinley National Park is hereby changed so as to read as follows:

"Beginning at the summit of a hill between the Toklat River and the Clearwater Fork of that river at an approximate latitude of 65° 47′ 45″, longitude 150° 17′ 40″, which is intended to be same point of beginning of the boundary description as contained in the act of February 26, 1917; thence southerly along the summit of the ridge between Toklat River and the Clearwater Fork of said river and across Stony Creek at its confluence with the said Clearwater Fork to the summit of the ridge between Stony Creek and the Clearwater Fork of the Toklat River thence following the summit of said ridge and the summit of the ridge between the tributaries of said Clearwater Fork, the headwaters of the North Fork of Moose Creek and Boundary Creek to the intersection with the present boundary of Mount McKinley National Park at approximate latitude of 63° 32′ 54″, longitude 150° 24′ 45″; thence southwesterly 14.3 miles, more or less, to a point one-half mile north of Wonder Lake on the stream out of Wonder Lake into Moose Creek thence south 68° west 43.5 miles, more or less, to the point of intersection with the southwest boundary extended; thence southwesterly 33 miles, more or less, to the summit of Mount Russell; thence in a northeasterly direction following the present south boundary approximately 88 miles to Windy Creek at approximate latitude 63° 25′ 45″, longitude 149° 1′ 35″; thence easterly following the north bank of Windy Creek to the western boundary of the Alaska Railroad right of way; thence northerly following the west boundary of the Alaska Railroad right of way to a point due east of the present north boundary of the park as extended due east; thence due west following the present north boundary of the park to the summit of the ridge between Toklat River and the Clearwater Fork of said river; thence southerly following the summit of said ridge to the place of beginning."

SEC. 2. That the provisions of the act of August 25, 1916, entitled "An act to establish a national park service, and for other purposes," and the act of February 26, 1917, entitled "An act to establish the Mount McKinley National Park, in the Territory of Alaska," together with all acts supplementary to and amendatory of said acts are made applicable to and extended over the lands hereby added to the park.

With the following committee amendments:

Page 1, line 5, strike out the quotation marks.

Page 1, line 7, strike out the words "sixty-five" and insert in lieu thereof the words "sixty-three."

Page 2, line 16, after the word "stream" insert the word "flowing."

Page 2, line 20, strike out the word "southwesterly" and insert in lieu thereof the word "southeasterly."

Page 3, line 10, strike out the period and insert a colon, strike out the quotation marks and add the following:

"*Provided, however*, That such isolated tracts of land lying east of the Alaska Railroad right of way and the west bank of the Nenana River between the north bank of Windy Creek and the north park boundary as extended eastward are also included in said park."

The committee amendments were agreed to.

The SPEAKER. The gentleman from Montana offers an amendment, which the Clerk will report.

The Clerk again reported the amendment which had been read for information.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ESTATES OF AMERICAN CITIZENS DYING WITHIN CONSULATES

The Clerk called the next bill on the Consent Calendar, H. R. 6310, to amend section 1709 of the Revised Statutes, as amended by the act of March 3, 1911 (36 Stat. 1083), and section 304 of the Budget and Accounting Act, 1921 (42 Stat. 24).

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, may I ask the gentleman from Minnesota if the draft of this bill has been approved by the General Accounting Office?

Mr. MAAS. Yes; I will say to the gentleman from New York. As a matter of fact, the bill was suggested and largely drafted by the Accounting Office.

Mr. STAFFORD. Mr. Speaker, under reservation of objection, I think if this bill is going to be considered it will occasion considerable discussion and further amendment. As I am at present advised, I rather think the bill is too important to be taken up on the Consent Calendar.

I merely direct the attention of the gentleman to one amendment that is proposed, which is to section 4, under which amendment you would compel the property belonging to any American citizen who dies in a foreign country, where there were no debts or where the property exceeded the debts required to be paid, to be sent back to the General Accounting Office, and have the General Accounting Office act as a warehouseman for six years.

Mr. LAGUARDIA. That is the law now.

Mr. STAFFORD. No; it is not the law now.

Mr. LAGUARDIA. Only it does not go to the General Accounting Office.

Mr. STAFFORD. I think we should consider the matter further; at least I want to give it further consideration.

Mr. MAAS. If the gentleman will yield, the only difference is that instead of having this done by the Treasury Department, under the proposed law it will be done by the General Accounting Office.

Mr. STAFFORD. Let me call the attention of the House to the proposed amendment in this one particular, and I think the gentleman and the House will then agree with me. I am reading from the report on page 3, paragraph 4. I will read now the existing law authorizing our consular officers to sell the property of deceased American citizens where they die abroad:

To sell at auction, after reasonable public notice, such part of the estate as shall be of a perishable nature, and such further part, if any, as shall be necessary for the payment of his debts, and, at the expiration of one year from his decease, the residue.

Now, you are proposing to strike out the words "at the expiration of one year from his decease, the residue," and permit the consul to sell only so much of that property as is necessary to pay the debts "incurred in such country." Then what becomes of that personal property, furniture, and belongings that are not necessary to be sold in order to meet the debts? Under the form of the bill, all that personal property has to be returned to the General Accounting Office and it can not be sold for six years. We make the General Accounting Office a warehouseman.

Mr. MAAS. No; that is not quite correct.

Mr. STAFFORD. I direct attention to my criticism with respect to the fourth amendment.

Mr. LINTHICUM. Why not look at the fifth amendment?

Mr. STAFFORD. I have read the fifth amendment. This is too important a bill to pass now. I have no objection to having it passed over, and I shall be glad to consider it.

Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. LINTHICUM. Will the gentleman reserve his objection so I can explain the bill for a few moments?

Mr. STAFFORD. I have gone over it.

Mr. LINTHICUM. The gentleman has gone over it, but I have not, and I would like to explain the bill to the House.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin that the bill be passed over without prejudice?

There was no objection.

CONSTRUCTION OF DAM ACROSS DES LACS LAKE, N. DAK.

The Clerk read the next bill on the Consent Calendar, H. R. 5866, to authorize the construction of a dam across Des Lacs Lake, N. Dak.

Mr. STAFFORD. Reserving the right to object, I wish to inquire why it is necessary for this development association to come to Congress for authority to build a dam entirely local in its nature?

Mr. SINCLAIR. The reason for that is that the lake is listed by the War Department as a navigable lake. That being so, we must have the consent of Congress to make any change.

Mr. STAFFORD. There are hundreds of navigable lakes in the State of Wisconsin, but it is not necessary to come to Congress to get authorization to build a dam to lift the waters of the lake.

Mr. SINCLAIR. Are they all navigable?

Mr. STAFFORD. Yes; actually navigable in fact.

Mr. SINCLAIR. The matter was brought up with the War Department, and the Chief of Engineers and this is their legislation—it is their bill.

Mr. STAFFORD. The War Department, then, is looking for needless trouble when it seeks jurisdiction on a matter that is entirely local.

Mr. LAGUARDIA. It is the policy of the War Department never to relinquish jurisdiction but to take jurisdiction wherever they possibly can.

Mr. STAFFORD. Mr. Speaker, I withdraw my reservation of objection.

The Clerk read the bill, as follows:

Be it enacted etc., That the consent of Congress is hereby granted to the Des Lacs Development Association, its successors and assigns, to construct, maintain, repair, and improve a dam across the Des Lacs Lake, N. Dak.: *Provided*, That work shall not be commenced until the plans therefor have been submitted to and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That in approving the plans for said dam such conditions and stipulations may be imposed as the Chief of Engineers and the Secretary of War may deem necessary to protect the present and future interests of the United States: *And provided further*, That this act shall not be construed to authorize the use of such dam to develop water power or generate hydroelectric energy.

SEC. 2. The authority granted by this act shall cease and be null and void unless the actual construction of the dam hereby authorized is commenced within one year and completed within three years from the date of approval of this act.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

TO AMEND SECTIONS 22 AND 39, TITLE II, OF THE NATIONAL PROHIBITION ACT

The Clerk read the next bill on the Consent Calendar, H. R. 258, to amend sections 22 and 39, Title II, of the national prohibition act.

Mr. LAGUARDIA. Mr. Speaker, I ask that this bill go over for a few days.

The SPEAKER. Is there objection?

There was no objection.

REPEAL OF OBSOLETE AND SUPERSEDED SECTIONS IN THE UNITED STATES CODE

The Clerk read the next bill on the Consent Calendar, H. R. 7121, to repeal obsolete statutes and to improve the United States Code.

Mr. STAFFORD. Reserving the right to object, I would like to inquire of the gentleman in charge of the bill whether the gentleman's committee passed on the recommendations of an expert clerk of the committee on the various sections recommended for repeal as being obsolete?

Mr. HARLAN. I will say for the information of the gentleman from Wisconsin that the committee referred all these sections to the Legal Reference Counsel. Then every executive department of the Government was communicated with and information given as to the contemplated repeal, and asking them whether or not they would be affected by it in any way. In every case we got from each department their opinion that they approved of the repeal, or had no opposition to the repeal, as shown in the reply letters here included in the case.

Mr. STAFFORD. Will the gentleman yield?

Mr. HARLAN. I yield.

Mr. STAFFORD. Take, for example, the first section of the Revised Statutes sought to be repealed. The Secretary of the Treasury, in his letter to the gentleman, states that it is suggested that section 136 of Title II of the code be corrected. But instead you repeal it in toto and leave in force appropriation law that does not carry out the criticism of the Secretary of the Treasury. Here we have a definitive act requiring the Librarian of Congress, embodied in the Revised Statutes as section 89, requiring the Librarian of Congress to give bond of $20,000 for faithful performance of his duties. The bond runs to the Secretary of the Treasury, and in that act there is a provision requiring the deposit of the bond with the Secretary of the Senate. The only criticism the Secretary of the Treasury has is to that part requiring the deposit of the bond with the Secretary of the Senate. But you are repealing it altogether.

Mr. HARLAN. We are repealing the section included in the report.

Mr. STAFFORD. Yes; you are repealing the entire section.

You leave in force the appropriation law that merely covers the same provision, but does not refer to where the bond shall be deposited. You are going further than the Secretary of the Treasury recommends. That is only one instance I would call attention to. I think we should be cautious in repealing these statutes.

Mr. HARLAN. We are not repealing any part of this law that has not been approved by the Secretary of the Treasury.

Mr. STAFFORD. But the Secretary of the Treasury, in his letter to the distinguished gentleman, said it is suggested that section 136 of Title 2 of the code be corrected accordingly. Instead of that you repeal the entire law, and do not attempt to correct the original section to which he directs attention.

Mr. HARLAN. But we are repealing only section 89.

Mr. STAFFORD. Section 89 embodies not only the provision for the deposit of the bond with the Secretary of the Senate but also the provision that the Librarian of Congress shall give a bond for $20,000 for the faithful performance of his duties to the Secretary of the Treasury.

Mr. HARLAN. I have here a letter from the Secretary of the Senate also approving this measure. With this act repealed the Librarian of Congress is still required to give a bond.

Mr. STAFFORD. Under what law?

Mr. HARLAN. Under page 546 of volume 29 of the statutes.

Mr. STAFFORD. But that is a provision in an appropriation act.

Mr. HARLAN. He is still required to give a bond.

Mr. STAFFORD. That is a provision in an appropriation act of some years back. The other is definitive law.

Mr. HARLAN. That act has been incorporated in the code.

Mr. STAFFORD. Why is it not better to follow the Secretary of the Treasury and merely provide that that part of section 136 relating to the deposit of the bond with the Secretary of the Senate be repealed?

Mr. GREENWOOD. What is the necessity of having two statutes cover the same thing?

Mr. STAFFORD. One is an appropriation law, not all pervasive, and this is all pervasive.

Mr. GREENWOOD. What the committee is attempting to do is to eliminate a statute here that is unnecessary.

Mr. STAFFORD. In the appropriation act there is nothing that relates to the deposit of the bond. There is nothing in that law that relates to the deposit of the bond.

Mr. HARLAN. But the bond, as a matter of fact, has been deposited with the Secretary of the Treasury ever since 1897. By this act we are simply conforming the law to the practice that has been in existence for a long time.

Mr. STAFFORD. I understand that you are repealing the substantive provision requiring the deposit of a bond with the Secretary of the Senate and leaving then the practice to cover the matter rather than the law.

Mr. HARLAN. The repealing of this act will leave in force and in effect the law that provides that the bond shall be filed with the Secretary of the Treasury.

Mr. STAFFORD. There is nothing in that appropriation act that requires that. However, if the gentleman is satisfied that the practice will be continued without violence to the law, although I think it is open to criticism, I shall not interpose any objection.

Mr. GREENWOOD. The statute he refers to is still in existence, but provides for the Secretary of the Treasury to approve the bond of the Librarian.

Mr. STAFFORD. That is the appropriation act.

Mr. GREENWOOD. The statute he refers to is a part of the code, and he is trying to eliminate this statute that is not followed.

Mr. STAFFORD. That is substantive law, and the gentleman is trying to keep in the code appropriation law.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I call the attention of the gentleman to the Revised Statute 4334, which would be repealed, which provides that every licensed vessel shall have her name and the port to which she belongs painted on her stern, in the manner prescribed for registered vessels. Why does the gentleman want to repeal that?

Mr. HARLAN. Because it has been reenacted into a later section of the code.

Mr. LAGUARDIA. Some of the provisions are obsolete, but this is not.

Mr. HARLAN. The same law is provided in another section. It is provided in Title 46, section 46, of the statute that the name of every documented vessel of the United States, and so forth.

Mr. JENKINS. Reserving the right to object, let me ask the gentleman a question. The distinguished predecessor of the gentleman prepared this codification a few years ago with a great deal of care. At that time he had the assistance of a great many experts, law-book publishers. In the preparation of this amendment, have these experts had an opportunity to pass upon that?

Mr. HARLAN. In the preparation of the code, the actual codification of the law, there were law-book publishers, the Thompson Co. and the West Publishing Co., but this is a little different matter. We used the same staff; we used the same Legislative Reference Counsel; but the publishing house had nothing to do with these repeals, because that is not in their line.

Mr. JENKINS. The only point I want to make clear is that every possible check which the gentleman knows of has been used, as was done originally.

Mr. HARLAN. Absolutely. The fact of the matter is, I will say, that practically everything on this bill was prepared by the former chairman of this committee.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following obsolete sections of the Revised Statutes are hereby repealed:

Revised Statutes	U. S. Code
R. S. 89	Title 2, sec. 136
R. S. 340	Title 15, sec. 180
R. S. 972	Title 28, sec. 820
R. S. 2458	Title 16, sec. 591
R. S. 2459	Title 16, sec. 592
R. S. 2461	Title 16, sec. 595
R. S. 2462	Title 16, sec. 596
R. S. 2628	Title 19, sec. 41
R. S. 2644	Title 19, sec. 46
R. S. 2645	Title 19, sec. 47
R. S. 2938	Title 19, sec. 378
R. S. 3297	Title 26, sec. 421
R. S. 3911	Title 39, sec. 296
R. S. 3912	Title 39, sec. 297
R. S. 3972	Title 39, sec. 490
R. S. 3973	Title 39, sec. 491
R. S. 3999	Title 39, sec. 521
R. S. 4056	Title 39, sec. 788
R. S. 4316	Title 46, sec. 256
R. S. 4317	Title 46, sec. 257
R. S. 4334	Title 46, sec. 287
R. S. 4340	Title 46, sec. 281
R. S. 4341	Title 46, sec. 282
R. S. 4342	Title 46, sec. 283
R. S. 4343	Title 46, sec. 284
R. S. 4344	Title 46, sec. 285
R. S. 4345	Title 46, sec. 286
R. S. 4371	Title 46, sec. 317
R. S. 5256	Title 45, sec. 81

SEC. 2. Rights or liabilities existing under the foregoing statutes on the date of the enactment of this act shall not be affected thereby.

With the following committee amendment:

Page 2, strike out the last line of the tabulated statement.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

PORTRAIT, EX-PRESIDENT COOLIDGE

The next business on the Consent Calendar was the resolution (S. J. Res. 75) authorizing the Joint Committee on the Library to procure an oil portrait of former President Calvin Coolidge.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I want to offer an amendment which I have offered to all of these bills. Some of them have been adopted, others have been laughed at. It is that these paintings should be the work of an artist who is a citizen of the United States. Only in this morning's paper announcement was made of a portrait just finished of the present occupant of the White House, President Hoover, made by Mr. de Laszlo, an English artist, I believe, a resident of London. A great many of the works around this House are works of foreign artists, but when the country was young we did not have our own artists. Now we have our own artists, and I believe we ought to at least give them an opportunity to do work of this kind.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BLANTON. Does not the gentleman from New York think it is quite proper that a painting of President Hoover should be by an English artist? Chinese artists just now are otherwise engaged.

Mr. LAGUARDIA. I am talking about art now, not about politics.

Mr. PATTERSON. Reserving the right to object, I wish to say that I am in sympathy with the amendment offered by the gentleman from New York. I also want to say that, if I understand it, this is the regular portrait that has been placed here of all Presidents, and it is not some extra expense.

Mr. GILBERT. That is correct.

Mr. PATTERSON. I shall not object under those conditions, but I think the amendment to be offered by the gentleman from New York should be adopted.

Mr. GILBERT. My understanding is that quite a satisfactory portrait by quite a recognized artist is now in contest. It is by an artist who was elected by the family and is approved by those learned in art. My understanding is he is an American artist, but in order to satisfy the gentleman from New York I will ask unanimous consent, Mr. Speaker, that this bill be passed temporarily, and I will get the information for the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MANUFACTURE, MAINTENANCE, DISTRIBUTION, AND SUPPLY OF ELECTRIC CURRENT IN CERTAIN PORTIONS OF HAWAII

The Clerk called the next bill on the Consent Calendar, H. R. 307, to approve Act No. 256 of the Session Laws of

1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the districts of North Kona and South Kona, on the island and county of Hawaii, Territory of Hawaii."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, will the gentleman state whether the committee gave any consideration to an opportunity for Government or municipal ownership of this utility plant?

Mr. KVALE. I will say to the gentleman that there is no written record of these hearings. If I recall, the Delegate was asked at the time about that possibility, and the committee was then satisfied that it was not for the moment feasible, and that this development should be made.

Mr. STAFFORD. As I understand the project for which a franchise is granted and for which Congress is asked to approve the Territoial act of the Legislature of Hawaii, it is that there are competing lines there at the present time, under private ownership.

Now, I would like to ask the Delegate from Hawaii whether there is any sentiment in the Territory of Hawaii in favor of Government control and operation of these utility projects?

Mr. HOUSTON of Hawaii. Provision is made in section 8 on page 5 of the report for the recapture of such franchises by the Territory, by the county, or any one of its subsidiaries, if and when it desires to do so.

Mr. STAFFORD. But I am asking whether there is any sentiment in the Territory of Hawaii in favor of Government operation and control of these utility concerns?

Mr. HOUSTON of Hawaii. There is not sufficient capital available for the installation of that, or was not originally.

Mr. STAFFORD. The gentleman makes a most startling statement that in Hawaii, where there is so much capital flowing in by reason of the preferential market which the Territory has for the sale of sugar, there is no capital available for this purpose.

Mr. LAGUARDIA. But if they have capital flowing in, they would be opposed to Government ownership.

Mr. STAFFORD. I am asking whether there is any sentiment in favor of Government ownership in the Territory of Hawaii?

Mr. HOUSTON of Hawaii. Not any, practically.

Mr. STAFFORD. I understand there is a Public Utilities Commission, whereby the rates are controlled?

Mr. HOUSTON of Hawaii. That is correct.

Mr. LAGUARDIA. That is some consolation, at least.

The SPEAKER. Is there objection?

The Clerk read the bill, as follows:

Be it enacted, etc., That Act No. 256 of the session laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the districts of North Kona and South Kona, on the island and county of Hawaii, Territory of Hawaii," passed by the Legislature of the Territory of Hawaii and approved by the Governor of the Territory of Hawaii on April 29, 1931, is hereby approved: *Provided*, That the authority in section 16 of said act for the amending or repeal of said act shall not be held to authorize such action by the Legislature of Hawaii except upon approval by Congress in accordance with the organic act: *Provided further*, That nothing herein shall be construed as an approval by Congress of the theory of establishing value on the actual cost of reproducing or replacing property as contained in section 18 of the said act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

MEMORIAL IN HONOR OF WILLIAM ROBERT SMITH

The Clerk called the next bill, S. 2286, authorizing the William Robert Smith Memorial Association of El Paso, Tex., to construct a memorial in honor of William Robert Smith, former Member of Congress from the sixteenth district of Texas.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I desire to pay an earnest and well deserved tribute to a former very distinguished citizen of western Texas, who once served in this House, Hon. William R. Smith. I came to Congress from his district, succeeding him from the old sixteenth district of Texas, which was one of the largest districts geographically in the United States. It ran 556 miles east and west from El Paso to Mineral Wells, Tex.; it ran from Lubbock, on the north, 400 miles south to Alpine, and Rock Springs. A part of its territory now forms three Texas districts.

This former Member of Congress, our colleagues will remember, after his tenure here, was appointed a Federal judge and served with distinction in western Texas. He has three very prominent sons who are distinguished and highly respected citizens of Texas. One of his sons, Hon. William R. Smith, jr., is district attorney at Midland, Tex.; another, Hon. Breedlove Smith, is assistant district attorney in El Paso, Tex.; and a third son is a prominent lawyer in a prominent law firm in Fort Worth, Tex. One of his nephews, Hon. Ed R. Smith, is a very distinguished jurist, a member of the court of civil appeals in the San Antonio district of Texas.

Gentlemen, I am glad this bill proposing due honor to Hon. William R. Smith is before the House, and I hope it will pass without a dissenting vote. It pays deserved tribute to a great man and a great Texan. [Applause.]

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the William Robert Smith Memorial Association of El Paso, Tex., be, and it is hereby, authorized to construct without cost to the United States a memorial tablet at or near the site of Elephant Butte Dam, New Mexico, in honor of the work of William Robert Smith, former Member of Congress from the sixteenth district of Texas, in behalf of the Elephant Butte project and of irrigation in the Southwest.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PRELIMINARY EXAMINATION OF THE EDISTO RIVER

The Clerk called the next bill, H. R. 3951, to provide a preliminary examination of the Edisto River and its branches, South and North Edisto, S. C., with a view to the control of its floods.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, and I am sorry I shall be compelled to object, not because I have any objection to the merits of this bill at all, but because we can not start the policy of having a river and harbor Monday. It seems to me these projects should not be taken up piecemeal, but should be placed on the regular river and harbor calendar.

Mr. COOPER of Tennessee. Mr. Speaker, if the gentleman will permit, it was my pleasure to report this bill from the Committee on Flood Control. This is not a river and harbor matter at all, but solely a question of flood control.

Mr. LAGUARDIA. Exactly. We are starting with them the same as we do with river and harbor projects. We had a flood control bill up, as the gentleman knows, and we have every session or so. Last year we objected to these bills individually and then they all came in at one time, and that is the proper way to dispose of them.

Mr. SWING. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. SWING. I think the gentleman's recollection is at fault. I reported the omnibus bill from the Flood Control Committee last session and it was objected to.

Mr. LAGUARDIA. On the Consent Calendar.

Mr. SWING. It was objected to, and we were told that they desired to have these bills come in on their merit, whereupon the omnibus bill was dropped and the individual items were reported separately.

Mr. LAGUARDIA. The gentleman from California is correct. Our objection, let me point out, is not to the merits

but because it is impossible for anyone studying the Consent Calendar to familiarize himself with the details of a bill of this kind, so whether it is individual or omnibus, it should not be on the Consent Calendar.

Mr. COOPER of Tennessee. If the gentleman will yield further, I respectfully submit the gentleman is in error as to the policy. This is the policy that has been pursued and is now being pursued for the consideration of these bills. When one of these bills comes before the Committee on Flood Control, it is submitted to the War Department and a report is sent to the committee relative to the bill. The gentleman will find that report a part of the report I made on this bill, in which there is no objection expressed. This is exactly the way the committee has been handling these matters and proposes to handle them. I was a member of the subcommittee during the last Congress and we gave careful consideration to all these bills, as is the policy of the committee at this session. We held rather extensive hearings on this bill and it was reported favorably by the committee during the last Congress, and again this session.

Mr. LAGUARDIA. The committee will have its Wednesday sooner or later, at which time the committee can take up these matters, and the gentleman will not find me offering any objection.

Mr. COOPER of Tennessee. We did not have a Wednesday during the last Congress, and we have no assurance we will have one during this session. This is a matter that should be given consideration now, in order that this preliminary survey may be made and a report submitted. According to the report from the Secretary of War it is not contemplated that more than $3,000 would be involved in any event. These preliminary surveys have been made right along on these different rivers where the question of flood control is involved. It is our purpose to carry forward the same policy in the consideration of this project. I would like to ask the gentleman to hear from the gentleman from South Carolina, who is the author of the bill.

Mr. FULMER. May I state that this bill was favorably reported by the full committee last year, but it could not be considered because the committee did not have a day during the whole session. We now have a favorable report from the committee and from the department. It is a very important matter because it covers a large area. I want to say to the gentleman that not only will money be saved by reason of controlling floods on this river but a malarial situation that is now costing the Federal Government millions of dollars in the lowlands of the South.

Mr. LAGUARDIA. The gentleman misunderstands my attitude. I am not going into the merits of the bill, but I am saying that such a bill should not be considered on consent day, which is a sort of safety valve for the purpose of getting through noncontroversial bills.

If we establish a policy where flood control and river and harbor projects may be slapped on the calendar, there would be no limit.

Mr. FULMER. Mr. Speaker, may I state to the gentleman that this bill was thoroughly considered, and it is the policy of the committee to vote up or down these bills on their merits. We have a favorable report, with no objection from any source, and unless we can get consideration in this way, perhaps, we may not be able to get the bill considered.

Mr. LAGUARDIA. Mr. Speaker, for the present, I object.

AGRICULTURAL EXPERIMENT STATION WORK

The Clerk called the next business on the Consent Calendar, House Joint Resolution 194, to correct section 2 of the act of March 4, 1931, to coordinate the agricultural experiment station work, and to extend the benefits of certain acts of Congress to the Territory of Porto Rico.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, the error is as to the year 1931?

Mr. KETCHAM. Nineteen hundred and forty-one.

Mr. LAGUARDIA. It was marked $60,000 in 1931, how does the resolution read now as to 1941?

Mr. JONES. The resolution does not say 1941. It has 1931 for 1941. They ran the years up to 1940 correctly, and then inadvertently put in 1931 instead of 1941.

There being no objection, the Clerk read the joint resolution (H. J. Res. 194), as follows:

Resolved, etc., That section 2 of the act of March 4, 1931 (46 Stat. 1521), be, and the same is hereby, amended by striking out the year "1931" and substituting in lieu thereof "1941," so that so much of said section as is hereby amended shall read as follows: "$60,000 for the fiscal year ending June 30, 1941."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WITHDRAWALS OF PUBLIC LANDS UNDER THE RECLAMATION LAW

The Clerk called the next business on the Consent Calendar, H. R. 8087, authorizing the Secretary of the Interior to vacate withdrawals of public lands under the reclamation law, with reservation of rights, ways, and easements.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT TO RIVERS AND HARBORS ACT

The Clerk called the next business on the Consent Calendar, House Joint Resolution 271, amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, this carries $7,500,000, and I am not ready to slip it through in this manner.

Mr. STAFFORD. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. STAFFORD. Unless the gentleman from Texas [Mr. MANSFIELD] would like to take the floor——

Mr. MANSFIELD. I yield to the gentleman from Wisconsin.

Mr. STAFFORD. I do not wish be too presumptuous, under the circumstances.

There is an exigent condition that demands the immediate consideration of this bill.

The gentleman from New York is well aware that the Committee on Rivers and Harbors did have its day on Calendar Wednesday a week ago. This bill had just been reported. The day was consumed by the committee in important legislation, and it was the desire of the chairman of the committee to also bring up this bill, but time did not permit.

The gentleman from Texas [Mr. MANSFIELD] did me the courtesy to hand me the decision of the court on the question that makes this remedial legislation so necessary.

As the report sets forth, usually in projects that are authorized for the Chief of Engineers to develop, provision is made "or such modifications thereof as may be found advisable." In the rivers and harbors act of last year, however, so far as this project is concerned the improvement of the upper Mississippi from the mouth of the Ohio up to St. Paul and Minneapolis the law provided that it should be in conformance with the project as reported in the report. In that report the height of the water is limited on project No. 41, some 80 miles south of St. Paul, for the crest of the dam to 663 feet above sea level, whereas it is desired and found essential, to carry out the project as now determined upon by the Chief of Engineers, to raise the water to 670 feet, or 7 feet more.

The Illinois Central Railroad Co. went into the district court for the western district of Wisconsin, presided over by the judge of the eastern district, one of the ablest and most capable judges in the entire country, I may say, Judge Ferdinand A. Geiger, and sought an injunction because the War Department was seeking to build a dam that was not in conformance to the project as authorized.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object——

Mr. STAFFORD. If the gentleman will permit, the Illinois Central Railroad Co. went into the court for an injunction

because the original authorization restricted them to raising the height of the dam to 663 point something, whereas the modified report increased it to 670 feet. The judge properly held that as the act only authorized the construction of this improvement and this dam at Alma to a height of 663 feet, the Government had no authority to go beyond that.

Mr. LAGUARDIA. I will say to the gentleman from Wisconsin [Mr. STAFFORD] ordinarily the gentleman himself would be the first one to object to the additional authorization of $7,500,000, but in view of the understanding which we had last Wednesday when the matter was up before the House and the convincing and telling statement made by the gentleman from Wisconsin, I shall have no objection.

Mr. JENKINS. Mr. Speaker, reserving the right to object, the gentleman from Wisconsin has not tellingly or in any other way explained the $7,500,000.

Mr. STAFFORD. There is no further expenditure involved in this modified construction, other than that which was originally authorized, but only a change in the project which will require a little higher raising of the dam than was prescribed in the original proposal. The bill does not intend to authorize any greater expenditure for the entire project than was originally carried. It seeks solely to permit the War Department to change the plans as embodied in the original report, if the Chief of Engineers deems such a change advisable.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the House joint resolution, as follows:

Resolved, etc., That the provision relating to the Mississippi River between the mouth of the Illinois River and Minneapolis, in section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, is hereby amended to read as follows:

"Mississippi River between mouth of Illinois River and Minneapolis: The existing project is hereby modified so as to provide a channel depth of 9 feet at low water with widths suitable for long-haul common-carrier service, to be prosecuted in accordance with the plan for a comprehensive project to procure a channel of 9-foot depth, submitted in House Document No. 290, Seventy-first Congress, second session, or such modification thereof as in the discretion of the Chief of Engineers may be advisable; and the sum of $7,500,000, in addition to the amounts authorized under existing projects, is hereby authorized to be appropriated for the prosecution of initial works under the modified project: *Provided*, That all locks below the Twin City Dam shall be of not less than the Ohio River standard dimensions."

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

TO CLARIFY THE APPLICATION OF THE CONTRACT-LABOR PROVISIONS OF THE IMMIGRATION LAWS TO INSTRUMENTAL MUSICIANS

The Clerk read the next bill on the Consent Calendar, H. R. 8235, to clarify the application of the contract-labor provisions of the immigration laws to instrumental musicians.

Mr. LAGUARDIA. Reserving the right to object, as I understand it, this bill, if enacted into law, would prevent any orchestra leader from sending over persons or musicians to play in an orchestra or theater here. This does not apply to soloists or artists.

Mr. STAFFORD. It applies to all.

Mr. JOHNSON of Washington. The purpose of the bill is to make certain artists or musicians and organizations of musicians who enter the United States under contract shall enter under the provisions of the contract labor laws. The purpose is to protect American musicians from competition brought about by great numbers of alien instrumental musicians who come here under the guise of professional artists exempt from the contract labor law, whereas in fact they are not artists of particular merit in any sense of the word, but are of the most ordinary type and come here for a livelihood.

Mr. STAFFORD. Mr. Speaker, I do not wish to have my position on this bill construed as being in favor of a later bill similar in character relating to chorus singers.

Mr. JOHNSON of Washington. The bills, for certain reasons, are not identical in character, and the committee expects to present a third bill relating entirely to alien actors who are now exempt from contract labor law provisions. There will be proper exemptions, of course.

Mr. STAFFORD. We are not going to emulate the position of foreign countries, who exclude American artists.

Mr. JOHNSON of Washington. No; all high-class and true artists may come, and come under contract, but we are trying to prevent so-called artists from coming to the United States under contract and then remaining after the contract is over to compete with musicians who are domiciled here. We want those who come under contract to go back after their contract is finished.

Mr. LAGUARDIA. It prevents men coming here and playing in an orchestra when there are available American citizens for that purpose.

Mr. JENKINS. The purpose of the bill is to prevent those who come in here under this section from staying and taking advantage of the privilege extended to them.

Mr. JOHNSON of Washington. Yes; that states the purport of the measure. They now come in under a certain exemption from the contract labor law, and then remain after the contract is finished and compete with those now here.

Mr. GREEN. It is to protect our local musicians.

Mr. JOHNSON of Washington. Yes; and will do so, I think.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the contract labor provisions of the immigration laws shall be applicable to alien instrumental musicians, whether coming for permanent residence or for a temporary period.

SEC. 2. No alien instrumental musician shall, as such, be considered an "artist" or a "professional actor" within the meaning of the fifth proviso of section 3 of the immigration act of 1917 (U. S. C., title 8, sec. 136 (h), second proviso) unless—

(1) He is of distinguished merit and ability as an instrumental musician, or is a member of a musical organization of distinguished merit and is applying for admission as such; and

(2) His professional engagements (or, if the exemption is claimed on account of membership in an organization, the professional engagements of such organization) within the United States are of a character requiring superior talent.

SEC. 3. In the case of an alien instrumental musician coming for a temporary period, who is exempted from the contract labor provisions of the immigration laws by the fifth proviso of section 3 of the immigration act of 1917 as limited by section 2 of this act, his admission to the United States shall be under such conditions as may be by regulations prescribed by the Secretary of Labor (including where deemed necessary the giving of bond with sufficient surety) to insure that at the termination of his contract he will depart from the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE BILLS

The next business on the calendar was the bill H. R. 8163, a bridge bill.

Mr. MILLIGAN. Mr. Speaker, I ask unanimous consent that the following bridge bills, similar in character, be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, may we have the numbers of the bills?

The SPEAKER. The Clerk will read the numbers of the bills.

The Clerk read as follows:

H. R. 8163, H. R. 8171, H. R. 8238, H. R. 8250, H. R. 8324, H. R. 8327, and S. 2639.

The SPEAKER. The gentleman from Missouri asks unanimous consent that these bills reported by the Clerk by number be passed en bloc. Is there objection?

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, I ask unanimous consent to proceed for five minutes out of order on general bridge bill legislation.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN of Missouri. Mr. Speaker, I have no objection to these bills. In fact, I commend the States for constructing free highway bridges. However, there is a

large number of toll bridges bills that have been offered in the House wherein the right to construct and operate a toll bridge is extended to private individuals. As the House knows, for five years I have repeatedly opposed such legislation, along with the gentleman from New York [Mr. LAGUARDIA], the gentleman from Wisconsin [Mr. SCHAFER], the gentleman from Alabama [Mr. PATTERSON], and others.

I rise at this time to again call attention to the situation in reference to toll bridges. From the northern boundary of Illinois to the southern boundary of that State across the Mississippi River, toll bridges have been constructed. As far as I know, there is not one toll bridge which has been constructed across the Mississippi River from Cairo north that to-day is paying interest on the bonds, unless it be the Cairo bridge, and it has not had time to default. The bonds were sold at par, and now one can purchase all he desires to-day for $5, $10, or $15 at most. On Wednesday of last week in the United States District Court for the Eastern District of Missouri the judge of that court ordered sold at auction a bridge known as the Chain of Rocks-Kings Highway Bridge, just north of the city of St. Louis, where there is an outstanding indebtedness of $1,526,000, representing such a loss to the investors.

In that great little publication known as Labor of last week there is an editorial in reference to the situation in West Virginia. For a bridge which cost $42,000, owned by private individuals, tolls taken in annually amount to $60,000. Just think of that. The State of West Virginia desires to buy that bridge and make it free. Despite the fact that the bridge cost only $42,000, the owners tell the State of West Virginia they will not sell for less than $325,000.

In my State, in the county adjoining my city, St. Louis, there was a highway toll bridge across the Missouri River. The citizens of that county and the adjoining county bought the bridge for $1,250,000 less than five years ago, a hundred per cent or more above the original cost. They improved the bridge, spending a lot of money. Notwithstanding that fact, over and above operating expenses, they have taken in $1,250,000, paid off the bonds, and on the 1st of last January presented the bridge to the State of Missouri, to be forever a free bridge, so that all can now go over that bridge without cost. I maintain that if we can construct roads we can construct bridges across rivers and connect the roads.

My purpose in rising here to-day is to ask that the chairman of the bridge subcommittee, before he reports any private toll bridge bills, hold a hearing on legislation that has been pending before that subcommittee for the last five years, which provides for a general revision of the bridge act so that we can enact legislation that will safeguard the States, the municipalities, and the people who are asked to buy the bonds which make it possible to construct these bridges. [Applause.]

Mr. Speaker, there is a certain responsibility resting upon the Congress in connection with bridge legislation. When you authorize the construction of a bridge by private individuals you are giving away a franchise and you extend to private individuals the right not only to construct a bridge but to issue bonds to finance the construction of the bridge. The bonds are sold to the general public, the constituents of Members of this House. A beautiful picture is painted by the bond salesman of the revenue that will result when the bridge is completed. The people residing in the vicinity of the location of the bridge do not buy the bonds; it is the investor in the large cities that is induced to purchase them. His bond broker, who, of course, receives a commission for selling the bonds, does not seem to investigate, or rather has not investigated, in the past whether it was advisable from a financial standpoint to construct the bridge. He takes it for granted that it is because Congress ordered the bridge constructed.

The fight that has been made upon toll bridges in this House has been well worth the time consumed, because I am happy to say that there are no toll bridges now being constructed by private individuals because the country has been aroused by the debate here; the news has gone forward that professional promoters have cost the citizens of our country millions upon millions of dollars by selling them securities that time has shown were practically not worth the paper they were written upon. The result is that they can no longer sell the bonds. That is the reason they are coming back now and asking for an extension of time. [Applause.]

What is needed is a general revision of the bridge act. Let us change that act so as to give the State the right to have a voice and let the State or States at least have an opportunity to construct a toll bridge, if that be necessary, rather than the private individual. If a bridge is necessary the State or municipality can find a way to finance it. I have said time and again that it took 150 years or more to rid the country of the tollgate on the highways. Why now block the road again with privately owned toll bridges? It is unfair to the people of Missouri and other States that provide free bridges for you and your constituents to be required to pay a toll to pass over bridges in other States.

Again I say to the subcommittee handling bridge bills, let us have hearings on the various bills that have been introduced to revise the general bridge law, and after that has been done and the people's interests properly safeguarded only bridge bills of merit will be presented to the Congress. By so doing you will get rid of the professional toll-bridge promoter and protect the investing public, your constituents and mine. [Applause.]

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, along the line of what the gentleman from Missouri [Mr. COCHRAN] has pointed out to the House there are now on the calendar three or four bills for the extension of time, where in the first instance the Bureau of Roads, under the Department of Agriculture, opposed the bill, which was passed by the Congress in some instances, two, three, and four years ago. Now they are asking for another extension to carry on the same promotion on the bridge, and I hope that Members will not take it as a personal matter if some of us in trying to establish a policy object when bills of that character are called on the calendar.

The bridge bills referred to are as follows:

H. R. 8163

Granting the consent of Congress to the State of Illinois to construct a free highway bridge across the Pecatonica River at Harrison, in Winnebago County, State of Illinois

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto across the Pecatonica River at a point suitable to the interests of navigation at Harrison, Ill., in section 14, township 28 north, range 11 east, fourth principal meridian, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 9, after the word "of," strike out the word "the" and insert the word "an."

Amend the title as follows: "A bill granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Pecatonica River at Harrison, in Winnebago County, State of Illinois."

H. R. 8171

Granting the consent of Congress to the State of Illinois to construct a free highway bridge across the Kankakee River at Momence, in Kankakee County, State of Illinois

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois, to construct, maintain, and operate a free highway bridge and approaches thereto across the Kankakee River, at a point suitable to the interests of navigation at Momence, Ill., in township 31 north, between section 24, range 13 east, and section 19, range 14 east, third principal meridian, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Line 9, after the word "of," strike out the word "the" and insert the word "an."

Amend the title as follows: "A bill granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Kankakee River at Momence, in Kankakee County, State of Illinois."

H. R. 8238

To extend the times for commencing and completing the construction of a free highway bridge across the Fox River at Algonquin, in McHenry County, State of Illinois

Be it enacted, etc., That the times for commencing and completing the construction of a free highway bridge across the Fox River, at Algonquin, McHenry County, Ill., authorized to be built by the State of Illinois by an act of Congress approved February 13, 1931, are hereby extended one and three years, respectively, from February 13, 1931.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Line 8, after the figure "13," strike out "1931" and insert "1932."

H. R. 8250

Granting authority to the Texas State Highway Commission to maintain and operate, as constructed, a free highway bridge across Trinity River between the counties of Navarro and Henderson, in the State of Texas

Be it enacted, etc., That the consent of Congress is hereby granted to the Texas State Highway Commission and their successors and assigns to maintain and operate the free highway bridge and approaches thereto, as constructed, across Trinity River, between the counties of Navarro and Henderson, in the State of Texas, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Line 7, before the word "between," insert "seven-tenths mile west of Trinidad."

H. R. 8324

Granting the consent of Congress to the State of Illinois to construct a free highway bridge across Rock River at Byron, in Ogle County, State of Illinois

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto across the Rock River, at a point suitable to the interests of navigation, at Byron, Ill., in section 32, township 25 north, range 11 east, fourth principal meridian, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Line 9, after the word "of," strike out the word "the" and insert the word "an."

Amend the title to read: "A bill granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River at Byron in Ogle County, State of Illinois."

H. R. 8327

Granting the consent of Congress to the State of Illinois to construct a free highway bridge across Rock River at Oregon, in Ogle County, State of Illinois

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto across the Rock River, at a point suitable to the interests of navigation, at Oregon, Ill., in section 3, township 23 north, range 10 east, fourth principal meridian, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Line 9, after the word "of," strike out the word "the" and insert the word "an."

Amend the title to read: "A bill granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River at Oregon, in Ogle County, State of Illinois."

S. 2639

To extend the time for the construction of a bridge across the Missouri River at or near Poplar, Mont.

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by act of Congress approved July 3, 1930, to be built by the State of Montana, the counties of Roosevelt, Richland, and McCone, or any of them, across the Missouri River, at a point suitable to the interest of navigation, at or near Poplar, Mont., are hereby extended for one and three years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments to the foregoing House bill were severally agreed to, and the bills as amended were severally ordered to be engrossed and read a third time, were read the third time, and passed.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the votes by which the foregoing bills were passed was ordered to be laid on the table.

FREE HIGHWAY BRIDGE ACROSS FOX RIVER AT GENEVA, ILL.

The Clerk called the next bill on the Consent Calendar (H. R. 8236) granting the consent of Congress to the State of Illinois to reconstruct a free highway bridge across the Fox River at Geneva, in Kane County, State of Illinois.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MILLIGAN. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

BRIDGE ACROSS FOX RIVER NEAR M'HENRY, ILL.

The Clerk called the next bill on the Consent Calendar, H. R. 8237, granting the consent of Congress to the State of Illinois to construct a free highway bridge across the Fox River 5½ miles south of McHenry, in McHenry County, State of Illinois.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MILLIGAN. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman?

There was no objection.

EXTENSION OF TIME FOR PAYMENT OF PURCHASE MONEY ON HOMESTEAD ENTRIES, CHEYENNE RIVER AND STANDING ROCK INDIAN RESERVATIONS

The Clerk called the next bill on the Consent Calendar, H. R. 489, to amend the act of April 25, 1922, as amended, entitled "An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government-land purchases within the former Cheyenne River and Standing Rock Indian Reservations, N. Dak. and S. Dak."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, the purpose of this bill is to extend the period of payment two years, where the original extension was dated for 1930, but the bill now provides for the corroborating affidavits of two witnesses. Why is that necessary when it was not necessary in the original bill?

Mr. WILLIAMSON. It is necessary because we think there has been some abuse in getting these extensions, and the department, in order that it might be stopped in the future, has requested that this amendment be placed on the bill, so as to have evidence to corroborate the affidavit showing that the applicant is unable to pay his installment when due.

Mr. LAGUARDIA. This is simply a small installment on the land?

Mr. WILLIAMSON. That is all.

Mr. LAGUARDIA. And we are putting the occupants of the land in the position of filing corroborative affidavits in these days when we are so liberal in giving money in other quarters without requiring corroborating witnesses?

Mr. WILLIAMSON. I may say that I drafted the original bill, which did not contain that provision.

Mr. LAGUARDIA. Why not strike it out of here?

Mr. WILLIAMSON. If it is stricken out, we can just strike out the provision relating to these corroborative affidavits. I do not think they should be required.

Mr. LAGUARDIA. I do not think so, either, and I shall so move.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the discretion of the Secretary of the Interior any entryman or purchaser of ceded Cheyenne River and Standing Rock Indian lands who is unable to make payment as required by the act of March 31, 1928 (45 Stat. L. 400), as amended, may obtain an extension of time not to exceed two years in addition to the extensions now authorized by law: *Provided*, That no extension shall be granted without payment of interest for one year in advance upon any installment or installments so extended.

With the following committee amendment:

Page 2, line 2, after the word "*Provided*," strike out "That no extension shall be granted without payment of interest for one year in advance upon any installment or installments so extended" and insert "That no extension of time shall be granted to any homesteader or purchaser who fails to pay interest in advance on the total amount involved at the rate of 5 per cent per annum, and to file an affidavit corroborated by the affidavits of two persons setting out his inability to pay the amount required by existing law."

Mr. LAGUARDIA. Mr. Speaker, I offer an amendment to the committee amendment.

The SPEAKER. The gentleman from New York offers an amendment to the committee amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: In line 7, page 2, after the word "annum," strike out the comma and insert a period and strike out the balance of the section.

Mr. STAFFORD. Mr. Speaker, I rise in opposition to the proposed amendment to the amendment.

Unfortunately I was not giving enrapt attention to the colloquy indulged in between the gentleman from New York and the author of the bill as to the proposed amendment, and I did not hear the statement of the gentleman from South Dakota [Mr. WILLIAMSON] as to the reason for the necessity of the affidavits of those two persons. The department, I believe, recommends that that should be included, so that there will be no one who will use this law merely as a ruse, when he would be in a position to pay the installment. What is the objection of the gentleman as to the provision recommended by the department?

Mr. LAGUARDIA. The original bill provides for an extension of time from 1930. This bill simply amends the original bill by providing a 2-year extension. It occurred to me that this requirement of two affidavits of corroborating witnesses, which was not included in the original bill, should not be required at this time. After all, the homesteader or occupant of the land, who owes this installment, must pay the interest, and it seems to me he is in a position to make his own statement and that we should not put him to the difficulty of going around peddling himself trying to get these additional affidavits. It is discretional.

The SPEAKER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

AMENDING ACT PROVIDING COMPENSATION FOR EMPLOYEES OF THE UNITED STATES SUFFERING INJURIES

The Clerk called the next bill on the Consent Calendar, H. R. 92, to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and acts in amendment thereof.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GILBERT. Mr. Speaker, reserving the right to object, just what does this amendment do?

Mr. LAGUARDIA. I can tell the gentleman. It takes over a few cases that now are drawing full compensation from the Government, who are totally blind or who have lost hands or both feet and they require an attendant, and it allows them $50 a month more for that attendant.

Mr. GILBERT. I wish to say that the department that is administering this law administers it in conflict with the decisions of the Supreme Court of the United States, and it is necessary to pass special acts here at times to have people allowed compensation, when, if the department would follow the decisions of the Supreme Court, we would be saved that necessity.

I have asked for this information fearing that the amendment had something to do with that.

Mr. LAGUARDIA. I have always thought the United States Employees' Compensation Commission was very ably conducted by Mrs. Brueggeman. The reports which we get in our committee from that commission are always very well drawn. They state the facts clearly and the law correctly.

Mr. GILBERT. The commission is very ably but very strictly administered. The commission declines to allow compensation in cases where the courts say it should be allowed. I have had to sponsor special acts to secure relief where the commission admitted that the courts would allow it. This department should at least follow the Supreme Court of the United States.

Mr. LAGUARDIA. I sympathize with the gentleman in that.

Mr. STAFFORD. Mr. Speaker, I wish to give further consideration to this measure; and, therefore, I ask unanimous consent that it may be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

COLORADO SCHOOL OF MINES

The Clerk called the next bill, H. R. 231, to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to the State of Colorado patent conveying title to the south half southeast quarter section 22; the north half northeast quarter, and the southwest quarter northwest quarter section 27, township 18 south, range 66 west, sixth principal meridian, Colorado, for the use and benefit of the Colorado School of Mines located at Golden, upon payment to the United States of $1.25 per acre therefor: *Provided*, That there is found to be no conflicting valid claim to the lands so described: *And provided further*, That there shall be reserved to the United States all coal, oil, gas, or other mineral deposits found at any time in the land, together with the right of the United States, its grantees or permittees, to prospect for, mine, and remove such deposits, under such rules, regulations, and conditions as the Secretary of the Interior may prescribe.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

APPROPRIATIONS FOR THE MILITARY AND NONMILITARY ACTIVITIES OF THE WAR DEPARTMENT

The Clerk called the next bill, H. R. 8330, regulating the use of appropriations for the military and nonmilitary activities of the War Department.

Mr. BALDRIGE. Mr. Speaker, the gentleman from Connecticut [Mr. GOSS], who introduced this bill, is not present. I ask unanimous consent that it may be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

RESTORATION OF CERTAIN LANDS TO THE SAN CARLOS INDIAN RESERVATION, ARIZ.

The Clerk called the next bill, H. R. 8824, to restore certain lands to the San Carlos (White Mountain) Indian Reservation, Ariz.

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the tract of land in the State of Arizona ceded by the San Carlos Indians to the United States by an agree-

ment with said Indians dated February 25, 1896, ratified by the act of June 10, 1896 (29 Stat. L. 358), identified as beginning at the angle point on the southern boundary of the present San Carlos (White Mountain) Indian Reservation, as surveyed by Deputy Surveyor Philip Contzen in 1898, in approximate latitude 33 degrees 2 minutes north and longitude 110 degrees and 2 minutes west, 3 miles 45 33/100 chains south of the Gila River; thence south along the then boundary of the White Mountain Indian Reservation as surveyed by Deputy Surveyor Paul Riecker in 1883, 11 miles 34 67/100 chains, to the angle point established by Deputy Riecker 15 miles south of the Gila River; thence westerly along the then southern boundary of the reservation as surveyed by Deputy Riecker in 1883, 45 miles 33 6/100 chains, to the angle point established by him at the terminus of said southern boundary; thence north along the then boundary of the reservation as surveyed by Deputy Riecker in 1883, 15 miles, to the Gila River, at a point 10 miles upstream from its confluence with the San Pedro River; thence up the middle of the Gila River, northeasterly, to the southern boundary of the present San Carlos (White Mountain) Indian Reservation; thence easterly along the present boundary of said reservation to the point of beginning, containing approximately 363 square miles, be, and the same is hereby, restored to and made a part of the San Carlos (White Mountain) Indian Reservation: *Provided*, That such lands within the above-described area as are now within the Crook National Forest are hereby eliminated from said national forest and restored to the San Carlos (White Mountain) Indian Reservation: *Provided further*, That any valid rights or claims against such lands initiated prior to March 30, 1931, shall not be affected by this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WREATH ON GRAVE OF THE MOTHER OF WASHINGTON

The next business on the Consent Calendar was the resolution (H. Con. Res. 19) providing a wreath to be placed on the grave of the mother of Washington on February 22, 1932.

There being no objection, the concurrent resolution was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the Senate of the United States and the Clerk of the House of Representatives be, and they are hereby, authorized to purchase a wreath to be placed on the grave of Mary, the mother of Washington, at Fredericksburg, Va., on the 22d day of February, 1932, that day being the two hundredth anniversary of the birth of Gen. George Washington, the cost of said wreath not to exceed $50, which shall be paid proportionately out of the contingent funds of the Senate of the United States and the House of Representatives, respectively; be it further

Resolved, That the President of the Senate and the Speaker of the House of Representatives are hereby authorized to appoint, respectively, a Member of the Senate of the United States and a Member of the House of Representatives, both or either of whom on behalf of the Senate and of the House of Representatives, shall, at the time and place aforesaid, place said wreath on the grave of Mary, the mother of Washington.

The concurrent resolution was agreed to.

IMPROVEMENT OF FACILITIES OF FEDERAL RESERVE SYSTEM

Mr. STEAGALL. Mr. Speaker, I move to suspend the rules and pass with amendments the bill (H. R. 9203) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

The SPEAKER. The gentleman from Alabama moves to suspend the rules and pass the bill H. R. 9203, with amendments. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Federal reserve act, as amended, is further amended by inserting, between sections 10 and 11 thereof, a new section reading as follows:

"SEC. 10. (a) Upon receiving the consent of not less than a majority of the Federal Reserve Board, any Federal reserve bank may make advances, for a period not exceeding one year from the date of the approval of this act, in such amount as the board of directors of such Federal reserve bank may determine to groups of five or more independently owned and controlled member banks within its district upon their time or demand promissory notes: *Provided*, That such banks have no adequate amount of eligible and acceptable assets to obtain sufficient accommodation through rediscounting at the Federal reserve bank. The liability of the individual banks in each group must be limited to such proportion of the total amount advanced to such group as the deposit liability of the respective banks bears to the aggregate deposit liability of all banks in such group. Such banks shall be authorized to distribute the proceeds of such loans to such of their number and in such amount as they may agree upon, but before so doing they shall require such recipient banks to deposit with a suitable trustee, representing the entire group, their individual notes made in favor of the group protected by such collateral security as may be agreed upon. Any Federal reserve bank making such advance shall charge interest or discount thereon at a rate not less than 1 per cent above its discount rate in effect at the time of making such advance. No such note upon which advances are made by a Federal reserve bank under this section shall be eligible under section 16 of this act as collateral security for Federal reserve notes.

"No obligations of any foreign government, individual, partnership, association, or corporation organized under the laws thereof shall be eligible as collateral security for advances under this section.

"Member banks are authorized to obligate themselves in accordance with the provisions of this section."

SEC. 2. The Federal reserve act, as amended, is further amended by adding, immediately after such new section 10 (a), an additional new section reading as follows:

"SEC. 10. (b) In exceptional and exigent circumstances and for a period not exceeding one year from the date of the approval of this act, and when any member bank has no further eligible and acceptable assets available to enable it to obtain adequate credit accommodations from the Federal reserve bank through rediscounting or any other method provided by this act other than that provided by section 10 (a), any Federal reserve bank, pursuant to affirmative action by not less than a majority of the Federal Reserve Board, may make advances to such member bank on its time or demand promissory notes secured to the satisfaction of such Federal reserve bank: *Provided*, That (1) each such note shall bear interest at a rate not less than 1 per cent per annum higher than the highest discount rate in effect at such Federal reserve bank on the date of such note; (2) the Federal Reserve Board may by regulation limit and define the classes of assets which may be accepted as security for advances made under authority of this section; and (3) no note accepted for any such advance shall be eligible as collateral security for Federal reserve notes.

"No obligations of any foreign government, individual, partnership, association, or corporation organized under the laws thereof shall be eligible as collateral security for advances under this section."

SEC. 3. The second paragraph of section 16 of the Federal reserve act, as amended, is amended to read as follows:

"Any Federal reserve bank may make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal reserve agent of collateral in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act, or bills of exchange indorsed by a member bank of any Federal reserve district and purchased under the provisions of section 14 of this act, or bankers' acceptances purchased under the provisions of said section 14, or gold or gold certificates: *Provided, however*, That at any time within 12 months from the date of the approval of this act, should the Federal Reserve Board deem it in the public interest, it may, upon the affirmative vote of not less than a majority of its members, authorize the Federal reserve banks to offer, and the Federal reserve agents to accept, as such collateral security, direct obligations of the United States. At the expiration of one year from the approval of this act, or sooner should the Federal Reserve Board so decide, such authorization shall terminate and such obligations of the United States be retired as security for Federal reserve notes. In no event shall such collateral security be less than the amount of Federal reserve notes applied for. The Federal reserve agent shall each day notify the Federal Reserve Board of all issues and withdrawals of Federal reserve notes to and by the Federal reserve bank to which he is accredited. The said Federal Reserve Board may at any time call upon a Federal reserve bank for additional security to protect the Federal reserve notes issued to it."

The SPEAKER. Is a second demanded?

Mr. McFADDEN. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. McFADDEN. I am.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Does the gentleman from Alabama desire to ask unanimous consent that additional time be given for debate? The Chair asks this for the reason that a number of gentlemen have requested, in view of the fact the session of the House will run until 5 o'clock, that the gentleman ask for one hour of additional debate, so the House may have as full opportunity as possible to discuss the measure.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the time for debate be extended one hour in addition to the original request.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. The gentleman from Alabama is recognized for one hour and a half, and the gentleman from Pennsylvania for one hour and a half.

Mr. STEAGALL. Mr. Speaker, I ask to be recognized for 15 minutes.

Mr. Speaker, this bill represents the culmination of a demand that has been manifest on the Democratic side of the House, and which has grown from day to day since the meeting of the Congress last December.

A similar bill, in principle, has been before the Banking and Currency Committee of the House for some weeks in the form of a measure introduced by the able and distinguished gentleman from Maryland [Mr. GOLDSBOROUGH], and other bills of similar purpose and principle, one of which was introduced by the distinguished gentleman from Illinois [Mr. KELLER], who is a student of economic questions and whose views are held in high regard. There have been extended conferences and discussions from time to time with the chairman of the committee and members of the committee, and other Members of the House with reference to the legislation.

We undertook to cooperate with the administration in legislation suggested at the outset of the labors of this session and we have given right of way to legislation supported by the administration. Majority members of the Banking and Currency Committee found themselves agreed in principle with reference to legislation to enlarge the facilities of the Federal reserve system.

Conferences have been held by the chairman of the committee with members of his party in the Senate, with whom, also, we were able to agree. I should add that this demand for legislation of this kind has come from some Members on the other side of the aisle. It is fair to say, however, that the demand from the minority side was by no means so widespread.

Last week leading members of the administration came to an agreement that this legislation was desirable. The bill before us embodies, in substance, the provisions of the measures that have been pending before the Banking and Currency Committee of the House to which I have alluded, and, in part, it is taken from a measure pending in the Senate, a bill of much wider range, amending various features of the Federal reserve act.

Mr. BANKHEAD. Is that the Glass bill?

Mr. STEAGALL. Yes; I refer to the bill known as the Glass bill, introduced by the distinguished Senator from Virginia. One provision was taken from his bill.

There has been an additional provision incorporated along with the two provisions to which I have referred. Those of us who are really for this legislation do not think it is a cure-all or that it is going to relieve entirely the unfortunate conditions that exist at this time; but many of us do believe, as we have long believed, that it will enlarge and extend the service of the Federal reserve system and bring that great system back into the channels in which it was placed at the beginning and again serve the country as it did for quite a time when we enjoyed an unparalleled period of prosperity under that great legislative enactment. The Federal reserve act was the achievement of a Democratic administration. It is an amendment to that act which we offer now in the hope of bringing relief from present distress.

The banking and credit machinery of this country has drifted into unhappy days. I am not going to attempt here to review the history of the developments in this connection, but I want in justice to some members of the committee with whom I have served to state that some of us for years have warned the country of what was taking place; we have pleaded with those who had the power to change the policies under which we were acting, that the country might be saved from a collapse of the banking system of the Nation. It would have been an easy thing to construct legislation to prevent the things that have happened.

A much larger task confronts us now, after all the disasters that have come upon us, many of them, I honestly believe, as a result of vicious and unsound banking practices on the part of those who were relied upon for leadership in the banking world. The indefensible practices that have wrought these misfortunes upon us were carried on either with the sanction—or without proper efforts to prevent them—on the part of those responsible for the Federal reserve system of the United States. [Applause.]

The big bankers who claimed a monopoly on wisdom and good morals in banking have taken the Federal reserve system and perverted and debased it. They turned it from service to legitimate business and commerce into an instrument for use in the promotion of speculation and international high finance by men who proved unworthy of the trusts reposed in them, and who have been shown to be as ignorant as they were known to be unscrupulous.

These men gathered junk from the four corners of the earth and fed it into the banks of this country to the wreck and ruin of thousands of such banks and their innocent depositors. The rights of small communities have been treated with contempt and, by unfair practices and unjust discriminatory rules and regulations of the Federal reserve system, the small banks of the United States have been strangled and choked to death. [Applause.]

The confidence of the public has been destroyed, and now we find the necessity that we must attempt to deal with actual economic difficulties; but, worse than that, we face the necessity of restoring the faith of the people in the banks, on which they have a right to rely as a safe place to deposit their earnings and the savings to be left for their loved ones. But I do not desire to make a long speech. I want to discuss the provisions of the bill and conclude in order to leave time for other Members.

Mr. BLANTON. Before the gentleman proceeds with that I want to ask him one question.

Mr. STEAGALL. I will yield to the gentleman. I will yield to the gentleman from Texas, but only for a brief question. I can not yield freely, as I should like to do.

Mr. BLANTON. Will the gentleman tell us if it is not a fact that since 1913, when the original act was passed, there have been 32 different amendments passed by Congress, in which the powers and scope and authority of the Federal reserve system have been increased, and in practically all of them our friend from Alabama has been on the floor fighting those amendments?

Mr. STEAGALL. I will say to the gentleman that I do not want to get to talking politics, but the Democrats of the Banking and Currency Committee have fought for years to bring the Federal reserve system back where it belongs and make it serve the business interests of the country which it was intended to serve. The Republican members of the committee know that some of us have walked the floor for years telling them that those in control were destroying the banking system of the United States. Gentlemen on that side of the aisle smile; but if you will look up the record of the hearings before our committee, you will see that these leaders in the banking world were continually telling us that small communities did not have brains enough to run a bank suitable to their demands and requirements. We have found out that the biggest dupes known to history were those very men who told us that small towns and communities could not supply officials who knew how to run a bank.

Mr. BLANTON. I have been a faithful follower of the gentleman from Alabama all these years, but let me ask him this further question. Is it not a fact that this particular bill is the conglomeration of the ideas of Eugene Meyer and Ogden Mills?

Mr. STEAGALL. No.

Mr. BLANTON. Have they not approved of the bill?

Mr. STEAGALL. Yes. They have approved the bill, because the indefensible practices of the big banks have destroyed confidence on the part of the American people and brought us into such disasters that they feel that we are forced to resort to this remedy.

Mr. BLANTON. Let me say that I had rather follow the splendid leadership of my friend from Alabama as the ranking militant member of the minority of the Banking and Currency Committee than as chairman who cooperates with Eugene Meyer and Ogden Mills. [Laughter.]

Mr. STEAGALL. I will cooperate with anybody who is in position to aid in the effort to save the country from the horrible conditions that have been brought upon us. [Applause.] We need not worry about politics; we need have no fears that we shall suffer any political misfortune by serving the country without regard to party division.

Now, I want to talk about the provisions of this bill.

Mr. Speaker, I ask recognition for five minutes more.

Here is what we do. First, we provide that a group of banks, not less than five, may come together, form an organization or clearing house, and the Federal reserve banks may make loans to such group of banks upon their joint obligation.

The banks forming a group are required to put up collateral securities with a trustee to be selected by them, and they agree among themselves upon the security to be set up for their own protection. The Federal reserve bank makes the loan to the group, but shall not make it except upon the approval of a majority of the Federal Reserve Board. This authority is limited to a period of one year from the enactment of the bill. We further provide that no such loan shall be made on any security other than paper that is now recognized under the law as eligible at the Federal reserve bank, so long as the bankers composing the group have sufficient eligible security. It is also provided that no such loan shall be made upon foreign securities. In addition, the rate of interest required is 1 per cent higher than the prevailing rate. These are the safeguards that surround this provision. Section 2 of the bill provides that an individual bank may obtain loans from Federal reserve banks upon any security satisfactory to the bank, though not eligible under existing law. This also is to be permitted only for the period of one year from the passage of this act. The limitation is also applied that the individual bank can not obtain such a loan if it has in its portfolio paper that is now eligible under the Federal reserve law. If it has no such paper, the Federal reserve bank, with the approval of a majority of the Federal Reserve Board, is authorized to make a loan on any security that is satisfactory. A further limitation provides that the rate of interest shall be 1 per cent higher than the current rate. It is also provided, as in case of loans to groups of banks, that no loans shall be made to individual banks upon any foreign security, or upon the obligation or collateral growing out of foreign transactions. [Applause.]

Mr. HOCH. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. HOCH. Will the gentleman tell us in a general way what classes of security are in mind which are not now eligible for discount, which will be made eligible for discount under this provision of section 2?

Mr. STEAGALL. All classes of securities except those that are based upon foreign obligations are eligible for loans if the Federal Reserve Board approves them and the Federal reserve bank sees fit to make them, provided the applying bank does not have collateral eligible as security under the general provisions of the Federal reserve act.

It makes it possible for a bank that finds itself in the midst of this confusion and distress and the state of fear that exists on the part of the public, where prudence and due regard for responsibility to its depositors, requires it to keep on hand enough liquid securities or eligible paper to respond to any contingency that may arise, to release its cash for use by the public to the extent that its borrowing power is enlarged. Many banks are afraid to let a day pass without having on hand cash or securities upon which they may realize on short notice sufficient to respond to any demands of their depositors. Any bank like that, that has any other valid and worthy security, is allowed under this bill to take it to the Federal reserve bank and borrow upon it, and when it does that, then you have released that much of credit for business activity and for productive pursuits, and for aid in the revival of business throughout the United States. [Applause.]

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield for an inquiry.

Mr. McKEOWN. A lot of telegrams are coming in——

Mr. STEAGALL. Please do not interrupt me to read a telegram. My time is too limited; of course I should be glad to yield if I had more time.

Mr. McKEOWN. I want to ask the gentleman if this is the original Glass bill?

Mr. STEAGALL. The bill known as the Glass bill is an entirely different measure.

Mr. SHANNON. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Does the gentleman desire to ask a question at this particular point?

Mr. SHANNON. Yes.

Mr. STEAGALL. I yield.

Mr. SHANNON. Is the gentleman free to tell us, leaving out the profanity, just what Mr. Dawes said in the White House conference that brought about the absolute necessity of hurrying this measure through?

Mr. LAGUARDIA. It is what he said in the committee.

Mr. SHANNON. But I am talking about the White House conference.

Mr. LAGUARDIA. But it is not in the hearings.

Mr. SHANNON. The gentleman ought to report it to us; he ought to tell us what occurred.

Mr. STEAGALL. I yielded to the gentleman for an inquiry.

Mr. SHANNON. That is an inquiry.

Mr. STEAGALL. Will the gentleman now yield me the floor in order to permit me to answer?

Mr. SHANNON. Yes; but leave out the profanity.

Mr. STEAGALL. I know that a man of the gentleman's brilliant mind and practical common sense and experience does not have to be told that there is a certain delicacy involved in the discussion of credit and banking that forbids that references to matters of that kind be published to the world, if we are to deal constructively with great and important affairs such as was before the Committee on Banking and Currency when the distinguished gentleman appeared before us. We did have before us a distinguished citizen of the United States and a member of the board of directors of the Reconstruction Finance Corporation, who discussed in a general way the conditions that had come to his attention in connection with his duties as a member of that board, and he went so far as to discuss before the committee individual instances in which the corporation had been applied to for aid. Does the gentleman think that good faith to this House and the country requires that I now repeat all that he said on those occasions?

Mr. SHANNON. Everything that pertains to the American people should be told to this body, their Representatives.

Mr. STEAGALL. I am sure the gentleman would modify that statement on reflection. I do not think we should go that far. Both political parties were represented on the committee when the hearings were held. The gentleman's side of the House was represented by a number of Members, and so was the other side. Men who are against this bill were represented and men who are for the bill. A request was made that the statements of one of the gentlemen who appeared before us should not be published to the country, and it has not been done. I thought the committee acted wisely in not publishing it. [Applause.] I think so yet. That is my judgment about that. [Applause.]

Mr. CELLER. Will the gentleman yield for a question?

Mr. STEAGALL. I yield for a question.

Mr. CELLER. Five banks may, by concert or cooperation, make application, provided they divest themselves of any eligible paper or do not have any more eligible paper for rediscount?

Mr. STEAGALL. That is quite right.

Mr. CELLER. Suppose there are two strong banks which want to come to the rescue of three weaker banks. Must

those two strong banks bring themselves to the level of the weakness of the other three banks by divesting themselves of all rediscountable paper in order that they may in concert apply to the Federal reserve bank for relief?

Mr. STEAGALL. That is a problem to be worked out under the provisions of this bill by the men who form the group of bankers. It is their job to get together and put up such securities as they see fit to satisfy one another and then apply for a loan. But if they have eligible paper they should not be allowed to unload any other kind of paper on the Federal reserve system. The purpose of this legislation is to relieve emergencies——

Mr. STEVENSON. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. STEVENSON. If they have this eligible paper, the two strong banks could use their own credit until that is exhausted, and then they could use this.

Mr. STEAGALL. Why, certainly. I will say to the gentleman that if the banks have eligible paper, liquid assets, such as is contemplated by the Federal reserve law, and want credit from the Federal reserve banks, good faith requires that they submit it instead of coming in and trying to offer something else which opportunity is afforded for merely as an emergency proposition. Now, I neglected to say that the section requires an interest rate of 1 per cent above the current rate.

Mr. CELLER. Those two strong banks I spoke of do not need aid, but they want to help three other banks, and in order to do that they must weaken themselves to the level of the other three.

Mr. STEAGALL. But the philosophy of that proposition rests upon the idea of cooperation among the member banks. If they can not agree among themselves, they can not come to the Federal reserve bank for their requirements. It is intended to aid banks that make proper effort to aid themselves.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. MORTON D. HULL. Does the period of limitation of one year relate to the maturity of the loan?

Mr. STEAGALL. Oh, no. It is provided that loans shall not be made after one year from the passage of the act.

Now, I wish to discuss one other provision of the bill, and I must conclude, as I have promised to yield time to others.

The third provision of the bill authorizes the Federal reserve banks to issue Federal reserve notes upon direct obligations of the Government, supported by 40 per cent of gold. Now, where is there any inflation in that, which should alarm anybody? The Federal reserve banks now issue currency based on commercial paper, supported by 40 per cent of gold. Is there any harm or is there anything unsound in substituting a Government bond for paper representing the debts of a community to a bank?

It was never required and never contemplated in the original Federal reserve law that it was necessary to maintain more than 40 per cent gold against notes issued, but we find ourselves in a situation during this depression where commercial credits have been cut down, and commercial paper offered at the Federal reserve banks is curtailed until they are now carrying twice the amount of gold against notes issued that the law ever contemplated. The notes are outstanding, and they must put up gold because they have not sufficient commercial paper to cover the issue of notes. So we have authorized them to substitute Government bonds. Now, that will release some seven hundred and fifty millions to one billion dollars in gold. This will strengthen the Federal reserve system. It will strengthen our position financially all along the line, and it does not make possible any undue inflation of the currency of the country.

It makes possible expansion, not a wild inflation, but sufficient expansion to counteract the horrible deflationary policies and practices in which we find ourselves engulfed at this time in the United States. [Applause.] That is what we are trying to do. That is all there is in this provision respecting note issues by the Federal reserve banks. It is not a wild scheme. It is to be kept under the control of the Federal Reserve Board. The provision is limited in operation to a period of one year. We could not inflate to any dangerous extent so long as the gold requirement is retained. I will say also, in this connection, that if the Federal Reserve Board is to be judged by its conduct in the past, nobody need fear that we are in for a wild period of inflation through the operation of this law, so long as it is under the control of the Federal Reserve Board of the United States. [Applause.]

Mr. McFADDEN. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. STRONG].

Mr. STRONG of Kansas. Mr. Speaker, I want to refer to no politics in connection with the passage of this bill. It has been suggested by the President and the financial heads of the Government, and has been studied by our committee on Banking and Currency and favorably reported to this House by a vote of 20 to 1 because of a public necessity. I am supporting it because I believe it is needed to break down the reign of fear in financial matters that exists throughout the entire United States.

We recently passed legislation creating the Reconstruction Finance Corporation. That will do great good, but we have found that throughout the United States there is an existing state of fear of the future. Hoarding is going on. Men and women are going to the banks and taking out the money and putting it into safe deposit boxes or taking it home and hiding it. Deposits are being withdrawn. Banks fear their depositors may demand their money and they will not make loans needed in business and agriculture; they think a run may come upon them or their neighbor bank and they want to keep every dollar they have in their vaults. But there is a condition that is even worse than that. Banks that have eligible paper are not borrowing on it. They are holding it. There is no Federal reserve bank in this country which is borrowing anything like the money it is permitted to borrow on the eligible paper it has in its vaults. Why? Because it fears a run may come in its territory and it wants that paper to use if necessary. There are three billions of dollars worth of eligible paper in the banks of this country that are not being used for rediscounting.

If banks holding such eligible paper would take it to the Federal reserve banks and borrow money on it and then make loans to the people engaged in business, industry, and agriculture, who need it and who have good security for it, we would not need this bill. But they are not doing it. They are not doing it for the same reason that the individual is not loaning money. They are not doing it because they fear a financial panic.

The purpose of this bill is to dispel such fear, restore confidence, and again make it possible to carry on business in a normal way.

One of the provisions of the bill is to widen the scope of eligible paper, so that the eligible paper that is now being hoarded—and I am going to let that word stand—in the banks of this country may be extended, increased by other securities, perfectly good but not now eligible paper; then the Federal reserve banks may accept such security and furnish funds to make loans so badly needed. It may be security on real estate, State bonds, county, or city bonds, or any good security that is offered them that they believe to be good. That will make it possible for the little banks throughout the country, if they have not eligible paper, to use such paper though not now eligible for rediscount but yet safe; and on that paper they can secure credit. That will turn loose a vast amount of credit throughout the country. It will make the little banks and the big banks realize that they are not going to be crowded for their deposits.

Then it will do another thing. It will permit the banks that have no eligible paper to get together and guarantee each other's paper. It will permit clearing-house certificates to be issued. It will make it possible to establish rules in the cities that will stop this hoarding.

It will do a third thing. It will turn loose about $800,000,000 of free gold. There is behind our currency of about $3,000,000,000, secured by $900,000,000 of eligible paper and $2,000,000,000 of gold, because they are holding on to the eligible paper and they are putting up gold. By permitting the use of Government bonds as a basis for the issue of currency, as provided in this bill, it will release between $750,000,000 and $800,000,000 in gold, and you all know what that will do. Eight hundred million dollars, my friends, will produce $2,000,000,000 worth of credit in this country.

Mr. BURTNESS. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. BURTNESS. Does the gentleman think the additional credit that will be provided by this bill will have a tendency to increase the general commodity price level?

Mr. STRONG of Kansas. That is not going to be embarrassing to me, because I will frankly say to the gentleman that I think it will; yes. I have for six years been pleading for legislation that will make it possible to increase the volume of money of this country when the general commodity price level is falling and to regulate the amount of money in circulation among the people in order to bring about a stable dollar, so I am now very much delighted with this increase in currency and credit which will be turned loose. When it is in circulation it will increase, I have no doubt, the general commodity price level so much needed to restore business and prosperity. My hope is that we will then pass legislation that will maintain such stability.

Mr. BURTNESS. The gentleman is hopeful, then, that the Federal Reserve Board will, in the administration of these provisions, at least have an eye toward the general commodity price level, with a view of rehabilitating the price of commodities in this country at somewhere near normal?

Mr. STRONG of Kansas. I do not know that they will have their eyes turned toward the price level or not, but they ought to. However, they have got to turn loose both money and credit in order to bring about a normal condition of prices.

Mr. BURTNESS. In view of the additional safeguards put into this bill with reference to these provisions, why was it necessary to limit this authority to one year? Personally, I regret that limitation, at least, in so far as sections 2 and 3 of the bill are concerned.

Mr. STRONG of Kansas. I thought so myself, but a majority of the committee thought that was wise and we were governed by the majority.

Mr. BARBOUR. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. BARBOUR. If this condition exists a year from now, Congress can easily extend the time.

Mr. STRONG of Kansas. That was the argument, that if when this one year was over and conditions necessitated it, Congress would then be in session and the time could easily be extended.

Mr. CELLER. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. CELLER. This is a good bill, but why did not the gentleman's side bring it in over a year ago?

Mr. STRONG of Kansas. Why did not your side bring it in? What is the use of playing peanut politics with a thing like this? [Applause.] My friends, I do not appeal to you as Democrats or Republicans. I want to appeal to you as representatives of the great American people to go along and pass this bill, and let us try to get out of the condition we have been in. Do not say that a Republican proposed it or that a Democrat favored it. Let us say the American Congress, composed of the representatives of the people, passed this legislation in order to dispel fear and restore confidence and to bring about the prosperity we all so much desire.

Mr. PARSONS. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. PARSONS. The third important feature of this bill is that the Federal reserve banks can issue currency against Government securities to an extent not to exceed an amount where there will not be less than 40 per cent of gold to back up the issue that is made.

Mr. STRONG of Kansas. That is correct.

Mr. PARSONS. What is the difference in principle and what is the difference in the responsibility of the Federal Government if the Government did it direct rather than through the Federal reserve system?

Mr. STRONG of Kansas. Well, simply because we have set up the Federal reserve system and it is functioning in that capacity. Then, too, this is the easiest way to pass legislation to bring about desired results.

Mr. PARSONS. The Federal Government could issue $1,000,000,000 in currency, and it would be just the same as if the Federal reserve banks had issued it, and the Federal Government could do it without interest.

Mr. STRONG of Kansas. If you want to go ahead with fiat money, all right.

Mr. PARSONS. If that is fiat money, is not the currency issued by the Federal reserve system fiat money?

Mr. STRONG of Kansas. No; it is based upon eligible paper, but always there must be 40 per cent of gold.

Mr. PARSONS. With the Federal Government directly issuing it, would it not have against it no less than 40 per cent of gold?

Mr. STRONG of Kansas. Yes; but there must also be the eligible paper. Every American dollar now is worth one dollar's worth of gold, and anyone can receive a dollar's worth of gold for it. We want to stay on the gold basis, and we will do this if you pass this bill.

Mr. PARSONS. Will the gentleman yield for a further question?

Mr. STRONG of Kansas. Yes.

Mr. PARSONS. We have about four and a half billion dollars in gold at present; how much of gold certificates has been issued against the four billion and a half of gold in the Treasury?

Mr. STRONG of Kansas. I do not know.

Mr. PARSONS. Certainly not more than four and a half billion?

Mr. BEEDY. If the gentleman will yield, I will answer the gentleman.

Mr. STRONG of Kansas. The gentleman from Maine states that he can answer the gentleman's question.

Mr. BEEDY. There is $877,000,000 of yellow backs out now.

[Here the gavel fell.]

Mr. McFADDEN. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, this most important measure is not before the House under the ordinary rules which would permit it to be safeguarded by proper amendments. It is called up under a suspension of the rules and has to be passed just as it has been proposed by the committee, and not one of the 435 Members of this House can propose a single amendment to it. It can not be amended in any particular. We have to vote for it just as it is, without the changing of a dotting of an "i" or the crossing of a "t."

If we had not besieged the Speaker and the distinguished gentleman from Alabama [Mr. STEAGALL], who is chairman of the committee, with urgent requests for more time for debate, we would have been limited to 20 minutes to the side to debate this most important piece of legislation, for 40 minutes is all the time allowed for debate under suspension of the rules.

And the colloquy that ensued between the gentleman from Nebraska [Mr. HOWARD] and the chairman evidenced the fact that the general provisions and purposes of this bill were unknown to the membership. Is it possible that the committee can not trust the membership of this House to pass on this bill? Is it so perfect that it needs no amending?

Mr. Speaker, we have since 1913, or since the passage of the Federal reserve act, passed 32 amendments to that act. Practically every one of them came from the Federal reserve system seeking an enlargement of its powers. I found myself following the militant lead of my good friend from

Alabama [Mr. STEAGALL] when he opposed many of these amendments. He made some magnificent debates on this floor during those fights, and it is hard for me now to follow him in a lead that is actuated by the head of this whole system, collaborating with our friend, Hon. Ogden Mills, the present Secretary of the Treasury. I want to call your attention to these various amendments, and to some excerpts from the act.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to quote excerpts from the Federal reserve act, and from the 1930 report of the Federal Reserve Board.

The SPEAKER pro tempore (Mr. BLAND). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I am going to call attention to these different amendments. Since we passed the Federal reserve act which was approved on December 23, 1913, Congress has passed 32 amendments to such act, and I now give the Congress, the date approved, and the public law these amendments became, to wit:

AMENDMENTS TO FEDERAL RESERVE ACT

Public, No. 163, Sixty-third Congress, approved August 4, 1914.
Public, No. 171, Sixty-third Congress, approved August 15, 1914.
Public, No. 212 (extract from), Sixty-third Congress.
Public, No. 281, Sixty-third Congress, approved March 3, 1915.
Public, No. 75, Sixty-fourth Congress, approved May 15, 1916.
Public, No. 81 (extract from), Sixty-fourth Congress.
Public, No. 270, Sixty-fourth Congress, approved September 7, 1916.
Public, No. 25, Sixty-fifth Congress, approved June 21, 1917.
Public, No. 139, Sixty-fifth Congress, approved April 23, 1918.
Public, No. 218, Sixty-fifth Congress, approved September 26, 1918.
Public, No. 329, Sixty-fifth Congress, approved March 3, 1919.
Public, No. 62, Sixty-sixth Congress, approved October 22, 1919.
Public, No. 48, Sixty-sixth Congress, approved September 17, 1919.
Public, No. 106, Sixty-sixth Congress, approved December 24, 1919.
Public, No. 170, Sixty-sixth Congress, approved April 13, 1920.
Public, No. 225, Sixty-sixth Congress, approved May 26, 1920.
Public, No. 329, Sixth-sixth Congress, approved February 27, 1921.
Public, No. 331, Sixty-sixth Congress, approved February 27, 1921.
Public, No. 17, Sixty-seventh Congress, approved June 14, 1921.
Public, No. 230, Sixty-seventh Congress, approved June 3, 1922.
Public, No. 279, Sixty-seventh Congress, approved July 1, 1922.
Public, No. 405, Sixty-seventh Congress, approved February 6, 1923.
Public, No. 503 (extract from), Sixty-seventh Congress, approved March 4, 1923.
Public Resolution No. 3, Sixty-eighth Congress, approved January 31, 1924.
Public Resolution No. 9, Sixty-ninth Congress, approved March 24, 1926.
Public Resolution No. 15, Sixty-ninth Congress, approved April 14, 1926.
Public Resolution No. 16, Sixty-ninth Congress, approved April 17, 1926.
Public, No. 639, Sixty-ninth Congress, approved February 25, 1927.
Public Resolution No. 76, Seventieth Congress, approved January 26, 1929.
Public, No. 120, Seventieth Congress, approved March 9, 1928.
Public, No. 352, Seventieth Congress, approved May 7, 1928.
Public, No. 594, Seventieth Congress, approved May 29, 1928.

Mr. Speaker, I now want to quote some excerpts from the provisions of the Federal reserve act of 1913 to show how much the Government has done for this system, and just how much the Federal Government is a part of it. From section 2 I quote the following excerpts, to wit:

SEC. 2. As soon as practicable, the Secretary of the Treasury, the Secretary of Agriculture, and the Comptroller of the Currency, acting as the reserve bank organization committee, shall designate not less than 8 nor more than 12 cities to be known as Federal reserve cities, and shall divide the continental United States, excluding Alaska, into districts—

And so forth.

* * * * * * *

Said organization committee shall be authorized to employ counsel and expert aid, to take testimony, to send for persons and papers, to administer oaths, and to make such investigation as may be deemed necessary by the said committee in determining the reserve districts and in designating the cities within such districts where such Federal reserve banks shall be severally located. The said committee shall supervise the organization in each of the cities designated of a Federal reserve bank, which shall include in its title the name of the city in which it is situated—

And so forth.

* * * * * * *

Should the total subscriptions by banks and the public to the stock of said Federal reserve banks, or any one or more of them, be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in that event the said organization committee shall allot to the United States such an amount of said stock as said committee shall determine. Said United States stock shall be paid for at par out of any money in the Treasury not otherwise appropriated, and shall be held by the Secretary of the Treasury and disposed of for the benefit of the United States in such manner, at such times, and at such price, not less than par, as the Secretary of the Treasury shall determine.

* * * * * * *

The organization committee shall have power to appoint such assistants and incur such expenses in carrying out the provisions of this act as it shall deem necessary, and such expenses shall be payable by the Treasurer of the United States upon voucher approved by the Secretary of the Treasury, and the sum of $100,000, or so much thereof as may be necessary, is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, for the payment of such expenses.

Mr. Speaker, I want my colleagues to note that the organization committee above referred to is the Secretary of the Treasury of the United States, the Secretary of Agriculture of the United States, and the Comptroller of the Currency of the United States, all paid big salaries by the people of the United States.

I now quote the following from section 7 of said act:

DIVISION OF EARNINGS

SEC. 7. After all necessary expenses of a Federal reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend shall be cumulative. After the aforesaid dividend claims have been fully met, all the net earnings shall be paid to the United States as a franchise tax, except that one-half of such net earnings shall be paid into a surplus fund until it shall amount to 40 per cent of the paid-in capital stock of such bank.

The net earnings derived by the United States from Federal reserve banks shall, in the discretion of the Secretary, be used to supplement the gold reserve held against outstanding United States notes, or shall be applied to the reduction of the outstanding bonded indebtedness of the United States under regulations to be prescribed by the Secretary of the Treasury. Should a Federal reserve bank be dissolved or go into liquidation, any surplus remaining after the payment of all debts, dividend requirements as hereinbefore provided, and the par value of the stock, shall be paid to and become the property of the United States and shall be similarly applied.

Federal reserve banks, including the capital stock and surplus therein, and the income derived therefrom shall be exempt from Federal, State, and local taxation, except taxes upon real estate.

Mr. Speaker, it will be noted that when expenses of the Federal reserve banks are mentioned, same are designated by Congress as "necessary expenses." It makes no mention of extravagant and wasteful expenditures. And it was not contemplated by Congress that there should be extravagant and wasteful expenditures.

And you will note that the people of the United States are interested in the expenses of this system, for the act provides that after "necessary expenses" are paid, and the annual dividend of 6 per cent is distributed, "all of the net earnings shall be paid to the United States as a franchise tax." Thus the net earnings that are to go into the Treasury of the United States are large or small, according to the expenses being only the "necessary" ones or the earnings being paid out in extravagant and wasteful expenditures. So the people of the United States are interested. And Representatives in Congress are interested in the manner in which these Federal reserve banks conduct their business. And we, as Representatives of the people, have the inherent right to know just how they conduct their business. And I am going to make it some of my business to know all about how they conduct their business. Let me quote further from section 10 of said act:

FEDERAL RESERVE BOARD

SEC. 10. A Federal Reserve Board is hereby created which shall consist of seven members, including the Secretary of the Treasury

and the Comptroller of the Currency, who shall be members ex officio, and five members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the five appointive members of the Federal Reserve Board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the different commercial, industrial, and geographical divisions of the country. The five members of the Federal Reserve Board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal Reserve Board and shall each receive an annual salary of $12,000, payable monthly together with actual necessary traveling expenses, and the Comptroller of the Currency, as ex officio member of the Federal Reserve Board, shall, in addition to the salary now paid him as Comptroller of the Currency, receive the sum of $7,000 annually for his services as a member of said board.

Mr. Speaker, it will be noted that the five members of the Federal Reserve Board appointed by the President of the United States receive a salary of only $12,000, limited by Congress, and that the Comptroller of the Currency receives $7,000 per annum additional to his salary for the extra services he renders to this Federal reserve system.

Section 2 of this act authorizes this Federal Reserve Board—the Secretary of the Treasury and the Comptroller of the Currency of the United States being members thereof—to—

(a) To examine at its discretion the accounts, books, and affairs of each Federal reserve bank and of each member bank and to require such statements and reports as it may deem necessary.

* * * * * * *

(h) To suspend, for the violation of any of the provisions of this act, the operations of any Federal reserve bank, to take possession thereof, administer the same during the period of suspension, and, when deemed advisable, to liquidate or reorganize such bank.

* * * * * * *

(l) To employ such attorneys, experts, assistants, clerks, or other employees as may be deemed necessary to conduct the business of the board. All salaries and fees shall be fixed in advance by said board and shall be paid in the same manner as the salaries of the members of said board. All such attorneys, experts, assistants, clerks, and other employees shall be appointed without regard to the provisions of the act of January 16, 1883 (22 Stat. L. 403), and amendments thereto, or any rule or regulation made in pursuance thereof: *Provided*, That nothing herein shall prevent the President from placing said employees in the classified service.

* * * * * * *

OPEN-MARKET OPERATIONS

SEC. 14. Any Federal reserve bank may, under rules and regulations prescribed by the Federal Reserve Board, purchase and sell in the open market, at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals, cable transfers and bankers' acceptances and bills of exchange of the kinds and maturities by this act made eligible for rediscount, with or without the indorsement of a member bank.

Every Federal reserve bank shall have power:

(a) To deal in gold coin and bullion at home or abroad, to make loans thereon, exchange Federal reserve notes for gold, gold coin, or gold certificates, and to contract for loans of gold coin or bullion, giving therefor, when necessary, acceptable security, including the hypothecation of United States bonds or other securities which Federal reserve banks are authorized to hold;

(b) To buy and sell, at home or abroad, bonds and notes of the United States, and bills, notes, revenue bonds, and warrants with a maturity from date of purchase of not exceeding six months, issued in anticipation of the collection of taxes or in anticipation of the receipt of assured revenues by any State, county, district, political subdivision, or municipality in the continental United States, including irrigation, drainage, and reclamation districts, such purchases to be made in accordance with rules and regulations prescribed by the Federal Reserve Board.

* * * * * * *

GOVERNMENT DEPOSITS

SEC. 15. The moneys held in the general fund of the Treasury, except the 5 per cent fund for the redemption of outstanding national-bank notes and the funds provided in this act for the redemption of Federal reserve notes may, upon the direction of the Secretary of the Treasury, be deposited in Federal reserve banks, which banks, when required by the Secretary of the Treasury, shall act as fiscal agents of the United States; and the revenues of the Government or any part thereof may be deposited in such banks, and disbursements may be made by checks drawn against such deposits.

No public funds of the Philippine Islands, or of the postal savings, or any Government funds, shall be deposited in the continental United States in any bank not belonging to the system established by this act: *Provided, however*, That nothing in this act shall be construed to deny the right of the Secretary of the Treasury to use member banks as depositories.

NOTE ISSUES

SEC. 16. Federal reserve notes, to be issued at the discretion of the Federal Reserve Board for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in gold on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or in gold or lawful money at any Federal reserve bank.

Mr. Speaker, I want to call attention to the provision Congress saw fit to put in this act of 1913, hoping thereby to benefit the farmers of the United States, to wit:

LOANS ON FARM LANDS

SEC. 24. Any national banking association not situated in a central reserve city may make loans secured by improved and unencumbered farm land, situated within its Federal reserve district, but no such loan shall be made for a longer time than five years, nor for an amount exceeding 50 per cent of the actual value of the property offered as security. Any such bank may make such loans in an aggregate sum equal to 25 per cent of its capital and surplus or to one-third of its time deposits and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same.

The Federal Reserve Board shall have power from time to time to add to the list of cities in which national banks shall not be permitted to make loans secured upon real estate in the manner described in this section.

Mr. Speaker, I have quoted the foregoing excerpts from the Federal reserve act of 1913 merely to show in numerous ways, too numerous to mention all, and at the expense of the people, Congress has subsidized the Federal reserve system. It is a quasi Government agency—quasi at least—and yet when our friend, our colleague from Texas [Mr. WILLIAMS], who has been watchful of its work and its endeavors, wanted to get from it some pertinent information, he could not do it. He believed in the system when it was first formed, like all of us. It did a splendid work for a long time, but when the gentleman from Texas [Mr. WILLIAMS] writes them as a Member of Congress, representing his people, and asks them for definite, pertinent information about their business, they write him back, in effect, "Go to h——; it is none of your business."

Mr. STEAGALL. Will the gentleman yield?

Mr. BLANTON. I have only a few minutes; but, certainly, I yield to the chairman of the committee.

Mr. STEAGALL. Does the gentleman know that the Federal reserve banks have paid into the Federal Treasury, in round figures, approximately $150,000,000?

Mr. BLANTON. Yes; and I am going to put the exact figures in the RECORD. I do not care how much they have paid. I know they were subsidized and they are still subsidized by this Nation, and I know that after their "necessary" expenses are paid, and a 6 per cent dividend paid, the law provides that the residue shall be turned into the Treasury of the United States as a franchise tax for the benefit of the people, and the people are concerned with the expenses of the Federal reserve system. The expense of the Federal reserve system, and especially in connection with its many high-salaried and overpaid officials and employees, is a stench in the nostrils of decent Americans, and I want to say to the gentleman that a Member of Congress has the inherent right to know exactly the amount of salaries that the system is paying its army of employees and officials. These Federal reserve banks have squeezed, robbed, wrecked, and ruined many banks, merchants, and citizens all over the United States, and I condemn them for it.

We provided in the act that the five members of the board whom the President was to appoint should receive a salary of only $12,000 per year. This was the maximum limit that the Congress saw fit that the members of the Federal Reserve Board should receive. But just think of what they are paying to their officers and employees. I want to show just how much their expenses are in palatial bank buildings and unreasonably high salaries.

The following, Mr. Speaker, is from the annual report of the Federal Reserve Board for the year 1930:

Federal reserve bank premises—Cost of bank premises of Federal reserve banks and branches to December 31, 1930

NEW BUILDINGS CONSTRUCTED BY FEDERAL RESERVE BANKS

Federal reserve bank or branch	Cost of land, including old buildings demolished, net	Cost of buildings			Total cost of land and buildings	Book value, net	Date occupied
		Fixed machinery and equipment	All other	Total			
Boston	$1,246,726	$662,157	$3,542,603	$4,204,760	$5,451,486	$3,457,889	March, 1922.
New York:							
Main building	4,850,210	2,819,733	11,928,960	14,748,693	19,598,903	13,017,860	October, 1924.
Annex building	592,679	194,344	1,472,644	1,666,988	2,259,667	1,546,425	(1).
Cleveland	1,295,490	1,431,921	6,582,226	8,014,147	9,309,637	5,284,738	August, 1923.
Pittsburgh	781,364		49,640	49,640	831,004	831,004	(2).
Richmond	352,257	410,409	2,216,025	[3] 2,626,434	2,978,691	1,666,636	October, 1921.
Baltimore	250,487	306,843	1,259,997	1,566,840	1,817,327	1,582,657	September, 1923.
Atlanta	283,000	175,279	1,355,487	1,530,766	1,813,766	1,157,080	October, 1918.
Birmingham	124,137	46,788	311,336	358,124	482,261	369,464	January, 1927.
Jacksonville	45,842	25,956	214,312	240,268	286,110	195,562	June, 1924.
New Orleans	201,250	159,502	738,404	897,906	1,099,156	675,703	October, 1923.
Chicago	2,963,548	1,276,579	6,217,105	7,493,684	10,457,232	6,384,943	July, 1922.
Detroit	650,000	113,161	1,003,438	1,116,599	1,766,599	1,676,216	December, 1927.
St. Louis	1,355,374	1,058,979	2,178,866	3,237,845	4,593,219	2,731,233	June, 1925.
Little Rock	85,007	101,143	235,544	336,687	421,694	305,890	March, 1925.
Memphis	100,906	41,496	234,859	276,355	377,261	345,398	June 3, 1929.
Minneapolis	600,521	520,054	2,416,745	2,936,799	3,537,320	1,865,406	February, 1925.
Kansas City	495,300	777,940	3,391,101	4,169,041	4,664,341	2,509,669	November, 1921.
Denver	101,512	55,448	449,876	505,324	606,836	434,512	November, 1925.
Oklahoma City	65,021	74,891	409,890	484,781	549,802	359,461	April, 1923.
Omaha	176,427	70,487	397,938	468,425	644,852	499,753	December, 1925.
Dallas	181,120	325,353	1,169,871	1,495,224	1,676,344	1,157,280	March, 1921.
El Paso	39,003	10,374	111,819	122,193	161,196	115,131	August, 1920.
Houston	66,313	59,707	288,091	347,798	414,111	311,961	February, 1922.
San Antonio	75,002	21,019	157,811	178,830	253,832	245,860	October, 1928.
San Francisco	412,996	700,661	3,218,654	3,919,315	4,332,311	2,488,505	December, 1923.
Los Angeles	454,983	282,171	977,985	1,260,156	1,715,139	1,667,362	April, 1930.
Salt Lake City	114,075	71,873	354,390	426,263	540,338	465,132	February, 1927.
Total	17,960,550	11,794,268	52,885,617	64,679,885	82,640,435	53,348,730	

BUILDINGS PURCHASED BY FEDERAL RESERVE BANKS

[Amounts shown under "Cost of land" represent appraised value of land—remainder of actual cost included in "Cost of buildings"]

New York (No. 10 Gold Street)	$45,000		$125,864	$125,864	$170,864	$96,700	(1).
Buffalo	255,000		465,707	465,707	720,707	579,300	May, 1928.
Philadelphia	1,652,957	$339,584	2,054,932	2,394,516	4,047,473	2,614,467	December, 1917.
Pittsburgh	297,000	138,994	560,460	699,454	996,454	717,233	February, 1920.
Nashville	48,000	25,101	211,616	236,717	284,717	174,711	December, 1922.
Louisville	131,177	33,650	227,669	261,319	392,496	253,416	June, 1919.
Helena	5,000	16,109	156,290	172,399	177,399	60,361	February, 1921.
Total	2,434,134	553,438	3,802,538	4,355,976	6,790,110	4,496,188	
Grand total	20,394,684	12,347,706	56,688,155	69,035,861	89,430,545	57,844,918	

[1] Occupied by tenants.
[2] Building under construction.
[3] Addition under construction.

NOTE.—No bank buildings or sites therefor have been acquired for the following branches and agencies: Branches—Charlotte, Portland, Seattle, Spokane; agencies—Savannah, Habana. The Cincinnati branch since Jan. 3, 1928, has occupied quarters in the Chamber of Commerce building, erected on the site leased to the Cincinnati Chamber of Commerce by the Federal Reserve Bank of Cleveland.

The above will show what they have been paying for their palatial buildings over the United States. The following shows their earnings and expenses:

Earnings and expenses of Federal reserve banks—Gross and net earnings of Federal reserve banks, and disposition made of net earnings, 1914–1930

Year	Earnings		Disposition of net earnings			
	Gross	Net	Dividends paid	Transferred to surplus [1]	Franchise tax paid to U. S. Government [1]	Profit (+) or loss (−) carried forward
1914–15	$2,173,252	−$141,459	$217,463			−$358,922
1916	5,217,908	2,750,998	1,742,774			+1,008,224
1917	16,128,339	9,579,607	6,801,726	$1,134,234	$1,134,234	+509,413
1918	67,584,417	52,716,310	5,540,684	48,334,341		−1,158,715
1919	102,380,583	78,367,504	5,011,832	70,651,778	2,703,894	
1920	181,296,711	149,294,774	5,654,018	82,916,014	60,724,742	
1921	122,865,866	82,087,225	6,119,673	15,993,086	59,974,466	
1922	50,498,699	16,497,736	6,307,035	−659,904	10,850,605	
1923	50,708,566	12,711,286	6,552,717	2,545,513	3,613,056	
1924	38,340,449	3,718,180	6,682,496	−3,077,962	113,646	
1925	41,800,706	9,449,066	6,915,958	2,473,808	59,300	
1926	47,599,595	16,611,745	7,329,169	8,464,426	818,150	
1927	43,024,484	13,048,249	7,754,539	5,044,119	249,591	
1928	64,052,860	32,122,021	8,458,463	21,078,899	2,584,659	
1929	70,955,496	36,402,741	9,583,913	22,535,597	4,283,231	
1930	36,424,044	7,988,182	10,268,598	−2,297,724	17,308	
Total	941,052,065	523,204,165	100,941,058	275,136,225	147,126,882	

[1] Amount paid as franchise tax for 1922 includes additional franchise tax payments for prior years withdrawn from surplus account on Dec. 31, 1922, as follows: For 1920, $270,389; for 1921, $3,129,673.

Mr. Speaker, it will be noted from the above, quoted from the Federal Reserve Board's report for 1930, that its expenses and expenditures for 1930 were $28,435,862, and that while its gross earnings were $36,424,044 for 1930 it had left after its "pay outs" net earnings of only $7,988,182. Let it also be noted that in the early years of its history it paid to the Government as franchise tax $60,724,742 in 1920 and $59,974,466 in 1921, while in 1930, because of its waste, extravagance, and disgracefully large salaries, it paid to the Government only $17,308.

It may think that it can get away with this kind of business and not answer pertinent questions of Members of Congress, if it wants to, but it has another guess coming to it.

There is an old maxim that the whole is greater than any of its parts. Another one is that no part is as great as the whole. Another one is that the creature is never as great as the creator. I want this Federal Reserve Board and the officers of these Federal reserve banks to remember the above maxims. They have begun to believe that they are bigger than Congress, which created them. They believe that they are bigger than the Government. They must remember that this same Congress that created them can repeal this act and destroy their existence. And they had better answer pertinent questions that any of us may ask them. The huge, unearned salaries they are paying their officials and employees are a stench in the nostrils of all Americans at this time, when millions of men are without jobs and women and little children are starving all over the United States. Just think that they are paying some of

their officials annual salaries of $25,000, $30,000, $35,000, $40,000, and $50,000 a year, when people are starving, and the time has come when we ought to stop this abuse and require them to respond to us with proper information. [Applause.]

[Here the gavel fell.]

Mr. McFADDEN. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, let us talk frankly. Some economists believe inflation is necessary. Perhaps it is. This bill is an effort to inflate currency. There is no use camouflaging it. It is bringing about inflation in an unscientific manner for the benefit of only a small part of the people concerned. Inflation, under certain conditions, is sometimes beneficial, but in this instance the entire burden of the inflation, which, if successful, will carry out the purpose that the real sponsors of this bill have in mind, will cost billions of dollars and will be paid by the wage earners and the working people of this country. Now I will tell you why.

Deflation of commodities took place several years ago. Commodity prices of farm products are too low. The difficulty with the farmer to-day is that he is not getting right prices for his commodities. His prices were deflated by the bankers a few years ago. Surely the farmer has not forgotten it. If this inflation is successful, it will naturally bring up commodity prices, but permit me to remind the House during the last 12 months there has been a systematic movement—a drive—to deflate wages of all wage earners, the white-collar class, skilled and unskilled labor, and the wage earner has had his salary reduced from 10 to 20 per cent. Only a few days ago the railroad workers took a 10 per cent cut. Every white-collar employee has had a reduction of his wages; and now that wages have been reduced along comes this inflation with increased commodity prices. It is manifestly unjust and unfair, unless, of course, we have a readjustment of wages. All that we have been hearing for the last 12 months is the cry to reduce wages. That same demand has been made on the floor of this House several times during the present session. In all fairness, it must be admitted that wages were not too high. In fact, they were only balanced with the decreased cost of commodities. As I have stated time and time again, we want to help the farmer, and I have always voted on every bill that was sponsored by the representatives of the farmers here in this House and believed to be helpful. I admit that there should be an increase in commodity prices of farm products. Everyone knows that any sort of inflation will do that. If this is inflation—and it is—I do not see why there is so much pretense in trying to make the public believe it is something else.

My other objection is that every effort that is being made to get out of this crisis is being directed toward helping the bankers who got the country into this condition. When I say "banker" I do not mean small local banks. I mean the very large financial institutions in my city and in Chicago. In the meantime, while we are appropriating and ready to dump $2,000,000,000 through the Reconstruction Finance Corporation and here unlimited and incredible credit in the form of accepting almost everything and anything, nothing has been done for immediate direct relief or for the study of a sound constructive economic plan, which would mean something and be of benefit to all the people of the country. Incidentally, only a few days ago we were told that the $2,000,000,000 Reconstruction Finance Corporation would be the solution of all our troubles and that from it all wrongs would be righted, all troubles corrected, and we would be back to good times. And now it is said that a very high official has confessed that $2,000,000,000 is only a drop in the bucket with our present financial and banking situation. And now we have this money bill with "the sky is the limit."

I want to announce that labor and all wages reduced within the last year must be readjusted. All agreements for wage reductions will necessarily be terminated when this bill becomes a law if it is followed by increased commodity prices. There will be a demand for increased wages to make up the difference in commodity prices that will be brought about by this bill.

What good is your increase of commodity prices if the consumer does not have the money to buy the commodity? What good is inflation unless you have circulation with the inflation? The purchasing power of the public must be increased rather than the credit of the banker.

Let me say to the gentleman from Missouri that, of course, Congress is entitled to have all information on any subject before it. This is the time when the President of the United States and everyone in a place of responsibility is seeking to inspire confidence.

I submit to my colleagues that if they will turn to page 2 of the hearings, they will find there—

General Dawes thereupon addressed the committee, his remarks not being stenographically reported at his own request.

I want to say that such a kind of procedure does not inspire confidence in the American people. [Applause.] If a bank is insolvent, you are not going to make it solvent by not disclosing that fact. Confidence is destroyed by such procedure.

I will tell you what happened. Under a ruling of the Comptroller of the Currency certain securities now held by banks are carried, not on the present market value, but on the prices paid for those securities. This practice has been in effect for several months. Securities which have defaulted in interest or of which there have been previous defaults do not come in under this ruling. On these securities banks have been permitted to charge off gradually a certain depreciation. There is quite a difference in an artificial value arbitrarily permitted for bookkeeping purposes and actual market value. It is only fair to state that the ruling was made in the belief that the present market value was lower than the actual value of the securities. On the other hand, everyone knows that many of the securities were greatly inflated and that for a long time they were rated at exaggerated, unjustified, and unwarranted prices way beyond any book or any other kind of value.

Banks are holding securities on an artificial if not a fictitious value, and there are many instances where banks were closed for this very reason before the rule was promulgated.

Now, if currency is inflated—and I use that term rather than the nomenclature and the diplomatic language of the distinguished gentleman from Alabama, a bill to prevent deflation—it is a bill to inflate the currency. If commodity prices go up, everything must go up with them. Prices of securities will increase, and gentlemen must bear in mind that this drive to reduce wages must stop immediately, and we must restore wages, in order to make the measure equitable.

Mr. PARSONS. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. PARSONS. The gentleman says that under the comptroller's orders banks are holding securities, not at the market value but the price paid for them, and that is the reason why many banks are open that otherwise would be closed. But the comptroller only permitted this to be done lately, after several hundred banks had closed their doors. If he had adopted this attitude two years ago, hundreds of banks would have been saved. If he permitted many insolvent banks to apply this rule to their securities to-day, they could open their doors to-morrow. It amounts to a discrimination between banks.

Mr. LAGUARDIA. True, if such a policy is sound. It is not sound. It does not create liquidity. It is artificial. The policy worked for a few months, and now the terrible calamity, unless something is done immediately. That something now is this inflation bill. It may or may not be sufficient to take care of the situation. It takes more than a bookkeeper to make a bank solvent. Besides, thousands of depositors have lost their deposits, or a large part of them.

Mr. BURTNESS. Does not the gentleman think that the expansion of the currency should sufficiently increase the

commodity price level to the stage on which existing indebtedness was contracted to enable debtors who contracted obligations prior to July 1, 1929, to pay their debts, which in turn would also help to provide employment and keep up wages?

Mr. LAGUARDIA. Yes. Coupled with the bringing up of the wage scale, I agree the farmer ought to be enabled to pay off his debt with a similar kind of a dollar that he contracted those debts, but I add that the consumer, too, must be considered and reinstated in the same position he was in prior to 1929.

Mr. BURTNESS. Ought not all of these things come together, shoulder to shoulder?

Mr. LAGUARDIA. Absolutely; but some of the sponsors of this measure in my own city were instrumental first in this tremendous drive to bring down wages, and they have succeeded in part. Many manufacturers and borrowers could not get their seasonal loans from banks until they agreed to reduce wages. Now that they have succeeded in that, this inflation comes along, ignoring the general reduction of wages. I repeat—and I will continue to repeat—increase the purchasing power of the people, rather than always increasing the credit of the bankers at the expense of all the people.

Mr. BURTNESS. That is another question.

Mr. LAGUARDIA. That is the whole question.

Mr. BURTNESS. The gentleman should not forget that the debtor to-day must pay in dollars that are 50 per cent higher in actual value than those which he borrowed, if he borrowed prior to 1929.

Mr. LAGUARDIA. There is no question about that, and all must have the same kind of a dollar.

Mr. BURTNESS. Something of this kind has to be done in order to take care of the debtors of the country.

Mr. LAGUARDIA. With that I am in accord. This bill is not well thought out.

I will state the same objection that I made at the time that the Finance Reconstruction Corporation was under consideration that the first thing to do to restore confidence in the banks must be in the shape of something concrete to give the depositors that confidence. It is indeed a sad commentary on the banking system of our country when it is admitted that $2,000,000,000 have been withdrawn from the banks and are being hoarded. This is a reflection and to the everlasting shame of the bankers and the system which they have created, and no criticism of the thousands and thousands of persons who have lost millions in bad banks and unsafe securities. I fail to see, that even in this bill with its unlimited latitude and tremendous powers, anything that will guarantee to us that the small business man, the manufacturer, or the merchant will get credit any easier than during the last two years. All that we hear is "help the banks, help the railroads"—loans of all sorts to both—and leaving to their tender mercies relief of any kind to the merchants, business men, and manufacturers. After all, the return of normal conditions depends on increased business with increased employment.

The signing of this bill by the President ought to be accompanied by an appeal by him—and he seems to be quite apt at making appeals—that all wages, including the railroad workers, reduced during the last two years should be immediately restored to the 1929 level.

Mr. McFADDEN. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, we have just listened to a discussion of a subject, of various subjects, by two of the most informing gentlemen in the House. They have frequently, very frequently, aided us toward reaching wise conclusions on the proposals of some 25 or 30 of our active committees. I speak with sincerity when I say that they have often aided to better legislation. When these gentlemen entered the field of the Committee on Banking and Currency I was of the hope that they might furnish equally useful information upon the subjects with which that committee deals. I regret that after listening to all that they had to say I fail to get the help that I would personally have welcomed for my own better understanding of this intricate and difficult subject. Instead, they addressed themselves to other matters and aided not at all in respect of the particular proposals now pending, and if the future criticisms of the bill should be as wide of the mark, I think the House, with the exception of the two gentlemen referred to, would be justified in voting solidly for the bill. What wages have to do with the matter is hard to see, and why the remissness of the Federal Reserve Board through the years of its existence should affect a decision on the particular question is equally hard to see.

We are here to save the country from impending danger. I shall not particularize but will point out to you that such action as we are now taking by methods justified only under the most imperative circumstances may of itself testify to the extreme need of action—not of finding fault, not of reviewing ancient history, not of discussing wages, but of saving the financial structure of the United States; and before any man casts his vote against a proposal to that end, recommended by 20 out of 21 members of your Committee on Banking and Currency, recommended by your trusted leaders of both parties, recommended by those who are in charge for the moment of the financial destinies of the land—before he for some unrelated reason casts his vote, let him ask of himself what will the people of the United States think of his attitude in this grave hour of peril.

In two market days the very proposal of this measure added five thousand millions of dollars to the value of what we commonly speak of as securities—five thousand millions of dollars brought by a ray of hope, brought by the certainty in the mind of the business world that this proposal would open the doors of the banks; that this would send the money out into circulation; that this would turn the wheels of industry; that this would set the tractors going over the plains; that this would renew the activities of the land.

I know well that some shortsighted critics will say that we are doing this for the benefit of the speculators, will say that we are only helping those who gamble in the market. Nothing could be farther from the fact. We are doing this to help the banks in order that the banks can help us, in order that the banks now keeping untold millions hoarded through fear of withdrawals of deposits may gain courage, in order that they may with safety proceed again to make loans and thus spread the feeling of confidence that alone can bring us out of this crisis.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. LUCE. I am sorry, but I have only 10 minutes and must decline.

Mr. HOWARD. I am sorry.

Mr. LUCE. Our regret is mutual.

We are but starting money toward effective result when we make it possible to do the three things contemplated by this bill. So far we have not heard a word of criticism aimed at the thing that is before us, aimed at the three proposals we submit, and for which we ask your approval. These propositions have been adequately explained by the chairman of the committee. I do not wish to get involved in a detailed discussion of how they will work. I am pointing out to you that the great cause of financial distress at this moment is the inability of men who have securities to raise moneys with which to transact the ordinary business of industry and commerce. These proposals contemplate that through a possible year of emergency—and we all pray the need may not continue even that long—there may be more of what some men are pleased to call inflation. The word is used with scorn, as if there was something dangerous and harmful in the thing itself, but what we need now is inflation, properly controlled, as it is controlled in this bill, shackled by the provisions that you may read for yourselves, controlled by those to whom for the moment we must intrust our welfare. In all times of great national distress, men have turned to individuals and have intrusted them with temporary power, power that under other circumstances might seem extreme, might seem full of danger, but which in times of crises is necessary for national preservation. Because such a time is upon us; because the need exists, an imperative, commanding need, I pray that no man

may hesitate to intrust this power to men whom we know in our hearts will be patriotic men, will be unselfish men, will have only the welfare of the country at heart, and will use their power for the common welfare. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. STEAGALL. Mr. Speaker, I yield 10 minutes to the gentleman from Maryland [Mr. GOLDSBOROUGH].

Mr. GOLDSBOROUGH. Mr. Speaker, I am very much in favor of this bill. The bill does not do everything that I would like it to do. It does not do everything that several of my colleagues on the Committee on Banking and Currency would like it to do, but it is a tremendous advance over anything we have ever had before in the House of Representatives in the 11 years I have had the honor to serve here.

Under this bill the machinery is furnished to the Federal reserve system to put money into the market to take the place of the credit currency which is tied up in frozen loans. There is in the bill no specific direction to the Federal reserve system to use that machinery for that purpose, but there is an implied direction, and a direction which I do not think they can possibly disregard. It will have released about $1,000,000,000 that it is not now possible for them to use. When they use that for a 40 per cent reserve, that gives them about $2,500,000,000, which in the member banks can be expanded on an average of ten times, which is over $25,000,000,000, which is entirely adequate for the purpose of liquidating the debts of the country, starting up the machinery of business, and putting people to work.

The other evening a man who is very high in the political affairs of a great European nation said to me that he was very much afraid that unless there was further forgiveness of European debts, foreign countries, particularly France, would find it necessary to withdraw the gold they had on deposit in this country. I probably lost my temper. I said to him, "You are a guest in this country and you are entitled, of course, to consideration and respect and courtesy, but I want to say to you that within a week the Congress of the United States will pass a bill which will release all the free gold necessary for our purposes, and France can take her gold and go to h—— with it." [Applause.]

Now, the thought is apparently in the mind of the gentleman from New York [Mr. LAGUARDIA] that the workingman is going to be injured by a rise in prices. There is not a man in this country who would vote for legislation that would injure the laboring man, but a rise in the price level is the only thing that will keep the machinery of business going. It is the only thing that will keep the laboring man with the job he has got.

Mr. ALLGOOD. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. ALLGOOD. And it will seek to give employment to the 7,000,000 men that are out of jobs in this country, will it not?

Mr. GOLDSBOROUGH. Absolutely. If I did not think that was its distinct tendency, I would not favor it. If in its administration by the Federal Reserve Board the purposes of this bill are carried out, it will be of great benefit to all the people. If the people of the United States knew that the policy of the Federal reserve system would be to use this legislation for the purpose of raising the price level, liquidating the debts of the country, and starting the machinery of factories, what would happen? Immediately those who have money, knowing that prices were going to be raised, would go into the market and buy. The retailer would buy from the wholesaler; the wholesaler would buy from the manufacturer; the manufacturer would start his factories, and the laboring man would go to work in them. That is what would happen.

As I said before, this bill is not exactly what I would like, but it is a tremendous advance. In a bill which I introduced on the 19th of January—H. R. 8026—and which I sent to the Secretary of the Treasury and to each member of the Federal Reserve Board with a covering letter, there is a specific direction, coupled with the principles involved in this bill but more broadly stated, that the Federal reserve system shall use all of its powers—the powers that it now has and the additional powers that this legislation will give it—to raise the price level to the level of 1926, and then maintain it at that point. The reason 1926 was picked out was that from the 1st day of July, 1913, to the 1st day of July, 1928, a period of 15 years, the average price level was within one-tenth of 1 per cent of what the price level was in 1926. That year was selected by me as being the one which was fair to the debtor, fair to the creditor, fair to the producer, and fair to the man who has something to sell.

Mr. ARENTZ. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. ARENTZ. And I may say fair to the laborer as well, because when everybody has plenty of money and they sell their goods at high prices, the laborer is employed at a wage suitable to the occasion.

Mr. GOLDSBOROUGH. The laboring man, the man who lives from day to day, is always the first consideration.

Now, the Federal reserve system is thoroughly aware of the purposes of this bill. It is thoroughly aware that the purpose of it is to give the Federal reserve system an opportunity to go into the market and start raising the price level and reestablish the confidence of the people. They are honorable men. They are men of ability. They are men of experience. They have not always in the past used their powers in the way I would like them to, but they have a magnificent opportunity for the demonstration of a high-class and unselfish Americanism, and I believe they will make fine use of this opportunity.

Mr. RAMSEYER. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. RAMSEYER. I agree with what the gentleman has to say and the objectives to be obtained by this bill. Why, in section 3, are the provisions limited to one year? Does the gentleman think it would be unwise to give those powers to the Federal reserve system permanently?

Mr. GOLDSBOROUGH. I can best answer that by saying that in the bill I introduced they were given that power permanently. Of course, I could not get all I wanted in this bill; but if they have it for one year and it works out, Congress will come pretty near seeing that it is made permanent legislation.

Mr. RAMSEYER. If it is continued for a year and demonstrates its usefulness, the gentleman thinks it will be easy enough to enact legislation making it permanent?

Mr. GOLDSBOROUGH. That is my judgment.

Mr. ARENTZ. Will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. ARENTZ. I wonder if the gentleman could take a Federal note of $10 denomination and show just exactly what this bill does with that $10 piece of currency.

Mr. GOLDSBOROUGH. I do not think I can get any more time, so I can not answer the gentleman's question.

[Here the gavel fell.]

Mr. McFADDEN. Mr. Speaker, I yield one minute to the gentleman from South Dakota [Mr. WILLIAMSON].

Mr. WILLIAMSON. Mr. Speaker, I can not say very much in one minute. I had expected to have at least two. I think on the whole this is probably the most promising piece of legislation that has been reported by the Banking and Currency Committee at this session of Congress. The bill, however, fails, I think, to take cognizance of what I believe to be a permanent change in the character of paper held by national and other member banks of the Federal reserve system. The liberalization of the discount facilities of the Federal reserve banks, provided in this bill, is something which has been needed for a considerable length of time, and I believe it should be made permanent legislation. I am glad the gentleman from Maryland [Mr. GOLDSBOROUGH] thinks that if it has demonstrated its usefulness that at the expiration of one year it can be made permanent. [Applause.]

The original idea behind national bank legislation was to keep the assets of these banks as liquid as possible. The same principle applies to all banks of deposit. The principle would appear sound, but national and other banks have

found it increasingly difficult to make a profit without investing in long-term paper of one kind or another. More and more they have become loaded down with United States, State, and municipal bonds and other securities that are not subject to discount with the Federal reserve. The depreciation of these securities has made them unsalable, except at great loss. In order to protect depositors and guard against runs, large cash reserves are the rule. The result is that the banks make no money and customers are not taken care of for loans.

This development has placed our whole credit structure in the position of Prometheus, tied hand and foot, and unable to give aid. The elasticity which the Federal reserve systew was intended to give to our currency is gone. Deflation and distress have been the result.

Either member banks should not be allowed to carry such securities or they should be eligible for rediscount with the Federal reserve. How else can member banks be kept liquid?

It is estimated that not less than $1,400,000,000 have been withdrawn from circulation by depositors by what is commonly called "hoarding." A much greater sum is "hoarded" by the banks by maintaining excessive reserves for fear of runs. This means a curtailment of credit anywhere from eight to ten billion dollars. You can readily appreciate what this does to the country.

If confidence is to be restored, there must be an expansion of both currency and credit. If the Federal-reserve rediscount facilities can not be made available for perfectly sound bonds and other public securities, the advocates of remonetization of silver will have ample reason for pressing their claims. Not only that but there will be sound basis for broadening the base of our currency.

The present bill has more promise in the way of the revival of business and increase of commodity prices than anything so far considered. For months I have insisted that there must be a liberalization of the Federal reserve act. The only trouble with the present bill is that it is so restrictive and cautious that it may fail of its purpose. I greatly regret that it is being considered under suspension, thereby making it impossible for Members to offer amendments. I feel sure that if it were open to amendment, it would be liberalized by this body.

I have no fear of an excessive inflation under it. The best thing that could happen would be an inflation of prices sufficient to give farm commodities a debt-paying power equal to what they had when our farmers borrowed what they now owe.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. BUSBY]. [Applause.]

Mr. BUSBY. Mr. Speaker, we have now come to consider a bill which is presented to save the country from the situation into which the large banking interests of this country have engulfed us. [Applause.]

A year or two ago we had extensive hearings before the Banking and Currency Committee of the House. The chief of the banking business of this country, Mr. Pole, Comptroller of the Currency, began those hearings by appearing before the committee. He told us that only one type of banking in this country was the proper type, and that was chain banking. During those hearings he said that:

> Modern banking is highly complicated and a technical business, and it is exemplified primarily by the city banks, which have been compelled to meet the varied financial demands of commerce and industry.

Continuing his statement, he said:

> The old-fashioned character of loans has almost disappeared.

And I might add that the people who used to get that character of loans have disappeared financially since that time. He said also:

> We have reached a stable development where the instruments of credit are ample. Great emphasis is now laid upon adequate credit information and analysis. Nothing is left to chance or guesswork.

And he continued to discuss the security business into which the banks had launched themselves; he described that as the principal activity in the banking world whereby the profits of the banking business were obtained. A number of us believed that was a mistaken idea for the chief at the helm of the management of the banking interests of this country to hold. Other eminent gentlemen appeared before the committee. One among them was Mr. Robert O. Lord, president-guardian of the Detroit Union group at Detroit. Agreeing with other gentlemen of his caliber as big bankers, he said:

> I do not believe that a bank can survive in a small town over a period of years.

I asked him:

> Do you believe that a bank will survive reasonably well in a town smaller than 10,000 people?

He said:

> It will, in my opinion, have to have exceptionally able management.

I then asked:

> What would you suggest in the way of affording banking facilities for a place having a population smaller than 10,000 people?

To which Mr. Lord replied:

> Branch banking.

So that takes my district entirely out of the field where we might have a bank, and it takes out the districts of many of you who do not have cities of that size.

The fallacy which possessed the minds of the big bankers of this country caused the tragedy we are facing financially. Yet they sponsored security issues and passed them down through the country and smaller banks until they siphoned the savings of the people from the outlying sections into the big banks, and now the sources of wealth are dried up.

This particular bill is designed to afford more eligible paper for discounting. The Federal reserve system holds today $900,000,000 of paper to back the notes it has issued. Two billion nine hundred million dollars' worth of Federal reserve notes is backed by $900,000,000 worth of paper and $2,000,000,000 in gold.

By this bill we are providing more eligible paper, not that there is not eligible paper in the country now. There is three and a half billion dollars' worth of commercial eligible paper, but the banks will not use it. It is what you call "frozen credit" and what some of the witnesses that came before us called frozen credit. The president of the Federal Reserve Board said "We have no control over the banks that hold that three and a half billion dollars of eligible paper, and, therefore, we can not use it and we can not compel them to borrow on it and lend the money to industry."

He said that the objection the banks have to using this paper to get credits through the Federal reserve system or to get currency through the Federal reserve system is because they do not want to show a debit on their books and cause their depositors to feel that the bank owed money, and probably cause a run on that bank. The administration complains about the people drawing a few hundred dollars out of the banks and hoarding it at home, but nobody has complained about the banking institutions of this country holding three and a half billion dollars of eligible paper and freezing that credit so it can not be used by business and commerce.

Mr. SIROVICH. Will the gentleman yield for a question?

Mr. BUSBY. Yes.

Mr. SIROVICH. In addition to the paper that is now eligible for rediscount with the Federal reserve, what additional paper would be subject to rediscount?

Mr. BUSBY. I could not classify that, because it is not named in the bill. It is similar in kind to the paper that is already eligible for rediscount, such as the Federal reserve bank thinks safe and proper to be used for credit.

Mr. SIROVICH. What paper would that be?

Mr. BUSBY. That will be largely decided as an administrative matter.

I am going to support this bill, because I think it is a palliative. It was stated the other day in the press that I said it was a mere palliative. I say yet that it is a mere palliative, because it does not strike at the fundamental thing that has caused all the trouble.

The country has drifted without restraining the manipulations by the big banking interests in their security-flotation and security-selling business with the people, constantly exchanging those things with them for the wealth they have accumulated through labor, and in this way brought about the present condition.

This bill will help some to inflate currency circulation, but what we need to do is to enact legislation that will make commodities—things produced on the farm and by labor everywhere—have some standing in the system of valuating the exchange we use. That is what we need. Look at the yardstick of measuring values. In 1926 imagine a merchant using a yardstick by which he sold 3 feet of cloth for a yard. Suppose you went to that same merchant now and said that the yardstick should be lengthened, if you are a wheat grower, so the merchant must sell 12 feet of cloth to the yard. Or if you are a cotton grower, 15 feet of cloth for a yard. You would not expect that merchant to remain in business long. That is exactly the picture of the producers of commodities all over this country. It is being demanded of them that they respond to a longer yardstick. The dollar reaches very much further than it used to, but the trouble is that there are very few to-day who can meet the demands of the lengthened yardstick.

So I am primarily interested in getting legislation that will properly regulate the measure of values so as to make the measure reasonably stable in relation to commodities, a proper measure for our dollars.

When Secretary of the Treasury Mills was before our committee, I said in the hearings, pages 29 and 30:

Mr. BUSBY. In regard to this legislation, you regard this bill as being a piece of emergency legislation, do you not?

Secretary MILLS. No; I think that is a great piece of constructive banking legislation; it so happens that it meets the needs of very unusual conditions.

Mr. BUSBY. Well, do you regard the present financial condition through which we are passing a necessary stage through which our finances should gravitate from time to time?

Secretary MILLS. Well, that is a tough one; of course, human nature being what it is, who can say when the day will come when we will not be guilty of such excess of expansion that retribution will not necessarily follow; we are suffering, as we suffered before, from a wild period of inflation and expansion, and on top of that the necessary liquidation and deflation. We have now had what I call artificial contraction and deflation due to the psychological element, and the time has come now to arrest this process—that is the way I feel about it.

Mr. BUSBY. Do you regard our system as being such that it is necessary in the experience of this country, in a financial way, to go through periods, I mean cycles of expansions followed by periods of deflations such as this, and that has been our experience—do you regard that as being necessary and a permanent thing that we must look for and that we must expect?

Secretary MILLS. Mr. BUSBY, if I said I did not think it was necessary you would then ask me what my remedy was, and you would have me.

Mr. BUSBY. Well, that is where I am going; I would like to go along with you, because you are now our most responsible representative from the standpoint of the National Treasury.

Secretary MILLS. I feel very strongly that the time has come to arrest this deflationary process.

Mr. BUSBY. I am not talking about that right now—I am talking about the system under which we proceed, and the people set up their plans, and they work for a period of 8 or 10 years, and then we turn the corner and find the people, the producers and the laborers, wiped out and most of them absolutely flattened out financially; and then, under our system, it being necessary for them to start all over again, what I am driving at are the fundamentals involved in our very system of national finance. I would like to hear you discuss that.

Secretary MILLS. Well, if I had a remedy for curing these up-and-down swings, I suppose that I would probably be the greatest man in the world, but I just do not have it.

Mr. BUSBY. Well, now, in your very responsible position with this Government, would you acquiesce in conclusions of others who think they have a remedy, having hearings and proceeding to question our present situation, and offer to substitute something else for consideration that would be more fundamentally correct than our present arrangement?

Secretary MILLS. Mr. BUSBY, I would be a very stupid person if I did not acquiesce in a willingness to study any thoughtful and well-considered plan that would do away with these wide fluctuations that entail so much unhappiness and misery; of course I would be willing to study it.

Following this statement of Secretary of the Treasury Mills I am going to present to you a workable and approved plan to stabilize the buying power of the masses of the people—a plan that is approved by the leading thinkers and economists everywhere.

GOLD AND MONETARY STABILIZATION

The reason for Congress coming together is to legislate for the people. Their happiness and safety are at times dependent on the speedy and wise action of Congress, and such is our situation to-day. Not simply an unusual condition, but a calamity is upon the country.

The health, contentment, and lives of our people are so greatly affected by our standard of value that it is now imperative that Congress and the President discover the cause of our financial trouble, which is literally starving the lives out of thousands. When the cause of the trouble is discovered (and that is no mystery now to anyone who will take time to look and see), then sensible and reasonable legislation should be enacted in the interest of the people to remedy conditions.

The trouble facing the big majority of the Members of Congress to-day is that the President, the administration, and the leaders do not propose any remedy relating to the source of our financial trouble—not even an honest effort to study or hold hearings on proposals to correct what everyone knows to be the cause of our wrong. We sit and wait and wait while conditions grow worse for the hungry people.

My committee, the Banking and Currency Committee of the House, is the place to begin, and I, for one, am ready to go! Politics nor all the money powers with their nonsensical ridicule and "calf-path" precedents should prevent us from doing what we can to correct an intolerable condition. So vital is this cause that if Congress did nothing else but consider this question till it is settled right, the time would be well spent.

It is, therefore, my purpose to-day to talk to the House on the subject, "Gold and Monetary Stabilization in Relation to the Index Number of Wholesale Commodity Prices."

I want to say that the proposals I am about to discuss are not discoveries of my own. They are not new ideas being presented to Congress for the first time. Like the Federal reserve system, it has been necessary for these proposals to abide their turn until such a time as the financial condition of the world has forced the conviction upon the Congress and the country that our present currency and monetary system has wholly failed to meet the needs of commerce, industry, and trade, and has through the variable purchasing power of the dollar wrecked the fortunes, hopes, and happiness of our people.

The Federal reserve system is but one-half of the monetary problem settled. It is the shell or house in which could be operated to splendid effect an equitably set-up currency. But in this "house" remains the medieval archaic system of measuring property values of hundreds of usable things by one thing of variable supply and value which can be purposely manipulated, maldistributed, and shifted to suit the interests of a few men. That one thing which has been accorded the preeminence of fixing the values of all other things is gold. The time is now at hand when justice and the safety of our Nation demand that our basic financial trouble be corrected at its source.

The gentleman from Maryland [Mr. GOLDSBOROUGH], working with Dr. Irving Fisher, professor of political economy of Yale University, and with others of the world's leading financial economists, presented a plan in a bill introduced in Congress by the gentleman from Maryland in 1922. Extensive hearings were had on that and subsequent bills on the "stabilization of the purchasing power of money" by the House Committe on Banking and Currency.

THE GOLD STANDARD

My discussion necessarily begins by directing your attention to the meaning of the "gold standard." The gold

standard means, in a few words, that a nation's currency is convertible into gold at a fixed amount or weight of gold. The holder of any kind of currency may have it redeemed in gold by the central bank or the Treasury as long as a country remains on the gold basis. By statute in the United States—

> The dollar consisting of 25.8 grains of gold nine-tenths fine shall be the standard unit of value, and all forms of money issued or coined by the United States shall be maintained at a parity of value with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such a parity.

Gold by law, therefore, shall always be worth $20.67 an ounce. No more, no less, regardless of supply and demand. Professor Rogers, in his recent book, says:

> Among the world's most sacred institutions in this period of its history is the gold standard. Selected and handed down to us from a distant past, it has come in time to be regarded as one of the laws of the Medes and Persians. Woe unto him who dares question either its perfection or its permanence.

I do not propose the abandonment of gold as a basis for our currency. What I do suggest for your consideration is a perfectly logical arrangement which makes gold serve industry, commerce, and trade as an elastic base for a currency that will at all times represent the value of commodities, based on utility, supply, and demand. The essentials of the plan, briefly stated, are these.

THE PLAN TO STABILIZE BUYING POWER

The coinage of gold into circulating medium or money should cease, and gold coins should be declared no longer legal tender for the payment of debts. Gold coin and gold bullion owned or acquired by the United States should be converted into bars of standard gold of not less than 5 ounces each. These should be deposited in the Treasury of the United States. Against these bars should be issued by the United States "gold-bullion dollar certificates" which would take the place of the "gold-coin dollar certificates" now in circulation. The gold-bullion dollar certificate should certify, "that the United States of America will pay to the bearer on demand $100 in standard gold bars of not less than 5 ounces each, and any smaller balance in any lawful money." This change would in no way disturb our present arrangement about national-bank notes, Federal reserve notes, silver, or any other part of our money plan.

We should provide that the gold dollar of the United States shall cease to be a constant quantity—25.8 grains—of gold of variable purchasing power, and that it shall be a variable quantity of standard gold bullion of approximately constant computed purchasing power. To compute the approximate constant purchasing power of the gold-bullion dollar it should be fixed in relation to commodity prices covering a reasonably long period of time to get a fair average, or in relation to the prices for the year 1926 which has been selected by the Bureau of Labor Statistics as representing such an average. From a list of the commodities and the quantities therof marketed at wholesale in the United States the Bureau of Labor Statistics should compute index numbers so as to approximately measure the average fluctuations in the purchasing power of gold of these commodities for the year 1926, when the price of commodities as a whole was on a reasonably fair relation to gold and its purchasing power. From these several average prices computed for 1926 the Bureau of Labor Statistics shall compute the "goods dollar." This goods dollar, composed as already stated of combined or composite commodity values in just proportions, shall be for reference purposes in fixing, from time to time, the quantity of gold in the gold-bullion dollar.

To make myself more explicit, if I can, for many years one of the services performed by the Federal Government for its people has been maintained in the Department of Labor and is designated as the United States Bureau of Labor Statistics. This bureau is conducted under the Department of Labor by a personnel that scientifically determines and compiles from day to day information concerning wholesale prices of every important item and of the various classes of the several items which go into the trade and commerce of our country.

COMMODITY INDEX PRICE

This bureau began its operations many years ago, dealing with comparatively few articles. It has gradually broadened the scope of its surveys into prices and has included additional articles and classes of articles which enter into our trade and commerce, until at present statistics are computed on 784 items. Each week the Bureau of Labor Statistics publishes the wholesale purchasing power of each of the 784 commodities in relation to the purchasing power of the dollar of 1926. This is what is known as the index price for each of these commodities. After the wholesale price for each commodity in trade is obtained for each of the weeks throughout the year, then these weekly prices are combined, the average struck, and the annual average price or index for that commodity is obtained. When all of the separate index prices of the several commodities are obtained for the year, then these 784 commodity index prices are combined and the average for all of them obtained, showing the relative purchasing power of commodities in trade and industry as their values relate to commodity values in 1926. This last finding we call the wholesale commodity price index.

For several years prior to the World War commodity prices in relation to the purchasing power of the dollar ran on almost a level to the year 1913. This was greatly disturbed during the period of the war. By 1921, however, commodity prices in relation to the purchasing power of the dollar seemed to have settled back to a new basis. From 1922 through 1928 commodity prices and the dollar apparently had reached a stable relationship, which was about 25 per cent more favorable to commodities or trade than it was in 1913.

The Bureau of Labor Statistics, having before it all of the facts in regard to 1913 conditions of living, transportation, communication, advancement, and progress, believed that the prices of 1926 represented a better and fairer relation for determining a proper base on which to figure commodity prices in relation to the purchasing power of the dollar, fixed prices for the year 1926 to represent 100 per cent of what commodity prices ought to be in relation to the dollar. Therefore the wholesale commodity index price for 1926 became, as it were, the polestar of prices, the center of gravity to which a proper relation between money and commodities ought to be maintained, the measuring stick which should be provided for business finance and contractual obligations as they related to the dollar. It is absolutely necessary, therefore, to have this fixed measure for a specific time of the purchasing power of the dollar, so that it will be possible to gravitate and stabilize toward that point. If a time should come when the prices for the year 1926 should no longer prevail, then another more equitable period should be adopted.

Another word of explanation in regard to the commodity price index. Considering from week to week and month to month the wholesale commodity price index varies up or down but little, yet there may be noted great variations in individual commodities under peculiar conditions. Supply and demand have a tendency to affect, for instance, the price of wheat, cotton, steel, copper, as well as other commodities. They may be greatly out of line with the index prices of all commodities taken together. I shall refer to this more at length later.

A further provision in a law to stabilize the purchasing power of the dollar should provide that the Bureau of Labor Statistics, from the average wholesale price quotations, shall on the first of each month in the manner I have already outlined, compute the value of the commodity index price in relation to the "goods dollar" or the fair measure of values already ascertained as to 1926 to be used as a guide. The bureau shall ascertain if commodities are selling too low or too high and the extent of the variation.

BUREAU OF THE MINT DECLARE AMOUNT OF GOLD IN DOLLAR

The Bureau of Labor Statistics shall immediately transfer its findings to the Bureau of the Mint, and it shall forthwith calculate a percentage of correction or adjustment to be added to or subtracted from the then weight of the gold-bullion dollar. The Bureau of the Mint shall forthwith give

public notice that until changed by further like notice, in accordance with the law, the number of grains of standard gold so computed shall constitute the gold dollar of the United States. Gold-bullion dollar certificates shall then be redeemable in gold-bullion dollars at said rate, and gold will be purchased at the same price by the Government.

The daily statement of the United States Treasury for January 25 gave the gold certificates outstanding at $1,676,000,000. These certificates are issued on gold coins held in the United States Treasury of the weight of 25.8 grains of gold, nine-tenths fine, per dollar. The amount of gold back of each certificate under the present law never varies in quantity. It is an inelastic base. There is just as much reason for currency certificates to be issued against gold bullion as there is for them to be issued against gold coin.

INELASTIC CURRENCY

One of the great troubles with the American banking system, and one which led up to the adoption of the Federal reserve system, was that our currency was inelastic. In times when we needed more currency we could not make the supply expand. When we needed less currency and were in danger of inflation we could not contract the supply. When national bank notes were once issued and became the circulating medium they remained in circulation largely at the pleasure of the issuing bank. Retirement was not controlled by the Treasury.

If there is good reason to have an elastic currency so as to serve or control the supply of bank credit, it seems just as reasonable that we should have an elastic base for that currency so that we could keep the purchasing power of the dollar somewhat in a constant relation to the center of gravity of commodity prices. By adopting the gold-bullion dollar of computed relatively constantly purchasing power, but of a variable quantity of gold, it would indeed be easy to lower the amount of gold in a dollar so as to make the gold-bullion dollar certificate obtainable with a less quantity of commodities.

VELOCITY OF CURRENCY

The same amount of currency at all times is not required by the business of any country. Dollars in trade move much faster at some times than they do at others. The amount of work done by a dollar of currency depends to a great extent on the rapidity with which that dollar circulates, or the "velocity" with which the currency moves. If we place a number of men at work and some of them are busy while others are idle, or partially so, certainly we do not expect satisfactory results. So if money outstanding remains hidden away or is idle in bank vaults, it accomplishes little or nothing in the way of assisting trade.

Outstanding currency in the United States in the fall of 1929 was about $37 per capita. At the present time (February, 1932) the outstanding currency is more than $44 per capita. It appears from this that less money was in circulation during what appeared to be a very prosperous time than is now in circulation in a time of great financial depression and distresses. But at that period of 1929, the turnover of deposits in the banks of the country was about 5.75 times the amount of those deposits per month. That was the "velocity" of currency and credit at that time, while at the present time the turnover of demand deposits in our banks is less than 2.50 times per month and that is the "velocity" of the activity of money and credits now. So you can very easily see that $1 of currency and bank credits in 1929 was doing more than twice the business that it is to-day. An issue of an additional amount of currency, whether based on outstanding Government bonds or in accordance with some of the other many plans suggested, would undoubtedly inflate our currency and bring some activity in business for a short time, but such a process would only be a further charge against the national credit. It would not bring any added wealth into the equation. The final result would probably prove that we had not bettered our condition. So we must look to some other remedy to correct the inequality existing between the present purchasing power of the dollar and commodity prices.

No economist that I know questions in the least the accuracy of the findings of the wholesale commodity index price by the Bureau of Labor Statistics. Such prices form the basis of the computations of all statistical organizations, private and public, that serve commerce and trade. They are quoted as the sole basis in determining in trade the value and the relation of the value of commodities to each other.

Since the commodity index price is accepted as the polestar by trade and commerce, I can see no objection to adopting it as the fixed point to which commodity prices and the purchasing power of the dollar should relate. I give you an illustration to indicate what a gold dollar of relatively computed constant purchasing power and of a variable quantity of standard gold means:

UNSTABLE DOLLAR AND ITS EFFECT

In my State of Mississippi in 1926 cotton was selling for $100 a bale. Contracts were made and obligations entered into on that basis. In other words, 10 bales of cotton were worth $1,000. Since that time conditions have changed. We say that cotton has gone down in value. Cotton is now selling for about $25 a bale.

To still further illustrate the point, suppose my neighbor had sold 10 bales of cotton for $1,000 and loaned the money to me at 6 per cent interest for five years. I would have thought I was getting an advantageous loan. It would have been an easy loan in the light of the facts before me. Time goes on. I paid the interest each year until this year, when my loan matures. I have made splendid crops of cotton. My neighbor calls on me for his $1,000. I intended when I secured the loan to sell cotton with which to pay him. When I attempt to do so I find it will take the proceeds of 40 bales of cotton at present prices to repay my neighbor what he received for 10 bales five years ago.

What I have said about cotton is true of wheat, potatoes, corn, dairy products, steel, copper, and almost any and every commodity used in trade. No nation or people can calculate against such disastrous conditions, which, I contend, and which I propose to show, are brought about not by the lack of value in commodities but by the high price to which the dollar has soared on the unbending, unchanging, gold-standard basis, and that without regard to maldistribution or selfish manipulation of the world's monetary gold supply. If the outstanding gold-bullion certificates bought gold from the Treasury only in proportion to the relation of the value of commodities to the dollar when the commodity prices dropped 10 per cent, then under the plan outlined the amount of gold necessary to redeem outstanding gold-bullion certificates would decrease also 10 per cent. So you can easily see that it would take less wheat to buy a dollar gold certificate with a less number of grains of gold to the dollar than it would if the dollar contains 25.8 grains of gold.

The Bureau of Labor Statistics on January 3 announced the revision of its index numbers of wholesale prices, including 784 commodities or price series, weighted according to the importance of each article and based on the average prices for 1926 as 100 per cent.

The commodity index number was 66.3 for December; or, in other words, as a whole commodities were worth only 66.3 cents per dollar of what they were in 1926. So to reverse the figure, two-thirds of a dollar would buy the quantity of commodities that could be bought with a dollar on 1926 prices. A dollar would buy one and one-half times the commodities it would have bought in 1926. So the producer of commodities, on an average, would have to sell as much and one-half again as much commodities now with which to purchase money or gold as he would have had to do in 1926.

To stabilize the purchasing power of the dollar at 1926 prices would, of necessity, stabilize the amount of gold in the dollar at 25.8 grains, nine-tenths fine. Not only would the plan I have outlined to you stabilize the price of commodities but it would certainly and definitely make the gold in a dollar also a dependable thing.

BROADEN THE CURRENCY BASE

What we need now, during the time when gold is badly distributed among the nations, is a broader base for our

currency. By requiring fewer grains of gold to represent the dollar we would thereby make it spread farther for the redemption of outstanding gold certificates and make a smaller amount of gold effectively do more work and stabilize more currency. When inflation is imminent and commodity prices rising, automatically the gold-currency base would be contracted and inflation thereby put to a great disadvantage. The result would be price stabilization in relation to the guiding point selected. No such service is possible under our present fixed-quantity gold-standard-base arrangement

The exact opposite effect is true. When we need a broader base for our currency, the supply of gold available contracts, goes into hiding, and shifts to treasury vaults in a few nations, where it does no more work in broadening the base of currencies or in assisting to relieve by creating liquid conditions for values than so much pig-iron would do.

Through the Federal reserve system, its power over open-market operations, discount and rediscount rates, and "eligibility for discount" rules, much has been done and can be done to regulate the flow and to control the amount of bank credits. This is but one phase of the important question. It has a tendency to affect prices and business in isolated and scattered instances on the outskirts of the field of finance and business. The other fundamental and basic question necessary to be dealt with is to make the currency base truly reflect the value of commodities.

SCIENTIFIC CURRENCY BASE

The time has come when the scientific organization of a currency base must be undertaken and accomplished so that it will work as the counterpart of the scientifically organized credit machinery, exemplified by the Federal reserve system. If gold becomes scarce, if it is hoarded, if it is maldistributed by circumstances or selfish banking interests, so that it is difficult or impossible to obtain, must prices, business, and commerce always be compelled to suffer as they do now?

The United States Constitution provides "that Congress shall have the power to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures." The Congress has never exercised the prerogative of regulating the value of money but has left that to chance or to the banking institutions that have controlled gold, which institutions have often sought to perfect its maldistribution for their own gain.

What is the purpose of a currency or money? It is to have a medium of exchange of value so as to enable the owner of a material object possessing utility, of the laborer, to exchange his product for some other like or different kind of product desired by him.

Then why permit gold or a lack of gold to disturb the commerce and peace of the world? Are we weaklings in this age and generation who have not the hardihood to undertake the solution of our ills? Surely this Congress has upon it the duty, yea, the imperative necessity, of finding the solution!

I have discussed the proposals outlined with the scientific men and the leading economists in the employment of the Government. Not one of them but who says the arrangement would be ideal if it could be put into practice. At present we attempt to bring about somewhat the same kind of result in the financial world by changing interest rates, discount and rediscount rates, and other types of credit control. While the Federal reserve system participates in these regulatory activities, they are left in great part to private bankers who are always working and acting for their own interest. Trying to regulate the purchasing power of currency and the flow of credits through this unorganized, irresponsible method is now shown, and has always proven in unusual times, to be a failure. The regulation of the purchasing power of money and the flow of credit should absolutely be basic and by an agency of the Government which has the welfare and interest of the people at heart. The Federal reserve system should be authorized and directed to use all its powers to restore the level of wholesale commodity prices to that for the year of 1926, and thereafter to use all the powers of the Federal reserve system to maintain such a level. These two agencies working together, the Bureau of Labor Statistics and the Bureau of the Mint, with the Federal reserve system, to establish and maintain the equilibrium of the purchasing power of commodities, would certainly be effective in the undertaking. When prices are once restored to the 1926 level, they could easily be kept at or near that point without any great variation.

THE BANKERS' IDEAL CURRENCY SYSTEM

Ideal currencies from the large bankers' point of view would be, every country in the world on a gold-standard basis and the currencies in each of those countries backed by the amount of gold necessary to meet the legal reserve requirements. That would be, I say, the bankers' ideal currency condition throughout the world. That situation is the only arrangement believed by international bankers to be a sound money condition. Yet it does not exist in the world to-day. It has never been true and no doubt will be less true in the future than it has in the past. Production of gold has not kept pace with the needs of commerce and trade. The best thinkers on the subject of finance and monetary stability admit that within a very few years the supply of gold will be wholly inadequate to stabilize the currencies of the world.

Our present experience teaches us that international bankers and international credit sellers can easily, through methods employed by them, shift the monetary gold from one part of the world to another.

MALDISTRIBUTION OF GOLD

What is the situation to-day? There is about $11,300,000,000 worth of monetary gold in the world.

The United States needs $2,400,000,000 worth of gold to stabilize its currency, but it has $4,500,000,000 worth of gold, or $2,100,000,000 more than it needs.

France needs $1,100,000,000 worth of gold to stabilize its currency, but it has $3,000,000,000 worth of gold in its treasury, an excess of $1,900,000,000.

Together, France and the United States, two countries having only 162,000,000 people, have amassed seven and one-half billion dollars of the world's supply of gold, leaving only $3,800,000,000 of monetary gold for the other nations of the world. This amount does not equal the idle gold held inactive and unworking in the Treasuries of the United States and France. These two countries together need three and one-half billion dollars worth of gold. They have that amount and an additional $4,000,000,000 of the monetary gold, which is not being put to present use for currency purposes.

I have stressed these conditions to impress upon you the fact that gold managed as it is, is not a safe or stable thing as a base for the currencies of the world.

What results from this bad distribution? It is, as it were, as if only $7,300,000,000 worth of monetary gold was in the world to-day, because that is the whole amount of gold that is working to stabilize currencies. The effect is, since in gold-standard countries all currency is kept at a parity and redeemable in gold, money has become so high in price that it is practically impossible to buy any appreciable amount of it with commodities.

It may be contended that there is an overproduction of commodities. Such is not the case, because statistics show that commodity production has varied very little, one year with another, for the past several years. There is always a great underconsumption, however, when people can not get money with which to purchase the necessities of life, and that is the situation to-day. If I throw a few coins into the air and all of them come down heads up, I might think it possible but unusual for each of them to fall alike. If I throw a hundred coins into the air and they all fall heads up, while it is possible for them to do so the result is so out of line with human experience that I would wonder if the coins did not have a head on either side or if they were not loaded to cause them to fall that way. If the prices of only a few commodities had fallen since 1929, we might think it strange but not greatly out of line with what could be expected, but when we observe that the price of practically every commodity has fallen, and fallen greatly since 1929, we feel that we know that some other cause is at fault beside

overproduction. We are completely convinced that it is not due to any economic law or to supply and demand, but that this result is due alone to the soaring price of gold, the commodity selected by us to measure all values.

Only four countries in the entire world are on the gold standard to-day—the United States, France, Holland, and Switzerland. A few other small countries in Europe are partially on the gold standard, but their finance ministers are authorized to issue exchange restrictions. The number of countries on the gold basis are not 10 per cent of the number of important commercial countries engaged in world trade and commerce. The currency of more than 40 nations has not been on the gold standard or has been forced off within recent months by the maldistribution of gold. No country in Asia is on the gold standard. Every country in South America is off the gold standard. When a country goes off the gold standard, its currency greatly depreciates in the money markets of the world. That country then is at a great disadvantage in meeting its obligations which must be paid in the currencies of gold-standard countries.

The foreign-exchange rates which prevail in the international money markets of the world are fixed by the international banking interests. These exchange rates are based on considerations of peculiar import to the world bankers. The question of international exchange rates is a study within itself. I have not time to go into that fully here. However, the international exchange rates, adopted and manipulated by the banking interest, are one of the methods used by it to shift gold from one country to another to the advantage of the bankers and often to the great disadvantage of the holders of the bonds and securities of different countries. I say again that the gold standard is the kind of currency basis that is favored by the banking systems of the world. A close check is kept on the movements of gold. Every day information may be had as to the exact amount of gold held by each country in the world. The movement of gold can be, and is, controlled by the big world bankers. When we consider that 12 banks in the United States two years ago had resources of over $20,000,000,000, which is practically twice the amount of the world's supply of monetary gold, it is very apparent that the movements of gold will be directed in accordance with profitable business for the banking systems. Big bankers will always insist that gold is the only proper basis on which to found the currency of any country. They will always insist that a currency based on any other value than that of gold will be a failure.

Gold should not be discarded for use in connection with our money or exchange system. Its purchasing power should be fixed and regulated in relation to the commodity index price of the things most commonly used in trade. If this is not done, there will be a constant fluctuation and change in commodity prices because of the maldistribution of gold.

EFFECT OF GOLD STANDARD

If you ask me why trade and business was active and prosperous during the time up to October, 1929, notwithstanding the fact that industrial and commercial inflation had reached a point entirely out of proportion to the world's monetary gold supply and out of proportion to intrinsic values, I would tell you that the public confidence had not been shaken at that time. Business had not stopped to take an inventory of itself. Everyone was absorbed in his own plans and schemes. The United States and the trading world were moving their forces continually out and onward from a base of gold stability, taking no thought of it ever being necessary to make a retreat to that stronghold. Everyone was so wholly absorbed in his plans and undertakings that he could only see larger scales, larger quotas, and expanded accomplishments for next year over the present. No time was taken for reflection. We said, "Prosperity is everywhere." The mass mind felt that continuous sailing through unending calm was inevitable. No thought of financial clouds on the horizon. No break in this spell seemed possible. Finally the storm came. We were shocked, then terrified. Some tried to remain strong and refused to believe it. Others weakened and became panicky. We all came to a realization that a new day was upon us. Men cast about to readjust themselves to rougher financial weather. They were forced to turn and join the general retreat, to where? It did not clearly appear, but retreat and salvaging such as might be saved were inevitable. Finally we realized only gold, of all things men possessed, could remain fixed and stable in value, for under our system it alone had been made by statute the yardstick of all measures of value. Every necessary or usable thing owned, desired, or possessed by man must now seek out gold and learn of it what price should be placed on each thing. Men sought to convert their possessions into the things that had been the accepted landmarks of value through generations.

Gilt-edge securities, real property of established value, things of the most necessary kind for the maintenance of life, and our social structure—these too went down, down, down in the market. Then they turned to Government bonds and found that these also on the market had lost $10 on every $100 of their value. And what is the answer? There is unquestioned utility in the things men own. Food must always be provided. Clothing, fuel, and shelter must, of necessity, be had to sustain life. Labor, the greatest source of wealth of any nation, must go on. While all the things needed by man are available, yet for some mysterious reason that can not be explained, the owner of one property who desires to dispose of it and purchase something else can not do so. Millions of laborers are walking the streets and roaming from town to town, from one part of the country to another seeking employment, but can find nothing to do. They and their families are forced by our arrangement of currency and system of exchange to remain idle, hungry, and cold in the midst of an overproduction of the things they need. Why?

The gold standard must measure everything—

And of forms of money issued or coined by the United States shall be maintained at a parity of value with this standard (25.8 grains of gold, nine-tenths fine), and it shall be the duty of the Secretary of the Treasury to maintain such parity. (U. S. Stat.)

All paper currency, bank notes, Federal Reserve notes silver, and even copper money potentially become gold. All public and private contracts calling for dollars must be paid in money that is potentially gold. The $702,533,000,000 bank clearances in this country, in 1929 were in each item measured by gold and payment could have been demanded in gold.

When business saw that gold was the only thing that could be depended on for stability under our currency and valuing system, a mad rush was made on every hand to get gold, or the next best thing to it if gold could not be had. The country had sailed with favorable winds on a calm sea, taking little account of to-morrow until it had piled up mountains of obligations. The partial-payment plan of merchandising had become so general that billions in obligations of all kinds had become a fixed charge on the future earnings of the people. Add to this, $35,000,000,000 of real-estate obligations payable on the annual-payment plan, often representing inflated cost of construction and inflated loans, tremendous amounts of other annual obligations, insurance premiums, taxes to meet more than $33,000,000,000 bonded national, State, county, and municipal debts, and to these, current expenses, and we see more truly the picture. All of our property values and all of our obligations must be measured by gold. Usability and utility fade into insignificance in measuring values. Gold alone can do that.

FARM RELIEF BY REGULATING CURRENCY BASE

For years every group of affected producers has been trying to find a way to save itself from undependable price conditions. Marketing has been the problem. Cooperative marketing associations have tried to find a way out for wheat growers, cotton growers, livestock producers, and the producers of almost all other kinds of commodities, all to no avail. Congress has spent 10 years debating Federal farm relief. It enacted the McNary-Haugen farm relief bill to

be vetoed by the President. Then it followed with the Federal Farm Board act. The Farm Board has spent most of $500,000,000 and gotten nowhere. If Congress had devoted but a fraction of the time it has used in considering Federal farm relief bills to the consideration of a sound and dependable, scientific currency base in relation to true values—the utility value of necessary commodities—and had enacted laws to put such sound-money base into effect, farm relief would automatically have come long ago.

So would relief have come to the producers of all commodities of trade and to laborers who assist in carrying on trade. Permanent farm relief can not be provided by cooperative marketing associations, nor by boards set up by Congress to assist in withholding products from the market, nor can farm relief come by laws limiting acreage to be planted, nor by any other legislative crops, all of which, in the fundamentals of their workings, undermine the purpose they are set up to accomplish. These remedies are but salves on the symptoms of the trouble and can do no permanent good.

When we realize that our national wealth has dropped from $400,000,000,000 in 1929 to less than $300,000,000,000 at the present time and that the annual national income has fallen from $90,000,000,000 since three years ago to less than $60,000,000,000 now; that our foreign and domestic trade has suffered in the same proportion, we must know that mere legislature palliatives and appropriations of public funds can do little to bring permanent results. Cycles of inflation followed by periods of oppression and ruin will continue until the financial trouble is corrected at its base. The unvarying gold dollar of 25.8 grains of gold will not do it. It is not dependable as "the measure of value" or "yardstick of trade." A few years ago it would buy but one-half bushel of wheat. To-day it will buy four times that much, or 2 bushels of wheat. Not long ago it would buy 3 pounds of cotton. To-day it will buy 20 pounds of cotton, and so on through the list of commodities. No merchant could long remain in business with any such undependable yardstick, measure, or weighing device. He would not know whether business was gaining or losing. Neither can the business of our country know whether it is gaining or losing. It will always be thus as long as our currency remains on its present gold-standard arrangement.

GOLD NOT DEPENDABLE AS MEASURE OF VALUES

Gold is not now and never has been dependable as a measure of values and there is where our trouble lies. Between 1789 and 1809, the value of gold as related to commodities fell to just one-half of what it was at the beginning of that period. From 1809 to 1849, gold ascended in value two and one-half times what it was at the beginning of that period. From 1849 to 1873, gold dropped to three-fourths of what it was in 1849. From 1873 to 1897, gold appreciated 25 per cent in value. From 1897 to 1914, the purchasing power of gold dropped two-thirds of what it was in 1897. Since 1914, the purchasing power of gold has been so eratic and undependable that it will be necessary to consult the wholesale commodity price index in order to determine its purchasing power at any particular time. At the present time the purchasing power of gold in relation to commodity prices is almost 50 per cent higher than it was during 1929.

RELIEF FOR BANKS BY STABILIZING CURRENCY BASE

Under the present plan of bank set-ups in this country, it is necessary for banks to make loans and investments and to take risks in order to make money, while at the same time it is also necessary for banks to keep liquid assets and a back-log, or reserve, of dependable securities and paper which can be quickly converted into cash so that runs on the bank or other emergencies may be met. These two contradictory requirements, making loans and investments and at the same time keeping sufficiently liquid, are indeed difficult enough to balance in ordinary times. Our banking system will be in danger unless we continue to have a large outstanding bonded national debt. United States Government bonds in the portfolio of a bank are the best insurance against disaster it can carry. Our Government has always had a bonded debt outstanding except in one period of its history, 1837. During that period the banking structure collapsed from one end of the country to the other. Government bonds are, in effect, a mortgage against the national credit. Their value depends on the proportion of bonds outstanding to the national wealth, or the value of things owned by the people.

A currency with a gold base, valued in relation to commodities, their utility, supply, and demand, would relate directly to the current wealth of the Nation. Such a scientific arrangement would bring about a situation in which it would not be necessary for bank stabilization purposes to carry a large bonded national debt. When commodity prices became stabilized banks would take mortgages on things of dependable value. It would no longer be necessary for honestly and efficiently managed banks, small or large, to close their doors in failure. Banks do not fail until the country around them fails. It is only when the security they hold has shrunken in value and produced the condition that prevails throughout our country to-day that banks must cease to do business.

BILLS BEFORE CONGRESS TO CORRECT EVIL

Bills are now before Congress which, if enacted into law, would beyond a doubt correct our undependable monetary bases. In principle these are approved by almost every leading economist and expert on money who is not engaged in the banking business where his profits largely depend on the continuation of our present gold currency base.

TWO GREAT OBSTACLES IN WAY OF PASSING LEGISLATION

There are two great obstacles in the way of passing such legislation. One is that the international bankers of the world and the large bankers in our own country will oppose it, as they vigorously opposed the adoption of the Federal reserve system and as they are now opposing the Glass bill in the Senate, which bill seeks to supply the reserve system with better machinery to deal with credit. The banks will ridicule the proposals and treat them with contempt, declare them absurd and "unscientific." Great is the power of the financial institutions of the country!

Another obstacle that stands in the way of the enactment of such provisions into law is the lack of general knowledge necessary to give us the assurance that we are proceeding in the right direction. Questions relating to this subject are technical and require much study to be understood. We are always inclined to "rather bear the ills we have than fly to others that we know not of."

Not long ago, I was reading in an old history of Greece. I came across this significant and philosophical language:

> The Greeks did not use the name by which we know them but called their country Hellas and themselves Hellenes. Those nations whose speech they could not understand they called barbarians.

This is the philosophy of human life. Things that are not understood are depreciated and not appraised at their true worth, even before any effort is made to understand them. It is easy to criticize.

Congress knows there is a great wrong being perpetrated in the financial world against the people. Business is stagnant. Factories are closed. Millions of laborers are out of work and out of funds. Bread lines are extended. Public charity in the cities is being taxed beyond its capacity. Hunger and want are in evidence everywhere, while the farms are glutted with surplus. Thrifty, hardworking people are being sold out of house and home under the hammer, and savings of a lifetime are swept away. All this misery, poverty, and distress exists in a land of plenty.

CAPITALISTIC SYSTEM

The greatest enemy the capitalistic system faces to-day is the effort of the metropolitan banking fraternity and the venders of international credits to saddle on the backs of the masses the burdens created by gold. Russia is trying an experiment in government antagonistic to the capitalistic system. Our Government seems to have reached the place where it has no effective plan to offer whereby the people may be made secure in their peace, happiness, and property holdings.

I appeal to each of you, as fellow Members of Congress, to join us in trying to find a permanent solution for this overwhelming calamity.

SECRETARY OF COMMERCE HOOVER MAKES APPEAL

Secretary of Commerce Hoover said in 1921:

There is no economic failure so terrible in its import as that of a country possessing a surplus of every necessity of life in which numbers willing and anxious to work are deprived of those necessities. It simply can not be if our moral and economic system is to survive. * * * What our people wish is the opportunity to earn their daily bread, and surely in a country with its warehouses bursting with surpluses of food, of clothing, and with its mines capable of indefinite production of fuel, with sufficient housing for comfort and health, we possess the intelligence to find the solution. Without it our whole system is open to serious charges of failure.

The Secretary of Commerce 10 years ago pointed out a distressing, recurring evil. Let us hope that now, as President of the United States, he will come forward and join us in a plan that will mean the permanent solution of the evil that will always continue until it is settled fundamentally and settled right.

Mr. McFADDEN. Mr. Speaker, I yield 10 minutes to the gentleman from Maine [Mr. BEEDY].

Mr. BEEDY. Mr. Speaker, I wish it were always possible to discuss legislation of this type calmly and dispassionately. Previously at this session of Congress I have expressed my respect for the attitude which the Democratic Party has taken in its effort to legislate for the well-being of the country. I think that party has shown a degree of patriotism seldom exhibited except under the exigencies of war. I regret that any note of partisanship should have crept into the discussion of this legislation.

I am in hearty accord with the statement that the bankers of the country have made very grave mistakes.

There is no thoughtful man who will say that there has not been in the last few years a very grave abuse of credit. But, my friends, these mistakes amounting to a perversion of the Federal reserve system were not made by any party, nor were the bankers who committed them confined to any party.

Let us, therefore, discard all attempts to drag partisanship into this discussion. Let us rise to the high level of the gentleman from Alabama, beloved by both sides of the House, the gentleman from Georgia [Mr. CRISP], who recently said that he would always place country above party.

I think the chairman of our committee has risen to a high level of statesmanship in consideration of this legislation. I desire to commend both him and his colleagues on the committee for their evident nonpartisanship.

There have been some misstatements made in the course of this afternoon's debate. As I listen to our debates in these days and observe the faces of the men and women who gather in the gallery, I sometimes fear for reckless statements made in the heat of debate.

If there is anybody here this afternoon who has gathered from the discussion of the pending bill that this country is insolvent, that our banks are all insolvent, let me assure him there is no ground in fact for any such conclusion. [Applause.]

Now to the working, more especially to the last section in the bill. How does gold get in and out of the Federal reserve system? The gentleman from Nevada requested that we take a $10 Federal reserve note and show how this bill will affect it. Let us illustrate in another way.

How much gold is there in the Federal reserve system today? There are $2,967,000,000 in round numbers. There are in the hands of the Federal reserve agent $2,128,000,000 of gold, as against a total outstanding issue of Federal reserve notes in the amount of $2,661,000,000. There are outstanding in member banks, distributed to those banks by the Federal reserve agent but not yet paid into circulation, an additional $260,000,000 of Federal reserve notes.

Under the law 40 per cent of the reserve against outstanding Federal reserve notes must be gold and an additional 100 per cent consists of eligible paper. What has happened that should occasion the necessity for this legislation? You will observe that the gold reserve against Federal notes now outstanding is approximately 80 per cent. Banks now pursuing what is undoubtedly a wise course, more particularly the larger banks, realizing that they should perhaps fortify themselves for further emergency, have held back rediscountable paper. In other words, they have not been willing to put out their assets, borrow money on them, lend that money, and encourage what they fear might lead to further difficulty. Senator GLASS told me the other day that he had it on good authority that in the banks of the Federal reserve system there were three and one-quarter billions of rediscountable paper that were being held against an emergency.

There are also balances here subject to withdrawal by nations abroad. France may call to-morrow, if she wishes, for $450,000,000. There is no necessity for veiling this situation. There should be no fear in it. What would happen if France wanted her gold? She would immediately get in touch with her correspondent bank. That bank would call for its balances in member banks of the Federal reserve system. Those member banks would in turn go to the Federal reserve banks and borrow. With what? With this three and a quarter billions of rediscountable paper. The borrowing member banks would thereupon be credited on the books of the Federal reserve banks honoring the loans with the amount of the loans.

The Federal reserve banks in turn would deliver the 100 per cent of discountable paper received from the borrowing member banks to the Federal reserve agent. That agent would take it and place it with the reserves required against outstanding Federal reserve notes. He would thereupon issue Federal reserve notes in the amount of the rediscountable paper received, thereby releasing a corresponding amount of gold. This operation might be continued but never to the extent of releasing enough gold to reduce the reserve below the 40 per cent requirement. Gold thus released would thereupon go abroad to satisfy foreign balances in the case referred to. If the loans negotiated by the member banks are for local needs, rediscountable paper would likewise be left with the Federal reserve agent, and he would issue notes while a corresponding amount of gold would be kept at home in the Federal reserve system. There are plenty of assets to be availed of, but the banks have been saying, "We do not want to let our paper go. When it is gone we will have nothing more to fall back upon." That is probably prudent. So in this legislation in recognizing the great psychological factor of the present situation, we in effect say, "Very well, in addition to using your eligible paper to meet demands to be made within one year you may resort to Government bonds which you own and take them, in addition to rediscountable paper, to the Federal reserve agent for further issue of Federal reserve notes with the attendant release of gold." Thus we say in effect that foreign creditors may realize upon their gold balances at any time and leave plenty of gold available for further extensions of domestic credit.

Some say that this bill is inflationary. What is inflation? Any dictionary will tell you it is undue or unwarrantable increase. An unwarrantable increase in prices is price inflation. Everyone here knows that commodity prices are far below normal. I think agricultural products have fallen 52 per cent in the last 18 months. If by easing credit we increase confidence and dispel fear, we shall observe a resulting flow into rediscount channels of hoarded rediscountable paper, with a resultant issuance of Federal reserve notes. Business would thus naturally be stimulated, labor reemployed, prices restored, and labor should soon find itself in a position to participate in increased wages. By this legislation we hope to assist in bringing conditions back to normal. There is nothing inflationary in such a program, because there is no undue or unwarrantable element in that which is normal. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Maine has expired.

Mr. McFADDEN. Mr. Speaker, I yield three minutes to the gentleman from Michigan [Mr. HOOPER].

Mr. HOOPER. Mr. Speaker, by this time the juice has been squeezed out of the orange of this debate pretty thor-

oughly. I do not think there is very much more which can be said in favor of the bill, and I know of nothing which can be said against it. I share in the belief of my honored and distinguished chairman that this bill is not a cure-all by any means. If we are to cure the conditions under which the United States and the world are laboring to-day, we must do it by waiting for the slower working of economic laws rather than by man-made legislation, and we must go back to the war and to the days that followed it if we are to reach the roots of the depression which holds the world in its grip to-day. I believe that this bill, supplementary to the Reconstruction Finance Corporation act, which was passed here the other day, will be of immense benefit to this country in any legislative attempt to lift us out of the depression.

I am certain that the membership of my Committee on Banking and Currency have acted in an absolutely nonpartisan way, and have acted patriotically and quickly upon this bill. It should pass the House of Representatives to-day, and it should become a law immediately. It will free in this country forces which will be to the infinite advantage not only of the banker, not only of the man of business, but of the farmer and the working man as well. It is a bill which has been carefully prepared, one which, I believe, in common with certain others should have been passed long ago in some form, but the bill is rightly conceived and the country demands its passage.

The hearings held by the committee were charged by one gentleman as inadequate. A reading of the testimony taken shows that the hearings were of ample length to demonstrate the urgent necessity of a quick passage of the bill. Business has a right to demand that the Federal reserve limitations on credit, sufficient at the time they were made law, be liberalized so as to permit for credit uses securities once ineligible, although of the soundest character. Among the new eligible securities the better class of real-estate mortgage will be included. It is a strange thing that for so long a time such securities have been banned as noneligible.

This bill, with the other relief proposals of the administration, will, I am sure, go far toward hastening the end of depression in the United States. The whole program of the President has been constructive. No other statesman in a world gone awry has presented a plan of legislation for any country which can compare with President Hoover's.

I hope the bill may become law without delay. [Applause.]

Mr. McFADDEN. Mr. Speaker, I yield seven minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Speaker, this heroic financial measure, as I view it, is to check the progressive deflation that has been going on ever since Great Britain, on September 20 last, suspended gold payments. That condition has been accentuated by the action of the French Government in withdrawing some of its ear-marked gold from this country. Some of you will recall that immediately following the action of Great Britain in suspending gold payments it was necessary for our representatives abroad to assure the foreign governments that there was no purpose, as far as our Government was concerned, to go off the gold basis. Foreign governments were apprehensive that this country also might be forced to suspend gold payments. Their alarms were quickly allayed, for our Government was so fortified by its large gold holdings that even if France had withdrawn its billion of earmarked gold it would not have impaired our gold basis.

This bill does not seek in any wise to militate against the established policy of this Government to continue on a gold basis. It does seek to bring about a remedy for the condition occasioned by the industrial depression that has been going on the last 18 months, whereby the great business and industrial concerns have not been borrowing from the banks as they were wont to do when business was prosperous and accordingly have not been issuing commercial paper. So the $2,925,000,000 of Federal reserve notes in circulation on Friday last, as shown by the Federal reserve statement, instead of being backed by the required minimum of gold, 40 per cent, have 66 per cent, with only 34 per cent of negotiable paper. It is by this bill purposed to permit the substitution of Government bonds in lieu of the excess quota of gold to make up the shortage of commercial paper that is required to back those Federal reserve notes to the amount of 100 per cent, and also to permit other kinds of negotiable paper and collateral than now authorized to back the notes as security.

Under the existing law the only character of negotiable paper that is accepted for rediscount by the Federal reserve banks is negotiable commercial paper and certain paper of farm organizations. I hope I am not offending the sensibilities of the erudite gentleman from Massachusetts, Mr. LUCE, who upbraided somewhat severely some members of the committee on public safety for speaking on this question, and then informed us so very lucidly on the subject under consideration, that I could not determine whether he had elucidated the question to any marked extent. Against these $2,925,000,000 Federal reserve notes in circulation at the present time, there is discountable paper amounting to $983,000,000, or 34 per cent of the total, and $1,936,000,000 of gold, or, as I said, 66 per cent of the total issue. Under this act, if it is passed, only $1,195,000,000 of gold, releasing $700,000,000, will be required, the difference, or $700,000,000 in amount, being replaced by Government bonds and other kinds of securities.

I was about to say that under the existing Federal reserve act—and I had the pleasure of being in Congress and supported Mr. CARTER GLASS when he was chairman of that committee during the administration of President Wilson, in putting through that great progressive measure that has stayed panics for these many years—only 90-day commercial paper is permitted to be eligible, when, generally, commercial paper is for from five to six months. This bill also seeks to broaden the character of negotiable paper, which may be offered as security for these Federal reserve notes. These are critical times. Panicky fear has seized part of the investment public. Large amounts of money, in some financial centers, are being withdrawn from circulation. The conditions require heroic treatment. This bill could not be justified in normal times, because some of the security that is offered for Federal reserve notes, though perfectly sound, is not of liquid character, such as bonds and mortgages. But hard cases require exceptional treatment. I justify this only as a temporary expedient, and hope that at the end of the year the crisis that requires this extraordinary dosage will have ended.

Now the high purpose of this bill is not to create inflation but to check deflation. The Milwaukee banks have liquidity above 40 per cent, but they are hesitant about making further loans.

They do not know what the future may be. We have not had a bank failure in Milwaukee except one minor political bank, and that is about to be reorganized. Our banks are essentially sound, but this bill is to lift the fear and apprehension of the bankers so that they may know that they will be able to have additional means of credit by putting up Government bonds instead of gold, and thereby secure an increase of Federal reserve notes, bringing back, as far as the issuance of Federal reserve notes is concerned, that condition that will return times to normalcy, but not a condition that will bring about that abnormalcy when, just before the panic broke, there were hundreds of millions of bank credits based upon brokers' notes.

The danger is that if some heroic means are not taken now, this period of depression will go on until many sound banks will fail. During the past six months I know of banks which were sound which were obliged to go under because they could not get relief from their sister banks, because the latter feared they must protect themselves rather than to go to the relief of some bank that had ample security but could not transfer it to liquid form.

This bill seeks primarily to enable banks to get something that they have not got to-day, a large amount of additional credit through the issue of a larger amount of Federal re-

serve notes; that is, to utilize their Government bonds in place of gold, and to use other kinds of negotiable paper, to the end that business conditions may be improved, commerce may be enlarged, and employment may be increased. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Speaker, I yield five minutes to the gentleman from Connecticut [Mr. TIERNEY].

Mr. TIERNEY. Mr. Speaker, as a member of the Committee on Banking and Currency, I want to say a word in support of this bill. I have a feeling that this particular measure, while it is intended to be in aid of the Reconstruction Finance Corporation law, really stands on its own feet. I think this is a very sound financial measure; and while it is intended only to operate as an emergency measure for one year, to meet an emergency situation, it could go on even farther and answer a very good, permanent, sound financial purpose in the country.

We are in a position now where, under the peculiar condition of our banks—and may I speak more particularly of the banks in my section of the country, because no bank in Fairfield County, Conn., is insolvent or in suspension—we are in a position where we have ample reserve funds on hand. The business men and business interests of my district who want to resume more active business or extend their business further are in a position where they can not draw on banks, because the banks are holding a cash reserve to meet the possible emergency of a run. Though we have had none and expect none.

This particular measure will do this: It will permit the banks of my district to group together and meet these proposed new conditions of the Federal reserve system, so that five banks can get together and combine their securities, such as they feel sufficient, issue what is called a clearing-house receipt, and borrow on it from the Federal reserve banks. In other words, they will be in a position where they can take the mortgages they have in their banks, they can take the municipal bonds, notes of the cities, the State bonds, the town notes or tax warrants, turn them in, and borrow cash on them for municipal, town, and State, or business or other uses.

Mr. FIESINGER. Will the gentleman yield?

Mr. TIERNEY. I yield.

Mr. FIESINGER. I have been perplexed about that very thing, namely, five member banks being allowed to go in and put up securities. What is the incentive for their doing that when there is a provision in section 2 of the bill to the effect that an individual bank may borrow money upon security which does not represent rediscountable paper.

Mr. TIERNEY. I understand that the individual bank must have the consent of a majority of the board of the Federal reserve bank, but in the case of the five banks they can simply take whatever security they see fit and present it and draw against it in cash.

Mr. FIESINGER. In the one case it requires action on the part of the Federal Reserve Board and in the other case it does not?

Mr. TIERNEY. Yes. In the one case five banks can go in, present their securities, and draw the cash, while in the other case the action of a majority of the board is required.

In my part of the United States, as well as in other parts, there are cities in a position where they can not realize on their notes, where they can not realize on their tax warrants, where they can not realize on their bonds in order to pay their pay rolls, pay their policemen, laborers, teachers to keep the towns and cities going. That is a condition which applies to my district and to a large number of districts in the country. This particular measure will allow the local banks, which are perfectly solvent and that would like to loan to the cities and towns, to group together, or even acting alone, with good security, to go to the Federal reserve bank and obtain the cash they need. In this way our cities and our towns and municipalities may function in a fair and orderly way, and in that way the good financial name of our cities and communities will be kept up. [Applause.]

Mr. McFADDEN. Mr. Speaker, I yield five minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Speaker, I rarely address the House. To-day I feel constrained to make a few remarks.

When the information was given the House, shortly after its assembly this noon, that the Speaker would recognize the chairman of the committee for the purpose of moving to suspend the rules and pass this measure, we had one more instance of frantic haste in considering measures of the greatest importance. We have done so since the beginning of the session, and this latest one has disturbed me deeply.

Having intimations through the press that this measure might be crowded forward, as it is being advanced, some of us have done what we could to inform ourselves regarding the bill. I have personally been trying to assemble reliable information through hearings, through reports, through the study of the companion measure in the Senate, through reading the financial pages in daily papers, through conferences with men in whose judgment I have confidence, and otherwise.

I have tried to understand the measure. I have tried to feel in sympathy with its purpose. I do not think I shall dare to vote against it this afternoon, yet I have a profound feeling of dissatisfaction with and resentment against a system which forces us to consider these measures in such haste and to delegate our powers and authority where we should not as Members of Congress, in view of our oaths of office, delegate them. [Applause.] I have sometimes the feeling of being in the position of the man who said of his comrades that they were all out of step but himself. Yet these feelings, it seems to me, are justifiable unless more of us protest this practice of dealing with major measures in great haste.

To me it is not a satisfactory reply to be told, as I was told, that after all these are technical things; that we should take the word of some one else—and that some one else often entirely removed from this branch of government—and pass these things, approve them blindly. That is not my idea of the duty of a legislator in this body.

I am going to vote for this measure with some misgivings and with vigorous protest.

I fervently hope the leadership of this House, on measures of such consequence and importance, will in the future permit a fuller expression, will permit a better understanding, and will permit more liberal provisions for the exercise of the rights we have as Members of Congress to discuss and amend. [Applause.]

Mr. Speaker, under leave to extend my remarks I add:

We who desired to delay consideration of this measure for only a little while in order to inform ourselves more fully had no choice in adoption of plans of the leadership of the House for action, unless it might have been described as Hobson's choice.

Objection to the arrangement would only have served to restrict to 40 minutes, equally divided between the two sides, the time for debate on the bill. In no case could there have been the privilege of amending or of offering amendments under the customary 5-minute rule.

It may well be noted that procedure to-day is a far cry from the original purposes for which suspension of rules came into being. In the early part of a session, for considering a measure little known or understood, acting on advice of a committee that had heard the convincing part of its testimony in secret and that, for perhaps proper reasons, refused to acquaint the House with any part of that testimony, I deplore the resort to this legislative expedient and hope that this bill is the last measure of its kind to be so considered. I hope the House will not regret the action it is taking to-day, and in which I am reluctantly taking part.

Mr. McFADDEN. Mr. Speaker, I yield three minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Speaker, prior to 1925 the great corporations of the country, large and small, had commercial paper which was eligible for rediscount at the Federal Reserve banks. You all know that during the period prior to

1929 these corporations sold vast amounts of securities and secured capital for the transaction of their business. To-day the great corporations of the country, large and small, have more cash on hand than they have ever had in the history of the country. They are discounting their bills and taking their discounts. Consequently, there is very little commercial paper floating, and very little eligible paper for rediscount in the Federal reserve banks.

Two years ago when we had our hearings before the Banking and Currency Committee I advocated a liberalization of the Federal reserve act so that other paper might be made rediscountable, but the idea did not win very much favor with the bankers that came before the committee.

Mr. SIROVICH. What other kind of paper?

Mr. SEIBERLING. I advocated good municipal bonds, for one thing.

Now the situation is that there has been withdrawn from the banks and hoarded about one billion and a half of currency. As this money is withdrawn and hoarded, the banks have to go to the Federal reserve to get the money to take its place. They have exhausted their rediscountable securities because very few rediscountable securities were in existence by reason of the fact that corporations no longer needed to issue them, and therefore it becomes necessary to broaden the powers under the Federal reserve act with respect to rediscountable paper so that the banks can get the currency to take the place of the hoarded money.

In my judgment, just as soon as the people of the country find that the banks have available channels in which to secure money to offset any money that may be hoarded, this hoarded money will come back into the banks, and when it does come back into the banks, the banks will have money to lend for the revival of business, and business will have an opportunity to employ labor, and we will get back to a normal business condition such as we had prior to the commencement of the hoarding of this vast amount of money. [Applause.]

[Here the gavel fell.]

Mr. McFADDEN. Mr. Speaker, I yield five minutes to the gentleman from Missouri [Mr. SHANNON].

Mr. SHANNON. Mr. Speaker, I am going to give a reason for being against this bill that has not been given. My reason is this: This is supposed to be a deliberative body. It is not a deliberative body. It is a body that is carrying out the will of groups that meet secretly, and after they decide what they want, they bring it in and tell us what to do.

I care not how meritorious this measure may be, we should have a proper length of time for the Members of this body to understand it. This bill should not be railroaded at this time, and I would not care if it were drawn by George Washington, Thomas Jefferson, Woodrow Wilson, and both the sainted McKinley and Lincoln, if brought in in this manner, I would vote no.

The record shows that the bill was ordered printed on February 13. That was Saturday. Sunday has intervened, and now we are confronted with a rule which compels the Members of this House to vote yes or no on the bill instanter.

If I were a member of the General Assembly of the sparsely populated State of Nevada and anyone should undertake to railroad through a piece of legislation like this, I would vote no. But I am sure that Nevada's rules and laws would not permit it to be done.

Congress has been in session since the 5th of December. We have not been permitted to pass on any measure purposed to relieve distress except those which have emanated from conferences held by bankers, the administration, and a selected few Members of Congress. All is in posthaste after reaching this body; no time for deliberation here.

Who are these gentlemen who represent this body secretly? Are they our representatives? When does their duty to this body commence and when does it end? I say they should report back information obtained, and if General Dawes said the things he is said to have said, then we ought to know it as well as they. I am tired of listening to a lot of conferees saying, "If you only knew what I know." Well, why in the devil should not we know it and everybody else in America know it? [Applause.]

Mr. BEEDY. Will the gentleman yield to me?

Mr. SHANNON. Is this the gentleman who used the word "patriotism" a short time ago? How often that word is used. It is always a patriotic duty when one is serving the dollar. Patriotism! I am not standing as a patriot on this occasion, I am standing as a humble Member of this Congress.

Mr. BEEDY. I join the gentleman in his stand. I think in humility of spirit one can serve to a greater extent than in a spirit of arrogance. But I want to say to the gentleman that if I could repeat, what a long-standing rule of ethics forbids, just what General Dawes said in the conference at the White House, the gentleman would stand up and cheer with every man in this House. General Dawes is a fine, outstanding American, and he wants to serve his country in this hour of its trouble.

Mr. SHANNON. Who? The gentleman means General Dawes?

Mr. BEEDY. Yes.

Mr. SHANNON. He commenced serving the party, the gentleman's party, to my recollection, way back in 1896, and he has been a faithful servant of the Republican Party all this time. [Applause.] I know Mr. Dawes politically as well as the gentleman does. I should like the gentlemen who represent our side to also know Mr. Dawes's politics.

[Here the gavel fell.]

Mr. SHANNON. Mr. Speaker, did the time of the gentleman who interrupted me come out of my time? If so, let me have a minute or two more.

Mr. McFADDEN. I yield to the gentleman one minute more.

Mr. SHANNON. The press of yesterday—I read from the Washington Herald—has three most enlightening articles on this subject. First, a telegram from London which says that the Glass-Steagall Federal reserve credit bill is a step in economic recovery. On the same page is an article from Paris which says that the people in Paris believe that the Glass-Steagall bill will bring a revival of prosperity. Then over in a corner of the same page we read that Speaker GARNER, yesterday, had under consideration passage of the bill under a rule permitting only 40 minutes' debate.

Mr. TABER. Let me say to the gentleman, I saw it in the paper last Thursday.

Mr. SHANNON. On Thursday, just four days ago, the Washington News announced that Mr. CARTER GLASS, whose name was put on the bill, said that the bill to which his name was attached was not in accordance with his understanding. If it was not within the understanding of Senator GLASS, then why the effort to railroad it at this time? Why are we, as a deliberative body, asked to pass on a measure without a full presentation of the facts? Is the interest of Paris and of London sufficient for America's purposes? I say that the people of London and Paris know more about this measure than do my constituents. [Applause.]

Patriotism is a great catchword that serves to cheer multitudes on in a quick service in the interest of money changers, which always results in injuring the masses.

Our ancestors came away as emigrants from the standing armies, aristocracies, monopolies, and debts of Europe, and now their offspring in America are faced with every form of direct and indirect taxation for the support of the very system from which their ancestors fled.

The last 11 years of the administration of this Government, due to its combination with the Big Rich, should be designated as national villainy, and will be by future historians.

It seems to me that money assumes the prerogative of ruling the people and defying the laws of the land. It walks boldly into this legislative Hall and arrogates all of the rights, powers, and immunities of supreme lawgiver. No class of the people receives legislative consideration except money brokers and paper shavers. In other words, the men who

brought about this financial debacle are the only ones receiving consideration.

These money changers, European, local, and international, with the keen scent that vultures follow the camps of moving armies, are following the action of this body for the purpose of fattening on the offal.

Ten years ago, yea, four years ago, Coolidge, Hoover, Mellon, all would have cried out that this great saturnalia of debt was a national blessing, and I am afraid many Americans would have agreed with them.

It appears to me that capital has placed a yoke upon the neck of the people, and the people have tamely submitted to the indignity. The real duty now on the part of the administration should be the taking care of the poor who have not, and who have been ruined by this international bankers' creation.

Mr. McFADDEN. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, the question before us this afternoon is inflation of the currency. We do not have a bill before us requiring inflation; the bill merely gives the Federal Reserve Board additional powers to inflate if the members of that board desire to use the powers so given. This board has had plenty of authority to inflate under the present law; or, I should say, has had plenty of power to prevent deflation. It has not exercised that authority but on the other hand has done more to deflate the country and bring about all the misery and distress that have followed than any other known agency. I am not so much interested in giving this board additional powers, that it does not need, as I am in passing a law that will absolutely require inflation and the keeping in circulation at all times sufficient money to enable the people to do business. We seem to have an overproduction of everything except money. The Federal Reserve Board has charge of the money crop.

I thoroughly agree with anyone who says that inflation is necessary to bring back commodity prices. The question in my mind, should inflation come about this way, or should inflation come about in a different way. We all agree that there should be inflation.

It is also argued that we should at least have 40 per cent of gold reserve to back up our currency paper money. For the purposes of this discussion I thoroughly agree that we ought to have 40 per cent gold behind our money. If we permit the Federal reserve banks and the Federal Reserve Board to inflate the currency, as contemplated in this bill, it is restricted to the extent that it shall always be backed up by 40 per cent gold. Under this bill, however, the other 60 per cent can be the watered stocks and bonds of an insolvent corporation.

Why should we turn to the Federal Reserve Board and the Federal reserve banks in order to have inflation? I have before me a statement of the Treasury of the United States. There is a gold fund in the United States Treasury that is owned by the Federal reserve banks, amounting to $1,571,000,000. That amount subtracted from the total amount of gold on deposit in the United States Treasury of $3,495,000,000 leaves about $2,000,000,000, which is a sufficient gold reserve, that belongs to the United States Treasury, to justify the issuance of more than two and one-half billion dollars more currency, after taking into consideration the currency that is now outstanding against this gold.

If 40 per cent gold is sufficient gold basis for the Federal reserve bank, why is it not sufficient gold basis for the Treasury of the United States? If it is sufficient, why not issue the $2,500,000,000 and pay it on our debts? If possible, it should be paid out in a way that it will reach the most people and be distributed over the largest area. If we can show that the adjusted-service certificates are due now, which we can show, and if we can show that the payment of the certificates can conveniently be made without detriment to the general welfare, which we can show, the passage of bill 1, which provides for the full and immediate cash payment of the adjusted-service certificates should be given the right of way so that moderate inflation will reach every section of the United States at one time. If inflation is brought about in this manner, the money will be placed in the hands of at least 2,500,000 veterans, who need it to buy comforts and necessities of life for themselves and families.

I tell you that the money—$2,200,000,000, which is the remainder due—can be issued by the Treasury of the United States, and these adjusted-service certificates paid in full, and we will not have inflated our currency to the extent that we will not have more than a 40 per cent gold reserve for a base. These gentlemen who are on the Banking and Currency Committee, and the Secretary of the Treasury, Mr. Mills, told us the other day that a 40 per cent gold base was at all times sufficient. If it is sufficient for the Federal reserve banks, it is sufficient for the Government of the United States. So why pay interest on that money; why not pay this money out and let it go to the 3,600,000 veterans in the United States? These veterans reside in every nook and corner in America. Five out of every seven of them have borrowed 50 per cent on their certificates; if the full payment bill does not pass, these veterans will have practically all the remainder of their certificates consumed by compound interest. Which will be better for the country, the payment of this money at this time to the veterans or permitting compound interest to consume the remainder of the money due them?

Remember, this money can be paid by the issuance of currency which will have a 40 per cent gold base. The other 60 per cent will consist of Government securities. This payment will not require a bond issue, additional taxes, or the payment of interest.

The present bill is before us under suspension of the rules. No amendment can be offered. If the board exercises the powers herein given to inflate the currency, will the inflation be lasting and commodity values maintained, or will deflation be set in as soon as the election in November is over? Our instructions to the Federal Reserve Board should be more specific. Legislation of a more permanent character and more definite and certain should be passed. I know the bill is sure of passage, but I will not vote to suspend the rules and pass it. More consideration should be given to it, more debate should be allowed, and amendments should be permitted to be offered by the Members of the House. There is no necessity for invoking the "gag rule" in the passage of this legislation.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. STEAGALL. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. KELLER].

Mr. KELLER. Mr. Speaker and gentlemen of the House, I rise to talk shortly to you about the historic development of the idea of emergency currency in America. It is a very important subject, and the historic connection and development of it will not be without interest to this body. The Kansas City Times on July 5, 1899, carried an article with the headline, "To Prevent Periodic Panics—Plan for Expending the Currency During Financial Crises—Hon. Robert L. Owen Suggests the Issuance of Treasury Notes Against Standard Securities in Times of Panic by Which the Banks Would Force Borrowers Into Liquidation." The next step was that Mr. Robert L. Owen, then a citizen in private life, worked out the idea very carefully and submitted it to Senator Jones, who presented it to the Senate on February 6, 1900, as an amendment to the financial bill then pending before that body. That amendment was rejected. In the meantime, Robert L. Owen had become a United States Senator. He possesses one of the most brilliant, original, and well-ordered minds that it has ever been the good fortune of the American people to call into public service.

On February 25, 1908, Senator Owen offered this amendment to the then pending Aldrich bill. It was not adopted. The Federal reserve system, of which Senator Owen and Senator GLASS, then a Member of this House, were the authors, was expected to meet all of the requirements that might arise in any emergency. Unfortunately, under the method of administering that great law, it has not met

those conditions. I had occasion to go through the hearings of investigations in the Congress and I ran across this idea of meeting emergencies of this character by emergency currency. I soon found and traced out the emergency-currency idea of Senator Owen, and then went to him and discussed the matter very carefully. We looked over the conditions and concluded that the Federal reserve law as at present administered and understood could not meet another emergency like the ones which occurred in 1921 and 1929, and that to meet such conditions as that it would require emergency currency. Therefore I took bodily the idea which Senator Owen had offered and introduced it into this body as H. R. 6407 on January 4, 1932.

On December 28, 1931, I had given out an interview because of the tremendously difficult conditions we were facing at that time, saying that I was going to introduce a bill of this character, and outlined the bill. That brought to me many letters from all over the United States, letters that are worth any man's while studying, offering suggestions and criticisms, and pointing out ways of safeguarding that measure. In the meantime Senator WALSH of Massachusetts had introduced an identical bill in the Senate. He and I sent out thousands of letters, to the President, to members of the Cabinet, to officers of the Federal reserve banks all over the country, and to a great number of the heads of corporations, and a great number of banks, both large and small, in all parts of America. We received back a series of letters which in due course of time I hope to be able to introduce into the RECORD by some means or other for the information of this body, because I think you gentlemen will find them of tremendous interest. After reviewing these letters with Senator WALSH, we called in Senator Owen and Mr. Carl Strover, of Chicago, one of the very able and crystal thinkers along economic lines in America.

The four of us combed over the original Owen idea, and I reintroduced the bill, as amended, as H. R. 8495, on January 27, 1932. Meanwhile I had discussed with the Speaker of the House, Mr. GARNER, with the Democratic floor leader, Mr. RAINEY, with the chairman, Mr. STEAGALL, and various members of the Committee on Banking and Currency the feasibility of presenting it here as a separate measure. I found in the meantime that my colleague, Mr. GOLDSBOROUGH, of Maryland, had presented a very similar idea. I found that a great number of other men in this body were studying with great interest and understanding the entire question of currency, which goes to the very foundation of our business possibilities. I conferred many times with them. Meantime the administration forces had been considering this matter, and at first they turned it down frankly and flatly. Three weeks ago they rejected entirely the idea of currency based on Government securities. Both the present Secretary of the Treasury and Secretary Mellon rejected it. I am glad to say that Under Secretary Mills has reversed himself as Secretary Mills and has stood for this bill.

In my interview on the 28th day of December I made the statement that if a bill of this kind should pass it would break the backbone of the panic within 48 hours.

That it did that very thing even upon the mere announcement of its probable passage you and I well know from the statement made by the gentleman from Massachusetts [Mr. LUCE] that the stock market in two days' time regained $5,000,000,000 in values out of the sixty-odd billions it has lost since the stock crash of October and November, 1929.

If this bill had been thought of and enacted during the Seventy-first Congress immediately following the stock crash of October-November, 1929, it would have exerted an immediate curative effect, and the unemployment and suffering for the last two years would have been largely mitigated.

It is an excellent illustration of what Government rightly directed may accomplish. The important fact can not be overestimated.

I want at this point to thank the chairman of the committee for the very great kindness he did me and my colleague from Maryland in giving us part of the credit due for the formation of this bill. On the other hand, I want to call attention to two things that I regret exceedingly. First, this should be a permanent bill; not a bill for one year only. That is a mistake. [Applause.] Not only that, it should not have granted to the Federal Reserve Board, or any other board, the power to annul an act of Congress, especially in relation to that vital thing, the lifeblood of our national structure in America—our currency.

With those two exceptions I heartily agree with the bill, for while my bill and the bill introduced by the gentleman from Maryland [Mr. GOLDSBOROUGH] were broader in their purposes than the present bill, this bill is a step in the right direction, and I am glad to see it presented here. Because we can take the first step on solid ground toward getting out of this depression, toward putting men to work.

Permit me at this point to say that I have been granted time to talk on the general subject at length.

[Here the gavel fell.]

Mr. STEAGALL. I yield to the gentleman from Illinois an additional half minute.

Mr. KELLER. I have been granted leave to talk at length on this subject on the other steps necessary to cure our present misfortunes and to prevent a recurrence of them in the very near future. That can be done and I believe I shall be able to show you that fact.

I thank you. [Applause.]

Mr. McFADDEN. Mr. Speaker, I yield three minutes to the gentleman from Nebraska [Mr. HOWARD].

Mr. HOWARD. Mr. Speaker, I am very grateful to the gentleman for tendering me the time, but my physical condition is not such as to enable me to speak on this monstrosity, so I shall render back the time.

Mr. McFADDEN. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. WILLIAMS].

Mr. WILLIAMS of Texas. Mr. Speaker, I wish to make this observation, that it is unbelievable to me that an assembly composed of 435 Members would pass legislation as important as this legislation and know as little about it as we do. [Applause.] It is a reflection on the intelligence and patriotism of the Members of the House of Representatives to pass this bill without an opportunity to study it. How many Members of this House have read the hearings? Be honest and hold up your hands. I have not. I secured a copy of the hearings and I have endeavored to read them, and I say this, and I say it with no feeling whatever, that the policy of the Comptroller of the Currency and the policy of the Federal reserve bank has compelled the little banks all over my country and all over this great Nation to collect their paper, thereby forcing the hoarding of credit, which is worse than hoarding money, and the result of the policy of the Federal reserve bank and the Comptroller of the Currency has forced the banks throughout this Nation to withhold loans from their people. I say this with all kindness to the leaders on both sides, and I say it with all kindness to every member of the Committee on Banking and Currency, who are my friends, and I respect and honor them and I love them, but why not let this Congress adjourn and go home and leave the Committee on Banking and Currency in session? That is all we need in this House. [Applause.]

[Here the gavel fell.]

Mr. McFADDEN. Mr. Speaker, I yield three minutes to the gentleman from Colorado [Mr. EATON].

Mr. EATON of Colorado. Mr. Speaker, I am very glad that to-day, when something is said about inflation of the currency, all the Members sit around and listen. The last time I used those words everybody buzzed. On last Monday, a week ago to-day, there was printed in the RECORD, on page 3539 as a part of what I tried to tell you, the true condition of all the money of the United States—the Circulation Statement of United States Money of December 31, 1931. There has not been a single speaker to-day who has given the correct relation of gold to the present currency. I will not attempt to do it, because the Members can take the statement and figure it out for themselves.

In the figures that are given you for the gold and the Federal reserve currency of this very day, the difference is so small that it is infinitesimal, but suffice it to say that with regard to this additional $1,000,000,000 worth of currency which I understand is about to be authorized, there is now available in the Federal reserve banks enough gold to authorize one-half billion dollars worth of paper money. But that need not frighten any of you, because there is plenty more gold in the Treasury. There are about $2,000,000,000 worth of gold in the Treasury against which paper has not yet been issued and plenty of paper money can be issued safely. There is plenty of good backing for this paper money. There is no need to be frightened about inflation, because, on the theory of the economists and those who write upon banking and finance, the 40-and-60 basis, 40 per cent metal and 60 per cent paper, is said to be sound. That is about the basis of our currency. We have over $5,000,000,000 in metal—gold and silver—and almost $4,000,000,000 in paper issued. We have a total of about $9,500,000,000 in all kinds of money—gold, silver, and paper—at the present time. We are on that basis. The Treasury may take the gold and put it in the Federal reserve banks, and the Federal reserve banks, with a suitable amount of any kind of eligible paper, may issue more paper money in addition to that now outstanding.

Mr. STEVENSON. Will the gentleman yield?

Mr. EATON of Colorado. I have only three minutes.

Mr. STEVENSON. I just wanted to correct the gentleman's statement. It is 100 per cent of paper and 40 per cent in gold. We have been hearing about this 40-60 business all the afternoon; but if the gentleman will look at the statute he will find that before issuing Federal reserve notes they must put up 100 per cent of eligible paper and 40 per cent in gold.

Mr. EATON of Colorado. I am glad the gentleman corrected me, because I may be beginning to be as parrotlike as some of the rest of the Members. The total circulation of all money of our country is to-day based upon approximately 57½ per cent of gold and 42½ per cent of paper. The Federal reserve bank authorization is upon 40 per cent of gold. When I spoke last Monday I was trying to tell some of those who think that inflation or increase in currency is necessary that to increase the circulating medium owned and issued by the Government and to inflate the currency do not mean exactly the same thing to me.

To-day you are authorizing additional bankers' paper and United States bonds to be added to the class of eligible paper which has been used in our Federal reserve system to furnish money when the exigencies of business demand. The holding back by many bankers of eligible paper has held back some issue of additional paper money, but this bill permits banks which have no eligible paper to offer to-day to go through their portfolios and find other paper which is good but which did not conform to the requirements of the statute or the rules made by the Federal reserve bank thereunder.

This bill permits the paper money of this country to become as large if not larger than the foundation of metal, both gold and silver, while to-day's paper money is a structure of about the same size as the foundation of gold alone.

Those who have drafted this bill have recognized the substantial value of the silver in our money base and do not question the fact that we have sound money. The base is sound. Both the silver and the gold in it are necessary.

In other words, all you are doing here to-day is merely postponing the day for the return of the use of more silver into our money system. To-day you recognize the shortage of gold and designate a new line of credits for money use. To-morrow you will be turning to metal, and the shortage of gold and the predictions as to its decreasing production will furnish the answer to the resistance of those who to-day scoff at silver as a cheap metal and of no use in any larger amount in the money structure of the United States.

And I predict that as the paper money to be authorized by this bill comes in for redemption the students of the money structure will state that which I am inclined to state they now believe, that the quantity of silver in the metal foundation of our money may be very properly augmented, if not in an amount up to $576,691,779, being the silver unaccounted for in the circulation statement, then in an appropriate amount based upon the needs of the country and a relation of silver to gold much different than that which appears from the metal now actually on hand. If you will look over the circulation statement of December 31, 1931, as printed on page 3539 in the February 8, 1932, issue of the CONGRESSIONAL RECORD, you can figure this all out for yourselves.

[Here the gavel fell.]

Mr. McFADDEN. Mr. Speaker, I yield myself 10 minutes. [Applause.] Mr. Speaker, I am not going to take up very much of your time because I have not got it. I have yielded all of the time but 12 minutes.

I regret exceedingly that on an important measure like this sufficient time has not been given to this House to properly consider it.

The first intimation I had of this particular legislation was on last October 6, when at the White House, where the Members were assembled, the question of the liberalization of the rediscount features of the Federal reserve was referred to. I understand that the first the committees of Congress knew anything in regard to this was on last Thursday, when they were given this bill practically all drawn, but in which some slight amendments have been made. It was rushed through both committees in the Senate and House, and it is here now under suspension of the rules. Fortunately, however, a little additional time has been given for its consideration on the floor. A bill of this kind should have very careful hearing and study, because there are two major problems in this very bill which go to the vitals of our whole credit system, but particularly the Federal reserve. You are, by two amendments in this bill, repealing the very foundation of the Federal reserve system. You are taking away and wiping out the safeguards of eligibility. We did not know anything about eligibility until we created the Federal reserve act. We did create eligible paper at that time, and that has been one of the safeguards of the Federal reserve system if liquidity was to be considered.

In addition to doing away with elegibility you are transferring the determination of what is eligible for rediscount in the Federal reserve system to the Federal Reserve Board. You are giving them carte blanche to rediscount any kind of paper if, in their judgment, they see fit to do so under the terms of this bill and can comply with the organization of the banks into clearing houses. You are making frozen assets in banks liquid. I simply want to call your attention to what you are doing in that respect. If it had not been for that which was intended to be given in this particular section of the Federal reserve act, I question whether the Federal reserve act would have been created.

You are doing another thing, and I want to call your particular attention to the last clause in this bill which permits the issuance of Federal reserve notes secured by Government bonds. I am sure that anyone, who will consider the debates which took place, the conferences and the study that was made prior to the enactment and at the time of the enactment of the Federal reserve act, will recognize the fact that that system was created to give elasticity to money and credit; that we were to get away from a Government-bond secured currency, and that credit would flow up and down as business and commerce rose and fell. You are now going back to Government-bond secured money. You are admitting the failure, in a crisis, of the Federal reserve system. Elasticity was what was to be gained by organization of the Federal reserve system.

I want to call your attention also to the fact that by this act you are releasing $750,000,000 worth of gold or more for the purpose of export. You are taking gold from under the present issue of $2,900,000,000 worth of Federal reserve notes and you are putting back of it the I O U's of the United States. You are going to give unlimited opportunity to the Federal Reserve Board to decide how much further they may go as regards the issuance of Federal reserve notes secured by Government bonds. I would say you are taking

the lid off completely in this respect. They can issue Federal reserve notes on the demand of the Federal Reserve Board just to the extent that they have gold to cover the 40 per cent legal reserve requirement.

This is not releasing money and credit in response to the demand of trade and commerce. This money and credit is going to be placed at the beck and call of speculators, if they see fit to use it, just as it was used in 1927 and 1928.

I call your attention to that period of the greatest inflation that this country has ever known, that between 1922 and 1929, when, mind you, we inflated in this country to an extent that brought about the great disaster from which we are now suffering. We did not have to then amend the Federal reserve act to bring about inflation. Do you wish to go on a greater joy ride than then? This is something entirely new you are doing now.

I tried to find out from the members who appeared before the committee, particularly the Secretary of the Treasury, what the reason was for this legislation, why the great haste to pass this bill. Was it the demand for gold from abroad—beyond the free available gold? What were the demands from the foreigners for more gold? I could not get an answer definitely from the Secretary of the Treasury. He said he did not know, and, Mr. Speaker, I am going to ask because of lack of time to place in the RECORD at this point that part of my questioning and the answers thereto of the Secretary of the Treasury, Mr. Mills, when he appeared before the committee last Friday, directing your attention particularly to his answers to my questions as regards the amount of gold that might be withdrawn.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent to extend his remarks by incorporating the matter referred to.

Mr. McFADDEN. And I would also like to include some extracts from an editorial appearing in Saturday's Commercial and Financial Chronicle pertaining to this same bill.

The SPEAKER pro tempore. Including extracts from the paper referred to.

Mr. UNDERHILL. Mr. Speaker, I do not think that is necessary, and I object.

Mr. BLANTON. Mr. Speaker, there was not any objection to the first part of the request.

The SPEAKER pro tempore. The request was put as one request. Does the gentleman desire to renew his request?

Mr. McFADDEN. As to the first part of it, yes.

The SPEAKER pro tempore. The gentleman from Pennsylvania renews his request, with the omission of the matter in the paper referred to. Is there objection?

There was no objection. The matter referred to is as follows, being extracts from the committee hearings on this bill under date February 12, 1932, appearing on page 25:

Mr. McFADDEN. Mr. Chairman, may I ask a question?

The CHAIRMAN. Yes.

Mr. McFADDEN. Would you not, for the benefit of the committee, give us the total amount of gold in the United States, and just where it is located, and how it is located?

Secretary MILLS. I will be very glad to; the total amount is about $4,400,000,000, I think, Mr. McFADDEN; but I would be very pleased to put the figures as to how it is located and such information into the record.

Mr. McFADDEN. Yes; how much is in Federal reserve; how much back of Federal reserve issues?

Secretary MILLS. Yes.

Mr. McFADDEN. And explain also in that, if you will, please, just how the free gold—how it is free gold.

Secretary MILLS. I will be very glad to.

(The explanation supplied by Mr. Mills is as follows:)

"Of the $4,400,000,000 of gold in the United States, about $3,000,000,000 is held by the reserve banks, the remainder being in the United States Treasury or in circulation. Of the $3,000,000,000 in the reserve banks, $2,000,000,000 must be held, under existing law, as collateral against Federal reserve notes, and an additional $550,000,000 is required as reserves against deposits, leaving about $450,000,000 of gold not required either as collateral or as reserves. This amount is known as 'free gold.'"

Mr. LUCE. Right in that connection, is there such a thing as a balance sheet for the Federal reserve system?

Secretary MILLS. Yes; the Federal reserve system publishes every week, on Thursday or Friday, a complete balance sheet. I have one here, a balance sheet issued for publication Friday morning, February 12.

Mr. LUCE. Might I look at it?

Mr. McFADDEN. May I ask this question: The testimony this morning indicated the possible withdrawal of gold from abroad; to what extent can gold be drawn out from the United States at this time?

Secretary MILLS. Do you mean what amount it might be?

Mr. McFADDEN. Yes. In other words, it is indicated a certain amount is on deposit; then, of course, through the sale of foreign-held acceptances they can withdraw gold, and through the sale of securities other than that, just what is indicated at this time, so that we may know?

Secretary MILLS. Mr. McFADDEN, no one can answer that question with any degree of certainty; no one knows the amount of American securities held abroad. All that anyone can answer, and answer with a great deal of confidence, is that we have on hand sufficient gold resources at home to permit us to meet all of the demands that may be made.

Mr. McFADDEN. What I was getting at particularly was the amount of foreign balances here that might be withdrawn. It is indicated France is drawing $125,000,000 now by the press.

Secretary MILLS. I do not know how much the Bank of France has on deposit in this country; they have a certain amount of gold earmarked with Federal reserve banks; they have a certain amount invested in acceptances; and they have a certain amount on current balances with commercial banks.

Mr. McFADDEN. It is not known to you, then, the amount of possible withdrawals at this time?

Secretary MILLS. By the Bank of France?

Mr. McFADDEN. By foreigners.

Secretary MILLS. I do not see, Mr. McFADDEN, how anyone could know that.

Mr. McFADDEN. Well, it was stated in September that there was a possibility of withdrawal of a very large amount of money.

Secretary MILLS. I did not see them from any responsible source; of course, anyone is entitled to speculate all he wants, but I am here as a responsible Government official, supposed to give you facts, and I will say to you I have no facts which would enable me to determine what the total withdrawals might be from the United States, from all over the world; but I do say to you that I am perfectly confident of our ability to meet all demands that may be made upon us.

Mr. McFADDEN. Without this legislation, have you that ability?

Secretary MILLS. This legislation, by making the total amount of our excess gold immediately available, strengthens our position; there is no question about that.

Mr. McFADDEN. Do you know the amount of deposit here by foreign nations and individuals?

Secretary MILLS. No; I do not, Mr. McFADDEN.

Mr. McFADDEN. The amount I was trying to get at is, it is generally understood, France can draw $400,000,000 of gold at any time she sees fit.

Secretary MILLS. I do not want to be in a remote sense discourteous, but I have already stated that I do not know those figures, and therefore I can not acquiesce in the statement that it is generally admitted; I do not know whether it is generally admitted or not; I do not know.

Mr. McFADDEN. Well, I recall now that in a conference at the White House last September or October it was stated at that conference that a very large amount of gold could be withdrawn; I wondered if the same situation exists now as existed then.

Secretary MILLS. Very considerable withdrawals took place in September; in the month of October and early November we lost some $700,000,000 of gold, as you know, and subsequently there was a return flow of gold, up to the end of the year; since the first of the year gold withdrawals have amounted to approximately $50,000,000.

Mr. McFADDEN. Am I correct in inferring, then, that the Treasury and the Federal reserve have no knowledge of the amount of gold that might be withdrawn within the next three months?

Secretary MILLS. I have no knowledge.

Mr. McFADDEN. Has the Federal Reserve Board any knowledge?

Secretary MILLS. I have not discussed the matter with the board.

Mr. McFADDEN. I think it is important for the committee to know about that.

Secretary MILLS. I do not see that it is particularly relevant to this bill.

Mr. McFADDEN. This bill releases from under the Federal reserve agent, according to Mr. Meyer this morning, as I understood it, approximately $750,000,000 of gold.

Secretary MILLS. It might.

Mr. McFADDEN. And substitutes in lieu of the gold United States Government bonds.

Secretary MILLS. It might.

Mr. TIERNEY. What is the objection to that?

Mr. McFADDEN. I am not raising any objection; it seems to me we are entitled to some information. I am trying to find out what the emergency is, other than what we know here domestically; in the financial situation, he stated here we are relieving or attempting to restore confidence and relieve the withdrawal of money from banks. I am trying to ascertain how much foreigners have on deposit in the United States that they can withdraw, and that seems to me to be rather pertinent.

Mr. SEIBERLING. I would like to ask one question.

The CHAIRMAN. All right.

Mr. SEIBERLING. Is the gold on deposit by foreign governments earmarked so that it is not part of the total?

Secretary MILLS. Yes; the gold which is earmarked is not earmarked by governments, but by foreign central banks; any gold

that is earmarked is excluded from any statement we have given you, just as completely as if it had left the country.

Mr. SEIBERLING. In other words, Mr. Chairman, I was asking, apparently there is to be released here $750,000,000 worth of gold from the Federal reserve agent and Government bonds substituted as security for Federal reserve notes; what is to become of the gold that is thus released; is that to go abroad or is it to remain in the Federal reserve?

Secretary MILLS. That is to be held in the vaults of the Federal reserve banks, or in the Treasury for the reserve banks, to meet the demands against the Federal reserve system provided for by law.

Mr. MCFADDEN. Part of it might be withdrawals from abroad.

Secretary MILLS. Why, very obviously, Mr. MCFADDEN, and that is elementary, it seems to me, so long as the United States remains on a gold standard our obligations are payable in gold, and anyone holding dollar obligations can demand gold—that is what being on the gold standard means; the obligations of the United States are payable in gold, and that means gold, and does not mean anything else but gold.

Mr. MCFADDEN. I wanted to inquire with regard to the free gold that is available for the rediscount purposes. Now, is it not true it would simply decrease in amount—decrease the reserves?

Secretary MILLS. To the extent that member banks discounted eligible paper with the Federal reserve banks, it would automatically free the amount of gold that is now used as cover in excess of the required reserve.

Mr. MCFADDEN. The Federal reserve agent could release to the Federal reserve bank, could it not, that excess gold at any time, so long as it kept 40 per cent?

Secretary MILLS. Yes; so long as the member banks borrowed and there was eligible paper.

Mr. MCFADDEN. As a matter of fact, the Federal reserve agent is only required to keep 40 per cent, is he not?

Secretary MILLS. Yes.

Mr. MCFADDEN. So that gives free gold now.

Mr. STEVENSON. Not unless there is 100 per cent of commercial paper up.

Mr. STEWART. They supplemented the eligible paper with gold.

Mr. MCFADDEN. Will you explain where this free gold is held now, in the hands of the Federal reserve agent or Federal reserve banks?

Secretary MILLS. In the hands of the banks or in the hands of the Treasury for account of the banks.

Mr. MCFADDEN. It is free gold in every sense of the word. Now, if gold was required to ship abroad, it could be gotten from the free gold?

Secretary MILLS. It could be gotten from the free gold to the extent, Mr. MCFADDEN, that the member banks furnish the eligible paper.

Mr. MCFADDEN. Yes. Well, now, on page 5 of this bill it provides:

"That at any time within 12 months from the date of the approval of this act, should the Federal Reserve Board deem it in the public interest, it may, upon the affirmative vote of not less than a majority of its members holding office at the time, authorize the Federal reserve banks to offer, and the Federal reserve agent to accept, as such collateral security, direct obligations of the United States."

Under that, then, am I to infer that issuance of Federal reserve notes or book credit could be set up directly by the Federal Reserve Board; in other words, in lieu of eligible paper, Government security?

Secretary MILLS. Well, they hold that now.

Mr. MCFADDEN. This enlarges that opportunity.

Secretary MILLS. It enlarges that opportunity.

Mr. MCFADDEN. In other words, we can issue Federal reserve notes secured by gold and Government obligations in lieu of eligible paper and gold?

Secretary MILLS. You are doing that to-day, but you are issuing Federal reserve notes against gold and Government obligations to-day.

Mr. MCFADDEN. But this permits it directly.

Secretary MILLS. Let me explain the situation: If a member bank borrows on a 15-day note, with Government securities as collateral, those Government securities can in turn serve as collateral against the issue of Federal reserve notes, providing the bank always has on hand 40 per cent gold reserve. What this would make available is $750,000,000 of Government bonds held by the system which have not been acquired as collateral for a loan to a member bank. Is that clear?

Mr. MCFADDEN. Well, in other words, the Federal reserve banks themselves can issue Federal reserve notes on Government bonds and gold?

Secretary MILLS. And gold; yes.

Mr. MCFADDEN. Whereas now they can only issue them to member banks on their notes secured by Government bonds and gold.

Secretary MILLS. Exactly. Of course, they do not issue currency unless there is a demand for currency.

Mr. MCFADDEN. This permits, then, the Federal reserve banks themselves to release Federal reserve notes and credit without the demand coming directly from member banks.

Secretary MILLS. Well, they can always do that, Mr. MCFADDEN.

Mr. MCFADDEN. I know that.

Secretary MILLS. Through open market operation; it does not alter that situation at all; all it does do is to release the amount of gold now held against Federal reserve notes in excess of the 40 per cent required by law.

Mr. MCFADDEN. But it does permit the Federal reserve banks themselves now to use that $750,000,000 worth of gold and put up 60 per cent of Government bonds and issue Federal reserve notes.

Secretary MILLS. It permits them to substitute Government bonds for the gold held in excess of the 40 per cent.

Mr. MCFADDEN. And there is no limit as to the amount that they might go in that respect.

Secretary MILLS. Well, the limit, of course, is the 40 per cent of gold, which is what the law contemplates.

Mr. McFADDEN. This objection of the gentleman from Massachusetts only goes to show still further how utterly impossible it is to discuss properly a measure of this kind under these conditions. It is regrettable, because there is nothing more important before this Congress than this bill. It has a tremendously far-reaching effect.

The pressing need for the enactment of this legislation indicates to me the possible large exportation of gold out of the United States. This House should have definite information on the amount of gold that can be withdrawn from the United States at this time. The countries who owe the United States $11,000,000,000 and over of international debts are in a position to withdraw gold from this country. It has been intimated both on this side and on the other side of the Atlantic that they are using the pressure of possible withdrawals of gold to secure more favorable settlement of international war debts. This is something that this House is interested in and should know. We do not know, in addition to foreign balances held here and their ability to dispose of short and long time securities which they hold, how much of our Federal reserve notes, or gold certificates, or United States notes may be held abroad and presented here to withdraw gold. If a billion and a quarter dollars' worth of gold is withdrawn from the United States within the next three months it will curtail the ability of the Federal reserve to issue further Federal reserve notes and Federal reserve credit. These are questions of vital moment and importance and affect the welfare of our people to a great extent.

Between 1922 and 1929 no legislation like this was necessary to cause the greatest inflation this country has ever known. The Federal reserve did not need this kind of authority then. I pointed out in a speech that I made recently on the floor of the House that during 1928 the Federal reserve released $60,000,000,000 worth of money that was used in stock-market speculation.

Mr. BEEDY. Will the gentleman yield to me there?

Mr. McFADDEN. In just a moment.

Mr. BEEDY. That is so incorrect—the whole resources of all the banks of the United States never attained that proportion but once.

Mr. McFADDEN. I beg the gentleman's pardon, but I am quoting from figures of the Federal reserve system as they stand.

Mr. BEEDY. That is absolutely incorrect.

Mr. McFADDEN. I was interested in yesterday morning's papers showing how the dollar had depreciated in the exchange markets of the world because of the possible enactment of this legislation. I direct the attention of the House to the quotations on international exchange appearing in yesterday's papers.

You are releasing by this legislation gold that belongs to the people of the United States, which is now back of your Federal reserve notes, and this gold may all go abroad. You are taking off all law so far as eligible paper is concerned and leaving the rediscounting of paper to the discretion of the Federal Reserve Board. You are destroying the liquidity of the Federal reserve system by permitting the rediscount of this class of paper and you are giving to the Federal Reserve Board the right to say whether money and credit may be issued or not.

Mr. ARENTZ. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. ARENTZ. I do not understand how the gentleman can make that statement, assuming we have 70 per cent of gold at the present time and the eligible paper——

[Here the gavel fell.]

Mr. STEAGALL. Mr. Speaker, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Speaker, we come to the consideration of this bill, it is true, rather promptly. Congress has been lampooned for 15 years, I know, because I have been here that long, for being so dilatory in its action. There is the constant complaint that we are too slow. Now, forsooth, because we have got to acting promptly the great complaint is that the membership of this House is mentally so weak that it takes it about a week in which to comprehend a 3-page bill, when it is all explained in a report of the committee. [Laughter and applause.] I regret to feel that my colleagues in this House on either side are as mentally deficient as they would have us believe. I think it is just a natural disposition to kick because they do not get time to talk enough. Well, it is not my fault that they are not getting time to talk enough.

I have not been to the White House. I have not been suborned by the head men of the Treasury and all that. As a humble Member I have sat in the Committee on Banking and Currency and have undertaken the best I could to help perfect this bill and report it out and pass it in an emergency, which is conceded on both sides of this House to exist. If anybody has got anything to say about that being treason, because we have acted promptly and acted under whip and spur when the house was afire—and a great many people know it, although some people may not catch up until after the house has burned, and would not be good members of a fire company—if anybody has got any kick to make about that or if that is treason, I plead guilty. [Applause.]

Some of the brethren say this is inflation, and one brother, the gentleman from New York [Mr. LAGUARDIA], complained that the gentleman from Alabama [Mr. STEAGALL] dodged the word "inflation" and said it was "expansion," and I take it that the gentleman wanted the word "inflation" to be used. I do not know.

This reminds me of the occasion when old John Randolph of Roanoke, the sharpest-tongued man who ever sat in either House, was complaining of what they had given him to drink at a hotel at Fredericksburg. He had a cup of something sitting before him, and the waiter came in and said, "Captain, what will you have, sir, tea or coffee?" "Well," he said, "if this is tea give me coffee, and if this is coffee give me tea." If this is deflation, give me inflation, and I will take it with the "in" emphasized. [Laughter and applause.]

Now, what does this bill do? We have had it explained admirably by the gentleman from Connecticut [Mr. TIERNEY], who made a fine explanation of it in two or three words. I do not need to go over it. These clearing-house fellows can get together, get the money, and distribute it among themselves, putting up any collateral that is satisfactory, such as municipal and school district bonds, tax warrants, and anticipatory warrants to go into that pot, and stand behind the five or six banks that work for this civil community. That is No. 1.

Second is where the bank is saying that it can not combine with the five other banks, under the circumstances, the Federal reserve bank, on the approval of the Federal Reserve Board, which is a sufficient safeguard, can loan to that on collateral that is not eligible under the present law. Well, it is said that that will let in the stock market. It may; you can not do anything that will keep those fellows, as sharp as they are, from getting money, if there is any.

The third proposition is a simple proposition, to put up direct obligations of the United States as security for Federal reserve notes.

Now, I want to take a minute on that. A great deal of misapprehension and misinformation has been peddled out about that. Let us see how this acts. A bank in Washington goes to the Federal reserve bank at Richmond and presents there a note of a merchant here for a thousand dollars. He gets a thousand dollars. It is the note of a merchant and has the indorsement of the bank, and the Federal reserve bank takes it, and the Federal reserve agent, who represents the Government, says that there is something substantial behind every note, he takes it, and the Federal reserve agent sees the note of Mr. Jones indorsed by the Washington bank and he says, "It is all right; you have good paper there, but you can't get it that way. You have got to put $400 of gold up for every thousand dollars of Federal reserve notes in addition to your note."

Here is the situation now. This provision would let bonds be taken instead of eligible paper, because they have stopped selling eligible paper; the banks are not getting it. They do not get it. The trade is not going to manufacture cotton; it is not going to buy a thousand bales of cotton to-day with the expectation of manufacturing it, because the price is going down and down, and if a man buys a thousand bales to-day and can not manufacture it, the probability is that it will go down lower and lower, and it would be an unprofitable transaction.

The result is a contraction in business everywhere. A merchant would not buy a $10,000 stock of goods because prices are sagging every day, and he would have a loss of $1,000 in 30 days if things continue as they are. So we have not the eligible paper. We have $900,000,000 of eligible paper in the Federal reserve banks of this country, and $2,900,000,000 of Federal reserve notes out. The $900,000,000 of eligible paper and $360,000,000 in gold will take care of the $900,000,000 of Federal reserve notes, but there are $2,000,000,000 out that have to be taken care of with gold, and when you do not put up paper, you have to put up dollar for dollar with gold, and you have up $2,000,000,000 in gold, where 40 per cent would be all right, if you had the eligible paper to put up with it. Forty per cent of $2,000,000,000 is $800,000,000. You would have to have only $800,000,000 instead of $2,000,000,000 in gold, and thereby you would release the balance for use in putting up for other Federal reserve notes and expanding the currency if necessary, so that if they can use national bonds you will see how it will relieve the situation. [Applause.]

I regret that anything like politics has passed through this discussion. I have been on that committee for 15 years. I have seen that committee divided in committee on principle, but on politics never. [Applause.] That has never been the history of that committee. The gentleman from Missouri spoke feelingly about the secrecy with which we acted and the order from the White House. The gentleman from Missouri should have been here with the gentleman from Pennsylvania [Mr. MCFADDEN], the gentleman from Alabama [Mr. STEAGALL], and myself when the English Government applied to borrow $300,000,000 of our silver. We had a discussion there for a day. Mr. Wilson rung up Mr. CARTER GLASS. Nobody was in favor of it. After we got through a day's wrangling and no one was agreed, a little message came from the White House saying that it was absolutely necessary that that bill should be passed on Monday, suspension day, and that was late Saturday afternoon. Immediately the whole committee turned right in and reported out the bill, and we passed it, and it dealt with one of the major problems of the war, and we did that because the President said it was necessary. That was when President Wilson was in power. Therefore I do not run away from this proposition because the President of the United States, though not of my party at present, is asking that this be done. [Applause.]

Mr. STEAGALL. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, if the conditions of the country were not as serious as they are, I would be inclined to join in the protest of the gentleman from Minnesota [Mr. KVALE], the gentleman from Pennsylvania [Mr. MCFADDEN], and the gentleman from Texas [Mr. WILLIAMS], but everyone who is familiar with what is transpiring knows that we are confronted with very serious—yes, alarming—conditions, and therefore are in honor bound to vote for this measure. I myself have advocated similar legislation ever since December, 1930. Naturally I am not overjoyed with the bill, but I recognize the seriousness of the situation and am going to forego my desire to have my own bill passed and will gladly

vote for the bill before us. It is to be regretted that the administration had waited for over a year and two months before sanctioning this legislation.

Mr. Speaker, I am wondering whether the statement made by the gentleman from New York [Mr. LAGUARDIA] has not had something to do with the delay, whether the administration has waited for this relief legislation until the wages of the American wage earner were reduced, as they have been in the last few months. I dislike to believe it, but nevertheless it appears that this was the underlying reason, because for over a year the President must have been aware of the serious situation confronting our country.

Notwithstanding that, however, you Republicans and the President have failed and refused to act. I pleaded with the governor of the Federal Reserve Board in December, 1930, and several times since, pointing out to him and to the President the need for such legislation; but, despite my appeals, they have refused to act until this late hour, when they can force this legislation through without giving the membership the time and the opportunity to digest it. [Applause.]

It is rather hard for me to say whether President Hoover had no confidence in the Republican Congress or waited with this legislation these many months so as to secure some political advantage. But the Democratic Congress, having the interest of the people at heart, is indifferent to the political effects it may have. What my party and I are interested in is the passage of this or any other legislation that will be helpful and that will restore confidence. I do not believe in waiting and deliberating while the house is afire. Some of my colleagues charge that this legislation is inflation. I deny it; but if it is, God knows that if ever there was need for a little inflation this is the time.

The gentleman from Wisconsin [Mr. STAFFORD] stated that this country is in an unfortunate condition because of Great Britain's abandonment of the gold standard. In this he is mistaken. The conditions are due to the commercial inflation that had been prevalent from 1925 until 1929, when the crash took place. I concede that Great Britain's abandoning the gold standard did not help matters; but why is it that while in our country hundreds of banks closed; yes, in 1931, over 2,300 closed their doors, in Canada not a single bank failed? I am still of the opinion that if the administration and Federal Reserve Board had acted in 1929 or 1930 or, at least, in 1931 most of these banks and millions of depositors could have been saved.

Some colleagues find fault with the chairman of the Banking and Currency Committee [Mr. STEAGALL] because he has not informed the House of evidence submitted by Mr. Charles Dawes, president of the Reconstruction Finance Corporation. No doubt the evidence given by him was of such serious nature that the chairman was wise in not making it public. We are trying to reestablish confidence and not destroy the hope of people. Some day, and I hope in the near future, when conditions will right themselves, I feel that not only the chairman of the committee but others will be in a position to inform the Nation and place the responsibility for the present distressing circumstances. I repeat, they could have been minimized if steps had been taken in time.

Mr. Speaker, I am satisfied that no one will charge me with not having tried with all my power to secure action to stave off this panic. On December 12, 1930, not being able to see the President or the Governor of the Federal Reserve Board, I sent the latter the following communication:

DECEMBER 12, 1930.

Hon. EUGENE MEYER,
Governor Federal Reserve Board,
Treasury Building, Washington, D. C.

DEAR MR. MEYER: Without going into the other causes responsible for the present alarming situation, I feel that the terrific stock inflation, and the unloading during the past two years of millions and millions of shares of such inflated, and in many instances, worthless stocks, upon the masses by means of high-power methods, has contributed more than any other cause, and is responsible to a greater degree for the increasingly desperate condition of our country to-day. Such inflation has drained the working capital required for legitimate business and has resulted in a tremendous stagnation of the commerce of the Nation, which in turn has led to nation-wide unemployment, thereby creating not only want and misery but alarming discontent.

I believe that it is within the power of the Federal Reserve Board to accept for rediscount purposes—in addition to notes, drafts, bills of exchange, and Government bonds—the paper of finance corporations. But in addition thereto, because of existing conditions, I feel that the Federal Reserve Board should be authorized to accept for rediscount municipal, public utility, and railroad bonds, as well as real-estate securities—but only under safe and sane regulations—and propose to offer a bill that will grant such additional power.

I feel that you will agree with me when I say that, with the exception of the few extremely large banking institutions, the major portion of our banks are to-day greatly handicapped, and for no other reason than the fact that they have on hand a very large amount of good but unliquid assets. Already this has caused the closing of a dangerously large number of banks and threatens to close an even still greater number.

Since the Federal reserve system was created for the purpose of aiding our business, industry, and agriculture, its powers should be expanded so that it may successfully cope with the situation confronting us to-day.

Although I know you to be familiar with the basic causes of the conditions existent to-day, nevertheless I now take the liberty of submitting to you certain important facts in this matter, derived from careful investigation and survey.

It is a fact that billions upon billions of dollars of worthless stock in 1928 and 1929 were unloaded upon people in every walk of life, who, as I said on the floor of the House in 1929 and again just the other day, were inveigled by the alluring pictures painted by some of our most prominent financiers and industrial leaders. Then came the inevitable crash, and in order to comply with the demands of the banks for additional securities or for a reduction and payment of their loans, these small investors were obliged to heavily withdraw from their business the very capital necessary for the successful conduct of said business. In addition many were unable to meet the demands of the banks, and a large number of these, in order to aid the small business man, have been, and still are, carrying on these very loans, secured by collateral which, though good, can not be disposed of without great loss.

Therefore it is my firm belief that if at least some of such collateral held by these banks could be utilized for rediscount, they would be relieved. This in turn would enable them to extend to our businesses and industries much-needed aid, and business would thus be permitted to resume its uncurtailed activities, which would bring about a resumption of employment.

I well recognize that a few powerful financiers will object to my plan on the ground that it will result in inflation. Yet it must be conceded that expansion will not now be detrimental but, on the contrary, will be very helpful. For example, you know that brokers' loans have been reduced from above $6,000,000,000 to $2,000,000,000, and these loans were on collateral securities not as safe as contemplated in my plan.

That money is plentiful can not be denied. Thus, for example, money can to-day be obtained in New York for gambling purposes at rates as low as 1½ and 2 per cent. Why not make at least some of it available to the smaller borrowers in need of money for legitimate purposes? I am aware that the few powerful financial institutions have in their vaults approximately $7,000,000,000 worth of securities available for rediscount purposes. Our aim, however, should be to give aid to the banks which, through no fault of theirs, are not so happily situated.

Such extension can do no possible harm but may, and in all likelihood will, revive business activities, which will result in employment for at least some of the 7,000,000 men and women now unemployed.

Knowing your splendid record and your ability as a financier and man of vast experience, I have here humbly set forth my plan and do hope to hear from you to obtain your views.

Very sincerely yours,

A. J. SABATH.

And waited nearly three weeks before I received an answer:

FEDERAL RESERVE BOARD,
Washington, December 29, 1930.

Hon. A. J. SABATH,
House of Representatives, Washington, D. C.

DEAR MR. SABATH: This is the first opportunity I have had to acknowledge your letter of December 12, in which you suggest that paper secured by municipal and railroad bonds, etc., be made eligible for rediscount at the Federal reserve banks. I notice that you interpret the existing law as giving the Federal reserve banks power to discount paper of finance corporations secured by various commodities. This is not in accordance with the law and the regulations of the Federal Reserve Board, which do not permit the rediscount of finance paper, with certain minor exceptions specifically provided for in the act, such as the paper of cotton factors. I believe that it may be of service to you to see an article on paper eligible for rediscount at the Federal reserve banks in the bulletin for July, 1930, of which I inclose a copy.

You will notice from this article that of the 8,522 member banks there were 99 that had no eligible paper; 1,749 that had between 0.1 and 10 per cent of their paper eligible for rediscount; 4,813, including 4,427 country banks, that had between 10 and 40 per cent; and 1,861, including 1,806 country banks, that had 40 per cent or over. This indicates that there are very few banks that do not have enough eligible paper to use at the reserve banks

when the need arises. I am not inclined to believe, therefore, that enlarging the class of paper eligible for rediscount at the reserve banks would help the credit or the business situation.

Sincerely yours,

EUGENE MEYER, *Governor.*

Upon the receipt of this letter I realized that there was a determination on the part of the Federal Reserve Board not to act, and, therefore, on January 19, 1931, I again communicated with him, as follows:

JANUARY 19, 1931.

Hon. EUGENE MEYER,
Governor Federal Reserve Board,
Treasury Building, Washington, D. C.

MY DEAR GOVERNOR: In your reply of December 29, 1930, you say that "with certain minor exceptions specifically provided for in the act, the rediscount of finance paper is not in accordance with the law and the regulations of the Federal Reserve Board," and call my attention to an article in the Federal Reserve Bulletin of July, 1929, containing data on paper eligible for rediscount, which you state may be of service to me.

As per your suggestion, I have read the article and have studied the act and am still of the opinion that it is within the power of the Federal Reserve Board to permit the rediscount of finance corporation paper. Especially do I call to your attention that part of the article, on page 401, referring to the "tests of eligibility," which reads as follows and which, I maintain, sustains my views:

"* * * the Federal reserve act provides in a general way that so-called commercial paper be eligible for discount with the reserve banks. This is a class of paper that a typical member bank would acquire in considerable volume in the course of its ordinary operations, and at the same time one that is so liquid that it can be safely held by the banks of issue. Paper created in the process of financing the flow of commodities in production and trade arises out of loans that are ordinarily liquidated by the borrower with funds received in the natural course of events from the sale of goods underlying the transaction."

The article also properly states that—

"* * * The Federal reserve system was established for the purpose, among others, of creating an agency from which member banks can obtain credit for seasonal or emergency needs."

Does the board maintain that there is no emergency existing at this time? To my mind, if ever there was an emergency it is now, and this, I feel, no one can successfully deny. For while 439 banks closed their doors in 1929, during the year 1930, 934 banks were forced to suspend business.

You further state, "* * * that of the 8,522 member banks there were 99 that had no eligible paper, 1,749 that had between 0.1 and 10 per cent of their paper eligible for rediscount, 4,813 that had between 10 and 40 per cent, and 1,861 that had 40 per cent or over."

And again, I feel justified in asking for, or suggesting, the broadening of the board's regulations so as to make eligible for rediscount, at least for the present, the Finance Corporation paper, since the compilation does disclose that there are 99 banks without any and 1,749 with but from 0.1 to 10 per cent of their paper eligible for rediscount. And since these figures are as of December 31, 1929, I can not help but believe that in view of the prevalent conditions and the continuous drain upon the banks that the amount of rediscountable, eligible paper held by the 8,000 of the approximately 8,320 remaining member banks has been greatly reduced. The seriousness of conditions is evidenced by the unfortunate, ever-increasing number of banks forced to close up due to the fact that they are unable, unless it be at a great sacrifice, to dispose of their slow and frozen paper assets.

I concede that there are any number of large banks in possession of a surplus of rediscountable paper, and consequently not in need of any aid. But these are not the institutions about whose aid or relief I am concerned. I am interested, yes, vitally so, in relieving not only the several thousand banks whose rediscountable paper has been depleted and the thousands upon thousands of their depositors, but also in arresting the ever-increasing number of failures.

Very sincerely yours,

A. J. SABATH.

But received no reply.

But this was not all. I communicated with the President, as I have said before, and was finally referred to the chairman of the seventh Federal reserve district, Mr. Eugene Stevens, to whom I pointed out, and I believe clearly, the need for broadening the power of the Federal Reserve Board. But, notwithstanding all of this, the administration has failed to act until this late date, though I am satisfied that the President realized that this legislation must be forthcoming to save the country from complete demoralization. And now, despite my lack of confidence in the Federal Reserve Board, but realizing as I do the seriousness of conditions, I have no alternative but to vote for the bill as agreed upon. [Applause.]

Mr. STEAGALL. Mr. Speaker, I now yield to the gentleman from North Carolina [Mr. LAMBETH].

Mr. LAMBETH. Mr. Speaker, once again the Members of this House, after the Grim Reaper has recently laid his heavy hand upon two of our leaders and after the actual or imminent collapse of other valuable men, the remainder of us, with depleted physical and mental reserves after working long hours into the far night, are called upon with the utmost haste and without proper deliberation to consider another measure of the highest importance and of the most revolutionary character in our all-important banking system since the enactment of the Federal reserve system 18 years ago.

Mr. Speaker, I would not worthily represent the people of my beloved and bleeding State, 90 per cent of whom are all but prostrate from the dire results of this cruel depression, and would be essaying the rôle of the priest or Levite if I did not seize any available opportunity to vote for any bill which would offer hope of relief. However, although I wish to be a good soldier, I wish at the same time to give warning here and now that for myself I shall oppose further abdication of the rights and privileges of membership in this body, which is closer to the people and more truly representative of the people than any other branch of the Government, because of the errors of omission and commission of this administration.

I shall not undertake to discuss the technical features of this bill, but merely attempt to explain my attitude toward this whole program of emergency financial legislation and give my reasons for voting in the affirmative this afternoon and also my mental reservations in doing so.

Mr. Speaker, I give this vote my hand and my heart, but not wholly my head. Congress to-day is the doctor summoned to a patient who had for years been doped on false stimulants until he collapsed, and then by way of treatment had been told that there was nothing wrong with him, or that anyhow he would be all right very soon. The Congress should have been called in extra session at least two months ahead of the December date, at a time when the last of the ever-feebler Pollyanna statements were still coming through the White House doors. But the doctor on the case, very jealous even before the Congress had become practically Democratic, refused until the last possible moment to let the real doctor take hold. So the Democratic House is now confronted with months, years, of piled-up dallyings and mistakes. If we must give something like oxygen or salt infusions simply to keep the patient's heart going, it is in no wise our fault.

I submit as a clear fact that the existing panic has proved itself not only worse than any we ever had before but worse, beyond all comparison, than any we ever could have had. In 1836, in 1873, even to a great extent until within the last decade financial smashes and industrial depressions passed over the heads of the vast majority without vital harm. We had not yet become, although we were steadily becoming, a nation of industrial employees and of investors in outside or listed securities. Universal lending, borrowing, and speculating had not yet linked us—and far too many of our banks—tightly to Wall Street. We cared little what the international bankers and the borrowing foreign countries did. Often we stood off and ridiculed "the Wall Street panic" when Wall Street was as wild with fear as it has been of late. If we had had the Federal reserve system then instead of an inelastic currency based rigidly upon United States bonds, we would seldom have cared at all. But, alas, how different now!

Mr. Speaker, during this last ruinous period of shuffling and delay by the administration my own State, among others, was brought crashing down by a financial earthquake. In North Carolina, between October 1, 1931, and January 13, 1932, 11 national banks and 35 State banks, with resources approximating $40,000,000, were compelled to close their doors. Think what this means in human suffering and lost hopes! Nothing like it has occurred even in the European countries wrecked by the late war. And it occurred notwithstanding all the admittedly ample facilities of the Federal reserve system and nearly half the gold of the world.

The Harding-Coolidge-Hoover régime whooped it on, and when disaster came had no resources but commissions, conferences, and false prophecies which only led deeper into the depths of despair. Well did John W. Davis at the Jackson Day dinner last month characterize the Harding administration as the Era of Dark Betrayal, the Coolidge administration as the Era of Smug Complacency, and the Hoover administration as the Era of Wild Dismay.

Happily the character of the American people, the strength of American institutions, and the vastness of American resources are such that even 11 or 12 years of wretched misgovernment can soon be outlived. The most panic-stricken man has by no means "despaired of the Republic." Considering what governmental and business leadership we had before 1929 and the virtual absence of any at all since then, our country has given a fairly creditable account of itself. Communism is actually feared less now than it was before the beginning of the "depression of 1929 and after."

And, Mr. Speaker, I have the utmost faith in my own State of North Carolina. Take the district which I represent, a veritable cross section of the State. It extends from the long-leaf pine and the peach tree, up mountain slopes to the spruce pine and the sugar maple. It is chiefly agricultural, comprising highly productive belts of truck and fruit crops, cotton, tobacco, wheat, and cattle; and here are a full variety of those manufactures for which the Piedmont section of the South has become famous. Its people are completely typical Americans of the old stock, representing English, Scotch, Scotch-Irish and German. They have fought in Indian wars, in the Revolutionary War, on historic battlefields without number from Kings Mountain to Chateau-Thierry. They are a most self-reliant people. In the present crisis they do not doubt that they could save themselves, as they saved themselves even with the Federal Government against them during the "tragic era" of reconstruction. But they feel that the National Government is in duty bound to help repair the worst mistakes of its disastrously false leadership under the last three administrations. They feel that many evil business practices which have sprung up or grown rankly worse during these orgies of booming and crashing demand reform. And on both scores I stand with them absolutely. I shall spare no effort of mind or body in fighting for really helpful administration of the Reconstruction Finance Corporation and of the Federal reserve system's temporary expansion through the Glass-Steagall bill.

Ah, Mr. Speaker, when such people as these, who deserve of their Government as they deserve, have undergone such sufferings, let us all do whatever we can lest the new relief measures as administered be yet again merely measures—

> That keep the word of promise to our ear
> And break it to our hope.

Now, Mr. Speaker, the administration is begging us to vote in a mad rush a more tremendous use of Government resources for business than has ever been even suggested before. Let me say that in voting for this measure with one hand I shall hold myself ready to smite it with the other. I shall smite it if it is not so administered as to help, most of all, small business men, "country banks," and farmers with whose needs I am intimately acquainted, but leaves them in their present wretched plight of being tied to the chariot wheels of Wall Street.

As "things never yet created things," so laws do not administer themselves. And when I read this morning the names of the Reconstruction Finance Corporation's advisory committee for the Richmond agency, which includes my State, I was filled with fear of a heart-breaking disappointment in store, for those gentlemen—fine men, able bankers, and some of them good, personal friends of mine—are all wedded to the Wall Street conception of banking as a matter of liquidity and security, and almost nothing else. They make a fetish of liquidity. How will they help suffering people who have already been liquidated until they can see no light ahead? They conceive of securities as consisting in the paper Wall Street handles, or in its kind. How shall they help to disentangle the local bank from Wall Street and again make it useful to the local man?

Mr. Speaker, if one of the three gentlemen appointed from my State to the Richmond agency's advisory committee had been a banker representing the Wall Street point of view, I would not have objected but would have approved. The Wall Street point of view should be represented. But when all three appointees are wholly of this type, I do object. Why were we given no one to represent understandingly and sympathetically the grievous problems of the local or "country bank" and its people? Why none of the many capable small-town bankers along with some good farmer who was also a good business man?

In this connection I would call attention to the fact that although the Reconstruction Finance Corporation started functioning a week ago and has already loaned large sums of money to city banks, railroads, and life-insurance companies, there is still no succor for the small farmers of my State who are on the eve of spring planting, and the Department of Agriculture advises to-day that even the application blanks will not be ready for another week. God help these little men and their hungry families who come last in the thoughts of the administration of this emergency financial legislation. One hundred letters on my desk this morning inquire how to apply for seed loans.

O Mr. Speaker, it is hard to be voting for this bill when a Wall Street administration will have the handling of its provisions through men after the administration's own heart. No wonder the White House is urging frantic speed.

I certainly would not cast this vote but for a however halting hope that the Federal Reserve Board will make some good use of the system as established by Democratic legislation in 1914 after many years of Republican refusal to provide any such instrumentality other than worthless makeshifts while attempting to foist upon the country a central bank.

Mr. Speaker, I have already implied that I do not attack Wall Street or New York banking methods as such. They are well enough adapted within limits to the functions which Wall Street serves through its banks, Stock Exchange houses, and similar institutions for the country at large. But mark the word "limits" and then mark the further reservation that in their admiration for Big Finance and Big Business, often in their positive reverence for these things, some bankers as far from New York as North Carolina or farther apply Wall Street methods to their own banking business and produce a serious misfit. They very largely exclude from the use of their facilities that decided majority of their worthy neighbors who can not offer as collateral securities bearing the Wall Street stamp or essentially of the Wall Street type. At a time like the present, when securities having a Wall Street market appeal to them more than ever in their rabid zeal for liquidity, they almost entirely cease serving the business needs of their local communities—business needs more acute than ever before.

Again I say, Mr. Speaker, that the administration of financial relief in the present situation should not be placed wholly with such bankers as these.

Let me emphasize, too, that while those maintaining a severe attitude toward their own people—really much more severe than Wall Street's because of the scarcer Wall Street collateral away from New York—fall far short of the example set by their idols where human relations are concerned, the best Wall Street men have often put aside even the most ordinary rules of loaning for those whom they personally knew and trusted. Besides telling the Pujo Money Trust investigating committee that he never charged anybody over 6 per cent, the late J. P. Morgan (the First) set forth character as the basis of credit with him. He had loaned as much as a million dollars to a man without security or wealth or wealthy backing, because he felt confidence in that man. On the other hand, he said further that he would not knowingly have dealings with crooks offering all the collateral in the world.

How little necessary it is to be a Shylock in order to be a banker, and even the very biggest sort of banker! Mr.

Speaker, I have here a recent issue of the Chapel Hill Weekly with a statement on the University of North Carolina loans to students which eloquently supports the principle enunciated by Mr. Morgan. The oldest fund now stands at more than six times the original amount after 50 years. All student-loan funds at present aggregate $212,700, of which borrowers have contributed over $115,000 through interest payments. Of $182,700 now outstanding in student notes, the university auditor estimates the total uncollected at 1 per cent or under. The Chapel Hill paper notes that the Harmon Foundation in New York has had a similar experience with student loans made throughout the country and that commercial credit agencies estimate the delinquency rate in the small-loan business at only 2 per cent. Meanwhile, "securities" chosen by college trustees in preference to student loans as an investment for endowment funds have undergone frightful shrinkage.

I earnestly commend this financial creed of Mr. Morgan, likewise his well-remembered displays of confidence in the country when times were tight, to bankers who plume themselves above everything upon being "Wall Street men" or the best imitation of "Wall Street man" they can contrive, and who from lordly heights of scorn denounce as demagoguery any criticism of even the worst or most injurious of Wall Street practices. I commend them to every one of the bankers in that financial army holding nearly $3,000,000,000 of eligible commercial paper which they will not rediscount and in a position to make $4,000,000,000 of additional loans which they will not make—these figures on the authority of officials of the Federal Reserve Board. It is thoroughly recognized that if bankers had not first become frightened, neither the Reconstruction Finance Corporation nor the Glass-Steagall bill would be needed to hearten timid bankers through making available still other paper headed by United States bonds. The Federal reserve system was already offering abundant facilities; those facilities simply were not being used.

Mr. Speaker, let me offer for the highest admiration of the worshippers of "liquidity" a bank recently opened in Miami, Fla. This "ideal" bank will hold only cash and Government securities, loan no money, and pay no interest on deposits. It will be "safe"—as safe from all natural shocks as a man in his grave, and for the same reason.

How could depositors be otherwise than frightened or subject to fright while they have seen more and more bankers doing such fantastic things? When the timid bankers started a stampede for liquidity they carried panic into a thousand quarters—including many innocent victims among banks—where it would not otherwise have gone. More average liquidity called competitively for more average liquidity still until the business of the country was threatened with stoppage unless a degree of confidence was somehow restored. Hence the Reconstruction Finance Corporation and the present bill.

Another thing, Mr. Speaker. We shall hear very little for some time of Republican prosperity or how the oracles of Mammon are permanently committed to Republican hands. Nor shall we hear much of the all-wise and all-powerful big-business men who were the secular gods of the Harding-Coolidge-Hoover period. But I hope that we shall hear a good deal of the wickedness among so-called "business leaders," which has brought deadly loss and fear upon our people far beyond what they would otherwise have suffered. I believe safeguards against at least the wholesale continuation of such wickedness to be absolutely necessary for new courage and new prosperity in the years ahead.

Think of Lord Kylsant, a lord of Parliament, a peer of the realm, put into stripes for a year by English courts because he made one false statement in one report to the stockholders of his corporation. And then think of such things as the Continental Trading Co., the Whelan connection with the United Cigar Stores Corporation, the attempted casting out the creditors of the Fisk Rubber Co., also the ruinous history of the Goldman Sachs, Blue Ridge, Shenandoah and other interlocking investment trusts. Nor can we soon forget the havoc wrought by crooked mortgage bankers, like the F. H. Smith Co., in the lives of deserving people, without number, whose savings have been swept away. John D. Rockefeller, jr., exemplified the highest type of business ethics and leadership when he made the fight to secure voting proxies to force the resignation of Col. Robert W. Stewart, chairman of the board of the Standard Oil Co. of Indiana, one of the principals in the Continental Trading Co.

The reports of some corporations whose securities are listed on the New York Stock Exchange are full of suppressions and misleading information and are not regulated sufficiently to protect the interest of the public. In some cases these corporations are required to submit a meager balance sheet to their stockholders only once a year.

I believe that business graft has been outweighing political graft a hundred times over, that our so-called "business leaders" are as a class serving us far less conscientiously than our political leaders, and that there must be a new spirit in our business world.

Mr. Speaker, in all matters it will help mightily when next we have an administration sufficiently unlike this:

> The king is scared,
> The kingdom topples over with a shriek,
> Like an old woman, and down rolls the world.

Yes, Mr. Speaker; we need brave hearts and a firm grasp at the helm of affairs. We may not hope for a Joseph who could foresee seven fat years followed by seven lean. But we may hope for some one like Paul, who could hearten all aboard ship when "the tempestuous wind called Euroclydon" was driving the sailors to desert in boats. We may hope for such a trumpet note as William Pitt sounded in 1805 during the Napoleonic wars, when he prophesied that "England, having saved herself by her energy, would save Europe by her example." Meantime we must look a little enviously upon the stirring spectacle presented last September, when Philip Snowden, life-long invalid, giving up his whole political existence for his country's sake, underwent physical and mental torture to rally England with his last budget speech.

But remembering how God gave us Washington, Jefferson, and Lincoln, we can not doubt that long before it is too late He will send us the man we need.

For the mass of us, Mr. Speaker, I would have that spirit which Rome showed when Hannibal was encamped at the gates of the city, after cutting in pieces three Roman armies and there was no Roman army left to encounter him. Historians tell us that the field then occupied by his troops, coming up for sale at auction in regular course, brought the full price.

God save us from any recurrence of the so-called prosperity of 1927–1929. It was a lopsided and crazy boom because in 1928 the farmer, representing at least 25 per cent of the entire population, received less than 10 per cent of the national income, while in 1929, 504 millionaires reported a total income of over $1,000,000,000, which sum represented a figure in excess of the gross selling price of all the wheat and cotton produced in 1930.

I hope and believe that better times will come out of this panic when and where we hardly expect, "like a thief in the night." Good as well as bad times can not always be foreseen exactly—

> For not by eastern windows only
> When daylight comes, comes in the light.
> In front the sun climbs slow, how slowly;
> But westward look—the land is bright!

[Applause.]

Mr. McFADDEN. Mr. Speaker, I yield my remaining two minutes to the gentleman from Alabama.

Mr. STEAGALL. Mr. Speaker, I now yield to the gentleman from Oklahoma [Mr. DISNEY].

Mr. DISNEY. Mr. Speaker, this bill, in my judgment, is one of the means by which this depression can be ended, a thing we are all trying to see come about. Many palliatives and remedies have been suggested, but as long as we are going to rely upon the Federal reserve system and the gold standard this is our only way out. Personally, I believe that there are several features of our banking laws that ought to

be remedied in addition to the bill now under consideration; but, of course, at the present time we are simply considering this one.

Among the palliatives that have been brought forth was the Reconstruction Finance Corporation, which most of its proponents in the House made excuses for and heartily disliked voting for, but did it for fear of results that might happen if it were not passed. No one contended then, and no one will insist now, that it is either a permanent or a sufficient remedy. It was simply a case of giving the Treasury a broom with which to sweep back the Atlantic Ocean.

We who have been interested in the currency legislation have contended during the whole session that an expansion of the currency was the only sound and practical way to relieve the distressed condition of business and the banks, and consequently the individuals. You will remember that in 1921 President Harding announced for a deflation of the currency in certain specific language, saying that "We must have courageous deflation of the currency in order to bring down the cost of living." Currency was deflated from approximately eight billions in volume in 1921 under President Harding to a little over four billions in January, 1931, and the consequent contraction of the currency and business in the United States and all over the world. I believe that Congress should do away with the power on the part of any board or commission to expand or deflate the currency at will to any appreciable degree, but that must be done by special act of Congress and this is not the time for its presentation.

The evil of hoarding has not been indulged in by individuals alone, and a campaign against hoarding can not be successfully conducted by persuasion or force. Sound business reasons and the restoration of confidence are the only means of freeing hoarded money. Hoarding is based upon fear and selfishness, and these must be overcome by their opposites, confidence and profit possible on the part of the individual or the institution. It has been developed during the hearings that the worst hoarders have been the banks themselves, particularly the big New York banks.

Fright upon the part of the smaller banks has shot their money into New York for safe-keeping, and tremendous quantities of money are there for that purpose. Every bank desires to remain liquid so as to pay upon demand, just as the individual wants to stay liquid in order to have money for his debts upon demand. This money will not circulate again until the business institutions and the individuals feel that they can procure money again if they spend what they have.

It appears that our Federal reserve notes are backed by an 80 per cent gold reserve, but the law required only 40 per cent, so we have the surplus 40 per cent of gold as dormant value, doing no one any good. In amount it is between three-quarters of a billion and a billion dollars. Freed, it can be used for the issuance of at least $2,000,000,000 of Federal reserve notes or paper money, to be placed immediately in circulation in current business or in an emergency. This gold can be freed by this legislation. In addition to the possibility of its being used as a basis for Federal reserve notes, the release of a billion dollars in gold means the release of fifteen or sixteen times that much in banking and business credits, for it is a matter of banking history that that is the ratio, say 15 to 20. With the expansion of the currency to the extent of $2,000,000,000, coupled with the release of fifteen to twenty billion dollars in business credits, business can not remain dormant, because this Nation has the value but is only lacking in credits and circulating medium. The value consists of real estate, cotton, wheat, corn, oats, livestock, and so forth.

These constitute the actual wealth and the money and the credits—the representative of this wealth and value. There is no use to have the wealth without its representative in money, and we can not have the money representative unless we have the wealth. This plan of currency and credit expansion was proposed in 1908 by Senator Robert L. Owen, of Oklahoma, one of the authors of the Federal reserve act, and has been constantly suggested by him as a means of relief during the last two years. In fact, Mr. Speaker, the history of this legislation goes back still further. Senator JONES in 1900 suggested the same proposal, and Senator Owen, then a private citizen, assisted him in drawing the measure.

This bill meets the widespread demand for liberalization of the credit and currency, a demand that has grown day by day among Members of Congress, and all of the authorities on business and banking are confident that this credit expansion will see a return of business and prosperity to the Nation. Immediately upon the proposal of this legislation by Senator GLASS we noticed that the stock market began to move up, and on Saturday of last week it showed renewed confidence. This is only one of the indexes as to public thinking and is simply a reflection of the confidence of the individuals and the units of our business fabric.

For one, I am unalterably committed to this legislation, although I opposed the reconstruction finance measure. This is sound and safe, constructive, and meets the present need. The pity is that it was not brought forth a year ago. [Applause.]

Mr. STEAGALL. Mr. Speaker, I yield now to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Speaker, I desire to call attention to section 3 of the bill, which provides that the Federal reserve banks may receive Treasury notes, that is, Federal reserve notes, from Federal reserve agents on the deposit of direct obligations of the United States as security. There is nothing new about this provision. Great Britain incorporated it in its laws. It is the same principle introduced by a Democratic Senator from Oklahoma, the Hon. Robert L. Owen, on February 25, 1908 (CONGRESSIONAL RECORD, 2429). It is the same principle as the bill introduced by Hon. James K. Jones when he was chairman of the Democratic National Committee and Democratic leader of the Senate on February 6, 1900 (CONGRESSIONAL RECORD, 1534). This is an identical provision in principle with that set forth in the bill H. R. 6704, by Hon. KENT E. KELLER, of Illinois, on January 4, 1932. Congressman KELLER is a Democrat.

The only substantial difference between the section 3 and the bill introduced by Congressman KELLER is that the Keller bill dealt with the matter without red tape and authorized the Treasury notes to be issued direct to any bank, corporation, or individual up to 90 per cent of the face value of the bonds an interest charge of 5 per cent, payable to the Treasury; and a forfeiture of 10 per cent if the currency was not returned within 12 months. The Keller bill offers to the public a wider and better distributed relief. The pending bill, however, should operate advantageously, because it does make available the possible deposit credit of four billions, or a currency issue of thirty-five hundred millions, since there is available a possible fourteen hundred millions in gold estimated. and the gold could be increased in the reserve banks by exchanging reserve notes for gold certificates, of which there is circulating approximately $1,000,000,000. As these pass over the counters they could be exchanged for Federal reserve notes, thus adding to the gold holdings of the reserve banks

It has taken a long time for this venerable Democratic doctrine to become statute law. The country does not want to lose sight of the fact that leading Democrats have been advocating this for at least 32 years and that it was rejected by Senator Aldrich February 6, 1900. February 25, 1908, and up to this good date. The country can now be congratulated for this Democratic doctrine becoming effective. It took a terrifying depression to twist this concession out of the Republicans.

Perhaps the exigency of the pending campaign and the absolute necessity for getting some reaction may have facilitated the consent of the administration. It is certain that during the last month administration leaders have expressed their vigorous disapproval of bond-secured currency and, having sworn they never would consent, consented.

STATE, JUSTICE, AND JUDICIARY APPROPRIATION BILL

Mr. OLIVER of Alabama, from the Committee on Appropriations, reported the bill (H. R. 9349) making appropria-

tions for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, which was read a first and second time and, with the accompanying report, referred to the Union Calendar and ordered printed.

Mr. SHREVE. Mr. Speaker, I reserve all points of order.

IMPROVEMENTS OF FACILITIES OF FEDERAL RESERVE SYSTEM

Mr. STEAGALL. Mr. Speaker, I now yield to the gentleman from Alabama [Mr. ALLGOOD].

Mr. ALLGOOD. Mr. Speaker, there is no question in the world about the panic being on in this country and that the people now want it settled. They want it stopped. They are looking to this Congress to stop it. They are not expecting miracles to be performed, for they know it will take time to work out of this desperate situation. They are not even expecting the passage of one bill to cure all the ills of this country, but I do feel that they are looking to Congress for relief and I know that they are glad that we are not playing politics in the passage of these bills. If anyone wishes to call this bill a partisan measure, we Democrats can certainly claim credit for its enactment because it is the product of two sterling Democrats—Senator CARTER GLASS, of Virginia, former Secretary of the Treasury in Woodrow Wilson's administration, and Representative HENRY B. STEAGALL, of Alabama, now chairman of the Banking and Currency Committee of the House. I am happy to see the spirit of cooperation on the part of the Democrats of this House. If the Republicans had shown the same spirit of cooperation when they were in control, they would not have run roughshod over us in the enactment of the Hawley-Smoot tariff bill, which law has contributed greatly to the bringing on of this the greatest depression in the history of this Nation. It is my opinion that the country is now waiting for the Democratic Party to come into power to repeal the Smoot-Hawley tariff law.

Mr. Speaker, just as long as conditions are such that individuals fail and can not pay their debts, just that long will merchants and banks continue to fail. This country is no stronger than the individual. Therefore we must pass laws to protect the individual, whether he lives on the farm or works in the shops, factories, stores, business houses, offices, professions, and varied industries of our country. We need legislation that will make it possible for the individual, however humble he may be, to make an honest living and pay his debts. Therefore we are asking for the passage of this law so as to break the corner on the money market which has been held by the millionaires since 1929. This law will expand our currency and place more money in circulation, which will deflate the value of the dollar of the rich man and inflate the value of farm products and wages of the laboring man.

I am glad I supported the bill creating the Reconstruction Finance Corporation which became a law two weeks ago. Gentlemen, we can already see the good effects of that bill. Bank failures are occurring less frequently, the stock market has taken an upward trend, cotton has advanced considerably, industry has revived. In my district the bonds of one major industry, the Goodyear Tire & Rubber Co., have made a material advance since the passage of the Reconstruction Finance Corporation act. This advance may mean that 2,000 men at this plant alone may continue to hold their jobs and have work, because confidence has been and is being established in industry. It is generally believed by the Democrats that had the Republicans at the extra session of Congress called by Mr. Hoover enacted legislation similar to the Reconstruction Finance Corporation act and passed legislation similar to this bill, we would not have had the widespread unemployment of labor coupled with the multiplied bank and business failures with the resultant ruinous prices of farm products. [Applause.]

Mr. STEAGALL. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, ladies, and gentlemen, we are to-day considering H. R. 9203, a bill to liberalize the credit facilities of the Federal reserve system.

In this connection I wish to call attention to the fact that on September 24, 1931, the Hon. F. B. SWANK, of Oklahoma, and I personally submitted to the President a constructive program to relieve the acute situation which was aggravating every day. About the middle of September it became apparent that currency was being withdrawn from banks for hoarding purposes, while at the same time the losses in deposits due to gold exports was increasing. It became apparent to many that the process of contraction of credits would soon result in a severe crisis if not checked. This process of contraction increased so rapidly that it became apparent that many banks would be forced to close their doors with resulting losses of the greatest magnitude.

I felt then as I feel now, that the only way of procuring relief would be to raise the price levels of farm commodities. The farmer finds himself in a most serious condition. In 1929, when wheat was selling for $1 per bushel and when cotton was bringing 16 cents, he executed mortgages on his land and contracted fixed indebtedness. When he made these debts the price of commodities was sufficient to afford reasonable expectation of his ability to discharge the obligations when due. But to-day he is called upon to apply upon his indebtedness three or four times the amount of commodities he would have had to pay at the time the debts were contracted. In other words, the wheat farmer who borrowed $5,000 understood that he would be required to discharge this obligation to his creditor by the delivery of 5,000 bushels of wheat. But to-day, due to the depressed price of wheat and the sustained value of the dollar, he is required to deliver 10,000 bushels of wheat to discharge his obligation. This he can not do.

Not only is this true in reference to the farmer, but it is true in reference to a large portion of the debtor classes. The gross indebtedness of Federal, State, and local governments is now around $32,000,000,000. When you add to this the private indebtedness of the people of the United States, the total indebtedness runs into many billions of dollars. To discharge these staggering obligations will require many of the debtor classes to deliver from three to five times the amount of commodities that would have been required at the time the indebtedness was contracted. The fall in commodity prices has tremendously increased the value of money, with the consequence that a given quantity of money will exchange for a larger quantity than before of other things.

It is therefore obvious that the price of farm commodities must rise in proportion to the value of money, so that the debtor can pay off his creditor with the same quantity of commodities as was contemplated at the time of the creation of the debt. If the debtor is required to deliver three or four times as much commodity in the payment of his debts, he will in many instances be wiped out, and his property will go to his creditors. If the creditors insist upon the full pound of flesh, they in turn will find themselves in virtual bankruptcy with frozen assets that they can not dispose of.

Not only is it necessary for the price of farm commodities to rise so that the debtor can pay off his fixed obligations incurred in the past but also in order that the debtor may exchange his commodities for the things that he must purchase. The price of many commodities which the farmer is required to purchase, such as farm implements, clothing, and so forth, has declined very little in comparison with the tremendous fall in the price of farm commodities. Consequently, the farmer, in order to exchange his surplus products for the things that he requires, must give such a large quantity that he is operating below the cost of production. Now, it is obvious that if the prices of farm commodities are to remain at their present level the prices of all other commodities must decline in proportion.

In September, when we presented our program to the President, I realized that unless the price of farm commodities was materially increased and put upon an equal plane or level with that of other commodities we would eventually be confronted with drastic legislation having for its purpose the inflation of the currency so that the value of

the dollar would decrease in proportion to the fall in commodity prices, and that the Federal Government would be called upon to appropriate vast sums out of the Public Treasury for the purpose of feeding the hungry and clothing the needy.

The only way that the price level of farm commodities can be raised is to give the farmer the same bargaining power in the sale of his surplus commodities and in the purchase of the things that he requires as is possessed by the industrial, commercial, and financial institutions of this Nation and to increase the purchasing power of the American consumers. I have heretofore shown in speeches delivered on the floor of the House that many industrial, financial, and business concerns have freed themselves from foreign competition by the protective tariff, and from domestic competition by mergers, combinations, cooperative agreements, and so forth, so that they are in a position to largely dictate the price that they will pay for their raw material and the price which they will charge for their finished product. I have shown that the economic groups to whom the farmer is compelled to sell his surplus products and from whom he is compelled to purchase the necessities that he requires are able to dictate the prices and that the farmer has no bargaining power whatsoever. I have also shown that in order to give the farmer the same bargaining power as that possessed by the privileged and favored classes we must either compel these classes to sell their products on a competitive basis the same as the farmer or we must permit the farmer, through governmental aid, to control the prices of his products and services.

In other words, we must either raise the bargaining power of the farmer, the laborer, and the independent merchant, or we must lower the bargaining power of the privileged and favored classes. The purpose of the Sherman antitrust law was to put all classes and economic groups upon the same competitive basis and to give no one class any more bargaining power than the other classes. I have heretofore shown that this law has not been enforced and that the Government has permitted the privileged and favored classes, in violation of the law, to fix the prices of their output and to control the market.

But the restoration of true competition among all economic groups and the effort to put farming upon the same plane of economic equality as that enjoyed by other classes is a long fight and can not be accomplished in time to afford immediate relief. It is also true that speculation, sale of watered stock, foreign and domestic, and the efforts during the past decade or two to suspend or interfere with, in so far as certain favored groups and industries are concerned, the natural and orderly operation of economic laws have tremendously impaired the purchasing power of the consumers. When the unsound structure created by speculation crumbled, it accelerated the process of contraction until the purchasing power of labor was reduced between fifteen and twenty billions of dollars. Since labor consumed a large part of farm commodities, this meant that the farmer had lost demand for his surplus.

The only way to remedy this condition is to restore the purchasing power of labor. This can only be done by giving the 8,000,000 unemployed people jobs. The only direct manner in which the Government can create jobs is to inaugurate a construction and improvement program in every part of the Nation. Therefore, on September 24, I urged the President to inaugurate immediately needed public improvements and construction by appropriating the necessary sums for road work, Federal buildings, waterway improvements, and so forth. It has been demonstrated that 85 per cent of the money spent for road improvements goes to labor. A large percentage of the money spent for Federal buildings also goes to labor. The material which must be purchased from private industries would enable these industries to give employment to our people. It could not have been urged that this money would have been squandered. We are in need of many Federal buildings, and, in fact, are paying excessive rents in a number of large cities. In my own district there are many towns where post-office buildings are urgently needed, such as, for example, Lufkin, Rusk, Hemphill, Jasper, San Augustine, Center, Timpson, and other towns that I need not mention.

In January, 1931, I made a trip to Washington at my own expense, and before I took my seat as Congressman of the second district, for the purpose of urging the Post Office Department to construct Federal buildings in Beaumont, Lufkin, Rusk, and other towns in my district. Senator CONNALLY and I conferred with Major Heath, Assistant Secretary of the Treasury. It was decided to erect a new building at Beaumont, and to allocate a large sum for the erection of a post office at Lufkin. Although the construction of the post-office building at Beaumont has been unnecessarily delayed, it will furnish employment to many people of that city and will do much to relieve unemployment there and put money in circulation. Many waterways, such as the Sabine-Neches waterway, urgently need deepening and widening and other improvements. Already one-fourth of the tonnage in the United States moves over the Sabine-Neches waterways. The development of these waterways is responsible for the location of many great refineries in Jefferson County that furnish employment to thousands of people and create a market for the farm products of southeast Texas. Not only is this true but the development of waterways such as the Sabine-Neches has materially reduced the freight rates for the transportation of cotton. This has meant a tremendous saving to the farmers, and therefore the people of the interior are vitally interested in this subject.

The development of an adequate road system throughout the United States is important to every class of our citizenship. Motor transportation of passengers and freight has increased so tremendously and become such an important factor in our economic and social life that good roads have become a necessity. They enable the farmer to transport his products at a cheaper cost. Therefore such a public improvement program as the one I urged upon the President would not only have created employment, arrested the progress of ruinous deflation, caused the wheels of industry to begin to move, and increased the circulation of currency but it would also have resulted in lasting benefit to the Nation from a purely monetary point of view. At any rate, such a program would not have resulted in the extension of Federal aid solely to the financiers and investment companies but would have started at the bottom and increased the purchasing power of the masses, which would have meant the easing of the financial tension that is paralyzing industry. The failure of the President to sponsor such a program may compel us to face the far-reaching issue of direct Federal aid and other types of legislation, which everyone admits should be esorted to only as the last extremity.

Since Congress convened it has authorized the expenditures and sale of bonds guaranteed by the United States Government in excess of $2,500,000,000, and I believe that if this money had been devoted to needed public improvements such as I have outlined the masses of the people would have received considerably more benefit and that it would have hastened the return of normal conditions. As an alternative for emergency legislation, it would have been wiser for the Government to have inaugurated a vigorous improvement program that would have created immediate employment and provided for a wholesome inflation that could have been restrained within reasonable bounds.

I also urged the President to advocate the regulation of our banking system. I stated to him that it was difficult to believe that any country as rich as ours and in the midst of plenty would be embarrassed as we are and faced with distress and unemployment if we had a well-balanced banking system. The actual wealth of the Nation, which consists of land, machinery, farm commodities, and so forth, is still here. The trouble is that the exchange of commodities and services has been paralyzed, and consequently we have the ridiculous spectacle of surplus on the one hand and want on the other. The banking machinery has broken

down and consequently credit has been paralyzed. Credit is an important factor in our economic life. It facilitates the transfer of capital and the use of materials of production. Credit plays an important part in our everyday business transactions. Less than 10 per cent of ordinary business transactions are settled by hand money.

Of the fifty billions in bank deposits throughout the Nation, only about 10 per cent is represented in outstanding currency. Credit has built up 90 per cent of the bank deposits. When the banking system fails to permit the huge volume of business and the interchange of goods to flow freely through bookkeeping transactions, then it is not functioning properly. Of course, credit can be abused, as was the case for several years prior to the stock-market crash in 1929, when credit was diverted from commercial uses to speculative purposes. The Federal Reserve Board was responsible for this abuse by its failure to take the necessary precautions during the latter part of 1927 to curb the excessive credit demands of speculative users. Although sufficient warning was given to the country during the latter part of 1927, the Federal Reserve Board failed to take adequate measures to curb the unparalleled speculation. This was in part due to the approaching elections of 1928, and the administration wanted to continue the artificial prosperity as long as possible. But in spite of this, credit is absolutely necessary under our economic system. It is apparent that credit has shrunk to such a point that the value of the dollar has continually risen and the price of many commodities has fallen until the whole structure of business and finance is threatening to crumble. Had the President called Congress in session in September and taken vigorous steps to stop the tremendous deflation, hundreds of bank failures could have been prevented and much loss and suffering avoided.

If we permit the use of Government bonds as a basis for currency, we can release $750,000,000 in gold. This will relieve the severe credit tension and give full opportunity to the banks to extend sufficient credit to every class in our economic life. But the liberalization of our credit and currency will not result in real benefit unless those in charge of the administration of the reserve system will use sound judgment and will not be influenced by political considerations. If the reserve system permits credit to be injudiciously extended to securities so as to inflate unreasonably the market quotations of stocks, bonds, and other securities, we will have another stock-market crash which will be much more severe and disastrous in the general effects upon the country. I do not mean by this that we should not improve the securities market, because this is one of the principal forces of revival. In a gold-standard country such as ours there must be a limit, fixed by reserve requirements, to the extent to which the credit volume may contract. The contraction of credit has proceeded so far as to become positively dangerous. But in order to discourage excessive use of credit, to prevent speculation and unsound inflation, it might be advisable to impose a penalty discount rate upon member banks whose portfolios contain any large amount of street loans.

Security operations are likely to develop inflationary dangers, and there must be some special curbing measures to prevent such inflation. We must see that less credit is extended to speculators and more credit is given to honest producers. But in the final analysis everything depends upon the wisdom of the administrators of the Federal reserve system. No matter how perfect a law may be, if it is administered by foolish or selfish men, it will result in disaster to the people. Every sound thinker now agrees that the stock-market crash was due to the fact that money was too cheap at the end of 1927. From July to December, 1927, the reserve system's holding of bills and securities increased from $976,000,000 to $1,591,000,000. Brokers' loans and street loans increased tremendously, but in spite of this fact Mr. Mellon, on March 27, 1927, said that "brokers' loans give a very good insight into the stock-market situation, and they appear in a very healthy state." He also said on the same date:

I see nothing to indicate that business will not continue to be good throughout the country. There is an abundant supply of easy money which should take care of any contingencies that might arise. I do not look for any change in the Federal reserve rediscount rate for some time to come because I can see no reason for changing.

When we examine the figures of the total loans and investments of all member banks, we find that during the last five months of 1927 the total expansion was at an annual rate of 10.8 per cent. It was apparent in 1927 and the first part of 1928 that the fall money market of 1927 had been made unnecessarily easy. The index of industrial production had shown that since the first quarter of 1927 and for the last six months of 1927 such production declined to 103, as compared to 109 for the first half of the year. The growth in member-bank credits in the second half of the year 1927 was almost entirely attributable to investments and loans on investments. From August 3 until December 28, 1927, the reporting member banks increased their total loans and investments by $1,364,000,000. Only 7 per cent of this increase was due to the supposed grouping of "other loans." The total brokers' borrowings reported by members of the stock exchange increased from June 30 to December 31, 1927, by $864,000,000, or 24 per cent. Before the summer rate reductions, on June 30, 1927, for instance, the total of brokers' borrowings was not much larger than at the beginning of 1926. The stock prices continued their rapid upward movement. The industrial production was not increasing, but the prices of stocks was rapidly increasing, due to the artificial influence of cheap money.

In 1928 total loans and investments of reporting member banks increased $570,000,000 from January to July, and over one-half of this growth in member-bank credit was in investments and loans on securities. From December 31, 1927, to June 30, 1928, the reserve banks did not successfully resist the growing demands for bank credit by the security market.

From 1922 to 1929 corporations were rapidly increasing their stock issues and taking advantage of the public's appetite for stocks. The following table shows the enormous extent to which in 1928 and 1929 stock issues increased. In 1922 the monthly average of stock issues was $51,999. In 1923, $61,330; in 1924, $72,191; in 1925, $109,248; in 1926, $109,814; in 1927, $146,573; in 1928, $297,998; in 1929, $572,132.

Therefore, it is apparent that corporations were rapidly increasing their stock issues. The reasons for this are apparent. From 1919 to 1929 they were permitted to merge with the tacit consent of the administration, which made no effort to enforce the Sherman antitrust law. Many mergers were formed because promoters saw the opportunity to make a fortune through overcapitalization through the issuance and sale of watered stock. In my speech delivered in the House of Representatives on December 17, 1931, I showed that Professor Dewing, who examined in detail the promotion and financial history of 14 of the largest American combines, concluded that in their promotion the total tangible assets averaged 40 per cent of the total issued securities; the remaining 60 per cent represented watered stocks. From 1919 to December 10, 1930, 8,003 manufacturing and mining establishments disappeared through the process of merger, leaving over 1,267 resulting combinations.

Every time a merger was formed a large block of stock issues was turned loose upon the securities market. In 1929 1,245 concerns were merged or acquired. The monthly average of stock issues for that year was 572,132. The increase of mergers from 1919 to 1929 bears a close relationship to the increase of stock issues during those years. The number of mergers increased steadily from 1919 to 1929. In 1919, 438 concerns disappeared in merger, and in 1929, 1,245 disappeared through this process. As mergers increased, stock issues multiplied until finally the market was saturated with watered stock. The administration permitted this in the following ways: First, by not curbing mergers through the strict enforcement of the Sherman antitrust law; second, by not curbing the speculative use of

credit that permitted the inflation of this watered stock by adopting adequate curbing measures beginning with the middle of 1927. The administration encouraged these mergers by its failure to enforce the Sherman antitrust law and its failure to prevent the sale of increasing issues of watered stock, foreign and domestic.

The stock-market crash of 1929 was not the sole cause of the present panic, but it was an important contributing cause. The wholesale collapse, by a variety of processes, was communicated to industry and commerce.

Therefore everything depends upon the administration in power. The Republican administration during the past decade has made many serious blunders and can not escape responsibility for the present crisis. Had it prevented unsound and unjustifiable mergers the market would not have been glutted with watered stock. Had it not encouraged speculation in watered stock and worthless foreign bonds by providing cheap money for such purposes through the short-sighted policy of the Federal Reserve Board, we would not have had the market collapse of 1929. This collapse resulted in tremendous losses to innocent people who had not speculated but who are compelled to pay the price along with those who did speculate. Labor did not speculate on the stock market with the cheap money provided by the Federal reserve system, but it has already sustained losses to the extent of $20,000,000,000. Agriculture did not speculate with the cheap money provided by the Federal reserve system, but it has been compelled to suffer a loss which is so enormous and staggering as to be incapable of any accurate computation.

Therefore it is apparent that our banking system needs to be regulated so as to lessen the chances of another speculative frenzy; but after we have taken every possible precaution the matter still rests in the hands of the administrators of the act. We may provide by law for a guiding principle to serve at least as a point of departure. We must give the system some broad basis of policy, but in the final analysis we must leave much to the judgment, the honesty, the patriotism, and the unselfishness of those in charge of the administration of the system.

But in the meantime we must ease the credit tension. Our gold reserves will safely permit an expansion of $3,500,000,000 in reserve-bank credit before reducing the reserve percentage below the legal amount. Such expansion would increase the loanable funds of the member banks by as much as $35,000,000,000.

By expanding credit we can provide a wholesome inflation that will enable the debtor classes to pay their fixed obligations without having to deliver three or four times more commodities than when the debts were contracted. We may be able to reestablish the free flow of credit, and if we can not start the wheels of industry immediately, we can at least keep thousands of people from losing their equities by providing sufficient credit to tide them over during this unparalleled crisis. But we must keep this inflationary process within reasonable bounds and under firm control. If unsound inflation is encouraged during the six months preceding the next election, as it was during the six months preceding the 1928 election, although we may bring about an artificial prosperity, we will only invite another economic collapse more serious and far-reaching than the world has ever seen. At this crucial time everything depends upon those who must administer our Government. Congress can do everything in its power and still its ends and purposes may be defeated by incompetency, selfishness, or political considerations on the part of those who are intrusted with the administration of the machinery set up by Congress.

It is to be regretted that the President waited until this month before he realized or acknowledged the necessity of strengthening the banking system and taking the necessary measures to stop the deflation. Had he done this six months ago, or even as late as September of last year, incalculable loss and suffering could have been avoided and many banks and industrial concerns could have been saved from bankruptcy. At the time Congressman SWANK and I urged him to take immediate action, it was his opinion that our crisis was due to conditions that prevailed in foreign nations and not conditions within our own borders. He therefore refused to act upon our suggestions in time for the greatest benefit to result.

In our program submitted to the President we urged that immigration from every country should be prohibited for a period of at least five years to enable us to absorb the labor surplus, and that adequate deportation laws should be enacted that would enable us to immediately deport the several million foreigners illegally in our country and those who are legally here but have committed a criminal offense. I am glad to say that the President agreed with this proposition, and I believe that the great majority of American citizens are in favor of reducing to a minimum the number of foreigners who come to our shores. Our Committee on Immigration and Naturalization, upon which I have the honor to serve, is working earnestly and vigorously upon this matter. Bills have been introduced by myself and others to accomplish this purpose. These bills will be acted upon by the committee in the next few days.

I feel sure that the committee will report out some real measure that will solve for many years this difficult problem. It may be that in the wisdom of the committee we may reduce the quota 90 per cent and thus permit only a few foreigners to come to our shores. This will apply to Mexico and South America as well as to all other countries. It will prevent the legal entry into Texas and the United States of thousands of Mexicans who come to take jobs away from American citizens and to aggravate our economic situation. No greater measure could be enacted by this Congress. It will result in incalculable and inestimable advantages not only to the people of this age and time but to our children's children yet unborn. Had Congress taken this necessary and important step years ago we would not have the spectacle that we to-day witness of 8,000,000 of American citizens walking the streets in idleness.

In our program that we presented to the President we urged that the Government use cotton paper, cloth, and twine, exclusive of all other kind, and that a national program be inaugurated by the President and the Department of Agriculture enlisting the support of the American people in an effort to use more cotton clothing and cotton goods. The production of cotton in the United States is one of the most important industries in our Nation. Millions of people are dependent upon the production and sale of cotton for a living.

Cotton has always been in many sections of our country the chief money crop. If the Government would inaugurate a great program to stimulate the use of cotton goods and to devise new uses for cotton, the demand for this important commodity would materially increase. The Government has heretofore spent considerable money in the endeavor to find new uses for other raw materials produced in the United States. Little attention, however, has been devoted to cotton consumption. We have devoted most of our efforts to the improvement of cotton production, but we have neglected the increase of cotton consumption and the marketing of this important product. Although millions of farmers produce other crops, cotton is their chief money crop, and when we increase the demand and price of cotton we will increase the purchasing power of millions of people, which will hasten the return of normal conditions. I am satisfied that many uses for cotton heretofore unknown can be developed that will restore the cotton industry to a position of profit, and I sincerely regret that the President has not seen fit to act upon our suggestions. No one has suffered from this crisis any more than the farmer. Many corporations have felt the depression for only the past 12 months, but the farmer has felt it for many years. While the farmers were losing millions many industries were making tremendous profits.

In 1929 the United States Steel Corporation made $197,592,000 in profits and in 1930 it made $104,422,000. Even during the panicky year of 1931 it reported a profit of about $13,000,000. During 1931 General Motors Corporation issued a preliminary statement showing net profits of $96,859,000.

Three hundred and thirteen other companies engaged in a variety of different lines of manufacturing and trade reported combined net profits of approximately $218,000,000 in 1931, compared with $435,000,000 in 1930 and $653,000,000 in 1929. During these three years it is impossible to estimate the tremendous losses sustained by labor and agriculture. Therefore, it is obvious that immediate and energetic measures must be adopted to rescue agriculture, labor, and independent business from threatened disaster. I do not say that this bill will do this, but I do say that if it is properly administered it will save several thousands of people from bankruptcy and ruin, and it may revive business and start the wheels of industry moving.

In conclusion, Mr. Speaker, I must acknowledge that I am no authority on banking and currency questions, but this much I do know: That we are faced with a grave situation in the United States. I have profound confidence in the leadership of this House. [Applause.]

I believe that the Speaker of this House is one of the greatest patriots that America ever produced. [Applause.] He has a profound knowledge of the needs of this country, and there is no man living in America to-day who is more familiar with the science of Government and the practical everyday problems than he. I have confidence in the integrity, the patriotism, and the intelligence of the gentleman from Alabama [Mr. STEAGALL]. [Applause.] I am willing to follow their leadership in this important financial measure.

There are two types of legislation that are recommended to the American people: One character of legislation proposes direct appropriation to those who are in distress. The other character of legislation is to help people help themselves. Personally I subscribe to the theory that it is better to help the American people help themselves than to create a dangerous precedent during these times of distress that will cause this Republic to wander farther and farther away from the ancient landmarks established by Jefferson and our wise forefathers. [Applause.] I am therefore glad to support this measure with the sincere hope that it may relieve the grave situation in our Nation. [Applause.]

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that all Members have five legislative days within which to extend their own remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. McGUGIN. Mr. Speaker, in my judgment this is the first of the so-called emergency measures which will be of real assistance. It will inflate the currency by placing about three-fourths of a billion dollars more money in circulation. This will mean about $5,500,000,000 in circulation. The trouble with this bill is that it is limited in two respects—as to time and amount. It should not be limited to one year. It should be increased by at least one-half billion dollars. That would mean about $50 per capita in circulation. We should place at least $50 per capita in circulation and keep it there. I dislike the 1-year limitation.

After the war, we had $53 per capita in circulation, and the Government arbitrarily deflated it to thirty-some dollars per capita. The panics have followed. Every panic which we have suffered has been associated with a cruel contraction of the currency. We have gotten out of every panic by inflation. In the light of history this bill should be a positive step toward recovery.

Congress should see to it that another panic shall never come about by a contraction of the currency. If we leave the control of money in the hands of great bankers, there will be future contractions of the currency and future panics. That is the way great finance always bleeds the country.

Expansion of the currency at this time will serve its intended purpose of saving great banking institutions, especially some chain-banking systems now in trouble. Expansion of the currency would have saved many of the 8,000 local banks which have heretofore been closed. There was no such congressional treatment for them. On the contrary, the deflation or contraction of the currency a few years ago, more than any other one thing, broke these 8,000 local banks. The currency was contracted by the Federal Reserve Board at the behest of big finance. This should be fair warning to Congress to take the power over money out of the hands of monopolistic finance and place it back in the hands of Congress, where it was placed by the Constitution. Congress had no business ever to have delegated this power.

The purpose of this bill is to place more money in circulation. We are informed that it will place $750,000,000 more money in circulation. In the light of history the placing of this money in circulation should increase commodity prices. The economic condition which we are now suffering seems to be different from any condition which has ever before existed. It may be that these different conditions will repudiate history and this inflation of the currency will not increase the commodity prices.

If this inflation of the currency increases commodity prices, agriculture will be quickly and greatly benefited. Before we can come out of our present economic despair agricultural prices must be increased. There can be no economic recovery in this country so long as the 27,000,000 farm people are unable to receive enough for their products to pay their taxes and buy the products of industry.

It is too much to expect this inflation or any other move to increase farm prices enough to reach a parity with the prices of industrial commodities and with taxes. The taxes of the country are 170 per cent higher than they were for the five years before the war. There is no possible way to increase the price of farm products to a point where they are 170 per cent higher than they were five years before the war; therefore our work is not completed with the enactment of this bill. It is inevitable that the public expenses must be reduced in order that the tax bill may be brought down to some sort of a parity with the price of farm products.

During the last 10 years we have built up in America a monopolistic system whereby the profits of all of the local communities are daily drained from those communities into a few great centers of finance. This system is commonly known as the chain system. It is absentee ownership of all local institutions which will pay a profit. It makes no difference how much we increase the circulation it is inevitable that in a short time the great mass of people in all of the local communities will be impoverished so long as we daily drain the profits of the community into a few financial quarters. Again our labors are not completed with the enactment of this bill which will inflate the currency. If we are to build up a social and economic structure in this country, the back of monopoly must be broken to the end that the price of industrial commodities will be on a parity with farm commodities and local communities may retain a share of the wealth which they produce.

There is something else which must be corrected, and that is the unemployment problem. Assuming that the inflation of the currency will restore the buying power of the 27,000,000 agricultural people, it will still be impossible for American industry to sufficiently increase its volume of business to furnish employment for more than a reasonable part of the unemployed. It must be remembered that all of the unemployment is not due to the bankruptcy and insolvency of agriculture. Only a goodly part of it is due to the insolvency and bankruptcy of agriculture—therefore only that part of the unemployment which is due to the insolvency of agriculture can be eliminated by a restoration of the buying power of the agricultural section.

Much of our unemployment in industry is due to the loss of foreign markets. There are only two basic ways to produce wealth in this world—one is to produce the raw products of the farm and of the mine and the other is to convert the raw products into finished manufactured products. Every nation in order to survive must have a surplus of either finished or raw products. Europe can not have a surplus of the raw products of the mine, because precious minerals are not bedded in the soil of Europe. Europe, with her excessive population and limited area, can not produce

a surplus of the raw products of the farm. Therefore Europe must rely upon the finished products of the factory for her marketing surplus of commodities.

In the nature of things Europe must have and will have the manufactured markets of the world. By necessity, she will have them if they must be produced by peonage labor. Europe had these markets of the world before the war. When Europe went to war she not only surrendered her markets for manufactured products in Africa, South America, and Asia, but she became a purchaser of the commodities of the factory. In this situation American manufacturing institutions inherited the markets of the neutral world for manufactured commodities and also inherited a goodly part of the markets of Europe for manufactured commodities. As a result the manufacturing industry of the United States enjoyed a prosperity such that no manufacturing industry of any nation of the world ever enjoyed. This great prosperity for American factories brought about a great demand for labor and American labor enjoyed the highest wages ever known. As a result of this situation millions of men went from the farm to the factory.

When the war ended, by necessity, Europe went back into the manufacturing business. Day by day, slowly but surely, she has been regaining her lost markets in the world. As she regained these markets, day by day, slowly but surely, American factories lost them proportionately. As a result, American factories find themselves with an export market reduced to the market which was theirs before the war.

The Department of Commerce reports that American exports for the month of December, 1931, were the lowest of any month since 1914 and before the war. A factory must have a demand for its products before it can employ labor to make the products. So far as the export business is concerned, American factories need no more and can use no more labor than they used before the war in 1914. Therefore, as millions of men went from the farms to the factories when American factories enjoyed the markets of the world, to-day a similar number must go from the factories back to the farms, since the factories no longer have these markets of the world. Therefore no matter how much we inflate the currency nor how much we may rehabilitate agriculture, those men who formerly manufactured commodities for export will be unemployed.

Something else has brought about unemployment. Since the war, science has invented great machines and we have called them labor-saving devices. It has been nothing less than hypocrisy to call them labor-saving devices. We have used them to cast men into unemployment. If we were really using them as labor-saving devices in a Christian and humane sense, we would be shortening the number of hours of labor rather than reducing the number employed. There is no correcting the unemployment problem until the hours of labor have been shortened enough to take up the slack which has been brought about by modern machinery.

Until the unemployment problem is solved it is inevitable that there will be economic and social chaos in America.

Assuming that in the light of history this plan of inflation succeeds and increases the price of farm commodities, we have only made the unemployment problem more acute because we shall have increased the cost of living. We may put three or four million men back to work, but the remaining three of four million of unemployed will be in a worse situation than they are in now, because their cost of living will have been increased.

Assuming that the inflation, in keeping with the experience of history, will help to correct the present economic crime against agriculture, still our labors have only begun. Prosperity and happiness will not be restored to this country until at least four more things take place: First, the back of monopoly must be broken in order that local communities may be able to retain a fair share of the profits which they produce; second, Government expenses must be reduced in order that the tax bill may be reduced in keeping with the ability of the producers to pay taxes; third, until several million men are returned to the small farm in order to solve the unemployment problem; and fourth, until the hours of labor are reduced sufficiently to furnish employment for those who are now unemployed on account of modern machinery.

Mr. CANFIELD. Mr. Speaker, ladies and gentlemen of the House, we are considering legislation to-day that, in my opinion, should have been considered and passed a year or more ago. Had it been passed at that time hundreds of banks that have been closed would still be open, thousands of business firms that have failed would still be doing business. The deposits in many of the banks that have been closed would not be tied up and much of it lost and thousands upon thousands of men that have been thrown out of work would be employed.

Complaint has been made about this bill being considered under the suspension of the rules. In reply to this I will say the only complaint that should be made is that the rules were not suspended to consider legislation of this kind at least a year ago, for if it had been done at that time the problems of many would be quite different to-day and business conditions, especially in the smaller cities and country districts, would be quite different.

Some say they object to this bill because it will inflate the currency. Gentlemen of the House, if there was ever a time in the history of the country when we needed inflation it is now. One of our principal troubles at the present time is that our currency has been contracted too much, and if we ever expect to get started in the other direction, we must have some inflation.

At the present time we are trying to pay off our obligations made when conditions were normal with a 50-cent dollar. Money borrowed at 6 per cent when conditions were normal is being paid for with a contracted currency, which means we are paying about 12 per cent instead of 6 per cent. Under such conditions our farmers and business men are unable to meet their obligations, and unless we have an inflation of some kind, they can never expect to meet their obligations.

The purpose of this legislation, as I understand it, is to liberalize the credit facilities of the Federal reserve system, to afford greater credit accommodations by member banks, and to ease conditions in the general financial structure, which, if properly handled, should rehabilitate business.

The bill provides that loans may be made to groups of member banks independently owned and not less than five in number in any Federal reserve district upon time or demand promissory notes. It also provides that any individual member bank that is unable to offer security, eligible under existing law, may obtain loans from a Federal reserve bank on satisfactory security, approved by a majority of the Federal Reserve Board.

It further provides that the Federal Reserve Board shall be authorized to use direct obligations of the United States as a basis for the issue of currency with the understanding that under this authority the Federal reserve notes issued must be protected by a gold reserve of 40 per cent. This will make it possible for approximately $2,000,000,000 to be put into the member banks within a very short time and can not help but ease conditions in all parts of the country.

Under this bill authority is given to the Federal reserve system to put money into the market to take the place of credit tied up in frozen loans, and if in its administration by the Federal Reserve Board the purpose of the bill is carried out, it can not but help all classes of business.

If our banks are put in position where they can take care of the demands they have for loans, business can again start to operate. Men with money and those who are in position to get money will start to buy because they realize that prices will advance; this will mean that the retailer and wholesaler will have to buy. Our factories and mills will start to operate. Labor will be again employed and there should be a demand for our farm products at a fair price.

According to the Federal Reserve Board, the number of bank suspensions in the United States in 1931 was 2,290, with deposits of $1,759,000,000. For 1931, R. G. Dunn &

Co. report 1,440 bank failures in the United States, with liabilities of $1,396,554,484.

Some of the banks that have suspended business will be able to reopen and the passage of this bill should help them, but those that have failed are closed forever; but, in my opinion, had a bill like this been passed 12 months ago many of them would not have been forced to close.

In 1929 the total value of the major farm crops in the United States, as reported by the United States Department of Agriculture, was $8,088,494,000. In 1930 the value of the same crops was $5,818,820,000. In 1931 it was only $4,122,850,000, a decrease of $3,965,644,000 in two years.

In 1929 the value of the total wheat crop of 806,000,000 bushels was $840,000,000. In 1931 the value of the crop of 892,000,000 bushels was $395,000,000, a shrinkage of $445,000,000.

In 1929 the value of the corn crop of 2,600,000,000 bushels was $2,048,000,000. In 1931 the value of the crop of 2,056,000,000 was $920,000,000, a shrinkage of $1,128,000,000.

In 1929 the value of the oat crop of 1,238,000,000 bushels was $538,000,000, whereas the 1931 crop of 1,112,000,000 bushels had a value of $256,000,000, a drop of more than $280,000,000.

In 1929 the value of the cotton crop of approximately 14,900,000 bales was $1,225,032,000. In 1931 the crop of 16,900,000 bales had a value of only $485,611,000, a decrease of more than $750,000,000.

During the harvest season of 1931 wheat sold at the farms in some instances at less than 25 cents per bushel. In October the price on the Chicago exchange dropped to 44⅝ cents, the lowest level in the history of the exchange and comparing with low levels of 50 cents in 1894 and 48⅜ cents in 1895.

This means, as you all know, that tens of thousands of farmers have been thrown into bankruptcy, their farms are being sold at sheriff's sales, and tenancy is increasing. The Census Bureau survey shows that in 1930, 42.4 per cent of all farms were operated by tenants, as compared with 38.1 per cent in 1920 and only about 25 per cent 50 years ago. It is estimated that this has now been increased to approximately 45 per cent.

From 1920 to 1930 the total value of farm lands and buildings in the United States fell from $66,316,002,602 to $47,879,838,358, a drop of $18,436,164,244, and it is estimated that the drop in the last two years will make the total value of farm lands and buildings to-day approximately $40,000,000,000.

With these staggering figures of farm conditions confronting us and with our business men throughout the country, many of whom are being forced into bankruptcy, others unable to continue to operate their business, with between seven and eight million laboring men idle, and approximately that many men working only 1, 2, or 3 days a week, as I stated in the beginning, if there was ever a time in the history of this country when we need inflation in our currency, it is now.

Mr. Speaker, ladies and gentlemen of the House, there is only one objection I have to this bill, and that is where it authorizes the Federal Reserve Board to put money into circulation. I wish there was a specific direction given to them to use the machinery set up by this bill for the purpose of seeing that at least $2,000,000,000 in money is put into circulation at once, for if that was done, business conditions throughout the country would improve immediately, men that are idle would again be employed, and it would make it possible for the farmers of our country to get a fair price for their products. This is what is needed and what we must have before prosperity can be restored.

Mr. LANKFORD of Georgia. Mr. Speaker, in voting for this bill to give the Federal Reserve Board more power I hope and feel that I may be doing the best thing, and yet I doubt it almost enough to lead me to cast a vote against the measure. It will enable the Federal Reserve Board, the big banks, and great monopolies to put more money in circulation if they will, but will they?

Even now without this new law they can put much more money into circulation, but they are refusing to do so, and by their centralization policy have destroyed thousands of small banks and enterprises, caused the loss of millions of deposits, brought about an awful unemployment situation, and precipitated the greatest depression of all time. I very much fear we are giving this board more power which it will use against the people rather than for them.

This bill is on the wrong principle, in that it brings about greater centralization of political and financial power and helps those who already have control of the money of the Nation, even to the destruction of the masses of the American people. I am afraid of the bill, and yet the situation at this time is so distressing that I shall whip myself into voting for it, hoping and praying that the great majority of Democrats and Republicans in this House who are supporting it are right and that it may in some way give some relief in this awful hour. If this bill only was worded so as to put all these millions of new money into actual circulation in the hands of the many, I would be enthusiastically for it. As it is, I am resolving every doubt in favor of my heartfelt hope that its operation will prove to be more beneficial than I anticipate, and shall vote for it.

I greatly fear, though, that it will only provide for a greater accumulation of money and power in the hands of those who are already a menace to our country and that we are unintentionally committing a great wrong rather than rendering a real service, as we so much hope.

Mr. PETTENGILL. Mr. Speaker, I shall vote for the Glass-Steagall bill. This bill and the Reconstruction Finance Corporation bill are both designed to provide credit. They are distinguished, however, as follows:

The Reconstruction Finance bill creates credit by plunging the country further into debt. The Glass-Steagall bill frees credit reserves that already exist. It has, therefore, one great virtue at least: It takes no money from the Treasury; it does not flood the market with more Federal securities; it does not give great wealth further opportunity to escape taxation through the issuance of tax-exempt bonds, and therefore, does not tend to increase the burden of taxes on real or personal property; and, finally, it does not ask the taxpayer to come to the relief of private business.

Whether this bill will be administered chiefly with an eye toward European affairs or for the improvement of domestic affairs I do not know. If it is to be used only to meet the threat of France to withdraw her gold deposits in this country, to throw us off the gold standard, and thus dictate to us her terms of debt settlements, then its benefits will be short lived. Even in that case I favor any necessary preparation to meet her threat and to tell her to take her gold. I do not want this country to be run by a foreign government. I again mention the fact that by the moratorium we suspended debts due us from France and secured no protection against our debtor raiding our gold. The moratorium threw away an offset against the raid.

If, however, the administration of this bill goes beyond the necessities created by our fatuous foreign policies, then the bill should be of very genuine service in freeing credit, preventing further bank failures, stopping the panic, restoring confidence, and starting commodity prices on the upgrade. It is evident that by the hoarding of money and the freezing of credit money has become too scarce, and therefore too dear, and commodities have become too cheap. Until and unless that process is reversed the depression will get worse.

So long as commodity prices are on the down grade no one will buy or employ beyond actual necessities. If, however, this bill does start commodity prices upward, and the country becomes convinced that it will not be able to buy so cheaply in the future, buying will start, orders will go to factories and farms, and employment will accelerate. I hope sincerely it will be so administered as to produce that result.

By passing this bill Congress will have pointed the way and provided the means by which existing credit facilities

may be used for the benefit of the entire country. If the Federal Reserve Board will now use the power given to them by this bill for the benefit of the entire country and all of its people, and not for the benefit of the few who have apparently largely controlled its policies in the past, we may see by the enactment of this legislation the turning point of the depression.

To the extent that this bill has recuperative power, it is unfortunate that the administration has delayed action until our situation has become truly desperate. We have waited until the patient was at the last gasp, and then jammed this bill through in three days' time. If the administration had had the courage to admit a year or more ago that the country was in a serious depression under Republican control, we could, in all likelihood, have saved hundreds if not thousands of banks in the West, millions of depositors, and thousands of farm and home foreclosures. It was only when the wave of bank failures finally reached the East that those in control of our financial fortunes took real steps to check the disaster. Until that time the situation had played into the hands of those who favor the concentration of credit in a few hands.

A real injustice has been done also to the wage earners of the country in delaying this action until they had patriotically accepted wage cuts. Now, if commodity prices rise, the wage earners who have taken these cuts will feel that they have been left holding the bag. If commodity prices now rise, wages must also be permitted to rise, in order that the wage earner may purchase the commodities.

If commodities and other values rise, debtors may save further foreclosures and tax sales and the loss of their equities. The credit of municipalities will improve, for on account of the tremendous bond issues all municipalities as well as private individuals and private corporations are debtors. Taxes are too high, the cost of government must be reduced, and yet it must be pointed out that in terms of wheat and corn and wages taxes and interest have doubled or tripled wholly independently of the action of tax-levying bodies or the holders of mortgages. Some people are already worried about inflation. Let us confine our worries for the present to deflation. After we have put an end to a devastating deflation, we can then check harmful inflation.

In conclusion, let me say that the principles contained in this bill are not new. As long ago as 1908 Senator Owen, of Oklahoma, advocated that in times of stringency provision be made for the issuance of emergency currency, based, in part, upon the obligations of the United States, which are good if anything in this country is good. We must somehow strengthen our banking system so as to prevent the undue expansion and contraction of credit. We must make it impossible for selfish interests to manipulate the credit of the Nation, to inflate and unload at the peak, to deflate and buy once more at the bottom. Between the upper and lower millstones of overinflation and overdeflation the life savings of home owners, of honest, frugal workers on farm and in factory are ground into dust.

While I am hopeful of benefits from this bill, nevertheless it is but one step in the rehabilitation of the country. The economies of machinery must be more widely distributed. Men must be able to buy what they or the machines make, or the machines themselves will get rusty for want of customers. Mass production means mass distribution, and mass distribution means purchasing power in the hands of the millions.

Everything has been deflated in this country except the cost of government. We must now deflate bureaucracy. Commissions, boards, bureaus have grown like hothouse plants during the past 10 years and, like vampires, grown fat on the blood of taxpayers; and we must not forget that the greatest mushroom of all is the Bureau of Commerce, so lately presided over by Herbert Hoover.

Mr. CROWE. Mr. Speaker, in my opinion the legislation just passed by the House to liberalize the credit of the Federal reserve system is a big move in the return of prosperity.

It was a pleasure and a privilege to support this measure, because it is the first real piece of legislation enacted during this Congress that is aimed at and can be expected to aid people in all walks of life. In other words, with a loosening of credit, with more money in circulation, it means the smaller and farming communities will have an opportunity to secure more money. The small banks through this loosening of credit have eligible paper, notes, and so forth, which are good but the indorsers unable to pay at this time, therefore called "frozen," can now use such paper for rediscounting purposes at the Federal reserve banks, thereby increasing their ready cash with which to help the several communities. This measure or some similar measure will no doubt become permanent legislation.

On account of the tremendous amount of bank withdrawals and hoarding, the currency in circulation dwindled to a point where this legislation was not only needed but it had to be written.

When the Wall Street debacle occurred in fall of 1929 and when the bottom dropped out, instead of the constant cry of "Business just around the corner," then or soon after honest legislation such as this should have been written. If other carefully prepared legislation, made with an idea and purpose to help the workingman, had been made, legislation honestly written to aid the farmer and small business man, we either would not have undergone this terrible panic, or at least it would not have become a devastating rout.

In spite of the approaching storm and distressed condition of the country, the expense of government continued to grow, more and more boards were created, more and more officeholders appointed, thousands of them unnecessary. The most skillful business man could under no circumstances live and operate a business under such a load and strain.

It is difficult for many to understand why some people can spend money freely and yet make or accumulate money while others spend money freely and go broke. The reason is, the one spends freely but gets value received, while others spend freely and get little in return.

We hear much to-day of the dole. I am opposed to a dole. I hope our country soon is able to get away from the doles which it has in almost every county in the United States in the form of county charities, and so forth. All of these are needed as emergency measures, but it is nothing more nor less than a dole in disguise. To her sorrow England had a government dole which, while vicious, was only a small part of England's financial troubles.

According to Nation's Business of December, 1931, England went off the gold standard for one main reason. In 25 years the nation got one-third of the national income from the public purse.

When Queen Victoria died public expenditures of Great Britain were 5 per cent of the national income. Mr. Gladstone's last budget was under one-half billion dollars, while the national income was $10,000,000,000, or 5 per cent. To-day the national income of Great Britain is estimated at $20,000,000,000, while the public expenditures, national and local, are not less than $7,500,000,000, or more than 30 per cent of the national income. That is the reason for England's going off the gold standard.

The Government of the United States is fast climbing with its Government expense and has reached a point where 1 out of each 11 men are in the employ of the Government, either in local, State, or national branches, and the numbers are mounting.

I am in favor of every bureau and department of this Government being fine-combed, and eliminate every possible bit of waste. The millions of dollars wasted in our Government would put thousands of our idle, scattered all over this country, at work if spent for necessary Government buildings and improvements.

By illustration, if a farmer needs additional help, he can afford to furnish board and keep an extra hand, because he will produce something to bring a return. But suppose the hired man came in as a "star" boarder and drew his pay, he would soon impoverish the farmer. Just so is it with government. It is time, and high time, to throw the "star" boarder out!

We have given our support generously during this Congress to the big-business interests of this country, which was imperative. I have joined in the needful emergency pieces of legislation and did so whole-heartedly. I am for my country first. But now with 30,000,000 farmer folks in red ink and thousands losing their farms and homes, I want to join hands and help pass legislation which will really aid the farmer.

With eight to ten million wage earners idle, they and their families totaling upwards to 30,000,000 more, with no finance, hundreds of thousands hungry, I want to see some legislation enacted to help them.

EMERGENCY OF FIRST MAGNITUDE

In a great crisis, as of war, our Government would issue bonds with which to buy the sinews of war.

To-day with millions idle, their children undernourished and impoverished, it is time our Government through its wise leaders laid down constructive measures, not to give a dole but to give work to the unemployed.

It is high time our great industrialists joined in the movement to help find employment for the millions of unemployed.

OVERPRODUCTION *v.* UNDERCONSUMPTION

By putting our unemployed to work their wages would as soon as received go to buy food and clothing and to pay their debts and taxes. It would soon begin to use up the vast overproduction supplies of grain and farm products.

Workers could save their homes, farmers could pay their taxes and the interest on their mortgages. The expenditure would make for increased prosperity, larger incomes among the masses. A great amount of the overproduction in America to-day is caused by underconsumption among the millions unemployed and by loss of purchasing power of the farmer.

The SPEAKER. The question is on the motion of the gentleman from Alabama to suspend the rules and pass the bill as amended.

Mr. STEAGALL. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

[Roll No. 19]

The question was taken; and there were—yeas 350, nays 15, answered "present" 1, not voting 65, as follows:

YEAS—350

Abernethy	Canfield	Dickinson	Granata
Adkins	Cannon	Dies	Granfield
Aldrich	Carden	Dieterich	Green
Allen	Carter, Calif.	Disney	Greenwood
Allgood	Carter, Wyo.	Dominick	Gregory
Almon	Cartwright	Doughton	Griswold
Andresen	Cary	Douglas, Ariz.	Guyer
Andrew, Mass.	Cavicchia	Douglass, Mass.	Hadley
Andrews, N. Y.	Celler	Doutrich	Haines
Arentz	Chapman	Dowell	Hall, Ill.
Arnold	Chase	Doxey	Hall, Miss.
Auf der Heide	Chavez	Drane	Hall, N. Dak.
Ayres	Chindblom	Drewry	Hancock, N. Y.
Bachmann	Chiperfield	Driver	Hancock, N. C.
Bacon	Christgau	Dyer	Hardy
Bankhead	Christopherson	Eaton, Colo.	Hare
Barbour	Clague	Eaton, N. J.	Harlan
Barton	Clancy	Englebright	Hart
Beam	Clark, N. C.	Erk	Hartley
Beedy	Clarke, N. Y.	Eslick	Hastings
Beers	Cochran, Mo.	Evans, Mont.	Haugen
Bland	Cole, Iowa	Fernandez	Hawley
Bloom	Cole, Md.	Fiesinger	Hess
Boehne	Collins	Finley	Hill, Ala.
Bohn	Colton	Fishburne	Hill, Wash.
Boileau	Condon	Fitzpatrick	Hoch
Boland	Connery	Flannagan	Hogg, Ind.
Bolton	Cooke	Foss	Hogg, W. Va.
Bowman	Cooper, Ohio	Frear	Holaday
Boylan	Cooper, Tenn.	French	Hollister
Brand, Ga.	Cox	Fulbright	Holmes
Brand, Ohio	Coyle	Fulmer	Hooper
Britten	Crail	Gambrill	Hope
Browning	Cross	Garber	Hopkins
Buchanan	Crosser	Gasque	Hornor
Buckbee	Crowe	Gavagan	Horr
Bulwinkle	Crowther	Gibson	Huddleston
Burch	Crump	Gifford	Hull, Morton D.
Burdick	Culkin	Gilbert	Hull, William E.
Burtness	Dallinger	Gilchrist	Jacobsen
Busby	Davenport	Gillen	Jeffers
Butler	Davis	Glover	Jenkins
Byrns	Delaney	Goldsborough	Johnson, Mo.
Campbell, Iowa	De Priest	Goodwin	Johnson, Okla.
Campbell, Pa.	DeRouen	Johnson, Tex.	Johnson, S. Dak.
Johnson, Wash.	Maas	Ramseyer	Swing
Jones	Major	Ramspeck	Taber
Karch	Maloney	Rankin	Tarver
Keller	Mansfield	Ransley	Taylor, Colo.
Kelly, Pa.	Mapes	Rayburn	Temple
Kendall	Martin, Mass.	Reed, N. Y.	Thatcher
Kerr	Martin, Oreg.	Reilly	Thomason
Ketcham	May	Rich	Thurston
Kinzer	Mead	Robinson	Tierney
Kleberg	Michener	Rogers, Mass.	Timberlake
Kniffin	Millard	Rogers, N. H.	Treadway
Knutson	Miller	Sabath	Tucker
Kopp	Milligan	Sanders, N. Y.	Turpin
Kurtz	Mitchell	Sandlin	Underhill
Kvale	Montague	Schafer	Underwood
Lambertson	Montet	Schuetz	Vestal
Lambeth	Moore, Ky.	Seiberling	Vinson, Ga.
Lamneck	Morehead	Selvig	Vinson, Ky.
Lanham	Mouser	Shallenberger	Warren
Lankford, Ga.	Murphy	Shott	Wason
Lankford, Va.	Nelson, Me.	Shreve	Weaver
Larrabee	Nelson, Wis.	Simmons	Weeks
Larsen	Nolan	Sinclair	Welch, Calif.
Leavitt	Norton, Nebr.	Sirovich	Welsh, Pa.
Lewis	Oliver, Ala.	Smith, Idaho	West
Lichtenwalner	Oliver, N. Y.	Smith, Va.	White
Linthicum	Overton	Smith, W. Va.	Whitley
Lonergan	Palmisano	Snell	Whittington
Loofbourow	Parker, Ga.	Snow	Wigglesworth
Lovette	Parker, N. Y.	Sparks	Williams, Mo.
Lozier	Parks	Spence	Williamson
Luce	Parsons	Stafford	Wilson
Ludlow	Partridge	Steagall	Wingo
McClintic, Okla.	Patterson	Stevenson	Wolcott
McClintock, Ohio	Person	Stewart	Wolfenden
McCormack	Pettengill	Stokes	Wood, Ga.
McGugin	Pittenger	Strong, Kans.	Wood, Ind.
McKeown	Polk	Summers, Wash.	Woodruff
McLaughlin	Prall	Sumners, Tex.	Woodrum
McLeod	Pratt, Ruth	Sutphin	Wright
McReynolds	Purnell	Swank	Wyant
McSwain	Ragon	Swanson	Yon
	Rainey	Swick	

NAYS—15

Amlie	LaGuardia	Romjue	Tinkham
Baldrige	McFadden	Sanders, Tex.	Williams, Tex.
Blanton	Patman	Schneider	Withrow
Howard	Peavey	Shannon	

ANSWERED "PRESENT"—1

Crisp

NOT VOTING—65

Bacharach	Evans, Calif.	Kennedy	Reid, Ill.
Beck	Fish	Lea	Rudd
Black	Free	Lehlbach	Seger
Briggs	Freeman	Lindsay	Somers, N. Y.
Brumm	Fuller	McDuffie	Stalker
Brunner	Garrett	McMillan	Strong, Pa.
Cable	Golder	Magrady	Sullivan, N. Y.
Carley	Goss	Manlove	Sullivan, Pa.
Cochran, Pa.	Griffin	Moore, Ohio	Sweeney
Collier	Houston	Nelson, Mo.	Taylor, Tenn.
Connolly	Igoe	Niedringhaus	Tilson
Corning	James	Norton, N. J.	Watson
Cullen	Johnson, Ill.	O'Connor	Wolverton
Curry	Kading	Owen	Yates
Darrow	Kahn	Perkins	
Dickstein	Kelly, Ill.	Pou	
Estep	Kemp	Pratt, Harcourt J.	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Crisp with Mr. Bacharach.
Mr. Pou with Mr. Darrow.
Mr. Lindsay with Mr. Golder.
Mrs. Owen with Mr. Pratt.
Mr. Nelson of Missouri with Mr. Connolly of Pennsylvania.
Mr. Corning with Mr. Wolverton.
Mr. Briggs with Mr. Evans of California.
Mr. Collier with Mr. Goss.
Mr. O'Connor with Mr. Lehlbach.
Mr. McDuffie with Mr. Manlove.
Mr. Kemp with Mr. Seger.
Mr. Brunner with Mr. Niedringhaus.
Mr. Garrett with Mr. Fish.
Mr. Kennedy with Mr. Curry.
Mr. McMillan with Mr. Reid of Illinois.
Mr. Sullivan of New York with Mr. Perkins.
Mr. Lea with Mr. Moore of Ohio.
Mr. Rudd with Mr. Tilson.
Mr. Kelly of Illinois with Mr. Sullivan of Pennsylvania.
Mr. Fuller with Mr. Free.
Mr. Somers of New York with Mr. Strong of Pennsylvania.
Mr. Griffin with Mr. Cable.
Mr. Sweeney with Mr. Cochran of Pennsylvania.
Mr. Igoe with Mr. Brumm.
Mr. Carley with Mr. Watson.
Mrs. Norton with Mr. Beck.
Mr. Black with Mr. Magrady.
Mr. Estep with Mr. Johnson of Illinois.
Mr. Houston with Mr. Yates.

Mr. DICKINSON. Mr. Speaker, the gentleman from Missouri, Mr. NELSON, who has asked for leave of absence on account of the serious illness of his mother, desires me to say that if present he would vote "aye."

Mr. CRISP. Mr. Speaker, did the gentleman from New Jersey, Mr. BACHARACH, vote?

The SPEAKER. He did not vote.

Mr. CRISP. Mr. Speaker, I will withdraw my vote and vote "present."

Mr. EATON of New Jersey. Mr. Speaker, my colleague, Mr. WOLVERTON, is detained by illness. If he were present he would vote "aye." My colleague, Mr. SEGER, is detained by important public business. If he were present, he would vote "aye."

The result of the vote was announced as above recorded.

REPORT OF THE DIRECTOR GENERAL OF RAILROADS FOR THE CALENDAR YEAR 1931 (H. DOC. NO. 248)

The SPEAKER laid before the House the following message from the President, which was read, and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Director General of Railroads for the calendar year 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *February 15, 1932.*

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. NELSON of Missouri on account of serious illness of his mother.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that I may be privileged to address the House for 20 minutes on Thursday morning next following the disposition of matters on the Speaker's desk.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that he may be permitted to address the House for 20 minutes on next Thursday after the disposition of business on the Speaker's desk. Is there objection?

Mr. RAINEY. Mr. Speaker, reserving the right to object, may I suggest to the gentleman that we have been objecting to these special orders right along. Perhaps the gentleman can get time from the gentleman from Alabama [Mr. OLIVER] on the next appropriation bill. I am sure the gentleman can get time to speak under general debate on that bill.

Mr. HOWARD. I would much like to speak Thursday morning.

Mr. RAINEY. I presume there is good reason for the gentleman's desire, and I would like to agree to it, but that has been against our rules.

Mr. HOWARD. The gentleman has his privilege and so have I.

Mr. RAINEY. The other day I had an agreement with the gentleman from New York [Mr. SNELL] that an agreement to permit the gentleman from Illinois [Mr. CHIPERFIELD] to address the House would not be considered as a precedent, and that that should not be followed by other speeches. I shall have to object unless the gentleman will agree to take time in general debate on an appropriation bill.

Mr. HOWARD. The gentleman may exercise his privilege.

Mr. RAINEY. Then I object.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I ask the majority leader about the program to-morrow. I suppose we will first have the vote on the constitutional amendment?

Mr. RAINEY. Yes; immediately after the reading of the Journal, and then the Department of the Interior appropriation bill.

Mr. SNELL. It is not the gentleman's intention to start a second appropriation bill to-morrow?

Mr. RAINEY. No. We may not finish the other bill.

ADJOURNMENT

Mr. STEAGALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p. m.) the House adjourned until to-morrow, Tuesday, February 16, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Tuesday, February 16, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON THE DISTRICT OF COLUMBIA—SUBCOMMITTEE ON INSURANCE AND BANKING

(10.30 a. m.)

A bill to further regulate banking, banks, trust companies and building and loan associations in the District of Columbia (H. R. 6402).

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

(10 a. m.)

Bills relating to the granting of authority to the Secretary of the Treasury to employ local State resident architects for the construction of Federal buildings (H. R. 5880, H. R. 6307, H. R. 5881, and H. R. 6187).

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

Relating to the contract-labor provisions of the immigration laws (H. R. 8877).

Bills relating to the suspension, restriction, additional restriction, or prohibition of immigration of aliens into the United States (H. R. 8331, H. J. Res. 216, H. R. 7, H. R. 55, H. R. 465, H. R. 1967, H. R. 4514, H. R. 4543, H. R. 4544, H. R. 4548, H. R. 4579, H. R. 4688, H. R. 6045, H. R. 6493, H. R. 7791, H. R. 8541, H. R. 8542, H. J. Res. 44, H. J. Res. 55, H. J. Res. 75, H. J. Res. 190, and H. J. Res. 201).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WILSON: Committee on Flood Control. H. R. 4668. A bill to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes," approved May 15, 1928; with amendment (Rept. No. 477). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES: Committee on Agriculture. H. J. Res. 292. Joint resolution to authorize the Secretary of Agriculture to aid in the establishment of agricultural-credit corporations, and for other purposes; without amendment (Rept. No. 478). Referred to the Committee of the Whole House on the state of the Union.

Mr. OLIVER of Alabama: Committee on Appropriations. H. R. 9349. A bill making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes; without amendment (Rept. No. 490). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. COYLE: Committee on Naval Affairs. H. R. 2284. A bill for the relief of Thomas T. Gessler; without amendment (Rept. No. 476). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1174. A bill for the relief of Mary A. Cox; without amendment (Rept. No. 479). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1778. A bill for the relief of John S. Shaw; without amendment (Rept. No. 480). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1861. A bill for the relief of Irene Lungo; without amendment (Rept. No. 481). Referred to the Committee of the Whole House.

Mr. BALDRIGE: Committee on Claims. H. R. 2478. A bill for the relief of Silas B. Lawrence; without amendment (Rept. No. 482). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2535. A bill for the relief of Ralph La Vern Walker; without amendment (Rept. No. 483). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3621. A bill for the relief of D. F. Phillips; without amendment (Rept. No. 484). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3628. A bill for the relief of Paul I. Morris and Beulah Fuller Morris; without amendment (Rept. No. 485). Referred to the Commitee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4227. A bill for the relief of T. Brooks Alford; without amendment (Rept. No. 486). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4421. A bill for the relief of the Southern Railway Co.; without amendment (Rept. No. 487). Referred to the Committee of the Whole House.

Mr. SWANK: Committee on Claims. S. 944. An act for the relief of the Lebanon Equity Exchange, of Lebanon, Nebr.; without amendment (Rept. No. 488). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. S. 1357. An act for the relief of Nancy H. Rouse, Clara H. Simmons, W. H. Hays, Hallie H. Hamilton, and Bradford P. Hays; without amendment (Rept. No. 489). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GREEN: A bill (H. R. 9343) to authorize the Secretary of Commerce to convey to the city of Fernandina, Fla., a portion of the Amelia Island Lighthouse Reservation; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTERSON: A bill (H. R. 9344) conferring the rights of the World War veterans' act, as amended, to the Student Army Training Corps, and for other purposes; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 9345) to amend section 200 of the World War veterans' act, as amended, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. FERNANDEZ: A bill (H. R. 9346) providing for the purchase of a site and the erection of a public building thereon in the city of New Orleans, La.; to the Committee on Public Buildings and Grounds.

By Mr. PATTERSON: A bill (H. R. 9347) to relieve veterans of the World War of interest being paid on money borrowed on their adjusted-service certificates, and for other purposes; to the Committee on Ways and Means.

By Mr. BURCH: A bill (H. R. 9348) to amend the act entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under supervision of the Treasury Department, and for other purposes," approved August 25, 1919, as amended by act of March 6, 1920; to the Committee on Public Buildings and Grounds.

By Mr. OLIVER of Alabama: A bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes; to the Committee on Appropriations.

By Mr. ARENTZ: A bill (H. R. 9350) to amend section 29 of the Federal farm loan act; to the committee on Banking and Currency.

By Mr. ADKINS: Resolution (H. Res. 145) authorizing the printing of the Lincoln Day address delivered by Mr. CHIPERFIELD; to the Committee on Printing.

By Mr. CELLER: Joint resolution (H. J. Res. 289) providing for the encouragement of United States citizens in participation in the Levant Fair, to be held at Tel-Aviv, Palestine, April 7–30, 1932; to the Committee on Foreign Affairs.

By Mr. MEAD: Joint resolution (H. J. Res. 290) to provide for the preparation, printing, and distribution of pamphlets containing the history of Brig. Gen. Casimir Pulaski, Revolutionary War hero, on occasion of the hundred and fiftieth anniversary of the death of Brig. Gen. Casimir Pulaski on October 11, 1929, with certain biographical sketches and explanatory matter; to the Committee on Printing.

By Mr. AMLIE: Joint resolution (H. J. Res. 291) authorizing the issuance of a special stamp in honor of Brother Joseph Dutton; to the Committee on the Post Office and Post Roads.

By Mr. JONES: Joint resolution (H. J. Res. 292) to authorize the Secretary of Agriculture to aid in the establishment of agricultural-credit corporations, and for other purposes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY: A bill (H. R. 9351) granting a pension to Charles H. Keller; to the Committee on Pensions.

Also, a bill (H. R. 9352) for the relief of L. R. McDaniel; to the Committee on Claims.

Also, a bill (H. R. 9353) granting a pension to Hattie Simpson; to the Committee on Pensions.

By Mr. BEERS: A bill (H. R. 9354) granting a pension to William W. Charlton; to the Committee on Invalid Pensions.

By Mr. BLOOM: A bill (H. R. 9355) for the relief of David Schwartz; to the Committee on Naval Affairs.

Also, a bill (H. R. 9356) for the relief of Alexander Gilchrist, jr.; to the Committee on the Civil Service.

By Mr. BOLTON: A bill (H. R. 9357) for the relief of certain former members of the crews of the revenue cutters *Algonquin* and *Onondaga*; to the Committee on Naval Affairs.

By Mr. CARDEN: A bill (H. R. 9358) granting a pension to Louisa F. Mansfield; to the Committee on Invalid Pensions.

By Mr. CHAPMAN: A bill (H. R. 9359) granting a pension to Robert L. Holbrook; to the Committee on Pensions.

By Mr. CHIPERFIELD: A bill (H. R. 9360) granting an increase of pension to Nannie McClellan Chase; to the Committee on Pensions.

By Mr. CROSS: A bill (H. R. 9361) granting a pension to J. A. Ross; to the Committee on Pensions.

Also, a bill (H. R. 9362) granting a pension to Edward Wright; to the Committee on Pensions.

Also, a bill (H. R. 9363) granting a pension to Lucy Mahala Tuggle; to the Committee on Pensions.

By Mr. CULKIN: A bill (H. R. 9364) granting an increase of pension to Cornelia A. Otis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9365) granting an increase of pension to Margaret J. Merrill; to the Committee on Invalid Pensions.

By Mr. GUYER: A bill (H. R. 9366) for the relief of Frank Conlin; to the Committee on Claims.

By Mr. HARLAN: A bill (H. R. 9367) granting an increase of pension to Frank V. Griffith; to the Committee on Pensions.

By Mr. HOWARD: A bill (H. R. 9368) for the relief of the First National Bank of Walthill, Thurston County, State of Nebraska; to the Committee on Claims.

By Mr. LEAVITT: A bill (H. R. 9369) to set aside certain lands around the abandoned Bowdoin Well, Montana, for recreational purposes under a permit to Phillips County Post, No. 57, of the American Legion, Department of Montana; to the Committee on the Public Lands.

By Mr. LONERGAN: A bill (H. R. 9370) granting a pension to Hattie E. Clapp; to the Committee on Invalid Pensions.

By Mr. McCLINTOCK of Ohio: A bill (H. R. 9371) granting a pension to Mary G. Ferguson; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 9372) granting an increase of pension to Mary McCoy; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 9373) granting an increase of pension to Sarah J. Hamlin; to the Committee on Invalid Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 9374) granting a pension to Emma Hartson; to the Committee on Pensions.

By Mr. REID of Illinois: A bill (H. R. 9375) granting an increase of pension to Betty J. Sale; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9376) for the relief of Mrs. A. Willard; to the Committee on Claims.

By Mr. ROMJUE: A bill (H. R. 9377) granting a pension to Martha Ann Finney; to the Committee on Invalid Pensions.

By Mr. SELVIG: A bill (H. R. 9378) for the relief of G. G. Laugen; to the Committee on Claims.

By Mr. SWICK: A bill (H. R. 9379) granting an increase of pension to Rebecca C. Cochran; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9380) for the relief of John M. McNulty; to the Committee on Naval Affairs.

Also, a bill (H. R. 9381) for the relief of John Micklos; to the Committee on Military Affairs.

By Mr. THURSTON: A bill (H. R. 9382) granting an increase of pension to Lillie A. Athey; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 9383) granting an increase of pension to John G. Heck; to the Committee on Pensions.

Also, a bill (H. R. 9384) granting an increase of pension to Sarah Conrad; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1987. By Mr. AYRES: Petition of Federated Club, Oxford, Kans., opposing any modification or repeal of the prohibition law; to the Committee on the Judiciary.

1988. By Mr. BACON: Petition of sundry citizens of Greenport, N. Y., favoring maintenance of prohibition law and opposing resubmission or repeal of eighteenth amendment; to the Committee on the Judiciary.

1989. Also, petition of sundry citizens of Manhasset, N. Y., urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

1990. Also, petition of residents of Wainscott, N. Y., opposing any measure looking toward the modification of the prohibition law or of the resubmission or repeal of the eighteenth amendment; to the Committee on the Judiciary.

1991. By Mr. BARBOUR: Petition of residents of the seventh congressional district of California, opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

1992. By Mr. BEERS: Petition from citizens of Franklin, Snyder, Union, Huntingdon, Fulton, and Mifflin Counties, in Pennsylvania, protesting against modification or resubmission to the States for repeal of the national prohibition law; to the Committee on the Judiciary.

1993. By Mr. BURCH: Petition of C. B. Clements and 58 citizens of Danville, Va., pledging their support of the prohibition law and its enforcement, and protesting against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

1994. By Mr. CHASE: Petition of J. F. Comely and others, urging increased pension rates for Civil War survivors and Civil War widows; to the Committee on Invalid Pensions.

1995. By Mr. CHAVEZ: Petitions of sundry citizens of Roswell, N. Mex.; the regional conference of the Woman's Christian Temperance Union of New Mexico; members of the First Baptist Church of Tucumcari, N. Mex.; the Lower Messilla Valley Woman's Christian Temperance Union; Frances Willard Woman's Temperance Union, of Albuquerque, N. Mex.; and the Belen (N. Mex.) Woman's Christian Temperance Union, protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

1996. By Mr. CLARKE of New York: Petition of residents of Schenevus, Westford, and Worcester, N. Y., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

1997. Also, petition of 27 members of the Laurens Woman's Christian Temperance Union, opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

1998. Also, petition of 32 members of the Sherburne Woman's Christian Temperance Union, opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

1999. By Mr. CRAIL: Petition of Capt. C. D. Bevané, protesting against the employment of other nationals in American Embassies and legations abroad; to the Committee on Foreign Affairs.

2000. By Mr. CROSS: Petition of Woman's Christian Temperance Union of Waco, Tex., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2001. By Mr. CULKIN: Petition of Jennie C. de Clercq and 248 other citizens of Cazenovia, N. Y., and vicinity, protesting against any measure looking toward the repeal or modification of the eighteenth amendment or the prohibition law, and in favor of all measures in support of same and their enforcement; to the Committee on the Judiciary.

2002. Also, petition of Ida F. Viergiver and 14 other citizens of Hannibal, N. Y., urging a general reduction in all military expenditures; to the Committee on Military Affairs.

2003. By Mr. DAVENPORT: Petition of 114 voters of Oneida County, N. Y., favoring the maintenance of the prohibition law and its enforcement, and opposing any measure looking toward its modification, resubmission, or repeal; to the Committee on the Judiciary.

2004. Also, petition of the Woman's Christian Temperance Union of Clinton, N. Y., opposing the resubmission of the eighteenth amendment and favoring its better enforcement; to the Committee on the Judiciary.

2005. By Mr. FULBRIGHT: Petition of employees of Frisco Co., favoring railroad employees' national pension plan; to the Committee on Labor.

2006. Also, memorial of Riverdale Woman's Christian Temperance Union, Ozark, Mo., opposing submission or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2007. Also, petition of Frisco employees, Willow Springs, Mo., favoring railroad employees' national pension plan; to the Committee on Labor.

2008. Also, petition of employees on Frisco lines in Missouri, asking support of railroad employees' national pension plan; to the Committee on Labor.

2009. By Mr. KELLER: Petition of Group No. 1745 of the Polish National Alliance of the United States of North America, of Royalton, Ill., urging the enactment of House Joint Resolution 144, directing the President of the United States to proclaim October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

2010. By Mr. KVALE: Petition of Yellow Farmers' Union of Lac qui Parle County, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2011. Also, petition of Yellow Farmers Union of Lac qui Parle County, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2012. By Mr. LINTHICUM: Petition of Edmund J. McNeil, McNeil Ornamental Iron & Construction Co., urging passage of House bill 4680; to the Committee on Expenditures in the Executive Departments.

2013. Also, petition of the Maryland Steel Products Co., Baltimore, Md., urging passage of House bill 4680; to the Committee on Expenditures in the Executive Departments.

2014. Also, petition of Walbrook and Harford Theater, Baltimore, Md., protesting against proposed admission tax on motion-picture theater owners; to the Committee on Ways and Means.

2015. Also, petition of Alice Graham Bowdoin, Baltimore, Md., urging passage of bill for the preservation of wild life; to the Committee on Agriculture.

2016. Also, petition of the Emerson Hotel, Baltimore, Md., opposing proposed tax of one-half cent per kilowatt-hour on electric current; to the Committee on Ways and Means.

2017. Also, petition of legislative committee National Rehabilitation Association, urging passage of House bill 4743; to the Committee on Education.

2018. Also, petition of Maryland State Council, Catholic Benevolent Legion, urging passage of bill creating a department of education; to the Committee on Education.

2019. Also, petition of the M. A. Long Co., Baltimore, Md., urging passage of House bill 6187; to the Committee on Expenditures in the Executive Departments.

2020. Also, petition of Real Estate Board of Baltimore, opposing proposed provision in Federal revenue bill for stamp tax on real-estate transfers; to the Committee on Appropriations.

2021. Also, petition of Hilgartner Marble Co., Baltimore, Md., urging passage of Senate bills 2626, 2627, and 2628; to the Committee on Ways and Means.

2022. Also, petition of Mrs. Thomas Mahool, of Baltimore, Md., urging passage of House bill 8230; to the Committee on Naval Affairs.

2023. Also petition of Edgar S. Horner, of Baltimore, Md., opposing proposed reduction in Government employees' salaries; to the Committee on Ways and Means.

2024. Also, petition of Reginald B. Walker and F. A. Gantert, Fidelity & Guaranty Fire Corporation, both of Baltimore, Md., urging a tariff on petroleum; to the Committee on Ways and Means.

2025. Also, petition of William R. Noyes, of Baltimore, Md., and David W. Rogers, of Hampton, Va., urging passage of House bill 1; to the Committee on World War Veterans' Legislation.

2026. Also, petition of Maud D. Foley, Thomas D. Dawson, and Samuel R. Hetzer, of Baltimore, Md., opposing reduction in Army and Navy appropriations; to the Committee on Appropriations.

2027. Also, petition of L. M. Rawlins, jr., airport manager, Logan Field; Thomas B. Aycock, M. D., the Alumni Association; Capt. George Cobb, Twenty-ninth Division Aviation, Maryland National Guard; and the M. A. Long Co., all of Baltimore, Md., protesting any reduction in appropriations for National Guard; to the Committee on Appropriations.

2028. Also, petition of Jenks B. Jenkins and Robert E. Hampson, of Baltimore, Md., protesting any reduction in appropriations for National Guard; to the Committee on Appropriations.

2029. Also, petition of Perley W. Clark, of Baltimore, and F. W. Schneider, of Ellicott City, Md., protesting manufacture of brushes at Leavenworth Penitentiary; to the Committee on Labor.

2030. Also, petition of Edwin H. Brownley, American Oil Co.; J. O. Jamison, branch manager, C. I. T. Corporation; and Louis Binder, Esq., all of Baltimore, Md., protesting against taxation on automobiles, parts, etc.; to the Committee on Ways and Means.

2031. Also, petition of Bertie D. Sturgeon, Mary K. Campbell, Florence M. Fishpaw, Marie C. Connolly, Mary M. Bentz, Lena C. Munoz, Nellie Stahl, and Ruth A. Chalk, of Baltimore, and Mary M. Miller, of Tacoma Park, Md., urging passage of House bill 7230; to the Committee on World War Veterans' Legislation.

2032. Also, petition of Elisabeth Gilman, Celeste Webb, and Mary W. Williams, of Baltimore, Md., urging abolishment of citizens' military training camps, and petition of Thomas J. Perkins and Frederick W. Brueckmann, of Catonsville, and Dr. Hugh Y. Young, of Baltimore, all of the State of Maryland, urging defeat of bill abolishing citizens' military training camps; to the Committee on Appropriations.

2033. Also, petition of C. Arthur Eby, Esq., Uncle Sam Loan & Savings Co., Real Estate Board of Baltimore, and U. Elmer Martin, Esq., all of Baltimore, Md., urging passage of the home loan discount bank bill; to the Committee on Banking and Currency.

2034. By Mr. LINDSAY: Petition of Ohio Chamber of Commerce, Columbus, Ohio, opposing all proposals now before Congress for appropriating Federal funds for local emergency relief; to the Committee on Appropriations.

2035. Also, petition of National Association of Finance Companies of Chicago, favoring the passage of the Steagall-Glass bill with certain amendments; to the Committee on Banking and Currency.

2036. Also, petition of Ignatius K. Werwinski, former chairman of United States Sesquicentennial Commission, South Bend, Ind., favoring the passage of House Joint Resolution 192, directing the President of the United States to proclaim October 11 of each year as General Pulaski memorial day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2037. Also, petition of American Civic Association (Inc.), Washington, D. C., favoring the passage of House bill 5063 and Senate bill 475, to establish the Everglades national park in Florida; to the Committee on the Public Lands.

2038. By Mr. MILLARD: Petition of citizens of Tarrytown and North Tarrytown, N. Y., urging the continuance of the citizens' military training camps; to the Committee on Appropriations.

2039. Also, resolution unanimously adopted by New Rochelle (N. Y.) Post, No. 8, of the American Legion, urging, in the interest of our national defense, the continued support and maintenance of the existing Regular Army, the National Guard, the Officers' Reserve Corps Training Corps, and the citizens' military training camps; to the Committee on Appropriations.

2040. By Mr. MURPHY: Petition of P. W. Barger, of Lisbon, Ohio, and four other citizens, asking for the passage of House Joint Resolution 55 and King bill, S. 7, to restrict immigration; to the Committee on Immigration and Naturalization.

2041. Also, petition of Brooklyn Ross, of 4811 Jefferson Street, Bellaire, Ohio, and 17 other residents of that city, asking that House Joint Resolution 55, further restricting immigration, be enacted; to the Committee on Immigration and Naturalization.

2042. By Mr. REID of Illinois: Resolution adopted by the Francis Willard Union, Woman's Christian Temperance Union, of Joliet, Ill., February 13, 1932, representing 175 people, protesting against the resubmission of the eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

2043. By Mr. RICH: Petition of official board, Methodist Episcopal Church, Mill Hall, Pa., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2044. By Mr. ROBINSON: Petition adopted by the Methodist Episcopal and Baptist Churches, representing more than 400 people of Shell Rock, Iowa, and signed by the pastor of the Baptist Church, Rev. E. L. True; opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging that Congress vote against such a resolution and vote for adequate appropriations for law enforcement and for education in law enforcement; to the Committee on the Judiciary.

2045. By Mr. RUDD: Petition of Ohio Chamber of Commerce, opposing all proposals now before Congress for appropriating Federal funds for local emergency relief; to the Committee on Appropriations.

2046. Also, petition of Reliance Bronze & Steel Corporation, Brooklyn, N. Y., favoring the passage of House bill 4680; to the Committee on Expenditures in the Executive Departments.

2047. Also, petition of National Federation of Post Office Clerks Substitutes Publicity Committee, Local 251, Brooklyn, N. Y., favoring the passage of House bills 5110, 4719, 5114,

5323, and 6183; to the Committee on the Post Office and Post Roads.

2048. Also, petition of Ignatius K. Werwinski, former chairman of the United States Pulaski Sesquicentennial Commission, South Bend, Ind., favoring House Joint Resolution 192 directing the President to proclaim October 11 of each year as General Pulaski memorial day; to the Committee on the Judiciary.

2049. Also, petition of National Association of Finance Companies, Chicago, Ill., favoring the Steagall-Glass bill with certain amendments; to the Committee on Banking and Currency.

2050. Also, petition of Agnes Stewart, 52 Livingston Street, and 10 other citizens of Brooklyn, N. Y., favoring the passage of House bill 7926; to the Committee on Labor.

2051. Also, petition of American Civic Association (Inc.) headquarters, Washington, D. C., favoring the passage of House bill 5063 and Senate bill 475, for the establishment of the Everglades national park in Florida; to the Committee on the Public Lands.

2052. By Mr. SANDERS of New York: Petition of Methodist Episcopal Sunday school and also Baptist Sunday school adult department, of Perry, N. Y., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2053. By Mr. SHOTT: Petition of McDowell County Post, No. 8 (Inc.), the American Legion, Welch, W. Va., urging legislation to pay the World War adjusted-service certificates in full without deduction of any interest due on loans already made on such certificates; to the Committee on Ways and Means.

2054. By Mr. SINCLAIR: Petition of F. E. Logee and others, of Bismarck, N. Dak., and vicinity, opposing any measure looking to the resubmission, modification, or repeal of the prohibition law; to the Committee on the Judiciary.

2055. By Mr. SMITH of West Virginia: Resolution of the McDowell County Post, No. 8 (Inc.), the American Legion, Welch, W. Va., favoring the full payment of the adjusted-service certificates; to the Committee on Ways and Means.

2056. Also, petition of Laddie Benson and other citizens, of Raleigh County, W. Va., favoring the immediate cash payment of soldiers' adjusted-service certificates; to the Committee on Ways and Means.

2057. By Mr. SUTPHIN: Petition of Gen. John A. Mather Camp, No. 39, Department of New Jersey, United Spanish War Veterans, asking support of House bill 7230; to the Committee on Pensions.

2058. By Mr. SWING: Petition signed by 90 citizens of Colton, Calif., opposing any compulsory Sunday observance bill; to the Committee on the District of Columbia.

2059. By Mr. WEAVER: Petition of Masons and other citizens of Asheville, N. C., protesting against the enactment of any Sunday observance law; to the Committee on the District of Columbia.

2060. By Mr. WEST: Petition of 50 citizens of Licking County, Ohio, protesting against the burden of present and proposed Federal taxation, and for the purpose of recording their firm conviction that the cost of maintaining the Federal Government must and shall be drastically reduced; to the Committee on Ways and Means.

SENATE

TUESDAY, FEBRUARY 16, 1932

(Legislative day of Friday, February 5, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Barkley	Bratton	Byrnes
Austin	Bingham	Brookhart	Capper
Bailey	Black	Broussard	Caraway
Bankhead	Blaine	Bulkley	Carey
Barbour	Borah	Bulow	Connally
Coolidge	Harrison	McKellar	Smoot
Copeland	Hastings	McNary	Steiwer
Costigan	Hatfield	Morrison	Stephens
Couzens	Hawes	Neely	Thomas, Idaho
Cutting	Hayden	Norbeck	Thomas, Okla.
Dale	Hebert	Norris	Townsend
Davis	Hull	Nye	Trammell
Dickinson	Johnson	Oddie	Tydings
Dill	Jones	Patterson	Vandenberg
Fess	Kean	Pittman	Wagner
Fletcher	Kendrick	Reed	Walcott
Frazier	Keyes	Robinson, Ark.	Walsh, Mass.
George	King	Robinson, Ind.	Walsh, Mont.
Glass	La Follette	Schall	Watson
Goldsborough	Lewis	Sheppard	Wheeler
Gore	Logan	Shipstead	White
Hale	McGill	Smith	

Mr. FESS. I desire to announce that the junior Senator from California [Mr. SHORTRIDGE] is still detained from the Senate by illness; and that the senior Senator from Illinois [Mr. GLENN] is necessarily absent from the Senate to-day because of illness. I ask that this announcement as to both Senators may stand for the day.

Mr. GEORGE. I wish to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is absent because of illness. This announcement may stand for the day.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of Juliette Arden, of New York City, N. Y., relative to a claim in connection with patents for the Arden car elevator, which, with the accompanying copy of a telegram addressed to Hon. WILLIAM E. BORAH, and related papers, was referred to the Committee on Foreign Relations.

Mr. WALSH of Massachusetts presented a petition of sundry citizens of Wellesley Hills, Mass., praying for the passage of the joint resolution (S. J. Res. 89) to prohibit the exportation of arms or munitions of war from the United States to the countries of China and Japan, which was referred to the Committee on Foreign Relations.

Mr. WHEELER presented petitions of sundry citizens of Coffee Creek and Valley County, Mont., praying for the passage of legislation providing for the remonetization of silver, which were referred to the Committee on Finance.

Mr. BLAINE presented petitions of sundry citizens of Canton, S. Dak., praying for the issuance of $3,000,000,000 of full legal-tender currency, increase of the tax on large incomes and inheritances, payment of the national debt, a tax on foreign loans and investments, adoption of a debenture plan, relief for drought-stricken farmers and for unemployment, and for the passage of legislation to end the economic depression and bring about fair and just distribution of the products of labor, which were referred to the Committee on Finance.

He also presented resolutions adopted by Group No. 424 of the Polish National Alliance, of Stevens Point; Group No. 457 of the Polish National Alliance, of Milwaukee; and Group No. 994 of the Polish National Alliance, of West Allis, all in the State of Wisconsin, favoring the passage of legislation requesting the President to proclaim October 11 of each year as General Pulaski Memorial Day, which were referred to the Committee on the Library.

He also presented the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Finance:

STATE OF WISCONSIN.

Joint resolution relating to the protection of American producers of pulpwood against unfair competition resulting from the depreciation of foreign currencies

Whereas it has come to the attention of the Wisconsin Legislature that foreign pulp is now being shipped into the port of New York, duty free, and is being sold for much less than the amount it costs American manufacturers to produce this product, even at the present low price of pulpwood and mill wages; and

Whereas it is apparent that importers of this product are being given an unfair advantage over American manufacturers in view of the fact that they are paying for the product in depreciated foreign currencies and selling it for American gold dollars; and

Whereas this competition results in hardship not only upon the American manufacturers of pulp but also upon all large and small producers of pulpwood and all other persons engaged directly or indirectly in this industry: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature, in special session assembled, respectfully memorializes the Congress of the United States to enact remedial legislation to protect domestic producers against this unfair competition, due to depreciated foreign currencies, and so give employment to large numbers of American citizens in the manufacture of pulp; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to all Wisconsin Members thereof.

HENRY A. HUBER,
President of the Senate.
W. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. VANDENBERG presented a memorial, numerously signed by sundry citizens of Lansing, Mich., remonstrating against the proposed resubmission of the eighteenth amendment of the Constitution to State conventions or legislatures, and also favoring the making of adequate appropriations for the enforcement of the prohibition law, which was referred to the Committee on the Judiciary.

Mr. KING presented a resolution adopted by the Emery (Utah) Stock Raisers' Association, favoring the elimination of 50 per cent of the grazing fees charged in the national forests, which was referred to the Committee on Agriculture and Forestry.

He also presented a telegram from A. J. Schultz, principal of the Schultz Navigation School, of New York City, N. Y., favoring the passage of Senate bill 7, providing for the deportation of certain alien seamen, which was referred to the Committee on Immigration.

Mr. BARBOUR presented a petition of sundry citizens of Alloway, N. J., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the executive committee of the New Jersey Department of the American Legion, favoring the prompt establishment of a veterans' committee of the Senate, which was referred to the Committee on Rules.

He also presented resolutions adopted by Captain Harry B. Doremus Post, No. 55, the American Legion, Department of New Jersey, favoring the full and prompt payment of soldiers' adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

He also presented a resolution adopted by the Atlantic City (N. J.) Chamber of Commerce, protesting against the passage of House bill 6662, to amend the tariff act of 1930, and for other purposes, which was referred to the Committee on Finance.

He also presented resolutions adopted by the board of directors of the Atlantic City (N. J.) Chamber of Commerce, favoring the making of substantial decreases in Federal expenditures, which were referred to the Committee on Appropriations.

He also presented petitions of sundry citizens of New Jersey, praying for the passage of the so-called Costigan-La Follette unemployment relief bill, which were ordered to lie on the table.

He also presented a resolution adopted by the State Highway Commission of New Jersey, favoring the making of an appropriation of $125,000,000, for Federal aid to States in road construction so as to help relieve the unemployment situation, which was referred to the Committee on Post Offices and Post Roads.

He also presented the petition of members of the Bayonne (N. J.) Group of the Women's International League for Peace and Freedom, praying for a substantial reduction in armaments, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the New Jersey State Bar Association, favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of Short Hills, N. J., praying that the United States be not involved in war in the Far East, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented petitions numerously signed by sundry citizens of Esbon, Lost Springs, Manhattan, Tonganoxie, and Wakefield, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Methodist Church of Rolla; the Ladies' Aid Society of the Baptist Church of Wamego; the Sunday school and church of Andover; the Ladies' Association of the Congregational Church and the Ladies' Aid Society of the Methodist Church, both of Tonganoxie; the official board of the Methodist Church of Geneseo; the Woman's Missionary Union of the Methodist Episcopal Church, the Ladies' Aid Society of the Methodist Episcopal Church, the Women's Council of the Congregational Church, and the Farm Bureau, all of Wakefield; and the Woman's Christian Temperance Unions of Manhattan and Tonganoxie, all in the State of Kansas, protesting against the resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which were referred to the Committee on the Judiciary.

Mr. COPELAND presented a resolution adopted by the board of directors of the Manufacturers' Association of Syracuse, N. Y., protesting against any increase in first-class postage rates, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of the State of New York, praying for the passage of legislation providing Federal aid to States which have enacted old-age pension laws, which was referred to the Committee on Pensions.

He also presented two petitions of sundry citizens of Brooklyn, N. Y., praying for the passage of Senate bill 2146, to prohibit vivisection of dogs in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented a resolution adopted by Ray Jackson Council, No. 24, Sons and Daughters of Liberty, of New York City, N. Y., praying for the passage of House bill 1967, to provide for the exclusion and expulsion of alien communists, which was referred to the Committee on Immigration.

He also presented petitions of Private Bud H. Allen Post, No. 1436, Veterans of Foreign Wars of the United States, of Brooklyn, N. Y., and sundry citizens of the State of New York, praying for the passage of legislation providing for the payment of World War veterans' adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

He also presented resolutions adopted by the board of directors of the West Side Association of Commerce (Inc.), of New York City, N. Y., and of the Binghamton (N. Y.) Exchange Club, favoring a reduction in Federal salaries and expenditures, which were referred to the Committee on Appropriations.

He also presented a petition of sundry citizens of Syracuse, N. Y., praying for a reduction in Federal salaries and expenditures, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by John A. Boechat Post, No. 295, the American Legion, of Buffalo, N. Y., protesting against any reduction in the salaries of Federal employees, which was referred to the Committee on Appropriations.

He also presented resolutions adopted by New Rochelle Post, No. 8, the American Legion, of New Rochelle, and Rochester Post, No. 1457, Department of New York, Veterans of Foreign Wars of the United States, of Rochester, N. Y., protesting against any reduction in appropriations for the Regular Army and its civilian organizations or other military activities pertaining to the national defense, which were referred to the Committee on Appropriations.

He also presented memorials of sundry citizens of Auburn and Tarrytown, N. Y., remonstrating against any reduction

in the appropriations for the Regular Army and its civilian organizations or other military activities pertaining to the national defense, which were referred to the Committee on Appropriations.

He also presented a resolution adopted by the Brooklyn Women's Constitutional Hoover-Curtis Committee (Inc.), of Brooklyn, N. Y., praying for the adoption of an amendment to the Constitution granting equal rights to men and women, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the advisory council of the Women's Organization for National Prohibition Reform, of New York City, N. Y., favoring the restoration to the State of New York of the right to control the manufacture and sale of alcoholic beverages within its own borders, which was referred to the Committee on the Judiciary.

He also presented numerous memorials from citizens and organizations in the State of New York, remonstrating against a proposed referendum on the national prohibition amendment of the Constitution and favoring the making of adequate appropriations for the maintenance of the prohibition enforcement act, which were referred to the Committee on the Judiciary.

He also presented a resolution adopted by the United Mine Workers of America, at Indianapolis, Ind., favoring the passage of the so-called La Follette-Costigan emergency public works bill, which was ordered to lie on the table.

OPINION OF SUPREME COURT—RECALCITRANT WITNESSES IN OIL INVESTIGATION

Mr. WALSH of Montana. Mr. President, it will be recalled that certain witnesses, much desired in the litigation growing out of the leasing of the naval oil reserves, found it convenient to go over to France, where they escaped the service of a subpœna. That induced the Congress of the United States to enact a law providing for the service of subpœnas upon such witnesses in a foreign country and for proceedings against them in contempt in case they should refuse to obey the subpœna.

Mr. Blackmer, one of the witnesses, did disobey the subpœna and was fined twice in the amount of $30,000. Judgment of the contempt proceedings was affirmed by the District Court of Appeals. An appeal was taken to the Supreme Court of the United States, which on yesterday, by a unanimous court, affirmed the decision of the court below in an opinion written by the Chief Justice, which I ask may be incorporated in the RECORD and referred to the Committee on the Judiciary.

There being no objection, the opinion was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES

NOS. 200 AND 201—OCTOBER TERM, 1931

200. Harry M. Blackmer, petitioner, *v.* The United States of America. 201. Harry M. Blackmer, petitioner, *v.* The United States of America. On writs of certiorari to the Court of Appeals of the District of Columbia.

Mr. Chief Justice Hughes delivered the opinion of the court.

The petitioner, Harry M. Blackmer, a citizen of the United States, resident in Paris, France, was adjudged guilty of contempt of the Supreme Court of the District of Columbia for failure to respond to subpœnas served upon him in France and requiring him to appear as a witness on behalf of the United States at a criminal trial in that court. Two subpœnas were issued, for appearances at different times, and there was a separate proceeding with respect to each. The two cases were heard together, and a fine of $30,000, with costs, was imposed in each case, to be satisfied out of the property of the petitioner which had been seized by order of the court. The decrees were affirmed by the Court of Appeals of the District (49 F. (2d) 523) and this court granted writs of certiorari.

The subpœnas were issued and served, and the proceedings to punish for contempt were taken, under the provisions of the act of July 3, 1926, chapter 762, 44 Statutes 835, United States Code, title 28, sections 711–718.[1]

The statute provides that whenever the attendance at the trial of a criminal action of a witness abroad, who is "a citizen of the United States or domiciled therein," is desired by the Attorney General, or any assistant or district attorney acting under him, the judge of the court in which the action is pending may order a subpœna to issue, to be addressed to a consul of the United States and to be served by him personally upon the witness with a tender of traveling expenses. (Secs. 2, 3.) Upon proof of such service and of the failure of the witness to appear, the court may make an order requiring the witness to show cause why he should not be punished for contempt, and upon the issue of such an order the court may direct that property belonging to the witness and within the United States may be seized and held to satisfy any judgment which may be rendered against him in the proceeding. (Secs. 4, 5.) Provision is made for personal service of the order upon the witness and also for its publication in a newspaper of general circulation in the district where the court is sitting. (Sec. 6.) If, upon the hearing, the charge is sustained, the court may adjudge the witness guilty of contempt and impose upon him a fine not exceeding $100,000, to be satisfied by a sale of the property seized. (Sec. 7.) This statute and the proceedings against the petitioner are assailed as being repugnant to the Constitution of the United States.

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[1] The act is as follows:

"*Be it enacted, etc.*, That whenever letters rogatory shall issue out of any court of the United States, either with or without interrogatories addressed to any court of any foreign country, to take the testimony of any witness, being a citizen of the United States or domiciled therein, and such witness, having been personally notified by it according to the practice of such court, to appear and testify pursuant to such letters rogatory, and such witness shall neglect to appear, or having appeared shall decline, refuse, or neglect to answer to any question which may be propounded to him by or under the authority of such court, to which he would be required to make answer were he being examined before the court issuing such letters, the court out of which said letters issued may upon proper showing order that a subpœna issue addressed to any consul of the United States within any country in which such witness may be, commanding such witness to appear before the said court at a time and place therein designated.

"SEC. 2. Whenever the attendance at the trial of any criminal action of a witness, being a citizen of the United States or domiciled therein, who is beyond the jurisdiction of the United States, is desired by the Attorney General or any assistant or district attorney acting under him, the judge of the court before which such action is pending, or who is to sit in the trial of the same, may, upon proper showing, order that a subpœna issue, addressed to any consul of the United States within any country in which such witness may be commanding such witness to appear before the said court at a time and place therein designated.

"SEC. 3. It shall be the duty of any consul of the United States within any country in which such witness may be at the request of the clerk of the court issuing any subpœna under this act or at the request of the officer causing such subpœna to be issued, to serve the same personally upon such witness and also to serve any orders to show cause, rules, judgments, or decrees when requested by the court or United States marshal, and to make a return thereof to the court out of which the same issued, first tendering to the witness the amount of his necessary expenses in traveling to and from the place at which the court sits and his attendance thereon, which amount shall be determined by the judge on issuing the order for the subpœna and supplied to the consul making the service.

"SEC. 4. If the witness so served shall neglect or refuse to appear as in such subpœna directed, the court out of which it was issued shall, upon proof being made of the service and default, issue an order directing the witness to appear before the court at a time in such order designated to show cause why he should not be adjudged guilty of contempt and be punished accordingly.

"SEC. 5. Upon issuing such order the court may, upon the giving of security for any damages which the recusing witness may have suffered, should the charge be dismissed (except that no security shall be required of the United States), direct as a part of such order that the property of the recusing witness, at any place within the United States, or so much thereof in value as the court may direct, shall be levied upon and seized by the marshal of said court in the manner provided by law or the rule of the court for a levy or seizure under execution, to be held to satisfy any judgment that may be rendered against such witness in the proceeding so instituted.

"SEC. 6. The marshal, having made such levy, shall thereupon forward to the consul of any country where the recusing witness may be a copy of the order to show cause why such witness should not be adjudged guilty of contempt with the request that said consul make service of the same personally upon the recusing witness, and shall cause to be published such order to show cause and for the sequestration of the property of such witness, in some newspaper of general circulation in the district within which the court issuing such order sits, once each week for six consecutive weeks.

"SEC. 7. On the return day of such order or any later day to which the hearing may by the court be continued, proof shall be taken; and if the charge of recusancy against the witness shall be sustained, the court shall adjudge him guilty of contempt and notwithstanding any limitation upon the power of the court generally to punish for contempt, impose upon him a fine not exceeding $100,000 and direct that the amount thereof, with the costs of the proceeding, be satisfied, unless paid, by a sale of the property of the witness so seized or levied upon, such sale to be conducted upon the notice required and in the manner provided for sales upon execution.

"SEC. 8. Any judgment rendered pursuant to this act upon service by publication only may be opened for answer within the time and in the manner provided in section 57 of the Judicial Code."

First. The principal objections to the statute are that it violates the due process clause of the fifth amendment. These contentions are: (1) That the "Congress has no power to authorize United States consuls to serve process except as permitted by treaty"; (2) that the act does not provide "a valid method of acquiring judicial jurisdiction to render personal judgment against defendant and judgment against his property"; (3) that the act "does not require actual or any other notice to defendant of the offense or of the Government's claim against his property"; (4) that the provisions "for hearing and judgment in the entire absence of the accused and without his consent" are invalid; and (5) that the act is "arbitrary, capricious, and unreasonable."

While it appears that the petitioner removed his residence to France in the year 1924, it is undisputed that he was, and continued to be, a citizen of the United States. He continued to owe allegiance to the United States. By virtue of the obligations of citizenship, the United States retained its authority over him, and he was bound by its laws made applicable to him in a foreign country. Thus, although resident abroad, the petitioner remained subject to the taxing power of the United States. (Cook *v.* Tait, 265 U. S. 47, 54, 56.) For disobedience to its laws through conduct abroad he was subject to punishment in the courts of the United States. (United States *v.* Bowman, 260 U. S. 94, 102.) With respect to such an exercise of authority, there is no question of international law,[2] but solely of the purport of the municipal law which establishes the duties of the citizen in relation to his own government.[3] While the legislation of the Congress, unless the contrary intent appears, is construed to appl yonly within the Territorial jurisdiction of the United States, the question of its application, so far as citizens of the United States in foreign countries are concerned, is one of construction, not of legislative power. (American Banana Co. *v.* United Fruit Co., 213 U. S. 347, 357; United States *v.* Bowman, supra; Robertson *v.* Labor Board, 268 U. S. 619, 622.) Nor can it be doubted that the United States possesses the power inherent in sovereignty to require the return to this country of a citizen, resident elsewhere, whenever the public interest requires it, and to penalize him in case of refusal. (Compare Bartue and the Duchess of Suffolk's case, 2 Dyer's Rep. 176b, 73 Eng. Rep. 388; Knowles *v.* Luce, Moore 109, 72 Eng. Rep. 473.[4]) What in England was the prerogative of the sovereign in this respect pertains under our constitutional system to the national authority which may be exercised by the Congress by virtue of the legislative power to prescribe the duties of the citizens of the United States. It is also beyond controversy that one of the duties which the citizen owes to his government is to support the administration of justice by attending its courts and giving his testimony whenever he is properly summoned. (United States *v.* Blair, 250 U. S. 269, 281.) And the Congress may provide for the performance of this duty and prescribe penalties for disobedience.

In the present instance the question concerns only the method of enforcing the obligation.[5] The jurisdiction of the United States over its absent citizen, so far as the binding effect of its legislation is concerned, is a jurisdiction in personam, as he is personally bound to take notice of the laws that are applicable to him and to obey them. (United States *v.* Bowman, supra.) But for the exercise of judicial jurisdiction in personam there must be due process, which requires appropriate notice of the judicial action and an opportunity to be heard. For this notice and opportunity the statute provides. The authority to require the absent citizen to return and testify necessarily implies the authority to give him notice of the requirement. As his attendance is needed in court, it is appropriate that the Congress should authorize the court to direct the notice to be given and that it should be in the customary form of a subpœna. Obviously, the requirement would be nugatory if provision could not be made for its communication to the witness in the foreign country. The efficacy of an attempt to provide constructive service in this country would rest upon the presumption that the notice would be given in a manner calculated to reach the witness abroad. (McDonald *v.* Mabee, 243 U. S. 90, 92.) The question of the validity of the provision for actual service of the subpœna in a foreign country is one that arises solely between the Government of the United States and the citizen. The mere giving of such a notice to the citizen in the foreign country of the requirement of his Government that he shall return is in no sense an invasion of any right of the foreign government and the citizen has no standing to invoke any such supposed right. While consular privileges in foreign countries are the appropriate subjects of treaties,[6] it does not follow that every act of a consul, as, e. g., in communicating with citizens of his own country, must be predicated upon a specific provision of a treaty. The intercourse of friendly nations, permitting travel and residence of the citizens of each in the territory of the other, presupposes and facilitates such communications. In selecting the consul for the service of the subpœna the Congress merely prescribed a method deemed to assure the desired result but in no sense essential. The consul was not directed to perform any function involving consular privileges or depending upon any treaty relating to them, but simply to act as any designated person might act for the Government in conveying to the citizen the actual notice of the requirement of his attendance. The point raised by the petitioner with respect to the provision for the service of the subpœna abroad is without merit.

As the Congress could define the obligation, it could prescribe a penalty to enforce it. And as the default lay in disobedience to an authorized direction of the court, it constituted a contempt of court and the Congress could provide for procedure appropriate in contempt cases. The provision of the statute for punishment for contempt is applicable only "upon proof being made of the service and default." (Sec. 4.) That proof affords a proper basis for the proceeding, and provision is made for personal service upon the witness of the order to show cause why he should not be adjudged guilty. For the same reasons as those which sustain the service of the subpœna abroad it was competent to provide for the service of the order in like manner. It is only after a hearing pursuant to the order to show cause, and upon proof sustaining the charge, that the court can impose the penalty. The petitioner urges that the statute does not require notice of the offense, but the order to show cause is to be issued after the witness has failed to obey the subpœna demanding his attendance and the order is to be made by the court before which he was required to appear. This is sufficient to apprise the witness of the nature of the proceeding and he has full opportunity to be heard. The further contention is made that as the offense is a criminal one it is a violation of due process to hold the hearing and to proceed to judgment in the absence of the defendant. The argument misconstrues the nature of the proceeding. "While contempt may be an offense against the law and subject to appropriate punishment, certain it is that since the foundation of our Government, proceedings to punish such offenses have been regarded as sui generis and not 'criminal prosecutions' within the sixth amendment or common understanding." (Myers *v.* United States, 264 U. S. 95, 104, 105.) See also Bessette *v.* Conkey (194 U. S. 324, 336, 337); Michaelson *v.* United States (266 U. S. 42, 65, 66); ex parte Grossman (267 U. S. 87, 117, 118). The requirement of due process in such a case is satisfied by suitable notice and adequate opportunity to appear and to be heard. Cf. Cooke *v.* United States (267 U. S. 517, 537).

The authorization of the seizure of the property belonging to the defaulting witness and within the United States upon the issue of the order to show cause why he should not be punished for contempt (sec. 5) affords a provisional remedy, the propriety of which rests upon the validity of the contempt proceeding. As the witness is liable to punishment by fine if upon the hearing he is found guilty of contempt, no reason appears why his property may not be seized to provide security for the payment of the penalty. The proceeding conforms to familiar practice where absence or other circumstance makes a provisional remedy appropriate. See Cooper *v.* Reynolds (10 Wall. 308, 318). The order that is to be served upon the witness contains the direction for the seizure. The property is to be held pending the hearing and is to be applied to the satisfaction of the fine, if imposed and unless it is paid. Given the obligation of the witness to respond to the subpœna the showing of his default after service and the validity of the provision for a fine in case default is not excused, there is no basis for objection to the seizure upon constitutional grounds. The argument that the statute creates an unreasonable classification is untenable. The disobedience of the defaulting witness to a lawful requirement of the court, and not the fact that he owns property, is the ground of his liability. He is not the subject of unconstitutional discrimination simply because he has property which may be appropriated to the satisfaction of a lawful claim.

Second. What has already been said also disposes of the contention that the statute provides for an unreasonable search and seizure in violation of the fourth amendment. It authorizes a levy upon property of the witness at any place within the United States in the manner provided by law or rule of court for levy or seizure under execution. A levy in such a manner, either provisionally or finally, to satisfy the liability of the owner is not within the constitutional prohibition.

The petitioner raises the further and distinct point that the statute limits the availability of the subpœna to the Government and that "by excluding defendants in criminal prosecutions" from the right to such a subpœna violates the provision of the sixth amendment that the accused shall have "compulsory process for obtaining witnesses in his favor." We need not consider

[2] "The law of nations does not prevent a State from exercising jurisdiction over its subjects traveling or residing abroad, since they remain under its personal supremacy." (Oppenheim, International Law, 4th ed., vol. 1, sec. 145, p. 281; Story, Conflict of Laws, 8th ed., sec. 540, p. 755; Moore's International Law Digest, vol. 2, pp. 255, 256; Hyde, International Law, Vol. I, sec. 240, p. 424; Borchard, Diplomatic Protection of Citizens Abroad, sec. 13, pp. 21, 22.)

[3] Compare The Nereide, 9 Cranch. 388, 422, 423; Rose *v.* Himely, 4 Cranch. 241, 279; The Apollon, 9 Wheat. 362, 370; Schibsby *v.* Westenholz, L. R. 6 Q. B. 155, 161. Illustrations of acts of the Congress applicable to citizens abroad are the provisions found in the chapter of the Criminal Code relating to "Offenses Against Operations of Government" (U. S. C., title 18, ch. 4; United States *v.* Bowman, 260 U. S. 94, 98–102) and the provisions relating to criminal correspondence with foreign governments, act of Jan. 30, 1799, 1 Stat. 613, U. S. C., title 18, sec. 5.

[4] See also Hyde, op. cit., vol. 1, sec. 381, pp. 668, 669.

[5] The instant case does not present the questions which arise in cases where obligations inherent in allegiance are not involved. (See Pennoyer *v.* Neff, 95 U. S. 714; Galpin *v.* Page, 18 Wall. 350, 369; Harkness *v.* Hyde, 98 U. S. 476, 478; Riverside & Dan River Cotton Mills *v.* Menefee, 237 U. S. 189, 193; McDonald *v.* Mabee, 243 U. S. 90, 92; Wuchter *v.* Pizzutti, 276 U. S. 13.)

[6] Cf. Dainese *v.* Hale (91 U. S. 13, 15, 16); In re Ross (140 U. S. 453, 462, 463). See also U. S. C., title 22, secs. 71 et seq.; Hyde, op. cit., sec. 488, pp. 828-832.

whether the statute requires the construction for which the petitioner contends, as in any event the petitioner, a recalcitrant witness, is not entitled to raise the question. (Nelson *v.* United States, 201 U. S. 92, 115; Southern Railway Co. *v.* King, 217 U. S. 524, 534; Jeffrey Manufacturing Co. *v.* Blagg, 235 U. S. 571, 576; Blair *v.* United States, supra, at p. 282.)

Third. The statute being valid, the question remains as to the procedure in its application against the petitioner. He insists that the showing for the issue of the subpœnas requiring him to attend was inadequate. But the "proper showing" required was for the purpose of satisfying the court that the subpœnas should issue. The petitions, in the instant cases, were presented to the judge of the court by the official representatives of the Government and their statement as to the materiality and importance of the testimony expected from the witness was unquestionably sufficient to give the court jurisdiction to issue the subpœnas, and, unless they were vacated upon proper application, the petitioner was bound to obey. Nor was it necessary that the subpœnas should "identify" themselves with the statute under which they were issued. The petitioner as a citizen of the United States was chargeable with knowledge of the law under which his attendance as a witness could be required. It was sufficient that the subpœnas required his attendance to testify on behalf of the United States at the time and place stated. Equally unavailing is the objection that after the petitioner had refused to appear in response to the subpœnas the orders to show cause why he should not be punished for contempt did not specify the offense. As the statute prescribed, he had been served with the subpœnas and had defaulted, and he had also been served with the order which directed him to show cause why he should not be adjudged guilty of contempt and provided for the seizure of his property to be held to satisfy any judgment that might be rendered against him in the proceeding. The notice which he thus received was sufficient to inform him of the character of the charge against him and of the hearing at which he would have opportunity to present his defense. The petitioner also insists that the seizure which was made in case No. 200 was abandoned by virtue of the seizure of the same property under the order issued in No. 201. But the second levy was not antagonistic to the first. The proceedings were consistent.

In No. 201 the contention is made that the petitioner was subpœnaed to attend on April 2, 1928, and that the case in which his testimony was desired was not tried until April 9, 1928. There is no suggestion that the petitioner appeared on April 2, 1928, in compliance with the subpœna, and the record shows that the case in which he was subpœnaed was continued by the court until the later date. The subpœna contained the usual provision that the witness was "not to depart the court without leave of the court or district attorney." (Cf. Rev. Stat., sec. 877; U. S. C., title 28, sec. 655.) It was the duty of the petitioner to respond to the subpœna and to remain in attendance until excused by the court or by the Government's representatives.

Decrees affirmed.

Mr. Justice Roberts took no part in the consideration and decision of this case.

Mr. LEWIS. Mr. President, I merely rise to say, in connection with the information given by the Senator from Montana [Mr. WALSH] relative to the decision of the Supreme Court in the oil matter referred to by him, that a Senator and any citizen of this country would be very remiss in duty who would not take delight in giving to the Senator from Montana the principal credit for the success in the case to which he has referred. To him that credit is wholly due. We delight to certify to that conceded fact.

IMPROVEMENT OF FACILITIES OF FEDERAL RESERVE SYSTEM

Mr. JONES presented a telegram opposing the passage of the so-called Glass-Steagall bill for the improvement of the facilities of the Federal reserve system, which was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

SPOKANE, WASH., *February 16, 1932.*

WESLEY L. JONES,
United States Senate, Washington, D. C.:

Northwest Mining Association considers Glass-Steagall bill first step toward abandoning gold standard. Crisis predicted by this organization for several years has arrived. This bill means fiat currency. Refer to resolution adopted December 5, western division, United States Chamber of Commerce, declaring maintenance gold standard dependent on increasing monetary metal reserves. Inflation without metallic backing is dangerous. Restoration of purchasing power and simulation of business insured only by augmenting gold with silver.

NORTHWEST MINING ASSOCIATION.

HOME LOAN BANK BILL

Mr. JONES presented telegrams favoring the passage of legislation known as the home loan bank bill, which were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

CENTRALIA, WASH., *February 15, 1932.*

Senator WESLEY JONES,
Washington, D. C.:

The directors of our savings and loan association feel that the passage of the home loan bank bill would do more to aid in relieving our frozen assets and the cold feet of our members than any legislation proposed, pending, or past. We urge your support of this measure.

WEST COAST SAVINGS & LOAN ASSOCIATION,
By GEORGE L. BARNER, *Secretary-Manager.*

TACOMA, WASH., *February 15, 1932.*

Hon. WESLEY JONES,
Senator from Washington, Washington, D. C.:

The seven Tacoma savings and loan associations, representing 85,000 members, urgently request your active support of Senate bill 2959 and House bill 7620. This legislation is badly needed for the purpose of relieving present situation.

TACOMA SAVINGS AND LOAN LEAGUE,
By RAYMOND T. WINDEN, *President.*

HOQUIAM, WASH., *February 15, 1932.*

Senator JONES,
Washington, D. C.:

The Southwest Washington Savings & Loan Association, with 1,500 members, requests your support Senate bill 2959, H. R. 7620. Please assist getting them out of committee.

E. B. ARTHAUD, *President.*

SEATTLE, WASH., *February 16, 1932.*

Senator WESLEY L. JONES,
Washington, D. C.:

We earnestly request your support of Federal home loan bank bill S. 2959, H. R. 7620. It will provide funds for home building, home ownership, and give employment to labor.

NORTHERN SAVINGS & LOAN ASSOCIATION,
S. C. CALDERHEAD, *President.*

PORT ANGELES, WASH., *February 16, 1932.*

Senator WESLEY L. JONES,
United States Senate, Washington, D. C.:

Please support and help the home loan bank bill S. 2959. It would help the home owners and home builders here.

PORT ANGELES SAVINGS & LOAN ASSOCIATION,
K. O. ERICKSON, *President.*

BELLINGHAM, WASH., *February 15, 1932.*

Senator WESLEY L. JONES,
Washington, D. C.:

We would like to have you do everything within your power to further the home-loan bank bill, as it will be of direct benefit to millions of savings and loan investors throughout the United States and particularly will it help us in the State of Washington at the present time and will stabilize the savings and loan work in the future.

BELLINGHAM SAVINGS AND LOAN ASSOCIATION.
NEW WHATCOM BUILDING AND LOAN ASSOCIATION.
MOUNT BAKER SAVINGS AND LOAN ASSOCIATION.

EVERETT, WASH., *February 16, 1932.*

Hon. WESLEY JONES,
United States Senator, Washington, D. C.:

We, together with the Cascade Savings and Loan Association and the Everett Savings and Loan Association, all of Everett, Wash., on behalf of the more than 2,000 members of such urge your most active effort for the enactment into law of the proposed home loan bank bill as a measure of relief from the present conditions which threaten the loss to many members of their homes.

UNITED SAVINGS AND LOAN ASSOCIATION,
RALPH C. BELL, *President.*
THOS. A. STIGER, *Counsel.*

Mr. JONES also presented telegrams opposing the passage of legislation known as the home loan bank bill, which were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., *February 15, 1932.*

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.:

There is no shortage of homes in Seattle. In fact, there is an oversupply, and prices are greatly depressed. There are now and have been for some time ample funds for home-mortgage investment at reasonable interest rates. Our organization is opposed to Senate bill No. 2959, Federal home-loan bank. It will cause needless inflation and will not benefit but will react to the detriment of home owners. We ask that you kindly use your efforts in defeating this measure.

SEATTLE MORTGAGE BANKERS ASSOCIATION,
WALTER J. WARD, *President.*

SEATTLE, WASH., *February 15, 1932.*

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.:

We are opposed to Senate bill No. 2959, known as Federal home loan bank act. There is at present an oversupply of housing facilities in this community. There is also available ample credit for any legitimate home building on favorable terms to the borrower by institutions in Seattle. Opposition to the bill is based on our opinion that it is unnecessary and violates the principles of sound banking.

SEATTLE TRUST CO.

RELIEF OF UNEMPLOYMENT

Mr. JONES presented telegrams relative to the so-called Costigan-La Follette bill for unemployment relief, which were ordered to lie on the table and to be printed in the RECORD, as follows:

SEATTLE, WASH., *February 8, 1932.*

Senator WESLEY L. JONES:

The Costigan-La Follette bill has my hearty indorsement as a timely Federal relief measure. I urge your favorable consideration.

ROBERT H. HARLIN, *Mayor.*

SPOKANE, WASH., *February 4, 1932.*

Senator WESLEY L. JONES,
Senate Office Building, Washington, D. C.:

Spokane Central Labor Council urges passage of Senate bill 3045 for relief purposes.

ALBERT LESLIE, *Secretary.*

SEATTLE, WASH., *February 13, 1932.*

Senator WESLEY L. JONES,
Senate Office Building:

Strongly urge best efforts of Washington delegation to secure appropriation of $375,000,000 for unemployment relief. As situation grows more serious, please take up with delegation.

ROBERT H. HARLIN,
Mayor, Seattle, Wash.

SPOKANE, WASH., *January 1, 1932.*

Senator WESLEY L. JONES,
Senate Office Building, Washington, D. C.:

Resolutions of city and county commissioners reference need national assistance for Spokane unemployed misrepresent situation and are resented by business leaders. Spokane can take care of its own problem. Confidentially, I do not believe intent of proposers of resolution was honest. Spokane has no desire to pass the buck to National Government merely to save 1 or 2 mills additional local taxation next year. Both local tax levying bodies are in good cash position or can issue warrants or bonds. Organizations will doubtless forward counterresolutions coming week.

CHARLES HEBBERD.

PUBLIC-WORKS PROGRAM

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD and to lie on the table a letter embodying a resolution unanimously adopted by the Parliament of Community Councils of the City of New York, N. Y., favoring a program of Federal public works.

There being no objection, the letter embodying a resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

THE COMMUNITY COUNCILS OF THE
CITY OF NEW YORK (INC.),
February 6, 1932.

Hon. ROBERT F. WAGNER,
United States Senator, Capitol, Washington, D. C.

DEAR SIR: The following resolution was unanimously adopted at a regular monthly meeting of the Parliament of the Community Councils held Wednesday, February 3, in the Municipal Building, New York City:

"Whereas nation-wide unemployment has brought about great suffering and far greater suffering can be expected unless employment conditions are improved; and

"Whereas building projects undertaken at the present time can be more cheaply carried out than in normal times; and

"Whereas construction contracts on Federal projects heretofore authorized involving the expenditure of $2,000,000,000 should be put into speedy execution: It is unanimously

"*Resolved by the Parliament of Community Councils,* That we hereby urge our Washington representatives to actively and forcefully support as a minimum program of national economic relief the immediate letting of all Federal contracts or projects already authorized."

Respectfully submitted.

FRANK PEER BEAL,
Executive Secretary.

REPORTS OF COMMITTEES

Mr. KEAN, from the Committee on the District of Columbia, to which was referred the bill (S. 3634) to amend section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122), reported it without amendment and submitted a report (No. 248) thereon.

Mr. GEORGE, from the Committee on Civil Service, to which was referred the bill (S. 95) to amend the second paragraph of section 6 of the civil service retirement act of May 29, 1930 (relating to persons retired for disability), reported it with an amendment.

SURVEY OF INDIAN CONDITIONS (REPORT NO. 25, PART 3)

Mr. FRAZIER, from the Committee on Indian Affairs, submitted a partial report (No. 25, pt. 3) relative to charges of the misconduct of Mr. Herbert J. Hagerman, special commissioner to negotiate with Indians and a former member of the Pueblo Lands Board.

RELIEF OF PERSONS IN BALTIMORE AND HARFORD COUNTIES, MD.

Mr. LOGAN, from the Committee on Claims, reported a resolution (S. Res. 167), which was ordered to be placed on the calendar, as follows:

Resolved, That the bill (S. 3623) entitled "A bill for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md.," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

ENROLLED BILLS PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on the 15th instant that committee presented to the President of the United States the following enrolled bills:

S. 366. An act for the relief of Dr. Luis H. DeBayle;

S. 1306. An act to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial; and

S. 2179. An act for the relief of Alexander M. Proctor.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. BLAINE, from the Committee on the Judiciary, reported favorably the nomination of F. Dickinson Letts, of Iowa, to be an associate justice of the Supreme Court of the District of Columbia, to succeed Wendell Phillips Stafford, resigned, which was placed on the Executive Calendar.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 457. An act authorizing an addition to the Cache National Forest, Idaho;

S. 2286. An act authorizing the William Robert Smith Memorial Association, of El Paso, Tex., to construct a memorial in honor of William Robert Smith, former Member of Congress from the sixteenth district of Texas; and

S. 2639. An act to extend the time for the construction of a bridge across the Missouri River at or near Poplar, Mont.

The message also announced that the House had passed the bill (S. 1588) to authorize the Secretary of the Interior to issue patents for lands held under color of title, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed bills and joint resolutions of the following titles, in which it requested the concurrence of the Senate:

H. R. 231. An act to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines;

H. R. 307. An act to approve Act No. 256 of the Session Laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the districts of North Kona and South Kona, on the island and county of Hawaii, Territory of Hawaii";

H. R. 489. An act to amend the act of April 25, 1922, as amended, entitled "An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government-land purchases within the former Cheyenne River and Standing Rock Indian Reservations, N. Dak. and S. Dak.";

H. R. 5866. An act to authorize the construction of a dam across Des Lacs Lake, N. Dak.;

H. R. 6485. An act to revise the boundary of the Mount McKinley National Park, in the Territory of Alaska, and for other purposes;

H. R. 7121. An act to repeal obsolete statutes, and to improve the United States Code;

H. R. 8163. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Pecatonica River at Harrison, in Winnebago County, State of Illinois;

H. R. 8171. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Kankakee River at Momence, in Kankakee County, State of Illinois;

H. R. 8235. An act to clarify the application of the contract labor provisions of the immigration laws to instrumental musicians;

H. R. 8238. An act to extend the times for commencing and completing the construction of a free highway bridge across the Fox River at Algonquin, in McHenry County, State of Illinois;

H. R. 8250. An act granting authority to the Texas State Highway Commission to maintain and operate, as constructed, a free highway bridge across Trinity River between the counties of Navarro and Henderson, in the State of Texas;

H. R. 8324. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River at Byron, in Ogle County, State of Illinois;

H. R. 8327. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River at Oregon, in Ogle County, State of Illinois;

H. R. 8824. An act to restore certain lands to the San Carlos (White Mountain) Indian Reservation, Ariz.;

H. R. 9203. An act to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes;

H. J. Res. 194. Joint resolution to correct section 2 of the act of March 4, 1931, to coordinate the agricultural experiment-station work and to extend the benefits of certain acts of Congress to the Territory of Porto Rico; and

H. J. Res. 271. Joint resolution amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 19) providing a wreath to be placed on the grave of Mary, the mother of Washington, on February 22, 1932, at Fredericksburg, Va., being the two hundredth anniversary of the birth of George Washington, in which it requested the concurrence of the Senate.

IMPROVEMENT OF FACILITIES OF FEDERAL RESERVE SYSTEM

The VICE PRESIDENT. The Chair lays before the Senate a bill messaged from the House of Representatives, to which he calls the attention of the Senator from Virginia [Mr. GLASS].

The bill (H. R. 9203) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, was read twice by its title.

Mr. GLASS. Mr. President, I suggest that the bill be held on the table.

The VICE PRESIDENT. That order will be made, and the bill lies on the table.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 231. An act to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines;

H. R. 489. An act to amend the act of April 25, 1922, as amended, entitled "An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government-land purchases within the former Cheyenne River and Standing Rock Indian Reservations, N. Dak. and S. Dak."; and

H. R. 6485. An act to revise the boundary of the Mount McKinley National Park, in the Territory of Alaska, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 307. An act to approve Act No. 256 of the Session Laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the districts of North Kona and South Kona, on the island and county of Hawaii, Territory of Hawaii"; to the Committee on Territories and Insular Affairs.

H. R. 5866. An act to authorize the construction of a dam across Des Lacs Lake, N. Dak.;

H. R. 8163. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Pecatonica River at Harrison, in Winnebago County, State of Illinois;

H. R. 8171. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Kankakee River at Momence, in Kankakee County, State of Illinois;

H. R. 8238. An act to extend the times for commencing and completing the construction of a free highway bridge across the Fox River at Algonquin, in McHenry County, State of Illinois;

H. R. 8250. An act granting authority to the Texas State Highway Commission to maintain and operate, as constructed, a free highway bridge across Trinity River between the counties of Navarro and Henderson, in the State of Texas;

H. R. 8324. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River at Byron, in Ogle County, State of Illinois; and

H. R. 8327. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River at Oregon, in Ogle County, State of Illinois; to the Committee on Commerce.

H. R. 7121. An act to repeal obsolete statutes and to improve the United States Code; to the Committee on the Judiciary.

H. R. 8235. An act to clarify the application of the contract labor provisions of the immigration laws to instrumental musicians; to the Committee on Immigration.

H. R. 8824. An act to restore certain lands to the San Carlos (White Mountain) Indian Reservation, Ariz.; to the Committee on Indian Affairs.

H. J. Res. 194. Joint resolution to correct section 2 of the act of March 4, 1931, to coordinate the agricultural experiment station work and to extend the benefits of certain acts of Congress to the Territory of Porto Rico; to the Committee on Agriculture and Forestry.

PLACING OF WREATH ON GRAVE OF THE MOTHER OF WASHINGTON

The PRESIDING OFFICER (Mr. PATTERSON in the chair) laid before the Senate the following concurrent resolution from the House of Representatives, which was read:

House Concurrent Resolution 19

Resolved by the House of Representatives (the Senate concurring), That the clerk of the Senate of the United States and the Clerk of the House of Representatives be, and they are hereby,

authorized to purchase a wreath to be placed on the grave of Mary, the mother of Washington, at Fredericksburg, Va., on the 22d day of February, 1932, that day being the two hundredth anniversary of the birth of Gen. George Washington, the cost of said wreath not to exceed $50, which shall be paid proportionately out of the contingent funds of the Senate of the United States and the House of Representatives, respectively; be it further

Resolved, That the President of the Senate and the Speaker of the House of Representatives are hereby authorized to appoint, respectively, a Member of the Senate of the United States and a Member of the House of Representatives, both or either of whom on behalf of the Senate and of the House of Representatives shall, at the time and place aforesaid, place said wreath on the grave of Mary, the mother of Washington.

Mr. FESS. This is an authorization for a fund to enable the Government to place a wreath on the grave of the mother of George Washington. It requires not to exceed $50 from the contingent fund. I ask unanimous consent for the immediate consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection?

Mr. THOMAS of Oklahoma. Mr. President, reserving the right to object, I desire to propound an inquiry to the distinguished Senator from Ohio. If the authorization goes through and the appropriation be made, will it not require a bond issue to pay the bill?

Mr. FESS. No; it will not.

Mr. THOMAS. We have a deficit now. From what source will the Senator get the money?

Mr. FESS. Out of the contingent fund of the Senate and the House.

Mr. THOMAS of Oklahoma. I have no objection.

The concurrent resolution was agreed to.

ISSUANCE OF CERTAIN LAND PATENTS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1588) to authorize the Secretary of the Interior to issue patents for lands held under color of title, which was, on page 1, line 5, after the word "land," to insert "contiguous to a Spanish or Mexican land grant."

Mr. BRATTON. I move that the Senate concur in the House amendment.

The motion was agreed to.

RECOMMITTAL OF TWO BILLS

Mr. BINGHAM. Mr. President, I ask that Order of Business No. 212, Senate bill 3541, be recommitted to the Committee on Territories and Insular Affairs on account of information received since it was reported out.

The VICE PRESIDENT. Let the title of the bill be stated.

The LEGISLATIVE CLERK. Order of Business 212, Senate bill 3541, to authorize the St. Thomas Harbor Board, Virgin Islands, to issue bonds for the purpose of acquiring and installing a dry dock in the harbor of St. Thomas.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

On motion of Mr. THOMAS of Idaho, the bill (S. 3422) for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law was ordered to be recommitted to the Committee on Irrigation and Reclamation.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. STEPHENS:

A bill (S. 3658) to amend the act entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes," approved June 7, 1924; to the Committee on Indian Affairs.

A bill (S. 3659) reappropriating the unexpended balance of an appropriation to aid the State of Mississippi in the matter of damage to or destruction of roads and bridges by the floods of 1932; to the Committee on Appropriations.

By Mr. WALSH of Massachusetts:

A bill (S. 3660) for the relief of Ellen N. Nolan; to the Committee on Claims.

A bill (S. 3661) for the relief of James Corcoran; to the Committee on Military Affairs.

By Mr. DILL:

A bill (S. 3662) granting an increase of pension to Max Lilienthal; to the Committee on Pensions.

By Mr. JOHNSON (for Mr. SHORTRIDGE):

A bill (S. 3663) for the relief of Ambrose V. McKenna; to the Committee on Military Affairs.

A bill (S. 3664) granting a pension to David Poula; to the Committee on Pensions.

By Mr. BARKLEY:

A bill (S. 3665) for the relief of Will Castleman; to the Committee on Military Affairs.

By Mr. BYRNES:

A bill (S. 3666) to amend section 19 of the World War veterans' act, 1924, as amended; and

A bill (S. 3667) to amend section 19 of the World War veterans' act, 1924, as amended; to the Committee on Finance.

By Mr. FRAZIER:

A bill (S. 3668) authorizing the creation of Indian tribal councils, and for other purposes; to the Committee on Indian Affairs.

By Mr. DAVIS:

A bill (S. 3669) granting a pension to George W. Rathman; to the Committee on Pensions.

By Mr. BLACK and Mr. BULKLEY:

A bill (S. 3670) to authorize appropriations for the construction of rural post roads in the several States for the purpose of furnishing employment and thereby relieving the hardship and suffering caused by the existing depression, and to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. BLAINE:

A bill (S. 3671) for the relief of William J. Graff (with accompanying papers); to the Committee on Military Affairs.

By Mr. HARRISON:

A bill (S. 3672) for the relief of Robert A. Bowers and Mary E. Bowers; to the Committee on Claims.

A bill (S. 3673) for the relief of George W. Edgerly; to the Committee on Military Affairs.

A bill (S. 3674) granting a pension to Horatio B. Armistead; to the Committee on Pensions.

By Mr. CAREY:

A bill (S. 3675) relating to the deferment and adjustment of construction charges for the years 1931 and 1932 on Indian irrigation projects; to the Committee on Indian Affairs.

By Mr. FLETCHER:

A bill (S. 3676) for the relief of Frank Anderson; to the Committee on Claims.

By Mr. BROOKHART:

A bill (S. 3677) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes; to the Committee on Interstate Commerce.

GENERAL PULASKI'S MEMORIAL DAY

Mr. WALSH of Massachusetts. Mr. President, I introduce a joint resolution, which I ask may be read, appropriately referred and printed in the RECORD, together with a joint resolution passed by the General Assembly of Massachusetts.

The joint resolution (S. J. Res. 104) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski, was read twice by its title, referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Whereas the 11th day of October, 1779, is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

Whereas the States of West Virginia, Illinois, Michigan, Tennessee, Indiana, Wisconsin, New York, Nebraska, Texas, Minnesota, Delaware, Maryland, Arkansas, New Hampshire, Pennsylvania, Missouri, Ohio, and other States of the Union, through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and

Whereas the Congress of the United States of America has by legislative enactment designated October 11, 1929, and October 11, 1931, to be General Pulaski's Memorial Day; and

Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the death of this great American hero of the Revolutionary War: Therefore be it

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11 of each year, and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies of the death of Gen. Casimir Pulaski.

The joint resolution of the General Assembly of Massachusetts was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Joint resolution directing the governor to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski

Whereas the 11th day of October, 1779, is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

Whereas the States of Indiana, Wisconsin, Michigan, Ohio, Arkansas, Missouri, West Virginia, Tennessee, Texas, Delaware, Pennsylvania, New York, Minnesota, Maryland, Illinois, New Hampshire, Nebraska, and other States of the Union have by legislative enactment designated October 11 of each year to be General Pulaski's Memorial Day; and

Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the death of this great American hero of the Revolutionary War: Therefore be it

Resolved by the General Assembly of the State of Massachusetts, That the Governor of the State of Massachusetts is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11 of each year, and inviting the people of the State of Massachusetts to observe the day in schools and churches, or other suitable places, with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

STAMP IN HONOR OF BRIG. GEN. THADDEUS KOSCIUSKO

Mr. WALSH of Massachusetts introduced a joint resolution (S. J. Res. 105) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciusko, which was read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That the Postmaster General is authorized and directed to issue a special series of postage stamps of the denomination of 2 cents, of such design and for such period as he may determine, commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen in 1783 of Brig. Gen. Thaddeus Kosciusko, a hero of the Revolutionary War. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution.

RELIEF OF WATER USERS ON IRRIGATION PROJECTS—AMENDMENT

Mr. THOMAS of Idaho submitted an amendment intended to be proposed by him to the bill (S. 3422) for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law, which was ordered to lie on the table and to be printed.

IMPROVEMENT OF FACILITIES OF FEDERAL RESERVE SYSTEM—AMENDMENT

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, which was ordered to lie on the table and to be printed.

PROPOSED ANTI-INJUNCTION LEGISLATION—AMENDMENT

Mr. HEBERT. I offer a substitute for a pending measure, being the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, the so-called anti-injunction bill, and ask that it may be printed and lie on the table.

The PRESIDING OFFICER (Mr. FESS in the chair.) That order will be made.

RELIEF OF UNEMPLOYMENT—ADDRESS BY SENATOR GLENN

Mr. DICKINSON. Mr. President, I ask unanimous consent to have inserted in the RECORD a radio speech by the senior Senator from Illinois [Mr. GLENN] on the relief of unemployment, delivered on Saturday evening, February 13.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

The issue to-night is not whether relief shall be afforded those in distress. The issue is how can such relief be most effectively and economically and soundly furnished.

No one disputes that great unemployment and dire necessity and want and suffering exist. All deplore such condition and seek to relieve it. No individual or party, or element, faction, or bloc in any party has a monopoly upon the sympathy that exists for those unfortunates who are the helpless and innocent victims of a world-wide cataclysm.

The distinguished, able, and sincere Senator from Colorado, Mr. COSTIGAN, and those who share and support his views are no more humane or sympathetic or sincere in their efforts to best meet this extreme and pressing problem than those who join with me in my attitude.

Senator COSTIGAN believes that the relief should come from the Treasury of the United States—from the Federal taxpayers; that the situation is such that it can be adequately met only in that way; that individuals, organizations, municipalities, townships, counties, and States, singly and combined, can not and will not meet this crisis; that such failure and inability are established and demonstrated; that adequate succor can be supplied only by the Federal taxpayers.

I state first:

That if I felt that America and her people were either unable or unwilling to feed the starving, relieve the suffering, or shelter the homeless except by direct appropriations from the National Treasury I would then willingly and eagerly join the Senator in his drive to take at this immediate time such money as is necessary from such Treasury for such purpose.

It is my belief that the necessity for reversing the sound and long-established procedure and methods for aiding those in want has not been established and does not in fact exist; that the local communities and the political subdivisions, the individuals, the counties, and the States are not either indisposed or powerless to cope with this emergency.

For weeks and weeks investigations of this subject have been conducted by the Committee on Manufactures of the United States Senate, by the chairman, Senator LA FOLLETTE, aided chiefly by Senator COSTIGAN, both strong and able exponents of the idea that local and State efforts have failed and that the national taxpayers must assume the responsibility and the burden from this time on.

These hearings have had great nation-wide publicity. Following the hearings, debate on the subject has continued in the Senate day after day, all widely published.

These cries of inability of communities, cities, counties, and States, these insistent and eloquent demands for the National Treasury to appropriate funds to aid the States to aid the localities where need exists have been heard and read by all the governors of the 48 States in the Union and by the members of their legislatures.

These men, elected to have authority in their 48 respective jurisdictions, have heard, dramatically portrayed by my opponent and his supporters, the supposed inability of their communities and their States to care for their own.

The stage was set for an uprising of the governors to call out to Congress, "Yes; we are helpless. Send national funds to our aid."

But the cry has not been heard.

With all the publicity and eloquence demanding this appropriation to the States, with weeks and weeks of continued hearings—ample time has been given to ascertain the attitude of the States to which the Federal funds would go—what do the States think of the movement? Do they demand, seek, require, or want the $750,000,000 which my friend would appropriate to them?

Not at all.

Only one State legislature has sent to the Senate a resolution favoring the La Follette-Costigan bill. That came from Wisconsin, whose young and popular governor, Philip La Follette, no doubt shares the views on this subject with his brother, Senator LA FOLLETTE, coauthor of the bill.

Forty-seven of the forty-eight State legislatures have failed to support the bill designed to save their constituents from dire distress.

No governor of any State, other than Wisconsin, has urged the Senate to appropriate money to aid them in this situation, and I am not certain that the Governor of Wisconsin has himself made a request of such nature. So far as I am advised, the only action taken was that of the legislature.

All must know that much of the machinery will be set up at the point where the States will come to get their funds; that the Federal Government will closely investigate and scrutinize conditions and applications and the manner of the expenditure of the funds it provides.

The relief necessary and required must be supplied and can be best supplied and administered by the localities where the need exists rather than from the far-distant seat of Government at Washington. It can be done more promptly, more effectively, more economically by neighbors and local organizations and officials than by politicians and bureaucrats in Washington.

Much time was taken before the committee by advocates of Federal appropriations in pointing out the large amount of unemployment and need in Illinois, and particularly in Chicago. It was argued that the State which I represent was powerless, helpless, prostrate before this situation; that with 600,000 to 700,000 out of employment in the second city of the country, a city whose treasury is practically without funds, in a county also unable to pay its current obligations, Chicago, Cook County, and Illinois were resourceless, and unless Federal money was promptly received, the relief funds would soon be exhausted and untold misery would result.

Certainly the easy thing, the course of least resistance, would have been for the Governor of Illinois, the General Assembly of Illinois, the county commissioners of Cook County, the mayor and the aldermen of the city of Chicago, and the citizens of Chicago and downstate Illinois, to rush to Washington with their extreme and depressing burden and responsibility, to lay it at the door of President Hoover and the National Congress, to cry out for a huge Federal appropriation, and return home, having shifted their local and State cares, duties, and obligations upon the President, the Congress, and the taxpayers of the Nation, already staggering under unprecedented demands, cares, and rapidly mounting deficits.

But Illinois did not do this. She took the opposite course. She said "These are my people. This is the function of my government. Illinois will take care of her own."

Governor Emerson called a special session of the general assembly. Downstate Illinois joined hands with Chicago to aid the suffering, to relieve want, to care for the sick and destitute, and within a few days a fund of $20,000,000 was provided for, to be established through the sale of tax-anticipation warrants which are to be redeemed by an increased gasoline tax.

The impossible was speedily accomplished, and local people in Illinois will administer Illinois funds to care for Illinois people.

Wisconsin has recently provided a fund of $8,000,000 to care for her unemployed, so I think the need there will be fully, carefully, and efficiently attended to by the brother of the coauthor of the Costigan-La Follette bill—the Governor of Wisconsin—a humane, thorough, and competent administrator.

There has been a lot of talk about the terrible suffering in the second richest State of the Union—Pennsylvania; of her utter inability to care for her people.

I discount and disparage this. Governor Pinchot has been a leader in such suggestions, but I note that in this time of terrible crisis in Pennsylvania he has been recently vacationing in the balmy Bermudas.

I do not think the Governor of Pennsylvania, who shares in a general way the progressive views of the authors of the Costigan-La Follette bill, would leave his post of duty if he really believed there was genuine danger of widespread starvation and suffering in the great Commonwealth of which he is the chief executive.

The legislatures of eight States—Kentucky, Massachusetts, Mississippi, New Jersey, New York, Rhode Island, South Carolina, and Virginia—are in regular session this winter. Have they or any of them appealed to Congress for a gift or even a loan for unemployment relief? Not a single one has done so.

Special sessions have been called in five States to provide for unemployment relief—Illinois, Arizona, Pennsylvania, Tennessee, and Wisconsin. I have heretofore referred to Wisconsin. The other four made no appeal for Federal aid. Such States in which legislatures have been in session this winter represent 53,604,676 of the population of America.

Provisions for emergency unemployment relief by State legislatures this winter include—

New York	$20,000,000
Illinois	20,000,000
Pennsylvania	18,546,553
New Jersey (approximately)	10,000,000
Wisconsin	8,000,000
Rhode Island	1,500,000

The distress situation in the States other than those to which I have referred evidently has been cared for locally in a manner which has obviated the necessity for calling their legislatures into special session.

It is argued that Congress has passed the Reconstruction Finance Corporation bill to aid banks and other financial institutions and railroads, "big business," as they say, and that, therefore, Federal aid should be afforded the unemployed, a catchy argument which will not stand analysis.

If the only purpose, the main objective of such bill, had been to help "big business," all know that it would not have received the almost unanimous support of the responsible leaders of both parties in both Houses of Congress. It would have been overwhelmingly defeated.

It was an emergency matter calculated to restore confidence, to prevent further bank failures with the great hardships they entail upon the depositors and patrons, rich and poor alike, to permit railroads with their hundreds of thousands of employees to continue to operate and to meet their pay rolls, and to aid farmers in financial distress and for other purposes equally meritorious.

It did not come until every other means of meeting the critical situation had been studied and found ineffectual. It did not come while the various States and localities of the Nation were caring for the situation with which it dealt but only after it had been thoroughly demonstrated that such efforts had failed in every section of the land.

Federal appropriations would end, to a very great extent at least, the efforts and labors of the thousands of charitable and public-spirited citizens who are working ceaselessly without pay in the various organizations for relief. It would end the community chest and like efforts. It would stop all city, county, and State appropriations. It would remove the final discretion in the apportionment of funds from close and local supervision of those who intimately know their various conditions to the seat of government at Washington. It would weaken the morale and the fiber of every individual, community, and State. It would establish another great and growing bureau at Washington with agents, investigators, and representatives going forth, at Federal expense, into every locality of the Union. It would cause delay rather than expedite action. And it would add another tremendous sum to the huge cost of the National Government.

The sum originally asked, $375,000,000, has already been doubled. It is now $750,000,000. How much, if any more, will be added to this? No one knows. No one can predict.

And remember this is only the first appropriation—the first installment. If this policy is adopted, prepare for the others that are sure to come.

This is to be added to a deficit estimated for the present fiscal year at $2,140,000,000.

This must be paid by the taxpayers of the Nation.

Let us meet this problem, this great emergency, fully, humanely, generously, sympathetically, with individual, local, municipal, county, and State resources, and save America from the great dangers which are certain to follow if local and State efforts are abandoned now and for all time hereafter; if the Nation with its Treasury is called upon to assume the functions of the States, the municipalities, and the individual citizens of the Republic.

REORGANIZATION OF THE EXECUTIVE DEPARTMENTS

Mr. McKELLAR submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 76) authorizing the President to reorganize the executive agencies of the Government, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Strike out all after the resolving clause and insert in lieu thereof the following:

"The President is hereby authorized during the session or the recess of the Congress to take action looking to a proper and scientific coordination of the work of the various executive departments of the Government, and he is hereby requested to report upon the question of transfer and consolidation of commissions, bureaus, divisions, offices, and other governmental activities, in order that duplication of service may be abolished and extravagance and unnecessary expenditures eliminated, and report with recommendations; and the report and recommendations shall be made to Congress on the first day of the regular session thereof, the first Monday in December, 1932."

Mr. McKELLAR subsequently said: Mr. President, a few minutes ago I introduced a substitute for Senate Joint Resolution 76. I ask unanimous consent to have printed in the RECORD the joint resolution (S. J. Res. 76) authorizing the President to reorganize the executive agencies of the Government, and also the bill (S. 3771, 65th Cong., 2d sess.) authorizing the President to coordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government, which was reported to the Senate for consideration from the Judiciary Committee on March 21, 1918, to be printed immediately following the joint resolution, for the information of the Senate.

The PRESIDING OFFICER (Mr. ROBINSON of Indiana in the chair). Without objection, it is so ordered.

Senate Joint Resolution 76 (72d Cong., 1st sess.) and Senate bill 3771 (65th Cong., 2d sess.) are as follows:

A joint resolution (S. J. Res. 76) authorizing the President to reorganize the executive agencies of the Government

Resolved, etc., That whenever the President finds that it is in the interest of the efficient exercise of the executive power and administration of the executive branch of the Government he is authorized, by Executive order—

(1) To transfer the whole or any part of any independent executive agency, and/or the functions thereof, to the jurisdiction and control of an executive department or another independent executive agency;

(2) Transfer the whole or any part of any executive agency, and/or the functions thereof, from the jurisdiction and control of one executive department to the jurisdiction and control of another executive department; or

(3) To consolidate or redistribute the functions vested in any executive department or in the executive agencies included in any executive department.

SEC. 2. The President's order directing any transfer or consolidation under the provisions of this joint resolution shall also designate the records, property (including office equipment), personnel, and unexpended balances of appropriations to be transferred.

SEC. 3. (a) All orders, rules, regulations, and permits or other privileges made, issued, or granted by or in respect of any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this joint resolution, and in effect at the time of the transfer or consolidation, shall continue in effect to the same extent as if such transfer or consolidation had not occurred, until modified, superseded, or repealed.

(b) No suit, action, or other proceeding lawfully commenced by or against the head of any department or executive agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of any transfer of authority, powers, and duties from one officer or executive agency of the Government to another under the provisions of this joint resolution, but the court, on motion or supplemental petition filed at any time within 12 months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the head of the department or executive agency or other officer of the United States to whom the authority, powers, and duties are transferred.

(c) All laws relating to any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this joint resolution shall, in so far as such laws are not inapplicable, remain in full force and effect, and shall be administered by the head of the executive agency to which the transfer is made or with which the consolidation is effected.

SEC. 4. Whenever, in carrying out the provisions of this joint resolution, the President concludes that any executive department or agency should be abolished and the functions thereof transferred to another executive department or agency or eliminated entirely, he shall report his conclusions to Congress, with such recommendations as he may deem proper; and such action shall be final unless Congress, by concurrent resolution, shall disapprove it within 60 days.

SEC. 5. When used in this joint resolution—

(1) The term "executive agency" means any commission, board, bureau, division, service, or office in the executive branch of the Government, but does not include the executive departments.

(2) The term "independent executive agency" means any executive agency not under the jurisdiction or control of any executive department.

SEC. 6. The President shall report specially to Congress at the beginning of each regular session any action taken under the provisions of this joint resolution, with the reasons therefor.

(Senate bill No. 3771, 65th Cong., 2d sess.; introduced by Mr. Overman on February 6, 1918)

Be it enacted, etc., That for the national security and defense, for the successful prosecution of the war, for the support and maintenance of the Army and Navy, for the better utilization of resources and industries, and for the more effective exercise and more efficient administration by the President of his powers as Commander in Chief of the land and naval forces the President is hereby authorized and empowered to make such redistribution of functions among executive agencies as he may deem necessary, including any functions, duties, and powers hitherto by law conferred upon any executive department, commission, bureau, agency, office, or officer, in such manner as in his judgment shall seem best fitted to carry out the purposes of this act, and to this end is authorized to make such regulations and to issue such orders as he may deem necessary: *Provided*, That this act shall remain in force during the continuance of the present war and for one year after the termination of the war by the proclamation of the treaty of peace, or at such earlier time during the said year as the President may designate: *Provided further*, That the termination of this act shall not affect any act done or any right or obligation accruing or accrued pursuant to this act and during the time that this act is in force.

SEC. 2. That in carrying out the purposes of this act the President is authorized, in such manner as he may deem most appropriate, to coordinate or consolidate any executive commissions, bureaus, agencies, offices, or officers, to transfer any duties or powers from one existing department, commission, bureau, agency, office, or officer to another, to transfer the personnel thereof or any part of it either by detail or assignment, together with the whole or any part of the records and public property belonging thereto, and to employ by Executive order any additional agency or agencies, and to vest therein the performance of such functions as he may deem appropriate.

SEC. 3. That for the purpose of carrying out the provisions of this act any moneys heretofore and hereafter appropriated for the use of any executive department, commission, bureau, agency, office, or officer shall be available for the purposes for which it was appropriated under the direction of such other agency as may be directed by the President hereunder to perform and execute said function.

SEC. 4. That during the time this act is in force all restrictions in any existing law creating any executive department, commission, bureau, agency, office, or officer, or defining the duties thereof, shall be deemed to be suspended to the extent that they may be inconsistent with the exercise of the authority herein conferred.

PRINTING OF PROCEEDINGS AT UNVEILING OF STATUE OF JAMES Z. GEORGE

Mr. HARRISON submitted the following concurrent resolution (S. Con. Res. 17), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there be printed, with illustrations, and bound 5,000 copies of the proceedings in Congress, together with the proceedings held at the unveiling in Statuary Hall, upon the acceptance of the statue of James Z. George, presented by the State of Mississippi, of which 1,000 shall be for the use of the Senate and 2,500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Mississippi.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be published with these proceedings.

AMERICAN COPPER PRODUCTION (S. DOC. NO. 58)

Mr. ASHURST. I ask unanimous consent to have printed as a Senate document copious and interesting data regarding the necessity for a tariff on copper imported into the Unidte States, which data were prepared by Hon. Hoval A. Smith, of Arizona.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF COMMITTEE

Mr. VANDENBERG, from the Committee on Commerce, to which was referred the bill (H. R. 8250) granting authority to the Texas State Highway Commission to maintain and operate as constructed a free highway bridge across Trinity River, between the counties of Navarro and Henderson, in the State of Texas, reported it without amendment and submitted a report (No. 247) thereon.

RELIEF OF UNEMPLOYMENT

The Senate resumed the consideration of the bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. COUZENS. Mr. President, I have pending an amendment in the form of a substitute for the so-called Costigan-La Follette bill. I think it will be well to get the matter before the Senate by having the clerk read my proposed substitute.

The VICE PRESIDENT. The Senator from Michigan offers an amendment in the nature of a substitute, which the clerk will read.

The Chief Clerk read as follows:

Strike out all after the enacting clause and substitute the following:

"That there is hereby authorized to be appropriated the sum of $375,000,000, to be immediately available, for allocation to the several States by the President. Not more than $125,000,000 of this amount shall be expended in the fiscal year ending June 30, 1932.

"SEC. 2. The amounts apportioned or allocated to any State under this act shall be available for payment to and expenditure by such State, for the purposes of this act, until the expiration of two years after the date of enactment of this act.

"SEC. 3. In order to obtain payments out of the appropriations authorized in section 1 of this act a State, through its governor, shall cooperate with the President. Relief shall be administered within each State under rules and regulations adopted by the governor and approved by the President in accordance with section 4 of this act.

"SEC. 4. The governor of any State making application for funds under this act shall submit at such times as may be prescribed by the President plans for carrying out the provisions of this act within such State. The plans shall be subject to the approval of the President and shall, within the discretion of the President, include the following: (1) An estimate of the amounts appropriated or otherwise made available, and of the amounts actually expended, for emergency relief by public and private agencies in the State, for the calendar years 1929, 1930, and 1931; (2) an estimate of the amounts necessary to meet the needs of emergency relief in the State in the calendar year 1932 and, upon call of the President, in the calendar year 1933; (3) provision for adequate State administrative personnel, whose qualifications to administer relief activities shall meet with the approval of the President; and (4) provision satisfactory to the President for securing the benefits contemplated by this act to

persons within the State, irrespective of the period of residence within the State.

"SEC. 5. The governor of each State cooperating with the President under the provisions of this act shall make such reports concerning operations and expenditures as shall be prescribed by the President. The President may revoke any existing allotment of funds or withhold any further allotment of funds whenever he shall determine, as to any State, that the State has not properly expended or supervised the expenditure of moneys paid to it in accordance with the plans approved under this act. Before any such allotment shall be revoked or withheld from any State the President shall give notice in writing to the State stating specifically wherein the State has failed to comply with such plans.

"SEC. 6. The term 'emergency relief,' when used in this act with respect to State expenditures, means relief in the form of money or commodities furnished by the State or its civil subdivisions or by private contributions from within the State, to persons in their abode or habitation, or in shelters for the transient and homeless, or in the form of wages or other compensation for work furnished on the basis of need, and made necessary by reason of the emergency growing out of unemployment, over and above the usual and ordinary expenditures for such relief, but not including old-age pensions under special acts, or public aid under special acts to mothers for the care of dependent children, or relief to veterans under special acts; and the term 'relief,' when used in this act with respect to the allocation of funds by the President, shall be construed to include the same purposes as those included in emergency relief, and expenditures for such purposes are hereby authorized. In either case the decision of the President as to the purpose of any expenditure shall be final.

"SEC. 7. This act shall be construed as intending to secure to the several States control of the administration of this act within their respective territorial limits, subject only to the provisions and purposes of this act."

Mr. COUZENS. Mr. President, it will be observed from the reading of the amendment that much of its language has been copied from the bill introduced by the Senator from Colorado [Mr. COSTIGAN] and the senior Senator from Wisconsin [Mr. LA FOLLETTE]. I am not in disagreement with the object desired to be attained by those Senators; I am in entire sympathy with the Federal Government coming to the aid of the States wherever the States themselves have demonstrated the need. The one fault I have to find with the testimony which was taken by the Senator from Wisconsin before the Committee on Manufactures was that most of such testimony came from unofficial persons, persons engaged in the very laudable enterprise of relieving the needy, but, nevertheless, not from State public officials, at least, who have demonstrated to my satisfaction, at any rate, that they have exerted every possible effort to take care of their own unemployed. I am utterly opposed to relieving the States in this emergency until the States shall have demonstrated to the satisfaction of some recognized Federal official that their governors have exerted every effort within their means to care for the unemployed.

There is no difference between what I desire and what the Senator from California [Mr. JOHNSON] desires, as was demonstrated in his laudable statement the other day, and what the Senator from Wisconsin and the Senator from Colorado desire as expressed in the admirable addresses which they have delivered; but I wish to place the whole responsibility on duly elected public officials wherever Federal money is to be expended.

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Michigan yield to me?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. COUZENS. I yield.

Mr. WALSH of Massachusetts. Will the Senator state in just what manner his amendment provides for a State indicating to the Federal Government that there is need of Federal assistance?

Mr. COUZENS. It is left entirely with the President; the President is the recognized public official charged with the responsibility of expending the money which is appropriated by Congress.

Mr. WALSH of Massachusetts. Is any official step to be taken by the State government?

Mr. COUZENS. The governor of any State desiring Federal assistance must apply to the President and describe the needs of his State and advise the President or the subordinate organizations operating under him to what extent the governor himself has gone to provide relief for the unemployed of his State.

Mr. WALSH of Massachusetts. In other words, if I understand the Senator's position, it is this: If the officials of a State make an assertion that the burden of relief is so heavy that the State needs the assistance of the Federal Government, then the measure which the Senator advocates will become operative and the Federal Government will extend relief?

Mr. COUZENS. That is my understanding. It seems to me appropriate at this time to say that I have looked up various statements which have been made by the President from time to time, and, without the breach of any confidence, I think I may say that the President himself has stated to me on repeated occasions that he would not, under any circumstances, see the people of the United States starve. I want to quote in that connection——

Mr. ROBINSON of Arkansas. Before the Senator passes to that——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Michigan yield to the Senator from Arkansas?

Mr. COUZENS. I yield.

Mr. ROBINSON of Arkansas. Will he be good enough to point out the provision in his amendment that defines the terms upon which advances of funds may be secured by a State?

Mr. COUZENS. I think the Senator from Arkansas will find what he is looking for in section 4 of my proposed substitute.

Mr. ROBINSON of Arkansas. Mr. President, if the Senator will pardon me, he stated, in answer to a question by the Senator from Massachusetts [Mr. WALSH], that the governor of a State applying for funds was required to certify as to the necessity for Federal funds.

Mr. COUZENS. That is correct.

Mr. ROBINSON of Arkansas. I do not find in the proposed amendment the language to which the Senator refers.

Mr. COUZENS. The proposed amendment carries out the theory that the President will prescribe the rules and regulations under which the States may secure relief.

Mr. ROBINSON of Arkansas. Oh, the Senator, then, bases that conclusion on the theory that the President before making an allocation to any State would, in fact, require the governor to certify as to the necessity for Federal funds?

Mr. COUZENS. That is certainly my intention, and I think that implication is at least carried in the amendment.

Mr. ROBINSON of Arkansas. I do not believe that the language the Senator has especially called my attention to, in answer to the question submitted to him a moment ago, warrants that implication.

I will, with the Senator's permission, read section 4 of his amendment.

Mr. COUZENS. I yield to the Senator for that purpose.

Mr. ROBINSON of Arkansas. The section reads as follows:

SEC. 4. The governor of any State making application for funds under this act shall submit at such times as may be prescribed by the President plans for carrying out the provisions of this act within such State. The plans shall be subject to the approval of the President and shall, within the discretion of the President, include the following: (1) An estimate of the amounts appropriated or otherwise made available and of the amounts actually expended for emergency relief by public and private agencies in the State, for the calendar years 1929, 1930, and 1931; (2) an estimate of the amounts necessary to meet the needs of emergency relief in the State in the calendar year 1932 and, upon call of the President, in the calendar year 1933; (3) provision for adequate State administrative personnel, whose qualifications to administer relief activities shall meet with the approval of the President; and (4) provision satisfactory to the President for securing the benefits contemplated by this act to persons within the State, irrespective of the period of residence within the State.

It is entirely true that the language of section 4 requires the governor of the State to supply an estimate of the amounts that have been collected from public and private sources within the State for purposes of relief and also to

state the amount necessary, but there is nothing in section 4 that even implies that the State must exhaust or show that it has exhausted its resources or ability to obtain the funds found to be necessary.

Mr. COUZENS. Perhaps before I mentioned section 4 I should have drawn the Senator's attention to section 3. Nevertheless, the point the Senator makes, in my judgment, relates to an administrative matter. It certainly is not the intention of anyone, so far as I know, even in the case of the proposed Democratic substitute, to grant money from the Federal Treasury where there is no demonstration made that the States have exhausted their own funds.

Mr. ROBINSON of Arkansas. That is entirely true, but the language of the substitute amendment does not impose any such condition. Take section 3, to which the Senator last referred. It reads:

SEC. 3. In order to obtain payments out of the appropriations authorized in section 1 of this act, a State, through its governor, shall cooperate with the President. Relief shall be administered within each State under rules and regulations adopted by the governor and approved by the President in accordance with section 4 of this act.

Now, if I may continue for just a moment——

Mr. COUZENS. Before the Senator continues, I should like to say that if he wants to make the language any more specific, I am willing to have that done, because my intention is as I have indicated.

Mr. ROBINSON of Arkansas. It is not a question of making the language specific; it is not there at all, according to my interpretation.

Mr. COUZENS. If the Senator wants to put anything in there—and he is a lawyer and I am not—I am perfectly willing to surrender to his superior judgment as to how the language should be drawn. The intention is as I have stated; and if the amendment does not so provide, I would be glad to have the Senator propose an amendment which would carry out that intention.

Mr. ROBINSON of Arkansas. If the Senator will permit me, he having generously yielded to me already, I should like to point out to him some further provisions of this proposed substitute.

Mr. COUZENS. May I complete my statement first, and then have the Senator criticize it afterwards?

Mr. ROBINSON of Arkansas. Very well, if the Senator prefers to follow that course.

Mr. COUZENS. At the time I yielded to the Senators from Massachusetts and Arkansas I was about to point out the repeated statements of the President of the United States of his entire willingness to use Federal moneys rather than see anyone in the United States starve. He has stated, as I said before, both publicly and privately, his entire willingness to have that done.

In the New York Times of February 7, I read an article on the President in which the following was stated:

In consonance with the President's fixed policy, the program includes no Federal aid for the unemployed. He states that his emergency-relief committee reports that 44 States have signified their ability to take care of their own unemployed. If Mr. Hoover were asked, however, what he would do if local efforts proved inadequate, as in too many places they are, he would probably answer that the Federal Government could not see Americans starve. Here again; that is to say, he recognizes the coercion of circumstances. He said once that there can be no inflexible decisions in a shifting world, and if the present measures do not ease the situation, it may confidently be predicted that there will be others not excluding a dole, under whatever name it will be disguised.

I want to leave that responsibility with him. I am not convinced that the States of the United States have exerted all the efforts possible to relieve their own citizens. I can recall only three or four States that have taken definite and specific action to care for their own unemployed. I do not wish to call the roll of the States that I believe have been negligent and disregardful of their own citizens. I do not want to call the roll of the States that seem to want to "pass the buck" to the Federal Government to assume all of their responsibilities. I am not discussing this subject from a monetary standpoint. I am not interested in the amount of the appropriation, or the money needed to care for the unemployed. No one in this body is willing to go farther than I am to see that no one starves, goes improperly clothed, or unhoused. But from a long experience and contact with the administration of public welfare I am satisfied that more harm than good can be done by the careless and indifferent and unregulated giving away of money. The mere giving away of money does not solve this problem, and never will. It requires trained direction. It requires almost what we might call czaristic power, administered by a person with a heart, a person with human instincts, and yet with a complete understanding that in frequent cases more harm than good is done by the simple passing out of money.

So I do not approach this matter from the standpoint of trying to save money or trying to avoid taxation. I approach it from the standpoint that if the Federal money is to be used, however, some outstanding public official should be responsible for its administration.

I submit that the bill presented by the Senators from Wisconsin and Colorado recognizes that there must be some administrative responsibility, because, as a matter of fact, the Federal Emergency Relief Board proposed in the bill sets up the three existing public officials who are already in the administration and, I assume, under the domination of the President of the United States. It would be difficult to say that there is any administrative officer who is not subject to the control and domination of the President of the United States under any administration. So, in effect, the bill for which I offer a substitute provides that a majority of this board shall be made up of members of several bureaus. For instance, the Chief of the Children's Bureau of the Department of Labor certainly is a subordinate of the President. The director of extension work of the Department of Agriculture certainly is a subordinate of the President; and so are the other members. Even the two additional members provided in the bill to be nominated by the President and confirmed by the Senate will be under the domination of the President.

So why is it necessary, for a temporary situation, to create another board, with another overhead, when everybody admits that we already have too many Government employees in Washington? We have plenty of facilities. The President has plenty of facilities. The President has under his control every Government department; and while sometimes it is said that he has control of the independent commissions, I do not think that is so, but I do think he has too much influence with them at times. That, however, has nothing to do with this subject. If Federal money is used, I want to see the President of the United States responsible for its administration; and I want the head of every State to come down here to Washington and prove to the satisfaction of the President that he has exerted every possible effort to relieve his own citizens.

We gain nothing by "passing the buck." We gain nothing by relieving the governors of the several States from their responsibilities to look after unemployed. Under no conception can I reach the conclusion that government has not an absolute responsibility to look after its citizens in distress, no matter what the circumstances may be. Even if a citizen may be improvident, even if a citizen may be a bad citizen, even if a citizen may be a drunken citizen, no matter what his conditions are, government has always assumed the responsibility of looking after him, either through public welfare agencies, through poorhouses, asylums, or otherwise.

In talking the other day to a famous Britisher who was in Washington, he pointed out to me that the first charge against what they call their rates is the poor charge. In every community in England, I am informed, the first charge against taxes is the charge that the poor, the indigent, the sick, and the weak shall be taken care of. That system exists in nearly every foreign country. There is no reason on earth why it should not exist in this country. It is far preferable to make the first charge against public taxes the charge of taking care of the weak, the sick, and the indigent, and also the unemployed who are unemployed through the acts of government, either through failure to provide proper

protection for industry or proper unemployment insurance or any other means that might be adopted to assure a stabilized income for those who depend upon industry.

So I am not discussing this matter from the standpoint of money. I am discussing it because I want this problem solved, and I want it started right. If this be the first time that the Federal Government undertakes to aid in the solution of the problem of unemployment and the care of the unemployed, I am anxious that it shall be started right. I do not want any mistake made. I do not want anybody to say that it is a failure. I want it to succeed; and I know of no better way of bringing that about than to place the responsibility for its success upon the governors of the several States and the President of the United States.

When it comes to the amendment of the Senator from Nebraska [Mr. NORRIS], providing $375,000,000 for road building, I express the opinion that road building is entirely overdone. The $375,000,000 given to the States for road building will not anywhere near solve the problem. It will hardly scratch the surface. The Federal Government can not raise enough money, either by taxation or by bond sales, to do enough work in road building or construction work to anywhere near take care of the unemployed.

Whatever the Government may appropriate for road building or for construction work will not take care of more than a very small portion of the unemployed, and that small portion will be made up of the most rugged, the healthiest, the strongest, and the most efficient of the unemployed. It will do very little to aid the many, many millions of unemployed who can get no direct or indirect help from construction or from road building.

Therefore, I am not submitting my substitute with any idea of getting votes from those who want roads, or of getting votes from States that think they are going to get a portion of the money; and I am not charging bad faith on the part of any proponent of the bill before us, or of the substitute. I only want to have my own views understood. Whether or not any other Senator agrees with them, I am unable to say; but I do want an opportunity of having it understood just exactly what I am in favor of, and that I want to have the policy which is about to be rejected or adopted carried out in good faith and under a responsible head. I do not believe it was possible to have done so under the establishment of an independent board, nor do I believe that the States or the unemployed will get any benefit from a mere appropriation for road building or construction work, or from loaning the States money.

Therefore, I have submitted the substitute, and I hope at the proper time we may have a roll call on it.

Mr. ROBINSON of Arkansas. Mr. President, this amendment, when analyzed, is a proposal that a lump sum of $375,000,000 be appropriated for the purposes of emergency relief, to be allocated without restriction, except as to the total amount of the appropriation, by the President. The amendment gives him the power to extend or refuse assistance upon the application of the States; to cancel or withdraw funds which, in his opinion, are not being properly expended by the States.

I find myself in sympathy with some of the declarations made by the Senator from Michigan [Mr. COUZENS]. It is exactly for the reason that most of the States, from the evidence submitted to the Senate, do not appear to have exhausted their efforts and their resources for the purposes of emergency relief that I gave support and still give support to the substitute which yesterday was rejected by the Senate. I am not sure that it is fair to the President, and I am certain that it is not quite fair to the minority, to those who are in political opposition to the President, to place in his hands a fund of $375,000,000, to give him the power to say whether he will expend any part of it, to give him the power to expend every dollar of it within a single State, to give him the power to withdraw relief tentatively granted for any reason which, in his judgment, makes that course advisable.

Mr. President, looking at this subject from a practical standpoint, it is perfectly certain that once a lump sum is appropriated, contests will arise, pressure will be exerted, and it might prove humanly impossible for the President of the United States, on the eve of a great national campaign, to take $375,000,000 of public money and expend it, or secure its expenditure, with absolute impartiality.

In saying that I make no attack on the President of the United States.

On the anniversary of Lincoln's birth there moved out of the Capitol dozens of leaders representing the administration to make public addresses, and through their addresses ran a common declaration, namely, that the President is being treated unjustly; that he is being condemned for failure to act when he ought to act, for acting when he ought to do nothing. Appeals to the sympathy of the people of the Nation were simultaneously made by these partisan speakers on a day which, by common consent, is devoted to the vitalization of patriotic impulses and sentiments. The Senator from Indiana [Mr. WATSON], the Senator from Washington [Mr. JONES], and other Senators, and many Representatives broadcast over the radio the declaration that there is a conspiracy to malign and break down the President of the United States.

Mr. President, I declare now that the criticisms of the President's course have come in large part from adherents to the political party to which he belongs. Wholesome and fair criticism is essential to the maintenance of that spirit of independence and of progressiveness which is required to perpetuate the institutions of our country.

I doubt whether it is wise, under the conditions which now exist, to make this sum available for such distribution and application as the President or any other one man in politics desires to make.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Michigan?

Mr. ROBINSON of Arkansas. I take pleasure in yielding.

Mr. COUZENS. I want to say to the Senator that in my substitute measure I have brought no politics into the discussion at all, and I am not finding fault with the Senator. I know the Senator does not claim that I am a very rigorous partisan. I am perfectly willing to vote with the Democrats, and always have done so when I thought they were right, and against the Republicans when I thought they were wrong. But what I wanted to point out particularly was that this substitute simply provides for an authorization, and every appropriation which can be gotten under an authorization must be approved by the Democratic Appropriations Committee of the House of Representatives. I think that is quite an adequate check on what the President might get from the House of Representatives.

Mr. ROBINSON of Arkansas. Mr. President, I have made no criticism of the Senator from Michigan.

Mr. COUZENS. I know that, of course.

Mr. ROBINSON of Arkansas. It appeals to me very strongly when he, a Republican leader, declares that his reliance to safeguard the public funds is on a Democratic committee. It almost induces me to refrain from the further observations which I was about to make.

I think my colleagues will bear witness to the fact that since this session of Congress began there has been little manifestation of the spirit of partisanship. If I am wrong in that, I challenge now any Senator to take the floor and deny the correctness of the statement.

We have been told from the beginning of this session that the condition of the country is such, that business is so distressed that politics should be adjourned and emergency measures should be advanced by common consent. That is exactly what has been done. Some measures which many of us on this side of the Chamber have doubted received support; others which we favored have also been enacted; and others which we initiated have been brought forward. Yet every day some Republican orator, apparently spokesman for the administration, tells the country that Mr. Hoover has saved the United States and is saving mankind.

A distinguished partisan speaker, a lady of national renown, is reputed to have told the public, in addresses re-

ported by the press, that there is no such thing existing as a panic or depression, that depression has all vanished before the magic wand of the President, like mist before a rising sun. Here we are, in the midst of a time of great stress and strain, abating political activities and deferring political discussion. A Senator with no such thought in his mind has proposed to appropriate $375,000,000 for the President to do exactly what he pleases with; and I do not feel that it will be really helpful if such a course be acquiesced in or taken by the legislative department of the Government.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield.

Mr. BLACK. Listening to the remarks of the Senator reminds me that the difference between the substitute and the original bill is that under the substitute now offered certain powers are given directly to the President in words, including the power to veto all appointments of people in the States administering charity, and that under the original bill power is indirectly given to the President, through a bureau, which, of course, as the Senator stated, is necessarily subordinate to the Chief Executive, and they can give the assistance to a State or withhold it at will. So that in effect the net result is the same, after all.

Mr. ROBINSON of Arkansas. Undoubtedly. The Senator from Michigan made the point against the original bill, but apparently is unable to see the point when it is directed at his own amendment.

I have not said, and I shall not say, that the President is not trained and skilled in the direction of matters pertaining to relief. I have not said, and I shall not say, that he would deliberately abuse the power which is proposed so generously and needlessly, from my viewpoint, to be conferred upon him by the pending amendment. But I do say, and I shall repeat, that it would be extraordinary and that it is not to be expected, if $375,000,000 should be granted as proposed, that it would be disbursed without some measure of discrimination and partiality. It might be impossible to avoid that even if the methods resorted to in the substitute were adopted; but it is entirely too much to say that the President of the United States, who insists there is no occasion for emergency relief, that there never has been, and that none is in immediate prospect, shall have $375,000,000 to give to a governor if he wishes, to deny it to a governor if the President desires, to withdraw it from a governor if the action of the governor or the State agencies displeases him, to allot to one governor, since the terms of the amendment permit, the entire fund if he desires to do so.

Of course, it is not necessary and it is not possible to undertake to determine what will be done with the $375,000,000 if the amendment of the Senator from Michigan should be agreed to. The President will be given by the Congress the power to employ it or not to employ it, to use it as he pleases. I think it is the worst proposition respecting the method of distribution that has been submitted.

Mr. DILL. Mr. President, in the light of what the Senator from Arkansas [Mr. ROBINSON] has just said I think it would be quite appropriate to have read at the desk a statement by Paul Y. Anderson appearing in the Nation of February 17, 1932, because the Senator's speech shows a reversal on some of the things which are indicated in that article.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as requested.

The legislative clerk read as follows:

[From the Nation, February 17, 1932]

MR. HOOVER RIDES THE DONKEY

By Paul Y. Anderson

WASHINGTON, February 6.—President Hoover finally has found a party he can control. In a burst of that fine chivalry which impels them irresistibly to espouse causes which are both lost and discredited, the Democrats in Congress have hastily enacted most of the Hoover proposals and confirmed nearly all the Hoover appointees, and now they are valiantly opposing what Hoover calls the "dole." To be perfectly consistent they should also support him for reelection. "Dole," it should be explained, is a term colloquially employed to define a Federal appropriation for relieving starvation in the United States. It does not apply to Federal appropriations for relieving starvation in Belgium, Germany, Serbia, Poland, Russia, and points east—that comes under the head of "American altruism." It does not apply to Federal appropriations for relieving hungry banks, railroads, insurance companies, or farm cooperatives—these are "constructive measures." Nor does it cover municipal, county, State, or private relief funds—they are in the noble category of "local self-help."

Mr. DILL. Mr. President, I wanted this read because it shows what not only Republican leaders and politicians are saying about the Democrats who are going along with the Hoover program, but what an independent newspaper writer is saying about it. For my part I am indeed delighted that the Democratic leader has decided that it is time the Democrats quit being used by the President and his followers for political purposes in this country.

I was interested in what the Senator from Arkansas said about speeches made on Lincoln's birthday. I do not object so much to the fact that Lincoln's birthday was used as a time in which to make political speeches as I do that the Republicans appeal to the country to glorify the President, because he has had the united support of both Democrats and Republicans in this emergency in enacting legislation which the President has asked to help stop the panic. There is a good reason why the Democrats did not propose and attempt to put through the Congress legislation differing from that which the President demanded on the subjects covered. That reason is that if in good faith they had done so, the bills would have been vetoed when they reached the White House, and upon the Democrats would fall the charge that they were responsible for a continuation of the panic and unemployment.

Not having sufficient votes to override the President's veto, with a great emergency confronting the country, with millions of men out of work, with banks closing their doors in every community in America, with people by the millions wondering how they are going to live through the rest of the winter, then in this emergency when the Democrats allow the President's measures to pass, and in fact help to pass them, that fact is used as an argument to prove that the Hoover policies are right and that the Democrats have no plan, that the Democrats can not offer anything in the emergency. I say it is about time that the country should realize that when the Democrats of the House and Senate try to be patriotic in a situation like this, they are then abused and accused of not having the ability or the courage or the initiative to propose a plan in such an emergency.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Montana?

Mr. DILL. I yield.

Mr. WHEELER. I think it is a question whether or not they can say that the Democrats are patriotic when they are following blindly the President of the United States in this emergency.

Mr. DILL. It is not said that the Democrats are patriotic. It is said that the Democrats are unable to offer anything else and that the plans of the President must be good because the Democrats have voted for them. The truth of the matter is that I think the time has come when the Democrats ought to assert themselves, and I believe they will assert themselves.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Michigan?

Mr. DILL. Certainly.

Mr. COUZENS. I wonder whether the Republicans have not given the able Senator from Virginia [Mr. GLASS] all the credit for the banking legislation which has been proposed. Certainly he is a good Democrat.

Mr. DILL. Yes; they are giving the Senator from Virginia credit for the banking legislation, and they are talking about it as being a part of Mr. Hoover's relief program in the form of getting more money into circulation throughout the country.

But what is the result of the bill of the Senator from Virginia having been reported? The stock market is being

manipulated in New York, and stocks are being boosted 10 or 15 points a day by a few riggers of stock-exchange prices. Millions of dollars will be lost in the next few days as a result. They did the same thing when the moratorium was proposed. They boosted stock prices and tried to make the people of the country think that prosperity had come back, and then the stocks dropped to a lower point than they had reached at any other time. They did the same thing when the corporation credit plan was organized by the President. They boosted the stocks and said, "This means that prosperity has returned," and then stock prices went down again. They did the same thing when the Reconstruction Finance Corporation bill was passed.

I believe that the Glass banking bill has some excellent things in it, and I remind the Senator from Michigan and the country that the best provisions of that bill, if they really help the country, are Democratic provisions introduced by the Senator from Massachusetts [Mr. WALSH]. He introduced a bill providing that Government bonds might be used as a basis for the issuance of paper currency by the Secretary of the Treasury. Mr. Mellon attacked it and said the country did not need any more money, and opposed the bill. The Senator from Virginia [Mr. GLASS] has put that plan in his bill, and the administration claims credit for having put forward a measure that will put more money into circulation in the country.

I believe the country will realize after a while that, if there is to be anything constructive done for the common people of America, it will have to come from other sources than the White House, because everything that has been presented by the President and approved by the Congress as a measure of constructive help to the country has proved a failure and conditions have grown worse, more banks have gone broke, more men are out of employment, and still we are told that the President is a great leader because the Democrats vote with him and have not anything better to offer than the President himself has offered.

To my mind, the bill before us now is illustrative of the pitiful spectacle in which the United States Senate finds itself. Undoubtedly a majority of the Members of the Senate are in favor of all necessary appropriations to feed the hungry, to clothe and provide shelter for those in desperate need. But we have gotten into a political contest here and we are fighting over technical questions, and unless every sign fails, we are not going to pass any legislation on the subject.

The Senator from Colorado [Mr. COSTIGAN] and the Senator from Wisconsin [Mr. LA FOLLETTE] worked out a bill which they think is good. There are certain things in it with which many of the Democrats disagree. The Democrats have brought forward a substitute. What happens? The only serious difference between the two proposals is that the bill originally proposed would have the money distributed by a Federal bureau. The Democratic substitute proposed to have it distributed through the States. The Democrats insist that this money shall be repaid either directly by the States or taken out of Federal appropriations for highways in the next five years. What happens when it comes to a vote? The Senators who introduced the bill, and who have stood here and pleaded with us and told us of the terrible need in the country, unite with regular Republicans who are against all kinds of relief, and the few Democrats who are against all kinds of relief, and in that way beat the substitute. Now, when we come to a final vote on the bill of Senator LA FOLLETTE, the same crowd of Republicans and a large percentage of the Democrats who are opposed to the Federal bureau idea, will unite and the substitute will be beaten and we will have nothing for the men who are hungry and poor, and all because we do not agree on some technicality.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Wisconsin?

Mr. DILL. I yield.

Mr. LA FOLLETTE. Does the Senator mean a technicality as to whether the relief shall come from the Federal Government out of taxes upon large incomes and inheritances, or whether it is to be thrown over upon the States to be raised by taxes on real property?

Mr. DILL. That is not the issue at all, because it is provided in the bill, and the Senator knows it, that if the States do not repay the amount received it will be taken from Federal appropriations made in the future for Federal aid to highways. There is not any issue at all about that. The issue is whether or not we are going to do this through a Federal bureau in Washington or whether we are going to do it through the States, whether it is to be given to the people in the States, or whether it is to be later returned by being held out of future appropriations from the Federal Treasury for Federal aid to highways.

Mr. LA FOLLETTE. Certainly; and in the last analysis if it is held out of the future Federal appropriations for Federal aid to highways, it means that the burden which the Federal Government has been carrying will be thrown over on the real and tangible property in the States which already carry a staggering load of taxes greater than they should carry.

Mr. DILL. If that happens it will be in the years to come. What we need is relief now. I think it ill becomes the Senator from Wisconsin, who has been so lengthy and so vivid in his description of the terrible need for this fund, to stand and fight about a technicality which he now puts upon the basis of some taxes to be levied in the years to come, when the panic will be past.

Mr. LA FOLLETTE. If I may say it, I am greatly shocked to find the Senator from Washington trying to create a haven of refuge for the big income-tax payers.

Mr. DILL. The Senator, of course, gets away from the issue, which is whether or not we are going to feed the people who are hungry. We can fight out the other question afterwards. The Senator knows I have always voted and I shall continue to vote for just as big income taxes as he can possibly favor. I have always voted and always will vote that way, but I remind the Senator that the policies being pursued here are going to result in no legislation, in the appropriation of no money at all for those people who are hungry.

I voted for the Democratic substitute yesterday because I think it is the better plan. I am going to vote for the Senator's bill when I get an opportunity. I am going to vote for anything here that will furnish money for those people who are hungry. I do not believe that in a free American country we can afford to fight over technicalities in such a crisis. I do not care about the technicalities so far as I am concerned. I do not care to the extent of voting against the bill whether the distribution of funds is to be made by a Federal bureau or by the States. I prefer to have it done by the States; but if I can not have my way, I am willing to sink my differences in order that we may get some money so that we may not have food riots in this country.

It is easy enough to say we have not had food riots. It is easy enough to say that there will not be any food riots; but the record of the hearings which the Senator from Wisconsin and the Senator from Colorado conducted shows that we are coming to the point where the local resources are becoming exhausted. Cities are bankrupt; they have exhausted their taxing power; they have contributed all the resources that they can. Yet we stand here and manipulate ourselves into a position over technical differences whereby there will not be any money for people who are suffering and in distress, when the local resources are completely exhausted or soon will be exhausted.

For my part, I do not think it ought to be a partisan question at all. While I have my opinions and my convictions on certain policies and principles of government, I have had to sink them completely in the Senate in voting for legislation for which I have already voted at this session; and I am willing to sink them now, because this is an emergency; this is a time when men should be big enough to rise above parties, quit squabbling about partisanship, and vote and act in the interest of millions of needy people

of this country and of the institutions of which we are so proud and which we hope to maintain for the generations that shall follow us.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from Michigan.

Mr. McNARY. Mr. President, the Senator from Michigan [Mr. COUZENS] is absent for the moment. Does the Senator from Wisconsin desire to speak at this time?

Mr. LA FOLLETTE. I understood the Senator from Michigan desired a record vote on his amendment.

Mr. McNARY. As we have reached that point, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Jones	Schall
Austin	Cutting	Kean	Sheppard
Bailey	Dale	Kendrick	Shipstead
Bankhead	Davis	Keyes	Smith
Barbour	Dickinson	King	Smoot
Barkley	Dill	La Follette	Steiwer
Bingham	Fess	Lewis	Stephens
Black	Fletcher	Logan	Thomas, Idaho
Blaine	Frazier	McGill	Thomas, Okla.
Borah	George	McKellar	Townsend
Bratton	Glass	McNary	Trammell
Broussard	Goldsborough	Morrison	Tydings
Bulkley	Gore	Neely	Vandenberg
Bulow	Hale	Norbeck	Wagner
Byrnes	Harrison	Norris	Walcott
Capper	Hastings	Nye	Walsh, Mass.
Caraway	Hatfield	Oddie	Walsh, Mont.
Carey	Hawes	Patterson	Watson
Connally	Hayden	Pittman	Wheeler
Coolidge	Hebert	Reed	White
Copeland	Hull	Robinson, Ark.	
Costigan	Johnson	Robinson, Ind.	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present. The yeas and nays have been demanded on the amendment in the nature of a substitute proposed by the Senator from Michigan. Is the demand seconded?

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BULOW (when his name was called). I have a pair with the senior Senator from New Hampshire [Mr. MOSES], and therefore withhold my vote.

Mr. JONES (when his name was called). I have a pair with the senior Senator from Virginia [Mr. SWANSON], who is necessarily absent. I have been unable to secure a transfer, and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. FESS (when the name of Mr. MOSES was called). I have been requested to announce the unavoidable absence of the senior Senator from New Hampshire [Mr. MOSES]. Were he present, he would vote "nay."

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a pair with the senior Senator from Illinois [Mr. GLENN]. I understand, however, that if present he would vote as I desire to vote. So I feel at liberty to vote and vote "nay."

The roll call was concluded.

Mr. BARKLEY. I have a general pair with the senior Senator from Colorado [Mr. WATERMAN]. I am informed that if present he would vote as I desire to vote. Therefore, I feel free to vote and vote "nay."

Mr. FESS. I desire to announce that the Senator from California [Mr. SHORTRIDGE] and the Senator from Illinois [Mr. GLENN] are absent on account of illness. The Senator from California [Mr. SHORTRIDGE] has a pair with the Senator from Louisiana [Mr. LONG].

I also wish to announce that the Senator from Rhode Island [Mr. METCALF] is paired with the Senator from Georgia [Mr. HARRIS].

Mr. GEORGE. I desire to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is detained from the Senate by illness.

The result was announced—yeas 7, nays 77, as follows:

YEAS—7

Capper	Davis	McNary	Vandenberg
Couzens	Hatfield	Robinson, Ind.	

NAYS—77

Ashurst	Costigan	Kean	Shipstead
Austin	Cutting	Kendrick	Smith
Bailey	Dale	Keyes	Smoot
Bankhead	Dickinson	King	Steiwer
Barbour	Dill	La Follette	Stephens
Barkley	Fess	Lewis	Thomas, Idaho
Bingham	Fletcher	Logan	Thomas, Okla.
Black	Frazier	McGill	Townsend
Blaine	George	McKellar	Trammell
Borah	Glass	Morrison	Tydings
Bratton	Goldsborough	Neely	Wagner
Brookhart	Gore	Norris	Walcott
Broussard	Hale	Nye	Walsh, Mass.
Bulkley	Harrison	Oddie	Walsh, Mont.
Byrnes	Hastings	Patterson	Watson
Caraway	Hawes	Pittman	Wheeler
Carey	Hayden	Reed	White
Connally	Hebert	Robinson, Ark.	
Coolidge	Hull	Schall	
Copeland	Johnson	Sheppard	

NOT VOTING—12

Bulow	Howell	Metcalf	Shortridge
Glenn	Jones	Moses	Swanson
Harris	Long	Norbeck	Waterman

So the amendment of Mr. COUZENS in the nature of a substitute was rejected.

Mr. THOMAS of Oklahoma. Mr. President, on yesterday I offered an amendment proposing to broaden the authorizations of the pending bill. At that time I made a statement in explanation of the amendment. I desire to have a record vote on the amendment; but before the vote is taken I desire to complete the record by placing in the record some supporting data.

At this point I ask that the amendment, as proposed on yesterday, be printed at length in the RECORD.

The VICE PRESIDENT. Without objection, that order will be made.

Mr. ASHURST. Mr. President—

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Arizona?

Mr. THOMAS of Oklahoma. I yield.

Mr. ASHURST. I ask that the amendment be read.

The VICE PRESIDENT. Does the Senator from Oklahoma yield for that purpose?

Mr. THOMAS of Oklahoma. I yield for that purpose.

The VICE PRESIDENT. Let the amendment be read.

The LEGISLATIVE CLERK. The Senator from Oklahoma offers the following amendment:

Strike out section 2 of Title I and section 1 of Title II, and insert in lieu of section 2 of Title I, the following:

"SEC. 2. There is hereby authorized to be appropriated the sum of $1,000,000,000, to be immediately available, for purposes as follows:

"(a) Such sums as may be necessary in carrying into effect the provisions under Title I not exceeding $375,000,000 for allocation to the several States by the Federal Emergency Relief Board created by section 3 in the manner hereinafter provided. Not more than $125,000,000 of this amount shall be expended in the fiscal year ending June 30, 1932.

"(b) Such sums as may be necessary in carrying into effect the provisions under Title II not exceeding $375,000,000 for the purpose of the construction and reconstruction of highways under the provisions of the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented. Such amount shall be in addition to any amounts heretofore authorized to be appropriated for such purposes, but not more than $125,000,000 thereof shall be expended in the fiscal year ending June 30, 1932.

"(c) The sum of $250,000,000 for carrying into effect the provisions under Title III for initiating and developing the program of public construction work set forth in the report of the Federal Employment Stabilization Board, entitled 'Preliminary Report of 6-Year Federal Planning Program for Construction, Repairs, and Alterations' and dated January 20, 1932: *Provided*, That any unused portion of funds authorized under (a) and (b) may be appropriated and used in carrying into effect the provisions under Title III and such sums shall be in addition to the allocation in this subdivision (c).

"TITLE III

"SECTION 1. The President, the Federal Employment Stabilization Board, the Director of the Bureau of the Budget, and the construction agencies as defined in the Federal employment stabilization act (46 Stat. 1084) are severally requested to exercise the authority conferred upon them by said act to the end that supplemental estimates of public-works emergency appropriations in an amount as provided in subdivision (c) of section 2 of Title I may at the earliest possible time be transmitted to Congress pursuant to such act so that an emergency public-works program may be inaugurated and the policy of Congress declared in such act may be effectuated."

Amend section 2 of Title II as follows: First, change section 2 to read "Section 1"; second, in line 15, page 13, change said line to read: "ization contained in subdivision (b) of section 2 of Title I shall, from time to."

Mr. THOMAS of Oklahoma. Mr. President, the amendment as read pertains only to the authorizing section. It does not in any sense change the present Costigan-La Follette bill; but I contend that the authorization in that bill is not sufficiently extensive to bring about any substantial benefit. It provides for this year but the sum of $125,000,000. If the bill should pass, and the Congress should appropriate all the money that it can appropriate under the bill, only $125,000,000 would be available until the 30th day of June. The best records we have show that there are 8,000,000 unemployed to-day. Assuming that each one of the unemployed will get his share, we find that each unemployed person would receive only the sum of $15.50 to tide him over through the next four and a half months. Then the Norris amendment of $375,000,000 makes available for the construction of roads only $125,000,000 for this year. The same facts would pertain under the Norris amendment. If each of the 8,000,000 unemployed received a proportionate share, he would receive only the sum of $15.50. I hold that that is entirely inadequate. The amendment proposed by me increases the authorization so that a program of public works may be undertaken.

My amendment proposes to carry out existing law. Last winter we passed through the Congress a bill which was signed by the President on February 10, 1931, known as Public, No. 616, Seventy-first Congress. This act was sponsored by the Senator from New York [Mr. WAGNER]. At this time I ask that a copy of this act be incorporated in the RECORD, but I shall not ask that it be read.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

[PUBLIC—No. 616—SEVENTY-FIRST CONGRESS]
[S. 5776]

An act to provide for the advance planning and regulated construction of public works, for the stabilization of industry, and for aiding in the prevention of unemployment during periods of business depression

Be it enacted, etc., That this act may be cited as the "employment stabilization act of 1931."

DEFINITIONS

SEC. 2. When used in this act—

(a) The term "board" means the Federal Employment Stabilization Board established by section 3 of this act;

(b) The term "United States," when used in a geographical sense, includes the several States and Territories and the District of Columbia;

(c) The term "public works emergency appropriation" means an appropriation made in pursuance of supplemental estimates transmitted to the Congress under the provisions of this act;

(d) The term "construction agencies" shall mean the following departments, bureaus, and independent agencies and such others as the President may designate from time to time:

Of the Department of Agriculture, the Bureau of Public Roads, the Bureau of Plant Industry, the Forest Service, the Bureau of Dairy Industry, and the Bureau of Animal Industry;

Of the Department of Commerce, the Aeronautics Branch, the Coast and Geodetic Survey, the Bureau of Fisheries, and the Bureau of Lighthouses;

Of the Department of Interior, the Bureau of Indian Affairs, the Bureau of Reclamation, and the National Park Service;

Of the Department of the Treasury, the Coast Guard, the Public Health Service, and the Office of the Supervising Architect;

Of the Department of War, the office of the Quartermaster General, and the office of the Chief of Engineers;

Of the Department of Justice, the Bureau of Prisons;

Of the Department of the Navy, the Bureau of Yards and Docks;

The Department of Labor;

The Post Office Department;

Of the independent agencies, the Veterans' Administration, the office of Public Buildings and Public Parks of the National Capital, the District of Columbia, the Architect of the Capitol, and the Panama Canal.

(e) The term "construction" shall include also repairs and alterations, and the purchase of such materials, supplies, and equipment as may be necessary as a part of, or incident to, such construction, repairs, or alterations.

(f) The term "authorized construction" shall include those projects which have been specifically authorized by Congress, and those projects which do not require specific legislative authorization, such as repairs and alterations.

FEDERAL EMPLOYMENT STABILIZATION BOARD

SEC. 3. (a) There is hereby established a board to be known as the Federal Employment Stabilization Board, and to be composed of the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Agriculture, and the Secretary of Labor. It shall be the duty of the board to advise the President from time to time of the trend of employment and business activity and of the existence or approach of periods of business depression and unemployment in the United States or in any substantial portion thereof; to cooperate with the construction agencies in formulating methods of advance planning; to make progress reports; and to perform the other functions assigned to it by this act.

(b) The board is authorized to appoint, in accordance with the civil service laws, a director and such experts, and clerical and other assistants, and to make such expenditures (including expenditures for personal services and rent at the seat of Government and elsewhere, for law books, books of reference, and periodicals) as may be necessary for the administration of this act, and as may be provided for by the Congress from time to time. The compensation of the director and such experts and clerical and other assistants shall be fixed in accordance with the classification act of 1923, as amended. The director and his staff may be domiciled in and attached to one of the executive departments. There is hereby authorized to be appropriated annually such sum as may be necessary for the expenses of the board.

BASIS OF ACTION OF BOARD

SEC. 4. (a) In advising the President the board shall take into consideration the volume, based upon value, of contracts awarded for construction work in the United States, or in any substantial portion thereof, during any 3-month period in comparison with the corresponding 3-month period of three previous calendar years.

(b) The board may also take into consideration the index of employment prepared by the Department of Labor, and any other information concerning employment furnished the Department of Labor or by any other public or private agency, and any other facts which it may consider pertinent.

PUBLIC WORKS EMERGENCY APPROPRIATION

SEC. 5. Whenever, upon recommendation of the board, the President finds that there exists, or that within the six months next following there is likely to exist, in the United States or any substantial portion thereof, a period of business depression and unemployment, he is requested to transmit to the Congress by special message, at such time and from time to time thereafter, such supplemental estimates as he deems advisable for emergency appropriations, to be expended during such period upon authorized construction in order to aid in preventing unemployment and permit the Government to avail itself of the opportunity for speedy, efficient, and economical construction during any such period. Except as provided in this act, such supplemental estimates shall conform to the provisions of the Budget and Accounting Act, 1921.

WORKS ON WHICH APPROPRIATION USED

SEC. 6. Such emergency appropriations are authorized and shall be expended only—

(a) For carrying out the provisions of the Federal highway act, as now or hereafter amended and supplemented;

(b) For the preservation and maintenance of existing river and harbor works and for the prosecution of such projects heretofore and hereafter authorized as may be most desirable in the interest of commerce and navigation;

(c) For prosecuting flood-control projects heretofore or hereafter authorized; and

(d) For carrying into effect the provisions of the public buildings act, approved May 25, 1926, as now or hereafter amended and supplemented, in respect of public buildings within and without the District of Columbia.

(e) For prosecuting such other construction as may now or hereafter be authorized by the Congress and which is or may be included in the 6-year advance plans, as hereinafter provided.

ACCELERATION OF EMERGENCY CONSTRUCTION

SEC. 7. For the purpose of aiding in the prevention of unemployment during periods of business depression and of permitting the Government to avail itself of opportunity for speedy, efficient, and economical construction during such periods the President may direct the construction agencies to accelerate during such periods, to such extent as is deemed practicable, the prosecution of all authorized construction within their control.

ADVANCE PLANNING

SEC. 8. (a) It is hereby declared to be the policy of Congress to arrange the construction of public works so far as practicable in such manner as will assist in the stabilization of industry and employment through the proper timing of such construction, and that to further this object there shall be advance planning, including preparation of detailed construction plans, of public works by the construction agencies and the board.

(b) Each head of a department or independent establishment having jurisdiction over one or more construction agencies shall direct each such construction agency to prepare a 6-year advance plan, with estimates showing projects allotted to each year. Such estimates shall show separately the estimated cost of land, the estimated cost of new construction, and the estimated annual cost of operation and of repairs and alterations.

(c) Each construction agency shall also prepare a program for prompt commencement and carrying out of an expanded program

at any time. This program shall include organization plans. It shall also include the plans for the acquisition of sites and the preparation of advance detailed construction plans for not less than one year in advance, except where in the judgment of the board this would not be practicable.

(d) Such programs, plans, and estimates for the 6-year period shall be submitted to the board and to the Director of the Bureau of the Budget. The Director of the Bureau of the Budget shall report to the President from time to time consolidated plans and estimates.

(e) Each construction agency shall keep its 6-year plan up to date by an annual revision of the plans and estimates for the unexpired years and by annually extending the plan and estimates for an additional year.

(f) The President is requested each year before recommending the amount of construction appropriations for the next fiscal year to take into consideration the volume of construction in the United States, the state of employment, and the activity of general business.

(g) The board shall collect information concerning advance construction plans and estimates by States, municipalities, and other public and private agencies which may indicate the probable volume of construction within the United States or which may aid the construction agencies in formulating their advance plans.

Approved, February 10, 1931.

Mr. THOMAS of Oklahoma. Mr. President, the law passed last winter provided that a board should be created to make a survey, the report of such survey to be available at times like these, when a depression is on. This board has made the survey. The report is now pending upon the desk of the Presiding Officer; or, rather, I happen to have it on my desk. I desire to call the attention of the Senate briefly to the report.

This report was submitted in pursuance of existing law. It embraces three volumes. I have here this large roll, the report submitted by the Secretary of War. It embraces the things the War Department now wants. It covers projects that have been surveyed and are now ready to be constructed in the following States:

Alabama, Alaska Territory, Arizona, Arkansas, California, Colorado, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, Tennessee, Utah, Vermont, Virginia, Washington, Wyoming, and our possessions of Hawaii, Panama, the Philippine Islands, and Porto Rico.

This report is complete, containing the desires of the War Department; and if this authorization should pass, here is a report ready to be considered. It would place it in the power of the War Department to submit estimates; and the moment those estimates were submitted and the appropriations made the work outlined here that the War Department wants could be commenced immediately. Some of the work is ready to be commenced in 2 days' time, some in a week, some in 2 weeks, some in 30 days, and some in 3 months.

I desire now to call briefly to the attention of the Senate some of the things that this report covers.

Here are two more volumes, comprising several hundred pages. Here is an extract showing the kinds of work that this report recommends shall be done. Each item in this report has been recorded at the request of the several departments of the Government.

We have first the Department of Agriculture, including improvements, buildings, extensions, and repairs for the Biological Survey, the Bureau of Dairy Industry, the Forest Service, the Bureau of Plant Industry, and the Bureau of Public Roads.

Then we have the Department of Commerce, desiring improvements, construction, repairs, and extensions covering fisheries, lighthouses, and mines.

The Interior Department: Items for Howard University, construction items, Indian Affairs, National Park Service, Reclamation, St. Elizabeths Hospital.

Department of Justice: Prisons.

Labor Department: Immigration.

Navy Department: Yards and Docks, $25,000,000; plans made, estimates desired; and my amendment simply gives the authorization and places the responsibility where it belongs.

Congress can not construct buildings. Congress can not build roads. All we can do is to make the authorizations first, and then the appropriations. The work must be done by the executive branch of the Government. The executive branch, however, can not function until we first pass the authorization bills, and then follow the authorization bills with the appropriations. My amendment proposes to make the authorizations. Then, when the money is authorized, if the administration, through its Budget Bureau, is unwilling to ask for the money, we can not be blamed. My amendment seeks to place the responsibility where, in my judgment, it belongs.

The Post Office Department desires money for public buildings; the State Department for Foreign Service buildings; the Treasury Department for the Coast Guard, Federal office buildings, and the Public Health Service. I am simply giving a list of the departments asking for money for building purposes, for construction purposes, for repair purposes, for extension purposes.

Corps of Engineers: For Alaska, flood control, rivers and harbors.

Militia Bureau.

Independent offices.

Here are requests they are making:

The Architect of the Capitol is asking for money.

The Arlington Memorial Bridge is asking for money.

The George Rogers Clark Sesquicentennial is asking for money.

The inland waterways are asking for money.

The Mount Rushmore Memorial, the Panama Canal, public buildings and public parks, the Smithsonian Institution are asking for money. The Veterans' Administration is asking for $20,000,000 to construct buildings and hospitals to take care of the disabled soldiers of the land.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. FLETCHER. The Senator will recall that the interdepartmental committee, having to do with the construction of post offices and other public buildings, has recommended a number of buildings in various States, but there has been no authorization for those buildings and no appropriation made for their construction. They have already passed the test and it has been recommended that the buildings be constructed, but Congress has not yet authorized their construction or made appropriations for their construction. Why should they not do that?

Mr. THOMAS of Oklahoma. This amendment, if adopted by the Congress, will be an authorization. My amendment is predicated upon this identical report which I have upon my desk, and which I have exhibited to the Senate. If this amendment should be adopted by the Congress, then the departments of the Government, through the Budget Bureau, can send to the Congress estimates of the money necessary to build the buildings which, in their judgment, should be built first. I am not trying to dictate to the departments what they shall build first.

Mr. FLETCHER. Mr. President, the Senator's amendment contemplates, then, the buildings which have already been approved by the interdepartmental committee?

Mr. THOMAS of Oklahoma. Entirely so. I am asking for nothing new. I am asking for no wild expenditure of money to give people work just to give them work. I am asking that the Government do the things which the departments want done, and I hold that the doing of those things would not only secure the buildings and improvements but get them now, and it will cost less money than it would at some time in the future. While we are getting the buildings, we will be getting that thing which we are standing on this floor demanding—the opportunity to work for the millions of unemployed of the country.

Mr. COPELAND. Mr. President, will the Senator yield to me?

Mr. THOMAS of Oklahoma. I yield.

Mr. COPELAND. In the most sympathetic manner possible, and with no thought at all of throwing cold water on this project, because I am in sympathy with it, I do wish to

know how the Senator would finance the carrying out of the projects.

Mr. THOMAS of Oklahoma. I am glad the Senator asked that question.

Mr. ASHURST. Mr. President, will the Senator from Oklahoma permit me to give my idea on this in response to the question of the able Senator from New York?

Mr. THOMAS of Oklahoma. I yield.

Mr. ASHURST. Mr. President, the State of Oklahoma is one of the fortunate States in the persons of her two Senators. The able senior Senator is now presenting an amendment which I believe addresses itself to the sound discretion of this body, and I shall support it. Only last Friday the able junior Senator from Oklahoma [Mr. GORE] asked a question about as follows: "Where will we get the money with which to administer this relief and pay for these public improvements?"

Mr. President, I make no pretensions to being an authority on finance, but the suggestion I now make is one that is sound. It is one which has been approved by the leading financiers. It is as follows:

Whilst disclaiming an attempt here to find fault with the previous Secretary of the Treasury, Mr. Mellon, for his rapid retirement of the public debt during the past decade, financiers, taxpayers, and economists in America now realize that it is unwise, unsound, unjust, and unfair to continue to retire the public debt at the same ratio at which we have been retiring that debt during the past 10 years. To provide that the public debt hereafter, or at least during the next few years, shall be retired only at the rate of 40 per cent annually of the amount at which it has been retired heretofore will release available money, to wit, several hundred millions of dollars annually, which will easily provide for all the appropriations authorized in this bill or in the various relief bills which we have proposed.

Mr. President, I am amazed that the gentlemen throughout our country, on various political sides, who are running around the country like tortured animals on a hot surface trying to find some issue they can lay before the public, have not suggested that if elected President they will adopt the policy of hereafter retiring the public debt at not above one-half or 40 per cent of the figure per year at which it is being retired. Such plan of 40 per cent reduction annually has the approval of sound bankers; it has the approval of the former Secretary of the Treasury, Mr. McAdoo; and it will have the approval of every man who thinks into things instead of around things.

I hope the Senator from Oklahoma will pardon me for this interruption. He could have given a better reply, but I desired that this reply should be made.

Mr. THOMAS of Oklahoma. Mr. President, I thank the distinguished Senator from Arizona. He has added much to this discussion.

Answering further the inquiry of the Senator from New York, let me make this statement. Under the Constitution, revenue measures must originate in the House of Representatives. It has been held by many, and by the House of Representatives itself many times, that a bill proposing a method of financing public improvements, or what not, should not originate in the Senate.

Just a few days ago we had before this body a bill proposing a $2,000,000,000 appropriation for the benefit of big business, which had in it the element of bonds. We passed the bill first and sent it to the other House, and they turned down the Senate bill and substituted their own bill in its stead, for the reason that they held that the Senate had no right to provide for raising money by a bond issue.

Every time the Senate has passed a bill proposing to raise money through a bond issue, and has sent it to the other House, they have killed the bill, or substituted one of their own for it. They hold over there that the Senate is without power constitutionally to raise money, either by taxation or through a bond issue.

For that reason I did not see fit, in my substitute, to concern myself at this time with the raising of money. I want to say to the distinguished Senator from New York that I have no hesitancy in going on record here in favor of $1,000,000,000 of bonds to cover this public-building program, or $2,000,000,000 in bonds, or $3,000,000,000, if it takes that much. We must get the money through a bond issue, it is true. We can not raise it by taxation. But I contend that raising money by a bond issue now will have one effect, which I favor, and that is to bring down the purchasing power of the dollar. It will cheapen the dollar, and if two billions of bonds will cheapen the dollar more, bring the dollar down further, it will add to the prices of the products of my section of the country, the products of the farm. It will double the price of wheat, it will double the price of corn, it will double the price of oil, it will double the price of cotton, and if we can add one or two billion dollars to the total debt of the Nation with the effect of doubling the income of the people, it will have the identical effect of reducing the existing bonds one-half. If by adding a billion or two billions to the total debt we can thereby reduce the value of the dollar, then such a policy would have the effect of decreasing all bonded indebtedness, decreasing taxes and reducing salaries.

Mr. ASHURST. Mr. President, will the Senator permit me to add a sentence to the statement I made a moment ago?

Mr. THOMAS of Oklahoma. I yield.

Mr. ASHURST. I stated that financiers, bankers, experts, economists, and many other persons have considered the subject of retiring the public debt at a less rapid pace. I omitted to state, and I now do so, that after an investigation of six months I am convinced that 90 per cent of the bondholders themselves are not only content but are willing and anxious that the bonds of the United States should not be retired at such a rapid pace as that at which they have been retired heretofore. I am on this point making no criticism of the previous Secretary of the Treasury, Mr. Mellon. It was a noble ambition he had, rapidly to retire the United States bonds; he lived up to it well, and at the time he acted to reduce the debt we could retire the same at the proportion at which he attempted to retire it. Therefore no criticism is even implied against him on this subject. But I repeat with added emphasis that at this particular time it is preposterous for any Secretary of the Treasury to believe that he could safely retire the public debt at the same ratio annually as that followed heretofore.

Mr. THOMAS of Oklahoma. Mr. President, I wish to remind the Senator that at this time we are borrowing money to pay the salaries of our public officials. If we can borrow money to pay the salaries of the Members of the Senate and our other public officials, I see no added disadvantage in borrowing money to pay wages to the unemployed.

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Illinois?

Mr. THOMAS of Oklahoma. I yield.

Mr. LEWIS. Mr. President, I would like to be permitted, even in parenthesis, to make a suggestion which it seems to me ultimately will have to be taken up in a more extended presentation—yet one which solves the difficulties suggested by both the Senator from Oklahoma and the Senator from Arizona.

The Supreme Court of the United States, in a well-known opinion, has as its text the doctrine that "the power to tax is the power to destroy." We can not provide as these different bills propose, and hope to have the money that they suggest, except by an increased general taxation.

This country has become taxed to its fullest extent of capacity to pay. To levy additional taxation is to confiscate the resources which the citizens may have and through which they might put to work the millions of unemployed in the respective factories and industries of America.

Therefore, Mr. President, we have reached the point when a new order and a new system of finance must be taken up to obtain as a new policy in America. The idea suggested now and then that the mere increase of taxation expressed in a bill will produce money is a myth; a theme indulged

for the consolation of the hopeful. Sir, if there be no resources or sources from which to collect those taxes, the mere declaration of the intent to levy them in the bills will procure no revenue but only disappoint.

Hence we have reached the point when this country should declare a bonded issue by which we can refund all the debt of the United States owing to-day and send the bonds for sale to the world, where they may be taken up by those who have money in other countries as well as by those who have money in secret recesses of hoarding, as is alluded to by the Senator from Oklahoma, but these bonds must be made payable in great part by other generations than the present living.

The present generation should not be called on to pay the whole debt of the World War, and all the debts which have followed from it, including these proposed reliefs expressed in the bills and amendments now pending. Steps should be promptly taken to float a bond issue large enough to comprehend all the immediate needs of our country, and pass the collection to future generations, on the theory that those who fought the war and bore its burdens and expense during the conflict should not now be compelled wholly to pay all obligations following from it, but those who shall inherit its benefits in the coming generations should be those who should proportionately pay for it.

Therefore, both the Senator from Oklahoma, and the Senator from Arizona have my complete approval in their suggestion of a bond issue, to which I add the suggestion of a complete policy of payments for the future.

Therefore I go farther, and propose that the bonds be paid by coming generations, and that the present generation be exempt from increase of the burden of taxation which is now rapidly resulting in both the appropriation of all their present proceeds and the confiscation of all their future.

Mr. THOMAS of Oklahoma. I thank the Senator for his statement.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from Oklahoma yield to the Senator from Maryland?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. I have just made a hasty list of the appropriations which have come before this Congress. There is one of $203,000,000.

Mr. WALSH of Massachusetts. Does the Senator mean requests for appropriations?

Mr. TYDINGS. No; some of the bills have been passed, and the others are pending and will pass.

Two hundred and three million dollars was appropriated in the deficiency bill for veterans' relief. One hundred and twenty-six million dollars was appropriated in the general deficiency bill.

A $125,000,000 appropriation was authorized in the farm bank bill.

Five hundred million dollars was appropriated and authorized in the Reconstruction Finance Corporation act.

Fifteen hundred million dollars was provided in an enlargement of the Reconstruction Finance Corporation act.

Four billion six hundred and one million dollars was included in the Budget message submitted by the President.

There is a $2,000,000,000 deficit.

The total at this very moment before the Congress, to be provided for either now or through a bond issue subsequently, or to remain in the form of a deficit, is $9,055,000,000.

It is stated that the present tax laws will raise about $2,500,000,000. That leaves six billion five hundred and fifty million unprovided for, which must either be taken care of through a bond issue or by an increase in taxes over and above the income of the Government from existing tax laws.

That is equivalent, in a country of 120,000,000 people, to $54 per capita, or about $200 a family, so far obligated in this session of Congress.

I therefore feel that any measure to take care of the unemployed, any relief measure, should be devoted to governmental needs first.

I therefore shall support the amendment offered by the Senator from Oklahoma in so far as it applies to such governmental needs, because these are normal Federal activities that we would carry on anyhow in the course of time. I think the amendment dealing with these needs is scaled down to a figure or scaled up to a figure, according to the way we wish to look at it, which is as high as we can go, considering our financial condition at the moment. But as things now stand, the Congress has to bring in a tax bill sooner or later to provide about $75 per capita to take care of the expenditures up to the present moment over and above that which will be raised by existing tax laws. Every man of good sense knows that sooner or later taxes, if these appropriations keep on, are going to become so burdensome that they will destroy the very purpose for which the money was originally appropriated.

I therefore feel that in so far as the Senator from Oklahoma deals in a construction bill designed primarily to take care of governmental needs which will have to be taken care of eventually anyway, and makes his appropriation reasonable, it has merit.

In view of the huge tax problem presented to the Congress we should begin to ask where the money is coming from and we should spend money only for governmental needs, and that in a rational and not a too spendthrift manner. I do not mean to say that if the States and the local communities finally break down—they have not broken down yet, but if they do finally break down and the people are starving to death—we will not have to tighten up our belts and approprite in the hope that another day will come when we can pay off the obligations we have created. I believe the thing that will help the unemployed more than anything else now is to conduct the Government upon an economical basis, as far as we can do it with due regard to present business conditions.

I shall support, if opportunity presents, that part of the amendment of the Senator from Oklahoma which, I feel, is sound in policy and constrained in the amount of the expenditures it proposes.

Mr. THOMAS of Oklahoma. I thank the Senator for his suggestion and proffer of support. A few moments ago, when the last amendment was voted upon and received such scant consideration, I was only sure of one vote for my own proposal.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from New York?

Mr. THOMAS of Oklahoma. Certainly.

Mr. WAGNER. I can assure the Senator that his amendment will have another vote.

To touch upon the subject raised by the senior Senator from Arizona [Mr. ASHURST], may I read some figures which I used when I addressed the Senate on January 15 on the general subject which is being discussed by the Senator from Oklahoma? Those figures show that between 1920 and 1930 the United States Government collected in taxes $3,459,512,000 more than was necessary for the operation of the Government, including the statutory requirements for the national debt. It seems to me that if we had earmarked those surpluses as a reserve to be used for construction work in such an emergency as we now have, we could use them for that purpose. It seems to me we can still in effect earmark them by enlarging our Federal debt at this time to meet just such a public construction program.

Mr. THOMAS of Oklahoma. I likewise thank the Senator from New York for his statement.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from New York?

Mr. THOMAS of Oklahoma. I am glad to yield.

Mr. COPELAND. When we were interrupted in our colloquy by the wise remarks of the Senator from Arizona [Mr.

ASHURST], I had asked the Senator how he was going to get the money. Frankly I do not think his answer was quite complete.

Mr. THOMAS of Oklahoma. Through a bond issue, I will say to the Senator from New York.

Mr. COPELAND. The Senator said that the raising of money is the business of the House and he now says it would be done by a bond issue. Has the Senator thought along this line? We have pending in a current bill an appropriation for permanent improvements of $377,000,000.

Mr. THOMAS of Oklahoma. The report I have changes that slightly and gives the amount as $419,000,000. I am going to make this a part of the record shortly.

Mr. COPELAND. Very well; $419,000,000. Besides that, there are appropriations already made and available until expended enough probably to make a total of $500,000,000 when added to the $419,000,000. Assuming that the La Follette-Costigan bill were to pass without the road-construction feature, that would add $375,000,000, so we would have a total of $875,000,000 before we come to the question of permanent improvements, such as suggested by the Senator from Oklahoma. As a matter of fact, we would need to provide this year, if the proposal of the Senator from Oklahoma were to be adopted, about $2,000,000,000, which would be counted as "capital investment."

If a railroad company were to build a new roadbed, extend its lines, and erect new stations, those expenditures would not be charged against the current budget. They would be charged to capital investment.

Mr. THOMAS of Oklahoma. I think at this point I should make clear just what I am asking for. I am demanding that we start upon the program embraced in the three volumes to which I have referred. The total amount of that program is $1,051,000,000. Of that sum $30,000,000 is authorized and appropriated. The Budget is asking for $419,000,000 for public improvements covered by that program. Adding the $419,000,000 and $30,000,000 and subtracting the total the $449,000,000 from the total amount of the program leaves approximately $550,000,000 unauthorized and of course unappropriated. That is all my proposal contemplates.

Mr. COPELAND. Let me say once more that I am speaking in deepest sympathy with the Senator's proposal. But we face the fact nevertheless, even though we do not originate the legislation, that we of the Senate have to share with the House the responsibility for providing means to pay the bill.

Mr. THOMAS of Oklahoma. I only meant a while ago that we were estopped from suggesting ways of raising money. Were it within our power, I would have included an item in the bill suggesting some way to do it; but being without such authority, I did not see fit even to suggest it.

Mr. COPELAND. Perhaps the Senator would not take it amiss if I were to suggest a plan which it seems to me might accomplish what the Senator has in mind, though of course it would have to originate in the House.

Mr. THOMAS of Oklahoma. I would be very glad to have the Senator suggest it.

Mr. COPELAND. I agree very fully with the Senator from Arizona [Mr. ASHURST] and others who have spoken about the haste with which the public debt was retired. I think we went altogether too fast.

Seven or eight years ago I offered in the Senate a proposal for advanced planning in order that we might in times of prosperity have arrangements made for taking care of times of depression. It received no consideration, because Senators on the other side of the Chamber were so sure that the political millennium had arrived and that prosperity would continue forever that they had no interest in the bill.

We are facing an entirely different situation to-day. We will be shocked and horrified when the returns come in on the 15th of March, in my opinion. The revenue we will get from income taxes for the last year will be tremendously less than we anticipate; so we can not hope, except by a bond issue, to do the things contemplated by the Senator and others who have in mind these activities.

Why could we not do this? Why could we not have a bond issue and then have a method of retirement through a manufacturer's tax, such as is spoken of in the House, having a very limited prosperity tax, the use of which would be exclusively applied to the retirement of bonds put out for permanent improvements authorized to overcome unemployment?

I know perfectly well the American Federation of Labor and all other labor groups would seriously object to a sales tax as a means of providing funds for the current expenses of the Government. But I can not conceive how any employed person in this country could object to the imposition of a tax which was to be applied exclusively to the retirement of bonds issued to give employment.

That is the thing I have in mind. I believe it might be possible to embark on a wise plan of public construction without actually going out and attempting to sell the bonds. I frankly say to the Senator that in addition to the bonds we have already proposed and those which will be needed to take care of the deficit, I doubt exceedingly if it will be possible to float the bonds for this proposal.

It would not be necessary to do that if there were some method of retirement. A bond issue could be authorized and those bonds left in the portfolio of the Treasury. Currency could be issued against them with the proviso that out of the returns from a manufacturer's tax should come revenue to be used exclusively for the one purpose of the retirement of those particular bonds. That is a matter which I have discussed with many who are competent to pass judgment on the plan. There is no such thing in it as the inflation of the currency to any undesirable degree. There is no such thing in it as "fiat money." It is the use of funds for a specific purpose, the retirement of the bonds issued to be provided by a special tax.

If that could be done, I think the plan of the Senator's could be carried out in spite of the incredulous attitude of many. It would be financially possible to put in effect exactly what the Senator has in mind.

Unless we do find some means to give relief to the unemployed, we do not know what may be the end in America. I do not think that the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Colorado [Mr. COSTIGAN] have at all overdrawn the situation in this country to-day. There must be found a means of relief. If there could be found a way to finance the plan proposed by the Senator from Oklahoma, there would be in it all the good he claims for it. Then there would be the relief of the unemployed to the extent that he dreams of in connection with his very proper proposal.

Mr. THOMAS of Oklahoma. Mr. President, I certainly thank the Senator from New York for his contribution to this discussion. I have yielded twice now, and I have encouragement that I will get two votes in support of my amendment. I wish to say that I shall be glad to yield to other Senators as I proceed.

Mr. President, unless this amendment shall prevail, there will be no authorization; if the amendment shall prevail and the bill shall be passed, it will only be an authorization. We must have an appropriation following before there will be any obligation direct or incurred, and if the bill shall pass and an appropriation shall be made necessary to raise the money, we can take up the bond-issue feature at a later date. However, I want to observe just here that we are now borrowing money to run the Government; we are borrowing money to pay the salary of the President; we are borrowing money to pay the salary of each Cabinet official; we are borrowing money now, Mr. President, to pay the salaries of the hundreds of thousands of employees of the Government; we are borrowing money to pay the salaries of the Members of this House and the Members of the other House of Congress. If it be a wise practice to borrow money to pay the salaries of Members upon this floor and of public

officials, why is it not equally as good a policy to consider at least a proposal to borrow money and scatter it out among the unemployed of the country—the folk who are really in need?

Mr. President, while I am on that proposal, I desire to say that we recently passed a bill authorizing $500,000,000 to be appropriated to be loaned to industry. The moment that bill became a law authorizing the appropriations, the Congress promptly made the appropriation. In order that it may be made available, we must raise the money in some way, and at the present time the only way that I can see of raising it is through a bond issue.

How is that money to be spent, Mr. President? I hold in my hand an Associated Press dispatch telling about the first loan made by the Reconstruction Finance Corporation. I desire to read just how that money is being spent—money for which we shall have to issue bonds, in all probability.

FIRST LOAN MADE BY FINANCE FUND—WABASH RAILROAD GETS AID OF RECONSTRUCTION CORPORATION

The first of the huge fund to be fed into credit channels by the Reconstruction Finance Corporation last night was on its way, with the bankrupt Wabash Railroad and banks the recipients.

The corporation announced the loan to the receivers of the railroad for the purpose of paying the principal and interest of equipment-trust certificates of the company, now in arrears and maturing prior to June 1.

It was also said loans had been made and others authorized to a number of banks in various sections of the country.

ST. LOUIS, February 13.—The Wabash Railway Co., which applied for a loan of $18,500,000 from the Reconstruction Finance Corporation, has been advanced $7,100,000 by the Federal agency, Nat S. Brown, general counsel for the receivers, announced tonight. Application for the balance of the loan remains on file, he said.

Mr. President, if that statement be correct—and I think it is—we are now borrowing money to loan to the railroads, including a railroad now in the hands of receivers, and to banks already failed, and banks, I fear, that are doomed to failure. If it be good policy to borrow money, on bonds it may be, to loan to defunct railroads and to failed banks and to banks about to close, how can anyone say it is a bad policy to borrow a few dollars to afford relief to those now so sorely in distress?

The only reason I am offering my amendment is because of a conviction that the La Follette-Costigan bill is not sufficient. It makes available only $125,000,000 for the remainder of this year for 8,000,000 unemployed. Dividing that sum equally means $15.50 per person. We know, as a practical proposition, that the average man is a man of family and that the average family consists of five persons. With $15.50 per family from now to the 1st of July, some four months and a half, and with five to the family, make the division and see what a pitiful sum it is proposed to provide for the relief of those in distress. Then, conceding for the sake of the argument that the Norris amendment shall prevail—and it is now a part of the bill—it only makes an additional $125,000,000 available, or another $15.50 per family to the working people of the country between now and the 1st of July.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Massachusetts?

Mr. THOMAS of Oklahoma. I yield.

Mr. WALSH of Massachusetts. Will the Senator from Oklahoma state just what his amendment proposes to strike out of the pending bill?

Mr. THOMAS of Oklahoma. It proposes to strike out nothing from the Costigan-La Follette bill and nothing from the Norris amendment; it accepts them as they are; but it adds $250,000,000 more to start the program of which the administration apparently is in favor.

Mr. WALSH of Massachusetts. It accepts the administration of the relief by a Federal bureau? Is that correct?

Mr. THOMAS of Oklahoma. I make no change in the aspect of the Costigan-La Follette bill.

Mr. WALSH of Massachusetts. It also accepts the direct relief proposed by the Costigan-La Follette bill.

Mr. THOMAS of Oklahoma. It does, with this modification in effect or in substance: If my proposal should be adopted, I hope it will take care of many for whom the La Follette-Costigan bill may provide in the way of a dole—they can be taken care of through work. I think it is better for people to give them work than it is to give them a dole.

Mr. WALSH of Massachusetts. The Senator calls it a "dole," but he leaves what he calls a "dole" in the bill.

Mr. THOMAS of Oklahoma. I do; but I propose to minimize it by furnishing those in need with work instead of giving them money.

Mr. WALSH of Massachusetts. That is, the Senator assumes that there will not be so much of a demand upon the Federal Treasury for this money because of the employment for which he provides in other parts of the bill? Is that correct?

Mr. THOMAS of Oklahoma. Certainly.

Mr. WALSH of Massachusetts. I understand that the amendment of the Senator from Oklahoma retains the appropriation provided for work relief that is contained in the Costigan-La Follette bill.

Mr. THOMAS of Oklahoma. There is no change whatever in that respect.

Mr. WALSH of Massachusetts. I understand further, that the Senator's amendment also contains the provisions of the so-called Norris amendment to the Costigan-La Follette bill.

Mr. THOMAS of Oklahoma. There is no change whatever in that regard.

Mr. WALSH of Massachusetts. And in addition to that the Senator provides for an increased appropriation of how much?

Mr. THOMAS of Oklahoma. For an additional appropriation of $250,000,000, making a total of $1,000,000,000 authorized.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Idaho?

Mr. THOMAS of Oklahoma. I yield to the Senator from Idaho.

Mr. BORAH. The Senator from Massachusetts asked a question which, if I understood him correctly, was in my mind. The authorization will amount to $1,000,000,000 in case the amendment of the Senator from Oklahoma shall be adopted.

Mr. THOMAS of Oklahoma. That is correct.

Mr. BORAH. In other words, it includes the $375,000,000 authorization in the original Costigan-La Follette bill, the $375,000,000 authorization which was placed in the bill by the Norris amendment——

Mr. THOMAS of Oklahoma. That comes out of the billion-dollar authorization.

Mr. BORAH. And $250,000,000 which the Senator provides, making a total of about a billion dollars?

Mr. THOMAS of Oklahoma. An even billion dollars, with the proviso that any sum appropriated under the Costigan-La Follette authorization and not used and that any sum appropriated under the Norris amendment and not used may be used to carry out further the program authorized by my proposal, and that program involves an ultimate expenditure of a billion dollars. However, I am not asking for the full amount to carry out the program.

At this point I desire to offer for the RECORD the statement from which I read earlier, giving an analysis of the report submitted by the Federal Employment Stabilization Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

The analysis referred to is as follows:

Federal Employment Stabilization Board—Authorized construction, February 4, 1932

Department or bureau	Abstracted from the 6-year advance plans	Appropriation available	No appropriation	In 1933 Budget
Agriculture:				
Biolcgical Survey	$1,246,850		$1,246,850	
Dairy Industry	25,000		25,000	$25,000
Forest Service	131,055,197		131,055,197	9,407,175
Plant Industry	309,600		309,600	51,600
Public Roads	113,879,088		[1] 201,400,000	[2] 159,000,000
Commerce:				
Fisheries	1,020,500		1,020,500	
Lighthouses	10,438,520		10,438,520	549,708
Mines	350,000		350,000	
Interior:				
Howard University	1,875,000	$1,475,000	400,000	400,000
Indian Affairs	19,966,000		19,966,000	2,218,000
National Park Service	8,831,300		8,831,300	6,593,800
Reclamation	169,001,000	1,402,000	167,599,000	13,015,000
St. Elizabeths Hospital	1,170,000	1,170,000		
Justice: Prisons	4,100,000		4,100,000	4,100,000
Labor: Immigration	71,170		71,170	
Navy: Yards and Docks	25,109,000		25,109,000	4,122,000
Post office: Post offices	16,357,200	16,357,200		[3] 120,000,000
State: Foreign Service buildings	1,453,520	288,520	1,165,000	450,000
Treasury:				
Coast Guard	11,974,750		11,974,750	187,000
Federal office buildings	1,178,700	[3] 1,178,700		(5)
Public Health Service	425,000	[3] 425,000		(5)
War:				
Corps of Engineers				
Board Road Commissioners of Alaska	2,690,000		2,690,000	
Flood Control	213,460,100		213,460,100	33,000,000
Rivers and Harbors	194,725,171		194,725,171	37,500,000
Militia Bureau	1,721,159		1,721,159	10,000
Quartermaster Corps [4]				
Independent offices:				
Architect of the Capitol	15,037,083	4,203,483	10,833,600	4,931,000
Arlington Memorial Bridge Commission	2,750,000		2,750,000	1,000,000
George Rogers Clark Sesquicentennial	500,000		500,000	500,000
Inland Waterways Corporation	815,000	815,000		
Mount Rushmore Memorial	90,000		90,000	25,000
Panama Canal	11,250,000	(5)	11,250,000	4,500,000
Public Buildings and Public Parks	1,250,000	750,000	500,000	
Smithsonian Institution	6,500,000		6,500,000	
Veterans' Administration	20,232,000	2,355,000	17,877,000	17,877,000
District of Columbia, municipal government:				
Electrical department	297,400	32,000	265,400	32,000
Parks (Public Buildings and Public Parks)	3,088,000		3,088,000	242,100
Public library	150,000	30,000	120,000	75,000
Grand total	994,393,308	30,481,903	1,051,432,317	419,811,383

[1] Of this amount $87,520,912 is authorized and obligated and therefore does not appear in the column headed "Abstracted from the 6-year advance plans."
[2] Composed of $109,000,000 in the Budget estimates and $50,000,000 in the deficiency bill.
[3] Lump-sum appropriations are made from Congress to Congress for all specifically authorized projects. This appropriation is available for the transfer of funds to any project within the limits of cost for the liquidation of obligations incurred. There is before Congress at this time a lump-sum estimate of $120,000,000 for the fiscal year 1933.
[4] Figures are not available at this time.
[5] Estimated carry-over appropriations from previous years $1,180,000.

Mr. THOMAS of Oklahoma. Mr. President, some one may suggest that if this proposal should be adopted, the unemployed could not get quick benefits from it. I desire to read from the record. Here is volume No. 1 of the report submitted to the Congress by the commission. The report states how soon the departments can begin work in the event the money should be provided. I read from page 8:

It would take three months to start work under that project; as to the next item, it would take one month; as to the next item, work could start at once; as to the next item, it could start in two weeks; as to the next item, it could start at once. "Two weeks, at once, at once," and so on down the line—"at once, 1 week, 2 weeks, 30 days, 3 months."

If this authorization shall be agreed to and the departments submit their estimate and we appropriate the money, the plans are ready to commence work at once, and we can provide the money, allocate the funds to all the States, and put the unemployed to work earning money with which they can support themselves as quickly as it can be distributed under the gratuities as provided by the Costigan-La Follette proposal.

Mr. President, I think I have made my position clear. I submit the amendment and ask for a record vote.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma [Mr. THOMAS], on which he asks for the yeas and nays. Is the demand seconded?

The yeas and nays were not ordered.

Mr. WALSH of Montana. Mr. President, I express the hope the Senator from Oklahoma may be given a record vote on his amendment.

Mr. BARKLEY. I make the point of order that there is no quorum present.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Johnson	Robinson, Ind.
Austin	Couzens	Jones	Schall
Bailey	Cutting	Kean	Sheppard
Bankhead	Dale	Kendrick	Shipstead
Barbour	Davis	Keyes	Smith
Barkley	Dickinson	King	Smoot
Bingham	Dill	La Follette	Steiwer
Black	Fess	Lewis	Stephens
Blaine	Fletcher	Logan	Thomas, Idaho
Borah	Frazier	McGill	Thomas, Okla.
Bratton	George	McKellar	Townsend
Brookhart	Glass	McNary	Trammell
Broussard	Goldsborough	Morrison	Tydings
Bulkley	Gore	Neely	Vandenberg
Bulow	Hale	Norbeck	Wagner
Byrnes	Harrison	Norris	Walcott
Capper	Hastings	Nye	Walsh, Mass.
Caraway	Hatfield	Oddie	Walsh, Mont.
Carey	Hawes	Patterson	Watson
Connally	Hayden	Pittman	Wheeler
Coolidge	Hebert	Reed	White
Copeland	Hull	Robinson, Ark.	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. WALSH of Massachusetts. Mr. President, I desire at this time to state my position upon the pending relief proposals.

Mr. President, that there is a solemn obligation on the part of society to relieve want and suffering, poverty and destitution, all civilized people unreservedly recognize. Charity is a natural law implanted by the Almighty in the hearts of men. Every religion has espoused this creed. The Founder of Christianity has declared that the greatest of all the virtues is charity. It is an obligation supernaturally imposed upon those who are blessed with the comforts of life and an accumulation of worldly resources beyond their reasonable necessities to share their possessions with the poor.

At a time like the present, when the army of unemployed has greatly increased the number of our citizens who are without the necessities of life through no fault of their own, the obligation to alleviate the lot of their fellow beings who are in want, is more than a human command—it is a divine precept.

Democratic governments are organized to promote the public welfare. Surely there is no duty included in the expression, "the promotion of the public welfare," more imperative than to remove the evil consequences, the suffering, diseases, death itself, that are concomitant with human beings underfed, underclothed, and unsheltered. Under our form of government we have placed this primary duty upon each local community—upon the group of citizens who have politically incorporated themselves for the purpose of establishing local self-government where immediate and direct opportunity is had to provide the people in want with the frugal comforts of life. Under our system of government, if the local political unit fails, this obligation shifts to the State, for the local community exists by authority of the State. The State government is supreme in its control of the wants and needs of the individual citizens within its borders. It can not excuse itself if any of its subdivisions fail to perform its delegated obligations. This is why the terms State rights, State control, local self-government, democracy, mean so much and are cherished so dearly.

In the light of these principles if the local or county communities are failing to meet adequately the obligations en-

forced upon them by present distressing conditions, or if they are unable to continue to sustain the tax burdens of local relief, then, indeed, it is the duty and responsibility of the State to assume the burden. But I submit it is not the duty or responsibility of the Federal Government to embark on any such enterprise until such time as the States themselves have contributed to local emergency relief and until they have exhausted their own resources. There is no evidence before us that they have exhausted their resources. Indeed, there are only a few States that have as yet even initiated the policy it is now proposed the Federal Government should embark upon.

Until that situation arises how can we justify reaching into the Federal Treasury in order to have the Federal Government share in this fundamental State and local government function?

The States possess the same powers of taxation as the Federal Government; indeed, they have avenues of taxation that the Federal Government does not possess. The per capita cost for the support of the several State governments is far less than that for the Federal Government. It was for all the States $15 per capita when figures were last available; for the National Government $135 per capita. The per capita net debt of Ohio is only $1.43; of Indiana, 77 cents; of Wisconsin, 47 cents; of Georgia, $2.50; of Kentucky, 77 cents; of Oklahoma, 81 cents; of Texas, 75 cents; of Massachusetts, $4.06; of Connecticut, 78 cents; of Pennsylvania, $8.50. Do these figures indicate such a bankrupt state of the several State governments that they can not furnish adequate relief to their distressed citizens?

Many States, like the great States of Michigan, Pennsylvania, Ohio, New Jersey, Illinois, Connecticut, and California, have no income tax law. These States should not expect aid from the Federal Treasury through taxes collected from the citizens of States that pay both Federal and State income taxes until such States have placed like tax burdens upon their citizens. Only 15 States, including Massachusetts, have a personal-income tax that corresponds to the Federal income tax.

Is any Senator willing to indict or permit his State to be indicted by alleging that it has refused or intends to refuse to appropriate the necessary money to relieve want and suffering within its own borders? Is the Senate's position that, by coercion or force, through a trifling Federal appropriation to each State, we will compel the officials of our State governments who forsooth are not as humane as we, to do their duty not only as servants of the people but as Christians?

I know what your answer will be to what I am saying. It was what I myself thought and believed one year ago, namely, that the Federal Treasury, receiving large taxes from the wealthy income taxpayers, should contribute something toward this emergency relief. Indeed, in 1930 I presented a bill for Federal relief based, however, upon an entirely different theory of distribution and on the theory that only a temporary emergency then existed. But what changed conditions exist to-day? A year ago the tremendous shrinkage in Federal revenues was not apparent. We could have borrowed money at 1½ per cent last year. The depression then seemed temporary; to-day it is at least semipermanent. The Federal Government at present has a rapidly rising deficit reaching appalling and threatening proportions. The Federal income continues to decrease monthly; a new tax bill is being drafted which will increase income taxes tremendously upon large incomes, as it should. But, I venture to say, no tax on incomes that this Congress will adopt can possibly provide sufficient money to balance the Government's Budget. To-day many of the recent rich income-tax payers are close to the bread lines.

In my judgment, in addition to very high income taxes, we may be forced into the adoption of a general sales tax in order to pay the ordinary running expenses of the Federal Government. This means that the expenses of the Government, more than ever, will have to come out of the pockets of the average man and woman.

Yet I would waive all this and mortgage the future by a generous contribution from the Federal Government for direct relief if I were assured that the depression was temporary; if it would be over in 18 months; if this appropriation would only be for once, and if what we are doing by passing this bill would not indicate a permanent obligation upon the Federal Government to participate in permanent direct relief work throughout the Nation.

Mr. President, who dares, in the light of what has transpired in the last two and one-half years, to claim that there is to be a sudden revival of prosperity in this country? Who will question the assertion that at the present time we may not be far from what will be normal conditions during the next 5 or 10 years? What prospect is there of an immediate return of our lost export business? What evidence is there of any appreciable increase in the purchasing power of the American consumer this month, next month, or 12 months from now? Frankly, I see no future prosperity to mortgage. I see no immediate end to this new Federal undertaking if the National Government now decides to take away from the States their obligations to raise the funds to take care of those in want. I refuse to take this step now, which I consider an abandonment of the theory that we are a Union of States rather than a union of 120,000,000 people. It is the final blow to the sovereignty of the State governments if the Federal Government established the policy of giving direct relief before the several States have done or even attempted to give relief to their people in distress.

Mr. President, the financial exactions of this measure may add to the very situation we are trying to alleviate. In the midst of this gloom and depression the credit of the Government itself is seriously impaired. No government in all history that has not been able to balance its budget has ever been able to turn depression into prosperity. I have reached the conclusion that the greatest service we can render the unemployed and the business interests of our country and those who look forward hopefully to better days is to balance without delay the Budget of the Federal Government. That means two immediate steps. The first, to stop new demands on the Federal Treasury and then to cut all governmental expenses by the elimination of extravagance, luxuries, and waste; in a word, retrenchment and economy. The second step is the passage of a tax bill, no matter to what extremes it may be necessary to go, that will provide an income sufficient to meet the expenditures of the Government. In my judgment, this is the road to business revival, increase in employment, and a lessening demand on the States and municipalities for welfare expenditures.

If we now put new and larger demands on the Treasury, the tax bill which will be necessary would itself become a source of discouragement rather than encouragement to progress in business, industry, and commerce. Whatever will affect the destinies of the industries and commerce of the country will affect the destinies of the millions whose earnings as employees and whose incomes as stockholders constitute the economic background of the country. We can not find employment for all through the Federal Treasury. By the course we pursue now we will vitally affect the interests of the tens of millions of people directly and indirectly dependent upon the recovery and continuance of the business of the country. Continuing increases in Government expenditures and a serious decline in governmental income will never break the back of this depression.

For these reasons I can not support the pending measure, although my sympathies prompt me to do it regardless of the many objectionable details concerning the distribution and control of the proposed funds that are incorporated in these bills. The bureaucracy features of this bill are alone indefensible.

I do declare that I am ready to support any proposal made to lend the credit of the Federal Government to obtain all funds for needed relief in any State in the Union when and where a State is unable to obtain credit.

Mr. COSTIGAN. Mr. President, will the Senator yield to me?

Mr. WALSH of Massachusetts. I yield.

Mr. COSTIGAN. My friend the Senator from Massachusetts knows that no one in this body entertains more respect

for him or holds him in higher regard than myself. Therefore, no question which I shall address to him is to be considered as offered in a critical spirit.

I ask in earnestness, for I do not know, whether the Senator, in line with his political philosophy, has been opposed in the past and is now opposed to Federal grants in aid of the States; for example, in the construction of public roads?

May I say, in connection with the question, that the suggestion that the States should exhaust their resources before application is made to the Federal Government has not been adopted in what are known as our State aid acts? We have proceeded on the theory in those acts, and the measure pending before this body was so drafted, that it is desirable in the national interest at times for the States and the Federal Government to cooperate.

May I also add, so that the Senator will have all the implications of my question, that no State more than Massachusetts, which he represents here with distinction, has in the past more imperatively insisted on the duty of the States to give first place to the national welfare?

Mr. WALSH of Massachusetts. Mr. President, I think the Senator is correct in his assertion that the statesmen of Massachusetts who represented that State in the Federal Government prior to the Civil War may not always have been strong adherents to the doctrine of State rights. I think that a review of the history of the statesmen of my State during the time prior to the Civil War, and perhaps since, would disclose a great many of them advocating doctrines not in accord with the democratic idea of State rights. I suppose that is why the statesmen of my State were so strongly opposed to the movement in the South for a strict construction of the doctrine of State rights.

As to the question of my attitude toward Federal undertakings which require cooperation upon the part of the States with the Federal Treasury, I would say that I have been opposed to appropriations for highway purposes which require a contribution from the National Treasury to be matched with a contribution from the treasuries of the several States. If I had been a Member of the Congress in the early days of the movement for good roads, I might have favored Federal aid for a limited period on a more equitable basis than is now in vogue. I think the movement, as I understand it, was inaugurated in 1913 with a strict limitation of five years. Five years was to be the beginning and the end of Federal and State cooperation in the building of public roads. But that, like every other new bureau and every other movement of the kind, has gone on and on and is to-day a fixed policy. I was surprised to read the other day that when the first bureau for the construction of public roads began it was in a small office with a few employees. To-day there are thousands of Government employees engaged in this work, among them over 500 being engineers.

Let me say that I personally think we have gone to extremes in road building. I personally think my own State may be making public roads a luxury. There are to-day in my State three magnificent boulevards extending from the city of Worcester to the city of Boston, a distance of 40 miles, one of them just being built at an enormous cost, permitting four lanes of travel over each of the highways. It is my honest judgment, in view of conditions, in view of the tax situation, that my State could have dispensed with one of these highways. I think that even Senators from the sparsely settled States who have been troubled with the highway problem and who have benefited greatly by Federal cooperation—and I am glad they have—will agree that we must at some time reach a point where the continued building of highways is going to result in being necessarily considered a luxury and an extravagance. I think there is a point to which we can go where the overhead will become so great for maintaining these roads that it will impose a confiscatory tax burden upon our people. I think we are approaching extravagance in this field as in many other activities of the Government. It was natural to become careless and extravagant just as private industry did during the boom era. Private industry is now prostrate and been obliged to eliminate its luxuries and extravagances. In my judgment, the Federal, State, and local Governments also must do so, and without delay, if we are to move out of this terrible business slump.

I hope I have answered the Senator's inquiry and I want to say that I appreciate his cordial references to me. I am sorry I differ with him because I know this bill is a matter to which he has given conscientious and devoted service. I compliment him and his associate the Senator from Wisconsin [Mr. LA FOLLETTE] in calling the attention of the country to the situation. Even if we are not able to agree as to the methods of relief I am sure the very agitation and discussion of it here will arouse the municipalities and the State governments, whose obligation it is, to a realization of their solemn duty to take care of the needed relief in their jurisdictions.

Mr. LA FOLLETTE. Mr. President, at this point I ask permission to have printed in the RECORD the bill (S. 5043) to reimburse the States and their political subdivisions for certain relief expenditures, introduced in the Seventy-first Congress, first session, by the senior Senator from Massachusetts [Mr. WALSH].

The PRESIDING OFFICER (Mr. ROBINSON of Indiana in the Chair). Without objection, it is so ordered.

The bill is as follows:

Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000,000, to be immediately available and to remain available until expended, for the relief of the several States and political subdivisions thereof, as a reimbursement or contribution in aid from the United States, induced by the extraordinary conditions of necessity and emergency resulting from the serious financial burden of caring for distressed persons residing in such States and political subdivisions.

SEC. 2. Any State desiring to participate in the benefits of this act shall certify to the Secretary of the Treasury the total amounts expended each month during 1929, 1930, and 1931 for the purpose of relieving the unemployed, including the aged and sick, by such State and its political subdivisions.

SEC. 3. The Secretary of the Treasury shall distribute the sum herein appropriated on a monthly basis, allotting to each State which certifies an expenditure for any one month of 1930 and 1931 of a greater sum than such State and all its political subdivisions expended for the same month in 1929, an amount equal to 50 per centum of the amount of the average of the monthly expenditures of such State for 1929. The first payment hereunder shall include the sums payable for each month from January 1, 1930, to the date of the approval of this act.

SEC. 4. The proper authorities of each State shall distribute monthly on a pro rata basis any sums received under authority of this act to the State and each political subdivision thereof whose expenditures for relief purposes were included in the certified statement of expenditures to the Secretary of the Treasury.

Mr. WHEELER. Mr. President, I think it is regrettable that those who have been sponsoring both of the bills have not been able to get together so that there would be assurance that some legislation with reference to the unemployment situation might be enacted. There is no doubt in my mind that a majority of the Members of this body are in favor of some kind of legislation, but various excuses have been offered as to why they could not support this bill and some other bill. For my part, I voted first for the substitute, although I am frank to say to the Senate that it was not in my judgment as suitable to meet the situation as is the present bill.

However that may be, as to the arguments that have been advanced as to why we should not grant Federal relief, it seems to me that none have taken into consideration the question of who is responsible for present economic conditions in the country. I venture the assertion that no man will rise on the floor of the Senate and assert for one moment that the city authorities in any city in the United States are responsible for the unemployment in that community. I venture the further assertion that no one will rise on the floor of the Senate and assert that the State authorities and the State governments are responsible for the economic conditions in any particular State. If that is a true statement, then they are not responsible, and the responsibility rests upon the Federal Government.

What excuse can there be for some one rising on the floor of the Senate and saying, "You must go back to your

city government; you must go back to your State government; you must not come to the Federal Government for relief, notwithstanding the fact that the Federal Government is responsible for present conditions." The Democrats in this Chamber and the Democratic Party are going into the next campaign and say to the country that the economic distress in the country is caused, not by any State, not by the mayor of any city, not by any city council, not by the governor of any State. They are going to say that the present economic condition in the country is brought about by the Republican Party.

But how are they going to answer the question that will be asked as to why we would not take care of the unemployed, the men and women who have been thrown out of employment when the Republican Party and the administration in Washington have been responsible for the condition of affairs that exist? There can be no question as to who is responsible for the economic conditions in the country. There is hardly a man on this side of the Chamber but what will say that one of the things that has brought about not only the national but the international complications which have arisen has been the tariff question. There is not a man on the floor of the Senate but what will say likewise that one of the things responsible for present economic conditions and distress is the inflation that was permitted during the years from 1925 to 1929 by the Federal reserve bank and the deflation which followed in its wake. There is no Senator on this side of the Chamber who knows anything about the subject at all but what will say the speculation in Wall Street was responsible in large part for existing economic conditions and not the various city and State governments.

Mr. President, we find it is said that we are not going to vote for this piece of legislation because of the fact that while it is admitted that there is distress, while it is admitted that it is going to get worse, yet some Senators say that the Government of the United States should do nothing about it. This morning the leader on this side of the Chamber said that the Republican Party is going out and lauding Mr. Hoover and giving him credit because of the fact that he was able to put across certain legislation. I think the Republicans are entitled to give him credit because of the fact that he has been able to get both Democrats and Republicans to follow his lead in the enactment of legislation. Think of the spectacle that took place just the other day in the House. There was a bill involving the very structure of our whole financial system introduced and referred to committees of the Senate and House, and in just a day or two passed with practically no consideration at all by either the committee or the Members of the House or by the committee of the Senate.

I am not afraid of the criticism that is made of Democrats on the ground that Members on this side of the Chamber have been too partisan. I think that the country is criticising the Members on this side of the Chamber because of the fact that we have not been partisan enough and because of the fact that we are just following the dictation of the leader of the Republican Party at the other end of Pennsylvania Avenue. I think they have a right to criticize the Democratic Party because of the fact that we have followed blindly his leadership. It is true that he wired to Members of the Senate and House who were not familiar with conditions that existed and asked them to line up for the moratorium. They lined up for it and then voted for it.

Then he came before us with a finance bill and called little groups together. International bankers came down and got little groups together. They said "You have got to pass this bill and you must not even discuss it." Democrats put it through for them, and what did it provide? It means going into the Treasury of the Federal Government and taking the people's money and loaning it to the railroads and the bankers of the country. It means the Government going into business. Yet, when many of the cities have said they are unable to take care of the unemployed in their various localities, when for weeks and months we heard testimony showing the suffering and conditions that exist in the country, men who have given no study to it, who have given no thought to the subject, some Senators stand here and say it is not necessary for the Federal Government to do this, that there is no suffering in the country, and that if there is the Government of the United States should not act to relieve it until the city or the State has exhausted all its resources.

I would say for the city of New York or the city of Chicago or the city of Helena or the city of Butte or any other city, if it was responsible for bringing about existing economic conditions and the resultant unemployment in the community, then, of course, it should take care of the situation and should exhaust all its resources before coming to the Congress of the United States. But when there is not a man upon the floor of the Senate who will challenge the statement that no city in the United States, no State government in the United States, is responsible for the unemployment that exists but it has been entirely due to economic conditions brought about by the policies of the Federal Government, then where is the logic in saying to those who are unemployed, "Go back home and let your city"—which is already in debt and which had no responsibility in bringing about the condition—"first exhaust its resources before you appeal to the Federal Government"; or in saying to the States, which had no responsibility in bringing it about, "You must exhaust your resources before you can appeal to the Federal Government"?

Mr. President, when some great corporation comes here, when, if you please, the leading international bankers, when the gamblers and speculators in Wall Street come here and say, by reason of the economic situation in this country, some bank in their section or some bank here or some great railroad there is going into receivership, Mr. President, what do we do? We do not say to that railroad in the city of New York or the State of New York, "Go back to your city government in the city of New York, go back to the State of New York; let them exhaust the resources of the city or of the State before you come to the Federal Government and ask the National Government to take money out of the Treasury of the United States to render assistance." Oh, Mr. President, on the one hand we have the man in the street who is trying to get work and the woman walking the streets seeking employment, and, on the other hand, we have the men who put up the campaign funds for the great political parties in the Nation; that is the difference.

Let me say to Senators upon this side of the Chamber as well as to those upon the other side that when I am appealing to you now to vote for this measure I am appealing to you because if conditions grow worse, as one of the largest manufacturers and industrialists of this country said to me, instead of having 8,000,000 people out of employment next year, we will have 18,000,000 out of employment.

If that be true, Mr. President, then we had better appropriate some money out of the Federal Treasury to help feed the hungry and those who are out of employment through no fault of their own. I say we had better do it, Mr. President, because it is wise to do it if we wish to preserve the institutions of the country. I am in favor of preserving those institutions, and I am appealing to the Senate because I want to see them preserved. In my humble judgment, those who are standing here and because of some technicality are saying, "We are not going to vote for the bill," are doing a great disservice to their own Government and their own country.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Oklahoma [Mr. THOMAS].

Mr. THOMAS of Oklahoma. I demand the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a second?

Mr. THOMAS of Oklahoma. In order to have a chance to secure a record vote, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Schall
Austin	Couzens	Kean	Sheppard
Bailey	Cutting	Kendrick	Shipstead
Bankhead	Dale	Keyes	Smith
Barbour	Davis	King	Smoot
Barkley	Dickinson	La Follette	Stephens
Bingham	Dill	Lewis	Thomas, Idaho
Black	Fess	Logan	Thomas, Okla.
Blaine	Fletcher	McGill	Townsend
Borah	Frazier	McKellar	Trammell
Bratton	George	McNary	Tydings
Brookhart	Glass	Morrison	Vandenberg
Broussard	Goldsborough	Neely	Wagner
Bulkley	Gore	Norbeck	Walcott
Bulow	Hale	Norris	Walsh, Mass.
Byrnes	Harrison	Nye	Walsh, Mont.
Capper	Hastings	Oddie	Watson
Caraway	Hatfield	Patterson	Wheeler
Carey	Hayden	Pittman	White
Connally	Hebert	Reed	
Coolidge	Hull	Robinson, Ark.	
Copeland	Johnson	Robinson, Ind.	

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment proposed by the Senator from Oklahoma [Mr. THOMAS], on which he demands the yeas and nays. Is there a second?

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BARKLEY (when his name was called). I have a general pair with the senior Senator from Colorado [Mr. WATERMAN]. I understand, if present, he would vote as I intend to vote. Therefore I am at liberty to vote and vote "nay."

Mr. BULOW (when his name was called). Making the same announcement regarding my pair as on the previous roll call, I withhold my vote.

Mr. JONES (when his name was called). I have a pair with the senior Senator from Virginia [Mr. SWANSON], who is necessarily absent. I understand, however, if he were present he would vote as I expect to vote. Therefore I feel at liberty to vote and vote "nay."

Mr. FESS (when the name of Mr. MOSES was called). I have been requested to announce the unavoidable absence of the Senator from New Hampshire [Mr. MOSES]. Were he present, he would vote "nay."

The roll call was concluded.

Mr. FESS. I wish to announce that, if present, the Senator from Illinois [Mr. GLENN] and the Senator from Rhode Island [Mr. METCALF] on this question would vote "nay."

I also desire to announce the following general pairs:

The Senator from California [Mr. SHORTRIDGE] with the Senator from Louisiana [Mr. LONG]; and

The Senator from Rhode Island [Mr. METCALF] with the Senator from Georgia [Mr. HARRIS].

Mr. SHEPPARD. I desire to announce that the junior Senator from Oklahoma [Mr. GORE] and the senior Senator from Missouri [Mr. HAWES] are detained from the Senate on official business.

Mr. GEORGE. I wish to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is necessarily detained on account of illness. I wish to let this announcement stand for the day.

The result was announced—yeas 16, nays 67, as follows:

YEAS—16

Ashurst	Dill	Logan	Thomas, Okla.
Black	Fletcher	McGill	Trammell
Brookhart	Hayden	Neely	Wagner
Copeland	Lewis	Sheppard	Wheeler

NAYS—67

Austin	Caraway	Glass	King
Bailey	Carey	Goldsborough	La Follette
Bankhead	Connally	Hale	McKellar
Barbour	Coolidge	Harrison	McNary
Barkley	Costigan	Hastings	Morrison
Bingham	Couzens	Hatfield	Norbeck
Blaine	Cutting	Hebert	Norris
Borah	Dale	Hull	Nye
Bratton	Davis	Johnson	Oddie
Broussard	Dickinson	Jones	Patterson
Bulkley	Fess	Kean	Pittman
Byrnes	Frazier	Kendrick	Reed
Capper	George	Keyes	Robinson, Ark.
Robinson, Ind.	Smoot	Tydings	Walsh, Mont.
Schall	Stephens	Vandenberg	Watson
Shipstead	Thomas, Idaho	Walcott	White
Smith	Townsend	Walsh, Mass.	

NOT VOTING—13

Bulow	Hawes	Metcalf	Steiwer
Glenn	Howell	Moses	Swanson
Gore	Long	Shortridge	Waterman
Harris			

So the amendment of Mr. THOMAS of Oklahoma was rejected.

The VICE PRESIDENT. The bill is before the Senate and open to amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. The question is on the passage of the bill.

Mr. WALSH of Montana. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WALSH of Montana. Is not the question divisible under Rule XVIII of the Rules of the Senate? The bill as it now stands consists of two parts—title 1 and title 2—neither of which is in any wise related to the other.

The rule reads:

> If the question in debate contains several propositions, any Senator may have the same divided.

The VICE PRESIDENT. Is that on the final passage?

Mr. WALSH of Montana. On the final passage.

The VICE PRESIDENT. Will the Senator read the rule again?

Mr. WALSH of Montana. The bill, as I have stated, consists of two entirely independent parts—title 1 and title 2. The question now before the Senate, as I understand, is, Shall the bill be engrossed and read the third time?

The rule reads:

> If the question in debate contains several propositions, any Senator may have the same divided.

If it is in order to do so, I shall ask that the question be divided so that the vote will be taken separately upon title 1 and title 2.

The VICE PRESIDENT. The Chair is of the opinion that on the final passage of a bill no separate vote can be had.

Mr. WALSH of Montana. Will the Chair indicate how he reaches that conclusion under the rule?

The VICE PRESIDENT. That question could be raised on amendments which have been proposed; but the bill having been read the third time, the question now is, Shall the bill pass? That is put as one question.

Mr. WALSH of Montana. It seems to me that if the rule means anything at all, it means that if a question consists of two parts, the vote shall be taken separately upon each of them upon the demand of any Senator.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. WALSH of Montana. I do.

Mr. NORRIS. It seems to me perfectly plain that the rule the Senator has read does not apply to the passage of a bill. If it did, just think for a moment where it would lead us.

Take a tariff bill containing all kinds of titles, all kinds of subjects. On the passage of the bill it would have all these various items in it. If we had before us an amendment to a bill that had separate subjects included in it, there would be a reason for the rule; and I think that is what the rule means and what it was made for. When we come to the final passage of a bill, however, if the Senator's contention is correct, 99 per cent of the bills that we pass here could be separated, and we could have a dozen votes on each of them.

Mr. WALSH of Montana. May I ask the Senator if he can give us an instance of a case to which he thinks the rule does apply?

Mr. NORRIS. Any amendment.

Mr. WALSH of Montana. But that is not the rule. It does not say any amendment may be divided. It says "any question."

Mr. NORRIS. The rules do say what the question shall be: Shall the bill pass?

Take a tariff bill. It contains various titles. Nobody has ever suggested for a moment that when we come to the final passage of a bill separate votes may be had on the various titles.

Mr. WALSH of Montana. Exactly. Here is an amendment proposed that has three propositions in it. The question is, Shall the amendment be adopted? And any Senator has an opportunity to divide the question into three propositions.

Mr. NORRIS. That would be true if we had an amendment before us, but that is not the question before us now. We have gone through with all that. We have put them all together. We have made out of them a bill, and to go back to that would be to go back to the beginning and commence all over again.

Mr. REED. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield to the Senator from Pennsylvania.

Mr. REED. I would suggest that perhaps the title of Rule XVIII is relevant in this inquiry. The title, as the Senator will see, deals only with amendments.

The VICE PRESIDENT. The Chair is of the opinion that the question now before the Senate is not divisible.

Mr. WALSH of Montana. Then I offer the amendment which I send to the desk in the nature of a substitute for the bill.

The VICE PRESIDENT. Without objection, the vote whereby the bill was ordered to be engrossed and read the third time will be reconsidered for the purpose of permitting the amendment to be offered. The Senator from Montana offers an amendment, which will be stated.

The CHIEF CLERK. The Senator from Montana offers the following amendment in the nature of a substitute:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $375,000,000 (one-third of which shall be immediately available) for the purpose of the construction and reconstruction of highways under the provisions of the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented. Such amount shall be in addition to any amounts heretofore authorized to be appropriated for such purposes, but not more than $125,000,000, authorized in this section, shall be expended in the fiscal year ending June 30, 1932.

"SEC. 2. The sums appropriated pursuant to the authorization contained in section 1 shall, from time to time, be apportioned by the Secretary of Agriculture among the several States in the manner provided by section 21 of the Federal highway act, as amended, and shall be available for expenditure upon highway projects approved by the Secretary of Agriculture, in the same manner as other funds appropriated for carrying out the provisions of such act; except that no part of such amounts apportioned to any State need be matched by State funds, but the same may be used to meet the provisions of such act as to State funds required on Federal-aid projects, and except that in the expenditure of such sum the limitations contained in the Federal highway act, as amended, upon construction within municipalities of 2,500 or more population and upon the payments per mile which may be made from Federal funds shall not apply. The work on highways shall be done in such manner as to use the maximum amount of human labor consistent with economy, and preference in employment shall be given to the unemployed. When the Secretary of Agriculture finds that any highway project approved by him in any State has been constructed or reconstructed in compliance with the plans and specifications relating thereto, he shall cause to be paid the proper authorities of the State, out of amounts appropriated pursuant to this act, an amount equal to the total cost of such project, and may, in his discretion, from time to time make such payments on such construction or reconstruction as the same progresses; but the total amount so paid to the State shall not exceed the amount apportioned to that State as hereinbefore provided: *Provided*, That of the sum authorized to be appropriated by section 1 hereof, it shall be discretionary with the Secretary of Agriculture, from time to time, to apportion not to exceed $9,000,000 in accordance with the provisions of the second paragraph of section 3 of the Federal highway act, as amended June 24, 1930, and to expend the sum so apportioned in accordance therewith; he also may, in his discretion, from time to time, apportion not to exceed the sum of $37,500,000 for carrying out the provisions of section 23 of the Federal highway act, as amended and supplemented."

Mr. WALSH of Montana. Mr. President, it will be observed that this proposes, as a substitute for the pending bill, the road-construction program which was a feature of both the original substitute and the pending bill, made a part of it upon the motion of the Senator from Nebraska.

Mr. NORRIS. Mr. President, I want to ask the Senator a question.

Mr. WALSH of Montana. I yield.

Mr. NORRIS. From a reading of the proposed substitute, I judge it is the same that is already in the bill under title 2. Is that correct?

Mr. WALSH of Montana. That is correct.

Mr. NORRIS. Then the effect of the Senator's substitute, so called, is to strike from the pending bill title 1?

Mr. WALSH of Montana. Practically so; yes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Montana in the nature of a substitute.

Mr. WALSH of Montana. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BARKLEY (when his name was called). I repeat the announcement I have made as to my pair with the senior Senator from Colorado [Mr. WATERMAN]. I am informed that if present that Senator would vote as I desire to vote, and therefore I am at liberty to vote. I vote "nay."

Mr. BULOW (when his name was called). Making the same announcement as on the previous roll call, I withhold my vote.

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a general pair with the senior Senator from Illinois [Mr. GLENN]. I understand, however, that that Senator would vote as I expect to vote, so I am liberty to vote. I vote "nay."

The roll call was concluded.

Mr. FESS. I desire to announce the following general pairs:

The junior Senator from California [Mr. SHORTRIDGE] with the junior Senator from Louisiana [Mr. LONG]; and

The senior Senator from Rhode Island [Mr. METCALF] with the senior Senator from Georgia [Mr. HARRIS].

Mr. GEORGE. I desire to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is detained from the Senate by illness.

Mr. JONES. I have a general pair with the senior Senator from Virginia [Mr. SWANSON], who is necessarily absent. I find that I can transfer that pair to the junior Senator from Nebraska [Mr. HOWELL], and I do so and vote "nay."

The result was announced—yeas 28, nays 58, as follows:

YEAS—28

Ashurst	Davis	Hull	Reed
Bailey	Fletcher	Kendrick	Robinson, Ark.
Bankhead	George	King	Sheppard
Black	Glass	Lewis	Smith
Broussard	Gore	Logan	Stephens
Byrnes	Harrison	Oddie	Tydings
Connally	Hayden	Pittman	Walsh, Mont.

NAYS—58

Austin	Couzens	Kean	Smoot
Barbour	Cutting	Keyes	Steiwer
Barkley	Dale	La Follette	Thomas, Idaho
Bingham	Dickinson	McGill	Thomas, Okla.
Blaine	Dill	McKellar	Townsend
Borah	Fess	McNary	Trammell
Bratton	Frazier	Morrison	Vandenberg
Brookhart	Goldsborough	Neely	Wagner
Bulkley	Hale	Norbeck	Walcott
Capper	Hastings	Norris	Walsh, Mass.
Caraway	Hatfield	Nye	Watson
Carey	Hawes	Patterson	Wheeler
Coolidge	Hebert	Robinson, Ind.	White
Copeland	Johnson	Schall	
Costigan	Jones	Shipstead	

NOT VOTING—10

Bulow	Howell	Moses	Swanson
Glenn	Long	Shortridge	Waterman
Harris	Metcalf		

So the substitute proposed by Mr. WALSH of Montana was rejected.

Mr. GORE. Mr. President, I move to recommit the pending bill to the Committee on Manufactures, with instructions to report back a bill based on the report and recommendation of the Federal Employment Stabilization Board.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was rejected.

Mr. TRAMMELL. Mr. President, I send to the desk an amendment which I desire to offer.

The VICE PRESIDENT. The amendment will be reported.

The CHIEF CLERK. The Senator from Florida offers the following amendment, on page 12, after section 13, to add a new section, as follows:

SEC. 14. There is hereby authorized to be appropriated the sum of $150,000,000, to be immediately available, for carrying into effect the provisions for initiating and developing the program of public construction work set forth in the report of the Federal Employment Stabilization Board, entitled "Preliminary Report of Six-Year Federal Planning Program for Construction, Repairs, and Alterations" and dated January 20, 1932.

The President, the Federal Employment Stabilization Board, the Director of the Bureau of the Budget, and the construction agencies as defined in the Federal employment stabilization act (46 Stat. 1084) are severally requested to exercise the authority conferred upon them by said act to the end that supplemental estimates of public works emergency appropriations in an amount as provided herein may at the earliest possible time be transmitted to Congress pursuant to such act so that an emergency public-works program may be inaugurated and the policy of Congress declared in such act may be effectuated.

Mr. TRAMMELL. Mr. President, I want to make a brief statement with regard to this proposed amendment.

The amendment is taken from the substitute which was proposed by the senior Senator from Oklahoma [Mr. THOMAS], it being only a part of his substitute. His substitute, it will be recalled, dealt with a number of different items of appropriations. This amendment deals only with the question of the construction program.

Now we are insisting upon making provisions for taking care of the unemployed of the country, and I think that purpose is a very commendable one and reflects credit on those who have been laboring in this behalf. But how can we more directly be of assistance toward the relief of unemployment than by providing a construction program, so that many of those adapted to this character of work will be given employment, and the Government will get value received for their employment?

This plan, under the so-called Wagner bill, which was passed at the last session, has been reported upon by the stabilization board, certain public works have been suggested, and this amendment provides for $150,000,000 to make a beginning upon that construction program.

If the idea is to assist the unemployed and to relieve distress in this country, I can not see any method which would be more advantageous than one that is covered by this amendment, which, as I have before stated, was taken from the proposal of the Senator from Oklahoma, except that the amount has been reduced to $150,000,000 from $250,000,000.

I wish to aid in alleviating the distress of the people throughout the country, but I do not believe we ought to make a gift to a person unless it is absolutely essential to save him from suffering for want of food, for want of shelter, or for want of raiment.

If we could provide for employment, why not adopt that as at least one of the methods to contribute toward relieving the situation, which I admit, in many sections is very distressing.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from New York?

Mr. TRAMMELL. I yield.

Mr. COPELAND. Do I understand the Senator is asking for $150,000,000 in addition to the $375,000,000 provided in the bill?

Mr. TRAMMELL. The bill provides $375,000,000 for Federal highway construction and building of streets in municipalities. This is an additional $150,000,000 for construction along the line of public buildings and public improvements and possibly in some instances river and harbor projects.

Mr. COPELAND. It does not displace the human relief portion of the bill?

Mr. TRAMMELL. This is in addition to and independent of that portion of the bill. I first mentioned this to the Senator from Oklahoma [Mr. THOMAS] because I did not wish to propose it if he desired to do so. I have suggested the amendment so we can vote upon this issue alone; that is, whether or not we are willing to make an additional appropriation of $150,000,000 to stimulate and increase and enlarge construction work throughout the country. That is all that is involved in the question.

Mr. SHIPSTEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Minnesota?

Mr. TRAMMELL. I yield.

Mr. SHIPSTEAD. I did not hear all of the Senator's remarks. Can the Senator point out what work has been reported by the commission?

Mr. TRAMMELL. I do not recall all the details. The Senator from Oklahoma [Mr. THOMAS] has all the details. I would not attempt to inflict the Senate with a reading of them or worry myself to read them all.

Mr. SHIPSTEAD. Does it include river and harbor work already authorized?

Mr. TRAMMELL. I think perhaps the Senator from Oklahoma can answer the Senator from Minnesota.

Mr. THOMAS of Oklahoma. Reading from volume 1, to which I have previously referred, I find for the Agricultural Department $246,000,000 with which to do construction work; Department of Commerce, $300,000,000; Interior Department, $200,000,000; Department of Justice, $4,000,000; Department of Labor, $71,000; Navy Department, $25,000,000; Post Office Department, $16,000,000; State Department, including Foreign Service construction, $1,000,000; Treasury Department, $13,000,000; War Department, $420,000,000 for housing; independent offices, $58,000,000; municipal government for the District of Columbia, $3,000,000; making a total recommendation of $993,000,000. These items have been investigated and surveys and plans made. It is shown in the report how soon they can commence work. On most of them they can commence at once. Some will take a week, some a month, and some three months, three months being the longest. The program is ready to start.

Mr. SHIPSTEAD. May I ask the Senator if he includes rivers and harbors with the others? In the enumeration I did not hear that mentioned.

Mr. TRAMMELL. A great many of the projects have been authorized. I think a major portion of them have been authorized already. I understand from the Senator from New York [Mr. WAGNER] that all of them have been authorized. Of course if we make authorization for $150,000,000 to make a beginning upon the construction program, then the particular projects will have to come before Congress for consideration in the making of an appropriation. Congress would not be barred from passing upon the merits of the particular items for which appropriations are estimated under this authorization. It is essential to get an authorization to take up the different projects.

My zeal and my eagerness in trying to assist the distressed of the country, and those who are unemployed, is not restricted merely to a particular method outlined in the particular bill, and to no other. My eagerness to assist them would enlarge the program. Some Senators may not desire to do that. They may desire to confine it absolutely to a particular plan which they have mapped out.

Mr. WALSH of Montana. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Montana?

Mr. TRAMMELL. I yield.

Mr. WALSH of Montana. I rise simply to give the Senator some information in relation to the report. It was submitted in accordance with a resolution introduced by myself, and I have given some considerable study to it. I am able

to say that the entire amount of $993,000,000 has already been authorized, except so far as road construction is concerned. This includes the program of road construction for six years. Only two years have been authorized, so there are four years included which have not been authorized. The remainder has already all been authorized by Congress, and simply awaits the appropriation, so it would not help the situation to again authorize what has already been authorized.

Mr. TRAMMELL. Of course, the object of the amendment is to emphasize in the relief measure the sentiment of Congress that we should proceed with the construction program and that in our plan to feed the hungry and assist the distressed people of the country and to give them employment we are not going to restrict our sources through which we would assist them to merely giving to the States and to the road-building program, but that we are willing to begin construction work and provide public buildings and enlarge that feature of the governmental activities.

I would like very much to see the amendment adopted. I think it would help materially in taking care of the unemployed. It will possibly lessen the requirements under the $375,000,000 gift that is proposed to be made to the States. If we take them out of unemployment, then we will have fewer people to feed through a gift or charity. I believe it would be better to have them employed than to have to feed that same number through charity. I hope the amendment will be adopted. Of the millions of unemployed, easily 90 per cent of them prefer work and an independent living to charity from any source. What I proposed by the amendment I have offered is to enlarge the field for employment.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was rejected.

Mr. STEIWER. Mr. President, I offer an amendment, which I ask may be read.

The VICE PRESIDENT. The amendment will be read.

The Chief Clerk read as follows:

At the end of the bill insert the following new section:

"SEC. 3. Not to exceed $75,000,000 of the amount authorized by section 1 of Title II shall be available for expenditure by the Secretary of the Treasury for the acquisition of sites or additional land for the enlargement of sites for, and/or the construction, enlarging, remodeling, or extension of, public buildings under the control of the Treasury Department in cities for which allocations have heretofore been made, but for which estimates have not been submitted to Congress. Such amount may be expended without regard to the provisions of section 4 of the public buildings act of May 25, 1926, requiring the submission of estimates to the Bureau of the Budget, and the Secretary of the Treasury is hereby authorized to fix the limit of cost for each of such projects. Expenditures for professional services may be made from such amount without regard to any act limiting expenditures for outside professional services. Such amount shall be in addition to any amounts heretofore authorized under the act of May 25, 1926, as amended, and, except as herein otherwise provided, shall be expended in accordance with existing law."

Mr. STEIWER. I invite the attention of the Senate to the fact that this is one proposal which does not increase the authorization contained in title 2 of the bill. It merely provides an additional purpose for which the moneys may be spent. In other words, it takes $75,000,000 out of the fund which is provided in title 2 for the construction of highways and makes it available for expenditure by the Secretary of the Treasury in the construction of the public buildings which are included in the public-buildings program under the act of 1926 and for which allocations have already been made.

The virtue of the proposal is that it would make work available in certain communities where roads might not be needed. I make bold to offer the amendment because it has been repeatedly said here that the road-building program is being overdone by the proposals contained in the bill. I am not sure I subscribe to that idea, but if there are Senators who are seriously urging it, then it seems to me it is only the part of wisdom to diversify the purposes for which the money may be expended. Certainly the highway program which is greatly expanded by the provisions of title 2 of the bill can not be in any way injured by the diversion of $75,000,000 out of the total of $375,000,000.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. STEIWER. I yield.

Mr. BARKLEY. I understand that the projects covered by the Senator's amendment have already been authorized by previous acts of Congress and allotments have been made by the Treasury Department, but there is no appropriation out of which they can proceed with the construction.

Mr. STEIWER. That is true.

Mr. BARKLEY. All they need is an appropriation. What good is another authorization for the same project until we get appropriations, which is the only thing they need and which they may obtain when we have the Treasury Department appropriation bill under consideration at this session?

Mr. STEIWER. To be perfectly candid with the Senator, the chief value of the idea is that it avoids the necessity of sending these items to the Bureau of the Budget for Budget approval, and would enable the Secretary of the Treasury to proceed immediately under the authorization heretofore made by Congress.

Mr. BARKLEY. We do not have to do this as a second authorization in order to do what we have already authorized to be done but which is not being done.

Mr. STEIWER. That is true; and yet it seems to me there is an enormous advantage in taking some part of this money away from the highway program which is vastly augmented by the bill and permitting that same money to be used in building projects which are distributed all over the country.

Mr. BARKLEY. Of course, the Senator really is not taking any money away from anything. He is taking an authorization away from another authorization which we have already made by an act of Congress, so it does not really involve taking any money away from anything.

Mr. STEIWER. That is not exactly correct. This provision would create a new and different authorization for the same projects by a new and different procedure, and undoubtedly will expedite the construction of the buildings. That is all I seek to accomplish.

Mr. BARKLEY. That raises the question as to how many authorizations it will take to get one appropriation.

Mr. STEIWER. I answer that my purpose is not to get the appropriation but to expedite the construction contemplated. I am advised by the Treasury Department that there is a total of about 250 new projects, for which allocations have already been made but for which the appropriations will not be made without Budget approval and appropriations by Congress. These amount to between $75,000,000 and $80,000,000. I shall be quite content whether the amendment is agreed to or not agreed to, but it seems to me it is vastly better to diversify the purposes of Title II by the means suggested in this amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was not agreed to.

The VICE PRESIDENT. The question is on the engrossing and third reading of the bill.

The bill was ordered to be engrossed and to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The bill having been read a third time, the question is, Shall the bill pass?

Mr. SMOOT. Let us have the yeas and nays.

Mr. LA FOLLETTE. Mr. President, I shall not detain the Senate long before the final vote. I wish to point out that after two weeks of debate a majority of the Senate has gone on record for Federal action in meeting the critical emergency of unemployment relief.

The Senate's position to-day is in marked contrast with the attitude indicated by leaders in the Senate before the bill was taken up for discussion. The public press carried reports that the bill was to be recommitted to the committee on the ground there was not sufficient evidence to demonstrate the need for Federal action. We have made some advance toward relief of suffering by convincing a majority

of the Senate that action by the Federal Government to relieve actual human misery in the communities and States of the country is necessary.

So far as I know—and I have endeavored to be present during all the debate—only three Senators have denied the sufficiency of the evidence presented in this case in behalf of Federal action. The first was the senior Senator from Ohio [Mr. FESS], who is likewise chairman of the Republican National Committee. When asked by the Senator from Idaho [Mr. BORAH] whether or not he would vote to appropriate Federal funds in a case where a local community was unable to provide for its citizens in distress, he answered:

I would insist on the local authorities doing their duty.

Stripped of its verbiage, the statement of the Senator from Ohio reveals that he takes the position that he would let people starve before he would vote to give aid to the States from the Federal Treasury to prevent such a calamity. The phrase used by the Senator from Ohio—

I would insist on the local authorities doing their duty—

should go down in history with the remark of Queen Marie Antoinette when she heard people crying for bread and asked why they did not eat cake.

The senior Senator from Pennsylvania [Mr. REED] followed with a statement that the evidence submitted by the proponents of the bill was not sufficient to warrant action by the Federal Government to protect its citizens from the horrible consequences of unemployment. On the very day the senior Senator from Pennsylvania made his speech, Horatio Gates Lloyd, a member of the firm of Drexel & Co., of Philadelphia, who is chairman of the relief committee in the city of Philadelphia, made a statement in which he said—

The relief—

That is, the relief in Philadelphia—

now averages $4.38 per week, a distressingly inadequate amount, but all that the funds of the committee permit.

The record shows that the average family on the relief rolls in the city of Philadelphia consists of approximately five persons. In the State where the Senator from Pennsylvania said they can take care of their own, 12½ cents per day per capita is all that is given to keep men, women, and children alive. Rent payments are not made, except to prevent eviction; due to lack of funds, the committee is unable to provide decent housing facilities. The horrible conditions of overcrowding and the breaking up of families in the city of Philadelphia causes me to say that the statement of the Senator from Pennsylvania that all is well in the communities of his State suggests Matthew's description of the whited sepulcher, which outwardly appeared to men beautiful but within was full of dead men's bones and of all filthiness.

The Senator from Massachusetts [Mr. WALSH] joined to-day with those other two Senators I have mentioned who say that the evidence as to necessity for Federal action is insufficient. I digress in answer to him only long enough to say that last winter, before the unemployment situation had reached the critical stage we find to-day, he was the author of a bill providing that the Federal Government should appropriate money to meet 50 per cent of the relief burden month by month in every city and community in the United States. If action was justified in 1930–31 to take care of relief, and the necessity for it was at that time evident, how much more compelling is the evidence in support of action by the Federal Government to save humanity in the United States to-day?

Mr. President, if I understood the argument made by the senior Senator from Massachusetts, it was this: If the depression were short lived—in other words, if there were no great unemployment problem and if economic recovery was certain and immediate—he would advocate action by the Federal Government to relieve human suffering in the United States. The length of the depression, however, and the increase in the need for relief makes it impossible for him to stand by the position he took last year. In other words, the greater the need for Federal assistance to relieve human suffering, the less the Senator from Massachusetts is willing to do to meet the problem. I can not follow the logic of the argument made by the senior Senator from Massachusetts.

The opposition to the pending bill has, on the one hand, come from those who contend that it will set up a great Federal bureaucracy for the purpose of providing relief to individuals within the several communities in the States, and, on the other hand, from those who contend that the authors of this bill have not provided sufficient control on the part of the Federal Government in the administration of relief funds contributed from the National Treasury. I submit that an impartial analysis of the measure now under consideration will convince any fair-minded Senator that this bill provides a workable and a satisfactory means whereby the Federal Government may give assistance to cities, counties, and States in meeting the problem of unemployment relief, but at the same time extends to them the greatest measure of control over the administration and distribution of the funds contributed.

The bill provides a minimum Federal supervision consistent with good government, which was the paraphrase of Thomas Jefferson's attitude used by the Senator from Alabama in opposing the measure. The greatest living interpreter of Thomas Jefferson, Claude Bowers, has written publicly indicating his approval of the bill. He is not unfamiliar with legislative procedure in this body. He was for many years the able secretary of the one-time minority leader in this Chamber, John W. Kern, of Indiana. Mr. Bowers delivered the principal address at the Jackson Day dinner in 1928. He made the keynote speech at the national convention in Houston in 1928. He is the author of Party Battles of the Jackson Period and the Tragic Era. He can not be charged with being a Hamiltonian, nor would he indicate approval of any proposal which violated the fundamental principles laid down by Thomas Jefferson.

In brief, all that a State has to do in order to obtain assistance from the Federal Government under the terms of the pending bill is to furnish general plans for adequate administration of relief within its borders and certain information concerning the amounts it has expended for relief, both public and private.

There is a long list of precedents in which Federal aid has been granted in cooperation with the States to secure various objectives. This measure is in absolute conformity with those precedents. The only difference is that it does not give to the Federal Government nearly as much control over the expenditure of funds as is provided in all our other Federal-aid legislation.

Forty per cent of the funds provided in this bill will be apportioned on the basis of population. This basis was selected because it provides a speedy means of securing the distribution of a portion of the funds to meet the critical emergency. It provides likewise that not to exceed two-thirds of the amount raised within a State in a given calendar year can be met by this apportionment of 40 per cent of the funds. In other words, a 60-40 ratio is established in meeting this burden. As an example, a State which has raised $6,000,000 within its borders by public appropriation and by private charity could, assuming that its population is large enough, receive $4,000,000 from the 40 per cent fund, to be apportioned on the basis of population.

There is, however, a further check upon the distribution of money on the basis of population, in order to prevent any State, if there be one, from having its entire burden taken over by the Federal Government. It is the provision that, on the basis of population, the Federal Government's contribution shall not exceed 40 per cent of the relief load as demonstrated by the estimates and information furnished to the Federal Government.

Sixty per cent of the amount provided in this bill, Mr. President, is to be in a reserve fund for allocation to the States on the basis of need, in order to take care of situations where either the apportionment on the basis of population is or the resources of a particular Commonwealth are insufficient to meet the relief burden. In such cases the States

may then receive from the reserve fund a larger allotment in order to relieve human suffering.

Such a provision is necessary if we are to have effective legislation to meet the complex situations in the various States. Naturally, in a country as diversified as this one, the economic storm has not struck everywhere with the same intensity nor at the same time. Therefore, if there is to be adequate provision to meet the problem of unemployment relief, there must be emergency funds available for the purpose of handling situations as they arise.

Nowhere in this bill is there a single provision which provides that the Federal relief board shall deal directly with a locality or a community. Only in the provision concerning migratory workers is there a single proposal in this bill which anticipates or contemplates or authorizes this board to appropriate directly a single dollar of money for the relief of a single individual in any community.

If this bill is written into law, the States and the local communities will formulate a plan for meeting the problem of unemployment relief within their commonwealths. The plan will then be submitted to the Federal board; and on the approval of those general plans the funds will then be allocated on the basis of population and on the basis of need, if necessary. Thus the administration of these funds will be in the hands of the State and local authorities, and so far as the recipient is concerned they will be merged with the public and private resources which are now being given to individuals in those communities.

May I say to any Senator who has been worried concerning the effect of Federal contributions as provided under the bill that not a single dollar of that Federal money will be earmarked. So far as the persons who are receiving relief are concerned, they will be unaware that the Federal Government has acted, excepting that relief will be more adequate and reach a level of human decency instead of the animal level of survival which now exists in this country.

The bill has a specific provision that the State must set up its own agency, in order that responsibility may be fixed upon the State for the administration of this relief. Of course, in view of the fact that $375,000,000 may be taken from the Federal Treasury in order to meet the relief problems in the various States in the Union, there is a provision in the bill which I think sound legislation demands—that this Federal board may decline to issue further grants or to make further allotments to any State which is misappropriating funds.

Such a safeguard is contained in all Federal-aid legislation, and it should be contained in every bill which provides that the Federal Government is to take Federal money and turn it over to the States for administration. Otherwise, what might be the situation? We might be confronted with the same situation that has recently occurred in the State of the Senator from Alabama, where a number of citizens have been indicted on the charge that they entered into a conspiracy to obtain money under false pretenses from the seed and feed loan contained in the Department of Agriculture appropriation bill of last session. I can not believe any Senator wants a situation created where the Federal Government would be helpless to prevent the misappropriation of funds provided by the Federal Government to relieve human suffering.

So far as I am concerned, I do not expect any such situation to arise; but if it did, and if the authors of this bill and Senators who supported it had not provided such a safeguard, they would be subject to public censure for not having adequately protected the taxpayers' money and the men, women, and children who are in want.

The bill also contains provisions which will permit every State and every community to employ the same relief methods and programs which they now have under way. There is no attempt in this legislation to force any scientific system or the same system upon all of the communities of the country. The bill is purposely drawn so that every project and every proposal for relief that is now being employed in the United States may come under the terms of this bill and may receive assistance from the Federal Government in carrying out those projects adequately and commensurately.

Briefly, I desire to contrast the provisions concerning relief administration which I have cited in this bill and those under which the $375,000,000 fund for Federal highways would have been administered under the Walsh-Black-Bulkley substitute and under this bill if it becomes a law.

According to the Federal highway act approved November 9, 1921, among other things, section 6 provides:

> That in approving projects to receive Federal aid under the provisions of this act the Secretary of Agriculture shall give preference to such projects as will expedite the completion of an adequate and connected system of highways, interstate in character.
>
> Before any projects are approved in any State, such State, through its State highway department, shall select or designate a system of highways not to exceed 7 per cent of the total highway mileage of such State as shown by the records of the State highway department at the time of the passage of this act.

Further on:

> The Secretary of Agriculture shall have authority to approve in whole or in part the systems as designated or to require modifications or revisions thereof: *Provided*, That the States shall submit to the Secretary of Agriculture for his approval any proposed revisions of the designated systems of highways above provided for.

In section 8, in part, the act provides:

> The Secretary of Agriculture shall approve the types and width of construction and reconstruction and the character of improvement, repair, and maintenance in each case, consideration being given to the type and character which shall be best suited for each locality and to the probable character and extent of the future traffic.

In section 9 it is provided further:

> That all highways constructed or reconstructed under the provisions of this act shall be free from tolls of all kinds.
>
> That all highways in the primary or interstate system constructed after the passage of this act shall have a right of way of ample width and a wearing surface of an adequate width, which shall not be less than 18 feet, unless, in the opinion of the Secretary of Agriculture, it is rendered impracticable by physical conditions, excessive costs, probable traffic requirements, or legal obstacles.

Section 11 provides:

> That any State having complied with the provisions of this act, and desiring to avail itself of the benefits thereof, shall by its State highway department submit to the Secretary of Agriculture project statements setting forth proposed construction or reconstruction of any primary or interstate, or secondary or intercounty highway therein.

Again, in section 12:

> The construction and reconstruction work and labor in each State shall be done in accordance with its laws and under the direct supervision of the State highway department, subject to the inspection and approval of the Secretary of Agriculture, and in accordance with the rules and regulations pursuant to this act.

In contrast with the drastic control over State projects under the Federal highway act, the pending bill provides a minimum of Federal control over the relief fund.

The bill provides relief assistance under Title I. It gets it to the States quickly. It has a provision for meeting the emergency relief load on the basis of need. It contains a provision which will stimulate the activities of relief agencies, public and private, within every community in the country. If our experience with all other Federal-aid legislation is of any value, the passage of this bill will serve to greatly increase the amounts raised for relief within the States.

It is contended that if the Federal Government acts, all efforts on the part of the States, the communities, and private charities will cease. The question of action by the State of New Jersey has been under discussion in that Commonwealth. The argument has been advanced there that action by the State of New Jersey will result in drying up the funds being provided by the local communities and by private charity.

I wish to quote briefly from a statement by Chester Irving Barnard, who is now president of the New Jersey Bell Telephone Co., a director of the Fidelity Union Trust Co., the Prudential Insurance Co. of America, and the American Insurance Co. He has been at the head of the State activi-

ties for unemployment relief in New Jersey, and his statements are made after a careful consideration of the relief problem.

In his interim report on "Unemployment and relief conditions in New Jersey" he says:

> Relief should be paid for from current revenues. This means taxes. It is not and should not be a question of what we like but of what we ought to do. It is no longer a matter of listening to general objections to taxes but of appraising ability to pay, and seeing that payment is made. The counsels of stupid selfishness will no longer suffice to protect the ends of that selfishness. Every other scheme of taking care of relief seems to me to involve a process of letting the selfish try to put their just share of the burdens of public welfare on those who are least able to carry them, and who have, in a financial sense, the least to be preserved by public welfare.

Further on he said:

> Nevertheless, the general public support of an emergency relief condition is, it seems to me, the duty of all the people; and that duty can only be discharged by the government of all the people on their behalf. It costs less, it is less depressing, it is more just, and certainly it still leaves ample opportunity for every personal charity.

Mr. President, the Senate of the United States must face the momentous issue of human suffering. It can not be avoided. It must be settled, and settled rightly. The people will drive from office men who refuse to act in the face of overwhelming evidence of hunger, privation, and want.

A share of this tremendous relief burden must be met in part by the Federal income and inheritance taxpayers. To throw the burden back onto the States and local communities is to put the load upon real estate and tangible property. It means that the taxes must be raised by the farmer and the home owner without regard to his ability to meet the burden.

Likewise let it be remembered that the communities and the States have been manfully carrying this staggering relief load for two and a half years in a period of serious depression. The credit of many communities and of some States is now impaired. They are under the domination of bankers in their communities, who dictate terms and force changes not only in budgets but in important questions of public policy. As a result relief is being curtailed even below the level of survival.

An estimate has been made that there are $35,000,000,000 of outstanding obligations of cities, counties, and States in this Union. Those who insist that this relief burden must be carried by the local communities and the States take the position, in the last analysis, that before a dollar of assistance will be given by the Federal Government the States, the counties, and the municipalities must go into bankruptcy before those Senators will vote for relief. Is that sound statesmanship? Must whole communities and States become pauperized before relief can be obtained?

Mr. President, if that course is followed, in the end there will be a wholesale repudiation of the outstanding obligation of States and local communities in this country.

According to the President of the United States, this is an emergency second only to war. Those who advocated the passage of the Reconstruction Finance Corporation bill justified sweeping aside all precedent on the ground that they must give aid to the railroads, the insurance companies, and the banks because we were in a national emergency. No Senator rose then and proposed that before any action should be taken by the Federal Government the governors of the 48 States must petition Congress to act. Oh, no. You were ready then to act without evidence, without any appeal on the part of the governors or the mayors of the various communities of this country. When it came to extending aid to those interested in these great corporations Senators were willing to act upon the whispered order, upon the whispered admonition of individuals representing those corporations.

Now, when the objective we seek to obtain is the relief of men, women, and children who are starving in the United States, Senators say that they can not act because the governors of the 48 States have not appealed to Congress.

There are several governors, Mr. President, who have already indicated that they regard Federal legislation in this situation as necessary. But I suppose some Senators would say that before the Federal Government could act we must have a majority of the governors of the States asking assistance, and if we got a majority of them, I suppose they would apply the two-thirds rule and insist that we must have two-thirds of the governors of the States asking for assistance before they could vote for this legislation.

Mr. President, the representatives of the wage earners of this country have petitioned Congress to act. Are they not, in your eyes, well-credentialed spokesmen for the toilers and the wage earners of this country? They have not acted in undue haste. The American Federation of Labor reversed its policy, adopted during the fore part of this depression, that it would not ask for any assistance. Driven by the force of circumstances in the communities of this country, reluctantly they now appear here and beseech you, in behalf of their membership and in behalf of the unorganized workers of this country, to act in order to prevent starvation.

Failure of the Federal Government to act in this situation means the degradation of millions of our people; it means that the living standards of American citizens, of which we have long been proud, will descend to pauper levels. Millions of our people are now reduced to the animal level of mere subsistence. Malnutrition and disease are already making themselves manifest in this country. Those who fail to support this bill must share the responsibility for crippling millions of the coming generation in body, if not in mind, due to malnutrition.

Can it be that there is anyone who views with complacency the loss of the social progress of this country which we have achieved after 50 years of effort? Are there any here, I ask, who welcome the effects of this depression because they hope for cheap labor in the United States, reduced to the Chinese coolie level of 12½ cents a day?

Mr. President, is the political support of income-tax payers and the political campaign fund contributors more important than the preservation of human life? Senators must answer that question when the roll is called.

I want to read briefly from the speech made by the senior Senator from Massachusetts [Mr. WALSH] last winter in appealing for action upon his bill to provide that the Federal Government should pay monthly to the States and to the communities 50 per cent of their unemployment relief burden. This was shortly after the elections of 1930, in which the Democratic Party made substantial gains. Said the Senator from Massachusetts:

> It seems to me that the most casual observer of the situation here in Washington must be convinced that the first thought of many of those in high position is a tender care of the heavy taxpayers of this country. That is foremost with too many; that concern is above starvation and poverty and unemployment and suffering; and that attitude, my friends upon the other side of the Chamber, was one of the reasons why millions of men and women flocked to the polls last November—not to elect Democrats but to protest, to denounce, to condemn an administration that had been indifferent, to put it mildly, to the greatest problem we have witnessed in 50 years of peace time in this country.
>
> The election in November was a repudiation of the administration not because we had hard times but largely because of a feeling that there was not in the White House a zealous, earnest leader, who, though he personally might sympathize with conditions, yet he was either unable or unwilling to propose means of aiding the victims of this problem.
>
> * * * * * * *
>
> Mr. President, I want to close with a single word to my Democratic colleagues.
>
> We are no longer a minority party in this country. The last election placed upon us a responsibility of leadership. Mr. Hoover has failed to present an adequate program. His message is an abdication of leadership so far as this economic problem is concerned. I submit that it is our business, if we want the confidence of this country, to stop further general criticism, bring on our own program, stand together for it, announce to the country that it is our program, have a roll call, let the opposition reject it if they choose, but let us go on record. Let our fellow countrymen know what we would do if we had the power.

The statement made by the senior Senator from Massachusetts a year ago was applicable to the situation then. It is even more tragically applicable to the situation to-day.

I read an editorial which appeared in the Washington Daily News, a Scripps-Howard newspaper, on February 15. It is entitled "Shall the Hungry Be Fed?" It reads:

SHALL THE HUNGRY BE FED?

The debate drawing to a close in the Senate over Federal unemployment relief narrows itself down to one question, Shall the hungry be fed?

Ironically, it is the men who oppose action by the Federal Government who talk most about saving her institutions. If these institutions should be attacked before the winter is over by desperate, violent mobs of American men and women, the responsibility would rest on these "defenders." The time has come when a choice must be made between form and substance.

Last Friday there were hunger riots in Newfoundland. A mob of unemployed stormed the council chamber, attacked the Premier, and was finally given food by the Government. Will the spirit of American "individualism" be preserved by letting misery reach that point in the United States?

There is no immediate threat of violence in this country. Through the early part of the winter suffering has been kept partially at bay by local relief agencies. But in large areas of the country hunger is steadily gaining on the meager local resources fighting it.

Some cities are now spending the last of their relief funds. Many are bankrupt. And men and women will not die passively while food to save them, to save their children, is all about them—but just out of reach.

The most devoted patriotism dies before the will to survive. With the best intent in the world, local governments and relief agencies can not fight alone any longer for the safety of America.

Even if necessity did not make Federal aid inevitable, circumstances make it just. The wealth of this country is concentrated in a few States. It derives from natural resources and from businesses throughout the country, but it is held and taxed in limited areas.

Only the Federal Government can tax wealth wherever it may be found, for the benefit of districts where there is no longer any way they may get the money for themselves. The Governor of New York, richest State in the Union, has recognized the justice of this and indorsed Federal relief. His State will get less from Federal aid than the amount its citizens will pay in Federal taxes for this purpose.

Wealth, generally, is fighting Federal relief because it will have to pay. But this attitude is less selfish than stupid. Intelligent selfishness should make those who have, and who want to keep on having under America's code of individualism, willing to feed the needy at whatever cost. Those whose love for America is deep and wise will follow this course.

Mr. President, I appeal to Senators in this body not to be as blind as were the Bourbons in France before the revolution. I appeal to them not to be as blind as were the princes and princesses of Israel whom Micah accused of being those "who also eat the flesh of my people and flay their skin from off them and break their bones and chop them in pieces, as for the pot, and as flesh within the caldron."

The issue of the preservation of human life in America is irrepressible. It will not down. We are to determine today whether a majority of the United States Senate believe government was instituted to protect the general welfare of all the people or only to protect the welfare of the privileged few. For the suffering men and women who are cold and hungry, on behalf of little children who are sick and without enough to eat, I beseech the Senate to pass the bill.

Mr. President, I ask leave to incorporate in my address a portion of an article by Claude G. Bowers in the Washington Times of the 5th instant. It is as follows:

THE TWO PLANS BEFORE CONGRESS

This is a nation of something more than 120,000,000 people. Of these 24,000,000 are said to be living in abject poverty because of the lack of work. This is more than one-sixth of the population. And 12,000,000 are living on charity, and this is a tenth of the entire Nation.

That really is as startling as the fall in the price of stocks.

The bankers and railroads required "relief" largely because of their blunders, and, in the case of the bankers, largely because of their greed. These men, women, and children who are jobless are not responsible for their plight; they are the victims.

There are two plans before Congress for the relief of these victims.

One is the measure sponsored by Senator WAGNER for a prosperity loan to furnish work; and Senator LA FOLLETTE has a similar measure providing for a larger loan.

The other is Senator LA FOLLETTE'S bill to appropriate $375,000,000 for direct relief. Whatever you may think about that, do not let anyone tell you it is a "dole." It is nothing of the sort.

The Federal Government is merely called upon to do its part to prevent starvation. States, counties, and municipalities have appropriated for the purpose and no human being has complained or denounced it as a "dole." These local community governments in many instances have exhausted their resources. Some are bankrupt. Most are in distress.

And the La Follette measure merely provides that, in the case of these communities, the Federal Government shall furnish the money they no longer are able to appropriate. The Government in Washington gives to no individual; it does not supervise the distribution down to the individual; it merely furnishes the money for distribution through the same relief agencies that have been distributing the money hitherto appropriated by the city or county that can do no more.

To say that one is a "dole" and the other is not a "dole" is sheer dishonesty.

Mr. President, I ask leave to incorporate in my remarks the pending bill as amended. It is as follows:

A bill (S. 3045) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

That it is hereby declared to be the policy of the Congress to cooperate with the several States in furnishing relief to their needy and distressed people and in relieving the hardship resulting from unemployment.

SEC. 2. There is hereby authorized to be appropriated the sum of $375,000,000, to be immediately available, for allocation to the several States by the Federal Emergency Relief Board created by section 3 in the manner hereinafter provided. Not more than $125,000,000 of this amount shall be expended in the fiscal year ending June 30, 1932.

SEC. 3. (a) There is hereby created a Federal Emergency Relief Board (hereinafter referred to as the board), which shall consist of the Chief of the Children's Bureau in the Department of Labor, the Director of Extension Work in the Department of Agriculture, the Chief of the Vocational Rehabilitation Service of the Federal Board for Vocational Education, and two members to be appointed by the President, by and with the advice and consent of the Senate. The board shall have full power of allocation of funds under the provisions of this title, and shall exercise the functions provided for in this title. The members of the board shall elect their own chairman, and shall receive no compensation for their services as members, except that the two appointed members shall be paid a per diem compensation of $25 for time devoted to the work of the board, and except that the members of the board shall be paid necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government. The board shall cease to exist upon the expiration of two years after the date of enactment of this title, and upon the termination of the board's existence all unexpended moneys held by it shall be covered into the Treasury as miscellaneous receipts.

(b) The board—

(1) Shall make such regulations as may be necessary to execute the functions vested in it by this title.

(2) Shall print monthly for public distribution and shall submit to the President and to the Senate and the House of Representatives (or the Secretary of the Senate and the Clerk of the House of Representatives, if those bodies are not in session) a report of its activities and expenditures, together with a statement showing the condition of the fund administered by it. And also a report giving the names of its employees engaged in administering the relief herein provided and the character of the services performed by each and the salary paid to each. Such reports shall, when submitted, be printed as public documents.

(c) The Chief of the Children's Bureau in the Department of Labor shall be charged with the administration of this title, subject to the supervision of the board. The Chief of the Children's Bureau—

(1) Shall insure that the conditions under which funds are allocated to the States under this title are complied with, and shall make or cause to be made such studies and reports as will promote the efficient administration of this title;

(2) Shall submit reports to the board with respect to the allocation of funds;

(3) Shall supply information for the guidance of the States in the administration of funds under this title;

(4) After the approval of the board, may appoint and fix the compensation of such experts and, subject to the provisions of the civil service laws, appoint, and, in accordance with the classification act of 1923, as amended, fix the compensation of such other officers and employees as are necessary to carry out the provisions of this title;

(5) Subject to the approval of the board, may make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, and for printing and binding) as are necessary to carry out the provisions of this title; and

(6) Shall perform such other functions under this title (other than the allocation of funds) as the board may designate.

(d) The board may appoint advisory committees to advise and confer with it with respect to the administration of this title. No salary shall be paid to committee members, but when attending meetings of the board they shall be allowed necessary traveling

and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government.

SEC. 4. (a) Forty per cent of the amounts appropriated pursuant to this title shall be apportioned among the several States, in the manner hereinafter provided, in the proportion which their population bears to the total population of the State of the United States according to the Fifteenth Decennial Census. Payments made in any calendar year out of the amount of the appropriations apportioned to any State on the basis of population shall not be in excess of two-thirds of the amounts appropriated or otherwise made available for such calendar year by the State, by the civil subdivisions thereof, and by private contributions from within the State, to be expended for emergency relief as defined in section 12 of this title.

(b) The balance of the amounts so appropriated shall be available (1) for administrative expenses of the Federal agencies under this title, and (2) as a reserve fund for emergency allotments, as provided in section 10, to the States where the amounts apportioned on the basis of population are insufficient to meet the need.

(c) The amounts apportioned or allocated to any State under this title shall be available for payment to and expenditure by such State, for the purposes of this title, until the expiration of two years after the date of enactment of this title; except that at the expiration of the calendar year 1932, if the amount certified prior to the expiration of such year for payment to any State out of amounts apportioned on the basis of population under this title in the manner hereinafter provided is less than one-half of the total amount apportioned to that State on the basis of population, the difference between the amount so certified and one-half of the total amount apportioned shall be added to the reserve fund and shall be available for allotment to the several States on the basis of need.

(d) So much, not to exceed $350,000, of the appropriations set aside in the reserve fund, as the Children's Bureau, with the approval of the board, shall estimate to be necessary for administering the provisions of this title, shall be deducted for that purpose, to remain available until expended.

(e) If the State agency, designated or created in accordance with section 5 of this title, shall certify to the board that it is without the funds necessary to obtain the information specified in section 6 of this title as a basis for State plans, the board may authorize immediate payment to such State of not to exceed $5,000, and the amount of any such payment shall be deducted from the apportionment to such State on the basis of population.

SEC. 5. (a) In order to obtain payments out of the appropriations authorized in section 2 of this title a State, through its legislative authority, shall designate or create a State agency to cooperate with the board; except that if the legislature of any State is not in session and has not made provision to that end, the governor of such State may designate or create an agency to cooperate with the board. In any State having a State department of welfare or charities such department shall administer the provisions of this title, except that in any State in which, in accordance with the law of the State, there has been set up a special emergency organization for the administration of relief, such special State agency may be the administrative agency of the State under this title: *Provided*, That in any State where no state-wide board of charities exists, or no special emergency organization has been set up, the amount allotted to any such State shall be distributed by the action of the governor and the State board constituted for controlling the financial affairs of such State, if such board exists; and if it does not exist, by the governor.

(b) Relief shall be administered within each State under rules and regulations adopted by the State authorities and approved by the board in accordance with section 6 of this title.

SEC. 6. (a) Any State making application for funds under this title shall, by the agency designated or created to cooperate with the board, submit at such times as may be prescribed by the board plans for carrying out the provisions of this title within such State. The plans shall be subject to the approval of the board and shall, within the discretion of the board, include the following: (1) An estimate of the amounts appropriated or otherwise made available, and of the amounts actually expended, for emergency relief by public and private agencies in the State, for the calendar years 1929, 1930, and 1931; (2) an estimate of the amounts necessary to meet the needs of emergency relief in the State in the calendar year 1932 and, upon call of the board, in the calendar year 1933; (3) provision for adequate State administrative personnel; (4) specification of the plans to be developed for local administration; and (5) provision satisfactory to the board for securing the benefits contemplated by this title to persons within the State, irrespective of the period of residence within the State.

SEC. 7. Within the limits of the apportionment made to any State on the basis of population the board may certify the payment to the State of not more than 40 per cent of the difference between estimated emergency relief expenditures in the State for the calendar year 1929 and the estimated needs of the State for the calendar year 1932 or 1933, as the case may be.

SEC. 8. Within 10 days after an appropriation has been made under authority of this title the Children's Bureau shall make the apportionment on the basis of population provided in this title, shall certify to the Secretary of the Treasury and to the treasurers of the several States the amount apportioned to each State on the basis of population, and shall certify to the Secretary of the Treasury the amount estimated by the bureau, with the approval of the board, to be necessary for administering the provisions of this title. Such estimate shall be subject to subsequent review and revision by the board.

SEC. 9. Within 60 days after any appropriation has been made under the authority of this title, and as often thereafter while such appropriation remains available as conditions may warrant, the Children's Bureau shall certify to the Secretary of the Treasury, as to each of the several States, (1) whether the State has designated or created an agency to cooperate with the Children's Bureau in compliance with the provisions of this title; (2) the amounts, if any, which have been made available by such State, including funds made available by civil subdivisions thereof and private contributions from within the State; (3) whether plans have been submitted and accepted pursuant to the provisions of this title; and (4) the amount of the payments, if any, to which the State is entitled under the provisions of this title. Such certificate shall, unless revoked as provided in section 11 of this title, be sufficient authority to the Secretary of the Treasury to make payment to the State in accordance therewith.

SEC. 10. (a) Whenever, from the statement furnished by the State agency and verified by the board, it appears that the combined moneys available from local and State funds within the State, supplemented by any moneys paid or to be paid to the State from the apportionment on the basis of population, will fall below the estimated needs for emergency relief in any State, the board shall consider the State eligible for allotment of the reserve funds to be allotted to the several States on the basis of need; but no such allocation shall be made to any State unless the board is satisfied that the State or its political subdivisions have made reasonable efforts within their resources to provide for emergency relief expenditures.

(b) The board is authorized, either in cooperation with the several States, through special grants or otherwise, or by such other means and agencies as it may determine, to make payments out of the reserve fund for the purpose of extending relief to migratory workers and their families, who, by reason of inability to establish legal residence within any State, are unable to qualify her benefits under any State relief plan.

SEC. 11. Each State agency cooperating with the board under the provisions of this title shall make such reports concerning its operations and expenditures as shall be prescribed or requested by the board. The board may revoke any existing certificate or withhold any further certificate provided for in section 9 whenever it shall determine as to any State that the State agency has not properly expended or supervised the expenditure of moneys paid to it in accordance with the plans approved under this title. Before any such certificate shall be revoked or withheld from any State the board shall give notice in writing to the State agency stating specifically wherein the State has failed to comply with such plans.

SEC. 12. The term "emergency relief," when used in this title with respect to State expenditures, means relief in the form of money or commodities furnished by the State or its civil subdivisions or by private contributions from within the State, to persons in their abode or habitation, or in shelters for the transient and homeless, or in the form of wages or other compensation for work furnished on the basis of need, and made necessary by reason of the emergency growing out of unemployment, over and above the usual and ordinary expenditures for such relief, but not including old-age pensions under special acts, or public aid under special acts to mothers for the care of dependent children, or relief to veterans under special acts; and the term "relief," when used in this title with respect to the allocation of funds by the board, shall be construed to include the same purposes as those included in emergency relief, and expenditures for such purposes are hereby authorized. In either case the decision of the board as to the purpose of any expenditure shall be final.

SEC. 13. This title shall be construed as intending to secure to the several States control of the administration of this title within their respective territorial limits, subject only to the provisions and purposes of this title.

TITLE II

SECTION 1. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $375,000,000 (one-third of which shall be immediately available) for the purpose of the construction and reconstruction of highways under the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented. Such amount shall be in addition to any amounts heretofore authorized to be appropriated for such purposes, but not more than $125,000,000 thereof shall be expended in the fiscal year ending June 30, 1932.

SEC. 2. The sums appropriated pursuant to the authorization contained in section 1 of this title shall, from time to time, be apportioned by the Secretary of Agriculture among the several States in the manner provided by section 21 of the Federal highway act, as amended, and shall be available for expenditure upon highway projects approved by the Secretary of Agriculture, in the same manner as other funds appropriated for carrying out the provisions of such act; except that no part of such amounts apportioned to any State need be matched by State funds, and except that such amounts may be expended upon highways, streets, or bridges within the limits of municipalities without regard to the limitations contained in the Federal highway act, as amended,

upon construction within municipalities. The work on highways shall be done in such manner as to use the maximum amount of human labor consistent with economy, and preference in employment shall be given to the unemployed. When the Secretary of Agriculture finds that any highway project approved by him in any State has been constructed or reconstructed in compliance with the plans and specifications relating thereto, he shall cause to be paid the proper authorities of the State, out of amounts appropriated pursuant to this act, an amount equal to the total cost of such project, and may, in his discretion, from time to time make such payments on such construction or reconstruction as the same progresses; but the total amount so paid to the State shall not exceed the amount apportioned to that State as hereinbefore provided.

Mr. BLACK. Mr. President, if the issue were that which has been drawn by the Senator from Wisconsin [Mr. LA FOLLETTE], I would without hesitation take the side I have always taken and that I shall always take. The issue here, however, has narrowed down to a far more simple proposition. The issue is whether a single bill written in a single way must be accepted. The issue is one which is irrepressible and always has been irrepressible, namely, whether we shall trust our Government to the people who make it up, or to certain specially favored political bureaus in the Capital of the Nation.

In so far as the proposition of taxing the incomes of those who have concentrated the wealth of the Nation is concerned, I have no hesitation in saying here and elsewhere that I favor a greatly increased tax on the higher income brackets. I favor an increased levy of taxes upon the concentrated and swollen fortunes of the Nation. I favor it frankly for the same reason expressed by that great political philosopher who said that the history of every government has some time reached that situation when concentrated wealth must be tapped at its source in order that the privileged few might not feed on the fat produced by the toil of the many. There is no difference between the Senator from Wisconsin [Mr. LA FOLLETTE] and myself upon that issue. He can not make any.

The wealth of the Nation has been concentrated in a few favored centers due to the maladministration of our system of government, until, in my judgment, the time has arrived when by law, and by our system of taxation, we should have more Federal assistance for public education; for public welfare; and for improving the social conditions of the people of the Nation. I deny that the mere fact that great wealth is concentrated in one particular center means necessarily and logically that such wealth has been produced in that center. As a matter of fact, the wealth of the Nation is produced by the people who work, and by nature that yields its bounty to the man in the mine, in the factory, in the shop, and in the field.

But, Mr. President, there is another issue to be considered in connection with the legislation which is before us. Admitting, as I admit, that we should have more Federal assistance because of the fact that the Federal Government can tap sources of wealth which the States can not touch, the next question is, Shall the people, in order to obtain the benefits of the taxing privilege of the Federal Government, surrender to a Federal bureau in Washington their right to determine their own social habits and social customs; to regulate the schools in their States; to regulate the administration of charity within their States; or shall they stand for the principle of Federal assistance and local control? I have no hesitation in taking my position on that question.

Mr. President, I stated a few days ago that the proposal to centralize power in Washington was Hamiltonian and was not Jeffersonian. The statement has been made upon this floor that the Hon. Claude G. Bowers, that matchless and superb Democrat, that glorious upholder of the standards of Jackson and Jefferson and the great Democrats of the ages, stands for this bill which creates a Federal bureaucracy in Washington. I deny it.

When I heard that statement made, I knew that Mr. Bowers had never advisedly stated that he favored a new bureau in Washington. Therefore I wrote him for an expression of his views. He did not state that this portion of his reply to me was confidential. As a matter of fact, knowing the principles which Claude G. Bowers advocates; knowing the things for which he stands; knowing the political philosophy which he holds from a close study of Jeffersonian and Jacksonian Democracy, I do not believe he wants the statement made in this body that he stands for another bureaucracy in Washington to reach its tentacles out into the States of the Union and to meddle with the administration of charity. I therefore desire to read a portion of his letter, which is dated February 14:

I knew, of course, that different plans of relief had been submitted to the Senate, and I certainly did not intend to put myself in the position of a partisan to any one plan. My sole thought has been that if private charity can not prevent the terrible suffering and literal starvation, the Nation must help. I see no reason for a bureaucracy in Washington. The La Follette measure was the first offered, and I may, when it was introduced, in the absence of others have said something for it, but my intention has been to confine myself wholly to the idea that the Nation must help.

With those views of Mr. Claude G. Bowers I am in thorough and hearty accord. I have never voiced on this floor any other opinion. I have never expressed any other belief.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Iowa?

Mr. BLACK. I yield.

Mr. BROOKHART. I would like to ask the Senator, if it is all right for the Federal Government to furnish the money for this relief, whether it is not also all right for the Federal Government to control the administration and distribution of those funds.

Mr. BLACK. I am very glad the Senator asks that question. It is a very pertinent inquiry. As a matter of fact it shows the different theories of political philosophy which I have insisted exist.

I assume that it would be perfectly all right with those who entertain the theory just expounded in the question of the Senator from Iowa to have the Federal Government raise money for the public schools of his State and to determine, as was sought to be done at the last session of Congress, all matters with reference to admission into those schools; the hours of meeting in those schools; the method of teaching the pupils; and determining who should attend those schools. I do not subscribe to that doctrine.

I assume that under the Senator's opinion, as evidently manifested by his question, he favors——

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield further to the Senator from Iowa?

Mr. BLACK. Let me answer the Senator's question and then I shall be delighted to have him ask another one. I assume that under the Senator's question it is perfectly satisfactory to him for the Federal Government to supply the money to aid the distressed in his State and to have his people aided by regulations prescribed by a bureau in Washington. It is not satisfactory to the people of my State.

I assume that it would be perfectly satisfactory to the Senator from Iowa, carrying his theory to its ultimate conclusion, to permit, as was permitted in this bill in the beginning of the discussion, a bureau in Washington to veto the appointment of officials and the people who are to administer charity in his State. It would not be satisfactory to the people of my State.

It is simply a difference between two conflicting theories of government. There are some who believe the people are capable of ruling and should be permitted to rule. There are others who do not so believe. There are others who pin their faith to bureaus. They think when a bureau once gets its hands on anything, it can not make a mistake, that its judgments are infallible.

The issue in this case is not, as was stated by the Senator from Wisconsin [Mr. LA FOLLETTE], whether we want to help the hungry, but the issue is whether we want to create a new Federal bureau in Washington for some purpose. If that were not true, the amendment which has heretofore been suggested in this body, which would have provided food for the hungry people of the Nation, would have been accepted.

Why, Mr. President, we present a bill which provides for food for the hungry, which under its very terms provides that food within 10 days. The measure now before us provides it within 60 days after the bureau, with a bureau's delays, has passed upon the rules and regulations for the administration of charity throughout the Nation.

Speed! Who ever heard of any speed from a Government bureau? There is not a Senator within the sound of my voice who has not had experience enough with bureaus in the city of Washington, far removed from the people and their needs, and with thousands of clerks busily engaged in reading paper reports, who does not know that there is no chance to obtain any quick relief through a Federal bureau.

A question would come up about the administration of funds in Alabama or in Wisconsin or in Colorado. The representatives of some powerful nation-wide organization would come to Washington to see the bureau and would say, "We do not like the method used in the administration of charity in Alabama or Wisconsin or Colorado." Listening, as bureaus frequently do, to the siren voice of groups that are supposed to have votes, we would be instructed down in Alabama exactly how to administer charity among our people and how and in what manner we must conduct our social relations among ourselves. I deny that any Federal bureau has any right or should have such rights.

If I thought that all good was wrapped up in bureaus; if I believed that only the politically appointed agents of bureaus in Washington had any intelligence; if I believed that the politically appointed agents of the bureaus in Washington had more sense than have the people in Alabama and knew more about Alabama's affairs than do the people of Alabama, then I would favor the administration of all Alabama's affairs by a Washington bureau.

Mr. BROOKHART. Mr. President——

Mr. BLACK. It may be, Mr. President, that the Senator from Iowa is of the opinion——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Iowa?

Mr. BLACK. I will yield in just a moment. It may be true that the Senator from Iowa is of the opinion that the bureaus in Washington, politically appointed, have more intelligence and know more about administering the affairs of the people of Iowa than do the people of Iowa. I am not so familiar with the people of Iowa as I am with the people of Alabama; but I deny that the bureau chiefs in Washington have any more intelligence, any more honesty, any more integrity, and any more knowledge of Alabama's affairs than do the citizens of my State. Now, I yield to the Senator from Iowa.

Mr. BROOKHART. I will ask the Senator if he does not think if the Democrats win the next election, they will go down into Alabama and come out into Iowa and pick men to fill these bureaus and to administer them in the interest of the people?

Mr. BLACK. I will say to the Senator that I am sure that a politically appointed Democratic bureau would come nearer representing the plain, average, common, everyday man than a politically appointed bureau of a Republican President. I do not deny that, because I think the Democrats, standing as they do for the people and the right of the people to run their own government, come nearer representing the plain, average, everyday American citizen than does a government of concentrated wealth and federalized centralization.

Mr. President, the statement has been made on this floor—I do not know why—that some people have been indicted in Alabama. Under the constitution of Alabama and under the Constitution of the United States there is a provision which has been put there on account of the shed blood of patriots, that a man shall be presumed innocent until a jury of his peers have passed on the alleged offense. I know that those who believe that bureaus are all wise would perhaps prefer to have their guilt or innocence passed upon by bureaus in Washington. I do not.

In what I say I desire it to be understood that I am not passing upon the guilt or innocence of those in my State who have been indicted. I assume that they are entitled to that presumption which comes to every man in this country that he is innocent until he is proved guilty beyond a reasonable doubt. But since that question has been brought up, permit me to say that in the county where the indictments have been brought the matter was handled by a Federal bureau. Permit me to state further that I have been informed by the gentlemen who have been in charge of the prosecution that if the Federal bureau in Columbia, S. C., hundreds of miles away, had been administered as it would have been administered in the place where the incident occurred, the facts which have been developed recently would have been developed in 1929. That is the manner in which I would expect a bureau to act in connection with administering charity. It has taken from 1929 until 1932 to discover that there is sufficient evidence as alleged in a bureau in Columbia to indict a man charged with a crime in Alabama.

Now, Mr. President, since this question has come up, let me read a statement of a Federal bureau chieftain with reference to what has happened where a governmental matter was handled by local citizens. The statement is in a news item which I happened to find on my desk. It is from the Florence (Ala.) Times-News:

> A. J. Herrington, district field agent for the farmers seed loan office at Memphis, who is in charge of collection of the Government drought loans for Lauderdale, as well as several other counties in north Alabama, was in the district several days last week, G. B. Phillips, Lauderdale County agent, stated to-day.
>
> While in the county he released the information that out of $50,000 loaned to 326 Lauderdale farmers last year the records show there is less than $1,000 remaining unpaid or for which adequate collateral has not been given. He also stated that Lauderdale probably heads the list of counties in Alabama in so far as repayment of the loans is concerned, based on the amount of money which was loaned to the number of loans granted.
>
> Mr. Phillips stated this morning that the above facts were due in a large measure to the efficient cooperation of the community committees who passed on the applications of each farmer, and to the county committee composed of Probate Judge H. L. Stutts, Andrew J. Darby, and H. F. Koonce.

Mr. President, with reference to the statement that this appropriation, if made, will absolutely prevent malnutrition, let me say that, if made, there will be $125,000,000 available between now and July 1. It is estimated that there are 8,300,000 people out of employment; it is reasonable to assume, as some have, that there are from 25,000,000 to 40,000,000 of the unemployed and their dependents. Assuming that there are 25,000,000, the amount available would be equivalent to $5 for each individual between now and July 1. Of course, when I say $5 each I forget the fact that a first lien upon the funds is the expense of the Federal bureau uselessly set up in Washington.

Mr. President, there can be no mistaking this issue; it is plain. It is not a question of whether we want to vote to help people who are starving. Everyone knows that if this bill should pass this body it would likely never become a law. I am not interested in issues. What I am interested in is doing something that will feed the people, and everybody knows that this bill will not feed them, because everyone knows it will not become a law.

In the next place, everyone knows further that those who may be in need would have to depend upon the tender mercies of a Washington bureau. They know that if a question came up in their State, they would have to appeal through various channels, through a subbureau in some other State, and through the next regional bureau on until the appeal finally came to Washington, and then multitudinous clerks, looking over piles of papers mountain high, would finally reach a conclusion that probably the poor individual claimant (who in the meantime would have starved to death), was not entitled to relief. They would notify his administrator that the bureau in Washinton had looked into the case and it was determined that the bureau could not grant relief to the individual.

If there is a real desire to secure a measure which will have a chance of passing, which will give relief; if the real object is not the creation of a Federal bureau, let those who believe in relief unite together, and they can pass legisla-

tion. I deny that anyone has any right to charge that those of us over here who favor relief but who favor it in the good old-fashioned American method are holding up relief. I will tell you, Mr. President, who is holding up relief. It is those who stubbornly and tenaciously hold to the one idea, "You have got to take this bill and have it crammed down your throat, and you have got to take it with a bureau in Washington or everything will be defeated."

In so far as I am concerned, let it be known, it makes little difference with me whether the money is loaned to the State or given to the State, if for the purposes of relief. It will be noted that when I first offered the substitute I provided $375,000,000 for highway construction which was not to be matched. That showed no tender solicitude for the high Federal income taxpayers of this country. I have been trying to get such a bill through for four years. I have been insisting—and I shall continue to insist—that the Federal Government owes a greater duty to the States than merely to let them have some money which the States will match. I offered that bill heretofore. My amendment has been bodily taken verbatim and attached to the La Follette-Costigan bill, which provides for a Federal bureau. Much as I regret to vote against my own amendment, now incorporated in the pending bill, a measure, the enactment of which I have been trying to secure for years, I can not bring myself to the conclusion that I am justified in playing upon the misery which exists in this country in order to secure the enactment of legislation to create a new bureau, with new powers heretofore undreamed of in the philosophy of centralization.

There is one thing about centralization to which I wish to refer. I called attention to this point the other day, and I want to call attention to it again; and then, I think, I am through. In the first place, I desire to state that, in my judgment, the unemployment insurance bill which was signed last week by Governor La Follette, of the State of Wisconsin, providing for security for workmen, the cost paid out of industrial funds and not to bear down on the backs of the farmers of the country, is one of the most far-reaching innovations and reforms that have occurred in this country within a century.

I favor an added security to those who have served their country well. I favor an added security of employment. I favor strengthening the laws of this country to provide for it, because the time has come when men should be treated as men, and when we know that unless some sort of security is given them they have no chance in this turmoil of industrial activity. But, Mr. President, I favor those reforms coming as exalting work. I do not want to turn aside the social forces of this country from that direction into the direction of exalting idleness, shiftlessness, and vice. I desire the great social movements which are in progress all over this broad land of ours to find themselves in a strong and steady stream and current, turning the people more and more toward the realization that the laborer is worthy of his hire and away from the manipulations that take away from him who works the product of his labor, and place it in the hands of those who do not toil.

It can be done if we go right; but, in my humble judgment—and I say it with due deference to the gentlemen who are backing this measure with reference to a bureau—if they should succeed in passing this bill, and it should become a law, they would have put the greatest obstacle in the way of social reforms like old-age pensions, like unemployment insurance, and like security for the workers of this Nation, that has ever been placed in the pathway of social progress.

Why do I say that? I say that because the natural tendency of a bureau it toward immortality. It knows no end to its greed. When it has once dipped its hands in the Federal Treasury and felt the greedy touch of gold, it knows no end to its avarice and its ambition. When you have created a horde of Federal employees it is to their interest to continue and perpetuate themselves. Just as certainly as we live this movement for a new bureau, if accepted, is tending toward permanency—not permanency of employment; not permanency of the right to work; but permanency of a Federal bureau.

Mr. President, in so far as I am concerned, I find myself with not the slightest hesitation upon this measure. I state again that I favor Federal aid in these times of emergency and stress. I state again that if it does not come at this session of Congress, the blame must rest where it should; and it is squarely upon the heads of those who take the position that the only way to administer aid to the people of this Nation and to feed the hungry is to do it through a Federal bureau in Washington. Let there be no mistake about that issue.

There is perhaps not a Senator here, nor a Senator who will be on this floor when we vote, who has not inveighed all over his State against bureaus in Washington. I have on my desk an article written by one of the ablest Senators in this body, referring to the spinelessness of the House and the Senate as the Members sit here and, as a result of the activities of certain social workers who appear before us, permit the sacred rights of the people to be taken away from them by Federal bureaus. I deny that there is any question of technicality in this issue. If it were a technicality, there would not be such reluctance to yield on the point of a Federal bureau by the champions of the pending bill.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Iowa?

Mr. BLACK. I yield to the Senator.

Mr. BROOKHART. Under this bill, as I understand, about $16,000,000 will go to Alabama. Is the Senator going to refuse to receive that amount of money just because it is handled by some bureaucrat that he does not like?

Mr. BLACK. I am glad the Senator asked that question. The Senator says that under this bill about $16,0000,000 would go to Alabama. I have read the bill carefully many times. Let me say that it depends upon the whim and caprice of a bureau in Washington whether or not one dollar ever finds it way into the Democratic State of Alabama.

Let the facts speak for themselves. There has never been a bureau created in Washington that was not political.

Mr. BROOKHART. Mr. President——

Mr. BLACK. I yield to the Senator from Iowa.

Mr. BROOKHART. If that is all the trouble with the bill, would it not be perfectly easy for the Senator from Alabama to offer an amendment that would make it mandatory that he should get his $16,000,000?

Mr. BLACK. I will state to the Senator that it is apparently sacrilegious for any Senator to lay his hands upon this holy measure. It is sacrosanct. It must be taken as it is. No, Mr. President; if it were desired to get this money and feed the hungry, there has been a measure here which would have given it to the people in 10 days. This one requires 60 days after a bureau investigation.

Mr. BROOKHART. Mr. President——

Mr. BLACK. I yield to the Senator.

Mr. BROOKHART. Is it not true that this "holy bill" takes half of the total amount, the amount authorized for road purposes, right out of the Senator's own amendment?

Mr. BLACK. That is correct; because it evidently was deemed wise to do that. The Senator, before that time, had expressed himself as favoring a road amendment; and since it was in our bill it was probably thought that the Senator might not vote for the bill without it. I do not know that, of course. Anyhow, that is in the bill.

What I state is this:

There are enough Democrats on this side of the aisle who favor feeding the hungry to join hands with those Republicans who likewise favor feeding the hungry if they will abandon the position that the only way it can be done is through a Federal bureau at Washington.

Let there be no mistake about that issue. It is plain. I make the statement here and now that if no legislation passes in this body to feed the hungry and to place clothing upon the naked, it will be due entirely to those who demand

that they be fed and clothed by the hands of a Federal bureau of experts rather than fed and clothed by the people of the several States.

Mr. President, the Senator from Ohio [Mr. BULKLEY] and I have jointly introduced again as an original bill, and have had sent to the Committee on Post Offices and Post Roads, a measure which provides $375,000,000 for the purposes set out in the pending bill; but which, of course, does not recognize that the proper way to administer the fund is through a Federal bureau. It also provides that $375,000,000 shall be utilized for good roads.

Whenever there is an abandonment of the idea of the creation of this huge bureau in Washington, with its powers extending into every State in this Union, then we can pass legislation; but in so far as I am concerned I am not willing to leave to any political bureau in Washington, first, the right to say in what States the money shall be spent and in what States it shall not be spent. That is the first thing. This all-powerful bureau could take away every dime of this money which is supposed to go to Alabama and send it to any other State. Politics could easily enter in. Secondly, I claim that the people of my State have intelligence enough and honesty enough to determine for themselves how they will administer charity. I deny that any bureau in Washington has the right to pass on what we are giving the people and say whether we shall give more or give less. I deny that any bureau in Washington has a right to tell the people of the 48 States who shall administer charity. I deny that any bureau in Washington should be given the right, as is incorporated in this bill, to provide that if the State does not supervise properly the private charitable institutions such as churches, community chests, fraternal orders, and labor unions that would be selected to distribute this money, this Washington bureau should have the right to withdraw funds from that State and never give to it another dollar of the money which was appropriated for charity in that State.

I deny that a Federal bureau should be given this power. I deny that it should be given the broad and all-comprehensive power conferred in section 11. This section provides as follows: After a certificate for the money has been issued, the guntlet of the Chief of the Children's Bureau must be run; then the board; and if the certificate has been issued to the Secretary of the Treasury, the bureau may then say that my State, because forsooth it does not meet the demands of social experts or political experts in Washington, can have the money withdrawn from the State.

Let those who choose to do so say this is a technical objection. Let them stand upon that; but if they say it is technical, and they have not accepted the bill which would feed the hungry and clothe the naked, let it be known that upon them, and upon them alone, rests the burden of denying food to the hungry and clothing to the naked.

The statement has been made that there is no difference between this measure and the rules with reference to the highway system. There is a big difference. In the first place, in the case of the highway system we are dealing with highways. They are inanimate. In this case we are dealing with the most sacred relationships of human life. We are going into the homes of the poor and the unfortunate, and we are going there in the right way or in the wrong way. We are going into the homes of people whose children perhaps are emaciated with hunger.

We have been going there in my State through the community chests, through the churches, through the boards of county commissioners, through the city commissioners. They know these people. They know their needs. They know their necessities. If this pending bill becomes a law, however, in order for us to meet the fastidious demands of the bureau in Washington, which we might meet and we might not, we must agree that these local organizations will administer relief exactly as they are directed by the experts in Washington.

Think of that! A Washington expert in the administration of charity in Wisconsin! Yet under this bill the Chief of the Children's Bureau is given the power to hire experts to minister to the hungry and the sick and the weak, and the people of the States are denied the right to minister to their own citizens in their own way.

Mr. President, let there be no mistake. I favor using the taxing power of the Federal Government to aid the distressed in this Nation, but I do not favor permitting a Federal bureau in Washington to come into the various States of this Union and then say exactly how they must proceed. It is dictatorial. It is tyrannical. It is destructive of the most sacred right of American citizens. It undermines their character. It takes away from them the responsibility for the administration of their own affairs.

If there be any real desire in this body to pass legislation, let it be shown by striking out the provision for the Federal bureau or let it be known that upon those who demand this or nothing must fall the burden of the failure of Congress to come to the succor of the sick, the needy, the hungry, the cold, and the starving of this Nation. Do not try to shift the responsibility. It can not be shifted.

If those who demand a Federal bureau or nothing desire to join with those who want no bill and defeat a piece of legislation which would have the hungry fed in the old-fashioned American method by their neighbors and friends, then let them take the responsibility for defeating the legislation, because there is where it will lie. No eloquence, no logic, no skill, and no cunning can evade the issue. It is upon those who say, "If the hungry are to be fed, we demand that they be fed by the bureau that we have set up in our way. If you will not feed them in our way, let them starve! Let them freeze! A Federal bureau must be had, and the freezing and the hungry can not be ministered to unless they are ministered to under the plans of a Federal bureau in Washington."

No, Mr. President; it seems to me that if we wanted properly to entitle this bill with reference to the Federal bureau it would be entitled, "A bill to feed hungry politicians and hungry workers who want a job with the Federal bureau in Washington." They are the first who are mentioned in it.

There are 31 men on this side, as I understand, who voted for Federal relief. As I understand it, there are 13 or 14 on the other side who want to vote for Federal relief. They would constitute a majority. What is standing between them is very simple—a Federal bureau. We claim, and we assert, that our experience with Federal bureaus has been too disastrous to cede to them any more power.

Why should not the minority that wants Federal aid for the hungry yield to the wishes of the majority and feed the hungry? About 45 men here seem to be ready to vote for Federal assistance to the hungry, and the editorial said the issue was, "Let the hungry be fed." They can be fed. This $375,000,000 can be voted for them. There is no difficulty about it. We all know it will not ever be voted if you stick to your Federal bureau. Nobody doubts that. But it can be voted if those who have set up this bureau and have said, "Take it or nothing," are more interested in feeding the hungry and clothing the naked than they are in the establishment of this huge new bureau here with dictatorial powers. Before the clock strikes 10 to-night we can pass a bill providing $375,000,000 to feed the hungry and clothe the naked.

Mr. President, if it has to be done at the price of a Federal bureau—with its red tape, with its multitude of papers, its members sitting in some secluded office in Washington, far removed from the man who is suffering the pangs of hunger, which never sees the look of anguish on the face of the man who is cold, but gets a report through the various channels on a piece of paper and then reads the paper and passes on the right of the cold and hungry citizen—then they will never get any relief. Bureaus are not famous for expedited action.

I plead with those who desire to feed the hungry and to clothe the naked, and who believe that this $375,000,000 will be very valuable to do that, to surrender the idea of a Federal bureau and admit for once that all wisdom is not contained under the shelter of the numerous offices which house

thousands and thousands of clerks who wear their eyes out in reading papers and passing upon paper cases.

Mr. TYDINGS. Mr. President, after listening to the splendid remarks of my friends the Senator from Ohio [Mr. FESS] and the Senator from Alabama [Mr. BLACK] about the merits of local self-government, I have concluded that I shall have to get my remarks against prohibition copyrighted in order to keep them from being plagiarized.

Mr. COSTIGAN. Mr. President, it had not been my intention to trespass again on the time of the Senate, and I shall do so for but a moment. It appears proper before this prolonged debate is concluded to make a final appeal particularly to Members on this side of the Chamber to support the pending measure.

Only one or two observations made in the discussion this afternoon will be mentioned. It has been suggested that the proponents of the pending bill ought to get behind some other proposal. Not very long ago one of the best-known Senators on the other side of the Chamber is reported to have been asked if he stood behind a particular candidate for high public office. The Senator replied, in substance, that if the particular candidate would stand still long enough, he could answer the question more accurately. Throughout this day we have been confronted by suggestion after suggestion, amendments, substitute proposals, and other efforts of one sort or another, all designed to modify or defeat the pending bill. It is pertinent to inquire behind which of the alternatives the advocates of the reported measure should have ranged themselves in order to satisfy their critics.

Mr. WALSH of Montana. Rather, Mr. President, in an effort to agree upon something.

Mr. COSTIGAN. Mr. President, there has never been any disposition on the part of the coauthors of this measure to decline to agree on a suitable human relief measure. Efforts to sabotage the pending bill were carried on in secret before they were manifest on this floor. As stated earlier in this debate, neither the Senator from Wisconsin nor myself was called into the conferences which preceeded the introduction of the substitute.

Surely it would have been more seemly had the Members of the Senate who undertook to prepare substitute proposals come to us, after our service for the Senate on the Committee on Manufactures, in their pursuit of other legislation with which to deal with our admitted national emergency.

It has been said this afternoon that there will be no difficulty in the way of a settlement of this contested question if there is a surrender on the part of certain advocates of this legislation of some control over the appropriated Federal funds. If there is anyone here who is of the opinion that an adjournment of this session will lead to affirmative legislation which will be acceptable to the majority of this body, I am sure the Senator from Wisconsin will join with me in favoring such an adjournment. But I venture to say—and I think I know to-day's temper of the Senate—that there is no disposition on the part of the majority of this body to favor such distribution of funds from the Federal Treasury as will leave no Federal supervision over or regulation of such distribution. "Pork barrel" legislation, the wanton waste of public money, scandals in administration are not at this time desired by a majority of the Members of this Senate.

Mr. President, this debate has covered a wide range. In the beginning we were met with approving suggestions—and the compliments to the Committee on Manufactures were paid on both sides of this body—that the accumulated evidence is conclusive. The evidence of national need is conceded to be overwhelming. Men and women are needlessly dying, and countless helpless children are going hungry to bed each night in America, even while we sit here debating the particular methods to be employed in dealing with the problem.

Scarcely had these compliments been uttered before a change of front was executed. It was in this next chapter first intimated, then urged, that not until the governors of the different States directly appealed to the Federal Government for national aid should the Congress act. This attitude, however, soon shifted and, as repeated this afternoon, a third position was quickly taken. It was, apparently with complete assurance, affirmed that under no circumstances would the pending measure be approved by the White House.

Then, to crown this discussion, the contention was urged that in approaching the difficulties here to be resolved we should allow no technicalities to stand in the way. The intimation that the Senator from Wisconsin and the coauthor of this bill have been raising technicalities is somewhat humorous. If technicalities are not to stand in the way, then let the gentlemen who raise them, especially those, I regret to say, on this side of the Chamber, withdraw their objections, and let us do something without delay for the men, women, and children of America.

It would be possible for me to pile higher and higher the record in this case, but that is not my intention. At this hour let it suffice to make reference to one or two letters and a telegram before me, not included in any prior discussion.

Before me is a letter from the Governor of Montana, who voices strongly and affirmatively his support "of the Costigan-La Follette bill."

Here also is a copy of a recent telegram sent to the Senator from Minnesota [Mr. SHIPSTEAD], in which the governor of that State clearly indicates that the situation in Minnesota points to the imminent need of Federal relief. Permit me to add a word about Illinois. Last Saturday night I spoke jointly in this city with the gifted Senator from Illinois [Mr. GLENN] in broadcast addresses. At that time public invitation was extended for comment by listeners on what was then and there said by the respective speakers. My office at this hour is flooded with responsive messages from all parts of the Nation pathetically describing the similar distressing conditions which prevail in all parts of this country. I shall not trouble Senators even with a summary of these responses, but merely refer to one or two responsible statements thus received from the State of Illinois. One of the leading, rarely public-spirited women of Chicago wired immediately after the debate as follows:

> Senator GLENN's statement [referring to part of his broadcast discussion] is inaccurate. It is true legislative action was swiftly taken when relief funds were actually exhausted, but State funds will last only a short time. Local committees have tried for months to get action from the governor and legislature. Standards of relief have been shockingly low and paid in rations and no rents have been paid since early January. The suffering has been and is beyond telling.

I received to-day a letter from a well-known member of the General Assembly of Illinois, which, in part, reads as follows:

> Why, of course the United States Senate should not hesitate for a moment to pass the La Follette-Costigan relief measure and to aid unemployment. What our own Senator GLENN says is true. We members of the legislature did pass a relief appropriation of $20,000,000 to care for the distressed, and when it only received 73 votes in the house roll call, Senator GLENN's good friend, the Republican speaker of the house, Hon. David Shanahan, made the most eloquent appeal ever heard on the floor of the house. He told the members of the house that unless this was done, it would be necessary for the governor to send troops to Chicago, as the mayor now requests. Then, and not until then, did the members of the house pass the appropriation.
>
> It is now necessary to sell these bonds to the patriotic citizens of Chicago, as there is no market for the sale of these securities.
>
> As the representative of the largest district in the State of Illinois, I urgently request that you appeal to the Members of the United States Senate and especially to the Hon. JAMES HAMILTON LEWIS—

To whom, permit me to say, I handed this letter for inspection a few moments ago—

> to enact this legislation. Also assure my good friend Senator GLENN that if he had heard the representatives of the Red Cross, Salvation Army, United Charities, Jewish, Catholic, and many other patriotic organizations who appeared before our body at Springfield last week, he would follow the leadership of the Senator from Colorado before it is to late. Thank you and Senator GLENN for your most interesting views on this great question of public policy.

Mr. President, I shall say but one further word. It was prophesied at the outset of this debate that it would prove

one of the most fundamental which has ever absorbed this distinguished body, since it relates to nothing less than the right to life. The event has justified that prediction. The Senators from West Virginia [Mr. NEELY], New York [Mr. WAGNER], Montana [Mr. WHEELER], and Oklahoma [Mr. THOMAS] on this side of the Chamber and the Senators from Wisconsin [Mr. LA FOLLETTE], Nebraska [Mr. NORRIS], Idaho [Mr. BORAH], and California [Mr. JOHNSON] on the other side have persuasively sounded the loftiest note of American patriotism during their respective discussions. Indeed, not more effectively did Demosthenes "fulmine" over ancient Greece than the Senators from Idaho and California across America in the last few days in behalf of suffering humanity. Inspired by such living examples, I do not hesitate to appeal to followers of Jefferson and Wilson here and to followers of Lincoln and Roosevelt there to support this imperatively needed, essentially American legislation.

I venture to add that while some Members of this body may perhaps be better nurtured in what they are pleased to term the old Democracy, I speak with some assurance of the spirit of the new Democracy of America; and it may be affirmed without hesitation that there are resources in that new Democracy which will find a way to authorize new voices as its spokesmen unless the pending measure is enacted.

SEVERAL SENATORS. Vote! Vote!

Mr. COPELAND. Mr. President, I can well understand that Senators on the other side of the aisle who have had no particular interest in this subject should be anxious to have an early vote and adjournment. I labor under no delusions as to the ultimate fate of the bill.

To me it is amazing that so many Senators who have listened to the able arguments presented by the Senators from Wisconsin [Mr. LA FOLLETTE] and from Colorado [Mr. COSTIGAN] have failed to be impressed by the amount of misery in the country. Yet frankness compels me to say that I hold in my hand telegrams and letters from great numbers of chambers of commerce in my State protesting against the enactment of the legislation.

I should not be true to the people in the 79 bread lines in my city if I did not express sympathy for the legislation, and to say very briefly what I can to urge its enactment.

We have in the schools of my city a million school children. Three-quarters of them live in the tenements. I should not be true to those tenement children if I did not do what I can to pass the bill. I should not be true to the mothers who live in the tenements if I did not do what I can to further this legislation.

Mr. President, have you ever been in the slums of a great city? Have you ever seen people living under conditions which ought not to be possible in a civilized country? Have you ever gone into the basement or the subbasement of a tenement house and seen living in one room 6 or 8 or even 9, and in one instance I saw 11 persons? What happens to them when unemployment is as common as it is now? What happens to them when the little income which they had is entirely wiped out? Mr. President, you know what happens. It means undernourishment, rickets, tuberculosis, and early death. I should not be true to those families if I did not say a word in behalf of the pending measure.

But, Mr. President, in my State this condition of distress is not confined to the dwellers of the city. I have here three letters, and I am going to quote a paragraph from each one of them. These letters come from farm homes in the State of New York. Senators do not often think of New York as a rural State or a farming State, and yet we stand eighth in agriculture of the country.

Here is a letter from the Genessee Valley, one of the richest and finest farming countries in the whole world. The writer says:

> As one of your constituents, I wish to petition you to be mindful of the deplorable financial condition of the farmers here in western New York State known as the "garden of the world." Fine, abundant crops in 1931 sold at far less than the cost of production; receipts were less than cost. Few have money to pay present taxes now due and many are so heavily in debt their credit is impaired or totally destroyed.

From another farm home:

> I am asking for information how a farmer can obtain a loan from the new Reconstruction Finance Corporation.

There will be a lot of people asking about that, but the purpose of that act was not to relieve the farmer. The purpose of that act was to give a dole to the bankers and the railroads of the country. But this poor man wants to know how he can get a loan from the Reconstruction Finance Corporation. He continues:

> It is almost impossible for any farmer to get money from the banks, and yet they seem to have plenty of money, according to their quarterly statements. We farmers have got to have help to get on our feet. Farm after farm is being left or abandoned because the farmers can not obtain money to carry them on. What to do we do not know.

Another letter, from a widow on a farm home in western New York State:

> Within a radius of 4 miles from us I have counted 29 of the best farms possible where the farmers have lost their places and several more who will do so this spring. If war were declared, the President and all other officials would meet the needs promptly, and now, as I see it, the President is only interested in the bankers. All the banks and everything else will stop if the farmers' interests are not promptly protected—and Mr. Hoover got the majority of their votes, too. My family and I are stanch Republicans, but are not promising to remain so. We are hard-working farmers, and I have worked on the farm to save hiring until I broke down in health, and the terrible sacrifices which we are compelled to submit to can not be described with pen and paper.

Mr. President, I should not be true to the farmers of my State unless I raised my voice for this legislation.

Cities have been unable to raise the money needed for local relief. The reason why this bill is necessary is because of the attitude of the bankers. They have not been willing to assist the cities in financing their operations so that they could carry on the work of relief necessary to prevent starvation and human suffering.

These bankers are ever alert. I hold in my hand a news dispatch, dated New York, January 30, and this is what it says:

> NEW YORK, January 30.—Demands by banking interests that he abandon plans for reduction in electric-light rates were said today to have brought about the resignation Wednesday of Matthew S. Sloan as president of the New York Edison Co.

A humane man, finding that the revenue of his company was great enough to justify a reduction in electric-light rates, is forced out of his position because the bankers are unwilling to have any reduction in the revenue which they may get from the operation of that great concern.

Mr. President, the same group—the superbanking group—are raising all the time the cry of the "dole." I have heard it repeated time and time again in this debate, statements to the effect that the dole would be a dreadful thing. If we come to the dole in the United States of America—and I hope we never shall—it will be because the great industrialists and the great bankers of the country are unwilling to reorganize their activities in such a way that the man who works with his hands will have some share of the gravy of life. I am not distressed about the cry of the "dole." I am more interested in the question of how we are going to preserve, first, the health and the lives of our people, and, secondly, Mr. President, how we are going to preserve our country against an aroused populace.

Why should we hesitate to use this word or to think about it? Men in very high places have not hesitated to speak about the dangers of revolution. Why do we think our country is so secure? Men will not starve, Mr. President; men will not permit their families to starve. There is no end to what desperate men will do in the face of economic distress.

We are too sheltered in Washington; we are too remote from the human side of life; here we appear to live on a higher plane. One can not walk down the streets of New York or those of any other industrial city without having aroused in his heart and mind the determination to do what he can to do away with the causes of distress in those communities.

Mr. President, I am not interested in the question of the political philosophy involved in this bill so much as I am in the hope and expectation that through its operations may come relief of human suffering. I am sorry the substitute bill was not adopted; I think it was a far better measure in many respects than the bill on which we are about to vote. But no matter who may administer this measure, no matter what the control may be, no matter in whose charge it may be, it is mere sophistry to say that there will be any failure of honest and prompt operation.

O Mr. President, I wish I had the power to put before the eyes of Senators the picture of human suffering which I have seen within a very few days, having spent the last week end in New York City. I want Senators to realize that there are thousands upon thousands, and, I suppose, literally millions of men, women, and children in this country who are not getting enough to eat, whose clothing is rapidly falling into rags, and many of whom are dispossessed from their homes. Are we going to stand here and argue against a measure which has in it any hope of relief just because it does not happen to suit us?

Let me say to the Senators from Colorado and Wisconsin that there will be as just criticism of us on this side if we shall fail to vote for the bill now pending because it does not suit us, as there will be criticism that can be passed upon the authors of the bill for insisting that the bill must be in a form to suit them.

For myself, Mr. President, I do not care what method of administration may be provided. I seek only a means of relief, so far as we can give it, to the poor people of America who are deprived of local assistance largely by selfish men. I beg Senators on this side that they will not permit any political theory to prevent them casting their votes for this measure, because, as I see it, we have reached the point now where it is this measure of relief or no measure of relief. I beg of Senators in behalf of the suffering children, of the hungry parents, and all those who are in misery, to cast their votes for this measure of relief.

Mr. PITTMAN. Mr. President, in spite of two weeks of debate, it seems evident that this bill is about to die, but there is hope, because there will be a to-morrow; there is hope because the bitterness of this debate will be ended to-night. The conference which should have been held by those who favor this bill has not taken place. It will commence to take place to-morrow, and a majority of this body, being in favor of relief legislation and differing possibly only as to methods as to the control by bureaus, and so forth, will speedily enact relief legislation.

I think it is pitiable, I think it is tragic, that so much time should have been taken up with oratory while distress and suffering have been growing more acute. I do not mean by that to criticize those who have brought the facts before this body, for they did a good work, and I think the facts are known; but how can those who favor this measure conceive that it could ever become a law? Even if it should pass this body and pass the other House it seems inevitable that it would be vetoed.

We know the attitude of the President of the United States, because he has expressed it time and again on similar measures. We have heard the speech of the distinguished Senator from Ohio [Mr. FESS], one of the leaders on the other side. We heard him say that he thought he understood the attitude of the President of the United States, and I have no doubt he does. I think the 31 regular Republican Senators on the other side who voted against the substitute and who will in a few minutes vote against this bill know the attitude of the President of the United States. What a futile thing it is for us to fight here to pass a bill when there is every indication that it will be vetoed, and we know, or will know in a few minutes, that there is not a two-thirds vote in this body to pass the bill over the presidential veto.

Let me analyze, for instance, the vote on the substitute. There were 78 votes cast; there were 27 Democratic votes on this side cast for a relief measure identical to that now pending except as to the method of administration. There are, as I calculate—and I think the estimate will probably turn out to be correct—only 17 Republicans on the other side who are in favor of the pending measure. If I am mistaken, the vote will so indicate in a few minutes. There are in this body out of the 78 votes cast 17 Republicans and 27 Democrats who favor the relief proposed by the two measures which have been under consideration. There are in this body, out of the 78 votes cast, 31 Republicans and 4 or 5 Democrats—I think 5—who are opposed to any relief of this character and kind.

The situation is perfectly plain. Legislation of this character has been impossible of enactment from the very beginning; and yet, instead of those who constitute a fair majority of this body getting together and attempting to unite on some other measure, they have wasted their time, and all the while the 31 Republicans on the other side who are opposed to any legislation whatever have enjoyed the situation.

Now the Senator from Alabama [Mr. BLACK] has introduced as an original bill the substitute which received 31 votes in this body but did not receive a single vote of the 17 progressive Senators on the Republican side, who will probably be the only supporters of the La Follette bill on that side. The bill which has just been introduced by the Senator from Alabama will undoubtedly go to the Committee on Post Offices and Post Roads. The Senator from Wisconsin [Mr. LA FOLLETTE] is a member of that committee. His bill now contains the road provision which was in the original substitute. The introduction of the bill by the Senator from Alabama will afford an opportunity to reach a compromise; and from what I have heard of this debate, it seems to me that there ought to be some common ground—not for all those who support it, but for a sufficient number of those who support it—to enable them to pass a bill through this body and at the same time possibly avoid a veto. I do not know as to that, but I hope we can do so.

I know that when we were dealing with the veterans' legislation we were very careful to conform to the President's wishes so as to avoid a veto, and I hope we can pursue a like course now. Is it not possible that we can ascertain positively the views of the President on this subject? Is it not possible that in a matter of this importance he will discuss with the leaders what position he takes? I notice that a large body of labor leaders called on the President of the United States with regard to this matter. What did he tell them? Did he give them any encouragement? If so, let us know what it is. What has he told any of the advocates of any of these bills? Has he given them any encouragement? If he has not, then his past attitude, unless he should change his position and become inconsistent, would insure a veto of this measure.

I sincerely hope that to-morrow morning all those who favor this kind of legislation will meet in open and free conference and ascertain whether or not there can not be reached a compromise that will bring a majority, at least, of this body behind some measure.

Mr. NORRIS. Mr. President, I am very much surprised and very deeply grieved that the sentiments expressed this afternoon appear to be quite general among quite a number of Senators in this Chamber. There seems to be some hidden feeling, some bitterness in the minds and the hearts of some Senators, because of things that have happened and votes that have taken place in this body on this bill.

I was not aware of that until to-day. Until to-day I had no knowledge that there was any feeling, that there was any jealousy, or that there was any sentiment of this kind. I supposed every man here was voting his sentiments. I had no idea that it was within my province to criticize any man for any vote he had cast, although I might differ from him very greatly. Even those who are opposed to any legislation made what seemed to me on the face of it a very logical argument; and those who disagree as to what we should do to bring relief to an admittedly terrible condition ought, it seems to me, to search their own hearts now. I was going to say they ought to take the beam out of their own eye, but

I do not believe there is a beam in it. I will say they ought to take the mote out of their own eye in order that they may see clearly the mote that is in their brother's eye.

Men with perfectly honest intentions, men whose hearts are moved by the evidence that has disclosed the terrible suffering that is going on in our country, are now quarreling, bitterly quarreling, over the means we are going to use to rescue those who are suffering.

It seems to me this is not a time to talk politics. It means nothing to me whether the bill has the name of a Democrat, a regular Republican, or a progressive Republican. Until to-day I had not thought that it meant anything to anybody. I have never felt that the so-called Democratic substitute came from men who were moved by anything but the most loyal and patriotic motives. I am not criticizing them for the way they prepared it or produced it or introduced it. Perhaps they made mistakes. Perhaps, from some points of view, they made serious mistakes; but nobody is perfect. Not one of us can get any legislation that suits him 100 per cent. It is always necessary to compromise; and we can not compromise rightfully unless we concede to the other fellow the same honest motives that we claim for ourselves.

I will not criticize, in my mind or in my heart, a single Senator who votes against this measure. He looks at it from one point of view, backed by a logical position which he can defend if we are inclined to be technical; but I do not agree with him. I must concede, however, that he may be right and I may be wrong. What difference does it make who proposed the legislation or who proposed amendments that have been voted down?

There has been some very courteous but I think very deep-seated criticism made to-day against those on this side of the Chamber who voted against the substitute. It has been charged that we want to have our way about it; that if the starving children and suffering people are to get relief they must get it through the methods we want, and that they will starve without it. I could make the same charge to those who now vote against this bill that is all ready to be voted on and say to them, "You are assuming the attitude that to get something you must take it our way or starve"; but I do not charge that. I will not charge that against anybody who votes against the bill. I see no reason why that intimation should be cast against anyone.

I voted against the so-called Democratic substitute. I have no apologies to make for my action. I was not moved by any political feeling, or any desire to give anybody an advantage over somebody else. I voted against it because I believed that the provisions of the regular bill were better. They suited me better. Some things in it I would not have put in it if I had drawn it. I thought at the beginning that the provision about roads ought to be added to it; and I offered that provision as an amendment, and the Senate agreed to it. In that condition I favored it over the other. If the substitute had been agreed to, I would not have felt that anybody had tried to do a trick, or anything dishonorable or disreputable. I would have supported it—wholeheartedly supported it—and would have done everything I could to see that it was enacted into law.

It is said that this bill will be vetoed. Of course, I do not know whether it will be vetoed or not; neither do I know whether it would have been vetoed if the so-called Democratic substitute had been agreed to. Who does? Is there anybody over there or over here who can tell us now that if the substitute had been agreed to it would have been signed, and that this bill as it is now will not be signed? What difference is there in that respect? I hope it will not be vetoed, but we have no way of telling whether it will be or not. All we can do is to do our duty as we see it; and the veto argument would have been just the same whether the substitute went up or went down.

Even though Senators feel that an injustice has been done to them, even though that be true, it seems to me that they should not take it out on the suffering people of the United States. It seems to me they should not let such a feeling—narrow-minded, even though justified—control their votes on an occasion of this kind.

We have all felt that way. I do not believe any one in this Chamber has felt it more keenly than I have. Because I have not agreed with my colleagues, because I have very often voted with those on the other side of the aisle, I have become almost an outcast in some quarters. I have, however, so far refused to let anybody dictate to me to what political party I should give adherence. I may be entirely wrong about it, but I believe I am right; and until I am convinced that I am not right I shall continue to occupy just such a position, unenviable and disagreeable as it sometimes is. But that fact in the Senate, and in the House before I came here, has often been the reason why my name was kept off legislation, if necessary. It has meant opposition on some important legislation that passed through the Senate and went to the House.

I think the men who take such a position as that, while, of course, they are human and may be perfectly justified, are as narrow-minded as a 2 by 4. They are not statesmen; they are just common, ordinary, petty politicians. It is disagreeable to have those things happen. Perhaps Senators feel that that has happened to them. Perhaps it has. I am not disputing it. I do not know. Assuming that it has, however, with the terrible distress and suffering that our fellow citizens are enduring, if Senators will permit the suggestion, it should not control a single vote in this Chamber at this time. The statesmanship that ought to be in the heart of every man who is worthy of a seat here ought to be more broad-minded than that; and we ought to be willing to suffer humiliation ourselves if we feel, while we are doing it, that we are giving relief to suffering humanity, and making men, women, and children happy who are now starving and suffering from cold.

The VICE PRESIDENT. The question is on the passage of the bill.

Mr. LA FOLLETTE and other Senators called for the yeas and nays, and they were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BARKLEY (when his name was called). On this vote I have a pair with the senior Senator from Colorado [Mr. WATERMAN]. I am informed that if that Senator were present he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. BULOW (when his name was called). On this vote I have a pair with the senior Senator from New Hampshire [Mr. MOSES], who is absent. If that Senator were present, I understand he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. NORRIS (when Mr. HOWELL's name was called). My colleague [Mr. HOWELL] is detained from the Senate. If my colleague were present, he would vote "yea."

Mr. JONES (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON], who is necessarily absent. I find I can transfer that pair to the junior Senator from Nebraska [Mr. HOWELL], and I do so. I vote "yea."

Mr. LEWIS (when his name was called). "Present."

Mr. FESS (when Mr. MOSES's name was called). I announce the unavoidable absence of the Senator from New Hampshire [Mr. MOSES]. If present and not paired, he would vote "nay."

Mr. GLASS. I desire to announce that my colleague [Mr. SWANSON] is detained from the Senate in attendance on the disarmament conference at Geneva.

The roll call was concluded.

Mr. GEORGE. I wish to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is detained from the Senate by illness. If present, he would vote "yea"; and I am informed that if the Senator from Rhode Island [Mr. METCALF], with whom my colleague is paired, were present and permitted to vote he would vote "nay."

Mr. THOMAS of Oklahoma. On this question I have a pair with the senior Senator from Illinois [Mr. GLENN]. I

understand that if that Senator were present he would vote "nay." If I were privileged to vote, I would vote "yea."

Mr. FESS. I desire to announce the following general pairs:

The Senator from California [Mr. SHORTRIDGE] with the Senator from Louisiana [Mr. LONG]; and

The Senator from Rhode Island [Mr. METCALF] with the Senator from Georgia [Mr. HARRIS].

The result was announced—yeas 35, nays 48, as follows:

YEAS—35

Ashurst	Cutting	Logan	Shipstead
Blaine	Davis	McGill	Smith
Borah	Dill	McKellar	Steiwer
Bratton	Fletcher	Neely	Thomas, Idaho
Brookhart	Frazier	Norbeck	Trammell
Bulkley	Hayden	Norris	Wagner
Caraway	Johnson	Nye	Walsh, Mont.
Copeland	Jones	Schall	Wheeler
Costigan	La Follette	Sheppard	

NAYS—48

Austin	Couzens	Hawes	Reed
Bailey	Dale	Hebert	Robinson, Ark.
Bankhead	Dickinson	Hull	Robinson, Ind.
Barbour	Fess	Kean	Smoot
Bingham	George	Kendrick	Stephens
Black	Glass	Keyes	Townsend
Broussard	Goldsborough	King	Tydings
Byrnes	Gore	McNary	Vandenberg
Capper	Hale	Morrison	Walcott
Carey	Harrison	Oddie	Walsh, Mass.
Connally	Hastings	Patterson	Watson
Coolidge	Hatfield	Pittman	White

NOT VOTING—13

Barkley	Howell	Metcalf	Swanson
Bulow	Lewis	Moses	Thomas, Okla.
Glenn	Long	Shortridge	Waterman
Harris			

So the bill failed to pass.

PROPOSED ANTI-INJUNCTION LEGISLATION

Mr. NORRIS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 935, to amend the judicial code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes.

Mr. GLASS and Mr. HEBERT addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield, and if so, to whom?

Mr. NORRIS. I yield first to the Senator from Virginia.

Mr. GLASS. Mr. President, I ask the Senator from Nebraska whether he will not be willing to allow us to proceed to the consideration first of Senate bill 3616, which is the emergency bank bill. The bill referred to by the Senator from Nebraska is a bill which should be considered, but this bank bill is a very urgent measure. I hope the Senator will let us proceed with it.

Mr. HEBERT. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Nebraska yield to the Senator from Rhode Island?

Mr. NORRIS. I yield.

Mr. HEBERT. Mr. President, I hope the Senator from Nebraska will not press his motion at this time. I have explained to him the situation in which I find myself. I am anxious to be here when the bill to which he has referred is considered. I have been one of those who have worked, I may say diligently, to prepare a minority report on the bill.

Mr. NORRIS. Has the Senator prepared it?

Mr. HEBERT. It has been prepared and is completed, and before I take my seat, I propose to offer it in the Senate. I shall necessarily be absent for the remainder of the week, and I sincerely hope the Senator will be willing to postpone the consideration of the bill until my return. I promise him that I shall cooperate with him in any way to bring the bill before the Senate immediately after I get back to Washington on Monday.

Mr. NORRIS. Mr. President, I have been importuned, since it has been known that I was going to make the motion, by quite a good many Senators, some of them members of the Committee on the Judiciary who are favorable to the bill. They have asked me not to crowd it at this time because of the reasons given by the Senator from Virginia and others, particularly the Senator from Rhode Island. I would like to accommodate the Senator from Rhode Island, because he is a member of the committee, and while he has been opposed to the legislation all the way through, he has been present at the committee meetings and has, so far as I know, never been a party with those who were trying to delay it; and I want to commend him for that, no matter how this matter may come out.

This is no new proposition, Mr. President. Perhaps I am oversensitive about it, because for the last three years the Committee on the Judiciary has been considering this kind of legislation, which was referred to a subcommittee of which I was chairman, and from the very beginning up to the present time there has been one continual clamor for delay, delay, and delay.

Mr. GLASS. Mr. President, I am sure the Senator from Nebraska will acquit me of any design in the world to interpose delay.

Mr. NORRIS. I do acquit the Senator, and I acquit the Senator from Rhode Island as well. But the bill went over from one session to another, and then from one Congress to another, the Judiciary Committee very evenly divided all the time, and never until this session was there a majority of the Committee on the Judiciary in favor of the legislation.

We have given months of our time to this measure, and it is a more or less technical proposition which requires a very great deal of study. The members of the committee, particularly of the subcommittee which really drew this bill, have spent almost unlimited time getting it ready, and every time an attempt has been made to bring it up we have been met with one excuse or another to delay it.

The bill has not passed the House. It is different from the legislation in charge of the Senator from Virginia, which has passed the House. I suppose the same tactics—and I do not mean on the part of Members of the House, but from those outside—will be interposed, people continually asking to be heard. Every time an amendment is proposed there will be a clamor to be heard, and propaganda will come from all over the United States directed to members of the committee asking that this man be heard and that this institution be heard. There will be no end to the delay. I am anxious now to get the bill up for consideration.

Mr. WATSON. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. WATSON. Would not the Senator be willing to fix a time next Monday when the bill may be brought up, so as to be absolutely sure of a fixed time?

Mr. NORRIS. I do not want to interfere with the plans of Senators. I am particularly anxious to accommodate the Senator from Rhode Island, who can not be here until Monday. If I can get an agreement, I would be glad to have the bill go over. In order to test the Senate, I will just submit a request now.

I ask unanimous consent that on next Monday at 2 o'clock the Senate proceed to the consideration of Senate bill 935, and that the bill be not laid aside except by unanimous consent until it is finally disposed of, that it shall remain the unfinished business until finally disposed of. If I can get that agreement, it will accommodate everybody, I think.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that on 2 o'clock next Monday Senate bill 935, to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, be made the unfinished business, and remain before the Senate until finally disposed of. Is there objection?

Mr. WATSON. I trust that the unanimous-consent agreement may be entered into without objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. NORRIS. I withdraw my motion.

Mr. HEBERT. Mr. President, first I want to express my appreciation of the courtesy accorded me by the Senator from Nebraska in continuing the matter until next Monday.

Secondly, I want to correct a statement which he made and by which I know he does not mean to impute to me any motives which are not laudable. He stated that I am op-

posed to the legislation. I was opposed to some of the provisions of the bill, but I want to say that I am not opposed to the legislation. In fact, I with other members of the committee, have prepared a substitute bill which will be brought before the Senate for consideration at the same time as the measure reported by the majority.

Mr. NORRIS. Mr. President, I have just had called to my attention something I had not thought of before, and that is that next Monday is Washington's Birthday and the Senate will probably not be in session. I ask unanimous consent now to change the date from Monday until Tuesday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The agreement was reduced to writing, as follows:

Ordered, by unanimous consent, that at the hour of 2 o'clock p. m. on Tuesday, February 23, 1932, the Senate proceed to the consideration of the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes; and that the same remain the unfinished business until disposed of.

Mr. HEBERT, from the Committee on the Judiciary, submitted the views of the minority to accompany the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, which was ordered to be printed as part 2 of Report No. 163.

EMERGENCY CREDIT EXPANSION

Mr. GLASS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture; to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia?

Mr. COUZENS. Mr. President, the Senator may move to proceed to the consideration of the measure, but I would object to a unanimous-consent agreement.

Mr. GLASS. Very well; I move to proceed to the consideration of the bill.

Mr. COUZENS. I assume that the motion is debatable?

The PRESIDING OFFICER. It is debatable.

Mr. COUZENS. Mr. President, the trouble with the bill is that I understand some amendments that were agreed upon in committee have been tentatively agreed to be changed by a meeting of others than the members of the Committee on Banking and Currency. A situation has developed in relation to amendments to the bill that have not been considered by the committee. It is my judgment that the bill should be considered by the Banking and Currency Committee and not by a subcommittee in conjunction with others not members of the Senate. The Senator from Virginia knows to what I refer.

It has developed that the bill has been considered without taking a single word of testimony. All of the testimony that the so-called subcommittee has was received in sessions not before any regular Senate committee. I submit that the bill has not been reported out in the form in which it is now to be submitted by the Banking and Currency Committee.

While I do not desire to interpose a serious objection to taking up the bill, I do believe, in view of what has developed in the House and what has developed around the Senate, that the Banking and Currency Committee should have an opportunity to consider the bill before it is taken up by the Senate.

Mr. GLASS. Replying to the remarks made by the Senator from Michigan I will say that in a technical sense the bill which I have moved shall be taken up for consideration at this time is exactly the bill that was authorized by the Banking and Currency Committee to be reported, the only alteration in the bill being made in pursuance of a motion made by the distinguished Senator from Michigan that the Senator from Virginia, myself, and the Senator from Delaware [Mr. TOWNSEND] be authorized to make a single alteration in one provision of the bill that would textually apply to the purposes for which we were assured that provision was intended; so that the bill which I have moved to have taken up is technically the exact bill that was reported from the Committee on Banking and Currency by unanimous vote.

There has been no attempt at any change in the bill. There have been proposed two amendments to the bill, one designed to clarify and to make plainer the meaning of one provision in the bill, the other being an extension of the limitation upon the terms of the bill; but that is a matter to be decided by the Senate, whether the Senate will approve the proposed clarification and whether the Senate will approve the proposed extension of the limitation.

As to there being no hearings, should we have a hearing I do not imagine that the Committee on Banking and Currency would have any better understanding of the bill than it had after my complete explanation of it. I am not felicitating myself upon my capabilities in that direction, but I gave, I think, a clear explanation of the meaning of each provision of the bill. Were we to undertake to delay matters by having open hearings, we would simply have a repetition of what occurred on the House side. The same gentlemen who appeared there would appear before our committee and make the same statements to us that they made over there and which are available to us in print.

Mr. COUZENS. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Michigan?

Mr. GLASS. Certainly.

Mr. COUZENS. The testimony taken over in the House after the bill was first drafted was not taken publicly.

Mr. GLASS. Yes, I think so; all except the testimony of one gentleman, and if that gentleman should appear before the Banking and Currency Committee of the Senate, he again would insist upon an executive session and very likely would insist that no record of his statement be made. I may say to the Senator from Michigan that the nature of his statement was such and would be such as to render it very undesirable to make it public.

Mr. COUZENS. The point I object to is that the testimony which was taken by the House committee was heard by the members of the House Committee on Banking and Currency and undoubtedly had an influence upon them in reaching a decision upon the legislation. I submit that the Banking and Currency Committee of the Senate has no such testimony. Even the Senator from Virginia, in whom the Banking and Currency Committee of the Senate has great confidence, did not submit to the committee the same testimony that he received at the White House conference or the same testimony that the Banking and Currency Committee of the House received when they took up the legislation. I think the Banking and Currency Committee of the Senate, if they are to support the legislation, should have the same testimony that other Members have had who now want the Senate to indorse the bill.

Mr. GLASS. Mr. President, I insist that the Senate Banking and Currency Committee has the same testimony that the House committee had, but it not being regarded in good form to repeat everything that transpires in the White House, I insist that I stated to the Banking and Currency Committee of the Senate every reason that was alleged for the adoption of the bill. We could not get any fuller information than we have now, except that given by General Dawes in secret. I think I have stated privately to the Senator from Michigan, as I have to other members of the Banking and Currency Committee, pretty much what that testimony was.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Florida?

Mr. GLASS. Certainly.

Mr. FLETCHER. If the bill is taken up this evening, I take it the Senator will not ask us to proceed with its consideration now?

Mr. GLASS. Oh, no.

Mr. FLETCHER. I call attention to the fact that the House committee hearings are available and there are a few amendments to the bill which of course can be offered here,

as they were offered in the House. Any amendments can be offered to the bill that may be desired.

Mr. NORRIS. I would like to make a suggestion to the Senator as one who is interested in the bill. Why not take a recess now and take up this matter to-morrow at the beginning of the session of the Senate?

Mr. GLASS. Had the Senator from Nebraska been subjected to the ordeal to which the Senator from Virginia has been subjected, he would understand the reason why. I want to remain outside of a lunatic asylum as long as I can.

Mr. NORRIS. One day would not make much difference.

Mr. GLASS. It would to me.

Mr. NORRIS. I do not think it would to any of the Senator's fellow citizens. They would not believe it anyway.

Mr. GLASS. If anything could be gained in the way of testimony by a delay of this matter, much as I would regret it, I would submit to delay; but there is not a thing that may be said or will be said that has not already been said both in behalf of and against the provisions of the bill.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Utah?

Mr. GLASS. Certainly.

Mr. KING. Reference has been made by the two Senators to an executive session and to the fact that some witness testified before the House committee, but under seal of secrecy. I was wondering if the bill before us is based upon secret testimony which has been given and which affected the bill and which other Senators here might not have the opportunity of understanding. It seems to me, speaking for myself only, that I would not want to vote for or against a bill the reasons for the provisions of which rest upon testimony secretly given.

Mr. GLASS. The confidential revelations made to those in charge of the bill and cautiously conveyed by them to other members of the Banking and Currency Committee as such should not be publicly made at this time.

Mr. President, I am reminded of an occurrence in the other House of Congress in 1914 when I happened to be chairman of the Banking and Currency Committee of that body. It was necessary to make certain material amendments to what was known as the Vreeland-Aldrich bill because the precipitation of war in Europe made an extremely delicate and hazardous situation in the banking community of the United States. I recall the patriotic cooperation on the Republican side of the House on that occasion when Representative Mann of Illinois said a thing that I have always cherished. He said he did not understand the technical provisions of the bill presented, but he did understand the gentleman from Virginia, and upon his statement of the case he was going to vote for the bill; and he advised every Republican Member of the House to do likewise.

There are some confidential aspects of the problem now confronting us. I hope when the bill shall be taken up by the Senate in a tactful way to indicate the urgent necessity of the adoption of some such legislation as this, and I would not interpose the slightest objection in the world to delay if anything could be accomplished by delay. Therefore, with the utmost deference——

Mr. WATSON. Mr. President, will the Senator yield?

Mr. GLASS. I yield.

Mr. WATSON. Is it not a fact that after full consideration by the full Committee on Banking and Currency, our friend, the Senator from Michigan himself, moved to report the bill, and is it not a further fact that from that time to this the bill has not been amended in any particular whatever; it is the same bill?

Mr. GLASS. It has been amended in no particular, except the change which was made upon the motion of the Senator from Michigan.

Mr. WATSON. Yes; and is it not a further fact that in the committee our friend from Michigan himself moved that the Senator from Virginia and the Senator from Delaware [Mr. TOWNSEND] be appointed a subcommittee to write in an amendment, and that that amendment was adopted?

Mr. GLASS. I have so stated, Mr. President, but I do not think anything may be gained by reproaching one another with any degree of inconsistency.

Mr. WATSON. No; nobody is inconsistent at all, but here is the point about it: As I gather from the Senator from Michigan, he thinks that the bill has been amended somehow or other.

Mr. GLASS. No; it has not been.

Mr. WATSON. The bill has not been amended.

Mr. GLASS. Let us be frank about that. Two amendments have been proposed to the bill.

Mr. WATSON. Certainly.

Mr. GLASS. One of them, as I have said, merely to clarify a certain phase of it, to which I think nobody could object; the other to remove a limitation that had been proposed or will be proposed.

Mr. WATSON. But they have not been proposed to the Senate.

Mr. GLASS. They have not been proposed to the Senate.

Mr. WATSON. Certainly not.

Mr. GLASS. But they will be proposed to the Senate.

Mr. WATSON. Certainly. So that the bill is necessarily in the same condition and in the same phraseology as when it left the committee.

Mr. GLASS. Absolutely.

Mr. WATSON. Exactly.

Mr. COUZENS. Mr. President, if the Senator from Virginia will yield, I do not want to get into any controversy as to the facts, but I deny the statement made by the Senator from Indiana.

Mr. WATSON. What statement does the Senator deny?

Mr. COUZENS. I deny the statement that I moved to report the bill.

Mr. WATSON. Nobody else did.

Mr. COUZENS. I make the statement that I made the proposal that the Senator from Virginia and the Senator from Delaware prepare an amendment to define a country bank.

Mr. WATSON. That is right.

Mr. COUZENS. When that motion was carried the Senator from Delaware and the Senator from Virginia drew the amendment, which is now in the bill. It defines a country bank as a bank with a capitalization limited to $500,000. Since that was published hundreds of telegrams have come in protesting against the $500,000 limitation. The Senator from Ohio will agree with that statement, as will the Senator from Virginia, I think, and also the Senator from Delaware. One of the points I am trying to make is that the committee never passed upon $500,000 as being the limit of a bank's capitalization in order to come within the definition of a country bank.

Mr. GLASS. Mr. President——

Mr. COUZENS. Just a moment, if the Senator will yield further. It has also developed that since this bill has been submitted there has been aroused such a controversy that the limit is going to be raised. It has also developed that in the House the Committee on Banking and Currency held extensive hearings from which they obtained information which the Banking and Currency Committee of the Senate has never had. It has also developed that General Dawes testified to certain facts, and his testimony was taken down stenographically but afterwards destroyed.

I am not finding fault with any of these matters remaining secret, if it is desirable to the public interest that they should be kept secret, but I submit that the Banking and Currency Committee of the Senate has the same right, or ought to have the same opportunity, of securing information as has the House Committee on Banking and Currency.

Mr. GLASS. Well, the Senate committee has the opportunity to do that; it has available the hearings on the House side; and it had a statement from me that covered every point made before the House committee, and we can not get any further information on the subject from any source.

The PRESIDING OFFICER. The question is on the motion of the Senator from Virginia to proceed to the consideration of Senate bill 3616.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

LINCOLN DAY DINNER ADDRESS BY SENATOR WATSON

Mr. HATFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the Senator from Indiana [Mr. WATSON] at the Lincoln Day dinner of the National Capital Republican Club on February 12, 1932.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

What President, save alone the sainted Lincoln, was ever more maligned and misrepresented than the one who has just addressed us? It is fresh in the mind of every student of our history that in 1862 and again in 1864 the currents of public opinion were all running strongly against Abraham Lincoln until his kindly and patient spirit was almost broken by the fierce criticism of his foes; but when the patriotic people of the country were once aroused to the danger of changing helmsmen in a storm, he was again chosen to continue the task so laboriously begun and to fight on to the tragic end. And what President more than he who to-day sits in the loftiest seat of earth has ever been so traduced and aspersed? Those who claim that he has done too little and those who assert that he has done too much are alike vehement in their denunciation, but yet his bitterest assailants never said what they would have done had they occupied his place in this unhappy time or what different action than his they would have taken had power been placed in their hands.

No President's name appears in the list who has labored more earnestly, or toiled more ceaselessly, or striven more honestly to lift the Nation out of the slough of despond into which it had been plunged by sheer force of conditions than Herbert Hoover, and while these efforts may not have come to full fruition in resuscitating the depleted industries of the land, yet no critic has risen to say that he would have pursued a different course or adopted a contrary policy had power to do so been committed to him.

THE RECORD

The marketing act was passed at his suggestion, but both parties had promised relief to agriculture in their platforms, both had asserted that it was the supreme question that confronted the people and was the first to be solved, and both candidates had pledged their solemn word to deal with that problem before any others were attempted. This is a nonpartisan act, quite as many Democrats having voted for its enactment as Republicans, and so wherein it has succeeded they are entitled to their portion of the credit, and wherein it has failed they must accept their portion of the blame.

Was Herbert Hoover responsible for the market crash in 1929? Could he possibly have averted it, had he foreseen its approach? Could any other President have stopped its coming?

And no sooner was its devastating effects upon our industry manifested than he moved with wisdom and celerity to stay its further ravages.

Has anyone at any time asserted that his conduct was wrong in that respect? What different course could any man have pursued had he been President? What other policy could have been adopted that would have operated as beneficially as the one he chose? He at once called together the captains of industry and secured from them a pledge not to reduce the purchasing power of the laborer's wage or to engage in any other practices hostile to the cause of the workman. Was not this wise and salutary? And while wages have been reduced in multiplied instances, yet it is true that the spirit of the pledge has been kept for, preceding the reduction in wages has gone a reduction in the necessaries of life, so that the purchasing power of the toiler's wage is no less relatively than the day that pledge was given.

And then he called into council the labor leaders of the Republic and obtained from them a promise that they would not strike during the continuance of the depression. And be it said to the everlasting honor of these men and their followers that they have kept the faith. There is no patriot whose heart does not thrill with pride when he contemplates the fact that, while riots have occurred in 20 nations, while revolutions have torn a dozen of them asunder, while blood has run freely in the cities of many other countries, yet not a single outbreak has occurred in the United States of America under the Stars and Stripes.

Let those who criticize these acts say wherein they failed and let them assert what they would have done, had they been in his place, to meet the fierce conditions that confronted him.

THE MORATORIUM

And when the industrial and financial destruction of Germany seemed imminent, and when the whole economic fabric of Europe seemed to be threatened with disaster, he, the one person in all the world whose position was so commanding as to force the action, proposed a moratorium for a year on all the debts and reparations that so troubled Europe and the world. And at this session of Congress both bodies, without regard to partisanship, indorsed the act and approved the action. Can anyone now assert with any degree of truthfulness that there was anything wrong with that policy? Can anyone who assumes to criticize him say that he would have pursued a different course with reference to that condition?

And MacDonald came, and Laval came, both desirous of discussing with him the momentous problems that confront and perplex the whole world, evidencing an intention to work together for the common good of mankind. Was there anything wrong in entertaining these men or in discussing with them the solution of the grave problems that disturb the entire earth?

And let no citizen of this Republic be alarmed at his attitude on the question of our foreign debts, for he has unequivocally asserted that debts and reparations have no relation to each other, that the moratorium he sought was in no wise related to cancellation, that he in no sense favors forgiving those debts, and that he stands for dealing with each nation in accordance with its ability to pay, keeping always in mind the fact that sooner or later each must pay.

There seems to be an obsession in certain quarters here that Europe should settle America's problems, while America should settle Europe's debts, but such is not the conception of the President of the United States, and such action will never meet with his approval.

THE WHOLE PROBLEM

And it is unfortunate for us that in trying to solve this problem we are compelled to deal not only with foreign nations but with many citizens of our own. International bankers who have lent huge sums abroad at high rates of interest and who are far more anxious to see their debts paid than those owed by foreign countries to America have complicated the problem by their influence with foreign nations. But they and all others must certainly see by this time that the American people, almost as a unit, are opposed to the cancellation of one penny of those debts and that, if they are not paid in the future, it will be because they have been repudiated by the nations that owe them and not by reason of their cancellation by the American Government.

We have always cherished the most kindly feelings for all the other nations in the world, and we are anxious to maintain the friendliest relationships with all peoples. We have manifested this disposition many times in the past by unexampled acts of generosity, and we shall always be ready to go to the extreme limit to be of assistance to them in any time of stress or strain.

And yet I can not but express the thought that, under the conditions which to-day exist throughout the world, we should be very happy if they could be so altered that in the future, instead of worrying about what we might be able to do for other nations, we should turn our attention to worrying about what we might be able to do for the people of the United States.

And the whole course of events for the last 15 years should teach us never to send another American boy across either ocean to engage in the brawls and quarrels of any other nation or group of nations on earth, but that in the years to come, should contests arise among them, we should permit them to fight out their own quarrels in their own way without receiving or expecting any aid or assistance from us, unless they purposely assailed us or invade our rights.

But we entered into the last struggle with high resolves and noble purposes; we lent huge sums to the Allies in good faith; they owe it to us in accordance with every principle of international honor and justice, and it is their solemn duty to pay it, and it is our equally solemn business to insist on their doing it.

But the sentimental internationalists still insist that we must "do something for Europe" and for the "oppressed of other lands." Our history attests the fact that no other nation on earth has ever so freely lent itself and expended its resources with a more lavish hand or poured out its treasures more generously for the other peoples of the world than has this great Republic.

And by 1917 we found ourselves in a position where we could grandly aid in solving the titanic contest of human history, and we now know that we reached that stage by looking after our own interests, by attending to our own business, by building our own railroads, by investing our own capital, by employing our own labor, and by building up the mightiest trade among ourselves ever known to any people of the earth. We thus accumulated vast riches, riches which enabled us to fly to the succor of other peoples in a time of dire distress.

And we shall continue to help in the future whenever the national conscience shall be stirred and the national sense of justice aroused; but when the time comes it will be for us to say how we shall help, by what method we shall help, and how much we shall help; it will not be for any supergovernment set up over on the other side of the ocean, composed of nations hostile to us in our every phase of national life, to settle these questions for us; these things we shall determine for ourselves free from the interference of any or all the other nations on earth combined.

And hence if we are as wise now as we have been in the past we shall avoid the entangling alliance proposed for us by our Democratic friends in suggesting an international conference to determine the tariff policy of our land.

THE PRESENT CONGRESS

The President led off at the beginning of this session with certain broad and sweeping recommendations for legislation. After

full debate two of these proposals have been enacted into law, and I am very happy to state that in each case the action was altogether nonpartisan and that both parties patriotically voted to sustain the policies he has advocated.

And can anyone say that his recommendations have not been wise and timely and patriotic? Certainly those who voted for these measures can not be heard to criticize them, nor will any of them even attempt to do so, for they supported them and thus testified to their belief in their efficacy.

Others of his proposals yet await our attention and doubtless will likewise receive the practically united support of Congress; and, whether any or all of these measures accomplish any or all of the objects he had in view in proposing them or Congress had in contemplation in enacting them, no one can deny that the President is doing his level best, using all of his splendid ability, and consuming every ounce of his energy in attempting to lead the people out of this blighting depression up to a high plane of prosperity.

And let those who criticize him say wherein he has failed or in what respect they would have altered his policies or changed his proposals.

THE TARIFF

And this spirit of internationalism that so disturbs us has cropped out in a startling manner in the proposal of our Democratic friends to establish an international conference to deal with our tariff. This is but an echo of the preamble to the Covenant of the League of Nations, so overwhelmingly repudiated by the American people whenever an opportunity has been presented, in favor of "the removal of trade barriers and the creation of equality of economic opportunity among nations," through a world supergovernment.

That all the people of the earth should be merged into a common economic unit, with one standard of living, is the main objective of our international bankers and many sentimental internationalists as well, the bankers desiring that all tariff rates should be lowered to enable foreign nations to sell their products in our market in order to obtain sufficient money with which to pay the debts foreign people have contracted with those bankers; and the sentimentalists, forgetting their own country and the welfare of our own people, still clamoring for us to do something for "oppressed Europe."

All of our dealings with foreign nations should teach us that in such a merger the American people would "trade assets for liabilities," for the proposition is born of the thought and purpose that our Government should submit its entire tariff structure to a body composed, with a single exception, of foreigners all jealous of the prosperity of the American people, hostile to the tariff policy of our Government, and determined so far as humanly possible to reduce us to a level with themselves.

Can anybody imagine that in this leveling process European wage earners are to be brought to a level with American wage earners? Is not the sole purpose to reduce the wages and the standards of American laborers to those of Europe, for how else can a common level be established?

If the gentlemen who propose this scheme are satisfied with American wages, why do they want an international conference at all? On what possible grounds can they urge the assembling of such a body? It must be that their sole desire is to reduce the level of American wages, thus hoping ultimately to force a common standard of living for all the peoples of the world.

But will the wage earners of America tamely submit to such a scheme? What hope is held out to them if their competitors abroad fix their wages through lowering our tariff rates? How can the American wage scale be maintained under such a system? How can the American standard of living be upheld? Manifestly an international congress can lower American wages, but by no manner of means can they raise those of the people of other lands.

If our tariff be lowered so as to permit a great influx of cheap goods from abroad made by those who receive European wages, how can the wages of Americans be increased or how can the unemployed find work? If we buy goods abroad, we do not buy them in America; and if we do not buy them here, we either put out of business or keep out of business those who are making them here; and how on earth can that policy inure to the benefit of the American laboring man?

We can not sell to our own people what we are producing at home, and how, then, can we hope to sell the products of other nations here? Such a process would vastly increase the competition in our own market and prevent absolutely the reemployment of our idle labor and a return to conditions of prosperity in our land.

Our exports are valued at from 6 to 8 per cent of our total commerce, and, because of greatly increased and greatly cheapened production abroad, are destined to grow less rather than to increase. The Democratic proposition is to sacrifice the 92 per cent of our total market by entering into a world merger, and, with the hope of increasing the 8 per cent, to lose a goodly portion of the 92 per cent we now enjoy in our own market.

American exports must meet the world competition in the world's market, and if we vastly increase these exports how can we add to the prosperity of peoples already depressed or employ laborers already out of work? We but intensify the competition that already withers the commerce of those nations.

What is most urgently needed in this country is that we increase consumption and revive commerce within the limits of our own land. As we produce practically everything that is needed for the supply of our population, we can accomplish this purpose by assailing it purely as a national problem, and our system is such that the Government can solve it by again producing a steady flow of money, by loosening up credits, and thus bringing about a gradual restoration of confidence, which is the touchstone of American success.

We can expect prosperity to return when money once more flows in a full stream and not before, and it can not be made thus to flow by filling our markets with imported products made by laboring people who receive from one-half to one-fourth the wages of those who produce the same products in our own land.

We must look for this prosperity in our own country, and yet the leaders of the opposition are loudly proclaiming that by exports alone can our domestic problems be solved and our economic ills be cured. They see the vast needs of foreign countries unable to pay and fix their minds on financing and rehabilitating them instead of giving attention to the people of our own country, who are equally unable to pay but who are seeking work, and who will never be able to find it if we buy the products of other people instead of those of the laborers of our own land.

And so, my countrymen, before we fly to the help of foreign nations in distress let us look well to the condition of our own country. We can not bring back prosperity to our people by purchasing abroad what we can make at home, by opening European factories and closing American factories, by enhancing the productive power of other peoples and furnishing them a free market in our land in competition with the products of our own people. This process, instead of increasing the power of other people to sell in this land, would decrease the ability of our own people to buy either their products or our own, and who in this country can be benefited by such a policy as that?

THE SIMPLE FACTS

We are constantly told that we can not sell abroad if we do not buy abroad, and that we can not buy abroad because our tariff walls are so high that imports can not come in over them. But those who make these assertions pay no attention whatever to history, for every tariff law enacted in the last 50 years conclusively shows that, regardless of the rates imposed, our foreign commerce, both imports and exports, greatly increased under the added stimulus given to American labor and American industry.

The further fact is that the price of our domestic products does not depend upon the amount of exports but rather on the amount we consume at home, and the amount we consume at home depends on our domestic prosperity, largely based on the employment of home labor.

I have high Democratic authority for this statement. On the 9th day of December, 1921, the joint committee of agricultural inquiry, which had spent months investigating the relation of exports to domestic prices, made this report. Two of the members of that committee were none other than the distinguished leader of the democracy in that body, Senator ROBINSON of Arkansas, and eloquent defender of Democratic tariffs for all the products of the United States except those of Mississippi, Senator HARRISON. Time forbids that I shall quote more than the significant sentence of this report, but it tells the whole story and furnished ample refutation to the present tariff proposals of these two honorable Senators:

"Perhaps the most notable fact shown by this table is the tremendous drop in the price of wheat during 1920 and 1921, notwithstanding an increase in exports. It seems this drop can be attributed almost wholly to the falling off of domestic consumption and the beginning and continuance of industrial depression."

In other words, it is not necessary that we should export more than we do in order to be prosperous, but it is necessary that all those who are now idle should be put back to work; that the American wage scale should be maintained; that our mills and factories should be equipped with the finest machinery the world affords; that American capital should flow freely in all the arteries of trade and the veins of commerce, and that we should have a full-rounded symmetrical industrial activity.

And that tells the story of American prosperity and of American progress.

And so, my countrymen, let us cling to the faith that inspired Abraham Lincoln throughout the turbulent years of his career. Abraham Lincoln, who did not scruple to seek office as a Republican, who had his name placed on the Republican ticket, who advocated Republican principles and policies, and who stood for a pronouncement of Republican platforms and under the inspiration of his genius our party had led the Nation along the pathway of history until to-day we stand unrivaled among the nations of the world in all those essential elements of civilization that make for the welfare of the human race.

EQUALITY OF RADIO BROADCASTING SERVICE

Mr. SHIPSTEAD. Mr. President, on yesterday I introduced the bill (S. 3649) to amend the radio act of 1927, as amended. I have had so many requests for a statement explaining the bill that I ask unanimous consent to have printed in the RECORD a copy of the bill, together with the explanatory statement, which I send to the desk.

There being no objection, the bill and accompanying statement were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the second paragraph of section 9 of the radio act of 1927, as amended by an act entitled "An act continuing for one year the powers and authority of the Federal Radio Com-

mission, under the radio act of 1927, and for other purposes," approved March 28, 1928, is amended to read as follows:

"It is hereby declared that the people of all the States and the District of Columbia are entitled to substantial equality of radio broadcasting service, both of transmission and of reception, and in order to provide such equality, the licensing authority shall as nearly as possible make and maintain an equitable allocation of broadcasting licenses, of bands of frequency or wave lengths, of periods of time for operation, and of station power, to each of said States and the District of Columbia when and in so far as there are applications therefor, and in determining such equitable allocation the licensing authority shall give equal weight, as nearly as may be, to population, to gross area, and to the number of receiving sets in homes as determined by the Bureau of the Census. The licensing authority shall carry into effect the equality of broadcasting service hereinbefore directed, whenever necessary or proper, by granting or refusing licenses or renewals of licenses, by changing periods of time for operation, and by increasing or decreasing station power, when applications are made for licenses or renewals of licenses: *Provided*, That if and when there is a lack of applications from any State for the proportionate share of licenses, wave lengths, time of operation, or station power to which such State is entitled, the licensing authority may issue licenses for the balance of the proportion not applied for from any State, to applicants from other States for a temporary period of 90 days each, and shall specifically designate that said apportionment is only for said temporary period. Allocations shall be charged to the State, District, Territory, or possession wherein the studio of the station is located and not where the transmitter is located: *Provided further*, That for the purpose of preventing a needless waste of broadcasting facilities, the licensing authority may in its discretion allocate to States situated wholly or principally west of the Continental Divide, broadcasting facilities in excess of those to which such States would normally be entitled on the basis of population, gross area, and number of receiving sets in homes, when such additional allocations will not materially impair radio broadcasting transmission or reception in other sections of the country."

Brief in Support of Proposed Amendment to Section 9 of the Radio Act of 1927

NEED OF AN AMENDMENT

The radio act of 1927, as amended, by act of Congress approved March 28, 1928, provides in section 9 that radio broadcasting facilities shall be distributed equally among the five zones created by section 2 of said act, and within each zone shall be distributed equitably among the several States, according to the population thereof.

The five zones created by the act are not equal in population (largest 28,735,212, smallest 12,323,836), in area (largest 1,786,473 square miles, smallest 138,619), in number of radio receiving sets in homes (largest 3,784,637, smallest 866,056), in wealth, in facilities for radio-program production, or in any other respect. They conform to no geographical, social, economic, or political groupings. The arbitrary mandate that radio broadcasting facilities shall be distributed equally among five zones which are manifestly unequal in every respect tends solely to deprive the people within certain zones of the radio broadcasting facilities to which they are clearly entitled, and which it is the expressed purpose of this section of the act of guarantee to them.

Equitable distribution among the States is rendered impossible by the requirement of equal distribution among the unequal zones. The quota for each State must at present be determined solely by its relationship to its zone, not to the country as a whole.

Furthermore, the establishment of population in the wording of the act as the sole basis for determining equitable distribution is so manifestly unreasonable that the Congress itself, in dividing the country into zones for the purposes of this act, did not use population as the sole basis, but likewise gave consideration to geographical area.

Finally, the present system of allocation gives no consideration to the fact that conditions west of the Rocky Mountains differ fundamentally from those in the East and central sections, with the result that western radio listeners are arbitrarily and unjustly deprived of service which they could have without material injury to listeners elsewhere.

It follows that the inevitable result of the operation of section 9, as amended, has been to deprive the people of many States of the radio broadcasting service to which they are entitled, and which the act itself undertakes to insure for them, and to waste no small part of the very limited facilities available for broadcasting by compelling their use in regions where they can render the minimum of actual service to the public.

BASIS FOR SOUND DISTRIBUTION

Whatever may be the administrative value of the zone system as created by the radio act of 1927, it was never intended by the Congress, in drafting the original law, to serve as a basis for the distribution of radio facilities, nor is there any sound justification for its being so used. The same principle which makes the administration of radio communication a matter for the Federal Government makes the proper distribution of radio broadcasting facilities a matter to be considered nationally, with the States, as in all other questions under the Constitution, the units.

In determining the quota of radio broadcasting facilities to be allocated to each State in order to produce an equitable distribution, three prime factors must be considered:

(1) Population: This is already specified in the existing law, and is the obvious measure of the maximum number of people who can receive radio broadcasting service in each State.

(2) Area: The effective service range of any radio broadcasting station, no matter what its power, is so sharply limited that if two States have approximately the same population, and one has twice the area of the other, a mathematical equality of broadcasting facilities will mean that the people of the larger State actually enjoy only about half the service enjoyed by those in the smaller one. Disregard of the requirements of geographical distribution, rendered mandatory by the present law, means that the Government actually denies the right of many of its citizens to any reasonably dependable radio broadcasting service whatsoever.

(3) Number of receiving sets: Manifestly, only that portion of the public which is equipped to receive radio service can possibly benefit thereby. Broadcasting to a hundred thousand people who have no receiving sets is an obvious waste of facilities. When the act of 1927 was passed, and also the 1928 amendment thereto, no accurate information as to the number of receiving sets in homes was available, but the census of 1930 has provided that information.

In view of the barrier created by the Rocky Mountains, wide geographical separation, and time differences, special provision should be made for additional broadcasting facilities in the far West if an utterly needless waste of such facilities is to be avoided.

THE SPECIFIC PROPOSAL

The proposed amendment to section 9 of the radio act of 1927, as amended, maintains the principle of equitable distribution of radio broadcasting facilities, both of transmission and of reception, but declares that the State, and not an arbitrarily created zone, is the unit to which such distribution shall be made, and provides that an equitable distribution shall be made on the basis of population, gross area and number of radio receiving sets, each of the three factors to be given approximately equal weight, except that the licensing authority shall be empowered to allocate additional broadcasting facilities to States situated wholly or principally west of the Continental Divide when such allocation will not materially impair radio broadcasting reception in other sections of the country.

It provides further that this distribution shall apply solely within the limits of the continental United States, excluding Alaska and the island possessions. It was never the intent of the Congress to include these within the five zones for other than administrative purposes, and their automatic inclusion under the provisions of the 1928 amendment is manifestly unreasonable.

THE FORMULA

A very simple method for determining the proper quota for each State, so as to give each of the three specified factors approximately equal weight, is to take the total population of the continental United States, its gross area in square miles, and the total number of receiving sets in homes, as shown by the 1930 census, and bring the three figures to approximate equality by multiplying the smaller ones by the proper factors. Multiplying the total number of square miles by 40, and the total number of receiving sets by 10, the resulting figures are: Population, 122,770,546; area, 121,071,560; receiving sets, 120,783,450. The sum of these three figures is 364,625,556, one-third of which is 121,541,852. This becomes the weighted total figure for the entire country on which distribution of radio facilities is based.

A similar figure is readily arrived at for each State and the District of Columbia. In each case the figures for the total population, the gross area in square miles multiplied by 40, and the total number of receiving sets in homes multiplied by 10, are added together and the sum divided by 3. The resulting figure, giving equal weight to population, area, and number of receiving sets, bears the same relation to the weighted total figure for the whole country as the broadcasting "units" to be allocated to that State bear to the total number of such units for the country as a whole. In the case of States wholly or principally west of the Continental Divide allocation of broadcasting facilities in excess of the quota figure is discretionary with the licensing authority.

NO RADICAL CHANGE

Such a system of allocation, giving due weight to all the elements which ought justly to be considered, would result in no sweeping changes, even in the hypothetical quotas set up under the present law. It is common knowledge that these quotas do not represent the actual facts; some States at present are "over quota" and others "under quota." The proposed system, in the case of 21 States and the District of Columbia, is actually closer to existing facts than the hypothetical quotas set up under the present law, because not even an act of Congress has been wholly successful in contraverting economic and social needs. In most of the other cases the effect of the proposed amendment is to rectify manifest injustices. The proposed amendment is simply designed to recognize these social and economic requirements and to use them as a basis for legislation which shall really accomplish what the law as it now stands purports but fails to do—provide really equitable distribution of radio broadcasting facilities throughout the United States. In so doing it corrects certain manifest injustices worked by our present illogical method.

Accepting the "unit system" established by the Federal Radio Commission under the present law, with its total of 400 "units" for the United States, the following table shows (a) the number of "units" to which each State is now entitled under the present "zone and population" system; (b) the number of "units" actually represented by broadcasting stations now licensed; (c) the number of "units" to which each State would be entitled under the terms of this proposed amendment by the formula herein set forth.

Table showing the number of "units" each State is entitled to now, the number represented by stations now licensed, and the number for each State under the proposed amendment

State	Under present law		Under proposed amendment, number of units to which entitled
	Number of units to which entitled	Number of units actually allocated	
New York	35.07	39.20	36.02
Massachusetts	11.84	9.98	11.49
New Jersey	11.26	11.53	11.65
Maryland	4.55	4.10	4.13
Connecticut	4.48	3.55	4.32
Maine	2.22	2.20	3.17
Rhode Island	1.91	1.40	1.84
District of Columbia	1.35	1.30	1.28
New Hampshire	1.29	.80	1.50
Vermont	1.00	.60	1.25
Delaware	.67	.70	.66
Pennsylvania	27.53	20.24	24.35
Ohio	19.07	18.65	17.98
Michigan	13.89	11.40	14.42
Kentucky	7.50	7.62	5.87
Virginia	6.95	9.50	5.58
West Virginia	4.96	4.95	3.91
Texas	16.22	22.77	20.87
North Carolina	8.82	7.82	6.57
Georgia	8.10	7.95	6.50
Alabama	7.37	6.22	5.80
Tennessee	7.29	12.83	5.66
Oklahoma	6.67	9.00	7.04
Louisiana	5.85	8.50	5.03
Mississippi	5.60	3.00	4.54
Arkansas	5.16	4.40	4.81
South Carolina	4.83	1.70	3.57
Florida	4.09	8.35	4.82
Illinois	22.52	34.67	22.64
Missouri	10.71	12.05	10.89
Indiana	9.56	7.48	9.01
Wisconsin	8.67	7.95	9.68
Minnesota	7.57	9.04	9.68
Iowa	7.30	11.45	8.56
Kansas	5.55	4.71	7.73
Nebraska	4.06	7.26	6.71
South Dakota	2.05	3.01	4.94
North Dakota	2.01	2.99	4.50
California	36.89	36.43	[1]22.38
Washington	10.15	15.80	[1]6.72
Colorado	6.72	9.42	6.81
Oregon	6.19	9.15	[1]6.56
Montana	3.49	3.00	7.52
Utah	3.30	6.60	[1]4.81
Idaho	2.89	2.60	4.53
Arizona	2.83	2.60	5.69
New Mexico	2.75	4.03	5.97
Wyoming	1.46	.20	4.75
Nevada	.59	.80	5.04
Total, United States	392.90	431.50	399.75

[1]Subject to increase under the discretionary provision of the amendment.

REPAYMENT OF CERTAIN LOANS BY FARMERS

Mr. BARKLEY. Mr. President, I am compelled to leave the city to-night and will not be here when the calendar is next called. I desire to ask unanimous consent for the present consideration of Order of Business 211, being Senate bill 2265. I think there is no opposition to it.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2265) to extend the time for repayment of certain loans to farmers for the crop of 1931.

Mr. REED. Mr. President, is not that too important a bill to be taken up in this fashion?

Mr. BARKLEY. It merely authorizes the Secretary of Agriculture to extend for another year the time of repayment of seed loans which were made last year. In my State the failure to enact legislation of this character would work a great hardship and it is urgently needed.

Mr. REED. I think the Senator ought to give us a chance to read the bill.

Mr. BARKLEY. The bill has been on the calendar for a number of days.

Mr. McNARY. Mr. President, it was my intention to move an adjournment. I am familiar with the bill referred to by the Senator from Kentucky. I am sure that it will meet with favorable consideration at the hands of the Senate. If the Senator from Kentucky shall be absent to-morrow, I will look after his bill when the calendar shall be called.

Mr. BARKLEY. The Senator may not be in a position to give the Senate all the information on the subject if there is any objection or opposition to the bill. However, I do not want to press the matter now if the Senator is unwilling that it should be considered.

Mr. McNARY. There are so few Senators present at the moment that I doubt the advisability of pressing it. As I have said, I intend to move an adjournment, the calendar will come up to-morrow, and I will look after the bill for the Senator. I am familiar with it.

The PRESIDING OFFICER. Objection is made.

ADJOURNMENT

Mr. McNARY. I move that the Senate adjourn until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 7 o'clock and 24 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, February 17, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 16, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou All-Wise and Merciful God, Thou are speaking to us every day. From the rising of the sun until the going down of the same and from the blowing of the wind to where it listeth, these are all Thy voices; they speak of Thy truth and Thy bounty. To Thee, O Lord, belongs all the praise and glory; but why is our praise to Thee? It is not the flower that makes the sun radiant; it is the sun that pours its warmth and light into the flower that makes it grow and blossom. We rejoice that in some way we are bound to Thee; it gives us great comfort. We live because Thou dost live, and we stand because Thou dost stand. O grant us a higher reach of life, a life that is above all that is material. May we live by faith, by hope, and by humility, and crown our hearts with the mercy of gratitude. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

DESIGNATION OF MR. MEGILL TO SIGN CERTAIN PAPERS

The SPEAKER laid before the House the following communication, which was read and ordered spread upon the Journal.

HOUSE OF REPRESENTATIVES,
CLERK'S OFFICE,
Washington, D. C., February 15, 1932.

Hon. JOHN N. GARNER,
House of Representatives, Washington, D. C.

DEAR SIR: Desiring to be temporarily absent from my office, I hereby designate Mr. H. Newlin Megill, an official in my office, to sign any and all papers for me which he would be authorized to sign by virtue of this designation and of clause 4, Rule III of the House.

Yours respectfully,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOWARD. Mr. Speaker, I very respectfully ask permission that I may be privileged to address the House for 19 minutes on Thursday morning following disposition of matters on the Speaker's table.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that on Thursday morning he may be permitted to address the House for 19 minutes after disposition of business on the Speaker's table. Is there objection?

Mr. RAINEY. Mr. Speaker, for the reasons I gave yesterday, I am compelled to object.

COMMENCEMENT OF TERMS OF PRESIDENT, VICE PRESIDENT, MEMBERS OF CONGRESS, ETC.

The SPEAKER. Under the previous order of the House, the question is on agreeing to the amendment to Senate Joint Resolution No. 14.

The amendment was agreed to.

The joint resolution was ordered to be read a third time, and was read the third time.

Mr. RAMSEYER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman from Iowa opposed to the bill?

Mr. RAMSEYER. The gentleman from Iowa is not opposed to the bill.

The SPEAKER. Is there any Member of the House opposed to the resolution seeking recognition? If not, the Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. RAMSEYER moves to recommit Senate Joint Resolution 14 to the Committee on Election of President, Vice President, and Representatives in Congress, with instructions to report the same back forthwith with an amendment by inserting, after section 5 thereof, the following new section:

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within seven years from the date of the submission hereof to the States by the Congress; and the act of ratification shall be by legislatures, the entire membership of at least one branch of which shall have been elected subsequent to such date of submission."

The SPEAKER. The question is on the motion of the gentleman from Iowa to recommit the joint resolution.

The question was taken; and on a division (demanded by Mr. RAMSEYER) there were—ayes 71, noes 65.

Mr. TAYLOR of Colorado. Mr. Speaker, I make the point of no quorum.

The SPEAKER. Evidently there is not a quorum present. The call is automatic.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 204, nays 184, not voting 43, as follows:

[Roll No. 20]

YEAS—204

Aldrich	Cooper, Ohio	Hare	Martin, Mass.
Allen	Cooper, Tenn.	Harlan	Mead
Andresen	Cox	Hartley	Michener
Andrew, Mass.	Coyle	Hawley	Millard
Arentz	Crowther	Hess	Mitchell
Arnold	Crump	Hogg, W. Va.	Montague
Bacharach	Curry	Hollister	Mouser
Bachmann	Dallinger	Holmes	Murphy
Bacon	Darrow	Hooper	O'Connor
Barbour	Davenport	Hope	Palmisano
Beck	Davis	Hopkins	Parker, N. Y.
Beedy	De Priest	Horr	Parsons
Beers	Dominick	Houston, Del.	Pittenger
Bland	Doughton	Hull, Morton D.	Pou
Blanton	Douglas, Ariz.	Hull, William E.	Pratt, Ruth
Bohn	Doutrich	Jenkins	Purnell
Bolton	Dyer	Johnson, Tex.	Ragon
Bowman	Eaton, Colo.	Johnson, Wash.	Ramseyer
Brand, Ohio	Eaton, N. J.	Kahn	Rankin
Britten	Erk	Kelly, Pa.	Ransley
Browning	Eslick	Kendall	Rayburn
Brumm	Evans, Calif.	Kennedy	Reed, N. Y.
Buchanan	Finley	Ketcham	Rich
Buckbee	Fish	Kinzer	Rogers, Mass.
Bulwinkle	Fitzpatrick	Kopp	Romjue
Burch	Foss	Kurtz	Sanders, N. Y.
Burdick	Free	Lambeth	Schafer
Byrns	Freeman	Lamneck	Seger
Carden	French	Lanham	Selberling
Carter, Calif.	Garber	Lankford, Va.	Shott
Carter, Wyo.	Gavagan	Larsen	Shreve
Chapman	Gibson	Leavitt	Smith, Idaho
Chase	Gifford	Lichtenwalner	Snell
Chindblom	Gilbert	Linthicum	Somers, N. Y.
Chiperfield	Golder	Loofbourow	Sparks
Christopherson	Goss	Lovette	Stafford
Clague	Granata	Luce	Stevenson
Clancy	Granfield	McClintock, Ohio	Stokes
Clark, N. C.	Guyer	McFadden	Strong, Pa.
Clarke, N. Y.	Hadley	McLaughlin	Sullivan, N. Y.
Cole, Iowa	Hall, Ill.	McLeod	Summers, Wash.
Colton	Hall, Miss.	McMillan	Swanson
Condon	Hancock, N. Y.	McReynolds	Swick
Cooke	Hardy	McSwain	Taber
Tarver	Tucker	Wason	Williams, Tex.
Temple	Turpin	Watson	Williamson
Thatcher	Underhill	Weeks	Wolcott
Tilson	Underwood	Welsh, Pa.	Wolfenden
Timberlake	Vestal	Whitley	Wolverton
Tinkham	Vinson, Ga.	Whittington	Woodrum
Treadway	Warren	Wigglesworth	Wyant

NAYS—184

Abernethy	Dickstein	Karch	Polk
Adkins	Dies	Keller	Prall
Allgood	Dieterich	Kemp	Rainey
Almon	Disney	Kerr	Ramspeck
Amlie	Douglass, Mass.	Kleberg	Reilly
Andrews, N. Y.	Dowell	Kniffin	Robinson
Auf der Heide	Doxey	Kvale	Rogers, N. H.
Ayres	Driver	LaGuardia	Rudd
Baldridge	Englebright	Lambertson	Sabath
Bankhead	Evans, Mont.	Lankford, Ga.	Sanders, Tex.
Barton	Fernandez	Larrabee	Sandlin
Beam	Fiesinger	Lindsay	Schneider
Black	Fishburne	Lonergan	Schuetz
Bloom	Flannagan	Lozier	Selvig
Boehne	Frear	Ludlow	Shallenberger
Bolleau	Fulbright	McClintic, Okla.	Shannon
Boylan	Fulmer	McCormack	Simmons
Brand, Ga.	Gambrill	McGugin	Sinclair
Brunner	Gasque	McKeown	Sirovich
Burtness	Gilchrist	Maas	Smith, Va.
Busby	Gillen	Major	Smith, W. Va.
Butler	Glover	Maloney	Snow
Campbell, Iowa	Goldsborough	Mansfield	Spence
Canfield	Goodwin	Mapes	Steagall
Cannon	Green	Martin, Oreg.	Stewart
Carley	Greenwood	May	Sutphin
Cartwright	Gregory	Miller	Swank
Cary	Griswold	Milligan	Swing
Cavicchia	Haines	Montet	Taylor, Colo.
Celler	Hall, N. Dak.	Moore, Ky.	Thomason
Chavez	Hart	Morehead	Thurston
Christgau	Hastings	Nelson, Me.	Tierney
Cochran, Mo.	Hill, Ala.	Nelson, Wis.	Vinson, Ky.
Cole, Md.	Hill, Wash.	Nolan	Weaver
Collins	Hoch	Norton, Nebr.	Welch, Calif.
Connery	Hogg, Ind.	Oliver, Ala.	West
Crail	Holaday	Oliver, N. Y.	White
Crisp	Hornor	Overton	Williams, Mo.
Cross	Howard	Parker, Ga.	Wilson
Crosser	Huddleston	Parks	Wingo
Crowe	Igoe	Partridge	Withrow
Culkin	Jeffers	Patman	Wood, Ga.
Cullen	Johnson, Mo.	Patterson	Woodruff
Delaney	Johnson, Okla.	Peavey	Wright
DeRouen	Jones	Person	Yates
Dickinson	Kading	Pettengill	Yon

NOT VOTING—43

Boland	Fuller	Lea	Perkins
Briggs	Garrett	Lehlbach	Pratt, Harcourt J.
Cable	Griffin	Lewis	Reid, Ill.
Campbell, Pa.	Hancock, N. C.	McDuffie	Stalker
Cochran, Pa.	Haugen	Magrady	Strong, Kans.
Collier	Jacobsen	Manlove	Sullivan, Pa.
Connolly	James	Moore, Ohio	Sumners, Tex.
Corning	Johnson, Ill.	Nelson, Mo.	Sweeney
Drane	Johnson, S. Dak.	Niedringhaus	Taylor, Tenn.
Drewry	Kelly, Ill.	Norton, N. J.	Wood, Ind.
Estep	Knutson	Owen	

So the motion to recommit was adopted.

The following pairs were announced:

Until further notice:

Mr. McDuffie with Mr. Manlove.
Mr. Briggs with Mr. Connolly.
Mr. Drewry with Mr. Johnson of South Dakota.
Mr. Lea with Mr. Lehlbach.
Mrs. Norton with Mr. Niedringhaus.
Mr. Lewis with Mr. Reid of Illinois.
Mr. Hancock of North Carolina with Mr. Magrady.
Mr. Collier with Mr. James.
Mr. Drane with Mr. Cochran of Pennsylvania.
Mr. Garrett with Mr. Pratt.
Mr. Sumners of Texas with Mr. Cable.
Mrs. Owen with Mr. Moore of Ohio.
Mr. Sweeney with Mr. Campbell of Pennsylvania.
Mr. Nelson of Missouri with Mr. Knutson.
Mr. Boland with Mr. Perkins.
Mr. Fuller with Mr. Sullivan of Pennsylvania.
Mr. Jacobsen with Mr. Wood of Indiana.
Mr. Kelly of Illinois with Mr. Taylor of Tennessee.

The result of the vote was announced as above recorded.

Mr. JEFFERS. Mr. Speaker, the Committee on Election of President, Vice President, and Representatives in Congress report back Senate Joint Resolution 14 with the following amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-quarters of the States within seven years from the date of the submission hereof to the States by the Congress; and the

act of ratification shall be by legislatures, the entire membership of at least one branch of which shall have been elected subsequent to such date of submission.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The SPEAKER. The question is on the third reading of the amended resolution.

The resolution as amended was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. SNELL. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 336, nays 56, answered "present" 1, not voting 38, as follows:

[Roll No. 21]

YEAS—336

Abernethy	Dallinger	Howard	Oliver, Ala.
Adkins	Davenport	Huddleston	Oliver, N. Y.
Allgood	Davis	Hull, Morton D.	Overton
Almon	Delaney	Hull, William E.	Palmisano
Amlie	DeRouen	Igoe	Parker, Ga.
Andresen	Dickinson	Jacobsen	Parks
Andrews, N. Y.	Dickstein	Jeffers	Parsons
Arentz	Dies	Jenkins	Partridge
Arnold	Dieterich	Johnson, Mo.	Patman
Auf der Heide	Disney	Johnson, Okla.	Patterson
Ayres	Dominick	Johnson, Tex.	Peavey
Bacharach	Douglass, Mass.	Johnson, Wash.	Person
Baldrige	Dowell	Jones	Pettengill
Bankhead	Doxey	Kading	Pittenger
Barbour	Drane	Karch	Polk
Barton	Driver	Keller	Pou
Beam	Dyer	Kelly, Pa.	Prall
Beedy	Eaton, N. J.	Kemp	Pratt, Ruth
Black	Englebright	Kendall	Purnell
Bloom	Eslick	Kennedy	Ragon
Boehne	Evans, Mont.	Kerr	Rainey
Bohn	Fernandez	Ketcham	Ramseyer
Boileau	Fiesinger	Kleberg	Ramspeck
Boland	Fish	Kniffin	Rankin
Bolton	Fishburne	Kopp	Rayburn
Bowman	Fitzpatrick	Kurtz	Reed, N. Y.
Boylan	Flannagan	Kvale	Reilly
Brand, Ga.	Frear	LaGuardia	Robinson
Brand, Ohio	Free	Lambertson	Rogers, N. H.
Britten	Freeman	Lambeth	Romjue
Browning	Fulbright	Lamneck	Rudd
Brunner	Fuller	Lanham	Sabath
Buchanan	Fulmer	Lankford, Ga.	Sanders, Tex.
Buckbee	Garber	Lankford, Va.	Sandlin
Burch	Gasque	Larrabee	Schafer
Burtness	Gavagan	Leavitt	Schneider
Butler	Gibson	Lewis	Schuetz
Byrns	Gifford	Lichtenwalner	Seger
Campbell, Iowa	Gilbert	Lindsay	Selvig
Canfield	Gilchrist	Linthicum	Shallenberger
Cannon	Gillen	Lonergan	Shannon
Carden	Glover	Lovette	Simmons
Carley	Goldsborough	Lozier	Sinclair
Carter, Calif.	Goodwin	Luce	Sirovich
Carter, Wyo.	Goss	Ludlow	Smith, Idaho
Cartwright	Granata	McClintic, Okla.	Smith, Va.
Cary	Granfield	McClintock, Ohio	Smith, W. Va.
Cavicchia	Green	McCormack	Snow
Celler	Greenwood	McFadden	Somers, N. Y.
Chapman	Gregory	McGugin	Sparks
Chase	Griffin	McKeown	Spence
Chavez	Griswold	McLaughlin	Stafford
Chindblom	Guyer	McLeod	Stalker
Christgau	Hadley	McMillan	Steagall
Christopherson	Haines	McReynolds	Stevenson
Clague	Hall, Ill.	McSwain	Stewart
Clancy	Hall, Miss.	Maas	Strong, Pa.
Clark, N. C.	Hall, N. Dak.	Major	Sullivan, N. Y.
Clarke, N. Y.	Hancock, N. Y.	Maloney	Summers, Wash.
Cochran, Mo.	Hancock, N. C.	Mansfield	Sumners, Tex.
Cole, Md.	Hardy	Mapes	Sutphin
Collins	Hare	Martin, Mass.	Swank
Colton	Harlan	Martin, Oreg.	Swanson
Condon	Hart	May	Swick
Connery	Hartley	Mead	Swing
Cooke	Hastings	Michener	Tarver
Cooper, Ohio	Haugen	Millard	Taylor, Colo.
Cooper, Tenn.	Hill, Ala.	Miller	Thatcher
Cox	Hill, Wash.	Milligan	Thomason
Crail	Hoch	Mitchell	Thurston
Crisp	Hogg, Ind.	Montet	Tierney
Cross	Hogg, W. Va.	Moore, Ky.	Timberlake
Crosser	Holaday	Morehead	Turpin
Crowe	Holmes	Mouser	Underwood
Crowther	Hooper	Nelson, Me.	Vestal
Crump	Hope	Nelson, Wis.	Vinson, Ga.
Culkin	Hopkins	Nolan	Vinson, Ky.
Cullen	Hornor	Norton, Nebr.	Warren
Curry	Horr	O'Connor	Wason
Weaver	Whittington	Wingo	Woodruff
Weeks	Williams, Mo.	Withrow	Wright
Welch, Calif.	Williams, Tex.	Wolcott	Wyant
West	Williamson	Wolverton	Yates
White	Wilson	Wood, Ga.	Yon

NAYS—56

Aldrich	Coyle	Houston, Del.	Shreve
Allen	Darrow	Kahn	Stokes
Andrew, Mass.	De Priest	Kinzer	Taber
Bachmann	Doutrich	Larsen	Temple
Bacon	Eaton, Colo.	Loofbourow	Tilson
Beck	Erk	Montague	Tinkham
Beers	Evans, Calif.	Murphy	Treadway
Bland	Finley	Parker, N. Y.	Tucker
Blanton	Foss	Ransley	Underhill
Brumm	French	Rich	Watson
Bulwinkle	Golder	Rogers, Mass.	Welsh, Pa.
Burdick	Hawley	Sanders, N. Y.	Wigglesworth
Chiperfield	Hess	Seiberling	Wolfenden
Cole, Iowa	Hollister	Shott	Woodrum

ANSWERED "PRESENT"—1

Snell

NOT VOTING—38

Briggs	Drewry	Lehlbach	Pratt, Harcourt J.
Busby	Estep	McDuffie	Reid, Ill.
Cable	Gambrill	Magrady	Strong, Kans.
Campbell, Pa.	Garrett	Manlove	Sullivan, Pa.
Cochran, Pa.	James	Moore, Ohio	Sweeney
Collier	Johnson, Ill.	Nelson, Mo.	Taylor, Tenn.
Connolly	Johnson, S. Dak.	Niedringhaus	Whitley
Corning	Kelly, Ill.	Norton, N. J.	Wood, Ind.
Doughton	Knutson	Owen	
Douglas, Ariz.	Lea	Perkins	

So the Senate joint resolution was passed.

A motion to reconsider the vote whereby the Senate joint resolution was passed was laid on the table.

The following pairs were announced:

On the vote:

Mr. Johnson of South Dakota and Mr. Reid of Illinois (for) with Mr. Snell (against).
Mr. McDuffie and Mr. Niedringhaus (for) with Mr. Perkins (against).
Mrs. Norton and Mr. Cable (for) with Mr. Lehlbach (against).
Mr. Manlove and Mr. Garrett (for) with Mr. Connolly (against).
Mr. James and Mr. Sweeney (for) with Mr. Drewry (against).

Until further notice:

Mr. Doughton with Mr. Wood of Indiana.
Mrs. Owen with Mr. Moore of Ohio.
Mr. Nelson of Missouri with Mr. Knutson.
Mr. Gambrill with Mr. Harcourt J. Pratt.
Mr. Busby with Mr. Campbell of Pennsylvania.
Mr. Collier with Mr. Magrady.
Mr. Boland with Mr. Estep.
Mr. Briggs with Mr. Cochran of Pennsylvania.
Mr. Douglas of Arizona with Mr. Johnson of Illinois.
Mr. Lea with Mr. Strong of Kansas.
Mr. Kelly of Illinois with Mr. Taylor of Tennessee.
Mr. Whitley with Mr. Sullivan of Pennsylvania.

Mr. SNELL. Mr. Speaker, I am paired with the gentleman from South Dakota, Mr. JOHNSON, and the gentleman from Illinois, Mr. REID. I withdraw my vote of "no" and answer "present."

Mr. ROMJUE. Mr. Speaker, my colleague, Mr. NELSON, of Missouri, is absent on account of serious illness in his family. If he were present, he would vote "aye."

Mr. CROSSER. Mr. Speaker, my colleague, Mr. SWEENEY, is absent on account of illness in his family. If present, he would vote "aye."

Mr. DOUGHTON. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name should have been called?

Mr. DOUGHTON. I was not.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

Mr. RAMSEYER. Mr. Speaker, in Senate Joint Resolution 14, just passed, the quotation marks are at the end of section 5. There having been a new section added, I ask unanimous consent that the quotation marks at the end of section 5 be stricken out and inserted at the end of section 6.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. RAMSEYER. Now, Mr. Speaker, in my motion to recommit, adding section 6 to Senate Joint Resolution 14, there is a typographical error in the new section 6. The words "three-quarters" where they appear in section 6 should be "three-fourths." I ask unanimous consent that the words

"three-quarters" in section 6 be changed to "three-fourths."

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. LAGUARDIA. I object.

ELECTION TO COMMITTEES

Mr. CRISP. Mr. Speaker, by direction of the Democratic committee on committees I offer the following resolution.

The Clerk read as follows:

House Resolution 146

Resolved, that PATRICK J. CARLEY, of New York, be, and he is hereby, elected chairman of the standing Committee on Election of President, Vice President, and Representatives in Congress; and that the following be, and they are hereby, elected members of the following standing committees, to wit:

Accounts: JERE COOPER, of Tennessee.

Expenditures in the Executive Departments: LINDSAY C. WARREN, of North Carolina.

Education: CLAUDE V. PARSONS, of Illinois.

The resolution was agreed to.

PROHIBITION

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. LINTHICUM. Mr. Speaker, on January 15 the gentleman from Pennsylvania [Mr. BECK] and myself introduced resolutions into the House providing for an amendment to the eighteenth amendment to the Constitution. It had been our purpose to introduce a resolution jointly, but we found there was a rule which prevented that. Therefore, we introduced the same resolution separately. My resolution is No. 208 and Mr. BECK's resolution is No. 209. This proposed amendment to the eighteenth amendment to the Constitution was drawn by a committee appointed by both sides of the House, and there was unanimous agreement as to the amendment which was introduced. To-day the Committee on the Judiciary met and voted against reporting Resolution No. 208 by a vote of 14 against and 9 for. My purpose in rising is to announce that on the 25th day of this month we will have a petition upon the desk for the signatures of Members who desire to have the resolution brought before the House for a vote, and on the 14th of March, the discharge day, we will hope to bring the resolution before the House for a vote. [Applause.] I might add that nine of the committee in favor of reporting out the resolution is very encouraging.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. CELLER. Provided we sit every Saturday, when will the 30 days expire?

Mr. O'CONNOR. The 30 days are calculated from the 15th day of January, when the resolution was referred to the committee.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection?

Mr. SCHAFER. Reserving the right to object, is it the purpose of the gentleman to place in nomination as a candidate for the Presidency a man who voted against the submission of the eighteenth amendment in the first instance?

Mr. BLANTON. No. I merely want to burst a soap bubble.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, the wet move made by my friend from Maryland [Mr. LINTHICUM] is an idle gesture. After he goes to all this trouble and does get a vote, he will find about 75 to 100 Members—the old guard, as it is called—voting for his proposal, just as there were only 15 Senators voting for the Bingham beer proposal in the Senate. He will not get any more strength in the House proportionately than they got in the Senate. What is the use of wasting the time of the House in an idle gesture for liquor when this House is safely dry? Nothing whatever is to be accomplished. I predict that not all of the Members who sign the petition to discharge the committee will vote wet when the crucial issue arises. They are going to hear from their constituents back home who are done with the liquor traffic and who do not want a return of the open saloon.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8397), making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to. Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the Interior Department appropriation bill, with Mr. O'CONNOR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For topographic surveys in various portions of the United States, $366,000, and in addition thereto $150,000 of the unexpended balance for the fiscal year 1932 is continued available for the same purpose for the fiscal year 1933, of which amount not to exceed $345,000 may be expended for personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be expended in cooperation with States or municipalities except upon the basis of the State or municipality bearing all of the expense incident thereto in excess of such an amount as is necessary for the Geological Survey to perform its share of standard topographic surveys, such share of the Geological Survey in no case exceeding 50 per cent of the cost of the survey: *Provided further*, That $256,000 of this amount shall be available only for such cooperation with States or municipalities.

Mr. TEMPLE. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. TEMPLE: Page 73, line 15, after the word "heads" in line 14, strike out all of lines 15 to 25, and on page 74 all of lines 1 to 5, and insert, in lieu thereof, the following:

"For topographic surveys in various portions of the United States, authorized by the act of February 27, 1925 (U. S. C., title 43, secs. 39 and 40), $616,000, of which amount not to exceed $345,000 may be expended for personal services in the District of Columbia: *Provided*, That of this amount $190,000 may be expended in amounts equally apportioned among the 38 States containing unmapped areas for continuing the general utility topographic survey, and $10,000 may be expended in amounts equally apportioned among the 10 States in which topographic mapping has been completed for any needed revisions or resurveys: *Provided further*, That the remainder may be expended for cooperation with States or other civic subdivisions; for mapping areas directly under Federal jurisdiction or areas of special Federal interest; for office projects, and for expenses incident to the administration of topographic surveys: *Provided further*, That no part of this appropriation shall be expended in cooperation with States or other civic subdivisions, except upon the basis of the State or civic subdivision bearing all of the expense incident thereto in excess of such an amount as is necessary for the Geological Survey to perform its share of standard topographic surveys, such share of the Geological Survey in no case exceeding 50 per cent of the cost of the survey: *Provided further*, That this appropriation shall be available immediately upon the passage of this act."

Mr. TEMPLE. Mr. Chairman, while this bill was under consideration in general debate I called attention to the situation that would be created by the paragraph just read if it should not be amended. Briefly, the current appropriation for the year ending June 30 next carries $780,000 for this purpose. The Budget Bureau cut the estimate for the following year to $616,000. The bill of the committee cuts it still farther to $366,000, plus $150,000 of the unexpended balance. The first thing I wish to call attention to is the fact that there will not be an unexpended balance of $150,000. When the committee made its report, the figures that were available to the committee at that time indicated that there would be such an unexpended balance, but under the plan in operation the States appropriate, and out of the Federal appropriation the appropriation made by the States is matched. Some States have appropriated since this bill was prepared, and at least three others are expected to make allotments prior to the beginning of the field period for this

year, so that it is expected the unexpended balance will amount to only $85,000. Out of that, of course, it is impossible to reappropriate $150,000. My amendment proposes a restoration of the amount estimated by the Bureau of the Budget, $616,000, which is already cut from $780,000 appropriated for the current year. The matter with which I have just dealt I have no doubt everyone will recognize. The amendment should be adopted at least to that extent, or an amendment provided which will abandon the idea of appropriating $150,000 out of $85,000. That is a matter which unquestionably should be corrected.

Another very important matter is this: Eighty-seven of the two hundred and twenty-one engineers engaged in topographic mappings have either been furloughed already or are listed for furlough at the close of this fiscal year. That is a cut of considerably more than one-third of the total force. I do not believe that any other department or bureau of the Government is likely to suffer so much. We are not cutting off one-third of any other department.

I believe in economy, but I do not believe in disrupting the Government service. These 221 topographic engineers are appointed from the graduates of engineering schools and technical colleges. They are appointed at a salary of $2,000 a year, and from that they advance until some of them receive $4,000, and those in charge of the various districts sometimes receive as high as $5,000; but from the time they are appointed until they become as expert as the trained men in the service, the service estimates it costs $10,000 to train each of them. To discharge 87 men whose training has cost the Government $10,000 each would be to get rid of an investment of $870,000 in order to save $100,000, which is certainly not economy.

[Here the gavel fell.]

Mr. TEMPLE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. TEMPLE. There is one other matter I want to cover. The law which was passed in 1925 provided for the completion of a topographical map of the United States in a period of 20 years. There never have been appropriations that would send the work along at that rate. I am not asking for any increase in the appropriations. I am asking that such things may not be done as will imply the total abandonment of that policy to which Congress and the Government as a whole has been committed.

Under the plan of requiring the States to match, dollar for dollar, certain States have not been making appropriations. It so happens that most of those States are the less prosperous States, many of them in the South. The North and the Northwest, for the most part, have been making the appropriations, and the maps are being made in those States. The result is that the map makers can only work in the summer time, because in the winter the climate will not permit them to work in the North. It is proposed by my amendment to make a small appropriation of $5,000 for each State, which we do not require the States to match. If that is done, we can keep those field engineers at work in southern States in the wintertime, where the climate will permit it. At present we bring those field engineers into Washington and put them at draftsmen's work—high-price men at low-price work. If this amendment is passed, we can employ high-price men at the high-price work in the field, and that will be another matter of economy.

Mr. HASTINGS. Mr. Chairman, I rise in opposition to the amendment.

The subcommittee charged with the preparation and report of the Interior Department appropriation bill gave most earnest consideration to this particular amendment. On every hand economy is urged. The best way to economize is to reduce expenditures. During the last fiscal year the Budget was not balanced by $903,000,000. It is estimated that we will be behind about $2,100,000,000 next year. The Committee on Ways and Means has been conducting hearings for the past two or three weeks trying to find some new sources of taxation, and, if reports be true, they are having a most difficult time trying to find them.

The committee that is charged with the preparation of this bill held very careful and painstaking hearings. We found that on this one item there was an unexpended balance of $150,000. Now, if we add the $150,000 to the $366,000 it makes $516,000. If we had an expended balance this current year, if the States did not meet it 50-50 this year, there is no probability of the States meeting it next year.

Permit me to say that the States are finding it as difficult to raise revenues as the Federal Government. There is not a State in the Union that is not behind. To illustrate: In my own State of Oklahoma, whereas three years ago there were eleven or twelve million dollars coming in from a 3 per cent gross production tax on oil, this last year it was but little more than $4,000,000.

Mr. SWING. Will the gentleman yield?

Mr. HASTINGS. I yield.

Mr. SWING. What is the reply which the gentleman makes to the gentleman from Pennsylvania, Doctor TEMPLE, that while it was true at the time of the hearing $150,000 was unexpended, yet before the fiscal year has expired that money will have been spent?

Mr. HASTINGS. Of course, our hearings were to the contrary. Our hearings showed that $150,000 was unexpended, and that is what we go by.

Mr. TEMPLE. Will the gentleman yield?

Mr. HASTINGS. I yield.

Mr. TEMPLE. That is unquestionably true, and it is also true, as I said in my remarks, that since the hearings were held other States have made appropriations, and there are three others still pending—Michigan, Texas, and Minnesota—and they are likely to make that appropriation.

Mr. HASTINGS. I heard the statement of the gentleman from Pennsylvania, and I know the gentleman made the statement in good faith.

Mr. TEMPLE. And I know it is true.

Mr. HASTINGS. Permit me to say to the gentleman from Pennsylvania and to the membership of this House that this item can be cut more and hurt less than any other item in this appropriation bill. [Applause.] There is no question about that. I know as well as I am standing here that my State and many other States of the Union will be compelled to use their revenues for other purposes than this. I know that Oklahoma and many of the States will be unable to match this fund. The committee had no thought of crippling this service, but we feel we have made adequate appropriations and that the House ought to back up the Committee on Appropriations in its effort to economize wherever it can without hurting the service.

[Here the gavel fell.]

Mr. MURPHY. Mr. Chairman, it is not a pleasant job that we have on the Appropriations Committee. Many times we must do things that our hearts would have us not do. I find myself to-day in opposition to a Member of this House for whom I have not only a high regard and respect but a real personal affection. He has been very helpful to me, yet I am in opposition to him because I am charged with the responsibility of looking after the United States Treasury as it affects the affairs of the Interior Department.

This committee held hearings on the 5th day of January of this year. On that date the gentleman, Mr. Mendenhall, in charge of the activity from which we have taken $100,000, made the statement that appears in the hearings. Since January 5 until to-day our committee has not been communicated with. We have not had any information save that which the gentleman from Pennsylvania has given to us on the floor.

It is a serious matter that confronts us. We have a Budget which we must try to balance. We have fixed costs in that Budget which exceed $3,000,000,000. Three billion dollars of the Budget we now have can not be changed in any way. This year we have a deficit of $2,000,000,000 plus, and we have only $1,500,000,000 with which to meet

that $2,000,000,000 deficit. Where are we going to get the money? [Applause.]

It is not pleasant to come here and reduce the amount of money with which a bureau of this Government operates. It is not a happy piece of work; but it is a responsibility that comes to the members of this committee.

Mr. BLANTON. Will the gentleman yield?

Mr. MURPHY. Gladly.

Mr. BLANTON. In my home county, where the people wanted a topographic survey made, they did not make one. They have made a topographic survey of the Voss section in my district. I have not had a single request for one of the maps. They have made a topographic survey of the Mullin section in my district. I have not had a request for a single map. They have made a topographic survey of the Tow section and of the Stacy section in my district, and I have not had a request for a single map. That answers my friend from Pennsylvania. They are doing work which requires appropriations but from which the American people in this time of distress get very little real benefit.

Mr. BARBOUR. Will the gentleman yield?

Mr. MURPHY. Yes.

Mr. BARBOUR. Will the gentleman state briefly just what the effect will be on this work if this cut is made as now carried in the bill? What difference will there be in the situation this year and the next fiscal year because of this cut?

Mr. MURPHY. The effect will be that a number of high-grade technical men will be furloughed. Our committee felt this was one governmental activity that could very well mark time until the finances of this Government should recover. We are only taking from them $100,000. There is $150,000 of this fund yet unexpended and not being matched by the States.

Mr. BARBOUR. Will the gentleman yield further?

Mr. MURPHY. Gladly.

Mr. BARBOUR. Then the purpose of this cut is not to discontinue this work or permanently reduce it, but the amount of the appropriation is reduced simply for the period of this year in order that the work may be slowed up and thereby save a certain amount of money.

Mr. MURPHY. The gentleman is correct in his statement.

Mr. TEMPLE. Will the gentleman yield?

Mr. MURPHY. Gladly.

Mr. TEMPLE. I think the last statement made by the gentleman may be misunderstood. He said it is proposed to cut $100,000. The current appropriation is $780,000, and the Budget Bureau recommended $616,000.

[Here the gavel fell.]

Mr. MURPHY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TEMPLE. If the $150,000 of unexpended balance were there still, the committee's bill would cut $100,000 under the Budget Bureau's estimate, and that was a cut of $164,000. There would be a cut of $264,000 below the current appropriation even if there were an unexpended balance of $150,000 from which to appropriate, but there is not.

Mr. STAFFORD. What harm can come to the country at large even if the cut is made?

Mr. MURPHY. I think I answered that question a moment ago in answer to a question by the gentleman from California [Mr. BARBOUR].

Mr. STAFFORD. My attention was diverted for a moment.

Mr. MURPHY. Our committee feels this is one governmental activity which can stand a cut. We know the Treasury needs the money. We know that no activity which touches the lives and the welfare of the great mass of the people will be affected in any way, shape, or form save only the loss of salaries given to those who are now connected with this survey.

Mr. MAY. Will the gentleman yield?

Mr. MURPHY. Yes.

Mr. MAY. I would like to say to the gentleman, by way of preface to my question, that in my State, Kentucky, the legislature has withdrawn the entire State appropriation for the geological department, with the exception of the geologist's salary, so even if this appropriation were made as asked by the department, with the depression throughout the South like it is, it is very likely that a number of the Southern States would be unable to match the appropriation, and therefore it would be unavailable.

Mr. MURPHY. Now, gentlemen, we realize that it is not pleasant to reduce the activities of a governmental department. We realize that is not a pleasant thing to do, but we do ask you gentlemen who are charged with the same responsibility with which we are charged to back up your committee in the work they are trying to do for the benefit of the people of this country. Again let me emphasize to you that we are short $2,000,000,000 plus, and we only have $1,500,000,000 to take care of that $2,000,000,000. What is to be the outcome? We are going to pay more taxes. Everyone knows that and everybody is coming to Washington protesting against additional taxes being placed on the particular activities of their congressional districts. This is one time when you must forget party politics. You have got to realize that the country is in a position the like of which it never experienced before, and I do hope that my good friend from Pennsylvania, Mr. TEMPLE, out of the goodness of his heart, will not try to go too far in trying to help his friends who are in this activity of the Government at this time. [Applause.]

Mr. TILSON. Mr. Chairman, I have such great confidence in the members of this subcommittee that I find myself very hesitant in opposing any item they bring in here. I have seen them at their work, and know how thoroughly they do it. I sincerely believe that if they had been able to go over the work of the Geological Survey in the same thorough manner in which they have gone over a number of other activities of the Government under the Interior Department they would not have been so drastic in their cut of this particular item; but, of course, the work done under this paragraph can not be marshaled for inspection, as can some of the others.

The importance of this particular work of completing the topographical survey of the entire country has not been sufficiently stressed. We all agree on economy. It must be practiced. We must economize, we must cut expenditures in every possible direction; so all of us have agreed in our own minds that so far as possible, without crippling important activities of the Government, we are going to cut ruthlessly. I approach this amendment in that spirit.

If I did not feel that a very important activity of this Government is going to be so deeply cut as to seriously interfere with the proper progress of its work, I should not take the floor in behalf of the amendment.

The gentleman from Texas speaks of his constituents not having asked him for copies of these topographic maps. This is quite natural, because the ordinary individual probably would not care to have copies of the topographic maps. To the average person not concerned with any work involving engineering problems these maps would have but casual interest. But they have a tremendous value as a basis for engineering work of many different kinds. This is an age of highway building, of irrigation and drainage, of searching for adequate water supplies and storage; it is an age of water-power development and the distribution of electricity; and in all of these the surveys made by the Geological Survey are absolutely necessary. In water-power development, for instance, in determining where the backwater of storage reservoirs will reach, what land will be flooded. In the case of highways and railroads, the grades over our mountains and ridges must be known. If the topography is not determined by the Geological Survey, when the roads are laid out this basic work must still be done. The same as to water-power developments, water supplies, the building of dams, and all the rest.

It is a tremendously important work that is being crippled and delayed. To do the kind of work provided for here requires engineers of a very high degree of training. We have trained a considerable number of these engineers. As the gentleman from Pennsylvania has said, we have invested a very large sum of money in such engineers, and now we come to a place where, instead of using this capital which we have invested in these men, we are asked to "furlough" them, as the gentleman says, which is just a nice way to describe laying them off, which is what will happen. They are not going to be used for the next two years unless this amendment is adopted. Many of those who are kept in the service, instead of being sent into the parts of the country not yet mapped so that they may go on with the work requiring a high degree of technical skill, are brought here to Washington, and during the winter months are put down in the department here to do drafting work which could be done by cheaper employment.

Mr. BLANTON. Will my friend yield?

Mr. TILSON. Yes.

Mr. BLANTON. My friend from Connecticut spoke of the technical engineers who do this work. If the gentleman will investigate in the field, he will find that most of them are sophomores and juniors and seniors from engineering classes of various schools, and some of them in my State have been clamoring to me to get jobs for them during the coming summer. I am sympathetic and would like to help them get such jobs. But we must balance the Budget.

Mr. TILSON. I would like to see the work done. This is my chief interest in the matter.

Mr. BLANTON (continuing). But we have got to meet a deficit in the Treasury that is growing to the extent of $7,000,000 a day.

Mr. TEMPLE. Will the gentleman yield?

Mr. TILSON. I yield to the gentleman from Pennsylvania.

[Here the gavel fell.]

Mr. TILSON. May I have five minutes more, Mr. Chairman?

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. TEMPLE. May I reply to the gentleman from Texas? No engineering party doing topographic work ever went out under the control of a sophomore or junior from college. The head of the party, who does the work and draws the contours in the topographic map, is a trained engineer, but the department is conducted so economically that the men who carry the chain, the men who carry the rods, and other men in the party are sophomores or juniors or freshmen, and they do not get more than pay enough to meet their expenses there and back.

Mr. TILSON. There is no doubt that these "sophomores" from the engineering schools are good men for chainmen and rodmen, but the men who really do this work are highly trained men. These men are to be laid off and this important work is going to be stopped. I tell you, friends, this is far too important a work to be thus crippled. Every map of the country is based on these topographic maps.

Mr. CLAGUE. Will the gentleman from Connecticut yield?

Mr. TILSON. Yes.

Mr. CLAGUE. How are we going to effect economies if we do not try to do something like this?

Mr. TILSON. Oh, we must effect economies and we are cutting here in this item, even if this amendment is adopted, for even then the appropriation will be far below the sum asked for in the Budget. There will be about a thirty-three and a third per cent cut in this work over last year's appropriation even if the amendment of the gentleman from Pennsylvania is adopted. What I am arguing for is not to stop economies—not at all—I shall vote to cut other items just as I am voting to cut this one, even with the gentleman's amendment, but my point is that we should not take all of the cut from one comparatively small item while sparing far larger items for far less important activities.

Mr. HASTINGS. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. HASTINGS. In 1927 we appropriated for this purpose $451,000, whereas we are appropriating now $516,000. In 1928 we appropriated $510,000, whereas we are appropriating $516,000 now. In 1929 we appropriated $505,000. Now, will the gentleman point out in detail how, and in what way, if we appropriate $516,000, this service will be crippled?

Mr. TILSON. The appropriation last year, as I understand it, was $750,000. They lacked $85,000 of using it, and this is to be reappropriated. The report at the hearings was $150,000, but later corrections make it now $85,000, which is a cut of $65,000 more than appears in this bill.

Even if we accept the amendment of the gentleman from Pennsylvania, it is still a cut, as I understand it, of more than $150,000.

Mr. STAFFORD. Will the gentleman yield? The gentleman is a good lawyer and a good business man. By this amendment it is proposed to appropriate $5,000 to some States where it is not needed. Five thousand dollars to get votes from each State.

Mr. TILSON. It is hoped to carry on the work in places where it can not be carried on in the wintertime.

Mr. STAFFORD. Five thousand dollars to every State in the Union, and in many States where it is not wanted at all.

Mr. SMITH of Idaho. Mr. Chairman, it is unusual for a Member to impugn the motives of another.

Mr. STAFFORD. Well, this is not the first time that the gentleman from Idaho has risen to criticize me.

Mr. TILSON. The gentleman from Wisconsin sometimes gets excited. He does not really mean to impugn the motives of anyone, I shall assume.

Mr. STAFFORD. The proposal here is to give every State $5,000, regardless of any contributions from the State or whether they want it or not.

Mr. TILSON. It is not to be given—it is all to be used in this work.

Mr. STAFFORD. It is to appropriate $5,000 for topographic work in each State where it is not needed and not even desired.

Mr. TILSON. It is all to carry on the work in an economical manner, where, in certain States during the winter months it could not be carried on otherwise.

[Here the gavel fell.]

Mr. BYRNS. Mr. Chairman, my good friend from Connecticut says that he believes in economy; that he believes in cutting to the bone; but he would economize and cut to the bone by adding $100,000 to this appropriation.

I am reminded of what Uncle Joe Cannon, of revered memory, then chairman of the Committee on Appropriations, said when he was invoking strict economy—"the only way to reduce is to reduce."

I want to say to you gentlemen that if you are going to reduce appropriations and balance the Budget you must cut these appropriations regardless of how it may affect you. [Applause.]

I have sat in the committee room with my colleagues on the Appropriations Committee and have listened to propositions put up to us which we recognized had merit, but which we felt could be postponed in this hour, when many people of the country are begging for bread. Yet Members of Congress rise in their seats and make proposals to take out of the Treasury money which it is not necessary to appropriate at this time.

There is not a man in this House for whom I have a greater affection and respect than my good friend from Pennsylvania, Doctor TEMPLE, the author of this amendment. He rendered a distinct service to the people when he put this law in effect in 1926. But, gentlemen, in 1926 your Treasury was overflowing; you had more money than you knew what to do with, you had hundreds of millions of dollars at the end of the fiscal year, which, happily, was applied to our public debt.

But what is the condition to-day? I am going to say again what has been said so many times on the floor of this House. I do not like to repeat it, but I do not think it can be repeated too often in the face of these efforts to increase appropriations. You had a deficit of $903,000,000 last June which you had to absorb in the public debt. They tell us that on June 30th, next, you are going to have another deficit of $2,100,000,000; and, mark my prediction, it is going to exceed that sum before we reach the end of the fiscal year. This deficit, too, must be absorbed into the public debt, because it will be impossible to take care of it by taxation before that time.

Then what happens? In June, 1933, they tell us you are going to have a deficit of from $1,400,000,000 to $1.700,000,000.

Gentlemen, that is a serious situation, and we are not going to solve the problem by increasing appropriations on appropriation bills. Do not forget that.

You and I have our opportunity here. I dare say many desirable appropriations will be left out; but I ask every one of you gentlemen, including the gentleman from Pennsylvania [Mr. TEMPLE] and my good friend from Connecticut [Mr. TILSON], what harm, what injury, is going to result if we leave this appropriation out for one year? Perhaps the work will be delayed—of course it will; but what real injury will result if for one year we reduce this appropriation by the small sum of $100,000? I have the greatest respect and admiration for the five members who constitute this subcommittee. They have done a great work. For weeks and weeks they have sat in the committee room behind closed doors conducting hearings, and have brought out a splendid bill. They have rendered a distinct service to the people in bringing this bill to you as it is.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BYRNS. Without for one moment minimizing this service, without for one moment detracting from what my friend from Connecticut [Mr. TILSON] said with reference to its value, if it were left with me, I would cut the whole proposition out for one year. [Applause.] I would feel in doing so that I was rendering the people and the taxpayers of this country a greater service by saving them $516,000 than I would be by appropriating that sum to do this work in 1933. [Applause.] What is the proposition? This committee has recommended an appropriation of $366,000 and a reappropriation of $150,000, making a total of $516,000. That sum, under the terms of this bill, will be expended in 1933 for making a topographic survey of the United States in many of the States. Is there anyone here who does not think this could be reasonably left off for one year? Could we not have postponed it for one year? Is it an absolutely essential matter? Of course it is not. Yet my friend from Pennsylvania, whose earnestness and enthusiasm for this great work I admire, proposes to add another $100,000 to it. When you add another $100,000 to it you are just increasing your deficit for 1933 by that amount. I am not here to discuss the merits, but I am here to appeal to you, as I have done in the past and expect to do many times in the future, not to forget the people back home, not to forget that somebody has to pay this money, and that those people are the taxpayers of the country. [Applause.] I think we can render no greater service to the taxpayers and to the people of the country than by reducing these expenditures to the bone. I would do it not by increasing the appropriations, as my friend from Connecticut would do, but I would do it by reducing them. I know we have cut out many desirable projects. This has been necessary. We have cut out many which, in my opinion, ought to be eliminated forever, and ought never have been put upon your appropriation statutes. We have cut them out in the hope that in a few years, when prosperity comes again, when our Treasury begins to overflow as it did in 1926, this work may be resumed. But what does my friend propose to do?

As the gentleman from Wisconsin [Mr. STAFFORD] pointed out, he proposes to take away a cooperative feature with reference to this law. He wants to appropriate $190,000, if I heard the amendment correctly, out of the Public Treasury with no obligation on the part of any State to match that money. I agree with my good friend from Texas. The people at large are not particularly interested in this matter. I think we should defeat this amendment, and we ought to defeat every amendment increasing appropriations that is proposed unless it is absolutely essential to the progress of our Government. No man will stand upon his feet and say that it is essential to carry on this work in 1933, and I repeat, if I had my way, I would cut it out entirely. [Applause.]

Mr. SWING. Mr. Chairman, I move to strike out the last word. Debate upon this amendment is not wasted time if we can bring to the House any answer to the question that was asked by the last speaker as to the value of the work that will be done if the amendment is adopted, and what will be lost if it be defeated. It is a proper and a relevant question and ought to be answered by some one if possible. It is true, as the gentleman from Texas points out, that the ordinary man back home does not write to his Congressman for topographic maps as he used to send in for vegetable and flower seed, or as he does now for the volumes on deceased Members of Congress, or other things to hang on the wall in the form of George Washington posters, or calendars. However, there can be no important physical development in any part of the country that does not rest and have its foundation on these maps. There is not an engineer in the whole United States who will not say that these maps have saved the taxpayers of the country a thousand times what they have cost. I have served four years upon the flood control committee, and was there attending hearings when we were trying to get the great Mississippi flood project under way as quickly as possible to save lives and property in that great valley. Were it not for the fact that the Mississippi Valley was then virtually complete in its topographic mappings it would have been four years or more before that great relief measure could have been started, because before they could have known where to put a single levee for the protection of lives and the homes of people living in that great valley, they would first have to run the same surveys that are run to make these topographic maps. But fortunately other Congresses, wise in their day and age, had made appropriations to continue this work, and the work had progressed so far in that valley that it was possible to use the topographic maps as the basis of the great flood-control plan for the Mississippi Valley.

The building of roads, canals, railroads, irrigation projects, flood-control projects, power developments, and the location of flying routes across the country are determined largely by the use of these topographical maps.

In this connection permit me to discuss the next paragraph on this page about stream gaging. What will happen if we curtail these activities and we miss a year with reference to the records of the run-offs of the various streams? Missing one year in stream gaging will make inaccurate and unreliable 20 other years, the records of which have been kept, because, after all, on the consideration of floods, on the consideration of power development, on the consideration of irrigation, we must have an accurate record of the year-to-year run-off of the streams, and when one year is missed here and one year somewhere else, all of the work that has been done is made inaccurate and unreliable and nonuseful for long-distance calculation.

Mr. MURPHY. Will the gentleman yield?

Mr. SWING. I yield.

Mr. MURPHY. In the gentleman's State last summer this committee encountered a condition of a lack of water supply, and we began to ask questions. We could not get an answer from any scientific man connected with any department of Government to inform us how long it would require for the subterranean basin to fill with water again,

which was so sorely needed. The scientific men are unable to tell us anything about how long it will require for the ground to fill with water again. If they could do something like that, I might be able to understand the position taken by the gentleman from California.

Mr. SWING. That, too, is one of the studies which the Geological Survey makes, and it is one of the valuable things which it does. It is one of the things for which we will provide appropriations within the next few minutes.

[Here the gavel fell.]

Mr. SWING. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

Mr. BLANTON. Reserving the right to object, and I shall not object, I would like to have the gentleman answer in his time this question: What is there before Congress that is more important than balancing the Budget? What is there that is more important than that?

Mr. TAYLOR of Colorado. Mr. Chairman, reserving the right to object, I would like to inquire if we can not agree on closing the debate on this amendment and this paragraph. There seems to be a great many requests, and perhaps we may let it run on for a few moments.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SWING. Based upon the current appropriation made by the Federal Government, the State of California matching it dollar for dollar, it will be 50 years before the topographical mapping in California is completed. Therefore, it may well be understood why I am so tremendously interested in having my State get the benefits of this valuable service, which has been rendered so almost completely in the Eastern and Middle Western States. The current expenditure is $780,000. That has been cut by the amendment offered by the gentleman from Pennsylvania for next year to $616,000, which was the amount recommended by the Budget, or a saving on this item over the current expenditure of $164,000. We ought not to cut below that figure.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. SWING. I yield.

Mr. OLIVER of Alabama. How greatly hastened would be the completion of the survey in the gentleman's State, which he says will require 40 or 50 years, if we should now grant the additional $150,000?

Mr. SWING. At least it will keep it going at the present rate.

Mr. OLIVER of Alabama. Has the gentleman made any calculation with reference to that?

Mr. SWING. I have not.

Mr. OLIVER of Alabama. Does the gentleman understand that this is an appropriation to be expended in the discretion of the officials, and that they can make surveys in urgent areas and leave out unimportant places?

Mr. SWING. Well, I suppose it is always in the discretion of the officials.

Mr. Chairman, I ask unanimous consent to extend my remarks by including a telegram from the Governor of the State of California, a telegram from the State engineer of the State of California, and a telegram from Mr. George T. Seabury, secretary American Society of Civil Engineers.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. STAFFORD. Reserving the right to object, are there many telegrams, and how long are they?

Mr. SWING. There are three, and they are very short.

The CHAIRMAN. Is there objection?

There was no objection.

The telegrams referred to are as follows:

SACRAMENTO, CALIF., *February 3, 1932.*

Hon. PHIL D. SWING,
House of Representatives, Washington, D. C.:

Am informed appropriation bill reported to House proposed amounts $237,000 under the estimated offerings of States for cooperative stream gaging and topographic mapping. Such a reduction would necessitate abandonment of stream-gaging stations with interruption of records and abandonment of topographic surveys initiated, with furlough of scientific personnel trained through years of experience. This cooperative work has been initiated by the States upon pledge of Congress that it accepted principle of dollar-for-dollar cooperation, and abandonment of the policy involves heavy losses. Would further call attention to fact that for every dollar reduction this item there is corresponding reduction in amount payable by States, and, therefore, unemployment situation correspondingly aggravated. California appropriated $100,000 annually for this work and prosecution thereof vital to success of State water plan. This appropriation not available if unmatched by Federal money. Would respectfully solicit your earnest attention this matter.

JAMES ROLPH, Jr.,
Governor of California.

SACRAMENTO, CALIF., *February 2, 1932.*

PHIL D. SWING,
Washington, D. C.:

Appropriation bill reported fails to meet estimated State offerings for cooperative stream gaging and topographic mapping by $137,000 and $100,000, respectively. If bill passed as reported, unless deficiency appropriation made later Geological Survey will be forced to abandon many gaging stations and furlough technical personnel which it has required years to train. Abandonment of gaging stations means interruption in stream-flow records, and continuity is most vital factor. Proposed reduction these items of appropriation bill poor business, because means loss of $2 in service and employment for every dollar reduction. Means also breaking faith with States, which were previously assured by Congress that it approved principle dollar-for-dollar cooperation, and means waste of State funds expended in good faith under above assurance for gaging stations, which must be abandoned and topographic surveys initiated which must be discontinued and remain incomplete and useless. Such course of action will be serious blow to physical development of the State. Am wiring FRENCH, TAYLOR, MURPHY, and engineering council. Is there anything else we can do to help situation? Could you arrange hearing before committee if we send representative?

EDWARD HYATT.

NEW YORK, N. Y., *February 10, 1932.*

JOE CRAIL and PHIL D. SWING:

Technically trained engineers members Los Angeles, Sacramento, and San Francisco sections American Society of Civil Engineers adopted strong resolution, and so advised you, in support of urgent value of topographic mapping as expressed by Hon. HENRY W. TEMPLE. Am advised House will consider subject first thing after convening to-day, and therefore urge your attendance when discussion Interior Department bill is resumed and your support of Temple's amendments of topographic surveys.

GEORGE T. SEABURY,
Secretary American Society of Civil Engineers.

Mr. TAYLOR of Colorado. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania [Mr. TEMPLE].

The motion was rejected.

The Clerk read as follows:

For volcanologic surveys, measurements, and observatories in Hawaii, including subordinate stations elsewhere, $21,000.

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word.

I was on my feet to offer the pro forma amendment in connection with the item immediately above, and to that I want to call attention for just a moment.

The item reads, in line 10:

For fundamental research in geologic science, $50,000.

I particularly call your attention to the hearings conducted by the subcommittee on this particular item. I am sure, after the hearings have been perused, the membership will agree with the statement made within the last few moments about the advisability of temporarily laying aside some of the activities of Government which, in flush times of the Treasury, might be entirely proper. I am sure this will be abundantly justified by the phraseology to which I now refer.

I venture to read just a sentence or two in order to give you a little taste, so that if the membership desires to pursue the matter further, and will turn to pages 732 and 733 of the hearings, they can see some words which they never saw before and will learn of some activities of the Federal Government that certainly they never even imagined were entered upon by the Government. Just a little taste of it will be afforded by the testimony from which I am now going

to read, which is the testimony of Mr. Mendenhall, in charge of this particular bureau.

Speaking on fundamental research in geologic science, he has this to say:

The subject selected for research may be so closely connected with the problems of a great industry like metal mining or petroleum production that it gives promise of immediate practical results; or it may be a subject that seems utterly remote from the business world, such as tracing the ancestry of the modern horse back through the ages to the little 5-toed creature of Eocene time.

Then in ordor that you may know that these projects have a very wide range may I call your specific attention to the program of investigation for the current year and upon which reports are now being written, and here again I shall not extend my remarks by including all the references made, but I just want to give you a little bit of a taste. For instance:

The projects on which work is continuing are: Mineralogy of the potash minerals and of the southern California pegmatites; spectrographic study of minerals for the detection of rare elements.

Further along is—

Petrography of sedimentary rocks.

Then here is—

The microstructure of clays; glacial geology of the northern Rocky Mountains and Great Plains region.

And then to indicate that they are right up to date and have a program which touches life in a very vital relationship, the program for the year 1932 might be outlined.

Mr. LOZIER. Will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. LOZIER. Does the agenda of that activity include a dissertation upon the Pickwickian theory of Tittlebats and other kindred subjects?

Mr. KETCHAM. Not being within the purview of geologic science, that subject has not been mentioned in this particular agenda. Here is the program for the next year.

Stratigraphic and structural studies in the Permian Basin of the Southwest; siliceous sediments of the Monterey group in California; the constitution and structure of coal; source rocks of petroleum.

Now, gentlemen, you understand it is not my purpose to utter a single word that shall be in any sense faultfinding with the distinguished men of science who are in this particular department, but the point I am emphasizing is this, that the rocks about which these investigations have been made or are now proposed have been here for some thousands of years, yea, some millions of years, and their investigation is not, therefore, a pressing duty and function of government, as desirable as it may be under certain circumstances. I would like if time would permit to pay tribute to the distinguished men who are making studies in this particular field.

[Here the gavel fell.]

Mr. KETCHAM. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KETCHAM. It is not my purpose, as I say, to utter any word that would in any way reflect upon these scientists or their splendid activities, but the point I am stressing is this, that in times like these, certainly this splendid committee ought to be complimented for the care with which they have scrutinized this particular item and I want to congratulate them for asking this bureau to forego these studies to the extent of 50 per cent for the present, and for having cut the appropriation in that particular department from $100,000 to $50,000.

There are many branches of government, where, undoubtedly, a close scrutiny would show a like opportunity for the accomplishment of savings, and I hope that before this Congress adjourns we shall have set up a committee, if we do not already have the proper machinery, that shall make a very careful investigation of every department of government to see whether or not like economies may not be accomplished by possibly examining into the practicality of the particular lines of work they have under investigation. The reorganization of Government departments proposed by President Hoover is timely and would accomplish great savings.

To go back just an item or two, we find $350,000 expended for geologic surveys over the country and $300,000 of it to be expended in the District of Columbia. In constantly recurring items, where the proportions spent are similar to this, it seems to me, are the places where we could apply economy to a good purpose. [Applause.]

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, this is an opportune moment to bring to the attention of the committee and of the House that to-day there was introduced a resolution by the gentleman from Tennessee [Mr. BYRNS], the chairman of the Appropriations Committee, authorizing the Speaker of the House of Representatives to appoint a committee of five, to be known as the Economy Committee, for the purpose of making an investigation of the bureaus and commissions operating in the Federal Government to determine which ones may be abolished, which may be curtailed in their activities, and to recommend to the House of Representatives on or before the 15th day of April the economies that may be effected as a result of the investigation—economies having to do with or flowing from not only the abolishment or curtailment of the activities of certain bureaus but economies which may be effected in any other way.

The necessity for such action, I am confident, will be made clear to the members of the committee.

Bear in mind that the measures which have so far been adopted by the House of Representatives as remedial measures are but superficial; they are inflationary in character; they do not strike at the fundamental difficulty; and until the House of Representatives and the Congress has the courage to do the fundamental thing which must be done all of these superficial measures will fall by the board and collapse. [Applause.]

It has been stated so many times that it is hardly necessary to repeat that we are confronted with a crisis of the first magnitude. It must be met not hysterically but calmly and courageously. As you have been told, there was a deficit for 1931 of over $900,000,000. There was a governmental deficit for 1932 of over $2,100,000,000, and you have been told that we face a deficit of at least $1,250,000,000, exclusive of debt retirement, for the year 1933.

These figures are important because they lead to one inevitable conclusion, namely, that the United States has been living beyond its income; and, as a corollary, that we have reached a parting of the ways; that we must now either elect to continue to live beyond our income or we must balance the Budget. The decision rests with the Members of this body and the Members of the body at the other end of the Capitol.

If we continue to borrow money to meet our current operating expenses, the credit of the United States immediately becomes impaired. That this has already occurred is clear if we will but reflect on the extent to which Government securities have depreciated in the market.

It is important to call to the attention of the committee that once the credit of a political subdivision becomes impaired, once a suspicion is created that that credit may not be good, the suspicion rapidly is transferred into a conviction, and in turn the conviction is rapidly converted into action, with the result that the credit collapses. Collapse of the credit of the United States Government, which is not at all impossible and not at all improbable if we continue to live extravagantly as we have done, means, in the first place, the collapse of the Reconstruction Finance Corporation, because the Reconstruction Finance Corporation has its foundation on the credit of the United States. It was the credit of the United States that was loaned to the Reconstruction Finance Corporation which made that corporation possible. If the credit so loaned be not good——

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended 15 minutes.

The CHAIRMAN (Mr. HANCOCK of North Carolina). Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. DOUGLAS of Arizona. If the credit so loaned be impaired, then the credit erected upon it becomes impaired not in arithmetical progression but in geometrical progression. Moreover, if the credit of the United States becomes impaired, it is inevitable that we must experience a period in which banks, large and small, from the Atlantic to the Pacific will collapse, with all of the untold suffering and loss that follow in the wake of such a collapse.

Mr. YON. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I am pleased to yield.

Mr. YON. Does the gentleman think this same condition is affecting the credit of the different States and their outstanding obligations?

Mr. DOUGLAS of Arizona. For the gentleman's information, the total bonded indebtedness of the United States to-day is over $30,000,000,000. States, counties, and municipalities have defaulted, roughly, in the amount of $700,000,000 during the last year. So exactly the same effect upon Federal credit would be, and is, as a matter of fact, being felt on State credit.

In addition to the collapse of banks, if the credit of the United States be impaired, the bill which this House passed yesterday becomes entirely futile, for it must be remembered that what the House authorized yesterday was an issuance of notes against certain collateral security, among which it may be presumed are the securities of the United States. If these securities themselves are no good or are impaired, then the currency so issued against them becomes nothing more nor less than fiat money.

As against this picture, as against a picture of complete economic chaos, as against electing to follow the course of continued borrowing, we have the choice of balancing our Budget. When we balance our Budget we make our credit sound. We maintain the integrity of the United States' obligations. By this procedure we insure the possible success of these inflationary and superficial measures which we have heretofore passed at this session of the Congress.

So I say we have the choice of either following the course which leads inevitably to complete destruction or following the course which leads to safety and a basis for hope.

That the Budget must be balanced is then a conclusion which we arrive at as a result of our reasoning; but I raise the question if there is not, perhaps, somewhere in the world the experience of another great power which might confirm our own independent conclusion.

The example of England throws considerable light upon our present problem. Twelve years ago the English people conceived the credit of the United Kingdom as being absolutely impregnable, as a credit that was absolutely untouchable, as a credit that could not be impaired, and England embarked upon a period of extravagant appropriations. Her tax rates were raised, and, as a result, her industrial activity declined. Men were thrown out of employment in each succeeding year in increasing numbers until finally the proudest kingdom in the world was brought to her knees in August of 1931, and Philip Snowden——

Mr. KETCHAM. Will the gentleman yield for a question right at that point?

Mr. DOUGLAS of Arizona. I shall be delighted to yield.

Mr. KETCHAM. Would the gentleman be kind enough in that connection, if he does not have the figures available now, to set out the comparative wealth of England and her national debt at that time? I do not know whether the gentleman has those figures available, but that would be very enlightening because from such figures we may draw a comparison with our own situation which would be very helpful.

Mr. DOUGLAS of Arizona. I can say to the gentleman that England's national debt is approximately £7,000,000,000.

Mr. KETCHAM. And what is her total national wealth?

Mr. DOUGLAS of Arizona. Her total national wealth I do not know, but I do know that her total tax burden, that is, the tax burden imposed by the Parliament itself, in addition to the tax burden imposed by municipalities, is approximately equivalent to 25 per cent of her national income.

Mr. KETCHAM. Hers is much greater than ours.

Mr. DOUGLAS of Arizona. Much greater than ours. Ours is approximately 15 per cent of the national income. It is obvious therefore that we are proceeding in exactly the same direction.

Philip Snowden, the Chancellor of the Exchequer, on the 10th day of September, in reporting the economy bill to the House of Commons, stated:

> I rise to discharge one of the most disagreeable tasks that has ever fallen to my lot. It is no pleasure to call upon people to make sacrifices or to bear additional burdens, and only a consciousness that those sacrifices and those burdens are necessary to avert far greater sacrifices and burdens makes my task this afternoon tolerable. Honorable members will remember that in February of this year I gave the House of Commons and the country a grave warning of the serious budgetary position. On the eve of the adjournment, fortified by six months of further knowledge and experience, I repeated that warning. An unbalanced budget is regarded as one of the symptoms of national financial instability.
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> It is undoubtedly a fact that nationally we have, for some time past, been living beyond our means, and living to a considerable extent upon our capital. The trade depression of the last 10 years has reduced the yield of taxes and at the same time increased expenditure. Seven years ago the unemployment insurance fund was paying its way. It was paying off debt. This year it is costing the Exchequer about £100,000,000. The national income has been falling rapidly. There are something like 3,000,000 persons, one-time producers, now inactive. Profits, upon which national revenue must largely depend, have fallen 20 per cent during the last two years, and in many industries wages are being paid out of capital. Now, this is the problem that I have to solve, and it can be solved only in two ways, either by reducing expenditure or by increasing taxation—or by a combination of both. We have been under the delusion during the last few years, in these times of unparalleled depression, that we can maintain the expenditure of prosperous times.

I submit to the members of this committee that the Chancellor of the Exchequer there presented a picture of what is occurring within the United States.

So that as the result of the example of another great power, we are thrown back on the conclusion that the Budget must be balanced. Our own conclusion is therefore confirmed by experience. The question arises as to how it may be balanced.

Last week the chairman of the Ways and Means Committee, Mr. CRISP, spoke feelingly, courageously, and well to the House. In his speech he frankly stated some of the difficulties that the Committee on Ways and Means was confronted with. He told us that it was almost impossible, if not actually impossible, to balance the Budget by means of increasing taxes. He said that even after the high rates had been imposed on incomes, even after the miscellaneous taxes had been imposed, even after the estate taxes had been imposed there was still remaining an unbalanced amount equivalent to $268,000,000. But if it were possible to balance the Budget by the collection of taxes in addition to those enumerated—taxes onerous and burdensome on industry and all of the people—the question naturally arises, Is it wisdom to follow such a procedure?

The function of government, among other things, is to permit at least of economic conditions which will provide employment to every citizen. As taxes are increased the purchasing power of the community becomes less, because, obviously, the money which otherwise would have been used for some other purpose must be paid to the Government, and as that process goes on the purchasing power becomes less and less by virtue of the absorption by the Government of revenues which could be used for other purposes. Moreover, taxes impose burdens on industry from which employment flows. As they increase the employing power decreases. It is therefore much less of a burden on the people to cut appropriations than it is to increase taxes. To cut appropriations offers a much more immediate remedy than to increase taxes, and, moreover, to cut appropriations lays a foundation for an economic recovery. It is the most important thing that the Congress can do to reestablish confidence throughout the country. Whenever the country knows, is led to believe, that we are giving more than lip service to economy, that we are, as a matter of fact, deter-

mined upon cutting appropriations, then I think I can assure you there will be a restoration of confidence throughout the land. [Applause.] So we are thrown back upon the conclusion that in addition to raising taxes we must cut appropriations.

Finally, then, to bring this picture down to date, let me give you this contrast: By cutting appropriations, practicing rigid economy, we restore confidence, we make available for purchases money which might not otherwise be made available for purchases, we refrain from imposing on industry burdens which retard its employing power, and we thus create a beneficent wheel which revolves always in one direction, always for the better. And as against that, if we fail to practice economy, if we do not balance the Budget, then we will have created a malevolent wheel which is revolving constantly in an adverse direction and which means inevitably complete and utter economic collapse of the United States. Complete economic collapse of the United States means far more than simply a limited Territorial collapse. It means plunging the whole world into darkness, because to-day the United States is the creditor nation of the world; if that creditor nation collapses, there is nothing to which we can look for support. So, as against doing one of two things—balancing the Budget by exercising rigid economy or continuing to live extravagantly and borrowing to meet our current operating expenses—we can look forward either to a ray of light in the event we follow the former course or to utter blackness in the event we follow the latter. [Applause.]

Question arises as to how these appropriations may be cut. I have gone over the appropriations for the last 10 years and, excluding the amount to service the public debt, and exclusive of permanent appropriations; in other words, by including only the appropriations necessary for current operating expenses, I find that the National Budget has increased $942,000,000, almost $1,000,000,000 in round numbers. The legislative department has increased $8,958,000, the Veterans' Bureau has increased $396,000,000, the Department of State has increased $6,900,000, and the Treasury Department, $168,781,000.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. GOSS. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DOUGLAS of Arizona. The War Department has increased $86,867,000, the Navy Department $47,000,000, the post-office deficit $155,000,000—there was no deficit in 1923—the Interior Department $11,000,000, the Agricultural Department $139,000,000, the Department of Commerce $25,973,000, the Department of Labor $7,567,000, the Department of Justice—reconciling the appropriation for prohibition and removing it, as I did in the case of the Treasury Department for 1923—$35,949,000, and the District of Columbia, $21,238,000.

Why, within a period of 10 years, within the span of a decade, should the ordinary operating expenses of the United States have increased approximately $1,000,000,000, scattered, as you see, throughout the various departments? It is because coincident with personal living at an extravagant rate you and I and every other Member of Congress have come here with some bill authorizing an extravagant appropriation for some particular purpose which would result in benefit to some particular district. It is because you and I have come here seeking to impose on the United States Government functions which should not be imposed upon the Government. [Applause.] It is because you and I have been coming here advocating either the creation of additional bureaus or the enlargement of the then functions of bureaus.

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman permit an interruption?

Mr. DOUGLAS of Arizona. Yes.

Mr. TAYLOR of Colorado. We have been in session only a little over 30 working days, and yet it is said that there are bills now pending before Congress asking for appropriations amounting to thirty billions of dollars.

Mr. DOUGLAS of Arizona. I thank the gentleman. It is because, as a result of these various bills which you and I have advocated, which you and I have come in on the floor of this House and supported, which you and I have voted for, it is because of that procedure of which all of us are guilty, that the appropriations have increased; and as both an incident to and cause of the increase in the appropriations, and certainly as an incident to the increase in the number of bureaus, Mr. Chairman, you would be astonished to know that the number of Federal employees has increased 68,000 in the period June 30, 1923, to June 30, 1931.

Mr. MORTON D. HULL. Does the gentleman know how many have been increased in the Veterans' Bureau?

Mr. DOUGLAS of Arizona. I would be delighted to answer the gentleman. That is a very small increase—something like 481. The largest increase is in the Post Office Service, some 30,000, but that still leaves approximately 38,000 that have been absorbed in various other bureaus.

Mr. MORTON D. HULL. And that increase has come about within what time?

Mr. DOUGLAS of Arizona. Eight years.

Mr. YON. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. YON. In the past 10 years the Federal employees have been increased 68,000?

Mr. DOUGLAS of Arizona. There were on the pay roll on June 30, 1931, 68,000 who were not on the pay roll on June 30, 1923.

Mr. OLIVER of Alabama. I think it would be interesting for the gentleman to insert in his remarks at this place the departments where those increases have occurred.

[Here the gavel fell.]

Number of employees in each branch of the Federal executive civil service

Department or office	June 30, 1923	June 30, 1931	Increase	Decrease
Department of State	4,005	4,959	954	
Treasury Department	55,411	51,744		3,667
War Department	51,159	53,356	2,197	
Department of Justice	3,353	8,502	5,149	
Post Office Department	285,822	316,259	30,437	
Navy Department	42,842	48,782	5,940	
Department of the Interior	18,493	19,777	1,284	
Department of Agriculture	20,261	28,175	7,914	
Department of Commerce	11,472	23,680	12,208	
Department of Labor	3,715	5,412	1,697	
Government Printing Office	3,879	4,894	1,015	
Smithsonian Institution	484	589	105	
Interstate Commerce Commission	1,685	2,410	725	
Civil Service Commission	508	631	123	
Bureau of Efficiency	53	45		8
Federal Trade Commission	308	547	239	
Shipping Board	3,054	1,065		1,989
Railroad Administration	1,038	12		1,026
Alien Property Custodian	131	141	10	
Tariff Commission	190	319	129	
Employees' Compensation Commission	74	183	109	
Federal Board for Vocational Education	80	83	3	
Panama Canal	7,994	10,323	2,329	
Superintendent State, War, and Navy Department Buildings	1,304			1,304
Railroad Labor Board	67			67
White House		43	43	
Public Buildings and Public Parks of the National Capital		2,994	2,994	
General Accounting Office	2,035	1,988		47
Veterans' Bureau	28,164	28,645	481	
Miscellaneous	950			950
Commission of Fine Arts		3	3	
War Finance Corporation		9	9	
National Advisory Committee for Aeronautics		291	291	
Federal Reserve Board		199	199	
Board of Tax Appeals		151	151	
Board of Mediation		26	26	
Federal Power Commission		50	50	
Federal Radio Commission		132	132	
American Battle Monuments Commission		41	41	
Federal Farm Board		315	315	
Personnel Classification Board		62	62	
Total	548,531	616,837	77,364	9,058

NOTE.—The above figures for June 30, 1923, were taken from the Fortieth Annual Report of the United States Civil Service Commission (p. 10) for the fiscal year 1923. The figures for June 30, 1931, were taken from the Forty-eighth Annual Report of the United States Civil Service Commission (p. 14) for the fiscal year 1931.

Mr. DOUGLAS of Arizona. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ARENTZ. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. ARENTZ. Of course, we can not get a clear picture of the situation in the Post Office Department unless we consider the additional personnel, due to the half holiday on Saturdays, for instance. If the men do not work all day, there must be more men put on. The same thing applies to other departments of like nature.

Mr. DOUGLAS of Arizona. Regardless of what the cause might be, the fact is—and it is an unpleasant fact, and it is a fact which we must all face—the number of Federal employees has been increased 68,000.

I cite all of these increases because they indicate clearly and conclusively to my mind the necessity for the resolution introduced to-day by the gentleman from Tennessee [Mr. BYRNS] authorizing an economy committee.

It is a matter of interest to know that a little over a year ago, when England was confronted with exactly the same situation with which we are here confronted, there was such a committee set up by the House of Commons, and as a result of the report of that committee over $350,000,000 were cut off the national budget.

Mr. Chairman, we face a critical condition—a crisis of the first magnitude. It is for us, the Members of this House, as public servants intent upon performing a public duty, to meet our obligations fairly and squarely, to have the courage, if you please, to vote against appropriations which might benefit our own districts; to have the courage to go back and face a political fight, but to play our part here honorably, courageously, and to go back at least with the satisfaction which comes from the knowledge of a task well done. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Arizona [Mr. DOUGLAS] has made a very interesting statement. The gentleman is always clear and concise and the gentleman is always able to use figures advantageously. I consider the gentleman from Arizona one of the ablest legislators of this House. Hence my anxiety when I note his activity toward a policy which I fear is promoted and inspired by a desire to eliminate certain Government activities rather than economy.

Mr. Chairman, we keep on talking about balancing the Budget and exercising rigid economy, and those are rather catchy phrases. It has become the popular thing to talk about balancing the Budget and exercising rigid economy, coupled with the declaration that when Congress exercises economy the country will get back to prosperity.

Now, I submit it is hardly fair to blame Congress or the present budgetary condition of the country for the depression, the unemployment, and all the economic evils we are now suffering. I submit that any Member, no matter how careful or deliberate his statement may be, in his appeal for Government economy and the desire to balance the Budget, ought to couple that statement with definite recommendations—just where he would exercise that economy. The Committee on Appropriations and its various subcommittees are laboring now with every appropriation bill, and I ask the gentleman from Colorado and I ask the gentleman from Ohio if they have not pared down this appropriation bill to the very bone?

Mr. TAYLOR of Colorado. I will say to the gentleman that I feel personally if there is any criticism due to this committee it is because we have not cut as much as we should. [Applause.]

Mr. LAGUARDIA. The gentleman is in charge of the bill and in a position to offer any amendment he desires. The bill is before the House, and any motion which the gentleman from Colorado will make to cut down any item I am sure will receive the approval of the committee, as the committee has gone along with the gentleman all the way. There is no doubt about that.

The gentleman from Arizona made a statement that unless it is amplified will lead the country to believe that Congress has been wild, extravagant, and improvident during the last 10 years. The gentleman speaks of the increase in the budgetary appropriations of $1,000,000,000 in the last 10 years. If we will analyze the appropriations for the various departments, we will find that almost the entire amount of this increase has been taken up in three measures. One of the three is agricultural relief. Could Congress do anything else than try to bring relief to the farmers of the country?

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. LAGUARDIA. Whether the relief was effective or not, I am not discussing, but the condition of the farmer was such that we could not ignore it, and Congress, in the light which it had at the time, had to take some measure at least, in an attempt to bring relief to agriculture. That required a large amount of money.

Then within the last 10 years we had the Mississippi flood. Could Congress ignore that and take no action? After the suffering and devastation that took place in that country we appropriated hundreds of millions of dollars to carry out the flood-relief program; also the drought, which called for unexpected appropriations. And within the last 10 years we have had the aftermath of the World War, and we have had to take care of veterans. Could that have been avoided, in the light of the tradition and the custom of the American people in looking after its veterans? In connection with the war we must not overlook the national debt caused by the war, and now requiring $1,000,000,000 a year for interest and sinking-fund requirements. Can the gentleman from Arizona reduce the amount required for debt service?

I submit that there are the three items that absorb almost entirely the $1,000,000,000 referred to by the gentleman from Arizona.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. DOUGLAS of Arizona. The increase due to the Veterans' Bureau absorbs $396,000,000.

Mr. LAGUARDIA. In 10 years?

Mr. DOUGLAS of Arizona. The gentleman would draw his line too finely. The increased amounts in appropriations since the war take the greater percentage for veterans. The increase in public works absorbs $277,000,000. The increase in public works includes rivers and harbors, flood control of the Mississippi, Boulder Dam, and every piece of public work that is under construction.

Mr. LAGUARDIA. Exactly.

Mr. DOUGLAS of Arizona. That leaves $360,000,000.

Mr. LAGUARDIA. And we appropriated how much for agricultural relief?

Mr. DOUGLAS of Arizona. That does not include that.

Mr. LAGUARDIA. It is an appropriation. Here are the items: Farm relief, $500,000,000; rivers and harbors and flood relief, over $300,000,000 additional in the 10-year period; veterans' requirements, increase of about $400,000,000.

Now, the distinguished Member from Arizona criticized the increase in personnel.

Now, taking just a few fixed items in our current expenditures and appropriations for the coming fiscal year commencing July 1, interest on the public debt, $640,000,000, which is an increase of $35,000,000 on the interest requirement of last year; sinking-fund retirements to meet the maturing bonds, $426,489,600, which represents an increase of about $15,000,000 over last year. We have already appropriated in Public Resolution 3, $203,925,000 for the Veterans' Bureau, and an additional $46,872,975 contained in the first deficiency bill. The appropriation bill will carry an item of $928,387,795 for the Veterans' Bureau, which sum will probably be $50,000,000 short of actual requirements. Here alone we have well over $2,000,000,000. In addition to that we authorized and appropriated $500,000,000 for the Finance Reconstruction Corporation. And in addition to that we appropriated $125,000,000, increasing the capital stock of

the Federal land banks. True, in both of the last items mentioned, we will get the stock of the corporation. In the meantime it is just paper, and we have given out cash from the Treasury. I mention these large items in order to controvert the impression which might be created by all this wild and loose talk of economies and balancing of the Budget. It is the extraordinary and unusual expenses brought about by the world depression which have created these large appropriations and in addition to that the enormous cost of the war directly reflected in the cost of the veterans' care and the requirements of the debt service.

Of that you take 30,000 and you have your increase in the Postal Service. Along with that you have to take your increase in population and your increase from third to second and second to first class post offices. This is still a growing country. We are not yet static and naturally, as we have population growth, we have increases in personnel.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. DOUGLAS of Arizona. If the gentleman listened to my statement—and I am sure he listened intently—he will remember that I did not undertake to criticize the increased number of postal employees.

Mr. LAGUARDIA. All right. There you have 30,000 accounted for.

Mr. DOUGLAS of Arizona. Because I do not know sufficient about it to make an intelligent criticism, but I do submit that the remaining 37,000 and some odd are subject to very severe criticism. [Applause.]

Mr. LAGUARDIA. Let us take your whole 37,000 and eliminate them—eliminate them entirely. Will that bring prosperity back to the country? But the Veterans' Bureau, Department of Justice, Coast Guard, Border Patrol, Farm Board have all required additional personnel.

Mr. DOUGLAS of Arizona. It will save something like $70,000,000 to the National Treasury.

Mr. LAGUARDIA. Seventy million dollars in the face of a $2,300,000,000 deficit; in the face of a depreciation in property values and loss of wages running into billions of dollars. Why, gentlemen, do not let the idea go out from this Chamber at this time that this picayune additional expense is what is going to bring prosperity back to the country. [Applause.] I am for economy and my record in this House will show that I have contributed toward economies. I will not be a part, however, to a plan for the reduction of the wage scale and the lowering of the standard of living in this country.

I will not be a party to any plan, under the guise of economy, to abolish or destroy the usefulness of any department of Government or bureau which we have created to regulate commerce, to supervise activities, to protect the interests and the lives of workers, or any bureau charged with regulatory powers to prevent oppression or exploitation. I know some people do not like the Bureau of Mines. Under the guise of economy amendments were offered to the appropriation bill for the Interior Department which, if approved in the Senate, will cripple the Bureau of Mines. I am sure the Senate will not do that. The Bureau of Mines has rendered and is rendering useful service, and though not coming from a mining State I shall oppose the destruction of the effectiveness and usefulness of this bureau. I know a large number of people would like to see the Federal Trade Commission weakened and impaired and are urging reduction of appropriations to that end. We will fight that.

I repeat I am for economy, but I am not for pretended economy or using economy as a weapon to weaken, destroy, or abolish useful departments of the Government such as the Federal Trade Commission because certain people resent being kept within the law. The Children's Bureau, the Women's Bureau, and the Bureau of Labor Statistics in the Department of Labor are also targets that are to be shot at under the guise of economy because their useful work has interfered with some special interest. The Federal Board for Vocational Education, United States Employees' Compensation Commission, the National Advisory Committee for Aeronautics, the Personnel Classification Board, the Public Health Service, the Board of Mediation, the United States Bureau of Efficiency may all suffer under this drive for economy, but I am sure this House will stand up and protect them when they hear all of the facts and the real reasons back of this movement. I shall before long take this subject up again in detail and show where the opposition originates against many of these bureaus.

[Here the gavel fell.]

Mr. HOUSTON of Hawaii. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Delegate from Hawaii offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOUSTON of Hawaii: On page 74, in line 14, strike out the figures "$21,000" and insert in lieu thereof the figures "$32,000."

Mr. HOUSTON of Hawaii. Mr. Chairman, after this very important discussion I feel a great hesitancy in even suggesting this pro forma amendment, and I say a pro forma amendment, because I shall withdraw it. I merely want to take this opportunity of inviting attention to the unequal method by which we have made these cuts. Many of the services in the departments have hardly been touched, but the cuts, such as they have been, have been more particularly in the field services.

Here is what might appear to some people as an unimportant item, but to those who live in earthquake areas it is a very important measure. This volcanologic section has just been built up to the point where it might and has become of service to the country, and here we have an appropriation which represents a 33 per cent cut from the estimates, and the estimates themselves represent a 10 per cent cut over the previous year's appropriation. It will be reflected completely in personnel. The little section at the present time is operating with six permanent employees. The cut as made in this appropriation will eliminate four of them, a 66 per cent cut, and it is that particular phase of the matter that I wish to bring to the attention of this committee.

Mr. Chairman, I ask permission to revise and extend my remarks and to include therein a telegram and letter from the volcanologist in charge and one from the Secretary of the Interior bearing on this subject.

The CHAIRMAN. The Delegate from Hawaii asks unanimous consent to revise and extend his remarks in the manner indicated. Is there objection?

There was no objection.

The telegram and letters referred to follow:

HILO, *February 1, 1932.*

Delegate HOUSTON,
Washington, D. C.:

Replying your radiogram see Public Budget, Department Interior 1932, page 345, volcanologic survey, for figures permanent expansion authorized by act of Congress fiscal year 1932 now organized with new personnel just getting into its stride. Staff is patient, loyal, and efficient. Four salaried officials with family are settled in a remote place with investments in home. Organization of self-sacrificing employees in rigorous climate of Alaska and California mountains in addition. Hawaiian Research Association has increased its expenditures and buildings this last year in spite of business depression to meet Government increase in personnel. Proposed cut would mean dismissal of two Government scientists and two subordinates and Alaska plants abandoned and Hawaiian work seriously crippled. For fiscal detail consult Geological Survey.

JAGGAR.

DEPARTMENT OF THE INTERIOR,
UNITED STATES GEOLOGICAL SURVEY,
Volcano House, Hawaii, January 29, 1932.

Hon. VICTOR HOUSTON,
Delegate from Hawaii,
House of Representatives, Washington, D. C.

DEAR MR. HOUSTON: I inclose herewith carbon of a telegram just sent to you.

As I am unacquainted with what the Secretary of the Interior and the Director of the Geological Survey are doing to meet the present crisis of reversal of Budget decisions, I can only refer you to the printed Budget with reference to fiscal matters. This shows that the estimate of $32,000 for volcanology in 1933 as compared with the actual of $21,000 of 1931 would carry two additional sci-

entists and two field assistants not allowed for under a total appropriation of $21,000. To go back to that appropriation would dismiss these four persons.

With the increase of 60 per cent authorized for fiscal year 1932 we secured through the research association a new engineering building, new garage and carpenter shop, rebuilt the observatory with Government funds, appointed a Government engineer and a Government seismologist, and we have just completed a new seismograph station at Halemaumau pit, and all the new staff showed fine spirit and did good work in the new eruption of Halemaumau just finished. Mr. Finch last summer went from Lassen to Akutan Island in the Aleutians, made a good exploration and got good photographs of a hitherto unexplored crater, and inspected seismograph stations at Kodiak and Dutch Harbor. The section of volcanology was reorganized with Finch in charge of northwest volcanoes and Alaska, Wingate here in charge of seismology and engineering, Jones running the Hawaiian stations for seismology, Powers doing petrology of Hawaii, and myself in charge of volcanology and administration. All of this was complete reorganization.

Five higher officers are resident here, four with their own homes, and the janitor and mechanic in addition. The effect of reversion to $21,000 would be to obliterate the organization. Moreover, nothing more can be asked of the Volcano Research Association, which is likely barely to keep alive during the coming year. The Government has secured for 20 years all the loyal support of this association, and if it crashes now in the upkeep of what it is getting for $1 per annum, including publicity freely given through the published weekly of that association, it will be a deliberate dismissal of obligations. The plants can not be maintained on $21,000 a year without the men and supplies that go with the enlarged work. It is the kind of work, like astronomy, that calls for permanency.

Very respectfully,

T. A. JAGGAR, *Volcanologist.*

THE SECRETARY OF THE INTERIOR,
Washington, February 10, 1932.

Hon. V. S. K. HOUSTON,
House of Representatives.

MY DEAR MR. HOUSTON: In reply to your letter of February 1:

Doctor Jaggar's statement concerning the proposed reduction of the appropriation for volcanologic surveys to $21,000 and the effect of this reduction on the personnel engaged in that work appears to be essentially reasonable and inevitable.

During the three years 1929 to 1931, inclusive, when the annual appropriation was $21,000, the scientific and clerical personnel consisted of a volcanologist, an associate volcanologist, an assistant geologist, and a clerk, whose present salaries amount to a total of $14,100. The rest of the appropriation (about $7,000) provided in part the running expenses of the three stations, the headquarters station in Hawaii receiving about three-fourths, in addition to considerable funds contributed by local cooperating agencies, and the California and Alaska stations sharing the other fourth.

The increase to $35,000 in the appropriation for the year 1932 was intended to provide for additions to the scientific staff and for expanded activities in the Pacific Coast States, and especially in Alaska. Accordingly two appointments were made, an associate topographic and geodetic engineer at $3,200 and an assistant geologist (seismologist) at $2,600, bringing the salary roll up to $19,900. These are presumably the two scientists whose dismissal Doctor Jaggar thinks would be required by a reduction of the appropriation to $21,000. The abandonment of the Alaskan stations would release two local observers who look after the seismographs that have been installed there.

Very truly yours,

RAY LYMAN WILBUR.

Mr. HOUSTON of Hawaii. Mr. Chairman, I ask unanimous consent to withdraw my pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

Mr. TAYLOR of Colorado. Mr. Chairman, I move to strike out the last word. I want to say to the Delegate from Hawaii in justification of the action of the committee that we simply reduced the appropriation to what it was last year and the year before, namely, $21,000, instead of $32,000. That is a reduction of $7,115 in employees, $1,000 in traveling expenses, $1,000 in equipment, and $1,000 in construction. In other words, we thought that service, like a great many other activities of this Interior Department, should and could be reduced to what it had been during the two preceding years. We had no desire or intention of permanently crippling the work of Doctor Jaggar. This committee has a kindly feeling toward both him and his work.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I realize full well what a hard task the chairman of a committee or the chairman of a subcommittee has in arriving at a proper method of reducing expenditures in any of the departments of the Government. Invariably when you call upon the head of a department to make a recommendation he is not willing to admit that he has more employees than are necessary to carry on the department in a proper way. Oftentimes he has to depend upon minor employees to gather statistical facts in order that he may make a report. So the object of my short address is to make a suggestion, and that is the only way, in my opinion, we will ever be able equitably to reduce expenditures in the various departments of the Government—having the thought in mind that the useless departments ought to be either reduced or abolished—is to appoint a joint committee, a committee composed of a number of Members of the House and a number of Senators, and give this committee sufficient power to sit and make such investigation of the various departments so that they may see at first-hand just what could be done along that line, having in mind that no department of the Government ought to be crippled, but that every department which is not functioning in the interest of the taxpayers should be reduced or abolished. Having that in mind, I have prepared just such a resolution and have introduced it to-day, suggesting that the Speaker appoint five Members and the President of the Senate appoint four Members, and that this committee be empowered to look into all the various departments of this Government, examine their files, those that are not of a confidential nature, and then report back to the various branches of Congress as to what their findings are, having in mind that it is going to be absolutely necessary for us to stop the enormous rate of increase in expenditures for which we are asked to appropriate every year.

I hope that the idea I have presented here to-day will find favor, because it will do the work if the right kind of a committee is appointed.

The Government is now facing a deficit of more than $2,000,000,000. A large percentage of our people are broke to the extent that they can not pay their taxes. Many are depressed in spirit to the extent that they are not going to accept any kind of an excuse that might be given by public servants should they try to escape the responsibility of reducing expenditures. Therefore, I am thoroughly of the opinion that millions of dollars can be saved and the efficiency of the Government not impaired if we will proceed along the line I have suggested.

Mr. TAYLOR of Colorado. Mr. Chairman, I want to express the hope that we may be able to finish this bill to-day. The bill has been pending before the House for about three weeks, and if gentlemen will stay on the floor and restrain themselves as much as they conveniently can with respect to making speeches, I feel sure we can accomplish this.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Total, United States Geological Survey, $2,279,500.

Mr. CLANCY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLANCY: On page 78, line 21, strike out "$2,279,500" and insert "$2,179,500."

Mr. CLANCY. Mr. Chairman, I have well in mind the admonition of the gentleman in charge of the bill, Mr. TAYLOR, of Colorado, that we should not waste any time this afternoon. We have had a lot of debate during the afternoon not directly on the bill. Possibly, what I am going to discuss is the only remaining debatable matter in the bill, but it is so important that I absolutely insist on taking enough time myself, if I may be recognized from time to time, to put my points before the House.

There is an amendment to be offered to the bill which I understand is to be tied to all appropriation bills, unchanged if possible, limiting the purchase of automobiles to $750 except for the White House or for a Cabinet Member, and there is another provision in the bill to prevent joy riding and the use of the cars for private purposes.

Both of these purposes, the limitation on the cost of the automobile and the prevention of joy riding or the use of a

Government car or Government gasoline for private purposes, are worthy. All I object to is the language employed. If the limitation in the amendment were $950, this would overcome the very vigorous objections raised by the Secretary of Agriculture and the Secretary of the Interior and particularly by the bureau chiefs; men who are not "politicians" in any sense of the word, and men of the very highest caliber, and men who know their business.

If you limited the language in the amendment to official use of the car, that would be all right; but you say that the cars must be used "exclusively" for official business, and when there is an emergency, for instance, in the Rocky Mountains—and there are hundreds of such emergencies each year in the very bureau that we are talking about—then they can not use private-owned cars as they have been using them. Suppose the Government car is broken down and there is an oil well afire, or there is a flood, or there is water pollution somewhere. You are spending hundreds of millions of dollars for these plains and Rocky Mountain services and yet your employees and officials could not go to the scene of trouble, nor to their work from their domiciles, nor return in the official car.

If you included language in the bill that the cars should be used for official business only, that would be all right, but the amendment goes further and says that the car can not be used from the domicile of an employee to his place of business; and when I pointed out in the debates recently that the President could not use his car under that language to go from his Rapidan camp to the White House, or a Cabinet member could not use his car when the President called him to come to the White House on an evening or Sunday, I reinforced my statement by quoting the Comptroller General, Mr. McCarl, that this is what the language meant, and then they withdrew their language so that the amendment which the gentleman from Colorado [Mr. TAYLOR] is going to offer to-day differs from the amendment offered by the gentleman from Mississippi [Mr. COLLINS], in that Cabinet members are exempted from the whole amendment.

The Secretary of Agriculture states that it is economy in these rough regions to use a 3,000-pound car costing in the neighborhood of $950 or $1,000, and that he would be satisfied with a limitation of $950. The lowest-priced car is not economical.

I have no ax to grind with respect to this limitation placing the price at $750. All the great low-priced cars are made in my city or in my State, but I do happen to know enough about the automobile business to know that you are wasting money by placing this limitation at $750.

Why, the Secretary of the Interior gave us a statement that in the purchase of a car only a few weeks ago my contention was maintained. His department could not buy the cheapest closed Ford car in Shoshone, Wyo., although they were getting it at a cut price, under this limitation, because the freight was about $273 to Wyoming. When I spoke to the gentleman from Mississippi about this, he stated, "Oh, no; I did not mean that the $750 should include freight," but when I spoke to the Comptroller General, Mr. McCarl, he said that the $750 does absolutely include the freight.

[Here the gavel fell.]

Mr. CLANCY. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent that all debate on this amendment be closed in four minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CLANCY. Right at this point, Mr. Chairman, I submit that the curtailment of debate on this amendment is unfair, because I am informed, even by a proponent, that possibly the language was not so good and that it would probably have to be changed in the Senate. The gentleman from Colorado [Mr. TAYLOR] himself suggested a few days ago that this bill was going to the Senate and that it might be changed over there. As a Member of the House, I listened to debates here recently when Members of the House said this is the more intelligent and capable body of the two, and I object to sending bad language over there, or destructive language, and leaving it to those busy gentlemen of the Senate to render the language harmless.

Mr. TAYLOR of Colorado. Will the gentleman yield for a question?

Mr. CLANCY. Yes, sir; gladly.

Mr. TAYLOR of Colorado. Of course, I will admit this is the more intelligent body, but the gentleman has made three speeches already on this amendment, which I have not yet offered, and it seems to me the gentleman should wait until the amendment is offered.

Mr. CLANCY. The gentleman not only says he is going to offer the amendment, but he has taken the attitude that so far as possible he is going to prevent adequate discussion of it.

Mr. TAYLOR of Colorado. No; I have not said that.

Mr. CLANCY. Well, the gentleman has frequently objected to discussion. I demand to have discussion of it here. I have stated what the Secretary of the Interior says and what the Secretary of Agriculture says, and what the head of the Geological Survey says, in objecting to this amendment. I put it up to the experience of the gentleman from the plains and Rocky Mountains if the distances that these agents have to travel are not vast. The chiefs of the bureaus state themselves that three or four hundred miles is nothing for the Government employee to travel in a day, and when a man has to go to look after some emergency with respect to a burning oil well, a flood, or a case of water pollution, and has to travel 50 or 100 miles after he gets the telephone call, he should not be barred from traveling from his home to his work. It may be a forest fire or an injury to a person, but in any event, he can not use his official car to go to the place of the emergency, and when he gets there and may have to work several days and nights, as they often do, as the gentleman on the committee well knows, the language of the amendment forbids him going from the scene of the work to his home in one of these automobiles.

Now, I say that when you wreck the service out there in such bureaus as this, the Geological Survey, the National Park Service, the Alaska Service, the Bureau of Public Roads, I think it worthy of discussion. The introduction of an hour and a half of debate on general questions of economy, although we had a very good debate, and a very good leading speech by the gentleman from Arizona [Mr. DOUGLAS], still I object to shutting off discussions of matters like this poorly drafted amendment.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

Mr. LOZIER. Mr. Chairman, I am in full accord with the attitude of the chairman of the committee to have this bill passed this afternoon. I rise to make a brief observation. The gentleman from Michigan [Mr. KETCHAM] interrogated the gentleman from Arizona as to the national wealth and national indebtedness of Great Britain, and the very able gentleman from Arizona stated that the national debt of Great Britain was about £7,000,000,000, which is substantially correct, or, to be exact, £7,596,000,000. But the gentleman from Arizona overlooked that part of the question propounded by the gentleman from Michigan in relation to the national wealth of Great Britain. It may be worth while to supply this information.

According to Sir Josiah Stamp, a great British economist, the national wealth of Great Britain is $122,000,000,000, and the national debt is $32,000,000,000, which would make the national wealth of Great Britain approximately $90,000,000,000.

May I call attention to the fact that the national debt of the United Kingdom is approximately 30 per cent of the national wealth of the United Kingdom, while in the United States the national wealth, according to the last statistics,

is $330,000,000,000, and the national debt is only approximately 5 per cent of our national wealth.

Mr. LAGUARDIA. Is that the wealth of the United Kingdom or the wealth of Great Britain?

Mr. LOZIER. The United Kingdom. It is difficult to get the wealth of the British Empire, including its Dominions, because so much of its wealth is not actual but potential wealth. In 1913 the national wealth of the American people was $187,000,000,000, which in 1921 had grown to $330,000,000,000. In recent years our national wealth reached approximately $356,000,000,000, but according to recent reliable statistics, our national wealth has since declined to $330,000,000,000, or about what it was in 1921. I have made this statement comparing the wealth and indebtedness of the United States and Great Britain because of its bearing on our tax problem. While the United States debt is approximately only 5 per cent of our national wealth and the debt of Great Britain is approximately 30 per cent of the national wealth, the taxpayers of Great Britain are being more heavily taxed than the American people. But under the 11 years of prodigal and extravagant management of our national affairs by the Republican Party taxes have increased tremendously and have long since become unbearable.

The Clerk read as follows:

Carlsbad Caverns National Park, N. Mex.: For administration, protection, and maintenance, including not exceeding $800 for the maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $71,800; for construction of physical improvements, $57,000, and in addition thereto $13,000 of the unexpended balance of the appropriation for physical improvements for the fiscal year 1932 is continued available, including $20,000 for passenger elevator, not exceeding $19,000 for the construction of buildings, of which not exceeding $6,000 shall be available for a messhouse, $8,000 for improvements to employees' quarters, $5,000 for an addition to a bunkhouse; in all, $128,800.

Mr. TAYLOR of Colorado. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of Colorado: Page 81, line 12, after the word "appropriation," strike out the words "for physical," and in line 13, strike out the word "improvements."

Mr. TAYLOR of Colorado. Mr. Chairman, the officials of the Interior Department feel that that language should be slightly modified so as to avoid any question by the Comptroller General in respect to the expenditure of that money.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KVALE. Mr. Chairman, I ask unanimous consent to speak for one minute out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KVALE. Mr. Chairman, in a section of the gallery of the House at the present time we have as our guests Sir Thomas Fearnley, of the International Olympic Committee; Dr. Cato Äll, of the Norwegian Olympic Committee; and Maj. S. J. Arnesen, of New York, of the American Olympic Committee. Accompanying them are six of the champion skiiers, representing the splendid nation and the fine people of Norway at the recent Olympic games at Lake Placid, N. Y. [Applause.]

The Clerk read as follows:

Crater Lake National Park, Oreg.: For administration, protection, and maintenance, including not exceeding $800 for the maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $54,800; for construction of physical improvements, $33,200, of which $3,500 shall be available for an employees' quarters, $2,500 for a comfort station, $8,000 for a superintendent's quarters, $12,000 for a ranger dormitory, $6,000 for a machine shop and utility shed; in all, $88,000.

Mr. MURPHY. Mr. Chairman, on July 16, 1931, I had the good fortune to be a member of the congressional party which dedicated the memorial in Crater Lake National Park, Oreg., erected in memory of the late Nicholas J. Sinnott, Representative in Congress from Oregon and chairman of the House Public Lands Committee. Since all Members of the House of Representatives could not be present, I present herewith an account of the ceremonies, to make it a matter of congressional history.

The memorial is an attractive stone building on the rim of Crater Lake, which serves as an observation station and orientation point for all park visitors. In it soon will be installed, through the cooperation of the Carnegie Institution of Washington, exhibits and instruments, including telescopes, which will assist the visitor in interpreting the geologic history of Crater Lake.

The dedication ceremonies at the memorial were presided over by Horace M. Albright, Director of the National Park Service and a personal friend of Mr. Sinnott.

The proceedings were as follows:

Mr. ALBRIGHT. Members of the congressional party and other friends of Representative Sinnott, we have gathered here to-day to dedicate a great memorial to a great man.

As many of you know, Nicholas J. Sinnott was born in The Dalles, Oreg., December 6, 1870. Practically his whole life was one of public service. After a few brief years in the Oregon State Senate, he was elected to the Sixty-third and to the seven succeeding Congresses and served for several terms as chairman of the House Public Lands Committee. It was in that capacity that I met him and formed for him a lasting friendship.

In 1925, when the Appropriations Committee was in the Yellowstone, Mr. Sinnott was there also. He and I accompanied the committee to the top of Mount Washburn and there, gazing off at the wonderful panorama spread out before us, Mr. Sinnott quoted from the Bible—from the Book of Isaiah—the following verse: "I will make all my mountains a way, and my highways shall be exalted." I was so impressed with the appropriateness of this quotation that I had it printed on a movable sign placed on Mount Washburn for the use of visitors wishing to take pictures of the fire lookout station located there. The sign reads:

Mt. Washburn,
Altitude, 10,317 feet
"I will make all my mountains a way.
and my highways shall be exalted."
—Isaiah, chap. 49, verse 11.

This sign is held by people when having their pictures taken in their own automobiles or in busses on the top of Mount Washburn.

Mr. Sinnott loved his home country of Oregon, and particularly Crater Lake. Nowhere is this reflected more clearly than in his own words when on June 7, 1924, he addressed the House as follows:

"I wish I could take you out into my country and show you that the Almighty Himself meant the snows upon the mountains should be wedded to those broad areas of fertile volcanic dust. I wish you could see how amphitheaterlike the hills rise and radiate from the Colorado and the Columbia to the cardinal points. How hills pile on hills, how they rise in the purple haze of twilight like billows suddenly stilled on the crest; how the rim of the amphitheater and the horizon is pillared with a dozen lofty, eternally snow-capped peaks, once blazing beacons, now only reflecting above the dust of the valleys the soft glow of the setting sun as the day drops into the western waters of the Pacific. These snow caps eternal are our reservoirs; the Almighty invites us to wed the snow on those mountains with one vast area of fertile, volcanic dust." Sinnott, June 7, 1924, on Vale and Owyhee projects. (CONGRESSIONAL RECORD p. 11221, pt. 11, vol. 65.)

I know that each Member of Congress here will want to say a few words about his late colleague, and so shall cut my own personal remarks short. I do, however, want to outline the history of the memorial. This beautiful little structure was made possible by the action of former Representative Louis C. Cramton, of Michigan, at that time chairman of the subcommittee of the House Appropriations Committee handling Interior Department appropriations, and his colleagues on the subcommittee, four of whom are here to-day. In the section of the Interior Department bill for 1931 relating to national-park appropriations, the subcommittee introduced an item reading: "And including not more than $10,000 shall be available for the Sinnott Memorial Rest."

In presenting this item, Mr. Cramton said on the floor of the House:

"In closing, let me tell you of one more item which I am sure will appeal to you. The Crater Lake National Park in the State of Oregon is a gem, where the peak of a mountain was knocked off and in the resulting crater lies a richly colored lake, one-half a mile below the rim. A great drive, 30 miles or more in length, is to carry you around that rim, and at the most desirable point on that rim, where a visitor to the park is likely to want to park his car and go out and take a look at this marvelous bit of scenery, there will be a telescope for his use, and we also have in mind, although these plans are only tentative, to place there a great stone bench, to stand there forever as a memorial to our late colleague, Hon. Nicholas J. Sinnott.

"He served in this House many years, was chairman of the Committee on the Public Lands, and as such had the implicit confidence of this House.

"He rendered an outstanding service as chairman of the Joint Committee on the Northern Pacific Land Grants. He was always

a great champion of the national parks. He visited many at great risk to his health. And so our committee has recommended that the Sinnott memorial rest be constructed. It is especially fitting that it should be in this park in Mr. Sinnott's own State, a park that he especially loved and which he described once in a speech in Congress in language of superlative beauty. It was in connection with the marshaling of the legal authorities that our late colleague made an eloquent speech on the Oregon country. In the course of it came his tribute to Crater Lake, which we proposed to have preserved at Sinnott Memorial Rest, in letters of stone or bronze, so that always and ever the visitor to Crater Lake may look at that scenic gem, then read Sinnott's words and look again. This tribute to Crater Lake is but a paragraph or two in an eloquent, poetic descriptive section which 'Nick,' as we knew him, inserted in a great speech he made on the water power bill. That speech was a masterly discussion of the recapture clause—the rights of the States and the Nation—a splendid legal argument,, a statesmanlike presentation.

"Then he turned to his loved Oregon, to his loved wide out-of-doors."

The item met with the unanimous approval of Mr. Sinnott's old colleagues.

The National Park Service immediately began the preparation of plans for the memorial, getting the best opinions possible on its location and construction. It was designed by Chief Landscape Architect Thomas C. Vint and Assistant Landscape Architect Merel S. Sager, of the National Park Service, and built by Superintendent Solinsky, of Crater Lake Park, with the assistance of engineers detailed from our San Francisco field headquarters. The little gem you see before you to-day is the result—something I am sure our old friend would be glad to have erected in his memory even on the rim of his beloved Crater Lake.

I will not take up any more of your time but will now call upon our distinguished guests, who wish to pay their personal tributes to Nicholas J. Sinnott. First we will hear Representative DON B. COLTON, of Utah, who succeeded Mr. Sinnott as chairman of the House Public Lands Committee. Mr. COLTON.

Mr. COLTON. Mr. Albright, ladies, and gentlemen, those of you who knew Nick Sinnott as we Members of Congress knew him will realize that this is a fitting memorial to him. It is particularly appropriate.

Nicholas J. Sinnott was born at The Dalles, Oreg., December 6, 1870. He grew to manhood in that neighborhood. We are especially glad to know that some of his neighbors and boyhood friends have come up here to this dedicatory service. They can tell you a more intimate story of his young manhood. He was a great lover of the great out-of-doors. As a boy he took joy in going into the mountains, in fishing in the streams, and in roaming into the wild places of his native State, which he loved so well. When he grew to young manhood he spent his summer vacations working among the stock in the hills, and the strength of the hills somehow grew into his very system, so that he loved all nature. He was never happier than when he was communing with nature in God's great outdoors.

He went to school at The Dalles and the Wasco Independent Academy. He later entered the great school of Notre Dame in Indiana, maintained by the great church of which he was a member. He was a good student, a noted athlete; he loved the river, was a good oarsman and a good trackman. He made a name among the great athletes of the country. He graduated from Notre Dame in 1892, came back to Oregon, commenced the study of law, and was admitted to the bar in 1895. In 1901 he married Isadore Irene Purcell, of Rathdrum, Idaho. They had four children, one of whom preceded her father to the spirit world. He went into partnership with Judge Bennett. He stayed with this firm until elected to Congress in 1912. He practiced law all that time, except in 1909 and 1911, when he was in the State senate.

In 1912 Nicholas J. Sinnott was elected to the Sixty-third Congress and served there until elected to the Seventieth Congress. He was appointed by President Coolidge to the United States Court of Claims in May, 1928. It is of him as a Congressman that I shall speak to-day. I met Judge Sinnott prior to my election to Congress. I admired him from the beginning. He had a keenly analytical legal mind. He was a judge by nature as well as by training. He was chairman of the Public Lands Committee. He was an authority on the public land laws, and it was very seldom when a question came up that Judge Sinnott could not immediately tell us the date of the law covering the point and the place it could be found. He was broad of vision, with a national viewpoint. He was fair in debate, yet strong. He was always fair on matters that affected the Nation at large, and especially with reference to problems peculiar to the West. He did not want to take an unfair advantage but was content with having made the best fight possible and leaving the decision to the good judgment and fairness of his colleagues.

Some one has said, "He lives best who can meet sorrow without bitterness and not be coarsened by prosperity, who though defeated, fights on, or triumphant remains humble, and who carries into the deepening shadows of old age the hopefulness of youth, and who, when the sun was setting, his confidence of the morning. Such a man has lived well." Such a man was our friend, colleague, and brother. He knew well what it was to meet sorrow. Sorrow and defeat did not embitter him. His friends testify that success did not change his nature. They bear witness to-day that he was loved throughout his district.

He came of pioneer stock. I need not say much about that. I can only pause to say that in all the world's history there is no better, truer, or braver people than those who pioneered the great United States west of the Missouri River. Nick Sinnott came of that stock. His father, who was of Irish descent, came early to Oregon and established himself in business. He worked for the benefit of the community, as is the habit of that sturdy stock, as well as for himself.

When growing to manhood, Nick had a natural inclination along literary lines, making apt quotations, and when in a humorous mood he would often turn to Mark Twain. Very often he would quote from Shakespeare and from the Bible, and I believe his mind was of very much the same caliber as Justice Oliver Wendell Holmes, who now sits upon the Supreme Bench of the United States. He could have turned his attention to literary pursuits and made a success of it, but he chose to make law his life's work. His study of the great authors was certainly one of his keenest delights. Attention is called to his description of the great Crater Lake which he loved so well:

"Cauldronlike and circular, 7,000 feet high, is perched amid the peaks. Perpendicular sides of slaggy lava rise over a thousand feet from waters of indigo blue 6 miles across and 2,000 feet deep."

"To the scientist, a mighty volcano collapsed within itself, Mount Mazama, 15,000 feet high, telescoped.

"To the poet, 'the sea of sapphire,' 'the sea of silence,' 'the lake of mystery.'

"To me, a shell hole of a war of worlds—who knows?

"Could the great blind poet have seen this marvel ere his pen had Lucifer and his host of rebel angels—

"'Hurled headlong flaming from the ethereal sky,

"'With hideous ruin and combustion down—'

"in Miltonic imagery here he'd have found the impact."

Somehow I can not help but believe that our comrade is pleased with this action to-day. I have not time, nor inclination, nor desire to philosophize long on the problems of life, and yet I do not think it would hurt to pause for a moment to give a beautiful thought from the drama of Ion: "The hope of immortality, so eloquently uttered by the death-devoted Greek, finds deep response in every thoughtful soul." When about to yield his young existence as a sacrifice to fate, his Clemantha asks if they should meet again, to which he replies: "I have asked that dreadful question of the hills that look eternal, of the clear streams that flow forever, of the stars among whose fields of azure my raised spirit has walked in glory. All were dumb; but as I gaze upon thy living face I feel that there is something in the love that mantles through its beauty that can not wholly perish. We shall meet again, Clemantha."

And so to-day I repeat again that our friend and companion is happy over this. To him we dedicate this beautiful edifice, so wonderfully appropriate, in this peaceful atmosphere, where all life seems to pulsate as in no other place. He saw sermons in these stones, he saw laughter in these brooks, he saw joy in the handiwork of Nature.

We offer this building to the great Government that he loved and served so well, and may the God of nature be kind to it and the elements preserve it as long as possible that it may long continue to be a monument to him and a blessing to all the people.

Mr. ALBRIGHT. We will now hear from members of the Appropriations Committee, who have made possible the carrying out of our plans at Crater Lake as well as in the other national parks through their sympathetic understanding of the problems and needs of these areas. First will be Representative MURPHY, chairman of the committee. Mr. MURPHY.

Mr. MURPHY. Director Albright and friends of Nicholas Sinnott, Nicholas Sinnott was my friend. Nicholas Sinnott was large of frame, with a splendid mind and a sense of humor that was not only a delight to his friends but I am sure was a comfort to him as he encountered the many obstacles which are thrown across the pathway of the life of every man. Nicholas Sinnott was true to the faith that he nursed from his mother's breast. He was truly a man of God. Gifted with a love for the great outdoors, he loved the woods, he loved the flowers, he loved the rugged mountains on whose trails he spent many hours. He enjoyed all the beauties of the great outdoors. His ear was attuned to catch the sweet music of the fluttering insects or the sweet-singing birds as their notes trilled their song of freedom. He enjoyed the fragrances of the sweet and beautiful wild flowers as they nodded to him when he passed by. He saw the beauties in the colors that fringed the lake that fills the crater of this rugged mountain top. Yes, Nicholas Sinnott was one of nature's noblemen; and what a suitable place this is to erect a building in memory of that sturdy American. But best of all is the monument of love that is already built deep in the hearts of those who knew Nicholas Sinnott best, and I think it is quite fitting and in place to have read to this assembly at this time the wonderful speech delivered in the National House of Representatives by the one whose memory we are honoring here to-day:

WHERE ROLLS THE OREGON

"Mr. Chairman, I want to see the development of the 40,000,000 horsepower accredited to the West, the 20,000,000 horsepower accredited to the Columbia River Basin. It was there I was born, at The Dalles, at the end of the old Oregon Trail, near the edge of what was once known as the Great American Desert. Here the beautiful panorama of the Columbia River spread before the pioneer. Here it was that the weary immigrant homeseeker after

months of toilsome trekking across the plains 'shook the depths of the desert gloom with his hymn of lofty cheer' as the Columbia came into view.

"Here he embarked in the bateau of the Hudson Bay voyageur for the evergreen of the Willamette Valley.

THE INLAND SEA

"A great inland sea once covered eastern Oregon, Washington, and parts of Idaho, so geologists tell us, and immediately west of The Dalles it broke through the barrier of the Cascade Range in some titanic convulsion of nature.

"The Indian legend is that Mount Hood and Mount Adams, once espoused, engaged in a mighty marital combat, whose struggles broke the mountain barrier, and the inland sea disappeared through the gorge of the Columbia.

"The Indian's awe even now bears witness to the tribe's tradition. From his canoe as he glides through the Columbia's gorge he sees the two mythical mates of a Miocene age, Hood and Adams, now hiding behind the towering hills, ever and anon through favorable gaps in the gorge stealing furtive peeps each at the other.

"It may be so. Perhaps the Indian 'who sees God in the wind' witnessed some colossal cataclysm of nature. The surroundings bear evidence of the epochal. A broad river suddenly turns on edge at train speed, rushes through a gash in the lava flow. Palisades, a sheer thousand feet, dwarfing the Hudson's, rise from the water's edge. Giant causeways abound, dwarfing Erin's.

CRATER LAKE

"Southward, Crater Lake, 'the sea of silence,' cauldronlike and circular, 7,000 feet high, is perched amid the peaks. Perpendicular sides of slaggy lava rise over a thousand feet from waters of indigo blue 6 miles across and 2,000 feet deep. To the scientist a mighty volcano collapsed within itself; Mount Mazama, 15,000 feet high, telescoped.

"To me, a shell hole of a war of worlds.

"Could the great blind poet have seen this marvel ere his pen had Lucifer and his host of rebel angels—

'Hurled headlong flaming from the ethereal sky
With hideous ruin and combustion down'—

in Miltonic imagery here he'd have found the impact.

OUR RESERVOIRS

"Amphitheaterlike the hills rise and radiate from the Columbia to the cardinal points, hill piling on hill, rising in the blue purple haze of twilightlike billows, suddenly stilled on the crest, till the rim of the amphitheater and horizon from central Oregon is pillared with a dozen lofty, eternal, snow-capped peaks, once blazing beacons, now only reflecting above the dusk of the valleys, from lofty eminences of snow and ice, the soft pink glow of the setting sun as the day drops into the westward waters of the Pacific.

"These snow caps eternal are our reservoirs.

THE HAND OF THE GREAT ARCHITECT

"Whether you look at the sublime landscape with the eye of the scientist or through the Indian's legendary lore you see how the hand of the Great Architect hewed for the future.

"The waters, once slowly seeking the inland sea, now toss and tumble in cataracts from 'the Cascade's frozen gorges,' exhaustless in energy and power, awaiting man's will.

"I have seen much of the development of this part of the West—the final retreat of the Indians to their reservations, the departure of the cattle baron, the advent of the sheepman, the coming of the homesteader, each contesting proprietorship.

"Though we had many favored localities, we were wont to question the wisdom of the Master Hand that heaped the mountains when some sojourner told us of the easily tilled plains of the Corn Belt. When he spoke of the copious rains and abundant crops of his home we envied that clime and questioned the wasteful hand of the Great Architect that scattered the immense arid and semiarid belts and plateaus of the great inland empire. We could see no Divine foresight or plan in the great depth of prolific and fertile volcanic ash covering immense areas, devoid of all save a scanty rainfall, with snow-clad mountains pouring their inaccessible waters into deep gorges and canyons.

"From a scenic standpoint all seemed majestic and sublime, but we felt we were surfeited with scenery. From the point of utility we would have improved on the designs of the Great Architect.

"Our finite minds could not fathom the infinite purpose. We did not appreciate the 'precious jewel' in all that seemed ugly and forbidding when pioneer-day material wants alone were considered.

"The possibilities of 'white coal' were way beyond the ken of the pioneer; they are almost beyond the scope even of our own imagination. But we have at last come to a realization of the rich resources the prodigal and bounteous hand of nature has placed at our disposal.

"We are skeptics no longer.

"The development, through the slow processes of the past, the requirements of countless acres for the bleating, lowing herds, the slow upbuilding of a frontier by the weary and intermittent toil of the homesteader with meager means to improve, the idle year of the summer fallow, the drought, the parch and shrivel of the eastern wind, will no longer be witnessed if we are wise enough to pass laws to put the turbine in our mountain torrents, the life-giving waters on our arid, thirsty soils.

"Thus, and only thus, will His design be consummated 'where rolls the Oregon.'"

Mr. ALBRIGHT. Representative E. T. TAYLOR of Colorado, ranking Democratic member of the Interior Department subcommittee and perhaps its next chairman, served on the Public Lands Committee with Mr. Sinnott many years ago. Mr. TAYLOR.

Mr. TAYLOR. Director Albright, ladies and gentlemen, it is really a very great privilege, a matter of pride, for the Members who know Nicholas Sinnott during his lifetime to be here and take a humble part in this ceremony. The thought that comes to my mind most forcibly on this occasion is this: In the first place, he was a many-sided man, and all of them were bright, all of them were commendable, all of them were lovable. And when a man of that type passes away—an honor to his State, an honor to his Congress, an honor to his country—when he passes away, it seems to me that it is particularly fitting and commendable that some tribute like this should be paid to him.

Do you realize that this is an inspiration to the youth of our State and our country? It is a stimulus to try to do things worth while. I can not but believe that if our Brother Sinnott could know of these ceremonies, he would appreciate them. He would rather have this than the highest monument that could be erected to him. This kind of a memorial will go on for succeeding generations, possibly for a thousand years or more. During all that time the State of Oregon will be proud of him, and the youth of the West will take inspiring courage and stimulation to be worthwhile citizens, as he was.

He was not only a great man but he was an encouragement to those who surrounded him. Congressman SMITH and I served with him in committee work for many years. There are some 435 Members of Congress. A great many we admire, some we look upon indifferently, but some stand out in our memories. Some, we feel, are superior Members. They are worth-while American citizens. Nicholas Sinnott was one of those. For that reason I feel that every Member of Congress who is living to-day and who served with Nicholas Sinnott would be proud if he could be here and take part in this ceremony. He would feel he was honoring himself, his State, and his country in having a part in so worthy an American tribute as we are paying to him to-day.

Mr. ALBRIGHT. Representative BURTON L. FRENCH, of Idaho, is a member of the Appropriations Subcommittee and for years served on the Public Lands Committee. He ranks sixth in point of length of membership in the House.

Mr. FRENCH. Director Albright and friends, I am sure I voice the thought of all Members of Congress when I approve the beautiful fitness of the erection of a memorial in Crater National Park in memory of the services and character of Nicholas Sinnott.

I like to think of the Members of Congress being, as it were, a cross-section of the citizenship of our country. I believe that that is true. Those who have spoken to-day have indicated particularly the traits of character that drew Nicholas Sinnott to his colleagues and bound him to them with hoops of steel. They are the characteristics that we like to think of and that those who knew him will always cherish; and yet, may I call attention to just a few attributes of that strong personality that made his services such that Congress, his neighbors, and personal friends all desired a memorial to be erected in his honor?

There are people we love to whom memorials are not erected. In the Congress Members by their daily conduct define their relationship to that great body and to public service. The first attribute, as I see it, which must be possessed by a Member of Congress to assure eminence in that body is ability. Nicholas Sinnott was able in degree that was outstanding. The second attribute that must go with ability is willingness to work. Members of Congress can in large measure prescribe the work that they will do, the routine work that comes in from day to day, their contact with people from home, and the degree of their assumption of the larger responsibilities of State, of Nation, of the world. A man who would rise high in the estimation of his colleagues must impress them with tremendous earnestness, with fidelity to a purpose. Those qualities must permeate a man who comes to occupy high place in the estimation of those with whom his life is spent.

Finally a man who takes eminent place in the Congress of the United States must have not only ability in fine degree, willingness to work, and earnestness of purpose but in great measure that which is closely akin to the latter—courage of his convictions. Colleagues must know that he is a man trusted by his people to carry into execution the honest judgment to which his conscience leads him as he thinks of the problems of state and that his conviction as expressed is the conviction of his soul.

In conclusion, may I say that as Nicholas Sinnott was a man of powerful physical strength and stature, so too he was a giant in the intellectual, moral, and spiritual world. Even as the mountain summits that are about us lift themselves above the hills, so Nicholas Sinnott towered above his fellow men. It is eminently fitting that a memorial to his memory should stand in this rugged place from which the passers-by will gaze throughout the years upon mountain peaks, upon towering trees, upon nature in her grandest form.

Mr. ALBRIGHT. We will now hear from Mr. HASTINGS, Representative in Congress from the great public-land State of Oklahoma and a member of the Appropriations Committee.

Mr. HASTINGS. Director Albright and Oregon friends of the late Nicholas Sinnott, it is an unexpected privilege that I briefly participate in these ceremonies.

Nicholas Sinnott was a typical son of the West and a splendid Representative. I feel sure that no man who ever sat in the American Congress understood the great problems of the West any better than did Mr. Sinnott. As has already been stated, he

was an authority on public lands, in which the States west of the Mississippi are so greatly interested. He knew the Indian question. He held the confidence of the Indians of the West to an extent enjoyed by but few men in the Congress of the United States. He sympathized with them and was of great assistance to them in securing legislation for their benefit. He was deeply interested in the Park Service, and there was not a single piece of legislation affecting this service enacted while he was in Congress that did not bear his imprint.

He was a careful legislator. He was a loyal friend of every citizen of his district, and he was as much beloved in Congress as he was in the district that he so effectively and so ably represented. There were but few men who represented a district in Congress that so whole-heartedly gained the confidence, affection, and esteem of the Members of the Congress of the United States as did Nicholas Sinnott. I am glad to be here upon this occasion and to briefly participate in these ceremonies, and to say to the people of Oregon and of the district in which he lived and which he so ably represented, that he was admired as much by his colleagues in the Congress of the United States as he was trusted by the splendid citizenship that he so long represented.

Mr. ALBRIGHT. We will next hear from Representative ADDISON T. SMITH, second ranking Member of the House Public Lands Committee and chairman of the House Committee on Irrigation and Reclamation, who was a long-time friend and associate of Representative Sinnott.

Mr. SMITH. Director Albright, my colleagues, and friends, I count it a rare privilege to have this opportunity of paying a tribute to my friend, Nicholas Sinnott. We came to Congress at the same time, 18 years ago last March, from adjoining States. We happened to be assigned to the same committees—Public Lands and Irrigation. I leaned upon him as I would upon a brother, because of his great ability and his experience in public affairs.

We have two kinds of statesmen—constructive statesmen and obstructive statesmen. Judge Sinnott belonged to the former class. He was always on the alert for legislation that would be constructive and that would be to the interests and happiness of the people, not only of his State but of the entire Nation.

It was my good fortune to travel with Judge Sinnott through this State four years ago, and in every town we visited in this district you could see evidence on all sides of the great esteem they had for him and the admiration in which he was held.

I recall many times in our Committees on Public Lands and Irrigation when it would seem to be absolutely impossible to reconcile the differences of opinion in regard to legislation. Oftentimes he would pick up a pencil and a pad of paper while the others were wrangling and prepare an amendment or a change in the phraseology which would make it possible for us to agree.

He was also a diplomat. I have known times on our committee when it appeared that it would be impossible to carry on the business in a fair manner * * * but by a few well-chosen words he was able to pour oil on the troubled waters and bring us what we all so much desired, and that was legislation that was in the interest of all the people of this country.

I loved Nicholas Sinnott as a brother, and it was my great privilege, when he was serving his last few hours, to make a statement of his great work, and that statement was followed by others of his colleagues. I don't think we wanted to see him retire, because we felt that the House would not be the same with Nicholas Sinnott away, but he seemed to feel he wanted to accept the position that was tendered to him by President Coolidge. But I always felt that he would rather have stayed among us instead of gracing the bench, as he did.

I am glad of the opportunity of meeting with his friends here and joining in these splendid tributes to a man outstanding in our country.

Mr. ALBRIGHT. Representative ROBERT LUCE, of Massachusetts, is chairman of the House Committee on the Library, which, in addition to its duties in connection with the Library of Congress, also is charged with the regulation of monuments to the memory of individuals, battlefield monuments, and the general affairs of the Smithsonian Institution. Mr. LUCE.

Mr. LUCE. The just, the accurate, the wonderfully beautiful appreciation of Nicholas Sinnott by Representative COLTON; the eloquent words that have been spoken by Members of Congress that were closest to him in daily work—eloquent because, as you all knew, springing from the heart—leave me but little to add.

They have dwelt on Nicholas Sinnott as a representative of the West, as a typical man of the West. Perhaps I may take it upon myself to broaden that somewhat and testify to the appreciation not alone of the West, not alone of the East, but of the country as a whole as embodied in the House of Representatives—take it upon myself to testify to our gratitude that he was a Member of the House, to our gratitude that he did love nature, that he did have some share in preserving for ages to come the beauty spots of our land.

As I came in view of this one yesterday I thought of the words of Keats: "Beauty is truth; truth, beauty. This is all you know and all you need to know." The day had not ended before I found there was something more than beauty to reveal all the truth that the observer may well know. The geologist told us that in ages past there was here such a terrible catastrophe as the mind can hardly imagine. All the forces of fury raged about this spot. To-day we find the records of that catastrophe written on these towering walls.

But what do they enshrine? A sheltered, placid lake, a thing of beauty, a thing of peace. There is a phrase often heard in the service of the church to which Nicholas Sinnott belonged: "Pax vobiscum—Peace be with you." And here, too, we say to him, "Peace be with you. May your soul rest in peace. May your name on this tablet ever symbolize the peace it overlooks. May this beautiful, appropriate tribute, through years upon years to come, tell mankind that after the strife of life, after all its turmoils and struggles, there comes a crowning glory—peace."

After the Members of Congress paid their tributes to their late colleague, several Oregon friends of Mr. Sinnott were introduced, among them Mr. John Hampshire, of Grants Pass, Oreg., who played with him as a boy. Judge Will G. Steel, United States Commissioner, another old friend, briefly addressed the gathering and gave some interesting historical data about the Crater Lake National Park and Mr. Sinnott's work on several legislative measures relating to it.

Mr. ALBRIGHT. Mr. W. P. Sinnott, cousin of our late friend, will now tell us something of his personal life.

Mr. SINNOTT. Chairman Albright, members of congressional committee, and friends of Nick Sinnott, I have little to add to the eloquent tributes paid by Mr. COLTON and the other speakers to the memory of Nicholas Sinnott.

Mr. COLTON has told you that he came from good pioneer stock. He was born about the time that our far-famed Crater Lake was discovered. Nick's father and mother had much to do with the upbuilding of the then eastern Oregon country. Col. N. B. Sinnott, Nick's father, was, no doubt, the best-known man in the West in those days. He took an active part in all movements making for the security and well-being of the settlers. His fish stories and Indian tales were welcomed by many of the leading papers and magazines of the country. He was a friend of the Indians and assisted the soldiers in settling the Bannock uprising and other Indian troubles. General Howard and other United States officials sought his mediation in dealing with the Indian chiefs. The Dalles at that time was a frontier town, with no railroad. Stages, small steamboats, and pack trains were operated from this primitive distributing center. The pioneers were a hardy and honest people. Nick's parents were stanch members of the Catholic Church and Nick went through life an active and loyal member of his church. Colonel Sinnott assisted all denominations in establishing their missions, and many of the circuit riders were his warmest friends. It was under these conditions that Nick was raised—in a frontier town, surrounded by the ennobling influences of a good Christian home.

Nick was fond of outdoor life. Fishing, hunting, boating, athletics of all kinds found in him a devoted and strenuous patron. My father, P. B. Sinnott, was United States Indian agent at the Grand Ronde Reservation in Polk and Yamhill Counties, and Nick and his brother Roger, now deceased, and I spent the summer months exploring the country and learning much about the different Indian tribes. We roamed aimlessly over the country, climbing peaks, traveling through forests, up canyons, fishing and hunting, sleeping under trees, with the heavens for a roof, and Nick loved it all, finding "tongues in trees, sermons in stones, books in running brooks, and good in everything." He wandered all through eastern Oregon as a boy, and often made the difficult trip from The Dalles to Lost Lake, west of Mount Hood. Nick was a leader in The Dalles Volunteer Hose Team and competed in all State tournaments. He entered his ponies in many races with the whites and Indians and played shinny with the natives. You have been told he was a famous football player, trackman, and oarsman at Notre Dame. It was this outdoor life and love for athletics that accounted for his wonderful physique.

He had a good singing voice, sang in the Catholic Church choir, and took part in many private theatricals with great success. After graduating from Notre Dame he took up the study of law and was admitted to the bar. While a partner of Judge Bennett, Nick made a study of conditions in his district, and as a result of what he learned he resolved that if he were elected to the State legislature he would secure the passage of laws that would be of substantial benefit to his district. He offered himself as a candidate for State senator, was elected, and during the four years of his incumbency he accomplished so much for his district and the State at large that his friends urged him to run for Congress.

Following his election, he told me that he wished to become a member of the Public Lands Committee, and the Irrigation and Reclamation Committee, and he achieved this ambition. At first he encountered difficulty in securing aid from Congress. All the arid land was in his district and 11 other Western States—far removed from the center of government and the solicitude of Congress; but his persistent advocacy enlightened and persuaded his colleagues, and he soon became known as the "champion of the desert lands."

The East had only one national park and no national monuments, under the jurisdiction of the Department of the Interior. The voting power in the House and Senate was from the thickly populated East, and the eastern representatives were not directly interested in appropriations for irrigation projects and national parks. Nick finally induced the Public Lands Committee of the Senate and House to visit the West and obtain firsthand infor-

mation about these great undertakings. He personally took congressional committees to view the irrigation projects in Idaho, Washington, and Oregon, and the various national parks of the Northwest. What they saw was a revelation to them. Several years later these committees again visited the West. From then on there was little trouble in securing appropriations.

When Nick entered Congress it was almost impossible to reach any of the parks, and once there the accommodations were poor and roads and trails few and in bad condition. He made every effort to improve these conditions. As money was made available, roads and trails were provided and important points of interest made accessible. Public-utility operators built hotels, lodges, and camps. Nick's mind was on the parks—he was eager to improve them. About seven years ago I returned from a trip which took me through Kootenai and Waterton Parks in Canada, Glacier, Yellowstone, Zion, Bryce, Grand Canyon of the Colorado, Yosemite, and other parks in the United States, and Mr. Stephen Mather happened to be in Portland when I returned. Nick asked me to meet with them and they both encouraged me to suggest anything I thought would improve conditions as I found them. They asked about roads, trails, guides, horses, hotels, camps, and general service in the parks. Their ambition was to make the parks attractive places for all the people and to give them as much as was humanly possible at as little cost as possible. I spoke of the wonderful service received at Going-to-the-Sun Chalet at the head of Marys Lake in Glacier Park some 50 miles from a railroad. They knew all about the woman who managed the chalet, showing how well informed they were about conditions in the different parks.

During the past 15 years the national-park system has made great forward strides and to-day it is the wonder and delight of thousands of tourists. People from all over the world may now enjoy a healthful outing at little expense in any of the parks.

No finer men can be found anywhere than those connected with the park service. From the superintendent down, all are courteous and anxious to assist and explain everything about their park—its flora and geological story. To-day several rangers, strangers to me, voluntarily proffered their assistance. They talked interestingly of the history and geology of the park and the surrounding country and helped us in every way possible.

The park system as it is to-day was the dream of Nick Sinnott 15 years ago. Thank God he lived to see the fruition of his devoted efforts.

He gave great credit to all the superintendents and employees of the parks. He spoke appreciatively of Mr. Albright, and expressed the great admiration he had for him and his ability to carry on the work assigned to him. During his last illness he was happy to realize that his work would be carried on by Mr. Albright, your committee, and by many others, all loyally devoted to the progress of our national park system.

Knowing the Indians as he did, and speaking Chinook fluently, Nick enjoyed their confidence and good will and was of great assistance to the Indian Affairs Committee. He was also a valued member of the important House steering committee.

Nick was a man of quiet, unassuming manners and extremely simple in his tastes. The following incident is typical of him: He was making a trip through his district with a companion. He wore an old suit of clothes with a blue wool shirt. His car gave him some trouble and he had crawled under it when two sheep herders came along. Nick's companion called to the two herders, "I want to introduce you to Nick Sinnott, your Congressman." Nick stuck his head out from under the car. The sheep herders looked at each other incredulously and rejoined in unison, "What in hell are you trying to put over on us?"

Nick was level headed and a hard worker. He was in his office from early morning until late at night and attended to all details of his daily grind. He was a deliberate thinker and noted for his good judgment. He was trusted by everyone, and especially by the associates of his boyhood days who knew him best. He had the confidence of his colleagues irrespective of party. This confidence enabled him to secure the passage of legislation that was of great benefit to Oregon. He reported from his committees about 500 bills and all but 80 passed—a record indicating the confidence placed in him by both Houses of Congress. He was an expert on public land laws and drafted many of the oil leases. During his 20 years of public service to his State and the Nation he was untouched by any breath of scandal, and no one ever even accused him of any wrongdoing. From childhood he knew intimately the people of his district and the surrounding country—Indians, farmers, stockmen, miners—and they were all his friends; they admired and loved him and did not address him as "Congressman" or "Judge," but naturally and fondly as "Nick."

He felt keenly the fight that was made against him on account of his Catholic faith by officers of the Ku Klux Klan. They used their own disreputable methods to defeat him, but many old-time friends stood by him, including some who had unwittingly joined the organization. Knowing his honesty and integrity and what he had accomplished for the State and Nation, they refused to desert him, and the hostility of the Klan forces actually served to strengthen the loyalty of his friends and increase the majority which returned him to Congress.

Following his last campaign, he told me that he would not stand for reelection because it aroused feelings which he deplored, but that he would ask for an appointment as judge instead. President Coolidge was loath to appoint him as a judge of the Court of Claims because he felt that Nick was a needed leader in Congress. His many important decisions proved him to be a jurist of the highest order and his untimely death was a loss to the entire Nation.

It is fitting, therefore, that our Government should honor Nicholas Sinnott by erecting this building of Oregon stone to his memory. It is a fitting symbol of the solid lifework of a native son. It is just as he would like it to be. It is so well constructed that it will stand for endless years. A better location than Victor Rock could not be selected—this point a thousand feet above Nick's crown jewel, Crater Lake—and overlooking the beautiful Cascade Range with its many towering peaks. This memorial will be a haven for the tired and weary.

The museum exhibits to be installed here will contain not only objects from Crater Lake National Park but exhibits from other parks. They will be of intense interest to visitors, especially geologists and students. The memorial will be an inspiration to all those connected with the National Park Service.

The erection of this memorial was made possible by you, friends and colleagues of Nick Sinnott, who knew his worth and the sacrifices made by him in an effort to make the parks what they are to-day—a paradise for the people.

In behalf of Mrs. Sinnott and her family who are in Washington, D. C., and are unable to attend this dedicatory service, I want to thank Mr. H. M. Albright, Director of the National Park Service, and each member of the committee, all of whom have spoken so eloquently and feelingly of the integrity, honesty, and memorable services of a worthy colleague. I also want to thank the students of the University of Oregon for the beautiful selections so well rendered during the dedicatory ceremonies, and you, his friends, who have come from all parts of Oregon and the West to honor his memory. It is a remarkable tribute and it shows the esteem in which you treasure the character and life work of a good and useful man.

I also wish to thank Mr. E. C. Solinsky, superintendent of Crater Lake National Park, and his coworkers—all true friends of Nick Sinnott—who have so admirably arranged these beautiful dedicatory ceremonies and made this a memorable and inspiring occasion for us all.

Upon the completion of these speeches the plaque was unveiled by little Jane Solinsky, daughter of Superintendent E. C. Solinsky, of Crater Lake National Park. Since all were not close enough to read the wording of the tribute on the plaque, Mr. Albright read it aloud, as follows:

Sinnott memorial, erected by authority of Congress in memory of Nicholas J. Sinnott, 1870–1929; Member of Congress from Oregon, 1913–1923; friend of the national parks, author of many national park laws, including the first general national park highway act of April 9, 1924.

"Crater Lake, cauldronlike and circular, 7,000 feet high, is perched amid the peaks. Perpendicular sides of slaggy lava rise over a thousand feet from waters of indigo blue 6 miles across and 2,000 feet deep.

"To the scientist, a mighty volcano collapsed within itself, Mount Mazama, 15,000 feet high, telescoped.

"To the poet, 'the sea of sapphire,' 'the sea of silence,' 'the lake of mystery.'

"To me, a shell hole of a war of worlds—who knows?

"Could the great blind poet have seen this marvel ere his pen had Lucifer and his host of rebel angels—

'Hurled headlong flaming from the ethereal sky,
With hideous ruin and combustion down—'

in Miltonic imagery here he'd have found the impact,"
—Congressman Sinnott, in House of Representatives, August 20, 1918.

Mr. Albright then declared the ceremonies adjourned.

The Clerk read as follows:

Grand Teton National Park, Wyo.: For administration, protection, and maintenance, including not exceeding $700 for the maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $27,900; for construction of a comfort station, $2,000; in all, $29,900.

Mr. MURPHY. Mr. Chairman, I move to strike out the last word for the purpose of bringing to the attention of the committee a very unusual condition. We have just read the item having to do with appropriating money for the Grand Teton National Park, in Wyoming. This is a very wonderful park. When we visited there last summer we found that the residents of the great State of Wyoming, where this park is located, were voicing some objection to one of our great philanthropic Americans buying up the land adjacent to these mountains and making a present of the same to the Government of the United States. In contrast to that, when we visited Carlsbad, in New Mexico, we found that the city of El Paso, in Texas, in another State, 150 miles away, had appropriated thousands upon thousands of dollars to build a road from El Paso to reach the Carlsbad caverns, realizing that they were a great asset.

The Federal Government, the State of Texas, and the city of El Paso, recognizing the great drawing power of that

national park, have expended more than a million dollars in building roads to get to it. As I say, when we went into the State of Wyoming, we found a wonderful place, the greatest mountain scenery that we have within the continental boundaries of the United States, that the people there were objecting to the United States Government being made a present of thousands upon thousands of acres of land for which Mr. Rockefeller paid from three times to eight times its tax value to the people who owned it, all for the purpose of giving it to the Government to make a great natural refuge for wild and large game in America. We did not know what the trouble was, and we do not know now, but I think the House ought to know why we have not appropriated more money for this particular activity. Mr. Rockefeller spent about $1,000,000 of his own money buying up this land in order to present it to the United States Government, as I say, for the purpose of creating a great game preserve, and also to preserve the approach to this magnificent range of mountains, the most wonderful of its kind in all America. I think the House ought to know the situation so that if Members visit that section next summer they will understand why the park appropriation had been cut down.

Mr. CARTER of Wyoming. Mr. Chairman, I rise in opposition to the pro forma amendment. I listened with a great deal of interest to what my colleague from Ohio [Mr. MURPHY] has said in respect to the people of Wyoming being opposed to the expenditure of the $2,000,000 which was set aside by the Rockefeller Institute for the purpose of buying lands in Wyoming, to extend it to the Teton National Park. It is true that the people of Wyoming are opposed to it, and I will state the reason why. When the Grand Teton National Park was created, it was specifically stated in the act that there were to be no concessions there at all. As soon as we found Mr. Rockefeller's plan was to spend $2,000,000, we learned that he did not buy it in the name of the Rockefeller Foundation, but he formed what was known as the Snake River Land & Cattle Co. After they formed that company and bought up land, they formed the Teton Investment Co. and the Teton Transportation Co., and the Teton Hotel Co. After these lands were purchased by Mr. Rockefeller we found that concessions were given to these various corporations, and that when this land would be included within the Teton National Park they would have a monopoly of the concessions. Let me show how far they have gone in order to get control of these concessions. One day I went down to see the Assistant Secretary of the Interior to protest against the issuing of a permit for the Teton Transportation Co.

Usually when I visit the various departments and present a matter to them, the matter is taken under advisement, but in this case, instead of getting an answer from the Department of the Interior, I received a telegram from a couple of politicians in Wyoming, asking me to "lay off." That is the extent to which the Rockefeller crowd has gone to control the lands in Wyoming. This land is not park land at all. For many years this land has been designated as grazing land, and has been allowed under the homestead law.

These lands are in ranches that have been in existence for many years. The real thing behind this plan is not to add land to a park that should belong in a park, but they want to get control of the big-game country of Wyoming. I believe the gentleman from Ohio [Mr. MURPHY] is correct in his statement that at first this appears to be a very laudable plan, but when we find out what is behind it, I do not believe it is as philanthropic as those people want us to believe.

Mr. STAFFORD. Will the gentleman yield?

Mr. CARTER of Wyoming. I shall be glad to.

Mr. STAFFORD. The gentleman just stated this is what Mr. Rockefeller wanted. Are we to understand that this is an individual member of the Rockefeller family, and, if so, which one?

Mr. CARTER of Wyoming. Yes. John D. Rockefeller. He has set aside $2,000,000 in the Rockefeller Foundation for the purpose of buying this land and then turning it over to the Government. There is a contractual obligation that when this land goes into the park the concessions go with it.

Mr. LAGUARDIA. And the land will be exempt from taxes in the gentleman's State?

Mr. CARTER of Wyoming. I do not know whether that would be exempt or not.

Mr. STAFFORD. Does the gentleman mean to convey to the country that Mr. Rockefeller himself, proposes to have this money used with those strings attached to it?

Mr. CARTER of Wyoming. I do not know. The concessions are given to the various corporations that were formed.

Mr. STAFFORD. I do not know the aged gentleman who is summering down in the climes of Florida, but I have never heard it charged——

Mr. CARTER of Wyoming. Oh, no. It is John D. Rockefeller, jr.

Mr. STAFFORD. I was about to say I had never heard it charged against the elder Rockefeller that he would make any such unreasonable conditions on any gifts he had made. I suppose now that the State of Wyoming, in its majestic right, has exercised its determination over internal affairs, Mr. Rockefeller has withdrawn his proposal and is not pressing the gift.

[Here the gavel fell.]

Mr. MURPHY. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MURPHY. In view of the statement made by the gentleman from Wyoming [Mr. CARTER], I am constrained to tell a little story of what I discovered when we were in Wyoming.

We learned that there was one particular place that the Rockefeller interests were trying to buy alongside of a road now in existence, and there was a little cemetery there in which rested the remains of some pioneer's little family. The heirs to this particular piece of property told the Rockefeller interests they would gladly sell if they would allow that little cemetery to remain there. The Rockefeller interests did, for sentimental reasons, allow this particular plot of ground where the remains of this old prospector or pioneer rested to be kept out of their purchase from this man. What happened? There is a gasoline station on it now, something that Mr. Rockefeller and those who represented him have been trying to keep out of the near approach to these wonderful outdoor places, which Mr. Rockefeller and the National Park Service are trying to preserve for posterity.

That was told to us as an actual fact, and I am sure, if it is not true, the gentleman from Wyoming may correct me.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Proposed Great Smoky Mountains National Park, N. C., and Tenn.: For administration and protection of the portion of the area of such proposed park the title of which has been vested in the United States under the provisions of section 3 of the act of May 22, 1926 (U. S. C., title 16, sec. 403b), including not to exceed $300 for the maintenance, operation, and repair of motor-driven passenger-carrying vehicles for use in connection with such work, $30,000.

Mr. CLANCY. Mr. Chairman, I move to strike out the last word.

I consider it my duty to say that now we are reading 16 pages of the bill covering 25 park projects, and for each project there is an appropriation for automobile uses. I have a letter from the Acting Associate Director of the National Park Service, Hon. A. E. Demaray, saying flatly that all of this service practically will be harassed or injured or wrecked if this amendment is adopted, and he calls attention to the fact that these parks are in remote regions. They are at high altitude in many cases. They are covered with rough mountain roads and trails.

They require a rugged car, a high-powered car, and that the lowest-price car will not do the work, according to much experience. There are no towns or cities near by. It is hard to get repairs or supplies. They often have to carry four or five people and much heavy baggage. They work

long hours. They have to operate over grades as high as 20 per cent.

If there is a man shot or a man injured in a fall or in any other way, or if there is a flood or if there is a forest fire or any other contingency such as arises as a matter of everyday work, the amendment which is proposed against using his car from his home to his place of business renders that service null and void. Millions are spent to obtain a service, and when that service is needed it can not be used.

Under leave to extend my remarks, I insert a memorandum from the acting chief of the National Park Service.

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, January 30, 1932.

Memorandum for Mr. Burlew:

A limitation of $750 for a completely equipped passenger automobile would, in the case of the National Park Service, be a severe handicap.

The national parks and monuments are located in widely separated areas and most of them are in remote locations at high altitudes in heavy mountainous country. Many of the parks cover large areas and since they are located in heavy mountain country the travel from one point to the other within the park is circuitous and requires long trips to carry on the park work at all places within the park. At present many of the park roads are steep, rough mountain roads—requiring cars of rugged construction and well-powered to negotiate them.

On account of the location of the parks and monuments, generally far from outlying centers of population and supply, it is necessary for the park officials to travel by automobile for long distances in carrying on official business. Public transportation is not available with direct routing and schedules to make their use economic. Some of the park superintendents have the administration of more than one area, which requires them to get back and forth to these areas in as short a time as possible.

For the greater portion of the work in the parks where passenger-carrying cars are needed the car must be built for rough usage over rough, steep mountain roads, and it is necessary at times on these trips to carry four or five people with their baggage for overnight stops. The car must be large enough to carry the load without overloading. It must be exceptionally well constructed, so that it will not be weakened by hard usage and soon reach a poor state of repair. On practically all of the trips which the park superintendents and his officers make in the parks and to points outside of the park, the trip and work connected with it require long hours if anything is to be accomplished in a reasonable time. At the very best these trips are hard on the occupants even when made in a reasonable size car, and when long trips are made in a light automobile the physical strain is more than one can stand and at the same time carry on the work which has been occasioned by the trip. The high altitude and steep grades and heavy loads require a car with plenty of power and entirely reliable mechanism. The cheaper cars shake to pieces and early become in poor repair, and repair garages are few and far between on the roads over which the park officials travel, and servicing is very expensive and involves a great loss of time.

There are a number of general field officers in the National Park Service whose duties require that they not only travel from park to park but they must cover a considerable area within the parks which they visit. These officials are on extended trips, and carry considerable baggage, and ofttimes equipment. The distances traveled are so great that comfortable transportation becomes a necessity if the official is to be in any condition for work when he arrives at his destination. A rugged, well-powered, closed car of comfortable wheel base is not only required but is an actual necessity.

In writing up proposals for the purchase of cars the National Park Service generally specifies to meet the requirements of the Government a car of sufficiently long wheel base and design to permit long distances to be covered with comfort. It is also provided that the car must be well powered to negotiate steep grades, ranging as high as 20 per cent, and rough roads in high altitudes, carrying a heavy load. Also it must be of rugged construction and of good materials, so as to be dependable during hard usage. It would be impossible to secure this type of car, completely equipped, delivered ready for operation for not to exceed $750. At the present we are being allowed $1,200, which is the minimum amount found to be necessary to buy cars meeting our needs.

A. E. DEMARAY,
Acting Associate Director.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Hot Springs National Park, Ark.: For administration, protection, maintenance, and improvement, including not exceeding $1,300 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $83,200; for construction of physical improvements, $4,500, which shall be available for dressing booths and comfort station; in all, $87,700.

Mr. GLOVER. Mr. Chairman, I move to strike out the last word. I would like at this point to express my appreciation not only to the committee who has carefully taken care of this park but also to the Interior Department that has taken a special interest in advertising not only the Hot Springs National Park but is assisting us in advertising it as the greatest national health resort in the world. I doubt if there is any other activity of the National Government at any place that is reaching the needs of humanity and helping to cure its ills as the hot waters of this national park—Hot Springs National Park, Ark. It is not like the pool of Siloam that has to be troubled in order to get into it and be healed, but the waters there are troubled at all times. You can get into them day and night. It is not an absolute panacea for all of the ills of the world, but there are many of the ailments of humanity that are cured, and quickly cured, there.

I know that very few of the Members ever get sick, but if they have occasion to take a good rest in the mountains, where there is good water, where there are the finest hotels in the world, hotels as good as those in the city of Washington or New York, and where there are the finest people who ever met a stranger and who know how to entertain them, and I want you to come down to Hot Springs National Park and let us entertain you for a while, and you will visit there at least once every year. [Applause.]

The Clerk read as follows:

Platt National Park, Okla.: For administration, protection, and maintenance, including not exceeding $300 for the maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $22,700; for construction of physical improvements, $8,900, of which not exceeding $1,900 shall be available for two comfort stations and $7,000 for a superintendent's residence; in all, $31,600.

Mr. SWANK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SWANK: On page 86, line 13, after the word "improvements," strike out the sign and figures "$8,900" and insert in lieu thereof the sign and figures "$11,900"; and, in line 15, after the word "all," strike out the sign and figures "$31,600" and insert in lieu thereof the sign and figures "$34,600."

Mr. SWANK. Mr. Chairman, in offering this amendment I realize that in this bill the Committee on Appropriations for the Interior Department has recommended $8,140,620 for the National Park Service, which is $1,136,400 less than the Budget estimate. The Bureau of the Budget has recommended $34,600 for Platt National Park for the fiscal year 1933, and I believe this amendment should be adopted and the amount increased in this case to the Budget estimate.

In making appropriations for national parks I believe that Congress should take into consideration not only the beauty of the park and the preservation of the natural scenery but should give consideration to the benefit the park renders our citizens, who pay the money for the maintenance of our national park system. Permit me to call the attention of the committee to the fact that in 1931 Platt National Park had 325,000 visitors, and was exceeded in the number of visitors by only one other park, which was Yosemite, with 461,855 visitors, yet for this fiscal year Yosemite received $558,600 and Platt received $35,900. This same year 151,267 automobiles entered Yosemite and 100,000 entered Platt Park. For the same year Platt had 68,140 campers, which was exceeded by but three other national parks. For 1931 Yellowstone National Park had 221,248 visitors, and for this fiscal year received an appropriation of $560,800.

Many improvements have been made in Platt National Park during my service in Congress and the appropriations have been increased from $7,500 per year, when the people first sent me here, to the amount recommended in this bill. The annual report of the Director of the National Park Service states that the most important improvement during the year was the installation, at a place remote from the town and the park, of a sewage disposal plant and sprinkler filter. This cost $45,000 and was paid by the State of Okla-

homa, the city of Sulphur, and the Park Service. Many improvements have also been made at Bromide Springs. The road through the park, north and south, 1.3 miles in length, was paved jointly by the State and park at a cost of $18,000. Davis Avenue, at Rock Creek Crossing, was paved at a cost of $3,000, and all gravel roads of the park were regraveled and oiled at a cost of $6,000.

Gentlemen of the committee, this is one of the most important parks in the United States. It is not so large as Yosemite or Yellowstone, but I believe renders more real service to the people. In addition to its natural scenery and beauty, it is nationally known for the curative properties of its mineral springs.

People of modest means can go there and be restored to health as thousands do each year. They can camp in this beautiful park at little cost, bathe for nothing in the waters, and drink the health-giving waters from the many springs. For the fiscal year 1933 the committee has recommended a reduction from the Budget estimates for Yellowstone from $535,800 to $528,800, and for Yosemite from $412,200 to $399,200. I just call the attention of the committee to these facts to show the difference in the amounts recommended for these three parks, and I believe the difference is too great when we consider the number of visitors to each park and the benefit rendered the people by the parks.

Platt National Park contains 848.31 acres and was created by acts of Congress of July 1, 1902, and April 21, 1904. At the city of Sulphur there is also located the Oklahoma School for the Deaf and a sanatorium and hospital for soldiers of the World War. This is one of the finest hospitals in the entire country, and the Legislature of Oklahoma appropriated more than $270,000 for its construction. The hospital has many improvements and is in charge of a staff of most competent physicians, surgeons, and nurses. It gives our soldiers first-class treatment in every respect. The legislature located this hospital at Sulphur after an extensive and exhaustive survey by a board of competent physicians. There is no more healthful place than Platt National Park. It has more than 30 mineral springs and is a most noted health resort. People can go to Platt National Park, where they will find pure water, bromide and medicine water, and all kinds of sulphur water. One of these artesian wells flows 2,500 gallons of pure sulphur water per minute, and Buffalo Springs flows 5,000,000 gallons of pure water per day. In this park people can recuperate and recover their lost health at little expense.

Sulphur has two railroads and is traversed by the Ozark Trail and the Bankhead Highway. It is near the historic Washita River and the Arbuckle Mountains. This is a park of great natural beauty, but its chief value is in restoring people to health. I hope the committee will recommend this additional amount as provided in my amendment and restore the appropriation to the Budget estimate.

Mr. TAYLOR of Colorado. Mr. Chairman, that reduction was made in this appropriation because they were asking for some ornamental columns at the entrance to the park. We did not think the present time was appropriate to spend money for that purpose. They also proposed to repair and remodel the superintendent's residence, which we thought could wait for a year or two.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The amendment was rejected.

The Clerk read as follows:

Sequoia National Park, Calif.: For administration, protection, and maintenance, including not exceeding $1,200 for the maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $113,600; for construction of physical improvements, $16,200, including not exceeding $12,200 for the construction of buildings, of which not exceeding $2,700 shall be available for two comfort stations, $4,500 for a ranger cabin, $5,000 for a mess house and dormitory; in all, $129,800.

Mr. BARBOUR. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman a question. I notice the Budget estimate for the Sequoia Park was cut $4,700. Was that just an arbitrary cut or was it some item that was cut out of the estimate?

Mr. TAYLOR of Colorado. We cut out some requests for additional improvements. They made a request for $3,500 for a new barn and some other things. I do not think we made any material cut in the operation or maintenance items. We have disallowed a great many requests for additional constructions of various kinds. We have refused appropriations for new developments which we thought could be put off until this financial depression is over.

Mr. BARBOUR. I was curious to know just what that cut was and what it represented.

Mr. TAYLOR of Colorado. Mr. Chairman, President Roosevelt named Colorado "The Summer Playground of the Nation," and I ask unanimous consent to extend my remarks in connection with the Rocky Mountain National Park and to include in the RECORD some data I have concerning the millions of people who visit that park.

The CHAIRMAN. Is there objection?

There was no objection.

DATA ON TOURIST TRAVEL, ETC.

Mr. TAYLOR of Colorado. I offer at this point a letter addressed to me from D. R. Griggs, secretary of the Colorado Association of Denver, inclosing statement of study made of the tourist business of this park.

THE COLORADO ASSOCIATION,
Denver, Colo., January 8, 1932.

Hon. EDWARD T. TAYLOR,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: We have just sent the following telegram to Horace M. Albright, Director of the National Park Service, in Washington:

"Have just completed statistical study of tourist business and manner in which it contributes to year-round livelihood of Colorado people. This shows over 1,000,000 people visited Colorado during 1931, spending approximately $94,000,000 new money while here. This was large factor in enabling Colorado hold its economic position well in first rank as compared with other States. Since two national parks and several national monuments are located within Colorado's borders and attendance at these parks during the year shows marked increase, we are convinced the parks were major factor in attracting enormous number of visitors and that continued improvement and operation of our national parks with adequate appropriations is of utmost economic importance to Colorado."

A copy of the study mentioned is inclosed herewith.

We hope you will lend your influence toward maintaining operation of Colorado's national parks on a high plane, for they seem to be the lodestone which attracts a large percentage of our paying visitors.

Cordially yours, DUDLEY R. GRIGGS, *Secretary.*

"WHAT VALUE IS THE TOURIST BUSINESS TO ME?"

To answer this oft-repeated question of the individual, the Colorado association has prepared this study to bring to light factors not commonly known. The information shown does not give a complete answer but provides a basis on which the individual may draw his own conclusions. Tables are included showing the following data:

Number of other States' automobiles visiting Colorado; number of people arriving by private automobile; number of people arriving by railroad train; total number of visitors in 1931; where they came from; how long they remained in Colorado; how much money they spent in Colorado; apparent quantities of Colorado-grown foods consumed; quantities of gasoline and oil used; travel reports—Rocky Mountain National Park and Mesa Verde National Park.

Wherever possible figures used in this report were taken from official or public records based upon actual counts. Where estimates and averages appear they have been calculated to show a minimum rather than a maximum result, and the method of arriving at totals is explained.

HOW THE TOURIST'S DOLLAR IS SPENT

The following estimates were made during the years 1923–1927:

	Estimated by—		
	International Travel Federation	United States Chamber of Commerce	Southern California
Hotels and rooms	$0.20	$0.173	$0.21
Restaurants	.21	.205	.15
Retail stores	.25	.26	.235
Confectioners and incidentals	.06	.059	
Theaters and amusements	.08	.085	.095
Manufacturers and wholesalers			.16
Transportation		.07	
Trolleys, taxis, busses		.033	
Transportation, gas, garages, etc	.20		
Other businesses			.15
Total	1.00	1.00	1.00

Tourist expenditures aid in providing year-round employment to Colorado farmers who raise wheat, sugar beets, vegetables, fruit, poultry, dairy products, livestock, etc.; to the millers and bakers who convert Colorado wheat into flour, bread, and pastries; to wholesalers, commission houses, and retailers who handle food products; and, directly or indirectly, to every kind of Colorado business.

HOW THE HOTEL'S DOLLAR IS SPENT

This table shows how the hotels redistribute to other lines of business the money received from their guests.

	As estimated by—	
	American Hotel Association	Southern California
Salaries and wages	$0.31	$0.2853
Food, beverages, etc	.195	.2212
Taxes		.0638
Taxes and insurance	.065	
Rent		.1503
Depreciation	.095	
Maintenance		.1772
Profit		.0691
Interest and return on capital	.10	
Sundry expenses	.235	.0331
Total	1.00	1.00

Approximate number of people who visited Colorado from other States in 1931

	People by private automobiles	Estimated people by railroads	Total visitors
3 summer months, June, July, and August	588,150	202,000	790,000
9 other months, January–May and September–December	401,998	198,000	600,000
Total, year	[1] 990,148	[2] 400,000	1,390,000

[1] 323,578 other States' automobiles counted entering Colorado, with an average of 3.06 passengers per car.

[2] 27 main-line passenger trains, carrying a minimum of 100 coaches and sleeping cars, enter Colorado via 7 railroads every day in the year. It is estimated that these trains bring into Colorado a minimum daily average of 27 passengers per train during the 9 non-summer months, and 81 passengers per daily train during the heavy-travel summer months. This estimate does not take into account augmented summer schedules or extra cars and extra trains which are added every summer, but is based entirely upon minimum winter schedules.

Approximate stay and money spent in Colorado during 1931 by visitors from other States

	Visiting people	Average days' stay	June, July, and August	Total average expenditure	Total expenditure
3 summer months, June, July, and August	790,000	[1] 20	$4.58	$91.60	$72,396,000
9 other months, January–May, and September–December	600,000	[1] 8	4.58	36.64	21,994,000
Total year	1,390,640				94,390,000

[1] In 1930 the Colorado summer visitors' questionnaire shows their average daily expenditure was $5.58 and length of stay 2.95 weeks. In response to current opinion that national economic conditions prevented visitors spending as much money in 1831 as in former years, we have adopted lower factors in arriving at the above totals: By dropping the average daily expenditure from $5.58 to $4.58 (a reduction of 18 per cent applied to the entire year's travel), and dropping the average stay for the 9 nonsummer months from 3 weeks to only 8 days (a reduction of 62 per cent).

Table showing the approximate number of other States' automobiles visiting Colorado

	1929	1930	1931
January		[1] 5,610	[2] 5,560
February		[1] 5,100	[2] 5,039
March		[1] 5,100	[2] 7,889
April		[1] 6,680	[2] 11,892
May		[1] 17,850	[2] 18,397
June	[3] 42,090	[3] 45,809	[3] 45,835
July	[3] 61,777	[3] 62,887	[3] 67,934
August	[3] 81,306	[3] 82,932	[3] 78,437
September		[3] 35,110	[3] 40,408
October		[3] 22,831	[3] 23,451
November		[3] 14,856	[3] 11,236
December		[3] 7,510	[3] 7,500
Total, year		312,225	323,578
Total, 3 summer months, June, July, and August	185,173	191,628	192,206

[1] Estimated; no counting done.

[2] Actually counted entering Denver; no state-wide count available.

[3] Total actually counted at 9 gateways.

Approximately 60 per cent of the whole year travel comes in the three summer months of June, July, and August. In 1930 it reached its highest peak on August 17. In 1931 the peak seems to have been reached somewhat earlier.

The above tabulation was made from the Colorado State Highway Department traffic census. In the summer of 1929 the highway department made an experimental check of traffic at points on Colorado's principal through highways to obtain engineering data. This was repeated in 1930, and continued at certain stations in the vicinity of Denver during the late months of 1930 and early months of 1931. A state-wide check was again made during the summer months of 1931 continuing through October. Each report shows the volume of traffic moving in two directions and divides the count between vehicles carrying Colorado licenses and other licenses. This tabulation of the foreign licenses passing certain gateway stations in a direction leading toward the interior of the State makes possible an accurate estimate of the number of other States' cars visiting Colorado. An illustration of the count, by gateways, appears in the following table:

Other States' automobiles counted passing each of the gateway stations

Station, State highway number, and direction of travel	June, 1931	July, 1931	August, 1931	September, 1931	October, 1931
Northwest of Fort Collins, No. 123, southbound	4,842	6,379	7,247	4,886	2,625
Northeast of Fort Collins, No. 1, southbound	2,845	5,549	3,957	2,363	1,640
North of Greeley, No. 3, southbound	6,531	8,445	10,401	7,542	6,632
South of Sterling, No. 2, westbound				5,543	
East of Fort Morgan, No. 2, westbound	8,478	9,915	11,862		
East of Greeley, No. 2, westbound					3,623
East of Limon, No. 4 and No. 8, westbound	6,085	8,123	10,094		
West of La Junta, No. 6, westbound	7,818	7,846	11,459	4,564	3,612
South of Trinidad, No. 1, northbound	9,236	11,780	11,525	7,360	4,847
Southeast of Durango, No. 10, eastbound		2,067	2,041	2,006	
North of Durango, No. 19, northbound		1,925	1,942	578	
East of Grand Junction, No. 4, eastbound		2,752	4,624	3,403	
East of Glenwood Springs, No. 4, eastbound					472
East of Craig, No. 2, eastbound		3,153	3,285	2,163	
Total	45,835	67,934	78,437	40,408	23,451

NOTE.—No count is available for the stations where no figures are shown. For instance, counting ceased at Fort Morgan at the end of August; so, for State highway No. 2, a count was made south of Sterling in September and east of Greeley in October.

Other States' automobiles counted entering Denver

Station, State highway number, and direction of travel	June, 1931	July, 1931	August, 1931	September, 1931	October, 1931	November, 1931
Federal Boulevard at Fifty-second Avenue No. 1 south	10,794	18,295	21,179	11,398	5,146	4,615
Riverside underpass No. 2, south	12,212	15,670	15,149	9,312	3,945	4,778
Fitzsimons Hospital No. 8, westbound	6,159	8,110	5,051	3,949		704
Petersburg No. 1, northbound	11,670	18,349	23,983	8,980	4,496	1,139
Total	40,835	60,424	65,362	33,639		11,236

NOTE.—Automobiles enter Denver via a number of other gateways but the count at such gateways was not included in this table because of the impossibility of eliminating duplicate count of cars making circle trips out of Denver. No doubt some duplication exists in the count at above stations but the number of cars omitted at the excluded entrances more than offsets any possible duplication. A heavy highway-construction program throughout the State of Colorado during the year 1931 necessitated many long detours which upset the normal count at a number of important stations, particularly those at Limon and Fitzsimons Hospital.

An 8-hour daily count was made at the above stations. The percentage of the 24-hour travel passing each station during the eight counting hours was determined by frequent 24-hour counts. Such percentages range from a minimum of 37 per cent to a maximum of 66 per cent, an average of about 50 per cent.

Since there are many highway entrances to Colorado, other than those shown above, for which no count is available, the number of cars included in the State count represents a minimum of the number of cars which actually visited the State.

STATES DISTRIBUTION OF FOREIGN LICENSED AUTOMOBILES ENTERING AND LEAVING DENVER, AUGUST 22 TO SEPTEMBER 1, 1930, INCLUSIVE

This count was made to determine average people per car and percentage travel, by States. It was carried on 10 hours each day at four stations: Federal Boulevard at Fifty-second Avenue, Riverside underpass, Fitzsimons Hospital, and Petersburg.

Automobiles entering and leaving Denver

State	Cars	People	Per cent of total
Alabama	74	237	0.21
Arizona	578	1,617	1.65
Arkansas	192	697	.55
California	3,197	8,597	9.17
Connecticut	12	39	.03
Delaware	11	34	.03

Automobiles entering and leaving Denver—Continued

State	Cars	People	Per cent of total
District of Columbia	72	199	0.20
Florida	88	251	.20
Georgia	57	136	.16
Idaho	161	541	.46
Illinois	2,156	6,711	6.18
Indiana	459	1,452	1.31
Iowa	1,365	4,466	3.91
Kansas	6,104	20,244	17.51
Kentucky	92	260	.26
Louisiana	164	533	.47
Maine	10	27	.03
Maryland	60	170	.17
Massachusetts	55	147	.15
Michigan	560	1,660	1.60
Minnesota	195	563	.55
Mississippi	55	163	.15
Missouri	2,690	8,531	7.71
Montana	224	722	.64
Nebraska	4,119	13,681	11.81
Nevada	62	182	.17
New Hampshire	3	7	.008
New Jersey	154	437	.44
New Mexico	504	1,430	1.44
New York	393	1,055	1.12
North Carolina	24	68	.06
North Dakota	64	172	.18
Ohio	765	2,190	2.19
Oklahoma	2,571	8,086	7.37
Oregon	127	397	.36
Pennsylvania	180	538	.51
Rhode Island	22	51	.06
South Carolina	14	40	.03
South Dakota	305	928	.97
Tennessee	146	540	.42
Texas	3,546	9,961	10.17
Utah	391	1,010	1.12
Vermont	21	44	.06
Virginia	50	87	.14
Washington	316	853	.90
West Virginia	82	216	.23
Wisconsin	233	680	.66
Wyoming	2,124	6,085	6.09
Alberta	1	5	.02
British Columbia	1	5	
Ontario	5	9	
Canal Zone	1	2	.008
Hawaii	1	2	
Mexico	1	2	
Total	34,857	105,760	99.836

Average number of passengers in each automobile, 3.06.

Car and passenger counts made by the National Park Service in Rocky Mountain National Park indicates the following averages: 1928, 3.62 persons; 1929, 3.57 persons; 1930, 3.47 persons; 1931, 3.45 persons.

DAILY COUNT OF CARS INCLUDED IN ABOVE DENVER TABULATION

Aug. 22	4,061
Aug. 23	3,500
Aug. 24	3,632
Aug. 25	3,335
Aug. 26	3,142
Aug. 27	3,484
Aug. 28	3,141
Aug. 29	2,886
Aug. 30	2,637
Aug. 31	2,666
Sept. 1	2,373
Total	34,857

COLORADO VISITORS' QUESTIONNAIRE ANALYSIS, 1930

To obtain reasonably accurate data as to the average time and money spent in Colorado by visitors from other States, it was decided that the best place to get such information was directly from the visitors.

In the fall of 1930 letters were written to 6,000 people residing in other States who visited in Colorado during the summer of 1930. Names and addresses were obtained from the registers of 14 hotels, 6 automobile cottage camps, and the secretary of State supplied the names of a number of visitors who had taken guest automobile licenses while here.

Each person written was asked to answer questions as to the number of persons in his family or traveling party, their length of stay in Colorado, the approximate amount of money spent by them in Colorado for food, lodging, and all other purposes, the number of miles traveled in Colorado after their arrival here, whether they came by railroad or automobile, what they liked best about Colorado, etc.

One thousand one hundred and eighty-three replies were received on which every question had been answered. These covered the Colorado visits of 3,894 people and are included in the tabulation shown below. Many were here but 1 day while others stayed 2 to 6 weeks, and some 3 to 6 months. One man was here two days, drove clear across the State, said he spent $2.75 and complained about high prices. Another stayed 10 weeks and spent $3,500, explaining that he bought a string of polo ponies along for a season of play. In some cases one person drove the family car to Colorado while other members of the family came by train. Some praised the mountain roads and complained about our plains roads; others spoke well of the plains roads but were nervous in the mountains. Some criticized high hotel rates but many lauded the courteous management and service of hotels. All expressed admiration of our mountain scenery, temperate climate, and the hospitality of Colorado people. In other words they represented a cross section of the American people.

Tabulation of replies

	Hotel guests	Auto camp guests	Guest license group	Totals
Number of complete answers received	681	237	265	1,183
Total number of people reporting	2,223	880	786	3,894
Number of people by railroad	1,214	7	9	1,230
Number of people by automobile	1,014	873	777	2,664
Total stay (weeks)	6,085	1,693	3,717	11,495
Average stay (weeks)	2.73	1.9	4.72	2.95
Colorado miles traveled	550,141	254,187	379,215	1,183,543
Average Colorado miles traveled	246	288	494	303
Total money spent in Colorado for all purposes	$305,387.00	$40,967.00	$103,269.00	$449,623.00
Average expenditure per person	137.11	46.55	131.38	115.46
Average weekly expenditure	50.18	24.19	27.78	39.11
Average daily expenditure	7.17	3.45	3.97	5.58

Apparent quantities of Colorado-grown foods consumed by summer visitors in Colorado during June, July, and August, 1931

Food	United States, per capita annual consumption [1]	Quantity consumed by Colorado summer visitors	Railroad freight cars
Wheat flour—pounds	177.1	6,009,357	120
Wheat, raw—bushels	4.007	135,965	135
Corn meal—pounds	5.4	183,232	4
Dressed beef—do	61.4	2,083,424	99
Dressed mutton and lamb—do	5.3	179,839	8
Dressed veal—do	8	271,456	12
Dressed pork—do	70.2	2,382,026	113
Lard—do	14.2	481,834	16
Butter—do	17.4	590,416	24
Cheese—do	4.17	141,496	5
Ice cream—gallons	2.6	88,223	22
Eggs—dozen	17.9	607,382	59
Dressed poultry—pounds	19.8	671,853	25
Apples—do	67.7	2,297,196	91
Peaches—do	15.8	536,125	21
Pears—do	6	203,592	8
Cantaloupes—number	5.42	183,911	14
Onions—pounds	10.48	355,607	12
Potatoes—bushels	3.06	103,831	207
Lettuce—heads	6.64	225,308	12
Cabbage—pounds	18.07	613,151	25
Tomatoes—do	29.70	1,007,780	50
Dried beans—do	9.12	309,459	8
Sugar—do	101.86	3,456,313	59
Candy—do	11.76	399,040	15
Total			1,035

[1] Data from U. S. Department of Commerce, Domestic Commerce Series No. 38. Apparent Per Capita Consumption of Principal Foodstuffs in the United States. published 1930. In this study acknowledgment is made to studies by the U. S. Bureau of Labor Statistics, U. S. Department of Agriculture, and to Johns Hopkins University, Leland Stanford University, and Columbia University for statistical research.

Calculations as to food consumed by Colorado's summer visitors are based upon the number of people visiting Colorado from other States by private automobiles during the months of June, July, and August, 1931. During that period 192,206 other States' automobiles entered Colorado and brought 588,150 people, whose average sojourn in Colorado was three weeks.

It is estimated that the above quantities of Colorado-grown foods if loaded on railroad freight cars of average custom load would make a freight train 10 miles long.

Approximate quantities of gasoline and oil consumed by other States' automobiles while visiting Colorado during 1931

	Automobiles	Approximate gallons		Retail prices	
		Gasoline	Oil	Gasoline	Oil
January	5,560	111,200	2,780	$12,232	$3,336
February	5,039	100,780	2,519	10,078	3,023
March	7,889	157,780	3,944	20,511	4,733
April	11,892	237,840	5,946	30,919	7,135

Approximate quantities of gasoline and oil consumed by other States' automobiles while visiting Colorado during 1931—Con.

	Automobiles	Approximate gallons		Retail prices	
		Gasoline	Oil	Gasoline	Oil
May	18,397	551,910	13,797	$77,267	$16,556
June	45,835	1,833,400	45,835	238,342	55,002
July	67,934	2,717,360	67,934	363,257	81,521
August	78,437	3,137,480	78,437	439,247	94,124
September	40,408	1,212,240	30,306	181,836	36,367
October	23,451	469,020	11,725	65,663	14,070
November	11,236	224,720	5,618	29,214	6,742
December	7,500	150,000	3,750	16,500	4,500
Year totals	323,578	10,903,730	272,592	1,485,000	327,000

Plus State gasoline tax, at 4 cents per gallon $436,142
Total, gasoline, tax, and oil 2,248,000

Gasoline consumption and prices calculated on the following basis: January, 20 gallons per car at 11 cents per gallon; February, 20 gallons at 10 cents; March, 20 gallons at 13 cents; April, 20 gallons at 13 cents; May, 30 gallons at 14 cents; June, 40 gallons at 13 cents; July, 40 gallons at 13 cents; August, 40 gallons at 14 cents; September, 30 gallons at 15 cents; October, 20 gallons at 14 cents; November, 20 gallons at 13 cents; December, 20 gallons at 11 cents.

Oil consumption and prices calculated on the basis of 1 gallon of oil to each 40 gallons of gasoline consumed. Average price of oil, $1.20 per gallon.

States' distribution of an actual count of passenger automobiles visiting Rocky Mountain National Park during the official park season, June 15 to September 15, 1930 and 1931

State	Automobiles	
	1930	1931
Alabama	11	33
Arizona	143	176
Arkansas	60	93
California	946	1,095
Colorado	21,201	24,039
Connecticut	37	27
Delaware	3	7
District of Columbia	33	59
Florida	54	72
Georgia	15	27
Idaho	32	54
Illinois	1,933	2,566
Indiana	371	419
Iowa	1,236	1,688
Kansas	2,636	2,853
Kentucky	36	46
Louisiana	67	66
Maine	3	5
Maryland	22	33
Massachusetts	52	85
Michigan	276	398
Minnesota	220	223
Mississippi	30	29
Missouri	1,966	2,326
Montana	41	60
Nebraska	3,142	3,946
New Hampshire	3	6
New Jersey	112	158
New Mexico	103	123
New York	338	299
Nevada	22	9
North Carolina	8	15
North Dakota	30	52
Ohio	464	550
Oklahoma	1,262	1,229
Oregon	23	30
Pennsylvania	181	302
Rhode Island	20	19
South Carolina	5	5
South Dakota	128	189
Tennessee	40	52
Texas	1,206	1,358
Utah	100	109
Vermont	6	9
Virginia	3	26
Washington	36	73
West Virginia	14	11
Wisconsin	235	276
Wyoming	615	786
Alaska	1	4
Hawaii	12	3
Canal Zone		4
Panama	2	5
Canada	13	9
China		1
Total	39,548	46,137
	Per cent	*Per cent*
Increase in total cars counted		16
Increase in foreign cars counted		20
Increase in Colorado cars counted		13
Ratio of foreign cars to whole count	46	48
Ratio of Colorado cars to whole count	54	52

Number of people who visited Rocky Mountain National Park

[Compiled from official reports Rocky Mountain National Park]

Year	Actual count, 3 months, June 15 to Sept. 15	Increase over previous year
		Per cent
1931	182,549	16.4
1930	156,816	5.8
1929	148,160	20.3
1928	123,121	2.6
1927	119,894	

States' distribution of an actual count of passenger automobiles visiting Mesa Verde National Park for the travel year ending September 30, 1931

[Tabulation from report by superintendent, Mesa Verde National Park]

State	Cars	People
Alabama	2	15
Arizona	150	344
Arkansas	11	36
California	713	1,621
Colorado	2,175	8,314
Connecticut	19	45
Delaware	0	2
District of Columbia	29	81
Florida	10	42
Georgia	5	14
Idaho	19	45
Illinois	193	633
Indiana	74	181
Iowa	110	249
Kansas	206	618
Kentucky	10	38
Louisiana	9	64
Maine	3	23
Maryland	17	40
Massachusetts	47	133
Michigan	93	190
Minnesota	38	116
Mississippi	3	11
Missouri	141	462
Montana	7	19
Nebraska	99	300
Nevada	4	14
New Hampshire	4	14
New Jersey	48	131
New Mexico	271	1,000
New York	99	370
North Carolina	3	20
North Dakota	6	19
Ohio	104	325
Oklahoma	136	438
Oregon	14	60
Pennsylvania	61	218
Rhode Island	0	4
South Carolina	2	9
South Dakota	11	58
Tennessee	7	24
Texas	179	752
Utah	93	360
Vermont	1	4
Virginia	4	34
West Virginia	7	22
Washington	24	96
Wisconsin	36	154
Wyoming	28	98
Foreign lands	9	113
Total	5,334	18,003

1930 travel, 5,023 cars, 16,656 people; increase, 1931, 8.9 per cent.

Visitors to various national parks

[From annual report National Park Service—Includes actual counts and estimated attendance for full years]

	1930	1931
Rocky Mountain, Colo	255,874	265,663
Mesa Verde, Colo	16,656	18,003
Carlsbad Caverns, N. Mex	90,104	81,275
Glacier, Mont	73,776	62,497
Grand Canyon, Ariz	172,763	156,964
Yellowstone, Wyo	227,901	221,243
Yosemite, Calif	458,566	461,555

It is interesting to note that of the two national parks situated near large centers of population, Yosemite near San Francisco and Rocky Mountain near Denver, 94 per cent of the travel to Yosemite is from California and 52 per cent of the travel to Rocky Mountain is from Colorado.

Mr. TAYLOR of Colorado. Mr. Chairman, the State of Colorado has something over 1,035,000 inhabitants according to the last census. The Colorado Business Men's Asso-

ciation estimated that there were during 1931 a total of 1,390,000 visitors to our State and that they spent $94,390,000 in the State during their visit. Approximately 20 per cent of all the tourists that come to our State visit one or both of our two national parks—the Rocky Mountain National Park and the Mesa Verde National Park—the home of the ancient cliff dwellers. My State is by actual geological survey the highest State in the Union. Colorado is the top of this Western Hemisphere. The highest crest of the main range of the Rocky Mountains extends north and south through the center of the State. There are in the entire United States, I understand, 64 mountain peaks over 14,000 feet high, and 1 of them is in Washington, 13 in California, and 50 of them in Colorado, and 45 of those are in my congressional district, the western half of the State. So I have the distinction of representing the highest district in the United States. Colorado is "the gateway to the West." "The Centennial State" is "out where the West begins." We are building up the splendid sentiment of "See America first." People from all parts of the world are visiting our two parks every year.

Our national parks are wonderful meeting places for people from every State. Every year people get acquainted with people from all parts of the country. These parks are rapidly developing a most friendly feeling of our people toward the people of all other States. They are a great aid to a united Americanization. This subcommittee, from personal knowledge in visiting these parks, very positive that the money we are appropriating toward upbuilding and developing and making these parks more attractive is the best expenditure our country is making anywhere. For that reason we have not reduced the expenditures for them very much. Every year our people are more and more flocking to these parks and having a cool, healthful, and invigorating summer outing.

Mr. STAFFORD. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. STAFFORD. Will the gentleman inform the committee as to the reason why some of these parks require much larger apprcpriations for maintenance, and the like, than others? For instance, for the Yellowstone National Park there is recommended an appropriation of over $500,000 and for the Yosemite nearly $400,000, whereas for some of the other parks, like the Glacier National Park, the appropriation recommended is $224,000. What is the occasion for the varying amounts of appropriations for these respective parks?

Mr. TAYLOR of Colorado. That depends upon the character, size, the attractive features, and importance of the park. Europeans who visit this country quite generally want to see the Grand Canyon of the Colorado River and the big trees of the Sequoia and General Grant Parks and the Yellowstone Park. The Yosemite Park has more visitors than any other. Many of the parks have on holidays and Sundays enormous crowds, and the park officials must preserve order and system and take care of many thousands of people. They must have suitable accommodations for all of them. Everything must be and is clean and attractive and at reasonable prices and convenient. That requires a large force during the peak of the summer season and a large amount of work and care between seasons.

Mr. STAFFORD. Some years back, but not recently, consideration was given to the policy of making a charge against all entrants to our national parks, especially those entering by automobiles. Is any such policy still in vogue, and how much revenue does the Government receive from that source and from the concessions? Also, what is the net cost to the Government for the maintenance of our park service?

Mr. TAYLOR of Colorado. If the gentleman will refer to pages 773 and 774 of the hearings he will find a table of receipts and expenditures. We appropriate about $12,000,000 on all of the 22 parks and 34 monuments, and the receipts are about $1,000,000, as I recollect it.

Mr. STAFFORD. Does the policy still exist of making a charge against every entrant to a national park?

Mr. TAYLOR of Colorado. The National Park Service makes an entrance charge for each car. I do not remember the amount in each park. The rates are somewhat different, but the automobile tax is small.

Mr. STAFFORD. I am seeking information as to whether the National Park Service is making a charge against every person entering a park by automobile.

Mr. FRENCH. There is an automobile tax as to every park, and in one or two of the parks we have a special charge. For instance, at Carlsbad we have unusual expenditures.

Mr. STAFFORD. What is the charge levied against all persons entering any of our national parks by automobile?

Mr. TAYLOR of Colorado. It is against the automobile and not against the number of persons in each car.

Mr. STAFFORD. I know that in years back they levied a charge against even a Ford.

Mr. FRENCH. The charges vary with the different parks.

Mr. STAFFORD. I am seeking information. Is it a uniform charge applicable to all the parks, or does the charge vary?

Mr. FRENCH. There is not a uniform charge. The charge varies with the different parks.

Mr. TILSON. If the gentleman will permit, is it not more like a road tax? There are a great many miles of roads in these parks and you enter with your car and then you are asked to pay something for the use of the roads.

Mr. TAYLOR of Colorado. And we are spending many millions of dollars in the construction and maintenance of a splendid and permanent system of scenic highways through the parks.

Mr. STAFFORD. It may be excused under that guise, but years ago there were not many miles of roads in the Yosemite, for instance, and yet they were levying this fee which you now claim to be a road tax. It was a charge made against every person who came in, and it was an admission charge to see the beauties of the park.

Mr. MURPHY. I may say to the gentleman from Wisconsin that the charge ranges from $1 to $2, and this gives permission to go in and out of the park during the entire park season. Coupled with this is the privilege of fishing inside of the park in any of the streams or lakes there. It also gives them the privilege of using the splendid camp grounds and all the facilities provided there for their comfort.

Mr. STAFFORD. Years back they imposed a material charge of $5 and $10, and I protested against it. I am pleased to learn that the National Park Service is not following their old policy of exacting high fees from the poorer people who use inexpensive cars to see national scenery and then charging it up to maintenance of roads.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to compliment the gentleman from Colorado on the references he has just made to the uses made of the national parks. It has been my privilege to visit several of them. I think I visited seven of them on one trip; and if there is anything in the Government service that is well cared for, well attended to, and where good service is provided visitors, it is under the National Park Service.

It is a great opportunity for the American people to have a splendid vacation at a very moderate price and secure more than one dollar of value for every dollar they expend in one of these trips.

I want now to speak in reference to another matter. I notice that later on in the bill appropriations are made for the care of monuments, and there is also an appropriation for the care of the George Washington Birthplace National Monument.

I am in favor of this appropriation, Mr. Chairman, but I want to call attention to the fact that the greatest shrine of all, in connection with the memory of George Washington, is not national property. I think it is a shame that Mount Vernon is not under the control of the Federal Government. I appreciate the care that is given this great place by the women who own it; nevertheless and irrespective of that feature, it is a place that can be run for profit. The re-

ceipts from Mount Vernon are very large. We have just completed the most magnificent memorial boulevard in memory of George Washington that could have been built with money. Four and a half million dollars, I believe, has been spent on the road from the farther end of the new bridge to Mount Vernon, and you run into a turnstile where private people ask you to contribute 25 cents. If there is anything more this year that we could do in commemoration of the memory of George Washington on the two hundredth anniversary of his birth, it seems to me it is that we should inaugurate a movement by which this greatest American shrine shall become the property of the Federal Government.

I am not finding fault or criticising the management of Mount Vernon. Fortunately, it is excellent, and the women have great pride, of course, in going there once a year and having their meetings and continuing themselves in office.

All this may be good, but the fact that they own it and not the United States Government galls me for one.

For instance, last summer there was an American exhibit at the fair in Paris, and there was placed there a replica of the Washington House at Mount Vernon. You are copying for exhibition purposes a private house as an exhibit for the United States Government. This does not sound right to me.

I do not care how well the property is handled, the property should be owned by the Government, and while a bill which I have introduced once or twice has not received very much attention because this self-perpetuating organization of women is opposed to it, nevertheless it is a movement that for one I want to see followed up so that eventually Mount Vernon may become American property. [Applause.]

Mr. ARENTZ. Mr. Chairman, I rise in opposition to the pro forma amendment.

In 1857 the Mount Vernon property was in rack and ruin. It was overgrown with weeds and the house was in a deplorable condition. A little old southern lady, a cripple, conceived the idea of buying Mount Vernon through popular subscriptions, and she proceeded to do this many years ago, and through the years Mount Vernon has gradually come into its own.

Since that time the building has been put in excellent condition, personal property returned, so that now our beloved George Washington's home is almost in its original condition. These women are proud of what they have done, and if these women want to sell, well and good; but if they still want to keep possession of this inspiring property and handle it without profit, because although they do charge an entrance fee, all the money they take in is spent in taking care of the property year after year, transplanting trees, taking down the old ones that have become decayed, and planting new trees in their places, taking care of the boxwood, and every other conceivable thing that goes to make up this beautiful and wonderful property, I think they should be allowed to do so. This is a national shrine in every sense of the word, and the women's organization which cares for it is true to the great trust assumed by it.

These women are proud of their accomplishments, and justly so, and I say that if they want to sell it to the Federal Government, yes. But I hope the Federal Government will never take it upon itself to force these women to sell the property. They are looking after it and they are proud of it. I do not care, for one, to see it change hands if it is taken care of the way it is and has been taken care of these many years.

Mr. LOZIER. Will the gentleman yield?

Mr. ARENTZ. I yield.

Mr. LOZIER. Is not it true that the Mount Vernon property was offered repeatedly to the Federal Government, but the Government was seemingly not interested and declined to buy? The probability is that if these ladies had not bought and improved this historic property and made it a national shrine it would now be in the hands of private owners who would mercilessly exploit it. I think it would be a calamity to take that property out of the hands of the organization of patriotic women who control and efficiently manage it. The plan sponsored by the gentleman from Massachusetts [Mr. TREADWAY] would subject it to political management and control, which should be avoided.

Mr. ARENTZ. Oh, I do not believe it would come under political management and control. Mount Vernon is a national shrine, and nearly everybody who comes to the National Capital visits it, and whether it is held in trust for all the people of America by the Federal Government or rests in its present hands, I have full faith that it will be well taken care of.

Mr. HASTINGS. Mr. Chairman, I hope for the committee that we may proceed with the consideration of the remainder of the bill and talk only about amendments germane to the bill. It is now past 4 o'clock, and the management of the House have advised that they want the bill completed this afternoon. I want to appeal to the membership of the committee to proceed with the consideration of the bill.

The Clerk read as follows:

Yellowstone National Park, Wyo.: For administration, protection, and maintenance, including not exceeding $6,175 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, not exceeding $8,400 for maintenance of the road in the national forest leading out of the park from the east boundary, not exceeding $7,500 for maintenance of the road in the national forest leading out of the park from the south boundary, and including feed for buffalo and other animals and salaries of buffalo keepers, $468,700; for construction of physical improvements $60,100, including not exceeding $39,800 for extension of water and sewer systems, and not exceeding $19,900 for the construction of buildings, of which not exceeding $3,000 shall be available for a bunk house, $6,000 for a ranger station, $10,000 for a heating system; in all, $528,800.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word for the purpose of making an inquiry of the chairman of the committee. At the top of the page I notice this language, "not exceeding $8,400 for the maintenance of the road in the national forest leading out of the park," and so forth.

As I understand it, this is outside of the park.

Mr. TAYLOR of Colorado. This is in pursuance of the Leavitt bill for the expenditure of money on post roads, authorized by the last Congress.

Mr. DOWELL. This comes out of that fund?

Mr. TAYLOR of Colorado. Yes; but it goes through a country that they could not get money enough for the purpose, because there is no taxable property there. The Leavitt bill authorized a reasonable amount of money to make the post roads available for use of the parks.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Yosemite National Park, Calif.: For administration, protection, and maintenance, including not exceeding $1,800 for the maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, not exceeding $3,200 for maintenance of that part of the Wawona Road in the Sierra National Forest between the park boundary 2 miles north of Wawona and the park boundary near the Mariposa Grove of Big Trees, not exceeding $2,000 for maintenance of the road in the Stanislaus National Forest connecting the Tioga Road with the Hetch Hetchy Road near Mather Station, and including necessary expenses of a comprehensive study of the problems relating to the use and enjoyment of the Yosemite National Park and the preservation of its natural features, $327,700; for construction of physical improvements, $71,500, including not exceeding $22,900 for the construction of buildings, of which not exceeding $5,000 shall be available for a comfort station, $5,500 for a dormitory, $2,100 for a storage shed, $1,700 for a refrigerating room, not exceeding $39,200 for extension and improvement of electric system; in all, $399,200.

Mr. TILSON. Mr. Chairman, I move to strike out the last word for the purpose of inquiring whether this is not another case where it is proposed to connect up roads in the national parks with roads outside the parks some distance away; that is, a strip of territory around the park which is either a national forest, where there is no taxable property from which to build a road? Is that the situation here?

Mr. TAYLOR of Colorado. Yes; the Government has to build a road or they would not have any.

Mr. TILSON. It was such a road that I traveled over with the committee last summer, when I had the pleasure of being with the committee for a while; or, at least, that was the understanding I had at the time.

The Clerk read as follows:

National monuments: For administration, protection, maintenance, and preservation of national monuments, including not exceeding $2,900 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the custodians and employees in connection with general monument work, $76,500; for construction of physicial improvements, $17,300, of which not exceeding $2,900 shall be available for an employee's quarters, $3,700 for two comfort stations, $3,500 for two tool sheds; in all, $93,800: *Provided*, That the unexpended balance of the appropriation for a water supply at Chaco Canyon for the fiscal year 1931 shall remain available until June 30, 1933.

Mr. LEAVITT. Mr. Chairman, I move to strike out the last word. I had not intended to address myself to the subject I have in mind, in view of the request of the chairman of the subcommittee that we be allowed to complete the bill this afternoon, but since the chairman himself returned to the Rocky Mountain National Park item and took five minutes time, I am going to presume to return to the Glacier National Park. I shall do so in a way that ties it closely with the immediate subject of national monuments. I have in mind speaking of an international monument provided for in a bill I have introduced for the purpose of combining the Glacier National Park in the State of Montana and the Waterton Lake National Park in the Provinces of Alberta and British Columbia, into what will be known as the Waterton-Glacier International Peace Park. The idea is to connect those two parks internationally as one great monument to the long-existing good will and peace between the Canadian and the American people. That bill has been introduced and is now in process of consideration in the State Department of the Canadian Government. Our Government feels we should first have the opinion of the Canadian Government before the bill is advanced through Congress. If this bill becomes a law, and I am sure it will, it will provide that the Glacier National Park shall be known for administrative purposes as the Glacier National Park section of the Waterton-Glacier International Peace Park. The people who visit those two parks will be continually impressed not only by the magnificence of the towering peaks, but by something imminent there that will call to their attention continually the fact that we have as two nations set before the world throughout a history of over a century an unbroken example of international good will. I am sure that when that bill reaches the floor it will be unanimously passed by this Congress, and that in turn it will have the approval of the Canadian Government. It is hoped that during this year at the time of the International Rotary meeting, which is to be held on the western coast, a dedication can take place joined in by many nations.

Mr. COLTON. Mr. Chairman, I rise in opposition to the pro forma amendment. I shall take only a moment to express appreciation for the very fine work that this committee is doing. I regret, however, that they have established a policy that no new project shall be included in the Interior Department appropriation bill this year. It so happens that in my home county the Government has a national monument known as the Dinosaur National Monument. It is within 6 miles of a transcontinental highway, and promises to become one of the scenic wonders of the country. It has been visited during the last year by experts. One of those made this statement in a letter:

I have recited all these details in order to visualize the situation, as I am fully convinced that here is an opportunity to create one of the most spectacular attractions in the entire United States, ranking in drawing appeal with the Yellowstone Park and the Grand Canyon.

Scientific institutions have taken from this monument several very fine specimens of dinosaurs. The American Museum of Natural History in New York has become interested in the proposition, and has practically made to us an offer that if the Government would spend $25,000 in doing some preliminary excavation work, they would put experts at work there for three years. In doing this scientific work they would spend two dollars for every one that it would cost to do this preliminary work. We find ourselves in this position. Some of these fine specimens that are to be assembled there in what will probably be the first great outdoor museum of the world are covered over with loose rock and dirt. No one knows whether or not they are deteriorating and being injured, but the chances are that they are in that part where excavation work has been done. We have a proposition that the museum would spend probably two dollars for each one that it cost the Government, and yet in view of this hard-and-fast rule that nothing new shall be undertaken by the Interior Department this wonderful opportunity must be lost. We have seen to-day how useless it would be to offer an amendment. Scientific men have studied this proposition. The people of my State are appealing for it. It has merit. It meets with the requirements of the Park Service in every particular, and yet we can not offer an amendment, because we have seen to-day how useless it is. To offer an amendment is an idle gesture.

Mr. LAGUARDIA. How much will it cost?

Mr. COLTON. About $25,000. It has been determined that no new project shall be authorized in the bill. I regret this very much, because I think this is being penny wise and pound foolish.

The Clerk read as follows:

Construction, etc., of roads and trails: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in national parks and monuments under the jurisdiction of the Department of the Interior, including the roads from Glacier Park Station through the Blackfeet Indian Reservation to various points in the boundary line of the Glacier National Park and the international boundary, and the Grand Canyon Highway from the National Old Trails Highway to the south boundary of the Grand Canyon National Park as authorized by the act approved June 5, 1924 (43 Stat. 423), and including that part of the Wawona Road in the Sierra National Forest between the Yosemite National Park boundary 2 miles north of Wawona and the park boundary near the Mariposa Grove of Big Trees, and that part of the Yakima Park Highway between the Mount Rainier National Park boundary and connecting with the Cayuse Pass State Highway, and for the replacement of an officers' quarters on the Navy mine depot in connection with the Colonial National Monument parkway, Virginia, at a cost of not to exceed $12,000, to be immediately available and remain available until expended, $5,000,000, which includes $2,850,000, the amount of the contractual authorization contained in the act making appropriations for the Department of the Interior for the fiscal year 1932, approved February 14, 1931 (46 Stat. 1155): *Provided*, That not to exceed $25,000 of the amount herein appropriated may be expended for personal services in the District of Columbia during the fiscal year 1933: *Provided further*, That in addition to the amount herein appropriated the Secretary of the Interior may also approve projects, incur obligations, and enter into contracts for additional work not exceeding a total of $2,500,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction of roads in national parks and monuments shall be considered available for the purpose of discharging the obligation so created: *Provided further*, That not to exceed $1,200,000 shall be available for national-park and national-monument approach roads, inclusive of necessary bridges.

Mr. GOSS. Mr. Chairman, I make the point of order upon the provisos in lines 13 to 25, inclusive, on page 94, that they are legislation unauthorized by law. The second proviso provides that—

The Secretary of the Interior may also improve projects, incur obligations, and enter into contracts for additional work, etc., and that his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the costs thereof and appropriations hereafter made for the construction of roads in national parks and monuments shall be considered available for the purpose of discharging the obligation so created.

The CHAIRMAN. Does the gentleman from Colorado desire to be heard on the point of order?

Mr. TAYLOR of Colorado. Mr. Chairman, I rather think that it is subject to the point of order, although the last proviso in line 22, at the end of the page, I think, is not subject to the point of order.

Mr. GOSS. Any language in the paragraph referred to is subject to a point of order and would strike out the entire paragraph.

The CHAIRMAN (Mr. O'CONNOR). The Chair is ready to rule. The wording of the proviso is obviously legislation. In the opinion of the Chair the proviso is out of order, and the Chair sustains the point of order.

Mr. TAYLOR of Colorado. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Colorado offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of Colorado: Insert on page 94, line 13, after the colon, the following: "*Provided*, That not to exceed $1,200,000 shall be available for national park and national monument approach roads, inclusive of necessary bridges."

Mr. GOSS. Mr. Chairman, I make the point of order that the language is legislation unauthorized by law in an appropriation bill.

Mr. TAYLOR of Colorado. It is authorized by law. I yield to the gentleman from Montana to cite the law.

Mr. LEAVITT. Mr. Chairman, I rise in opposition to the point of order. Public Law No. 592, of the Seventy-first Congress increased the authorization for appropriations for national park roads in the sum of $2,500,000, with the special provision that for a period of two years $1,500,000 for each year might be expended for the construction of approach roads to the national parks.

This item is in accordance with public law No. 592 of the Seventy-first Congress, and is clearly in order.

The CHAIRMAN. The Chair is ready to rule. Section 8, title 16, United States Code, provides by law enacted April 9, 1924, that the Secretary of the Interior, in his administration of the National Park Service, is authorized to construct, reconstruct, and improve roads and trails, inclusive of necessary bridges in the national parks and monuments, under the jurisdiction of the Department of the Interior.

There being authority in law for the appropriation, the point of order is overruled.

Mr. FRENCH. Mr. Chairman, I think the word "*further*" should be in the amendment, so that it would read "*Provided further.*" I ask unanimous consent that that be inserted.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment.

I notice, Mr. Chairman, that we appropriate many, many millions of dollars for roads in the national parks and for other purposes. I always favored every reasonable appropriation for that purpose, but on investigation I find that these millions and millions of dollars that have been appropriated for roads and other purposes in the national parks have been appropriated not so much for the public as for private interests. I know that concessions have been granted in many of these parks to private bus operators, hotels, and others, and, as I understand, it is one organization, one corporation that controls the concessions in all or nearly all of the public parks. The rates charged by those people for transportation in the parks are unreasonable, unfair, and unjustifiable.

Mr. LEAVITT. Will the gentleman yield?

Mr. SABATH. Yes; I yield.

Mr. LEAVITT. Did I understand the gentleman to say that one company was understood to have all of these concessions?

Mr. SABATH. Oh, there are two or three separate companies.

Mr. LEAVITT. There are many different companies.

Mr. SABATH. But it is all controlled by one group. I know something about it.

Mr. LEAVITT. Will the gentleman yield again?

Mr. SABATH. I have visited these parks and I made an investigation.

Mr. LEAVITT. Will the gentleman yield?

Mr. SABATH. Yes; I yield.

Mr. LEAVITT. Does the gentleman know that the price charged in the hotels and by the bus lines which have concessions in the national parks is fixed by the Government itself and not by the concessionnaire?

Mr. SABATH. If the Government fixes the price, I say that those individuals representing the Government who permitted these tremendously high rates to be charged are not interested in the welfare of this Government or the visitors to the parks. I am interested in the parks. I spend as much time in them as any man. I traveled through, and I know the rates that are charged, and I say that in many instances the charges in the hotels are criminal—they are outrageous. I stopped in nearly all of the hotels. I do not think there is a park where I have not stopped for a day or two days or three days. I could not stay longer because I could not afford it. Otherwise I would have remained much longer in some of the places.

Mr. SIMMONS. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. SIMMONS. Did the gentleman ever stop in a hotel in the city of Chicago?

Mr. SABATH. In the city of Chicago, I am pleased to say, the gentleman can stop in a very respectable high-grade hotel, and he will not be obliged to pay more than $2, $2.50, or $3 a day. We have hundreds of hotels which will give accommodations for that price.

Mr. TILSON. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. TILSON. Is it not true that in almost all our parks, if the gentleman wished, he could go to a lodge where he would get the very best accommodations with a total charge of $4.50 a day? Can the gentleman do better than that for lodging and his board at any reputable hotel in the city of Chicago?

Mr. SABATH. Oh, I know the camps in these parks. I have stopped at the camps most of the time, because I could not afford to stop at the hotels that charge from $12 to $20 a day for a decent room. That is a fact.

Mr. LEAVITT. Where is that?

Mr. SABATH. Well, we have it right in the Yosemite Valley, and we have it in all the other places.

[Here the gavel fell.]

Mr. SABATH. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

Mr. HASTINGS. Mr. Chairman, reserving the right to object, I think the gentleman should be content with two minutes. We are trying to get through with this bill.

Mr. SABATH. I have not taken any time.

Mr. HASTINGS. That does not make any difference.

The CHAIRMAN. Is there objection?

Mr. HASTINGS. I reserve the right to object. We are trying to get through with this bill this afternoon, and I think the gentleman should be content with two additional minutes.

Mr. SABATH. I want five minutes because there is something else I want to call to the attention of the committee.

Mr. SIMMONS. Mr. Chairman, I think it is far more important that the charges which have been made against the Park Service be answered than it is to have the bill concluded this afternoon. I think the statements which have been made against the Park Service are absolutely unwarranted.

Mr. HASTINGS. This bill has been before the committee for two or three weeks. To-morrow is Calendar Wednesday, and if it is not concluded this afternoon, it will have to go over until Thursday, and those in charge of the business of the House have other things for that day.

Mr. MILLIGAN. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is: Is there objection?

There was no objection.

Mr. SABATH. That will be all I wish to say against the Park Service. It seems to be very exasperating to some gentlemen, somehow or another, when any criticism is made against anything in their section of the country, in that sec-

tion of the country which receives benefits all out of proportion to its revenues. I have before me a statement showing the amount of money our Government appropriates for the various States which these gentlemen, who rose, represent. I have here 10 different States which receive much larger benefits and appropriations than they pay to the Government of the United States. I am going to ask leave, as I do not wish to take the time of the committee, to insert appropriations received by them last year, and the amounts they have paid into the United States Treasury.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to extend his remarks as indicated. Is there objection?

Mr. SIMMONS. Mr. Chairman, in view of the statements made by the gentleman, I think we should know what they are.

Mr. SABATH. Well, I will give them to you. For instance, take the State of Arizona, represented by the gentleman who made such a splendid plea for economy some time earlier in the afternoon. That State received $4,055,000 last year and paid into the Treasury only $2,265,000. Mr. Chairman, I ask unanimous consent that I may be permitted to put all of these figures in the RECORD.

Mr. SIMMONS. I think we should have them.

The CHAIRMAN. Is there objection?

Mr. ENGLEBRIGHT. Mr. Chairman, reserving the right to object, will the gentleman insert——

Mr. SABATH. I will put all the States in, every one.

Mr. ENGLEBRIGHT. I wish the gentleman would also put in his remarks the amount of public land in every State to which he is about to refer. Has the gentleman the figures giving that information?

Mr. SABATH. I do not have that information; no. That would be too much of a task for me to undertake. Mr. Chairman, I understand that I have the consent to put that information in the RECORD?

Mr. SIMMONS. No. I have objected twice unless the gentleman reads the figures and the States.

Mr. SABATH. I do not want to take up the time of the committee.

Mr. SIMMONS. The gentleman could have done it in the time he has been trying to get unanimous consent.

Mr. SABATH. All right; I will get the time somehow and I will read them in if the gentleman insists, but I wanted to save time.

We have the State of Idaho, where the revenue was $723,000 and the appropriations $2,682,000.

Next, we have the State of Montana, with revenues of $1,793,000 and appropriations of $4,430,000.

Then, we have the State of Nevada, in which the revenue was $1,365,000 and the appropriation $1,800,000, and so on.

I have not the time to put in all the States, but I am willing to do it if I am permitted. I want to be fair with all the States, and I want you to have these figures. I have not compiled them. They are not my figures, but they have been compiled by an expert.

In conclusion, let me say that the gentleman from Nebraska was under the impression I had something against him when I pointed out the tremendous sums we have appropriated for the so-called land offices. I want the gentleman to investigate the income of the land office in his own State and find out the cost of that office. He will find that it costs the Government much more to run the office than it receives for all the lands it is able to dispose of in that State.

What I want to bring home is this. Every time the State that pays the greatest revenue to the Government comes in and asks for a little appropriation, immediately the men who are deriving all of the benefits object and oppose every honest effort for a decent appropriation; and yet these same men have demanded and demanded additional appropriations out of the Treasury. [Applause.]

Believing that I have the right, and that the country is entitled to know what States and what sections of our country are, on the one hand, contributing greatly to the Government, and, on the other hand, receiving small appropriations from it, I shall insert the list showing the amounts received from the States as compared with those distributed by the Government. It will show that 14 States—Arizona, Arkansas, Georgia, Idaho, Mississippi, Montana, Nevada, New Mexico, North Dakota, Oregon, South Carolina, South Dakota, Utah, and Wyoming—received more in Federal aid than they paid to the Federal Government in income taxes and other internal revenue. You will notice that of this number, 10 are in the West.

REVENUE BY STATES

The total internal-revenue receipts from the 48 States and the amounts paid them in Federal aid during the fiscal year of 1931 are shown in the following table:

State	Total internal-revenue receipts	Amount of Federal aid
Alabama	$4,622,236	$4,519,850
Arizona	2,265,705	4,055,059
Arkansas	1,914,565	5,169,972
California	113,008,717	7,529,962
Colorado	15,772,615	4,288,745
Connecticut	37,620,243	2,116,088
Delaware	34,054,473	1,134,714
District of Columbia	14,684,853	140,213
Florida	11,512,120	2,669,058
Georgia	6,721,313	6,799,955
Hawaii	4,817,232	864,121
Idaho	723,717	2,682,641
Illinois	190,508,952	8,265,926
Indiana	21,411,023	3,649,542
Iowa	10,400,342	6,393,104
Kansas	13,685,508	5,835,090
Kentucky	28,488,010	4,852,396
Louisiana	8,901,475	2,372,931
Maine	6,759,533	2,030,253
Maryland	30,293,310	2,749,326
Massachusetts	88,985,635	4,007,488
Michigan	107,411,851	4,984,165
Minnesota	23,287,171	5,548,343
Mississippi	1,584,433	1,924,692
Missouri	51,673,467	7,338,385
Montana	1,793,112	4,430,921
Nebraska	4,784,090	3,611,669
Nevada	1,365,238	1,808,941
New Hampshire	3,544,107	1,190,117
New Jersey	97,786,288	3,512,660
New Mexico	693,243	4,567,607
New York	671,844,688	9,001,772
North Carolina	264,894,637	5,389,955
North Dakota	366,157	2,283,879
Ohio	112,933,223	9,794,035
Oklahoma	14,984,982	6,816,913
Oregon	4,431,097	4,901,680
Pennsylvania	190,280,593	10,624,275
Rhode Island	11,267,592	1,554,509
South Carolina	1,984,818	4,226,209
South Dakota	751,270	2,922,875
Tennessee	12,997,604	5,751,188
Texas	32,791,128	11,353,739
Utah	2,381,319	2,382,942
Vermont	1,751,711	1,240,019
Virginia	113,654,648	4,736,889
Washington	11,533,484	3,675,891
West Virginia	11,167,126	1,835,197
Wisconsin	28,170,977	5,894,782
Wyoming	600,168	3,388,421
Total	2,430,148,742	219,162,574

Illinois paid nearly twenty-three times as much toward the support of the Federal Government in internal revenue alone as it received from Washington in Federal aid. New York paid seventy-four, North Carolina, a Democratic State, more than fifty times as much.

Mr. FRENCH. Mr. Chairman, one of these days I propose to take a little time and make an analysis that will be adequate to meet the statement that has been made by the gentleman from Illinois, and similar statements, that have been made by several other gentlemen upon the floor of the House and in the press, touching the expenditures made in several of the small States of the West, including the State I represent in part in this Congress, where a contrast is made of the expenditures made in the State by the Government and the revenues derived by the Government from the State.

The lateness of the hour forbids more than a brief reply at this moment. The Federal Government is in the position of a great landed proprietor in Idaho and in several other States of the West. In Idaho approximately one-third of the area of the State is included within national forests from which the Federal Government as a proprietor is receiving revenue, and on account of which a very large part

of the money to which the gentleman refers is appropriated, chargeable in the figures of the gentleman to the State of Idaho. The Federal Government is the proprietor of the lands and, therefore, as a proprietor must take care of its own property. Not only this, but in addition, the Federal Government owns more than one-third of the balance of the State. Necessarily, as a landed proprietor the Federal Government must make appropriations for Federal highways through its own lands for fire fighting and other services.

The very reason, basically, why many of the appropriations to which the gentleman has referred are made to the State I represent and to other States of the West is due to the fact that the Federal Government is the largest land proprietor within these domains.

Let me now turn to the other angle of the criticism. Many of the owners of mining properties in Idaho and in other States of the West, and many of the owners of other properties have their residences in States such as Illinois and New York. These gentlemen are receiving the profits from my State, and they are paying taxes in Chicago or in New York City. The credit for taxes that are received by the Treasury goes to the States to which the gentleman has referred as States furnishing greatest revenue to the Government, Illinois, New York, and other States of the East, while the investments oftentimes that return the profits are in Western States.

There would be precisely as much sense in saying that because the customs office in New York City receives vast sums on account of duties paid for goods shipped to her ports, though the goods be sent to all the States of the Union, New York would be entitled to all the credit because it is a port of entry. Briefly, these are the fallacies in the assertion that the gentleman has just made in his 10-minute speech. [Applause.]

Mr. HASTINGS. Mr. Chairman, I move that all debate on this provision close in 20 minutes.

The motion was agreed to.

Mr. GOSS. Mr. Chairman, I had the privilege of listening to the eloquent speech of my friend from Arizona, and also a few moments ago, a speech by the chairman of the committee, in which he stated that he did not think the committee had gone far enough in paring down appropriations in this Interior Department bill. By a very fair ruling by the gentleman who occupies the chair, we have cut out $2,500,000 from the bill. Then the gentleman arises and offers an amendment, after the Chair sustained the point of order, and is now trying to insert $1,200,000 for the purpose of making available in the national parks national monuments and post roads, including a few bridges.

It does not seem to me to be necessary legislation, when we are going on a drive for rigid economy by the chairman of this particular committee.

I trust that the House will vote the amendment down. If the gentleman was sincere when he made the speech—and I do not doubt that he was—he should withdraw the amendment.

Mr. TAYLOR of Colorado. The gentleman misunderstands; I said if this committee is subject to any criticism concerning the bill, which I do not at all admit, that it is because we have not reduced some of these appropriations more than we have.

Mr. GOSS. Well, the gentleman must have thought that it was subject to some criticism, or he would not have referred to it.

Mr. TAYLOR of Colorado. There are only two items in this entire bill that I feel we may have reduced, possibly cut too much, and that is the matter of roads, in the national parks and roads through the Indian reservations, because roads are permanent improvements and they furnish very much-needed employment for many people.

Mr. GOSS. It also says national monuments.

Mr. TAYLOR of Colorado. At the other end of the Capitol they just now are appropriating some $375,000,000 for the construction of roads to furnish work for thousands of hungry people.

Mr. GOSS. For roads, but the gentleman has included national monuments. If a road is a national monument, of course, that is one thing, but I assume that this is for monuments erected to the memory of some one.

Mr. TAYLOR of Colorado. Oh, no. These national monuments are not monuments to people. There are 34 national monuments throughout our country that are practically in the nature of national parks.

Mr. GOSS. In the language of the bill, it is allowing the Secretary to approve projects, incurring obligations, entering into contracts for any kind of work.

Mr. TAYLOR of Colorado. But the committee has stricken that out.

Mr. GOSS. Yes.

Mr. SABATH. If the gentleman will yield, I want to say that there are some great men in the West entitled to have monuments erected to them for the tremendous sums of money they have secured from the National Government. [Laughter.]

Mr. GOSS. Mr. Chairman, I hope that the amendment will be voted down because it is going to be the only opportunity we will have of reducing the sums in this appropriation bill and thereby saving the taxpayers this amount of money.

Mr. ENGLEBRIGHT. Does not the gentleman distinguish between a national monument and a national park? A national monument is like a national park; it is an area set aside for the same purpose.

Mr. GOSS. I suppose it could be so construed.

Mr. MURPHY. Mr. Chairman, I take this time to say a word or two in reply to the gentleman from Illinois [Mr. SABATH]. If there is one activity in this Government where the people of the United States get a 100-cent value for each dollar they spend, it is in the National Park Service.

The gentleman from Illinois complains of the outrageous charges in the parks. I am sure the gentleman can not find in the city of Chicago, in a first-class hotel, the accommodations of a room with bath, meals, and all the comforts afforded by such a hotel like that furnished in the Yellowstone National Park for $6.50 a day.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. MURPHY. Yes.

Mr. SABATH. Has the gentleman been in any of the Yellowstone Park hotels lately? Can you get a room there and board for $6.50 a day? I have not been able to get that.

Mr. MURPHY. That is the rate, and you can get from that down. To show that the people of America do appreciate those parks, let me give you these figures. In 1919, 755,325 people visited the parks and national monuments of the country. In 1931, 3,152,845 people visited the national parks of the country. That tells the story better than any word that I might say as to what the people of America think of these parks.

The administration of the Park Service has been far above most of the activities that you can encounter in this Government. Our committee talk plainly to the gentlemen from the Interior Department. This department comes before our committee with their cards on the table face up. We do not do any blind cutting in our bill, but we consult the men who represent the activities of the department that we are working with, and we asked them frankly how little they can get along with. The National Park Service is being cut this year. We have taken everything from them that was left to be taken from them after the Budget got through. I hope the amendment will prevail.

Mr. LUCE. Mr. Chairman, will the gentleman yield?

Mr. MURPHY. Gladly.

Mr. LUCE. As the remaining time has been preempted by other speakers, this is my only opportunity to ask permission to corroborate what the gentleman said with the heartiest amen of which I am capable.

Mr. MURPHY. I am very glad to hear the gentleman say that.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. MURPHY. Yes.

Mr. TILSON. I wish to join with my friend from Massachusetts in the statement he has just made. I went with this committee last summer for a few days and had been there two or three times before in visiting a number of the national parks.

So far as the matter of concessions is concerned, that is the best thing that I know of as a business proposition that the Government has gone into. I think the people who patronize these national parks get more for their money than in any other thing we do that the Government is connected with. Visitors are well taken care of, without expense to the taxpayers, whereas if the Government had to do what the concessionaires are doing we should have a large deficit every year. The concessions, as a rule, are so operated as to afford comfort, and luxury, if so desired, for such visitors as may require it. In fact, there are accommodations and prices in our national parks suitable to every pocketbook.

Mr. LEAVITT. Mr. Chairman, the effect of not adopting the amendment offered by the chairman of the subcommittee would be simply to do nothing at all intended by the gentleman from Connecticut [Mr. Goss]. You might say that I should not be speaking in behalf of this amendment, because the existing law would allow a million and a half dollars of any appropriation made for national-park roads to be used for these approach roads. The committee wants to reduce that to $1,200,000, and has therefore put in this limitation. It is an illustration that the gentleman from Connecticut [Mr. Goss] is addressing himself to this whole matter without definite information.

Mr. GOSS. Can the gentleman give us some other than what is in the bill?

Mr. LEAVITT. The gentleman represents a State which is one of the oldest States in the Union, but which in area is about as large as a county in Montana.

Mr. GOSS. But how about the population?

Mr. LEAVITT. The population is something over half a million.

Mr. GOSS. Oh, very much more than that.

Mr. LEAVITT. I am speaking about Montana. That is not the point that I am getting at. I am getting at this thing from the standpoint that the gentleman from Connecticut, with good intentions, is doing untold damage, growing out of his failure to understand the situation. Let me illustrate what I say. The gentleman spoke about national monuments as if they were like the Washington Monument, a pile of stone. National monuments are such areas as the Grand Canyon, which was a national monument until a few years ago, when it was changed by law into a national park. There are other national parks that until a short period ago were national monuments. In other words, the gentleman was ignorant of what national monuments are, and so stated, when he spoke of them as something standing up in the air.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. LEAVITT. I can not yield further. The gentleman is striking at the interest of every citizen in the United States. The people of every State visit these national parks, and they are entitled to safe highways. As you go there with your family, as your constituents go into those areas of the national parks, they are entitled to have good roads on which they can drive with safety to the life of themselves and their families. When the gentleman says we can put off the construction of these roads, he is suggesting that we put off a measure of safety that is required for the utilization of these parks. The committee has already reduced the authorization for national-park-highway construction. I introduced in the last Congress a bill which became a law increasing to seven and a half million dollars the amount that could be expended within national parks for highways, with the provision that a million and a half of it could be used during the period of two years for approach roads to the national parks. The gentleman is now asking to strike out a limitation that the committee has put there to reduce the amount that could be spent this year to $1,200,000. If the gentleman's position is carried, the Park Service can expend $1,500,000, so that the gentleman is working in exactly the opposite direction from what he thinks he is working, and is defeating his own purpose.

Mr. GOSS. Will the gentleman yield?

Mr. LEAVITT. I yield for a question, not for a speech.

Mr. GOSS. It reads, "National monument approach roads."

Mr. LEAVITT. Yes; roads approaching national monuments.

Mr. GOSS. So that an approach road is considered as a national monument, is it not?

Mr. LEAVITT. It is not considered as a national monument; no, sir. It is a road approaching a national monument in order to make these great scenic points available to the American people under conditions that are safe for them to travel. That is all there is to this.

Mr. STAFFORD. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. STAFFORD. Do I understand the gentleman's position to be that if we strike out this appropriation, the public service will have $1,500,000, which they could spend?

Mr. LEAVITT. They have $1,500,000 under a bill which I introduced in the last Congress, and this is a limitation cutting it down to $1,200,000. I should perhaps not say that, but I do that to show that the gentleman from Connecticut is again mistaken in what he is attempting to state.

Mr. STAFFORD. But that is an authorization and not an appropriation.

Mr. LEAVITT. The law stands that of the amount that is appropriated $1,500,000 can be expended for approach roads to the national parks and monuments, and if the amendment offered by the gentleman from Colorado is not carried, they can spend $1,500,000. This is a limitation cutting it down to $1,200,000.

[Here the gavel fell.]

Mr. SIMMONS. Mr. Chairman, I move to strike out the last two words.

My friend the gentleman from Chicago [Mr. SABATH] still has that cocklebur irritating him, because he failed to get $1,750,000 for the Chicago fair. We do not hold that against the gentleman at all. We love him because of his advocacy of his people; but I would suggest to the gentleman from Chicago that Chicago has grown to the city that it is to-day, and Chicago has prospered in all these years, because of the great Western States that the gentleman now wants to stifle and condemn. Our cattle, our grain, our hogs, our poultry—everything we produce has made Chicago great, and now the gentleman condemns and damns the people who feed him.

Mr. SABATH. Will the gentleman yield?

Mr. SIMMONS. I refuse to yield. The gentleman's opposition to a little land office in my district is typical of his position on the floor of the House heretofore. The gentleman would close that service out there to our people; the gentleman would have the records and employees brought to Washington; the gentleman would take them out of a building that the Government owns where they are and bring them here in order that the salaries may be paid in the Capital City. I feel that the Government ought to serve its people where it can serve best, and that is out where the people are. Let me say about these parks, I spent some time in the parks this last summer, the great Yellowstone Park, with my family.

I did it for $2.50 per night, for clean beds and a fine place to stay. I did not require, because I could not afford it, the facilities of the fine hotel, any more than I can afford to go to the city of Chicago and stay with my family, because the hotels are altogether too high in price for me.

Mr. SABATH. Oh, no; the gentleman is wrong there. I can give the gentleman the names of 25 hotels where he can stop at $2 and $2.50 a day.

Mr. SIMMONS. I am told that possibly I could go to the gentleman's district and stay for less than I pay when I am in Chicago, but let us get back to the parks.

Mr. SABATH. The gentleman can be my guest without any charge at all. [Laughter.]

Mr. SIMMONS. In the parks you may sleep nights where the air is clear and clean, you may enjoy yourself in the daytime out where the sun shines and it is not smoky and cloudy, and there is no noise or soot.

Now, in all seriousness, the people use these parks. There are provisions for those who want to go there and have all the fine things they have in the modern city. There are provisions there also for people who can not afford to pay for those things. So I suggest to the gentleman that while there may be some of the things which the concessionaires do which I do not approve, these roads and trails will permit people to come out and see all of God's beauty untouched and unmarred by the hand of man, and they are made available to-day at the expense of the people of the United States, and we trust that we western Members will not be compelled to go back to our people and tell them that the city of Chicago, through its Congressman on the floor of the House, is fighting the things that help us to entertain you when you come out to see us. [Applause].

We want you to have nice roads. We do not want you to get stuck in the mud out in our country. We will furnish you with fine places to enjoy everything the West has to offer city men who want to get away from it all, if you will let us alone.

Mr. SABATH. I am for good roads; I am in love with the parks, and I am with you, but I am opposed to these concessions being given to people who will extract unjustifiably high fees.

Mr. SIMMONS. If the gentleman can establish that fact——

Mr. SABATH. The gentleman knows about some of the hotels. He has had his own experience with having them try to charge him big prices. I leave it to him whether they did not want to charge him from $12 to $20 a day in some of those hotels.

Mr. SIMMONS. I will say to the gentleman I did not give them that opportunity.

The CHAIRMAN. The time of the gentleman from Nebraska has expired. All time has expired. The question is on the amendment offered by the gentleman from Colorado.

The question was taken; and on a division (demanded by Mr. Goss) there were—ayes 56, noes 7.

So the amendment was agreed to.

Mr. GOSS. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. (After counting.) One hundred and one Members are present, a quorum.

The Clerk read as follows:

Total, Howard University, $1,075,000.

Mr. DE PRIEST. Mr. Chairman, I move to strike out the last word. In the appropriation bill passed a year ago there was an authorization for a library to be constructed at the Howard University to cost $800,000. Four hundred thousand dollars was made available in the last appropriation bill, with an authorization of $400,000 to be appropriated this year. The Secretary of the Interior was authorized to sign contracts for the building. I am sorry to say that this year the appropriation bill only carries an additional appropriation of $100,000, making the total for the library building, for the building complete and equipped, $500,000. It also carried with it a recommendation for educational classrooms. This year that item has been eliminated absolutely.

The Budget estimate this year for Howard University was $1,610,000, but the appropriations for this university have been materially reduced. I am very sorry the committee could not see its way clear to appropriate enough money to complete the library as anticipated.

Howard University is under a 10-year program, and they contemplate an immense growth, it being the outstanding negro university of America. It is proposed to have it compete with the best schools of this country as a class A school.

I am not going to offer any amendment because I have been requested not to do so by certain friends of Howard University, but I want to call the attention of the committee to the fact that this appropriation of $1,075,000 is almost $600,000 less than the Bureau of the Budget recommended.

I appreciate the fact that this country is in economic distress and that there is necessity for economy. However, it appears to me they have carried economy a long ways in connection with Howard University.

Take the heating plant at this university. It was estimated that $460,000 should be spent for heat, light, and power, but the committee has seen fit to reduce that amount to $300,000. With a 10-year building program at that university, I want to assure you, the opinion of the committee to the contrary notwithstanding, that the light, heat, and power plant erected at a cost of $300,000 will not carry the load when they get through with their building program. If it is necessary to economize, it might be advisable to cut out the library building and put up a heating plant that will eventually carry the load. It looks very foolish to me to construct a heating plant that will not eventually carry the load of the total building program. However, I presume the committee thought it necessary to make this great reduction, but Howard University has been reduced over 30 per cent. I am for good roads, and we appropriate $1,500,000 for good roads, but in addition to appropriating for good roads it is necessary to educate the minds of the youth of the land and properly prepare them if you are going to make good citizens of them.

As I said, I am not going to offer any amendment; but, I say, the committee has gone a long ways in economy by reducing the educational facilities at Howard University 30 per cent when it does not carry that same reduction along every other line.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. DE PRIEST. Yes.

Mr. STRONG of Kansas. It does not look like very good economy to build a heating plant that will be inadequate to carry the load when the building program is completed.

Mr. DE PRIEST. I should not think so, and no business man would do that on a private proposition.

However, I am not going to offer an amendment because I know I could not have it adopted; but I am in hopes the Senate will restore the proper amount to complete the heating plant and library. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 2. Appropriations herein made for field work under the General Land Office, the Bureau of Indian Affairs, the Bureau of Reclamation, the Geological Survey, and the National Park Service shall be available for the hire, with or without personal services, of work animals and animal-drawn and motor-propelled vehicles and equipment.

Mr. TAYLOR of Colorado. Mr. Chairman, I reserved the right to return to page 33 to offer an amendment, and I may as well offer it now.

I may say that upon further consultation with the committee we feel there is a small appropriation that ought to be put in at that point concerning an irrigation project in the State of Washington that has been recommended by the department and by the Budget, and I therefore offer the amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of Colorado: On page 33, after line 18, insert a new paragraph, as follows:

"For completing construction of pumping plant and canals for the irrigation of higher lands on subdivision 2 Satus unit, Wapato project, Yakima Reservation, Wash., $15,000, to be reimbursed under such rules and regulations as the Secretary of the Interior may prescribe."

Mr. STAFFORD. Mr. Chairman, may I inquire whether this project is now in operation?

Mr. TAYLOR of Colorado. Oh, yes.

Mr. STAFFORD. This is merely a continuing appropriation to provide for an existing project?

Mr. FRENCH. Yes. The program during past years has drawn an appropriation of $258,000. Two units of the project are now served with water. This unit—the third—is not served adequately. Fifteen thousand dollars will complete the program, and we felt it was not fair, as we con-

sidered the whole proposition, to leave this investment without allowing enough more to make it usable to the people who are there.

Mr. STAFFORD. To what additional acreage will this proposal extend?

Mr. FRENCH. Fourteen thousand eight hundred acres are under subdivisions 1 and 2 and about 5,344 acres under subdivision 3, to which this applies.

Mr. STAFFORD. It means, then, we are opening up that much more acreage for cultivation?

Mr. FRENCH. In part, and in part we are furnishing supplemental water; but, as I said, when we were considering the several items in preparing the bill, we steered away from all new projects. Here we have an investment of $258,000, and this amount will make it a usable investment for these lands.

The amendment was agreed to.

Mr. TAYLOR of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of Colorado: On page 106, at the end of line 16, strike out the period, insert a comma and the following:

"*Provided*, That no part of any money appropriated by this act shall be used for purchasing any motor-propelled passenger-carrying vehicle (except busses, station wagons, and ambulances) at a cost, delivered and completely equipped for operation, in excess of $750, including the value of a vehicle exchanged where exchange is involved; nor shall any money appropriated herein be used for maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes, and 'official purposes' shall not include the transportation of officers and employees between their domiciles and places of employment, except in cases of officers and employees engaged in field work, the character of whose work makes such transportation necessary, and then only when the same is approved by the head of the department. This section shall not apply to any motor vehicle for official use of the Secretary of the Interior."

Mr. TAYLOR of Colorado. I may say that this is the same amendment that was adopted in the agricultural bill, except that at the end we provide that it shall not apply to the Secretary of the Interior.

Mr. STAFFORD. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. STAFFORD. Is it not much broader than the amendment that was included in the agricultural appropriation bill?

Mr. TAYLOR of Colorado. Yes.

Mr. STAFFORD. The amendment in the agricultural bill would forbid any employee of the Agricultural Department from using a Government-owned automobile going from home to his work and back.

Mr. TAYLOR of Colorado. Yes; this is somewhat liberalized. It was considered by the whole committee, and I was authorized and directed by the Appropriations Committee of the House to offer this amendment in this form at this time. Our intention is to put this amendment in all the appropriation bills and change in the Senate the Agricultural Committee amendment to conform to the language I now offer here. We feel that this provision is eminently appropriate and, in fact, absolutely necessary and right, and that it will save a very large amount of money. Congress has got to put some brakes upon this wholesale free automobile joy riding of Government employees in extravagantly expensive cars. All this talk about needing high-priced and large cars to travel over the mountains is all bunk. I live in the most mountainous district in the United States, and I have traveled over it in a Packard, a Cadillac, a Peerless, an Overland, a Dodge, and others, and those large, heavy cars just pound themselves all to pieces on mountain roads. The gas and upkeep is three times as much as a lighter car, and for the last four or five years I have used nothing but a Ford, and I have saved several thousand dollars by it, and no other car has ever gone any place I could not go.

Mr. CLANCY. Mr. Chairman, I have three amendments at the desk. The first one is to strike out the figure "$750" and make it "$1,000," which I now offer.

The Clerk read as follows:

In line 5 of the amendment, strike out the figures "$750" and insert "$1,000."

Mr. CLANCY. Mr. Chairman, that amendment is based on the advice of an expert in the Department of the Interior.

But what the gentlemen say they are driving at is economy, and the Secretary of Agriculture has said that it is economy not to buy the lowest-priced cars in some instances, but it is economy to buy, in some cases, about a 3,000-pound car, costing in the neighborhood of a thousand dollars.

Department officials declare the lowest-priced cars do not stand up under rough usage of the plains and the Rocky Mountain regions as well as heavier cars, and that their statistics per car-mile prove it.

The Secretary of Agriculture will be glad, I am informed, to accept the limitation of $1,000, and so will the Interior Department, I presume. When you put the $750 limit it is poor economy, because the cars will not stand the rough usage, and it will actually cost more money to repair and maintain them.

I cited an instance on the floor this afternoon of the fact that with a limitation of $750 you can not buy at Shoshone, Wyo., a car costing only $484 at the factory, because the freight for it will carry you beyond the $750 limitation. The freight is much more than 50 per cent of the cost of the car when delivered.

The gentleman who sponsored the amendment to the agricultural bill did not think that the freight would be added to the cost. I put that question up to Comptroller General McCarl, and he said that the freight is an ingredient of the cost and must be considered a part of it.

Now, what you are doing is to put the buck up to the Senate and give them the task of writing the amendment in proper language.

The Senate Appropriations Committee has found this a hopeless task, apparently, because they have killed the entire Collins automobile amendment, to which I objected in several speeches on the floor of the House.

Mr. DOUGLAS of Arizona. Mr. Chairman, in the first place it is not the intent of the Committee on Appropriations of the House to pass the buck to the House at the other end of the Capitol. I hope the time will never come when the House of Representatives is not willing and able to take responsibility for its own acts. [Applause]. In the second place, the Department of Agriculture appropriation bill carried the same limitation which this bill carries. I see no reason why there should be a difference between the Department of Interior bill and that for the Department of Agriculture.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. MAPES. As a member of the Committee on Appropriations, can the gentleman tell us just how many makes of cars could be bought and delivered, for example, in Wyoming, as the gentleman from Michigan [Mr. CLANCY] has suggested for $750.

Mr. DOUGLAS of Arizona. I can not of my own knowledge state how many cars would be permissible under the limitation.

Mr. MAPES. Is not that information that the Committee on Appropriations ought to have to give to the House before it comes in here with a limitation of this kind which will prevent the purchase of nearly all the cars in the United States?

Mr. DOUGLAS of Arizona. I submit to the gentleman that the Committee on Appropriations has gone into the question carefully, that it knows what it is doing when it imposes a limitation of $750.

Mr. MAPES. That may be true, but it does not give the information to the House.

Mr. DOUGLAS of Arizona. Moreover, permit me to state that I come from a mountainous State. I come from a State where the roads are not paved, where frequently roads are merely trails up the mountain side, and I travel in a

Ford automobile, because I find it to be the most economical means of getting from one part of my State to the other.

Mr. MAPES. Mr. Chairman, will the gentleman yield for another question?

Mr. DOUGLAS of Arizona. Out in the West, where I come from, where roads are not paved, where we have torrential rains at certain seasons of the year, it frequently happens that streams ordinarily dry become converted into rushing torrents and that these red flats become nothing but pools of mud, and that a heavy car can not get through them. If one is driving a heavy car, one is invariably bogged down and mired, not for hours but sometimes for days, whereas on the other hand a little car, a Ford or a Chevrolet, can navigate almost anything that I have seen.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. MAPES. The gentleman says that he drives a Ford in his State. Can he tell the House how much a 5-passenger Ford, fully equipped, costs him in the State of Arizona, delivered?

Mr. DOUGLAS of Arizona. As I recall it, a 5-passenger Ford, properly equipped, will cost me $607 delivered at Phoenix, Ariz.

Mr. BLANTON. And that is a sedan?

Mr. DOUGLAS of Arizona. No; that is an open car.

Mr. MAPES. How much would a closed car cost the gentleman?

Mr. DOUGLAS of Arizona. I do not know. I never travel in one; and if I do not travel in a closed car, I do not see any reason why anybody else should demand that he should be given a closed car.

Mr. MAPES. I presume the gentleman has something else besides a Ford.

Mr. DOUGLAS of Arizona. I have absolutely nothing in addition to the Ford.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. BLANTON. It does not cost very much to drive a Ford from Texas to the gentleman's State, and you can buy the closed car in my State for around $600.

Mr. DOUGLAS of Arizona. I am pleased to have the information.

Mr. BYRNS. Mr. Chairman, will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. BYRNS. This limitation does not confine the Government to the purchase of the Ford car, or any one car. There are at least four cars of the type, and the price at which they can be purchased is within the amount fixed by this limitation.

Mr. SIMMONS. And the ordinary list price is not applicable to Government purchases, because these cars are bought by the Government always at less than the list price.

Mr. DOUGLAS of Arizona. I am glad to get that information.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Michigan to the amendment offered by the gentleman from Colorado.

The amendment to the amendment was rejected.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

I do this to make inquiry of the chairman of the Committee on Appropriations as to the policy of forbidding the use of these Government-owned cars from the place of employment to the domicile of the worker. I stated when this item was submitted, when the Agriculture Department appropriation bill was under consideration, that it was the general practice in commercial houses to allow employees to use the company's cars going from the place of work to their homes.

This amendment will forbid any Government employees using a Government-owned car from his place of work to his home. It is counter to the generally established policy of commercial and industrial life. Why is it necessary to place that great imposition upon our Government employees, because if we require the automobile to be anchored or in a garage at the place of employment, they will require some means to go to and from work.

Mr. OLIVER of Alabama. At the suggestion of the chairman of the committee, I would make this statement in reply to the query: The amendment which is now offered is the amendment which the full committee favored and attached to the Departments of State and Justice, Commerce and Labor appropriation bill reported to the House yesterday. It was drawn by the capable clerk of the committee, after consultation with some of the department officials.

In the first place, it will be noted that we removed the limitation in so far as it applied to cars assigned to Cabinet officers. Then we further undertook to liberalize it by permitting employees who were engaged in investigational or field work, with the approval of the head of the department, to go from their homes to their work and back to their homes in a Government-owned car.

Mr. STAFFORD. I stated that this amendment was much more liberal in its provisions than the amendment that was incorporated in the agricultural appropriation bill.

Mr. OLIVER of Alabama. The amendment to which the gentleman calls attention, in connection with the Agricultural Department appropriation bill, did forbid any employee driving from his home to his office in the District. This amendment still does, but if an employee in the District has investigational or other field work, then with the approval of the head of the department, even though he may be assigned to duty in the District, he might go in a Government-owned car to his work and return from such field work to his home.

Mr. STAFFORD. I am more concerned with the field service than with the service as far as the District is concerned.

Mr. OLIVER of Alabama. Of course, this does not interfere in the slightest there, for it was liberalized to care for the field-service work, if approved by the head of the department.

Mr. STAFFORD. As the amendment was adopted as a part of the Agricultural Department appropriation act, all Government employees were banned from using the automobiles in going to or from work.

Mr. OLIVER of Alabama. The gentleman's interpretation is entirely correct.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

Mr. CLANCY. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Colorado.

The CHAIRMAN. The gentleman from Michigan [Mr. CLANCY] offers an amendment to the amendment offered by the gentleman from Colorado, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CLANCY to the amendment offered by Mr. TAYLOR of Colorado: In line 9 of the Taylor amendment, strike out the word "exclusively."

Mr. CLANCY. Members of the Appropriations Committee who are defending this amendment did not give me an opportunity to ask them any questions.

The gentleman from Arizona [Mr. DOUGLAS] talked about the price of his open car in Arizona, a warm climate. His was an open car. I quoted a specific instance where within a few weeks, at Shoshone, Wyo., a price was given on a closed Ford car at the factory of only $484, but the freight was $269, bringing the price of the car at Shoshone, Wyo., to $753, $3 above the dead line. He totally ignores that all-important case.

The price of a Chevrolet was $471, but the freight was $273, and it came just within $5 of this limitation. But in other regions the freight would be more and the Chevrolet would be barred, too.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. CLANCY. I must refuse to yield. The gentleman would not yield to me. He is a member of the committee and has unlimited time, whereas I have great difficulty in getting the floor for five minutes.

Now, with regard to my amendment to strike out the word "exclusively," I offered that amendment because of a statement made by the Director of the Geological Survey that the present language would prevent the use of the personal cars. He said there were four personal cars in one agency alone for cheap and occasional use. You would compel the purchase of a number of additional official cars, by forbidding the use of personal cars. If we would strike out the word "exclusively," the amendment would then prevent a great hardship and achieve economy.

Now, the gentleman from Arizona says they are not passing the buck to the Senate. They passed the buck to the Senate on the agricultural appropriation bill, and they concede now that they prevented the use of the car of the Secretary of Agriculture by that amendment. I was one who brought up that objection and the Comptroller General sustained me on it.

Moreover the Senate Appropriations Committee has absolutely killed a similar amendment to the House agricultural appropriation bill, which I objected to. Evidently the Senators thought the buck was passed to them. That seems to me to be a devastating answer to the buck passing.

The gentleman from Alabama [Mr. OLIVER] has mentioned some arrangement as to the field force and in the confusion I could not understand him and I could not get him to yield to explain his remarks. I have great confidence in the fairness and ability of Judge OLIVER.

Mr. OLIVER of Alabama. The gentleman wholly misunderstood me. I was speaking in the time of the gentleman from Wisconsin [Mr. STAFFORD], and the Chair stated that his time had expired. If I had been speaking in my own time I would have gladly answered any question the gentleman might have asked of me.

Mr. CLANCY. I am going to offer another amendment.

Mr. OLIVER of Alabama. I said nothing about any agreement, but the amendment provides that on such an occasion the employee using a Government-owned car must have the consent of the head of the department if he goes from his place of work to his home or from his home to his work when engaged in investigational or field work.

Mr. GOSS. Will the gentleman yield?

Mr. CLANCY. Yes.

Mr. GOSS. I want to ask the gentleman from Michigan if in his opinion the only type of vehicle a department may buy for delivery in Wyoming would be a motor cycle with a side car, or something like that, inasmuch as they are limited to $750 and the gentleman shows a price over that amount.

Mr. CLANCY. That is the way the law works out. Certainly a satisfactory auto can not be bought in some States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan to the amendment offered by the gentleman from Colorado.

The question was taken; and the amendment to the amendment was rejected.

Mr. CLANCY. Mr. Chairman, I offer another amendment to the amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CLANCY to the amendment offered by Mr. TAYLOR of Colorado: Beginning in line 10 of the Taylor amendment, strike out the language "shall not include the transportation of officials and employees between their domiciles and places of employment."

Mr. CLANCY. Mr. Chairman, in view of the attitude of the House, I will frankly state that I am now making the record for the Senate. The language which I aimed to correct by my amendment is, roughly, that the use of an official car from the home or domicile of an employee to his office or work or from his office to his home is forbidden.

When I pointed out some days ago that the Collins amendment forbade a Cabinet member from going to the White House upon the call of the President, and when I pointed out that such an amendment would forbid the use of the President's car in going from the White House to his Rapidan summer camp, which is his summer home and office, and in returning from his summer home to the White House, which is his home and also his office, then the gentlemen accepted my suggestion and changed the language as it is changed in the Taylor amendment.

Now, what do you do by unwise and unfair amendments? You make a bootlegger out of that official user of the car. He will bootleg the car and the gasoline, because he will feel you should not cheat him with mean restrictions. He would not have to drive his car from his home to his work or back from his work to his home. He could leave the car next door and then he would defeat this language, and he could defeat it by leaving the car 100 yards from his work or office. That would be all right as long as he did not take the car to his home or office. Then what would happen? The car would be left out of doors in front of the house next to his home or out in the open in the fields in the case of a man working in the field service, instead of being placed in his own garage where the car would be protected from the elements. Thus, again, economy would be defeated.

Would the Government employee or official thus evade the law? The eighteenth amendment has taught him to evade unfair prohibitions. Some laws might be conceived of as being honored in the breach; and in an emergency to save lives or property in the field service why should not the official car be used from the home to the emergency or vice versa?

Mr. OLIVER of Alabama. Mr. Chairman, I rise in opposition to the amendment. I have no desire to take from the gentleman from Michigan any pride of authorship, but I want to state to him that when this amendment was attached to the appropriation bill for the State, Justice, Labor, and Commerce Departments I had no knowledge of the speech he refers to. The amendment was written with the approval of the chairman of the committee and of the full committee. It was agreed to on yesterday but was really put in form some days prior thereto by the clerk of the committee. The amendment as drawn does not deny to any field employee the right to go from his home to his work and to return to his home provided the head of the department gives approval thereto, and it is so written in the amendment.

Mr. SIMMONS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I know the members of the committee are in a hurry to get home, but the statement just made here that Government officials occupying responsible positions in the Government service will deliberately violate the intent of this amendment, I do not believe ought to go unchallenged.

I will say to the gentleman from Michigan that I do not believe the Government employees will do that which he has suggested they will do and violate this law merely by getting around it in the way he has indicated. I think our Government officials are of a higher class than that. I have too great confidence in them to believe that statement is at all merited.

Mr. CLANCY. What is the purpose of the amendment if it is not to correct joy riding and improper use of public cars?

Mr. SIMMONS. The purpose of the amendment, if I understand it correctly, is this: Over a period of years there has grown up here in Washington, and elsewhere in the Government service, the habit of some of the Government employees having cars with chauffeurs come and get them and take them to work in the morning, and then they have the cars at 4.30 in the evening to take them home. The wives use the cars in the meantime. It is a custom that they felt they were privileged to carry on. It had its origin following the war, when there was a large number of Government cars owned by the War Department that the department wanted to get rid of.

They were turned over to these people, and, first, they were maintained, and now we are buying gasoline and furnishing chauffeurs and transportation of bureau chiefs, assistant bureau chiefs, head clerks, and what not in the Gov-

ernment service to and from their homes here in Washington and, to and from their homes in other cities. It is aimed to correct that situation, and I have confidence that when the Government officials affected by this amendment understand Congress wants this stopped, they will stop it, and they will not use any subterfuge to avoid what they know to be the intent of the Congress.

Mr. CLANCY. Does the gentleman know that in the debate on the agricultural bill it was said that they were using some of these official cars for taxicab purposes at night?

Mr. SIMMONS. That statement was made on the floor of the House by one gentleman, but there was no proof of that.

Mr. SNELL. Will the gentleman yield?

Mr. SIMMONS. Certainly.

Mr. SNELL. Does the gentleman mean that there is a prohibition in this amendment so that a Cabinet officer can not use his car to go from his home to his office?

Mr. SIMMONS. There is a specific exemption in the case of a Cabinet officer. The Cabinet officer is excepted from the provisions of the amendment.

Mr. SNELL. What about Assistant Secretaries and Army officers?

Mr. SIMMONS. I think all those people can go to work in their own transportation, just as the gentleman and myself go to work in our own transportation.

Mr. CLANCY. The language of the amendment forbids them to use official cars for that purpose.

Mr. SNELL. What does the gentleman mean by "their own transportation"—the transportation which they provide for themselves?

Mr. SIMMONS. Yes. Why should they not?

Mr. SNELL. I am not debating the question. I am just trying to get at the purpose of the amendment. I have noticed a lot of Government automobiles around here, and I have wondered what they were doing.

Mr. SIMMONS. This will stop this custom which has grown up over a number of years, and this is the only way to stop it.

The CHAIRMAN. The question is on the amendment of the gentleman from Michigan to the amendment of the gentleman from Colorado.

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. TAYLOR].

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. No appropriation under the Department of the Interior available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act (1) to increase the compensation of any position within the grade to which such position has been allocated under the Classification Act of 1923, as amended, (2) to increase the compensation of any position in the field service the pay of which is adjustable to correspond so far as may be practicable to the rates established by such act as amended for the departmental service in the District of Columbia, (3) to increase the compensation of any position under such act through reallocation, (4) to increase the compensation of any person in any grade under such act through advancement to another position in the same grade or to a position in a higher grade at a rate in excess of the minimum rate of such higher grade unless such minimum rate would require an actual reduction in compensation, or (5) to increase the compensation of any other position of the Federal Government under such department. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes, but shall be impounded and returned to the Treasury, and a report of the amounts so impounded for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the section.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: On page 106, line 17, strike out all of Section 3.

Mr. LAGUARDIA. Mr. Chairman, this is not the first, and I am sure it is not the last, hopeless fight that I am waging on the floor of this House. This section should be stricken from the bill.

The provision is wrong, and all the rules that this House can adopt will not make it right. The section is before us by virtue of a rule adopted by the House which makes it germane.

I can only repeat the protest that I made on the previous bill, and which I shall continue to make and on which I am sure some day the House will be compelled to reverse itself and abandon this unjustifiable policy. We owe a solemn obligation to the employees of the Government, and promotion is just as much a part of their contract as the salary itself.

When we come to the post office appropriation bill, I do not know what the committee will do, but, surely, in that instance, where the law provides for automatic increases, it will be impossible to attach such an amendment. When we come to the Army and the Navy and other departments having automatic increases, I am very much interested to see what the Committee on Appropriations will do. The section stopping all promotions and all increases of pay now provided by law should not be placed in this bill or any other appropriation bill.

Now, gentlemen, all talk of salary reduction is absolutely at an end in this House. I would like to hear any gentleman sponsor salary reduction after the inflation currency bill which passed the House yesterday with an overwhelming majority. I dare anyone in or out of Congress to advocate reduction of pay of the wage earners, either in or out of the Government service, after the inflation bill which passed the House yesterday becomes a law.

I repeat, all the economy suggested seems to be to take it out of the pay of underpaid Government employees. All the adjustment suggested for the present economic crisis seems to be to reduce the wages of workers and office employees. All the relief considered by Congress and passed to date is to help the big bankers and the bond promoters. Millions for the millionaires but not even a pound of wheat for the hungry.

The railroad workers who were cajoled into accepting a pay cut should call for an immediate conference to reinstate their pay. They accepted a reduction under a misrepresentation, without knowledge that by a fiat of legislation, we would inflate the currency of this country and thereby reduce the purchasing power of the dollar of their reduced pay.

The same thing applies now to these automatic promotions which employees are entitled to. If the bill we passed yesterday has any effect at all, if it serves any purpose, it is to raise commodity prices.

If commodity prices are raised, you will have to raise salaries to a corresponding degree, as we had to do immediately after the war.

I shall continue to protest against this amendment. The amendment is uncalled for, it is demoralizing to the morale, it impairs the efficiency of Government business. I am not going to be discouraged in taking a stand on a proposition like this. I am not going to be frightened out of it by sneers; I shall continue to fight as long as I know that something is wrong. This is morally wrong and unnecessary. If we do not do something at this session, we will do it at the next session. If the inflation bill works, as some bankers hope it is going to work, we will have to increase salaries of Government employees. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk completed the reading of the bill.

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. O'CONNOR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 8397, the Interior Department appropriation bill, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. TAYLOR of Colorado. I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote whereby the bill was passed was laid on the table.

CONSOLIDATION OF GOVERNMENT DEPARTMENTS

Mr. COX. Mr. Speaker, we have been hearing much talk on the question of economy; the cutting down of appropriations; the saving of money through the consolidation of executive departments. The House Appropriations Committee is doing splendid work in carrying out this well-formulated Democratic program and the House is giving support. This afternoon we heard a very statesmanlike speech delivered by the gentleman from Arizona [Mr. DOUGLAS]. He spoke on the subject of extravagance in governmental expenditures and his words were the language of a patriot. It was a courageous speech and is deserving of the careful study of the Members of the House. Mr. Speaker, I see present here the chairman of the Committee on Expenditures in the Executive Departments. I know that that committee has been working on a program along the lines touched on by the gentleman from Arizona. Will the gentleman from Missouri [Mr. COCHRAN] kindly tell us what his committee is doing and what he expects to report?

Mr. COCHRAN of Missouri. Mr. Speaker, the Committee on Expenditures in the Executive Departments as now constituted was organized only two months ago, but I may say to the gentleman from Georgia that the committee is functioning and will continue to function as long as I am chairman of it. For 30 years we have been trying to get a bill on the floor of this House to consolidate the Army and the Navy. That bill is closer to the door of the House now than it has ever before been. [Applause.] I expect that on Thursday the committee will close the hearings upon that bill and I hope it will. On the Saturday following I propose to call an executive session of the committee for the purpose of passing upon it, and I hope the bill will be reported and that it will come on the floor of the House so that the House may once for all determine whether it wants to consolidate those two agencies and save millions of dollars. Further, immediately after that bill is disposed of by the committee, there will be a hearing on a bill to create a department of public works, and following that there will be a hearing on a bill to consolidate all of the personnel activities of the Government under one administrator. We have other bills in course of preparation.

Mr. Speaker, we have had two members of the President's Cabinet to appear before our committee, and I have letters from every member of the Cabinet in answer to communications requesting expressions concerning their attitude on bills that the committee has under consideration, and not one member of the President's family indorses the bills which the committee will probably recommend be enacted into law. There is one gentleman in the Federal service so far who has written our committee in reference to these consolidation bills who has taken the proper attitude, and that is Governor Campbell, of the Civil Service Commission. He sent in a report in response to my request and shows the committee where the consolidation of certain activities would save at least over a million dollars the first year. If we could get that same cooperation from the members of the President's Cabinet, if they would help us consolidate the various activities, and destroy these useless bureaus, there would be no necessity for holding hearings, but we could go ahead and accomplish something. Further, if the attitude of the heads of the various Government agencies continue as they are now, it is my purpose to move in the committee that we cease to hear them and proceed and report legislation to the House.

Mr. O'CONNOR. Mr. Speaker, will the gentleman from Georgia yield?

Mr. COX. Yes.

Mr. O'CONNOR. If the committee of the gentleman from Missouri has jurisdiction of the matter, and if the gentleman from Missouri is working on the consolidation of these bureaus, what is the necessity for a special committee from the Committee on Appropriations to go into the same subject matter?

Mr. COCHRAN of Missouri. I know nothing about that, but I know that our committee is functioning, and will continue to function as long as I am chairman, and when I can not make it function, I shall resign as chairman.

The SPEAKER. The time of the gentleman from Georgia has expired.

SUPPLEMENTAL REPORT ON CERTAIN BILLS

Mr. SWANK. Mr. Speaker, I ask unanimous consent that there be printed supplemental reports from the Committee on Claims on the bills H. R. 4938 and H. R. 6154.

The SPEAKER. Is there objection?

There was no objection.

HERBERT HOOVER

Mr. FREE. I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection.

There was no objection.

Mr. FREE. Mr. Speaker, Herbert Hoover was born in West Branch, Iowa, August 10, 1874. His father was Jesse Clark Hoover, and his mother was Hulda Randall Minthorn Hoover. They were part of a Quaker colony which had migrated to this productive section of Iowa. His father, though a graduate of a Quaker college—and may I say that most of the members of this colony were college graduates—established himself as the blacksmith of the village. He was known generally through the colony as a genius with tools and his work consisted in doing many things which were not ordinarily done by the average blacksmith. His mother was a woman of fine personality, shy and reserved, and yet prominently identified with the Quaker colony as one of its preachers.

When Herbert was but 6 years of age his father died, leaving his mother a widow with three children—Theodore, Herbert, and a daughter, Mary. Outside of a comfortable home there was not much left in the estate of Jesse Hoover from which to support this widow and her family, and yet she went bravely about her task, and by sewing for the neighbors was able to keep her little family together and to feed and clothe them and to send them to school. She also found time to go among the various Quaker settlements as a sort of preacher for her sect, and during those visits was compensated in a small way to make up for the loss of time which her visits necessitated when she otherwise would have been engaged in earning a livelihood for her children with her needle. When Herbert was but 10 years of age his mother was stricken with typhoid fever and died, leaving Herbert, his brother, and sister orphans. The children were taken by various relatives to be reared.

Herbert was sent to his uncle, Laban Miles, who was United States Government Indian agent for the Osage Tribe in Indian Territory, his uncle having chosen to devote his life to work among the Indians. After about eight months Herbert returned and made his home with his uncle and aunt, Allan and Millie Hoover, on an Iowa farm. He was given an opportunity to attend the district school, but out of school hours he utilized his time milking cows and doing the other usual chores which boys in those days had to do about a farm. This went on for some two years when it was finally decided, after consultation among his relatives, that for his better education he should be sent to join his uncle, John Minthorn, who was a country doctor and the president of the Pacific Academy, of Newburg, Oreg. Here he remained for about two years, attended school, and out of school hours he fed and curried the doctor's horses, milked the cows, helped with the furnace, and did other chores.

He then went to live with his grandfather, Miles, on a farm not far from the academy, and the number of chores increased. In fact, from what I have learned, life became real and earnest, between working on the farm and endeavoring to attend to his studies.

When he was 14 his uncle, Dr. John Minthorn, took up land development with the Oregon Land Co., which had offices in Salem and Portland, Oreg., and Herbert, bored by the ordinary routine of the academy, decided to join his uncle at Salem as his office boy. From that time on he made his own way in the world, slept in a room at the rear of the real-estate office, ate his meals wherever they could be secured at a reasonable cost, and at night devoted himself to further study. While engaged in this capacity he came in touch with a mining engineer who had told him something of the opportunities in the mining field. He, therefore, decided to make this his life work and without much direction proceeded to prepare himself for entrance into some university where he could get the necessary scientific training. From Salem, he went to Portland, got a job in a real-estate office as a useful boy of all work, worked by day and studied at night.

The great Leland Stanford Junior University, was to be opened in the fall of 1891. The university sent various professors throughout the Northwest to conduct examinations for entrance. Herbert decided to take them. Prof. Joseph Swain, a Quaker, and afterwards President of Swarthmore College, conducted these examinations at Portland. Herbert failed in several, but his earnestness and his latent ability appealed to this good man, and he suggested that if Herbert would study hard and come down to the university some weeks in advance of the opening and undergo some coaching he might be able to pass the entrance examinations.

So, in June, 1891, he journeyed on to Stanford with his small savings, which amounted to about $300. He spent the time between then and the opening of the university in being tutored, took the examinations and passed in everything except English composition, but was permitted to enter the university, provided this should be made up at some future time. Realizing that his $300 would soon be gone, and that he must earn money as he went along, he took a position as temporary clerk to the registrar. He took the agency for the San Francisco newspapers on the campus, as well as one for a laundry. He later became part-time secretary to Dr. John Branner, head of the department of geology.

During the vacation, after his freshman year, he assisted Doctor Branner, who had retained his post as State geologist of Arkansas, in preparing a survey and topographical map of Arkansas. He returned to Stanford in the fall as hard as nails and as brown as a berry with $200 additional in his pocket. During the following school year he kept on with the various jobs which provided him with funds upon which to live.

In the summer of 1893, between his sophomore and junior years, he secured a position with the United States Geological Survey and found himself under a great master of geology, Waldemar Lindgren. He spent the summer in the Sierra-Nevada Mountains, and again returned for his work at the university in the fall with his finances somewhat enhanced, and continued, as before, earning his own way.

The following summer he was again requested by Waldemar Lindgren to join him in making a survey of the interesting Pyramid Peak quadrangle near Lake Tahoe, Calif., and thus spent the entire summer in the out-of-doors, journeying by horseback, eating at a camp fire, and living under the stars, engaging in work from triangulation to topographical and geologic mapping. Lindgren, appreciating Hoover's work, had the name of Herbert Hoover printed on the maps with his own when the work was completed. He again returned to the university in the fall, this time with $300 toward his expenses for the coming year, and in rugged health.

During the following school year he took up the agency for some evening lectures and a series of concerts. By this time he had interested other students as assistants in his various business ventures, and so now had more headwork than footwork in carrying on these duties.

Stanford was a new university and had to lay out its plans for student organizations. At first they ran at rather loose ends, but Hoover conceived the idea that all the student activities should be organized under the direction of the student body, and that the various athletic and musical activities, together with the publication of the college paper, should be handled by this organization. He laid out a plan, but the students made as a condition to putting the plan into effect that he should become the treasurer of the student body, which position he accepted, although declining to take any salary for his work despite the insistence of his college mates that he do so. This was the first demonstration of his organizing ability.

He finally graduated from the university in May, 1895, in what is known as the Pioneer Class. Being without funds, he immediately looked for work. Mining in those days did not have the scientific backing that it later acquired, and a young engineer was looked upon as impractical and not of much value. As he himself has said, "because I had to eat," he took a laborer's job in the drifts of the Mayflower, a mine located near Grass Valley, Calif. He pounded a drill, shoveled ore, pushed a hand car for eight hours a day or night. In fact, he did all of the things that a miner was expected to do—all for $2.50 a day. He was finally promoted to night-shift boss, or gang foreman.

In those days the name of Louis Janin stood out among the greatest of mining engineers, and Hoover decided to take his small earnings which he had been able to save from this $2.50-a-day job and go to San Francisco and endeavor to become associated with this engineer, whose name was magic in the mining world. For a few weeks he served in Janin's office typing letters, keeping the correspondence, and so forth. Finally, one day Janin turned over to him the data in a mining suit and said, "I want a technical report on this situation." Hoover worked night and day on the job and presented a report which, in the words of Janin, "almost swept him off his feet." The practical knowledge which he had gained by using a pick and shovel, combined with his technical training and natural foresight, had given him an understanding of the subject far beyond what Janin had expected of so young an engineer. Hoover received the munificent salary of $50 a month while working in the office and $150 a month while out on the job as subordinate to the senior members of the staff. Janin finally sent Hoover on mining expeditions throughout California, Nevada, Colorado, New Mexico, and Arizona, and incidentally raised his salary to $250 a month.

Gold had been discovered in the deserts of western Australia. Janin had been requested to recommend some California engineer to go out into that country and develop some properties for a firm that was beginning operations in that part of the world. Janin recommended Hoover, who at that time was but 23 years of age. Hoover accepted, went out to the properties, and spent two years under most trying situations, traveling about on a camel, living under the sweltering sun of the desert, where water was very scarce and had to be counted out in cupfuls, and where he was taxed to the limit of his ability. He developed for his company several mines, the outstanding one being known as the Sons of Gwalia. His work in Australia had attracted a great deal of attention because of his ability in determining metallurgical methods, designing equipment, and planning means of development for 10 large mines.

China was undergoing a reawakening, and he was offered the position as director of mines. He left Australia, returned to the United States, married his college sweetheart, Lou Henry, of Monterey, Calif. (this was in 1899, when he was but 25 years of age), and then went on to China, taking his bride with him. He surveyed the Chinese mines and endeavored to establish a real mining policy for that country, but much of his work was undone by the Boxer rebellion. During this rebellion he took an active part defending Americans at Tientsin, where he and his wife resided.

He was finally made general manager of the Chinese Engineering & Mining Co. and devoted his time to developing coal properties, building railroads, handling a fleet of ocean-going steamers, developing cement works, in all of which activities he superintended about 20,000,000 employees. He built the Chinwangtao Harbor as an outlet for the coal of these mines.

In 1902, at the age of 28, he was given a junior partnership in an outstanding firm of mining engineers, and from that time maintained offices in San Francisco, New York, and London. As a member of this firm he had an opportunity to demonstrate his outstanding integrity. A subordinate connected with the firm had lost in speculation over a million dollars. While the firm was not legally responsible, yet Hoover felt that it was morally responsible for this money. So he insisted that the money be made good, and in making up this loss it nearly brought about his financial ruin. In 1908 he withdrew from the firm and went into business for himself, being then 34 years of age. At this time he was probably the leading consulting mining engineer in the world.

From then on he became interested in gigantic developments. He became distinctly a coordinator and executive, an administrator of industrial enterprises, an eliminator of waste and folly. One of his closest associates has said of him:

> He was, toward the end, a great doctor of sick companies. When a concern which ought to produce or pay did not produce or pay, after everyone else gave it up, they called in Hoover. He diagnosed the trouble and cured it.

He maintained offices in San Francisco, New York, London, Melbourne, Shanghai, St. Petersburg, and Mandalay. He operated in South Australia, Russia, United States, Mexico, Korea, the Malay Straits Settlement, South Africa, and India. By 1914 he and his associates employed 175,000 men. His fairness in dealing with his employees is demonstrated by the fact that he never experienced a labor strike in any of his operations.

With all his other work he found time to prepare many treatises on mining, one of which, Principles of Mining, appeared in 1909. This treatise is still standard in technical schools. He and his good wife also found time to translate that technical work of the Middle Ages, De Re Metalica.

Hoover had spent the winter of 1913–14 at engineering work in the United States. San Francisco was preparing for the Panama-Pacific Exposition of 1915, and the directors appointed Mr. Hoover their commissioner to arrange for the participation of European Governments. He sailed in March, journeyed on his mission from capital to capital, and was in Europe when the war broke out. The war caught in its meshes 200,000 American tourists. Their letters of credit, traveling checks, and so forth, were worthless, as a moratorium of all banks had been declared throughout Europe, and they had no way to get out of Europe and from under the feet of the armies. Ambassador Page urged Mr. Hoover to take over the task of getting these people back to the United States. Mr. Hoover, therefore, with 10 other friends, put up the funds and arranged for the homeward journey of these tourists. Some $1,500,000 was advanced in this work, all of which was returned except $400.

The relief of Belgium then became a great problem. Maintained as a German territory, within a ring of bayonets and an electrified wire fence, it was not a self-supporting country, but largely a manufacturing one, and had to import 80 per cent of the produce it consumed. Mr. Hoover was again urged to take on the matter of the relief of Belgium. It is impossible in a few words to describe this gigantic operation, its difficulties, and its dangers. The distribution of funds for the support of 7,000,000 people throughout war-ridden Belgium, the securing of the funds, negotiating with various governments for the passage of relief ships is a whole story in itself; but, added to this, he was requested to take on the relief of the French, who had been cut off by the fighting armies. This he undertook, and he fed not only the Belgians but the French. For this last work the French Government alone handed over one check of 25,000,000 francs, or $5,000,000, payable to the order of Mr. Hoover personally, to be used as he saw fit. When the books were closed on these two undertakings they showed that over $928,000,000 was handled by his organization. Farsighted as he is, at the beginning he employed outstanding auditors to handle the money and to keep the books, so that not a dollar of these funds could go astray. These auditors at one time submitted a report to the French Government. They waived it aside with these words:

> We have tasks more pressing and fruitful than questioning the integrity of Mr. Hoover.

Let me say, in passing, that during all of this time he refused to take a single cent for either salary or expenses; and, despite the fact that with his engineering ability during the war he might have become the richest man in the world, through the opening up and the operation of mines which supplied war material, he waived this aside and impoverished his own fortune for the relief of others.

Even after we entered the war this work continued. His organization gathered the funds, provided the supplies, and transported them to the German lines, where they were then taken over by representatives of Holland and Spain, neutrals during the war.

Mr. Hoover's next great undertaking was that of Food Administrator under the administration of President Wilson. His plan was different from that of any other such officer in any country of the world. He worked through cooperation of our people and not through force. Fourteen million families in the United States signed pledges to cooperate with him in this work, and this meant real sacrifice. I can give no extensive description of this most interesting work, which engaged him until June, 1919, but must simply say in passing that he so reduced consumption through the cooperation of our people and so increased production that our food exports increased from 6,000,000 tons annually, pre-war, to 20,000,000 tons annually, thus providing the margin which held the Allies in the war and supplied our own soldiers abroad. This organization handled food purchases to the value of $9,000,000 without even a solitary whisper of any scandal.

During this period he was fighting the battle of the American farmer. The allied governments had united in their purchasing and were paying their farmers $1.50 a bushel for wheat. Hoover contended that this was not enough and through his persistent endeavor, forced the Allies to increase that price. The price was finally fixed at $2.20 a bushel by a special board, of 11 members, composed of 2 labor leaders, 6 executives of the farm assoeiations, 2 economists, and 1 business man appointed by President Wilson.

His work at this time also included membership in the War Council, the Export Council, the Grain Corporation, the Sugar Equalization Board, and the Belgian and French relief.

Most of us thought our war duties were ended when the armistice was signed. Not so with Mr. Hoover. He saw another great problem before him. A survey showed that Germany was starving; that Austria-Hungary was even in a worse plight. Poland and those other Provinces of old Russia, which Germany had overrun, were worse off than the Germans themselves, and all other parts of southeastern Europe were hungry and disorganized. Winter was on, and there could be no help from native planting until the summer; even then no great relief could be afforded, for seed was lacking and transportation disorganized. Through his efforts blockades were withdrawn, despite persistent objection of our allies. Food was sent to starving millions. Poland, Germany, Austria, Yugoslavia, Rumania, Czechoslovakia, Estonia, Finland, Lithuania, Latvia, and Armenia shared supplies exceeding in value $600,000,000.

He also battled with our allied governments to continue, at least for a time, to take the farm products for which they had contracted, in order to avoid economic catastrophe. If all of these products which had been accumulated had been thrown suddenly back on the market, it would have

meant the ruination of the great farming population in the United States. This he averted by transferring these supplies into channels of relief for these starving countries and by persuading some of our allies to carry out their contracts for purchases of these products.

It is probably in these negotiations that he showed his greatest ability as a diplomat.

The handling of these supplies brought on another great job, that of the restoration of open ports and canals, the reestablishing of communications and railway services between various countries between which bitterness still existed, directing of coal production and distribution, in order that economic life and stability might be restored.

One of his greatest works during this period was the feeding, clothing, and giving of medical care through American charity to 10,000,000 undernourished children. This was carried on until July, 1922, during which time he raised over $80,000,000 for this particular work. He also organized a campaign against the typhus epidemic which was raging in eastern Europe, and reduced it from 600,000 to 10,000 cases in six months.

His viewpoint in regard to feeding the starving of countries against which we had just fought is expressed in a letter which has just come to light, in which he said:

> Because we do not kick a man in the stomach after we have licked him. From the point of view of an economist, * * * unless the German people can have food, can maintain order and a stable government, there is no hope of their paying the damages they owe the world * * *. We have not been fighting women and chfldren, and we are not beginning now * * *. No matter how deeply we may feel at the present moment, our vision must stretch over the next hundred years and we must write now into history such acts as will stand creditably in the minds of our grandchildren.

There is no question but that his relief of these starving peoples stabilized their governments and prevented the spread of bolshevism throughout all of Europe. Most of this work he directed as chairman of the Supreme Economic Council, which was created upon his recommendation, and a good part of it was done through the assistance of the Quakers, from which stock he originated, and through a congressional appropriation of $100,000,000.

When diplomats failed in negotiations for transportation of these supplies, the signature of Herbert Hoover was sufficient to open up the barriers during this period. His name was magic in the stricken countries.

On March 4, 1921, he was selected by President Harding as Secretary of Commerce, which at that time comprised six bureaus, as follows: Foreign and Domestic Commerce, Fisheries, Census, Standards, Coast and Geodetic Survey, Navigation, together with the Lighthouse Service and the Steamboat Inspection Service.

Since his appointment the department has taken over the Bureau of Mines, the Bureau of Patents, the All-American High Commission, and the Division of Radio. A volume might be written on his work with any one of those various bureaus, all of which have been increased in efficiency under his direction.

The Census Bureau has become a bureau not only to count individuals but to compile statistics for practical use, and which are a guidance to business men, farmers, manufacturers, and laborers. To-day it is the greatest fact-finding institution in the world.

The Bureau of Fisheries has likewise greatly expanded, and to-day it is an outstanding bureau in the study of scientific problems in relation to fish, their propagation and preservation. Under Mr. Hoover's direction laws have been passed for the conservation of the great salmon fisheries of Alaska, which otherwise would probably have been exterminated, and new methods have been discovered for assuring a supply of other kinds of fish for our people.

In the Bureau of Mines he has encouraged increased safety in underground workings and has decreased through these devices the number of underground-mining accidents.

The greatest service rendered by Mr. Hoover through these various bureaus is probably in the Bureau of Foreign and Domestic Commerce. He realized that in goods requiring much labor we can not compete with Europe, but that we can compete in high-quality products manufactured by our mass methods. With this thought in mind he convened over 200 leading manufacturers and laid out a definite plan. He set up some forty commodity divisions dedicated to studies in definite trades, such as steel, automobiles, foodstuffs, canned goods, textiles, and so forth.

These divisions reach out through commercial attachés and trade commissioners and special trade committees throughout the entire world and gather information which includes not only facts as to production abroad but available markets, trade conditions, standing, commercial rating, and general reliability of the firms with which the American exporter must deal, the condition of markets, methods, and tactics of competing firms from other nations, and various other matters of interest to the exporter of American products. This information is dispatched to some 21 offices located throughout the United States and, upon inquiry, directly to any person seeking the information. These inquiries have grown from 200,000 a year in 1921 to 2,400,000. This department has become a great salesman of American products. I think it is safe to estimate that through the efforts of this bureau over one-half billion dollars worth of American products are sold each year.

Through the investigations made by this bureau, he uncovered the plan of foreign governments to force Americans to pay exorbitant prices for products which lent themselves to foreign monopoly. The fight which he made against the British rubber monopoly, which forced the price of rubber from $1.10 a pound to 30 cents a pound, is still fresh in our memory. The United States consumes 70 per cent of the world's raw rubber. A saving to American consumers in this item alone amounts to approximately $700,000,000 a year. He has made the same battle against exorbitant monopoly prices in coffee, nitrate, potash, and other commodities needed by the American people.

His campaign to eliminate waste in industry stands out as one of his greatest achievements. His experts were able to prove that about 30 per cent of our industrial motions amounted to waste motions. Not by force but by cooperation with the manufacturers of the United States he has put over a program of simplified practice, which has resulted in decreasing the number of varieties of products in over 85 industries, with an annual saving of from $286,000,000 to $600,000,000 a year. Illustrations of the decrease in number of these varieties may be shown from the following: Paving bricks, from 66 to 5; milk bottles, from 49 to 9; bed blankets, from 78 to 12; hospital beds, from 33 to 1; hotel chinaware, from 700 to 160; face and common brick, from 39 to 1.

This department has given to the States and to municipalities as well as to individuals definite building guides, with a saving to the builder of from 10 to 20 per cent. More than 100 cities of the United States have embodied these principles into municipal laws.

He has greatly encouraged the building of homes by what is known as "the better homes in America" movement, which now has some 3,600 chapters throughout the United States, teaching people how to own and build their own homes.

This department under his direction also approved a standard zoning act, and now some 580 cities and towns of the United States, representing about half of our urban area, have adopted zoning plans based on the facts and recommendations gathered and issued by the Department of Commerce.

Radio and aviation have also attracted his attention. At his suggestion, Congress has passed adequate laws for the regulation of radio, and has passed an act establishing in the Department of Commerce a division of aviation, which has carried out a program of encouraging national airways, lighted routes, establishing landing fields and preparing charts as aids to aviation.

While carrying on the various duties of his department, he has been assigned to various other jobs of very considerable import. In 1921, President Harding requested him to direct an unemployment conference, which resulted in co-

operative efforts to do away with the unemployment then existing in the United States. His efforts were effective. He presided over the St. Lawrence Waterway Commission. He investigated our traffic accidents and arranged coordination between States for the prevention of these accidents. He served on the Foreign Debt Commission, which funded our debts with foreign countries and also served on the advisory committee of the Washington Arms Conference. As chairman of the Colorado River Commission, he settled an interstate quarrel of 20 years' standing and succeeded in having an agreement reached upon the Colorado River compact.

He presided over the International Radio Conference of 74 nations, which settled the points to govern this new force that has become so vital in our very existence.

In 1922 and 1923 he organized and put over the Russian famine relief, through which relief the lives of perhaps 15,000,000 people were saved, and which relief cost some $75,000,000.

His work in the Mississippi flood relief in 1927 remains too fresh in the memory of my hearers to attempt, in any way, to elaborate upon the wonderful results secured by him, except to say that, under his direction, 700,000 refugees were not only rescued, but were fed and by prompt medical attention, saved from pestilence, and reestablished in their homes and farms and that only six lives were lost in the entire process.

On November 6, 1928, Herbert Hoover was elected President of the United States. He was inaugurated March 4, 1929.

At that time most of the countries of the world were in a state of depression. The reaction from the war had set in and the terrible war debts were weighing heavily on the struggling peoples of the world. Conditions became so bad that revolutions occurred in many countries, governments were overthrown and a world of near chaos finally existed. This was bound to react on our own country, and we finally drifted into a very bad depression. This would have been bad enough, but a severe drought occurred in various sections of our country which intensified the seriousness of our situation.

President Hoover was undaunted by the problems that confronted him. His life has been one of solving problems, and he determined to solve this one. He conferred with the leading brains in the industries and institutions of our country, worked as perhaps but few of our Presidents have ever worked, and then set forth a definite plan to bring about our relief. This plan was submitted to the Congress, and it is being enacted into law. Already the country is responding to his plan of relief from the depression. The country is well advised as to his plan, and I will not take time to enter into a discussion of its details.

Fortunately, he has a rugged constitution and an insatiable capacity for work. We are blessed in having such a man at the head of our Government to-day.

Herbert Hoover is indeed a humanitarian and a patriot. He has never accepted salary or expenses in any of his relief work, which has been conducted with such outstanding ability that the overhead has amounted to less than three-eighths of 1 per cent in cost. He has not only given of his services, but has risked his life in many of these ventures. Several times during his career bombs have exploded near to him, causing, perhaps, some slight injury, but his life was spared that he might go on with his work for humanity.

Though many times offered decorations by foreign governments, he has consistently declined these, except perhaps to have bestowed upon him by the King of the Belgians the affectionate title "citizen and friend of the Belgians," or to have some street carry his name, or to witness a demonstration by some 100,000 children whose lives had been saved through his efforts.

Mr. Hoover has been America's agent of good will. He has established American methods and American machinery throughout the world.

He has been loyal to his country and exceedingly loyal to his alma mater, Stanford University, he having had an impermanent home there as early as 1908, which in 1910 became his permanent home. He established his family on the campus, entered his boys in the public schools there. His sons, Herbert, jr., and Allan, are graduates of Stanford University. In 1910, he led the campaign for the Stanford Club, a club and social center embracing the whole university. In 1912 he was named as a trustee of that institution, and his active work on behalf of his alma mater as such trustee might well be the subject of one whole discourse.

While in China he made a collection of rare Chinese books for that institution and has collected the finest war library in the world, which he donated to his alma mater and which, over his protests, now carries the name of the "Hoover war library."

He is an exceedingly charitable man, but makes no ostentation of his charity. He does not believe in indiscriminate giving, but may when accosted by some one on the street ask for his name and address and then through an arrangement with some charitable organization that person will be investigated and if worthy will be assisted, never knowing the name of his benefactor.

No one but himself will probably ever know the number of students who have been assisted in gaining an education through his aid. I sometimes feel that the struggles and sorrows through which he passed in his early life have given to him the great vision which he has and the desire to do good to others.

I once heard a great preacher say over the remains of a charitable woman as she lay cold in death: "Somehow, the eyes that have been washed with tears come to have a clearer vision of the beauties of holiness and of service and of God." I have always felt that this is true of Herbert Hoover.

I wish you could all know Herbert Hoover as I know him. I wish you could have the privilege I have had in joining him at his home at Stanford at an early morning breakfast to discuss matters of interest to his country, or that you could sit with him, as I have, in the twilight hours on his porch overlooking the beautiful Santa Clara Valley, discussing with him the humanities of life. He is shy and reserved; does not like to be praised; blushes if you give him some compliment; and, yet, given a duty to perform becomes a masterful leader.

The loyalty of those who really know him is expressed in the words of one of his lieutenants in the Belgium relief, who said:

Attachment to Hoover tends to the end toward fanaticism.

He is not prone to give compliments, but somehow a few words of commendation from him mean more to one associated with him than volumes of voluble praise from others.

Our country is facing a most critical period in its history, perhaps the greatest since the administration of President Lincoln. Who is better qualified to lead us out of our troubles than Herbert Hoover? He is no stranger to the intrigues of foreign governments. He understands the economic resources, the industrial methods, and the business organizations not only of the United States but of nearly every country of the world. We have perhaps no man in the United States who has the broad vision as to the needs of his own country and of world conditions as has President Hoover. Who will say that he is not the natural leader to carry on the affairs of our Government?

REDUCTION OF SALARIES OF FEDERAL EMPLOYEES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is my opinion that the question of wage reduction of those in the Federal service is one that not only involves those who would be directly affected, but may indirectly involve a substantial part of those employed in private industry.

In order for the public to make up their minds as to what action should be taken by the Congress, and by State or city agencies on this question as it affects those in the public service, this subject should be approached and considered from a rational and not from an emotional angle. In viewing this question as it appears to me, there are many elements to be considered, and the main element is "what effect a reduction in salary of those in the public service will have, or tend to have, upon the many millions of employees in private industry."

In this connection we should keep in mind that about a year and a half ago, upon the request of the President, a conference was held in Washington, attended by representatives of leading industries of America, also by William Green, representing the American Federation of Labor, at which the representatives of industry promised the President, and through him, the American people, that there would be no wage reductions, and President Green, likewise promised that organized labor would make no effort to increase wages during the period of depression. The promise given by the representative of the American Federation of Labor has been kept; the promises given by the representatives in industry have not been adhered to. Throughout the country reduction of wages has taken place to an extent that, if known, would amaze the American people.

A reduction in wages of Federal employees would constitute a condonation of the action of the industrial leaders in violating their solemn word, given to the President, and would justify, in their own minds at least, further reductions in salaries of those who are in their employ.

During periods of prosperity the employee is usually the last element to be considered favorably, and when depression visits us they are the first class affected in industry. Instead of trying to cut down operating expenses in many respects, which will not affect the employee, so far as work is concerned, instead of reducing the watered capital and so trying to earn a dividend upon the actual or real capitalization, instead of reducing expenses along these and other lines first, when a depression comes, the first consideration with reference to retrenchment is usually the employee.

What has happened in private industry is just what certain forces are trying to have done with reference to public employees.

The Federal Government spends a tremendous sum of money each year. The greater part of the expenses is necessary, but there are many millions of dollars needlessly wasted annually as a result of the duplication of work by different departments and bureaus which could be saved without any sharp reduction in the working force of the Government. A reorganization of our many bureaus and departments would result in a saving not only to the American public to-day but to the taxpayer to-morrow of a tremendous sum of money. Such a reorganization would also remove many of the bureaucratic tendencies and policies which exist to-day.

The Federal Government through the so-called Federal-aid plan, which is nothing but an indirect way of making constitutional certain legislation that if directly proposed would be unconstitutional, and which is resulting in the absorption by the Federal Government of many State activities, if discontinued with the possible exception of road building, would save the taxpayers well over $100,000,000 each year. Every student of our Government realizes that a Federal-aid program is contrary to the spirit of our scheme of Government. At least during the period of depression this program could be suspended in part, which would result in a tremendous saving to the taxpayers. I refer to the reorganization of departments and bureaus and to the suspension of the Federal-aid program to indicate the tremendous decrease in the cost of Government and the saving to the American taxpayer which could be brought about.

Instead of cutting down wages, which would be hitting only the surface of the cost of Government, why not undertake a real constructive program which contemplates savings in other directions without in the first instance affecting the employee, thereby causing similar action to be taken by private industry, affecting in all probability many millions of workers and their dependents. This is not simply a question of the Federal employees being affected, but I predict that if a reduction in the salaries of Federal employees is put into operation the natural and probable consequence thereof will be further wage reductions in private industry.

Throughout the country a feeling of fear exists. If it could be removed and confidence restored the country would quickly start the journey to a return to normalcy. As we pick up the papers every day, we read of industrial leaders talking about this feeling of fear, resulting in retrenchment in expenses by the worker and in the hoarding of money, and yet the cutting of wages has been one of the main factors of aggravation of this feeling. For the Federal Government to reduce wages at this time would only result in further aggravation of the general feeling of fear which exists. At least, after this unfortunate period of depression is over, let it be said that the Federal Government did nothing which, so far as action toward its employees is concerned, aggravated the existing feeling of insecurity and fear.

This is not alone a question of employment or nonemployment; it is not alone a question of steady or staggering employment; it is not solely a question of whether the Federal employee received an increase during days of prosperity commensurate with the pay of the employee in private industry, nor a question of whether or not they are receiving the wages that they should receive at the present time. The main issue resolves itself into the important question as to what effect a decrease in the salaries of public employees will have not only upon purchasing power but upon the millions of employees in private industry and upon a more speedy return to normalcy.

A governmental wage reduction, producing in turn a further reduction among private employers, would constitute a step which would not only aggravate existing conditions but would contribute toward a prolongation of the present period of depression.

A rational examination of this question indicates clearly that a reduction in the wages of those in the public service is very unwise.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I ask the majority leader what is coming up before the House to-morrow?

Mr. RAINEY. Mr. Speaker, to-morrow is Calendar Wednesday. The Committee on Agriculture has the call, and I understand they have a bill to present.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GRIFFIN, on account of illness.

ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 457. An act authorizing an addition to the Cache National Forest, Idaho;

S. 2286. An act authorizing the William Robert Smith Memorial Association, of El Paso, Tex., to construct a memorial in honor of William Robert Smith, former Member of Congress from the sixteenth district of Texas; and

S. 2639. An act to extend the time for the construction of a bridge across the Missouri River at or near Poplar, Mont.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 17, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Wednesday, February 17, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

(10 a. m.)

Bills relating to granting of authority to the Secretary of the Treasury to employ local State resident architects for the construction of Federal buildings (H. R. 5880, H. R. 6307, H. R. 5881, and H. R. 6187).

COMMITTEE ON INDIAN AFFAIRS

(10 a. m.)

Pueblo land bill.

COMMITTEE ON THE JUDICIARY

(10 a. m.)

Short selling of securities (H. R. 4, H. R. 4604, H. R. 4638, and H. R. 4639).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

442. A letter from the Secretary of War, transmitting a report dated February 12, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Columbia River between the mouth of the Willamette River and a point 1 mile above the city of Vancouver, Wash. (H. Doc. No. 249); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

443. A letter from the Secretary of War, transmitting a report dated February 13, 1932, from the Chief of Engineers, United States Army, on Baptism and Manitou Rivers, Minn. (H. Doc. No. 250); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

444. A letter from the Secretary of War, transmitting a report dated February 13, 1932, from the Chief of Engineers of the United States Army, on preliminary examination of St. Marys Falls Canal, Mich.; to the Committee on Rivers and Harbors.

445. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Chicago World's Fair Centennial Commission for the fiscal year 1932, to remain available until June 30, 1934, amounting to $1,000,000 (H. Doc. No. 251); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DOMINICK: Committee on the Judiciary. H. R. 5342. A bill to provide for the appointment of an additional district judge for the district of New Jersey; without amendment (Rept. No. 491). Referred to the Committee of the Whole House on the state of the Union.

Mr. GASQUE: Committee on Pensions. H. R. 7230. A bill granting uniform pensions to widows and children of certain persons who served the United States in time of war, and for other purposes; without amendment (Rept. No. 492). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BLACK: Committee on Claims. H. R. 491. A bill for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October, 1918; without amendment (Rept. No. 493). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 550. A bill for the relief of Amy Harding; with an amendment (Rept. No. 494). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 632. A bill for the relief of Lucy Murphy; without amendment (Rept. No. 495). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 692. A bill for the relief of Western Electric Co. (Inc.); with amendment (H. Rept. No. 496). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 873. A bill for the relief of Carl F. Castleberry; without amendment (Rept. No. 497). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 5999. A bill for the relief of Raymond Nelson Hickman; without amendment (Rept. No. 498). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1843. A bill for the relief of Capt. Asa G. Ayer; without amendment (Rept. No. 499). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2063. A bill for the relief of Capt. Chester J. Dick; with amendment (Rept. No. 500). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2126. A bill for the relief of the Brookhill Corporation; without amendment (Rept. No. 501). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3526. A bill for the relief of Chico-Westwood-Susanville Auto Stage Co., Chico, Calif.; without amendment (Rept. No. 502). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4162. A bill for the relief of Homer J. Williamson; without amendment (Rept. No. 503). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4911. A bill for the relief of Ralph E. Williamson for loss suffered on account of the Lawton (Okla.) fire, 1917; without amendment (Rept. No. 504). Referred to the Committee of the Whole House.

Mr. HARLAN: Committee on Claims. H. R. 5053. A bill for the relief of Clyde Sheldon; without amendment (Rept. No. 505). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 1185. A bill for the relief of Anthony Peter De Young; without amendment (Rept. No. 506). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 1190. A bill to provide for the advancement on the retired list of the Navy of George Dewey Hilding; without amendment (Rept. No. 507). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 2087. A bill for the relief of Col. Frank E. Evans, United States Marine Corps; without amendment (Rept. No. 508). Referred to the Committee of the Whole House.

Mr. EVANS of Montana: Committee on the Public Lands. H. R. 9004. A bill for the relief of Agnes C. Reder; without amendment (Rept. No. 509). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8411) granting an increase of pension to Claudia V. Hester; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 2885) granting a pension to Mary J. Duling; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROMJUE: A bill (H. R. 9385) authorizing Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns to construct, maintain, and operate a bridge across the Des Moines River at or near St. Francisville, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 9386) amending the act of Congress entitled "An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims," approved June 4, 1924; to the Committee on Indian Affairs.

By Mr. CARY: A bill (H. R. 9387) to provide for the erection of a suitable memorial to the memory of John James Audubon at Henderson, Ky.; to the Committee on the Library.

By Mr. PITTENGER: A bill (H. R. 9388) to authorize the Secretary of the Interior to extend or renew the contracts of employment of the attorneys employed to represent the Chippewa Indians of Minnesota in litigation arising in the Court of Claims under the act of May 14, 1926 (44 Stat. 555); to the Committee on Indian Affairs.

By Mr. KNUTSEN: A bill (H. R. 9389) to establish a fur-breeding experimental farm in northern Minnesota; to the Committee on Agriculture.

By Mr. PARKER of New York: A bill (H. R. 9390) to place rate regulation of water-borne commerce on the inland waterways of the United States under the jurisdiction of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN: A bill (H. R. 9391) to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, for the purpose of requiring the use of a domestic product, and for other purposes; to the Committee on Agriculture.

By Mr. BEERS: A bill (H. R. 9392) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on the Civil Service.

By Mr. LINTHICUM: a bill (H. R. 9393) to increase passport fees, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GARBER: A bill (H. R. 9394) providing for the purchase of a site and the erection of a public building thereon in the city of Medford, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. HARE: A bill (H. R. 9395) to provide for public buildings to accommodate all second and third class post offices in the United States; to the Committee on Public Buildings and Grounds.

By Mr. PARKER of Georgia: A bill (H. R. 9396) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment by authorizing the construction and reconstruction of highways, and by authorizing the construction of buildings for certain post offices, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. HARE: A bill (H. R. 9397) to authorize the Secretary of War to issue certificates to certain former members of the Reserve Officers' Training Corps; to the Committee on Military Affairs.

By Mr. FERNANDEZ: A bill (H. R. 9398) providing a nautical school at the port of New Orleans, La.; to the Committee on Naval Affairs.

By Mr. BYRNS: Resolution (H. Res. 147) for the appointment of a committee to be known as the economy committee and to be composed of Members of the House for the purpose of making an investigation of, and recommendation for, reducing the expenditures of Government; to the Committee on Rules.

By Mr. LUDLOW: Joint resolution (H. J. Res. 293) directing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Big. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. CLANCY: Joint resolution (H. J. Res. 294) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 295) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

By Mr. DISNEY: Concurrent resolution (H. Con. Res. 21) creating a joint committee of the Congress on governmental expenditures; to the Committee on Rules.

By Mr. McCLINTIC of Oklahoma: Concurrent resolution (H. Con. Res. 22) creating a joint committee to investigate the various bureaus and departments of government; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEERS: A bill (H. R. 9399) granting an increase of pension to Sallie Davis; to the Committee on Invalid Pensions.

By Mr. BLACK: A bill (H. R. 9400) for the relief of John J. Kennelly; to the Committee on Claims.

By Mr. BOEHNE: A bill (H. R. 9401) granting a pension to Ethel K. Massie; to the Committee on Pensions.

By Mr. CHAPMAN: A bill (H. R. 9402) granting a pension to Maggie Laughlin; to the Committee on Pensions.

Also, a bill (H. R. 9403) granting an increase of pension to Mary Reynolds; to the Committee on Invalid Pensions.

By Mr. COLE of Maryland: A bill (H. R. 9404) granting a pension to Harriet S. Nicholson; to the Committee on Pensions.

By Mr. COOPER of Ohio: A bill (H. R. 9405) granting an increase of Pension to Lottie M. Haynes; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 9406) for the relief of Trevor Major; to the Committee on Military Affairs.

Also, a bill (H. R. 9407) granting a pension to Henry A. Brown; to the Committee on Pensions.

Also, a bill (H. R. 9408) granting a pension to Dorsey C. Blakeley; to the Committee on Pensions.

By Mr. CROSS: A bill (H. R. 9409) granting a pension to Annie Olena Nystel; to the Committee on Pensions.

By Mr. DALLINGER: A bill (H. R. 9410) for the relief of Morrie Keezar; to the Committee on Military Affairs.

By Mr. DYER: A bill (H. R. 9411) for the relief of Lemuel George Boren; to the Committee of Naval Affairs.

By Mr. FIESINGER: A bill (H. R. 9412) for the relief of Jo McDonald Meeks; to the Committee on Naval Affairs.

By Mr. GARBER: A bill (H. R. 9413) granting an increase of pension to Amanda J. Benell; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 9414) granting a pension to Julia A. Taylor; to the Committee on Invalid Pensions.

By Mr. LICHTENWALNER: A bill (H. R. 9415) granting a pension to Amelia Haines; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 9416) granting a pension to Theresa G. Noonan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9417) for the relief of James Conley; to the Committee on Military Affairs.

Also, a bill (H. R. 9418) for the relief of William F. Curley; to the Committee on Military Affairs.

Also, a bill (H. R. 9419) for the relief of George C. Cummings; to the Committee on Military Affairs.

Also, a bill (H. R. 9420) granting a pension to Timothy Vaughan; to the Committee on Pensions.

Also, a bill (H. R. 9421) granting an increase of pension to Helen B. Weston; to the Committee on Invalid Pensions.

By Mr. MAJOR: A bill (H. R. 9422) granting an increase of pension to Lena Niemann; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 9423) for the relief of George O. Canaga, executor of the estates of Rebecca Canaga and Mary Jane Canaga; to the Committee on Claims.

By Mr. PERKINS: A bill (H. R. 9424) granting an increase of pension to Emma C. Evans; to the Committee on Pensions.

Also, a bill (H. R. 9425) to extend the benefits of the employees' compensation act of September 7, 1916, to Joseph A. Dugan; to the Committee on Claims.

By Mr. REED of New York: A bill (H. R. 9426) granting an increase of pension to Augusta C. Bittmayer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9427) granting an increase of pension to Betsey A. Noble; to the Committee on Invalid Pensions.

By Mr. REILLY: A bill (H. R. 9428) for the relief of the Commercial Co. of Fond du Lac, Wis.; to the Committee on Claims.

By Mr. STALKER: A bill (H. R. 9429) granting an increase of pension to Sarah A. Tenbroeck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9430) granting an increase of pension to Jennie Rust; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 9431) granting an increase of pension to Cordelia Hiatt; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 9432) granting a pension to Theodosia Davis Whitaker; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 9433) granting a pension to John W. Hughes; to the Committee on Pensions.

By Mr. WEAVER: A bill (H. R. 9434) for the relief of J. A. Cearly; to the Committee on Claims.

Also, a bill (H. R. 9435) for the relief of Frank A. Fain; to the Committee on Claims.

Also, a bill (H. R. 9436) granting a pension to Thomas L. Trantham; to the Committee on Pensions.

By Mr. WOLVERTON: A bill (H. R. 9437) granting an increase of pension to Kate Schnetzler; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2061. By Mr. ALDRICH: Petition of Thyra Jane M. Foster and 19 other citizens of West Warwick, R. I., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2062. By Mr. AYRES: Petition of Women's Council of Fairview Christian Church, Wichita, Kans., opposing any modification or repeal of the prohibition law; to the Committee on the Judiciary.

2063. Also, petition of Dobbs Union Woman's Christian Temperance Union, Wichita, Kans., opposing any modification or repeal of the prohibition law; to the Committee on the Judiciary.

2064. By Mr. BACON: Petition of sundry veterans of the World War of Island Park, N. Y., urging full payment of the adjusted-service certificates; to the Committee on the Judiciary.

2065. Also, petition of sundry citizens of Lynbrook and East Rockaway, N. Y., urging repeal of eighteenth amendment; to the Committee on the Judiciary.

2066. Also, petition of sundry citizens of Lynbrook, Valley Stream, and Malverne, N. Y., urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2067. Also, petition of sundry citizens of Port Washington, N. Y., urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2068. Also, petition of sundry citizens of Lynbrook, N. Y., urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2069. Also, petition of sundry citizens of North Hempstead, favoring the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2070. Also, petition of sundry citizens of Great Neck, N. Y., favoring the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2071. Also, petition of sundry citizens of Hempstead and Merrick, N. Y., urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2072. By Mr. BEERS: Petition of the Capitol Hill Woman's Christian Temperance Union, of Washington, D. C., protesting against modification or resubmission to the States for repeal of the national prohibition laws; to the Committee on the Judiciary.

2073. By Mr. BOHN: Petition of the Metropolitan Water Supply Post, No. 185, the American Legion, Detroit, Mich., protesting against the appropriation for the Officers' Reserve Corps; to the Committee on Appropriations.

2074. Also, petition of the Metropolitan Water Supply Post, No. 185, of the American Legion, in the county of Wayne, city of Detroit, Mich., favoring the United States Government opening a subtreasury office in every State in the Union, and an office in each major city, in order that the home owner desiring the Government home loan, in connection with the proposed home-loan bank, may attain such loan at cost and without the necessity of paying a bonus, and that the rate of interest charged by the Government of the United States of America shall be the lowest rate possible consistent with business methods; to the Committee on Banking and Currency.

2075. Also, petition of members of Emmet County Post, No. 2051, Veterans of Foreign Wars of the United States, Petoskey, Mich., in support of House bill 7540, pertaining to Spanish-American War widows and orphans, and House bill 1, providing for the immediate cash payment of adjusted-service certificates in full; to the Committee on Ways and Means.

2076. By Mr. CLARKE of New York: Petition of 90 members of Vestal Grange, No. 1073, Vestal, N. Y., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2077. Also, petition of 23 members of the First Baptist Sunday school, Springfield Center, N. Y., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2078. Also, petition of 56 members of the Oneonta Plains Woman's Christian Temperance Union, Oneonta, N. Y., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2079. Also, petition of Floyd Mumford and 25 residents, of Cooperstown, N. Y., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2080. By Mr. CONNERY: Petition of veterans and citizens from National Military Home in Bath, N. Y., and Kent and Akron, Ohio, favoring the immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

2081. By Mr. CRAIL: Petition of several hundred citizens of Los Angeles County, Calif., opposing any legislation which would repeal, revise, resubmit, or nullify the eighteenth amendment; to the Committee on the Judiciary.

2082. By Mr. CURRY: Petition of Central Labor Council of San Joaquin County, Calif., indorsing Senate bills 7, 935, and 3045; to the Committee on Labor.

2083. Also, petition of the Women's League of Calvary Baptist Church, opposing modification or repeal of the prohibition laws; to the Committee on the Judiciary.

2084. Also, petition of citizens of California, urging maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

2085. By Mr. EATON of Colorado: Petition of representatives of various drainage districts, water companies, local farmers' loan associations, business men, and individuals of Crowley County, Colo., petitioning Congress to pass legislation for a relief that will be a benefit to the six drainage districts in that county, comprising 30,000 acres of land; to the Committee on Irrigation and Reclamation.

2086. Also, resolution of Federal Postal Employees Association (Inc.), of Denver, Colo., protesting against reduction of compensation of Federal employees; to the Committee on Appropriations.

2087. By Mr. FULBRIGHT: Petition of citizens of West Plains, Mo., against compulsory Sunday observance; to the Committee on the District of Columbia.

2088. By Mr. GARBER: Petition of the Oklahoma Agricultural Cooperative Council, regarding the agricultural marketing act and the Federal Farm Board; to the Committee on Agriculture.

2089. Also, petition of the Chamber of Commerce of Shawnee, Okla., urging enactment of protective legislation for the petroleum industry of the United States; to the Committee on Ways and Means.

2090. By Mr. GOLDSBOROUGH: Petition circulated by the Woman's Christian Temperance Union of Easton, Md., with 82 signers, in support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2091. By Mr. GRISWOLD: Petition of J. E. Smiley and 160 other residents, of Fairmount, Ind., protesting against any change or modification of the prohibition law and urging strict enforcement of this law; to the Committee on the Judiciary.

2092. Also, petition of Hattie C. Shawhan and 24 other citizens of Fairmount, Ind., protesting against any change or modification of the prohibition law and urging strict enforcement of this law; to the Committee on the Judiciary.

2093. Also, petition of Charles L. Bates and 10 other citizens of Urbana, Ind., protesting against any change or modification of the prohibition law and urging enforcement of this law; to the Committee on the Judiciary.

2094. Also, petition of Mae Keever and 17 other citizens of Urbana, Ind., protesting against any change or modification of the prohibition law and urging strict enforcement of this law; to the Committee on the Judiciary.

2095. Also, petition of Catherine Allman and 15 other citizens, of Urbana, Ind., protesting against any change or modification of the prohibition law and urging strict enforcement of this law; to the Committee on the Judiciary.

2096. Also, petition of Lucy Amber and 11 other citizens, of Urbana and North Manchester, Ind., protesting against any change or modification of the prohibition law and urging strict enforcement of this law; to the Committee on the Judiciary.

2097. Also, petition of Guy Lewis and 26 other citizens of Fairmount, Ind., protesting against any change or modification of the prohibition law, and urging strict enforcement of this law; to the Committee on the Judiciary.

2098. Also, petition of Pauline Ratliff and 39 other citizens, of Fairmount, Ind., protesting against any change or modification of the prohibition law and urging strict enforcement of this law; to the Committee on the Judiciary.

2099. By Mr. HADLEY: Petition of a number of citizens of Auburn, Wash., opposing the compulsory Sunday observance bill (S. 1202); to the Committee on the District of Columbia.

2100. Also, petition of a number of citizens of Des Moines, Wash., urging maintenance and enforcement of the prohibition law; to the Committee on the Judiciary.

2101. By Mr. HOCH: Petition of Mrs. H. A. Bender and 12 other voters of Burns, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this petition be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

2102. Also, petition of Anna M. Olofson and 33 other citizens of Burdick, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2103. Also, petition of Federated Sunday school of Quenemo, Kans., representing 85 members, urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

2104. Also, petition of the Woman's Christian Temperance Union of Burns, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

2105. Also, petition of C. H. Hjorthohn and 16 other voters, of Eureka, Kans., urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this petition be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

2106. Also, petition of the First Baptist Church, of Reading, Kans., urging support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

2107. By Mr. HOGG of West Virginia: Petition of McDowell County Post, No. 8 (Inc.), the American Legion, Welch, W. Va., requesting that the World War veterans' adjusted-service certificates be paid in full at once, without deduction of any interest due on loans already made on such certificates; to the Committee on Ways and Means.

2108. By Mr. HOPE: Petition of R. W. Robertson and 169 others, of Hutchinson, Kans., favoring prohibition and its enforcement and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2109. Also, petition of Mrs. Lee Langford and Mrs. W. F. Schmitt, of Nickerson, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2110. Also, petition of Belle Singleton and Mary McMahon, of Kiowa, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2111. Also, petition of Bell Candle and Mrs. Oleson, of Kiowa, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2112. Also, petition of Ella E. Ellis and Dora Ewing, of Kiowa, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2113. Also, petition of Helen Black and Frank Jefferies, of Kiowa, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2114. Also, petition of W. S. Wells and 18 others, of Sterling, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2115. Also, petition of Josephine Stewart and 16 others, of Nashville, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2116. Also, petition of Mrs. Pitman and 41 others, of Scott City, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2117. Also, petition of Martha A. Harris and 64 others, of Kiowa, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2118. By Mr. HORR: Petition of L. J. Adamson, Billie Cramer, and 35 others, of Seattle, Wash., urging the further continuance of summer training for the Organized Reserves,

Reserve Officers' Training Corps, citizens' military training camps, and the National Board for the Promotion of Rifle Practice, and strongly opposing any cut in appropriations for national defense; to the Committee on Appropriations.

2119. By Mr. KURTZ: Petition of Middleburg U. B. Class, of Middleburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2120. Also, petition of the First Reformed Church of Middleburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2121. Also, petition of Emmanuel Lutheran Church of Middleburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2122. Also, petition of the Evangelical Sunday school of Middleburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2123. By Mr. LAMBERTSON: Resolution of the Frances Willard Woman's Christian Temperance Union, of Tonganoxie, Kans., representing 25 people, opposing the resubmission to the States for ratification of the eighteenth amendment, and favoring adequate appropriations for law enforcement; to the Committee on the Judiciary.

2124. Also, resolution of the Ladies' Aid Society of the Methodist Episcopal Church of Tonganoxie, Kans., representing 40 people, opposing the resubmission to the States for ratification of the eighteenth amendment, and favoring adequate appropriations for law enforcement; to the Committee on the Judiciary.

2125. Also, resolution of the Congregational Ladies' Association of Tonganoxie, Kans., favoring the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2126. By Mr. LUCE: Petition of residents of Wellesley, Mass, relating to conditions in the Far East, and urging an embargo on munitions for China and Japan; to the Committee on Foreign Affairs.

2127. By Mr. LUDLOW: Petition of citizens of Indianapolis, Ind., opposing the passage of House bill 8092, the Sunday observance bill; to the Committee on the District of Columbia.

2128. By Mr. MEAD: Petition of John A. Boechat Post No. 295, American Legion, Buffalo, N. Y., opposing Federal wage reduction; to the Committee on Ways and Means.

2129. Also, petition of residents of East Aurora, N. Y., opposing modification of the prohibition law; to the Committee on the Judiciary.

2130. Also, petition of South Side Woman's Christian Temperance Union, Buffalo, N. Y., opposing modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2131. By Mr. PARKS: Petition of the Woman's Christian Temperance Union, protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2132. By Mr. MURPHY: Petition of John F. Springer, president of East Liverpool Rifle Club, and eight other members, asking the House to restore to the appropriation the figures the President and the Director of the Budget approved for the Reserve Corps; to the Committee on Appropriations.

2133. By Mr. NELSON of Wisconsin: Petition of Woman's Christian Temperance Union, Woman's Home Missionary Society and Social Union, University Methodist Episcopal Church, all of Madison, Wis., opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2134. By Mr. PRATT: Petition of 26 members of the Congregational Church, of Canaan, Columbia County, N. Y., praying for maintenance of the prohibition laws, and opposing repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2135. Also, petition of C. E. Roosa, W. H. Martin, James J. Kennedy, and 22 other employees of the post office of Hudson, Columbia County, N. Y., urging opposition to legislation designed to decrease postal employees' salaries; to the Committee on Appropriations.

2136. Also, petition of 45 members of the Woman's Christian Temperance Union of Wallkill, Ulster County, N. Y., praying for maintenance of the prohibition laws and opposing repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2137. Also, petition of S. C. Roosa, Millie Roosa, Martha W. Chandler, and 23 other members of Liberty Grange, Liberty, Sullivan County, N. Y., praying for maintenance of the prohibition laws, and opposing repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2138. Also, petition of First Baptist Church (representing 195 people) of Catskill, Greene County, N. Y., praying for maintenance of the prohibition laws, and opposing repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2139. Also, petition of 60 members of the Woman's Christian Temperance Union of East Durham, Greene County, N. Y., praying for maintenance of the prohibition laws, and opposing repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2140. By Mr. RUDD: Petition of Hon. Ella F. B. Scott, chairman of Relief Society for the Aged, New York City, favoring the passage of House bill 7926, the Connery bill; to the Committee on Labor.

2141. Also, petition of Folsom Men's Club, Glendale, Long Island, N. Y., opposing any reduction in salaries of the postal employees; to the Committee on Appropriations.

2142. Also, petition of Memorial and Executive Committee (Inc.), United Spanish War Veterans, Borough of Brooklyn, N. Y., protesting against any reduction in the personnel of the Army, Navy, Marine Corps, or Air Service, or otherwise weaken or impair national defense, and favoring the Vinson bill; to the Committee on Appropriations.

2143. Also, petition of Fountain Pen and Mechanical Pencil Workers Union, Local 17990, favoring relief legislation for substitute postal employees; to the Committee on the Post Office and Post Roads.

2144. Also, petition of Metal Polishers International Union, Local No. 8, favoring the passage of Senate bill 935, the Norris bill; to the Committee on the Judiciary.

2145. By Mr. SANDERS of New York: Petition of Sophia Gesell and other citizens, of South Lima, N. Y., supporting the prohibition law and its enforcement, and against modification, resubmission, or repeal; to the Committee on the Judiciary.

2146. Also, petition of Rev. R. M. Connal and others, supporting the prohibition law and its enforcement, and against modification, resubmission, or repeal; to the Committee on the Judiciary.

2147. Also, resolution of the united congregations of Oakfield and Alabama, N. Y., opposing resubmission of the prohibition law to the States; to the Committee on the Judiciary.

2148. Also, resolution of the Kee Wat Ken Club, of Orleans County, N. Y., opposing resubmission of the prohibition law to the States; to the Committee on the Judiciary.

2149. Also, petition of Edith J. Hill and other citizens, of Mount Morris, N. Y., supporting the prohibition law and its enforcement, and against modification, resubmission, or repeal; to the Committee on the Judiciary.

2150. Also memorial of the Orleans County Woman's Christian Temperance Union, opposing resubmission of the prohibition law to the States; to the Committee on the Judiciary.

2151. By Mr. SEGER: Resolution of Totowa Council, No. 238, Sons and Daughters of Liberty, urging immediate pas-

sage of House bill 1967, by Congressman BACHMANN; to the Committee on Immigration and Naturalization.

2152. Also, resolution of Veterans of Foreign Wars, Department of New Jersey, maintaining national defenses, building Navy up to limits of London treaty, and opposing proposed reductions in personnel and citizens' military training camps; to the Committee on Military Affairs.

2153. By Mr. STALKER: Petition of residents of Elmira, N. Y., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

2154. Also, petition of residents of Berkshire, N. Y., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2155. By Mr. SUMMERS of Washington: Petition signed by Dr. John W. Lande and 11 other adult residents of Goldendale, Wash., protesting against the enactment of compulsory Sunday observance legislation; to the Committee on the District of Columbia.

2156. Also, petition signed by J. Riffel and 24 other adult residents of College Place, Wash., protesting against the enactment of compulsory Sunday observance legislation; to the Committee on the District of Columbia.

2157. By Mr. SUTPHIN: Petition of the Veterans of Foreign Wars of the United States; to the Committee on Appropriations.

2158. By Mr. SWANSON: Petition of Chamber of Commerce of Council Bluffs, Iowa, opposing bridge bill 8910, relating to a bridge over Missouri River between Omaha, Nebr., and Council Bluffs, Iowa; to the Committee on Interstate and Foreign Commerce.

2159. Also, petition of First Baptist Church of Massena, Iowa, opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2160. By Mr. SWING: Petition of 122 citizens, of Colton, Calif., opposing any compulsory Sunday observance bill; to the Committee on the District of Columbia.

2161. By Mr. WEEKS: Petition from Plainfield, Vt., supporting maintenance and enforcement of the eighteenth amendment; to the Committee on the Judiciary.

2162. Also, resolution from Pownal, Vt., supporting the eighteenth amendment; to the Committee on the Judiciary.

2163. By Mr. WOLFENDEN: Petition of the New Century Club of West Chester, Pa., protesting against the modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2164. By Mr. WOLCOTT: Petition of the Metropolitan Water Supply Post, No. 185, of the American Legion, county of Wayne, city of Detroit, State of Michigan, requesting in the administration of the home loan bank law, if enacted, that a subtreasury be opened in every State in the Union and an office in each major city, etc.; to the Committee on Banking and Currency.

2165. Also, petition of Metropolitan Water Supply Post, No. 185, American Legion, of the county of Wayne, city of Detroit, and State of Michigan, protesting the appropriation for the Officers' Reserve Corps for the ensuing year, etc.; to the Committee on Appropriations.

SENATE

WEDNESDAY, FEBRUARY 17, 1932

Rev. Frederick Brown Harris, D. D., pastor of the Foundry Methodist Episcopal Church of the city of Washington, offered the following prayer:

Our Father God, we acknowledge Thee as the sovereign ruler of our lives. Our hearts are restless till they find rest in Thee, until Thy completeness flows round our incompleteness and round our restlessness Thy rest.

We thank Thee that in hours when some red cup of sorrow has been put in our trembling hands, when some thorned crown of bitter loss or deep anxiety has stabbed our brow, when some grim cross of sacrificial service has loomed ahead in the path of duty we have made the supreme discovery that we are not alone. As we do the right as Thou givest us to see the right, we do not stand alone, we do not walk alone, nor struggle alone nor suffer alone. Always Thou art closer than breathing, nearer than hands or feet.

Knowing our own failing and falling, give us toward our comrades sympathy and tolerance and a love that sees the best that glimmers through the worst. In these confused and confusing days save us from the paralysis of pessimism and cynicism. May our glad hearts thrill at the beckoning challenge of being partners with Thee, our redeeming God, in building a world where truth and righteousness, justice and love shall one day cover the earth as the waters cover the sea.

We ask it in that name which is above every name. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the calendar days of Wednesday, February 10; Thursday, February 11; Friday, February 12; Monday, February 15; and Tuesday, February 16, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed the joint resolution (S. J. Res. 14) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 8397) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 457. An act authorizing an addition to the Cache National Forest, Idaho;

S. 2286. An act authorizing the William Robert Smith Memorial Association, of El Paso, Tex., to construct a memorial in honor of William Robert Smith, former Member of Congress from the sixteenth district of Texas; and

S. 2639. An act to extend the time for the construction of a bridge across the Missouri River at or near Poplar, Mont.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Robinson, Ind.
Austin	Couzens	Kean	Schall
Bailey	Cutting	Kendrick	Sheppard
Bankhead	Dale	Keyes	Shipstead
Barbour	Davis	King	Smith
Barkley	Dickinson	La Follette	Smoot
Bingham	Dill	Lewis	Steiwer
Black	Fess	Logan	Stephens
Blaine	Fletcher	McGill	Thomas, Idaho
Borah	Frazier	McKellar	Thomas, Okla.
Bratton	George	McNary	Townsend
Brookhart	Glass	Morrison	Trammell
Broussard	Goldsborough	Moses	Tydings
Bulkley	Gore	Neely	Vandenberg
Bulow	Hale	Norbeck	Wagner
Byrnes	Harrison	Norris	Walcott
Capper	Hastings	Nye	Walsh, Mass.
Caraway	Hatfield	Oddie	Walsh, Mont.
Carey	Hawes	Patterson	Watson
Connally	Hayden	Pittman	Wheeler
Coolidge	Hull	Reed	White
Copeland	Johnson	Robinson, Ark.	

Mr. GEORGE. I desire to announce that my colleague the senior Senator from Georgia [Mr. HARRIS] is detained from the Senate by illness.

Mr. FESS. I wish to announce that the junior Senator from California [Mr. SHORTRIDGE] and the senior Senator from Illinois [Mr. GLENN] are still detained from the Senate by illness. I request that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

REORGANIZATION OF THE EXECUTIVE DEPARTMENTS (H. DOC. NO. 254)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, ordered to lie on the table, and to be printed:

To the Senate and House of Representatives:

Because of its direct relation to the cost of government, I desire again to bring to the attention of the Congress the necessity of more effective organization of the executive branch of the Government, the importance of which I have referred to in previous messages. This subject has been considered many times by the Executive and by the Congress, but without substantial results. Various projects are now before the Congress.

The need for reorganization is obvious. There has been with the years a gradual growth of the Government by the accretion in its departments and by independent executive establishments, boards, and commissions as problems requiring solution confront the President and the Congress. To-day the Government embraces from 150 to 200 separate units, dependent on the method of notation used. Governmental units when once set up have a tendency to grow independently of other units. This leads to overlapping and waste. Moreover, there is a marked tendency to find new occupations when the initial duties are completed. The overlap and the number of agencies can be reduced.

A few consolidations, notably in law enforcement and the veterans' services, have been effected. Both of these reorganized agencies have been able to discharge the very greatly increased burdens imposed upon them without such an increase in administrative expense as would otherwise have been the case.

In the present crisis the absolute necessity for the most drastic economy makes the problem of governmental reorganization one of paramount importance. The amount of saving in public funds to be effected by a thoroughgoing reorganization, while difficult to estimate accurately, will be material, amounting to many millions of dollars annually. Not only will the Government's business be conducted more efficiently and economically but the great body of citizens who have business relations with their Government will be relieved of the burden and expense of dealing with a multitude of unnecessary and sometimes widely separated public agencies.

We may frankly admit the practical difficulties of such reorganization. Not only do different fractions of the Government fear such reorganization, but many associations and agencies throughout the country will be alarmed that the particular function to which they are devoted may in some fashion be curtailed. Proposals to the Congress of detailed plans for the reorganization of the many different bureaus and independent agencies have always proved in the past to be a signal for the mobilization of opposition from all quarters which has destroyed the possibility of constructive action.

There is little hope for success in this task unless it is placed in the hands of some one responsible for it, with authority and direction to act. Moreover, the consummation of a comprehensive reorganization at one moment is not in the best public interest. Such reorganization should be undertaken gradually and systematically, predicated on a sound and definite theory of government and effectuated as the result of study and experience gained in the actual processes of reorganization.

I recommend, therefore, that the Congress provide for—

(a) Consolidation and grouping of the various executive and administrative activities according to their major purposes under single-headed responsibility, the Congress designating the title of the officer to be placed in immediate charge of such groups as are not now possible under existing organization.

(b) Adoption of the general principle that executive and administrative functions should have single-headed responsibility and that advisory, regulatory, and quasi judicial functions should be performed by boards and commissions, thus permitting the transfer of certain regulatory functions from executive officials to existing boards or commissions and executive functions from boards and commissions to executive officials.

(c) Authority under proper safeguards to be lodged in the President to effect these transfers and consolidations and authority to redistribute executive groups in the 10 executive departments of the Government or in the independent establishments, as the President may determine, by Executive order, such Executive order to lie before the Congress for 60 days during sessions thereof before becoming effective, but becoming effective at the end of such period unless the Congress shall request suspension of action.

The 10 major executive departments and the major regulatory and financial boards and commissions should of course be maintained. Some of these existing agencies are already organized upon the basis of their major purpose, but functions of the same major purpose now outside of these groups should be transferred to them.

It will be necessary also to authorize changes in titles of some officials and to create a few new positions in order to permit grouping and consolidation not now possible. With the enormous growth of governmental business there has been great expansion and diffusion of authority amongst minor officials. At the same time, there is an insufficient number of officials of definite and concentrated responsibility to the public. The additional expense of such officers over and above the salaries now paid to officials who would be displaced would be less than $40,000 per annum. The saving in cost of administration would be many times this sum. The most important of the posts of this character are the following:

Public Works Administrator (new office).

Personnel Administrator (change from chairman of Civil Service Commission).

Assistant Secretary for Public Health (new).

Assistant Secretary for Education (change from commissioner).

Assistant Secretary for Merchant Marine (new office).

Assistant Secretary for Conservation (new office).

Assistant Secretary for Agricultural Research (change from present Assistant Secretary).

Assistant Secretary for Agricultural Economics (change from director).

The establishment of an Assistant Secretary for Merchant Marine would enable the consummation of the proposals in my message of December 8 in respect to the Shipping Board.

The public works administration should be partially a service agency to the other departments of the Government, executing certain construction work, the subsequent operation of which should be carried on by those departments. It should be also partially an agency administering certain contract work which can not be delegated to any one department. Naval, military, and some other highly specialized construction work should not be transferred to this agency. The supervision and construction of rivers and harbors work should be continued under direction of the Army engineers, who should be delegated by the Secretary of War to the service of the Administrator of Public Works for this purpose.

The personnel administration should comprise various agencies relating to the personnel of the Government as a service agency to all departments of the Government. I recommend that the Civil Service Commission should be maintained as an advisory body to the Personnel Adminis-

trator, and the approval of this body should be required in all regulatory questions. The Personnel Administrator should be the chairman of the commission. Other functions relating to the personnel of the Government should be transferred to the personnel administration as may be deemed wise from time to time.

RECLAMATION SERVICE

With respect to certain agencies in the Government, I recommend a separate legislative reorganization of policy. The first of these is the Reclamation Service. Reclamation should have a broader import than that of bringing unproductive land under cultivation. We do not need further additions to our agricultural land at present. Additional agricultural production except such marginal expansion as present projects warrant is inadvisable.

The conservation of water by storage is required, not alone in the West, but in all parts of the country.

The effective development of water conservation through storage is largely an interstate question in the aid of domestic and industrial water supply, transportation, irrigation, and flood control. Where construction work for storage relates to these larger issues, it is properly the work of the Federal Government. Where water power is developed as a by-product, it should be disposed of in advance by contracts which will fairly reimburse the Government for its outlay The Reclamation Service should be extended to cover these broad purposes of storage and conservation of water rather than the narrow purpose of irrigation. Such important projects as the dam at Boulder Canyon, the dam at Cove Creek, and the development of the Columbia, should ultimately be undertaken when there is need for such service and when contracts can be made for the sale of power to amortize the cost of construction to the Government. The actual construction work under this plan should be carried out by the public works administrator and the completed projects administered by the Reclamation Service.

CONSERVATION OF WESTERN RANGES

There should be a change in policy in dealing with public lands if we are to preserve their value for grazing and other purposes. The committee on conservation and administration of the public domain, authorized by act of the Congress approved April 10, 1930, completed the task assigned to it a year ago. Its report has been transmitted to Members of the Congress. Legislation carrying into effect the recommendation of the committee also is before the Congress. These proposals are the result of painstaking study and earnest deliberation. They offer a solution of the problems, connected with this remnant of our public domain, which have persisted for the past 25 years. I commend the report to the attention of the Congress, deeming the legislation of sufficient importance to justify early action.

CONCLUSION

In conclusion, I can not recommend too strongly that the Congress give the subject of effective organization of the executive branch of the Government its early and serious attention. It is an essential part of a sound reconstruction and economy program. A patchwork organization compels inefficiency, waste, and extravagance. Economy and efficiency can come only through modernization. A proper reorganization of our departments, commissions, and bureaus will result not only in much greater efficiency and public convenience but in the saving of many millions of dollars now extracted annually from our overburdened taxpayers.

HERBERT HOOVER.

THE WHITE HOUSE, *February 17, 1932.*

PETITIONS AND MEMORIALS

Mr. CAREY presented a resolution adopted by the Rock Springs Grazing Association, of Rock Springs, Wyo., favoring the repeal of the recapture clause of the interstate commerce act, which was referred to the Committee on Interstate Commerce.

Mr. KING presented a resolution adopted by the Gunnison (Utah) Lions Club, favoring the passage of legislation amending the tariff law so as to impose upon so-called liquid sugar a rate of duty commensurate with its sugar content and to establish a differential between raw and refined sugar that will represent a difference between the cost of refining in the United States and abroad, which was referred to the Committee on Finance.

Mr. BLAINE presented resolutions adopted by Groups Nos. 1295 and 2138 of the Polish National Alliance, of Milwaukee, Wis., favoring the passage of legislation requesting the President to proclaim October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

Mr. NEELY presented a telegram in the nature of a memorial from the Woman's Christian Temperance Union of Albright, W. Va., protesting against the proposed resubmission of the eighteenth amendment of the Constitution to the States or any measure proposing to modify the Volstead Act, which was referred to the Committee on the Judiciary.

Mr. COPELAND presented a petition of sundry citizens of Jamestown, N. Y., praying for reduction of the Federal salary and wage scale and the elimination of unnecessary and duplicating governmental positions, functions, and bureaus, which was referred to the Committee on Appropriations.

Mr. SHIPSTEAD presented petitions of sundry citizens of Otter Tail County, Minn., praying for the passage of legislation known as the farmers' farm relief bill, which were referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens of Wilmont, Minn., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented petitions of sundry citizens of Kansas City, Broughton, Bucyrus, Burlington, and Natoma, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the local chapter of the Woman's Christian Temperance Union of Bucyrus; the local chapter of the Woman's Christian Temperance Union, the Travelers' Club, and the Woman's Foreign Missionary Society, all of Burlington; the Quarterly Meeting of the Wesleyan Methodist Church, of Clay Center; and the Chalk Mound Friends Church, of Natoma, all in the State of Kansas, favoring the maintenance of the prohibition law and its enforcement and protesting against any measures looking toward its modification or repeal, which were referred to the Committee on the Judiciary.

Mr. McGILL presented petitions and papers in the nature of petitions from the College Epworth League (60 names) of Winfield; the Womans' Foreign Missionary Society (76) of Ness City; the Woman's Christian Temperance Union (42 names) of Eureka; the Gradatim Club (11 members) of Ness City; the Church of Christ (48 names) of Ness City; the Woman's Christian Temperance Union (42) of Burdett; the Ministers' Alliance of El Dorado, Kans. (composed of the Methodist Episcopal Church, Baptist Church, Presbyterian Church, Evangelical Church, Nazarene Church, and Christian Church); Mrs. Bertha Kinne and 81 others, of Erie; the Brownell Sunday School of Brownell; the Ladies' Aid of Methodism (44 families) of Plains; the Christian Church Aid (30 families) of Plains; the Woman's Christian Temperance Union (40 families) of Plains; Rev. George A. Kraft, pastor Methodist Episcopal Church, of Medicine Lodge; the Bible Study Class, Methodist Episcopal Church, of Arkansas City; the College Hill Churches (202 names) of Wichita; 24 citizens of Winfield; the Woman's Christian Temperance Union of Winfield; the Woman's Christian Temperance Union (24 names) of Brownell; the Woman's Christian Temperance Union of Redfield; the Northbranch Friends Meeting of Northbranch; the Senior Epworth League, etc. (41 names), of Arnold; and Mrs. L. Carmichael and 23 other citizens of Wichita; all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement and protesting against any measures looking toward its modification or repeal, which were referred to the Committee on the Judiciary.

Mr. COSTIGAN presented the petition of F. R. Haddon and sundry other citizens of Mount Harris, Colo., favoring the passage of House bill 1, providing for the payment of adjusted-service certificates of ex-service men (bonus), which was referred to the Committee on Finance.

He also presented the memorial of Dr. E. P. Evans and sundry other citizens of Walden, Colo., remonstrating against the proposed cut in the Budget for the Army, the retirement of officers and men from the Army, the reduction of the National Guard drill pay and rifle practice, etc., which was referred to the Committee on Appropriations.

He also presented memorials of sundry citizens of Longmont and Pueblo, Colo., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented memorials and papers in the nature of memorials from the Second Presbyterian Church, of Fort Collins; the First Christian Church, of Pritchett; the First Baptist Church, of Longmont; the Wheatridge Grange, of Wheatridge; Rev. C. T. Huggins, pastor, of Boulder; Rev. C. S. Williams, Nazarene, of Longmont; the Woman's Christian Temperance Union of Fort Collins; the Walsenburg Union, District 14, and Mrs. Edith H. Ely, president Woman's Christian Temperance Union of Walsenburg; Mrs. Martha Crotser, corresponding secretary Woman's Christian Temperance Union of Salida; the LeRoy Evangelical Church, of Fleming; Mrs. L. G. Phillips, recording secretary, and Mrs. E. P. Hudson, president, Denver District Woman's Home Missionary Society, of Denver; the Presbyterian Church of Berthoud; the Wheatridge Woman's Christian Temperance Union, of Wheatridge; the Stone Community Sunday School, of Olathe; the Otis Woman's Christian Temperance Union, of Otis; the Woman's Home Missionary Society of St. Paul's Methodist Episcopal Church, of Pueblo; members of La Junta Chapter of the Woman's Christian Temperance Union of La Junta; Rosa Filler, 3494 West Thirty-third Avenue, Denver, and 19 others; Ethel J. Ramaley, 972 Pleasant Street, Boulder, and 19 others; Mary E. Roark, clerk of First Baptist Church of Littleton; William F. Fulton, president Salida Ministerial Association, of Salida; the German Congregational Church of Berthoud; the United Brethren Congregation of Berthoud; the Church, of Wheatridge; the First Methodist Episcopal Church, Samuel W. Marble, pastor, of Grand Junction; the First Methodist Church of Boulder; J. S. Brownell, pastor, and members at Crawford; Mrs. B. M. Dozier, president Woman's Christian Temperance Union, Alamosa Church, of Alamosa, all in the State of Colorado, remonstrating against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which were referred to the Committee on the Judiciary.

Mr. WALCOTT presented a resolution adopted by the executive committee of the Automobile Dealers' Division of the Litchfield County (Conn.) Automobile Club, American Automobile Association, protesting against the proposed Federal sales tax on automobiles, parts, and gasoline, and license fees for motor vehicles or drivers, which was referred to the Committee on Finance.

He also presented a resolution adopted by the regular meeting of Cheshire Grange, No. 23, of Cheshire, Conn., favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also presented a letter in the nature of a petition from the Hartford (Conn.) Central Labor Union, praying for the passage of Senate bill 7, to provide for the deportation of certain alien seamen, and for other purposes, particularly section 7 of the bill in relation to the immigration exclusion act, which was referred to the Committee on Immigration.

He also presented a resolution adopted by members of the Young Peoples' Society of the Christian Endeavor of Scotland, Conn., favoring the retention and complete enforcement of the eighteenth amendment of the Constitution, and protesting against the passage of any measure pertaining to the modification or repeal of the prohibition law, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Hartford (Conn.) Chapter, No. 56, of the National Sojourners, favoring the passage of legislation designed to strengthen the national defense, which was referred to the Committee on Military Affairs.

He also presented a letter in the nature of a petition from Local No. 35, Metal Polishers' International Union, of Hartford, Conn., praying for the passage of Senate bill 935, to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, and also Senate bill 3045, the so-called Costigan-La Follette unemployment relief bill, which was ordered to lie on the table.

He also presented petitions and papers in the nature of petitions from the Gray-Dickinson Post, No. 59, of Windsor; Harry G. Faulk Unit, No. 113, of Old Saybrook; Suffield Unit, No. 94, of Suffield; Leo J. L'Homme Unit, No. 21, of Danielson; the Seventh District, of Westbrook; Milardo-Wilcox Post, No. 75, of Middletown; the Ernest Godreau Post, No. 91, of Moosup; the Robert A. LaPlace Unit, No. 18, of Essex; and the Carlson-Sjovall Unit, No. 105, of Cromwell, all of the American Legion Auxiliary, in the State of Connecticut, praying for the passage of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties, and also the establishment in the Senate of a committee to be known as the World War Veterans' Committee, which were referred to the Committee on Rules.

PROHIBITION ENFORCEMENT

Mr. SHEPPARD. Mr. President, I present a memorial from the Woman's Christian Temperance Union of Waco, Tex., containing 3,037 signatures opposing resubmission of the eighteenth amendment, and advocating adequate appropriations for law enforcement.

I also present a similar memorial, containing 550 signatures, from the Woman's Christian Temperance Union at Marshall, Tex.

I move that the memorials be referred to the Committee on the Judiciary.

The motion was agreed to.

PROPOSED FEDERAL DEPARTMENT OF EDUCATION

Mr. BINGHAM. Mr. President, I have received from the secretary of the Executive Council of La Fédéracion Catholique Franco-Américaine, and now present, a letter of protest against any steps being taken which will tend to create a Federal department of education in Washington, and giving their reasons therefor. I ask that this be appropriately referred.

The VICE PRESIDENT. The letter in the nature of a memorial will be referred to the Committee on Education and Labor.

PROPOSED HOME LOAN BANK LEGISLATION

Mr. WAGNER. Mr. President, I ask to have printed in the RECORD and appropriately referred a telegram from the New York State League of Savings and Loan Associations favoring the home loan bank bill.

There being no objection, the telegram was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

ALBANY, N. Y., *February 16, 1932.*

Hon. ROBERT F. WAGNER,
Senate Chamber:

The following resolution adopted to-day by the executive committee of the New York State League of Savings and Loan Associations at its regular meeting held in Albany February 16, 1932, after a thorough discussion of Senate bill No. 2959 and House of Representatives bill No. 7620, to create Federal home-loan banks, expresses its vigorous approval of such measure and its belief that said measure should be made into law without further delay and without amendments or changes.

NEW YORK STATE LEAGUE OF SAVINGS AND LOAN ASSOCIATIONS,
A. HUTCHINS, *Acting Secretary.*

GRAZING FEES IN NATIONAL FORESTS

Mr. CAREY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD and appropriately referred a telegram from Mr. J. W. Wilson, jr., president of the Beaver Creek (Wyo.) Cattlemen's Association; also copy of a telegram to the Secretary of Agriculture by B. F. Davis, secretary of the Colorado Cattle Growers and Feeders Association, together with resolution passed by that association at a recent meeting, these all relating to reduction of grazing fees in national forests.

There being no objection, the matter was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

SHERIDAN, WYO., *February 16, 1932.*

Senator ROBERT D. CAREY,
Washington, D. C.:

Have just been advised by Wyoming Stock Growers Association of your efforts to have grazing fees reduced on national-forest reserves. The Beaver Creek Cattlemen's Association heartily approve your resolution and wish you all success in its passage. With cattle prices ruinously low, the industry is in desperate need of every assistance.

J. W. WILSON, Jr., *President.*

[Telegram]

JANUARY 20, 1932.

Hon. ARTHUR M. HYDE,
Secretary of Agriculture, Washington, D. C.:

We condemn the action of the Department of the Forest Service in refusing to adjust grazing fees in accordance with the present economic situation. Department in writing section 6, Greeley letter, January 25, 1927, recognized that grazing fees would be regulated when necessary with relation to valuation of livestock. You now disregard this principle entirely. We demand immediate conference at Denver for purpose of adjusting range fees 1931 and 1932. Reply requested.

B. F. DAVIS, *Secretary.*

Colorado Stock Growers and Feeders Association and Colorado Wool Growers Association, at their annual meeting held in Denver, Colo., on the 20th day of January, 1932, adopted the following joint resolution:

"*Be it resolved,* That the Department of Agriculture has not kept faith with the stockmen of the West in reference to the charges for grazing privileges on forest areas. Before forest areas were set aside it was represented orally and in writing that charges for the use of said areas for grazing purposes would be based upon the cost of administration, and that the Federal Government would not seek directly or indirectly to obtain a revenue out of the lands so placed in forest areas. Disregarding these representations the charges have now been placed upon the basis 'what the traffic will bear,' and a large amount of money above the cost of administration is annually turned to the Federal Government from the Forest Service. We demand that the Federal Government keep faith with the West and that Congress pass an act basing charges for grazing on all portions of the public unappropriated domain, whether forest or otherwise, at fees that will not exceed reasonable cost of administration."

RECONSTRUCTION FINANCE CORPORATION

Mr. KING. Mr. President, Hon. Harry S. Joseph, a member of the executive committee of the Make Work Committee in my State, asks that the telegram which I present be read into the RECORD. Complying with that request, I do so. The message is as follows:

SALT LAKE CITY, UTAH, *February 13, 1932.*

Hon. W. H. KING,
Washington, D. C.:

Have wired President Hoover following message: "What provision, if any, will be made by the Federal Government in affording financial aid to Utah's mining industry through the Reconstruction Finance Corporation? It appears to me and others that necessary financial assistance would serve to solve some of our unemployment problems in this State." Please have my message read into CONGRESSIONAL RECORD.

HARRY S. JOSEPH,
Member Executive Committee, Make Work Committee.

I ask that this telegram be referred to the Committee on Banking and Currency.

The VICE PRESIDENT. It will be so referred.

REPORTS OF COMMITTEES

Mr. BORAH, from the Committee on Foreign Relations, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1088. An act for the relief of Cornelia Claiborne (Rept. No. 249);

S. 1205. An act for the relief of Edith Tolerton Lathrop (Rept. No. 250);

S. 2269. An act for the relief of Lucy Cobb Stewart (Rept. No. 251); and

H. R. 6347. An act for the relief of Neal D. Borum (Rept. No. 252).

Mr. TYDINGS, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2496. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia (Rept. No. 254); and

S. 3222. An act to amend an act approved March 3, 1917, known as the District of Columbia appropriation act for the year ending June 30, 1918 (Rept. No. 255).

Mr. WALSH of Massachusetts, from the Committee on Naval Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 860. An act for the relief of William Girard Joseph Bennett (Rept. No. 253);

S. 863. An act for the relief of Edgar Joseph Casey (Rept. No. 256);

S. 879. An act authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, retired, to chief boilermaker, retired (Rept. No. 257);

S. 894. An act directing the retirement of acting assistant surgeons of the United States Navy at the age of 64 years (Rept. No. 258); and

S. 3051. An act to reinstate Lawrence L. Myatt and Miller S. Burgin as midshipmen in the United States Naval Academy (Rept. No. 259).

LAWLESSNESS IN LAW ENFORCEMENT—PROPOSED PRINTING OF DOCUMENT

Mr. HASTINGS, from the Committee on the Judiciary, submitted the views of the minority to accompany the resolution heretofore reported from that committee (S. Res. 166) to print the pamphlets entitled "Draft of Mooney-Billings Report" and "Appendix Containing Official Documents," which was ordered to be printed as part 2 of Report No. 246.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. HASTINGS, from the Committee on the Judiciary, reported favorably the following nominations:

Frederick L. Esola, of California, to be United States marshal, northern district of California; and

Leonard E. Wales, of Delaware, to be United States attorney, district of Delaware.

Mr. BORAH, from the Committee on Foreign Relations, reported favorably the nomination of Joseph C. Grew, of New Hampshire, now ambassador extraordinary and plenipotentiary to Turkey, to be ambassador extraordinary and plenipotentiary of the United States of America to Japan; and also the nominations of sundry other officers in the Diplomatic Service.

He also, from the same committee, reported favorably the following treaties:

Executive D, a treaty between the United States and Greece for the extradition of fugitives from justice, signed at Athens on May 6, 1931; and

Executive E, a treaty for the extradition of fugitives from justice, signed by the plenipotentiaries of the United States and His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the seas, Emperor of India, at London on December 22, 1931, and agreements by two exchanges of notes to make the treaty applicable also to Palestine and Transjordan, respectively.

The VICE PRESIDENT. The nominations and treaties will be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DAVIS:

A bill (S. 3678) to convert into a diagnostic center United States Veterans' Bureau Hospital No. 49 at Philadelphia; to the Committee on Finance.

By Mr. McNARY:

A bill (S. 3679) relating to the retirement of the present senior member of the Board of Engineers for Rivers and Harbors; to the Committee on Military Affairs.

(By request.) A bill (S. 3680) to amend the agricultural marketing act, approved June 15, 1929; to the Committee on Agriculture and Forestry.

By Mr. WALSH of Montana:

A bill (S. 3681) granting an increase of pension to Helen C. Avery; to the Committee on Pensions.

A bill (S. 3682) to amend the act of June 6, 1912 (37 Stat. L. 125; U. S. Code, title 25, sec. 425), entitled "An act authorizing the Secretary of the Interior to classify and appraise unallotted Indian lands" (with an accompanying paper); to the Committee on Indian Affairs.

By Mr. BRATTON:

A bill (S. 3683) granting a pension to Francisco Antonio Villa; to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 3684) granting a pension to Llewellyn J. S. Judice; to the Committee on Pensions.

By Mr. WHITE:

A bill (S. 3685) granting a pension to Louis B. O'Connell; to the Committee on Pensions.

By Mr. HASTINGS:

A bill (S. 3686) granting an increase of pension to Jennie A. Faries (with accompanying papers); to the Committee on Pensions.

A bill (S. 3687) for the relief of Ralf Ruth (with accompanying papers); to the Committee on Military Affairs.

By Mr. CAREY:

A bill (S. 3688) for the erection of a public building at Wheatland, Wyo.; to the Committee on Public Buildings and Grounds.

By Mr. FRAZIER:

A bill (S. 3689) relating to repayment to the Government of advances and loans to farmers for the crop of 1931; to the Committee on Agriculture and Forestry.

By Mr. WHEELER:

A bill (S. 3690) for the relief of certain homeless Indians in the State of Montana, and for other purposes; to the Committee on Indian Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 3691) to provide for the manufacture and sale of industrial and beverage alcohol for lawful purposes in Osage County, Okla.; to the Committee on Indian Affairs.

A bill (S. 3692) to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern or Emigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes; to the Committee on Claims.

By Mr. JOHNSON (for Mr. SHORTRIDGE):

A bill (S. 3693) for the relief of Arnold E. Carver; to the Committee on Military Affairs.

A bill (S. 3694) granting a pension to Philip L. Schwager; to the Committee on Pensions.

A bill (S. 3695) to correct the naval record of Benjamin H. Sloan; to the Committee on Naval Affairs.

By Mr. WAGNER:

A bill (S. 3696) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes; to the Committee on Manufactures.

By Mr. COPELAND:

A bill (S. 3698) to amend the sixth exception in section 3 of the immigration act of 1924 with reference to nonimmigrant status of certain aliens; to the Committee on Immigration.

A bill (S. 3699) for the relief of owners of cargo aboard the steamship *Boxley;*

A bill (S. 3700) for the relief of the owners of cargo laden aboard the United States transport *Florence Luckenbach* on or about December 27, 1918;

A bill (S. 3701) for the relief of the owner of barge *Consolidation Coastwise No. 10;*

A bill (S. 3702) for the relief of the owners of the barge *Consolidation Coastwise No. 24;* and

A bill (S. 3703) for the relief of Benjamin Stern, and Melville A. Stern and Benjamin Stern, as executors under the last will and testament of Louis Stern, deceased, and Arthur H. Hahlo, as executor under the last will and testament of Isaac Stern, deceased, all of New York City, N. Y., for compensation and in settlement of their damages and loss sustained by virtue of a lease, in writing, dated September 12, 1919, between the said parties and the United States of America, by Daniel C. Roper, Commissioner of Internal Revenue; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 3704) to extend the benefits of the World War veterans' act, 1924, and acts amendatory thereof, to Dr. Rush F. Farley; to the Committee on Finance.

A bill (S. 3705) for the relief of Thomas H. Irwin; to the Committee on Military Affairs.

By Mr. THOMAS of Idaho and Mr. CAREY:

A bill (S. 3706) for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law; to the Committee on Irrigation and Reclamation.

By Mr. CAPPER:

A bill (S. 3707) to authorize appointment of public-school employees between meetings of the Board of Education of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HULL:

A bill (S. 3708) for the relief of Ralph Hart; to the Committee on Naval Affairs.

By Mr. SMITH:

A bill (S. 3709) to amend the Interstate Commerce act, as amended; to the Committee on Interstate Commerce.

By Mr. BROOKHART:

A bill (S. 3710) for the relief of Michael L. Healy; to the Committee on Claims.

REGULATION OF SALE OF FEDERAL FARM BOARD COTTON

Mr. GORE. Mr. President, I introduce a bill to regulate the sale of cotton owned or financed and controlled by the Federal Farm Board, which I ask may be printed in the RECORD and appropriately referred.

There being no objection, the bill (S. 3697) to regulate the sale of cotton owned or financed and controlled by the Federal Farm Board, and for other purposes, was read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That hereafter it shall be unlawful for the Cotton Stabilization Corporation or the Federal Farm Board, or for any representative or successor thereof, to buy any cotton either "spot" or futures contracts, or to sell or exchange any such cotton or futures contracts owned or financed and controlled by said corporation or board except as hereinafter prescribed and permitted.

SEC. 2. It shall be unlawful for said corporation or board, or for any representative or successor thereof, to sell any cotton, either spot or futures contracts, owned or financed and controlled by such corporation or board prior to January 1, 1933, for less than 12 cents per pound, basis middling at New Orleans or other United States ports: *Provided,* That nothing in this act shall be construed to prohibit the sale of futures contracts owned or financed and controlled by the said corporation or board at prices less than those fixed or determined as prescribed in this act, upon condition that simultaneous replacements of equal quantities of deferred contracts are made.

SEC. 3. That the differentials at which spot cotton and futures contracts owned or financed and controlled by the said corporation or board at points other than the above-described ports may be sold prior to January 1, 1933, at less than New Orleans spot price, shall be the equivalent of the lowest rate for transportation of cotton from the place in which it is stored to the nearest United States port.

SEC. 4. From and after January 1, 1933, it shall be unlawful, except as herein otherwise provided, for said corporation or board, or for any representative or successor thereof, to sell during any one calendar year more than one-fifth of the cotton, either spot or futures contracts, owned or controlled by such corporation or board on said date at a less price than 12 cents per pound, basis middling at New Orleans or other United States ports.

SEC. 5. Hereafter it shall be unlawful for said corporation or board to buy or acquire spot cotton except in satisfaction of a valid existing lien upon or claim against such cotton.

SEC. 6. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not less than $1,000 nor more than $10,000 and shall be imprisoned for a term not less than 6 nor more than 12 months.

SEC. 7. All acts and parts of acts in conflict with provisions of this act are modified to the extent of such conflict.

HOUSE BILL REFERRED

The bill (H. R. 8397) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

CHANGES OF REFERENCE

Mr. KING. Mr. President, on the 4th of January I introduced Senate bill 2488, to abolish the Bureau of Efficiency, and for other purposes. I find that that bill was improperly referred to the Committee on Appropriations. It should have gone to the Committee on Expenditures in the Executive Departments. I ask that the Committee on Appropriations be discharged from the further consideration of the bill, and that it be referred to the Committee on Expenditures in the Executive Departments.

The VICE PRESIDENT. Is there objection? The Chair hears none, and that order will be made.

Mr. KING. Mr. President, on the 4th of January I also introduced Senate bill 2491, which, in my opinion, was improperly referred to the Committee on Post Offices and Post Roads. It is entitled "A bill to prohibit the use of the mails in furtherance of bucketshop transactions and short sales of securities." The bill should have gone to the Committee on Banking and Currency. I ask that the Committee on Post Offices and Post Roads be discharged from its further consideration and that the bill be referred to the Committee on Banking and Currency.

The VICE PRESIDENT. Without objection, that order will be made.

AMENDMENT TO AGRICULTURAL APPROPRIATION BILL

Mr. HAYDEN submitted an amendment proposing to provide for emergency construction on public roads during the remainder of the calendar year 1932 with a view to increasing employment by appropriating $120,000,000 for apportionment to the several States under the provisions of the Federal highway act, as amended; $5,000,000 for the construction and improvement of highways within the boundaries of the national forests; $5,000,000 for the construction and maintenance of roads, trails, bridges, etc., in the national forests; $1,500,000 for the construction, reconstruction, and improvement of roads and trails in the national parks and national monuments under the jurisdiction of the Interior Department; $1,000,000 for the construction and improvement of Indian reservation roads under the provisions of law; and $3,000,000 for the construction of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, and so forth, intended to be proposed by him to House bill 7912, the agricultural appropriation bill, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

Mr. ODDIE subsequently, from the Committee on Post Offices and Post Roads, to which the above amendment was referred, reported favorably thereon and moved that the amendment be referred to the Committee on Appropriations, which was agreed to.

EMERGENCY CREDIT EXPANSION—AMENDMENTS

Mr. BLAINE submitted two amendments and Mr. BROOKHART, Mr. WALCOTT, and Mr. THOMAS of Oklahoma each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, which were ordered to lie on the table and to be printed.

SELMA A. TRACY

Mr. WATSON submitted the following resolution (S. Res. 168), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Selma A. Tracy, widow of Archie W. Tracy, late assistant superintendent of the Senate press gallery, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

RAILWAY MERGERS

Mr. DILL. Mr. President, I ask unanimous consent to have referred to the Committee on Interstate Commerce Senate Resolution 164, submitted by myself on the 10th instant, and which is now on the table. Before I do that I should like to amend the resolution by adding the names of two railroads that were unintentionally omitted, if I may have unanimous consent to do so.

Mr. McNARY. Is the request to take from the desk the resolution at this time and consider it?

Mr. DILL. No. I am asking that the resolution may be amended or modified and then referred to the Committee on Interstate Commerce, to have that committee consider the wisdom of the requests and whether or not others ought to be added.

Mr. McNARY. I think the resolution should go to the Interstate Commerce Committee. I am very happy that the Senator is going to ask that reference.

Mr. DILL. That is my purpose, but I first want to modify the resolution.

The PRESIDING OFFICER (Mr. FESS in the chair). The Senator has the right to modify his resolution.

Mr. DILL. On page 2, in line 14, after the word "Company," I desire to insert the words "the New York Central Railroad Co. and the Baltimore & Ohio Railroad Co.," so as to make the resolution read:

Resolved, That the Interstate Commerce Commission be directed, first, forthwith to transmit to the Senate a full and complete transcript of the testimony taken in Commission Docket No. 12964, Consolidation of Railroads into a Limited Number of Systems, on January 6, 7, 8, and 9, 1932; second, as promptly as practicable, to transmit to the Senate a full and complete statement and analysis of all holdings of stock and bonds in any railroad or holding company affected by or interested in the so-called 4-system plan for the eastern region, dated October 1, 1931, now under consideration by said commission, to the extent that such holdings of stock or bonds are by or on behalf of any railroad corporation, holding company, or trustee, affected by or interested in said 4-system plan, such statement and analysis to include the number of shares of stock with their par value and the par value of all bonds together with their original cost per share or per $100 of par value of bonds and their total cost and also to include their present worth at the market prices current at the latest available date; third, as promptly as possible, to transmit to the Senate balance sheets of the Pennsylvania Railroad Co., the Pennsylvania Co., the Pennroad Corporation, the Alleghany Corporation, the Chesapeake Corporation, the Van Sweringen Corporation, the Virginia Transportation Corporation, the Chesapeake & Ohio Railway Co., the New York Central Railroad Co., and the Baltimore & Ohio Railroad Co., and the New York, Chicago & St. Louis Railroad Co., as of the latest date available, showing in detail all the holdings of said corporations in other corporations with the amounts at which each and every of said holdings are carried on the books of said corporations and their value at current market prices; and, fourth, as promptly as possible, to transmit to the Senate a detailed statement of all moneys obtained by any railroad corporation or other corporations herein referred to by the sale or hypothecation of any stock, bonds, or equipment obligations at any time within the six years that ended with December 31, 1931.

The PRESIDING OFFICER. Without objection, the resolution as modified will be referred to the Committee on Interstate Commerce.

COMMITTEE SERVICE

Mr. ROBINSON of Arkansas. Mr. President, I would like to have the attention of the senior Senator from Oregon [Mr. McNARY]. I ask that the junior Senator from West Virginia [Mr. NEELY] be assigned to the minority vacancy upon the Committee on Civil Service.

The VICE PRESIDENT. Without objection, that assignment will be made.

SENATE OFFICE BUILDING COMMISSION

Mr. ROBINSON of Arkansas. Mr. President, the senior Senator from Virginia [Mr. SWANSON] is the minority member of the Senate Office Building Commission. The Senator

from Virginia is necessarily absent from the Senate, and it is expected that his absence will continue until the end of the present session. I therefore ask that the Senator from Virginia be for the present excused from service on the Senate Office Building Commission, and that the junior Senator from South Carolina [Mr. BYRNES] be assigned to the minority position on that commission.

The VICE PRESIDENT. Without objection, that assignment will be made.

TERMS OF PRESIDENT, VICE PRESIDENT, AND MEMBERS OF CONGRESS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 14) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress, which was to strike out all after the resolving clause and insert:

That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 24th day of January, and the terms of Senators and Representatives at noon on the 4th day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 4th day of January, unless they shall by law appoint a different day.

"SEC. 3. If the President elect dies, then the Vice President elect shall become President. If a President is not chosen before the time fixed for the beginning of his term, or if the President elect fails to qualify, then the Vice President elect shall act as President until a President has qualified; and the Congress may by law provide for the case where neither a President elect nor a Vice President elect has qualified, declaring who shall then act as President, or the manner in which a qualified person shall be selected, and such person shall act accordingly until a President or Vice President has qualified.

"SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice devolves upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice devolves upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 30th day of November of the year following the year in which this article is ratified.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within seven years from the date of the submission hereof to the States by the Congress, and the act of ratification shall be by legislatures, the entire membership of at least one branch of which shall have been elected subsequent to such date of submission."

Mr. NORRIS. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives, ask for a conference with the House on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Nebraska.

Mr. ROBINSON of Arkansas. Mr. President, I inquire what is the effect of the amendment adopted by the House?

Mr. NORRIS. As a matter of fact, it is put in the form of one amendment and it follows the Senate joint resolution with one or two exceptions, where slight changes have been made which are of no particular fundamental importance.

Mr. ROBINSON of Arkansas. The Senator prefers, however, to have the joint resolution go to conference?

Mr. NORRIS. I think there is no doubt that the differences can reasonably be threshed out in conference without the consumption of much time.

Mr. ASHURST. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Arizona?

Mr. NORRIS. I yield.

Mr. ASHURST. I do not wish unduly to intrude upon the time of the Senator from Nebraska, but in view of the motion which he, as chairman of the Senate Committee on the Judiciary, has made—and I think he did well to make the motion—I desire to submit an observation.

One of the vital changes which the House of Representatives made in the so-called "lame duck" amendment to the Constitution is that the amendment, in order to become effective and operative, must be ratified within seven years from the date of its submission. There is a considerable difference of opinion amongst lawyers, historians, and antiquarians as to whether or not there can be imposed any limitation as to time of ratification in the case of an amendment that is submitted. I believe that a limitation of the time within which an amendment may be ratified is sound and necessary, and for the following reasons:

Five different amendments proposed by the Congress are, by some persons, assumed now to be pending before the States for their action. These amendments are as follows:

One proposed September 29, 1789, 143 years ago, relating to enumeration and representation:

ARTICLE I. After the first enumeration required by the first article of the Constitution there shall be 1 Representative for every 30,000 until the number shall amount to 100, after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives, nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200, after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons.

Another, proposed September 29, 1789, 143 years ago, relating to compensation of Members of Congress:

ART. II. No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened.

Another, proposed January 12, 1810, 122 years ago, to prohibit citizens of the United States from accepting presents, pensions, or titles from princes or from foreign powers:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them, or either of them.

Another, proposed March 2, 1861, 71 years ago, known as the Corwin amendment, prohibiting Congress from interfering with slavery within the States:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

And still another, proposed June 2, 1924, the child labor amendment:

SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress.

On September 29, 1789, 12 constitutional amendments were proposed by the First Congress. The requisite number of States ratified proposed articles Nos. 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 within two years and three months, while Nos. 1 and 2, although proposed 143 years ago, have not, according to the latest available returns, received favorable action by the requisite number of States and are yet before the American people or the States; rather, are now subject to ratification or rejection by the States. After those two proposed amendments, to wit: Nos. 1 and 2, had been in nubibus—in the clouds—for 84 years, the Ohio State Senate in 1873, in response to a tide of indignation that swept over the land in opposition to the so-called back-salary grab, resurrected proposed amendment No. 2 and passed a resolution of ratification through the State senate. No criticism can be visited upon the Ohio Legislature that attempted to ratify the amendment proposed in 1789; and if the amendment had been freshly proposed by Congress at the time of the back-salary grab, instead of having been drawn forth from musty

tomes, where it had so long lain idle, stale, and dormant, other States doubtless would have ratified it during the period from 1873 to 1881.

Thus it would seem that a period of 143 years within which a State may act is altogether too long. We should not hand down to posterity a conglomerate mass of amendments floating around in a nebulous haze, which a State here may resurrect and ratify and a State there may galvanize and ratify.

We ought to have homogeneous, steady, united exertion, and certainly we should have contemporaneous action with reference to proposed amendments. Judgment on the case should be rendered within the lifetime of those interested in bringing about the change in our fundamental law. Final action should be had while the discussions and arguments are within the remembrance of those who are called upon to act.

The amendment proposed on January 12, 1810, was submitted to the States under peculiar auspices.

It is probable that the Congress which submitted that amendment believed that when officials accept presents of value they dissolve the pearl of independence in the vinegar of obligation.

Unfortunately, the annals of Congress and contemporary newspapers do not give any of the debate upon this interesting proposition. The only light thrown upon the subject by the annals is the remarks of Mr. Macon, who said "he considered the vote on this question as deciding whether or not we were to have members of the Legion of Honor in this country."

What event connected with our diplomatic or political history suggested the need of such an amendment is not now apparent, but it is possible that the presence of Jerome Bonaparte in this country a few years previous and his marriage to a Maryland lady, may have suggested this amendment.

An article in Niles' Register, volume 72, page 166, written many years after this event, refers to an amendment having been adopted to prevent any but native-born citizens from being President of the United States. This is, of course, a mistake, as the Constitution in its original form contained such a provision; but it may be possible that the circumstances referred to by the writer in Niles' relate to the passage through Congress of this amendment. The article referred to maintains that at the time Jerome Bonaparte was in this country the Federalist Party, as a political trick, affecting to apprehend that Jerome might find his way to the Presidency through "French influence," proposed the amendment. The Federalists thought the Democrats would oppose the amendment as unnecessary, which would thus appear to the public as a further proof of their subserviency to French influence. The Democrats, to avoid this imputation, concluded to carry the amendment.

"It can do no harm" was what reconciled all to the amendment.

That amendment was submitted by Congress 122 years ago, and it was ratified within two years by Maryland, Kentucky, Ohio, Delaware, Pennsylvania, New Jersey, Vermont, Tennessee, Georgia, North Carolina, Massachusetts, and New Hampshire. It was rejected by two or three of the States. At one period of our national life the histories and the public men announced that it was a part of our organic law, and this error arose because in the early days of our Government the Secretary of State did not send messages to Congress announcing ratification and did not promulgate any notice as to when an amendment became a part of the Constitution. I have caused the journals, records, and files in the Department of State to be searched, and there may not be found any notice of any proclamation of the ratification of the first 10 amendments to the Constitution. The States assumed—it was not an unwarranted or violent assumption—that when the requisite number of States had ratified an amendment it was then and there a part of our organic law.

On March 2, 1861, the Corwin amendment, quoted above, was proposed by Congress.

There are not a thousand persons in the United States who know that such an amendment is now pending before the various States of the Union for their ratification. The amendment was ratified by the State of Ohio and by the State of Maryland through their legislatures, and was attempted to be ratified by the State of Illinois in 1862 by a convention.

Thus we perceive that a system which permits of no limitation as to the time when an amendment may be voted upon by the State legislatures is not fair to posterity or to the present generation. It keeps historians, publishers, and annalists, as well as the general public, constantly in doubt.

Having searched closely as to whether there is in the Constitution itself any expressed or implied limitation of time as to when an amendment may be adopted, I am driven irresistibly to the conclusion, with all due deference to the opinion in Dillon *v.* Gloss (256 U. S. Repts. 368) that an amendment to the Constitution once having been duly proposed, although proposed as remotely as September 29, 1789, may not be recalled even by the unanimous vote of both Houses, if the Congress wished the same recalled, because the power to submit an amendment is specifically pointed out; but no power is given to recall the same, and silence is negation.

I am of opinion that a State which rejects a proposed amendment may, of course, at any time thereafter ratify the same, and a State which adopts or ratifies a proposed amendment may withdraw its ratification, provided it withdraws such ratification before the required number of States shall have ratified. I incline to the view of the chairman of the Judiciary Committee of the Senate [Mr. NORRIS] that a general amendment should be adopted dealing specifically with the particular subject so that there may be some uniformity and certainty as to the length of time within which a proposed amendment to the Constitution may be ratified.

That is all I care to say now, as the joint resolution will go to conference and the differences may be composed.

Mr. NORRIS. Mr. President, I think there is wisdom in what the Senator from Arizona has just stated. There ought to be a limitation upon all amendments proposed to the Constitution; the States ought to be required to act one way or the other within a limited time. However, my own judgment is that that ought to be brought about by separate amendment to the Constitution amending the provision of the Constitution relating to the submission of amendments, and that we ought to state in that just what time should elapse before a proposed amendment, if not ratified within that time, would become void.

I do not believe it is good practice continually to tack on to amendments to the Constitution a limitation as to a particular amendment that does not apply to all other amendments. I should favor a constitutional amendment that would settle that difficulty. I agree entirely with the Senator from Arizona that these amendments ought to be disposed of by the people some time within reasonable limits, and not let posterity take up a proposal and pass on it after everybody has forgotten about it; but personally I am not in favor of tacking that limitation on this amendment.

Mr. ASHURST. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Arizona?

Mr. NORRIS. Yes; I yield.

Mr. ASHURST. Let me illustrate one of the vices or possibilities that not only might but did grow out of an amendment pending so long.

I think about 1873 Congress passed what was called in common parlance the "back-salary grab," and there was at that time pending, and had been since 1789, an amendment prohibiting that very act. The Legislature of Ohio, in indignation at the so-called back-salary grab, picked up this amendment, which had been floating in the clouds since 1789, and one of the two houses of the Legislature of Ohio ratified that hoary old proposed amendment.

Mr. NORRIS. I think that is true. It illustrates what might happen on any amendment that is submitted; but, in my judgment, it is manifestly unfair to tack on to any pro-

posed amendment to the Constitution a limitation that does not apply and that will not apply to every amendment to the Constitution. Personally, I think seven years is long enough; so that fundamentally I have no objection to that, except that it ought to be a general amendment to the Constitution. I have long had it in my mind to propose such an amendment; but, as everybody knows, it is a very difficult thing to get amendments submitted in the first place.

Mr. ROBINSON of Arkansas. Under the circumstances, Mr. President, I am satisfied that the joint resolution should go to conference.

Mr. BINGHAM. Mr. President, thanks to the courtesy of the chairman of the Judiciary Committee, a subcommittee is now sitting and started hearings yesterday on various proposals for amending the fifth article of the Constitution, which, Senators will remember, deals with the question of amendments and how they may be submitted and how they may be adopted.

In the hearings yesterday there was suggested, as a proper clause to be added to whatever amendment the committee reports out, the very provision referred to by the Senator from Nebraska a few minutes ago—that all amendments must be passed upon within five or seven years, or else become of no validity. I hope the Senator from Nebraska will aid and assist us in seeing to it that this amendment to Article V is perfected in accordance with those lines.

May I say, Mr. President, that the principal reason given by the advocates of a change in Article V is that the Supreme Court has decided by various decisions that it is impossible for the citizens of a State to pass a law or an amendment to their own constitution providing that their legislature, before passing on an amendment to the Constitution, must have been elected at an election subsequent to the submission by the Congress of the amendment to the Constitution. Furthermore, the Supreme Court has decided that plebiscites or referenda held in the States, in accordance with State practice, having to do with amendments to the Constitution of the United States are of no effect and are not binding on the State legislature.

The proposals before the subcommittee are various. One proposal is that all amendments to the Constitution be submitted to the people of the several States for vote; another, that all amendments having to do with the powers of the Federal Government over the people be submitted to conventions to be chosen for that purpose; and another, that all amendments having to do with the powers of the Federal Government over the people be submitted to the people themselves.

I hope very much that the Senator from Nebraska, the chairman of the committee, will give the Senate an opportunity to debate and to pass upon whatever amendment to Article V his committee finds will best meet the needs of the situation as we find it to-day.

Mr. NORRIS. Mr. President, I want to assure the Senator that I am in favor of amending Article V of the Constitution; and a great many suggestions are made as to how it should be amended. I hope they can be threshed out and that some agreement can be reached and the matter submitted to the legislatures. However, I am not in favor of coupling with the amendment some other proposition that would amend the Constitution in some other respect. The amendment of Article V ought to stand alone and by itself, and apply, in my opinion, to all amendments alike. One of the Senator's propositions attempts to differentiate between different kinds of amendments.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. Yes.

Mr. ROBINSON of Arkansas. And that principle ought to be preserved throughout.

Mr. NORRIS. Yes, sir.

Mr. ROBINSON of Arkansas. All amendments to the Constitution of the United States ought to be separately considered and acted upon, and should never be combined with other amendments except in the cases where it is necessary to give effect to the primary amendment.

Mr. NORRIS. Exactly.

Mr. BINGHAM. Mr. President, will the Senator yield?

Mr. NORRIS. In just a moment.

This particular amendment made by the House to the proposed amendment now under consideration not only provides that it shall be agreed to in seven years, but it provides that at least one branch of the legislature of each State must be elected after the submission of this amendment. I think we all understand the principle involved in that—so that there may be more or less an issue of this particular amendment involved in the various campaigns for the election of a legislature.

As a member of my State I would not favor an amendment of that kind, because I would not want to couple with the question of an amendment to the Constitution of the United States the various State questions that might be involved in the election of a legislature. For instance, we can imagine all kinds of issues of a State nature, a local nature, that might be involved in the election of a legislature in that State; and if we coupled with it and threw into those local matters a national issue as to whether or not certain amendments should be approved, it might result in that issue overshadowing the real local issue upon which the legislature of the State had jurisdiction. So I think we ought not particularly to add to the proposal the provision that is added to this one, because it might result in the defeat of an amendment to the Constitution that everybody in the State voting against it wanted, because when the voter was going to vote for a member of the legislature he would be confronted with the ideas of that candidate on local matters that were directly at issue in that campaign, and also confronted with the ideas of the candidate on the national amendment. So he might be up against the proposition that the man he wanted to vote for, who agreed with him on the State issues, would be absolutely on the other side of the fence on the national issue, and there would be no way for a voter really to express his views when he cast his ballot.

Mr. BINGHAM and Mr. BROOKHART addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield first to the Senator from Connecticut.

Mr. BINGHAM. Will the Senator permit me to say that he has just given the most cogent and logical reason for a change in Article V, for the reason that at present practically the only way we can get an amendment to the Constitution adopted is through the legislatures whose members are elected for quite other objects.

Mr. NORRIS. That is true.

Now I yield to the Senator from Iowa.

Mr. BROOKHART. Mr. President, since the Constitution provides only two methods of ratification—one by the legislatures and the other by conventions—and gives Congress the right to say which method shall be adopted, when Congress provides that the legislatures shall ratify has it any further power to say what legislature, or how selected, or anything about it? Is not that for the States to decide?

Mr. NORRIS. It presents—and that is involved in this amendment—a constitutional question of great importance, as to whether we can impose a limitation that is not already imposed by the Constitution itself when we seek to amend it. I think it is a very serious question whether or not such a limitation has any legal effect; but if I had my own way about it I would not submit to a legislature elected upon a different issue the question as to whether they should have the authority to pass upon amendments to the Constitution, because we ought not to interfere with the State in the election of members of its legislature who have nothing of a national character connected with their duties, and who are elected often upon sharp, well-defined issues of a State nature entirely. By putting into that contest a national issue that has no connection with the State issue we have often confronted the electorate with a problem that is im-

possible of solution in a way that is satisfactory to the man who casts his ballot. I do not know that it is necessary to state what I would do in that case if I had my way about it, because that is not involved in this matter.

Mr. FESS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. NORRIS. I yield to the Senator from Ohio.

Mr. FESS. I should like to ask the Senator a question on another phase of the amendment to the Constitution, and ask him whether he has ever given any attention to it.

The people vote for the electors for President under the law in November. Then the electors meet in their various States and vote for President at a different date. Then, at a subsequent date, the vote is sent here and counted in the House of Representatives in February.

Now, this is my query: If, between the time the vote is counted in the Senate and the inauguration, which would be on the 4th of March, both the President elect and the Vice President elect should die, it is stated that there would be an interregnum that is not provided for either in the Constitution or in the laws, and there would be a possibility that we would have a period with no provision for President. The President ends his term on the 4th of March. The Vice President holds until his successor is elected; but in this case, with the President elect and the Vice President elect both removed, the question is whether the electors would be recalled and vote, or whether, when they do vote, they have officially ceased to exist.

The matter has been discussed by constitutional lawyers, and it is believed that there is an interregnum. No effort, so far as I know, has ever been made to amend the Constitution to cover that period. Has the Senator ever given any attention to it?

Mr. NORRIS. Oh, yes. It is involved in this amendment. One of the amendments of the House covers that.

Mr. FESS. I was not aware of that.

Mr. NORRIS. Yes; and it did before in the other amendment.

Mr. President, that reminds me that one of the amendments—the only one made by the House—covers that proposition, a very important thing that ought to be covered. I think everybody concedes it; but there is only one possible objection, which I do not think exists in this case, to that particular amendment. That is, whenever we submit amendments to the Constitution if we couple a whole lot of them together we run the risk of having them all defeated, because one legislature will oppose the proposal on one ground and another will oppose it on some other provision in it.

An amendment was offered in the House of Representatives when this matter was pending there providing for a 4-year term for Members of the House of Representatives and argued to some extent. In the debate in the House of Representatives one of the Members read into the RECORD a speech I made when I was a Member of the House in favor of that kind of a proposition, I suppose using it as an argument, because it was known that I was opposed to having the House put that kind of an amendment on this particular proposal. I was called upon by a good many Members of the House with regard to that amendment before it was offered and after it had been offered. I strenuously objected to their putting any such amendment on this proposed amendment to the Constitution but not because I was opposed to making the terms of Members of the House longer. I still believe that the Constitution ought to be amended and that Members of the House of Representatives should be elected for four years instead of two.

It seems to me that two years is too short a term, although the proposed amendment, if carried through, will help the matter to a great extent, because the Members elect will actually get into harness long before they do now. They will go into office in January after they are elected in November. The only objection I would have to putting that amendment, or any other amendment like it, on the proposed constitutional amendment would be the danger of killing the whole thing before a legislature through putting too much in it. No doubt some proposition about which there is no dispute, which I think is the case with the so-called "lame duck" amendment, will be approved by the legislatures; but if a legislature could not approve it without approving something else the legislature did not want, they might not approve anything.

The VICE PRESIDENT. The question is on agreeing to the motion made by the Senator from Nebraska [Mr. NORRIS].

The motion was agreed to; and the Vice President appointed Mr. NORRIS, Mr. BORAH, and Mr. WALSH of Montana conferees on the part of the Senate.

THE CHRISTIAN WAY OUT

Mr. WAGNER. Mr. President, I ask to have inserted in the RECORD excerpts which appear in the New York Times from an article "The Christian Way Out," by the distinguished American scholar, Dr. Nicholas Murray Butler, president of Columbia University, which article appeared in the current issue of the Witness.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

It must be bluntly said that a very considerable proportion of the American people, and a still greater proportion of our representatives in official life, continue to show no real appreciation of what has happened to the world or of what is going on all about them. These elements of our population and these public officials continue to use old phrases, old slogans, and old rallying cries, as if these really meant something, being quite oblivious to the fact that they have wholly lost whatever meaning they may once have had.

It is not possible to describe or to discuss present-day problems without repetition. What is now being said has been said before by way of warning and of preparation. Apparently it will probably have to be said many times again before public opinion wakes from its sleep and before public officials, high and low, perceive their responsibility and have courage to act upon it.

The economic, social, and the political convulsions which are shaking the whole world are without a parallel in history. It is quite futile to draw curves and to make charts of how earlier depressions and economic crises in the United States have developed and how they have led the way to recovery. This procedure is wholly futile, because conditions are entirely without precedent, and the remedies for these conditions will have to be without precedent as well.

Two great historic movements happened to reach a climax at about one and the same time, and the effect has been to overturn the world as our fathers knew it. These two movements are, first, competitive and armed nationalism, and second, the industrial revolution which followed hard upon the invention and installation of machinery a century ago. Armed and competitive nationalism went to its natural death in the great World War. If nations insist upon huge armaments under the guise of self-defense, and if they look upon all neighboring nations as envious competitors and potential enemies, war is the natural and almost necessary result. These wars were not particularly important when armies were small and instruments of destruction simple and of short range. As the Great War showed, conditions are wholly different in these respects to-day. Tens of millions of men are involved, whole continents are subject to ravage and outrage, and innocent men, women, and children 50 miles away may be sent to their death without knowing what it is all about. With airships and poison gases at the disposal of all combatants, another war would be far more destructive than the Great War showed itself to be. Unless the nations of the earth keep their word which they gave when they solemnly pledged themselves not to resort to war as an instrument of national policy, civilization may yet be destroyed in what is almost the twinkling of an eye.

The Great War not only caused the stupendous losses of which everyone knows, but it destroyed a very large part of the accumulated savings of the world through 300 years. This is the primary cause of the present economic, social, and political crisis. Men's savings have in large part disappeared, having been burned up in the killing, the pillage, and the appalling expenditure which were the Great War. Not only were these accumulated savings destroyed, but the trade, the commerce, and the industry of the world were all disrupted. The seas were no longer safe and the land was almost everywhere in possession of armed and fighting forces.

To all this there came an armistice on November 11, 1918. It was a cessation of hostilities so far as military and naval operations were concerned. It was not a cessation of hostilities as far as mental processes and political policies were concerned. The Great War is still going on, although without the aid of armies and navies. Greedy, envious, and self-centered nationalism is everywhere manifesting itself, and every nation's hand is more or less openly raised against its neighbor. Many parts of the war

settlement are based upon hate and others upon fear, forgetful of the fact that neither hate nor fear will serve as foundation for the building of human satisfaction and of peace.

The effects of the Great War would have been sufficient by themselves to have disrupted the world as it was. Almost simultaneously there came to a climax the effects of the industrial revolution. Men had learned, by the use of machinery and by building large business organizations, enormously to increase the production of goods. They had developed the instrumentalities for the exchange of those products, but they had quite overlooked the necessity of augmenting the power to consume in ways that would keep pace with the growth of the power to produce.

In one sense there is overproduction because there are natural products and manufactured goods that are not sold. On the other hand, there is underconsumption because there are millions of human beings who need these natural products and these manufactured goods to keep them alive, to cover their nakedness, and to house their families, but who have not the wherewithal with which to acquire them. It is to be noted that these forces are in operation all over the world. They produce somewhat more acute effects in one country or in one section than in another, but nevertheless they are operative everywhere. No nation is competent to deal with these situations single handed. The forces at work and the problems which they have created are international, and the ways of dealing with them must be international, too. Time is slipping away and conditions are growing steadily worse, and yet we find holders of public office in our own land and in other lands looking helplessly about and trying to find ways and means to care for their own people first. This can not be done, because there is no way to do it. There are very few national problems left in any land. Almost every important problem of government, of industry, of commerce, of trade, and finance is international in its every aspect. Those who would bid us mind our own business use words with a meaning that would have us neglect the chief part of that business which is our own. 'Am I my brother's keeper?' insolently asked Cain, and he quickly found out the true answer. So we, too, are other brothers' keepers. Each nation is a moral personality with a mind and heart and soul. Each nation is a member of the great commonwealth of nations, with duties and responsibilities like to those which the individual man has toward his neighbors and fellow citizens. What the world needs is voices and acts of leadership that will point the way, that will rouse men from their lethargy and self-centeredness, that will lead them to see facts as they really are, and to take their part in rebuilding a broken and disordered and a sorely stricken world.

UNEMPLOYMENT INSURANCE

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD the findings and recommendations of the Interstate Unemployment Insurance Commission.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From The New York Times, Monday, February 15, 1932]

TEXT OF INTERSTATE UNEMPLOYMENT INSURANCE REPORT

ALBANY, N. Y., February 14.—The text of the report of the Interstate Commission on Unemployment Insurance is as follows:

"The Interstate Commission on Unemployment Insurance, composed of the representatives of the Governors of the States of New York, Ohio, Massachusetts, Pennsylvania, New Jersey, and Connecticut, has the honor of presenting the following report of its findings and recommendations. Mr. Daniel F. McLaughlin, appointed by the Governor of Rhode Island as his representative, did not attend the meetings of the commission.

"At its first meeting in New York in the spring of 1931 the commission designated various of its members to inquire into the experience with voluntary and compulsory insurance in the United States and in Europe; to examine the administrative problems of compulsory insurance in this country; to appraise the many forms of State, Federal, and private unemployment insurance plans currently proposed in the United States; to inquire into the possibilities and problems of estimating the cost of different types of unemployment insurance; and to formulate standard principles of unemployment insurance best calculated to satisfy the requirements of American industry and political organization.

"The subcommittees charged with these investigations pursued their inquiries through the summer and early fall of 1931, and kept in touch with one another through correspondence and informal conference. In November, 1931, the full committee met again in New York for the consideration of the reports of subcommittees and for making a preliminary draft of its final report.

The findings and recommendations here presented constitute the unanimous agreement of the members of the interstate commission. The representative of the Governor of Ohio signs this report with the reservations here included.

I. FINDINGS AND RECOMMENDATIONS

"We regard unemployment as it exists in the United States to-day as a many-sided problem. It seems to us unlikely that any single measure now adopted, without further experimentation and experience, can cope successfully with all forms of unemployment or with the total period of unemployment, or even with all of the unemployed. The most substantial progress in dealing with the total problem of unemployment consists, we believe, in making provision for the persistent unemployment and irregularity of operation which is so characteristic of American industry. By a general attack on the problem at this point it should prove possible to assess responsibility for avoidable irregularity and to afford ownership and management incentives for the regularization of production and, hence, the reduction of unemployment.

"This method of approach to the problem of unemployment would rapidly yield comprehensive data on the relation between the numbers of regular workingmen on the one hand and, on the other, of casuals and unemployables. With such information at hand the task of formulating a national unemployment program designed to meet the grave emergencies of prolonged depressions would become much more practicable than it is at the present time.

"As the first important step in creating constructive unemployment machinery we are strongly of the opinion that measures proposed should combine the greatest possible simplicity in principle and practice and should look forward to the progressive stabilization of conditions of employment. With this goal in mind we therefore recommend:

"1. The compulsory establishment of state-wide systems of unemployment reserves.

"We are not unmindful of the progress which individual firms and groups of employers have made in this country with plans of voluntary unemployment reserves. From their activities much has already been learned concerning the problems of unemployment compensation in American industry. But, in spite of this encouraging advance, the fact remains that the total of voluntary unemployment insurance now in force in the United States affects only a small fraction of the work force of the Nation.

"It is our conviction that no substantial increase in the coverage of employees and that no widespread adoption of insurance by the most unstable of our industries can be expected in the predictable future unless the establishment of reserve funds is made obligatory through legislation.

"2. The payment by each employer of a contribution amounting to 2 per cent of his pay roll.

"We have canvassed carefully the arguments for and against the payment of contributions, or premiums, by employees; and we have in mind provisions for unemployment, in addition to those proposed here, which might well be financed in part by contributions from employees. But in view of the moderate terms of our proposal, the greatest share of the burden of unemployment would still be borne by the workers whose benefits under the plan would be considerably less than the wages he would have continued to receive if employed. The employee should not, in our judgment, be required to reduce his earnings further by the payment of contributions into unemployment reserves. A further important reason for not recommending contributions by the employees is that a purpose of our proposal is to encourage the adoption of measures of prevention.

"The employers' financial liability under our plan should operate as a continuous incentive to prevent unemployment so far as practicable. To reduce this liability, therefore, by placing part of the burden on his employees would likewise reduce the incentive to undertake preventive measures.

Payments by employers

"3. The payments made by each employer shall constitute the unemployment reserve of his firm and shall be so treated in the accounts.

"This proposal differs radically from the European plans of unemployment insurance in which contributions from all employers and all industries flow into a single common pool. It has been widely recognized even by sympathetic critics of European practice that the pooling of reserves has had unfortunate results. The irregular industries enabled to draw benefits for their unemployed workmen from the common pool may be thus tempted to shift the responsibility and cost of their own unemployment to the more stable and profitable industries.

"In so far, then, as unemployment is due to careless or indifferent management or to the failure to take proper precautions for the future, the pooling of reserves may have the effect of perpetuating such uneconomic practice and may, in consequence, fail to offer the incentives to regularization for which many of the advocates of unemployment insurance had hoped. Many of these difficulties may indeed be attacked by setting up industrial, in contrast to national, unemployment reserves and by adjusting the contributions of individual employers within each industry to their unemployment experience. While we recognize the merits of such a plan, in the interests of simplicity of administration and progress in stabilization, we propose that each company assume responsibility, limited by the amount of its contributions, for the unemployment of its own work force.

"4. The maximum rate of benefit shall be 50 per cent of an employee's wage, or $10 a week, whichever is lower; and the maximum period of benefit shall be 10 weeks within any 12 months. Employees who suffer unemployment by reason of short-time employment shall be eligible for benefits whenever their week's wages are less than 60 per cent of their average weekly wage, but the benefit for partial unemployment shall not exceed the difference between the wage actually received and 60 per cent of the employee's average weekly wage. In no case, however, shall the benefit of a part-time employee exceed $10 a week.

"5. The financial responsibility of an employer shall be strictly limited by the amount of his unemployment reserve.

"We regard this provision as a prerequisite to the sound development of any plan of compulsory unemployment insurance.

Failure to limit liability of the reserve funds is the first and most radical departure from accepted insurance principles and constitutes an open invitation to supplement contributed funds with subsidies from the Government or other sources. The adoption of such practices has been the rock on which foreign unemployment insurance schemes have split; and they have been responsible for the commingling of insurance and relief funds, which is now so universally deplored by all students of this problem.

"To safeguard the principle of limited liability we propose further that, when the employers' reserve at the beginning of any month is less than $50 per employee, the maximum rate of benefit be proportionately reduced.

Reserve limited

"6. When the accumulated reserve per employee shall exceed $50, the employer's contribution shall be reduced to 1 per cent of his pay roll; and when the reserve has reached $75, he shall make no further contributions to the fund until the reserve again falls below $75 per employee.

"The purpose of this provision is to offer employers effective incentives for the exercise of control over fluctuations in employment. We have considered the advisability of providing for a system of experience rating whereby the contributions of employers would from time to time be adjusted to their actual unemployment experience.

"The immediate adoption of experience rating we regard as premature. Moderate and experimental incentives to regularization are afforded in our proposal to reduce the premium when the reserve per employee exceeds $50. With the accumulation of experience and much more accurate data on unemployment rates than we now have, it should prove possible to use merit rating and refined methods of adjusting premiums to unemployment rates.

"To further encourage experiments with the prevention and reduction of unemployment, we recommend exemption of firms or groups of firms which have set up reserve funds providing benefits equal to or greater than those enumerated in the foregoing proposals.

"7. The State shall act as the custodian, investor, and disbursing agent of the reserve funds.

"For this purpose there should either be created an unemployment commission of three members, representing labor, industry, and the public, charged with establishing the system of unemployment reserves and with its continuing administration; or, where there already exists a State industrial commission similarly constituted, it should administer the unemployment compensation plan. The cost of administering the plan should, we believe, be assumed by the State. Expenses of the States would not be increased by the total cost of administration since the unemployment administration would take over functions now performed by existing agencies.

"The cost, in particular, of collecting and publishing employment and other industrial statistics, and of administering the public employment offices is not additional, since it is now incurred by existing State agencies.

State service extension asked

"8. The State shall take prompt steps to extend its public employment service.

"No system of unemployment insurance can accomplish its purposes without a properly organized and efficiently operated system of employment exchanges. The States represented on this commission now have public employment offices. We recommend that the existing employment bureaus be put under the jurisdiction of the employment administration. In order, however, that the work of the employment exchanges be not hampered and the staff burdened with duties growing out of the payment of unemployment benefits, it is important that the employment exchanges be operated as a separate division coordinate with a division of insurance.

"All of the staff of the employment bureaus should be under the classified civil service, with tenure not subject to political changes. Trade associations administering the unemployment reserves for their industries and organizations of employers and employees who maintain and operate approved unemployment insurance plans by collective agreements may operate their own employment bureaus and offices for the payment of benefits. Such industry offices must be under the general supervision of the State employment service and subject to its general rules.

"9. The unemployment authority shall create stabilization agencies.

"The most effective measures for achieving greater stabilization of employment can not obviously be accomplished by a single firm. Every effort should, therefore, be made by the unemployment administration to encourage cooperative action between firms and industries. To this end the unemployment administration should set up advisory committees of employers and employees and should have experts instructed to formulate plans to promote the regularization of employment in individual plants, localities, industries, and the State.

II

"The recommendations we have made constitute the principles on which, in our judgment, the features of a sound State unemployment compensation act should rest. The drafting of a model act we have regarded as beyond our province, since the specific acts proposed in several States may differ widely in detail, while adhering to the same underlying principles. In general, we urge the application of unemployment compensation to the largest possible number of employees, exclusive of agriculture and employees normally earning more than $200 a month. Efforts to regularize the employment of labor in small establishments are so important that we recommend including under the terms of the act all employers of six or more workers.

"We have not attempted to summarize in this report the great literature which has grown up on European and American experience with many types of unemployment insurance and reserves. Useful summaries, descriptive and critical, are now readily available in this country for students of the problem and for all other interested persons. The well-known difficulties of insolvency and abandonment of basic contractual insurance obligations which the European and some American schemes have encountered, particularly in the postwar phase of their history, have received our close attention and have been an important factor in directing our search for proper principles of unemployment compensation. We have been much influenced in our thinking by the profound and constructive interest among American business men in problems of stabilization and in forms of unemployment compensation which combine relief with incentives to prevention.

"We are conscious of the fact that our proposals are extremely modest and moderate. It is not, in our judgment, sound to impose an onerous burden of cost on American industry. The measures adopted now can, we recognize, only incidentally serve to mitigate the effects of severe and prolonged industrial depression. It may well be that the unemployment of long depressions can be met only by the creation of extraordinary reserve funds raised from contributions by employers, labor, and the Federal Government. We are clear, however, that the type of measures we propose constitute a constructive attack on the problem.

Simple system advocated

"Dealing with the chronic irregularity and unemployment of our industry will not only ameliorate the lot of the unemployed but will also, in time, point the way to further devices for strengthening the available machinery of unemployment relief and prevention. At the best, there will for some time remain a residuum of unemployed who must continue to look for assistance to the agencies of private and public charity. With the establishment and extension of unemployment compensation plans, however, we should be taking the first steps in reducing the wastes and damage to self-respect which characterize our present disorderly methods of handling the unemployed; and we should have put ourselves in the position of applying more scientific methods to the treatment of the total problem of unemployment.

"Our subcommittee on the cost of unemployment insurance investigated the possible costs of various types of such insurance. It found that available unemployment data, particularly with reference to the frequency and duration of spells of unemployment, were so unsatisfactory that estimates of cost were virtually useless. With compensable unemployment strictly defined and circumscribed, as it is in the provisions submitted in this report, it is possible to estimate that the cost of unemployment compensation should not exceed 2 per cent of the pay roll.

"We have finally explored the suggestion that there be created an interstate unemployment authority charged with setting up an interstate administration of unemployment compensation. It is our reasoned judgment on this matter that the best combined and separate interests of the States, participating in this inquiry, will be served by recommending to them the adoption of a practicable and simple type of unemployment compensation, whose cost should not seriously disturb the prevailing competitive relationship of industries doing business within the boundaries of those States.

"The adoption by the six States of a system of unemployment reserves, similar to the plan here proposed, would constitute a great step forward in the joint consideration and handling of interstate industrial problems. The pressing need for an intelligent unemployment program, revealed once more by our experience during the past two years, should hasten the favorable consideration of a moderate and practicable proposal for constructive experiment.

"INTERSTATE COMMISSION ON UNEMPLOYMENT INSURANCE,
"LEO WOLMAN, *Chairman, New York.*
"CHARLES R. BLUNT, *New Jersey.*
"A. LINCOLN FILENE, *Massachusetts.*
"C. A. KULP, *Pennsylvania.*
"W. M. LEISERSON, *Ohio.*
"W. J. COUPER, *Connecticut.*"

RESERVATIONS BY W. M. LOISERSON

The representative of the Governor of Ohio has signed this report; but he takes exception to any implications in it that an insurance system with pooling of contributions may not be better than a plan of separate plant reserves. In addition to the recommendations here contained he would recommend experiments with State unemployment insurance funds that included contributions from employees as well as from employers, and that pooled all the reserves after the manner of workmen's compensation insurance.

THE CALENDAR

Mr. McNARY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of unobjected bills on the calendar under Rule VIII.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will report the first bill on the calendar.

HOWARD P. CORNICK

The first business on the calendar was the bill (S. 1951) for the relief of Howard P. Cornick.

Mr. REED. Mr. President, in view of the illness of the junior Senator from California [Mr. SHORTRIDGE], I ask unanimous consent that this bill be recommitted to the Committee on Military Affairs.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection? The Chair hears none, and it is so ordered.

POST-OFFICE GARAGE LEASE, BOSTON, MASS.

The bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof, was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, the author of this bill is absent. I suggest that it go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF IMMIGRATION ACT OF 1924

The bill (S. 268) to amend subdivision (c) of section 4 of the immigration act of 1924, as amended, was announced as next in order.

Mr. LA FOLLETTE. Mr. President, I make the same objection with regard to that bill.

Mr. BINGHAM. Mr. President, may I also add that in view of the illness of the senior Senator from Georgia [Mr. HARRIS] and his inability up to the present time to present a report on the bill, which he has agreed to do, the bill may go over until the report is presented.

The PRESIDING OFFICER. The bill will be passed over.

UNSOLICITED MERCHANDISE IN THE MAILS

The bill (S. 1663) to prohibit the sending of unsolicited merchandise through the mails was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, I have received a number of communications relating to this bill. I believe I shall ask that it go over for the present.

Mr. HAYDEN. Mr. President, I may state to the minority leader that an identical bill passed the Senate at the last session of Congress, and this bill has been favorably recommended by the Postmaster General. It is designed to end a business practice which makes use of the United States mails throughout the country to the great annoyance of many people.

Mr. ROBINSON of Arkansas. Mr. President, I recall distinctly the case of a manufacturer and seller of cards, who states that for many years it has been the practice in his business to forward the products to the prospective purchaser subject to approval. He claims that the enactment of this measure would destroy his business, and that there has never been any complaint respecting the method in which he has carried on his business.

Mr. HAYDEN. If he sends his merchandise to a list of customers who have ordered the same from him, there could be no objection on the part of those receiving the goods; but if he sends cards to people who have not asked that it be done the result is an annoyance which should be prohibited.

Mr. ROBINSON of Arkansas. I would point out to the Senator that such cases would fall within the term "unsolicited merchandise." I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 209) granting an increase of pension to Mary Willoughby Osterhaus was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 111) for the relief of Rosa E. Plummer was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2642) to establish a commission to be known as a commission on a national museum of engineering and industry was announced as next in order.

Mr. COPELAND. I suggest that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6662) to amend the tariff act of 1930, and for other purposes, was announced as next in order.

Mr. REED. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2915) authorizing A. A. Lilly, M. B. Collinsworth, and A. E. Booth, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Big Sandy River at or near where it enters into the Ohio River, and between the cities of Kenova, W. Va., and Catlettsburg, Ky., was announced as next in order.

Mr. TRAMMELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

REORGANIZATION OF EXECUTIVE AGENCIES

The joint resolution (S. J. Res. 76) authorizing the President to reorganize the executive agencies of the Government was announced as next in order.

Mr. COSTIGAN. Over.

Mr. GEORGE. Mr. President, I realize that the joint resolution is a matter of too much importance to justify taking it up and having it considered at this time. I rose to call attention to the fact, however, that the President's special message of this morning is, as it seems to me, in harmony with the provisions of the joint resolution. The President does not specifically recommend, of course, that authority be given to him as Chief Executive to consolidate the various executive agencies of the executive departments of the Government or agencies outside of the executive department, but he does suggest that the authority be vested somewhere.

I want to take this occasion to emphasize the thought, and I believe it to be a fact, that if any progress is ever made in the consolidation of boards, bureaus, commissions, agencies, and services, or in the elimination of unnecessary boards, bureaus, agencies, and services, it must be done by vesting authority in some one who can act. I know of no one who is better qualified to act than the President of the United States at any time.

At an appropriate time I expect to move to proceed to the consideration of the joint resolution. I do not do so now, because I realize it is a measure of too much importance to be taken up under the rule under which we are proceeding.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Tennessee?

Mr. GEORGE. I yield.

Mr. McKELLAR. I think before the Senator became a Member of this body a bill was introduced by former Senator Overman, of North Carolina, during the war, in 1917 or 1918, to give the President similar power. It was really introduced as a war measure. Under the terms of that bill it was limited to the duration of the war and for a period of something like 12 months thereafter, if I remember rightly. After its introduction that bill was very thoroughly discussed time after time. There was a great deal of opposition to it, and yet it was passed, but no steps were taken under it—that is, no steps of any great moment—to accomplish the purpose it had. The Senator will recall that a scandal grew out of conditions existing at that time. I think the only change which was made was a change in one of the functions of the Navy Department and in one of the functions of the Department of the Interior.

Instead of giving this blanket authority to the President, there ought to be a report from the President indicating beforehand what he is going to do and what changes he proposes. I did not hear the reading of all of the President's message this morning, but I am glad the Senator is going to let the measure go over, so we can consider what the President has said to-day and then consider the entire matter at length when it comes before the Senate.

Mr. McNARY. Let us have the regular order.

The PRESIDING OFFICER. The regular order has been demanded, and the joint resolution goes over under objection.

Mr. ROBINSON of Arkansas. Mr. President, of course any Senator can call for the regular order and for the mo-

ment prevent discussion of this subject, but when the next order of business on the calendar is called a Senator can take the floor and speak for five minutes; so I am going to speak now, unless some Senator does insist on the regular order, in which event I shall wait until the next order of business on the calendar is called and then take the floor or make a motion to proceed to the consideration of the measure which is then called. I do not think there is any great hurry to get through with the calendar this morning.

Mr. President, I wish to invite the attention of the Senator from Georgia [Mr. GEORGE] and the Senator from Tennessee [Mr. MCKELLAR] to a concurrent resolution which was introduced by me in the Senate on February 5. The concurrent resolution is still on the table. It will probably be referred to a committee, since I do not think it competent to take action on it before it is considered by a standing committee of the Senate.

My thought in this connection is that the Government is getting too large, that we are constantly creating bureaus, agencies, offices, commissions, and boards, and that if we are ever to balance the Budget we must not only move in the direction of increased revenues but we must also move in the opposite direction of decreased expenditures. With that in mind, I framed the concurrent resolution and introduced it on the 5th of February providing for a joint commission of the Congress, consisting of three Members of the Senate and three Members of the House, to inquire into "the best and most practicable means and methods of reducing governmental expenditures and to ascertain and report to the Congress what offices, agencies, bureaus, boards, and commissions of the National Government may be reduced, consolidated, or abolished without substantial detriment to the public interest." The remainder of the concurrent resolution relates to the procedure of the joint commission and authorizes a limited appropriation for its use in making the inquiry called for.

My suggestion at this time is that the Senator from Georgia consider the concurrent resolution in connection with his joint resolution with the view, if he so desires, of incorporating the proposal to abolish existing governmental agencies where it can be done.

Let me say, and then I shall not longer detain the Senate, that this is a very important matter. It will be quite difficult—it is always difficult—to abolish an office after it is once established. It is always difficult and it will continue to be difficult to abolish a board or commission or any other agency that draws salaries from the Public Treasury.

The mere consolidation of bureaus and the creation of new agencies is not going to work the reform that is absolutely necessary. While I did not have the opportunity of following the President's message as it was read to the Senate this morning, it impressed me that he proposes the creation of a large number of new bureaus or new bureau heads and new departmental chiefs. If we are not careful, and follow that method, we will be moving in the direction of still further enlarging the Federal Government, increasing Federal offices, and multiplying Federal agencies, and no one can tell where the process will lead us.

I am not blaming any person or any political party especially for the course that has been taken heretofore. It has been due to a combination of efforts on the part of everyone in public life to bring every activity of government to the National Capital, to concentrate here all sorts of enterprises that might very well and much better be carried on through local agencies.

I must admit that the undertaking to abolish unnecessary bureaus and governmental agencies, consolidating those that are capable of being consolidated, and reducing the number of commissions, boards, and departmental staffs is a very difficult task, but I do think that it is at least worthy of consideration.

Mr. MCKELLAR. Mr. President, I want again to call the attention of the Senator from Georgia [Mr. GEORGE] and also of the Senator from Oregon [Mr. MCNARY] who a few moments ago asked for the regular order to the joint resolution. There is no more important measure before the Congress, in my judgment, than the one which has been reported by the Senator from Georgia. On yesterday I offered in lieu of the joint resolution the following:

> The President is hereby authorized during the session or the recess of the Congress to take action looking to a proper and scientific coordination of the work of the various executive departments of the Government, and he is hereby requested to report upon the question of transfer and consolidation of commissions, bureaus, divisions, offices, and other governmental activities, in order that duplication of service may be abolished and extravagance and unnecessary expenditures eliminated, and report with recommendations; and the report and recommendations shall be made to Congress on the first day of the regular session thereof, the first Monday in December, 1932.

At that time I did not have before me the concurrent resolution of the Senator from Arkansas. I have just read it this morning. I believe that the concurrent resolution of the Senator from Arkansas should be adopted. That is the only logical way to deal with the subject. However, I think perhaps an amendment incorporating language somewhat like that I have just read might be added so as to enable us to have the combined wisdom of the commission and the President's information and suggestions on the same subject. I hope the Senator from Georgia will seriously consider the concurrent resolution of the Senator from Arkansas because I can not conceive of a better way to dispose of this matter than through the means suggested by that resolution.

Mr. GEORGE. Mr. President, I do not want to delay the Senate. I have already said that I would not insist on a consideration of the matter at this time. But let me remind the Senators from Arkansas and Tennessee that a joint commission has heretofore been appointed for this particular purpose. It did considerable and very valuable work. I believe the Senator from Utah [Mr. SMOOT] was chairman of that joint committee. Its report was filed, but nothing came of it.

If we are going to do any more than pay lip service to economy, in so far as it may be effected by the consolidation and simplication of government, we must vest the power and authority to act in some one, and who better than the Chief Executive when we are dealing with the executive offices? We may restrict his power as much as we please and limit it as much as we please. The resolution which I have offered gives the Congress 60 days after the filing of the report by the President abolishing an executive agency or service within which to disapprove the order.

Mr. MCKELLAR. Mr. President, will the Senator from Georgia yield to me?

Mr. GEORGE. Further safeguards could be made, but I am quite confident that if we expect to make any progress—I do not want to argue the merits of it—we must approach the subject as a practical one. We must recognize that the power and influence of such a large number of bureaus, boards, and commissions as have developed here in Washington will always be sufficient to delay if not to block any remedial legislation by the Congress. We must place the power in somebody and give him the authority at least to take the initial steps.

Mr. MCKELLAR. If the Senator from Georgia will yield to me, I desire to call his attention to the fact that the objection he raised to the joint commission and the statement he makes that the joint commission heretofore did nothing——

Mr. GEORGE. No; I did not say that.

Mr. MCKELLAR. Or substantially nothing, applies with equal force to the very measure he now seeks to enact, for the reason that full powers were given the President in the law of 1917, but the President never acted upon them at all except, as I recall, in but one particular, and in that particular we all know the dire result that followed.

Mr. GEORGE. Mr. President, of course, the President of the United States might not act, but this morning he has submitted to the Congress a special message in which he himself called attention to the necessity for some move along this line. He does not say, of course, that he desires to have the responsibility placed upon him, but he does suggest that the responsibility must be placed somewhere

ultimately if action is to be secured. I did not mean to say, and I hope the Senator from Tennessee did not understand me to say, that the prior joint commission did not do very valuable work and that there is not essential merit in the suggestion made by the Senator from Arkansas in his resolution. What I meant to say was that after the joint commission had done very valuable work the Congress did nothing about it.

Mr. SMOOT. Mr. President, in addition to what the Senator from Georgia has said, I desire to say that I think I spent more time upon the work of that commission, as its chairman, than upon any piece of legislation that has ever been presented to this body; and I think if the recommendations that were made at that time had been put into operation, and the consolidations made as recommended, there would have been tens and, indeed, hundreds of millions of dollars saved between that time and now, and there is just as much necessity, if not more, for legislation along that line now as there was years and years ago.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator from Utah when that report was made?

Mr. SMOOT. I think it was made in 1913, but I am not sure.

Mr. ROBINSON of Arkansas. I presume that many of the recommendations of the commission would now be obsolete or would require revision?

Mr. SMOOT. Certainly; I have no doubt of that.

Mr. ROBINSON of Arkansas. That was my thought in presenting this resolution.

Mr. SMOOT. The recommendations then submitted would not now apply altogether, because since then bureau after bureau and division after division have been created in the departments of the Government, until they have become so numerous that it seems to me there has got to be some action taken by Congress to provide a remedy. If we continue the policy that has been pursued in the past, the whole Government organization will become top-heavy and will cost the taxpayers of the country untold millions of dollars which actually could be saved.

Mr. ROBINSON of Arkansas. We have created hundreds of boards, commissions, and Government offices since the report was made.

Mr. SMOOT. That is what I have said.

Mr. ROBINSON of Arkansas. Instead of reducing those agencies we have gone on with the same old process.

The PRESIDING OFFICER. The clerk will state the next bill on the calendar.

RESOLUTION AND BILLS PASSED OVER

The resolution (S. Res. 156) to investigate the effect of the depreciation of foreign-currency values upon importations of important commodities into the United States, and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 2377) authorizing an appropriation to defray the expenses of participation by the United States Government in the Second Polar Year Program, August 1, 1932, to August 31, 1933, was announced as next in order.

Mr. BRATTON. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 212) for the relief of Messrs. Short, Ross, Shaw, and Mayhood was announced as next in order.

Mr. BINGHAM. Mr. President, I have been asked by the senior Senator from New Hampshire [Mr. MOSES], who is unable to be present, to request that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 213) authorizing the adjustment of the claim of Kenneth Carpenter was announced as next in order.

Mr. BINGHAM. On behalf of the Senator from New Hampshire, I make the same request in regard to that bill.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 219) authorizing adjustment of the claims of Orem Wheatley, Kenneth Blaine, and Joseph R. Ball was announced as next in order.

Mr. BINGHAM. On behalf of the Senator from New Hampshire, I ask that that bill also be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2335) for the relief of O. R. York was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

HOWARD DONOVAN

The Senate proceeded to consider the bill (S. 2623) for the relief of Howard Donovan, which had been reported from the Committee on Claims with an amendment, on line 6, after the word "of," to strike out "$1,229.75, such sum representing" and insert "$500 in full settlement of all claims against the Government for," so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to Howard Donovan, former consul at Bahia, Brazil, the sum of $500 in full settlement of all claims against the Government for the cost of embalming the body of his wife, Ruth Curtiss Donovan, buried, and subsequent transportation of the body from Bahia, Brazil, to its burial place at New Haven, Conn.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2570) authorizing adjustment of the claim of Joseph E. Bourrie Co. was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

OWNERS OF SCHOONER "OAKWOODS" AND ITS CARGO

The Senate proceeded to consider the bill (S. 487) for the relief of Herbert G. Black, owner of the schooner *Oakwoods*, and Clark Coal Co., owner of the cargo of coal on board said schooner, which was read, as follows:

Be it enacted, etc., That the claims of Herbert G. Black, owner of the schooner *Oakwoods*, and Clark Coal Co., owner of the cargo of coal on board said schooner, for damages arising out of a collision between such schooner and the United States submarine *R–3* off the southern end of Cape Cod Canal, on November 24, 1919, may be sued for by the said owners in the United States District Court for the District of Maine, sitting as a court of admiralty and acting under the rules governing such court; and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages, and costs, if any, as shall be found to be due against the United States in favor of the owner of the said schooner *Oakwoods*, and the owner of the cargo of coal on board said schooner, or against the owner of the said schooner *Oakwoods*, and the owner of the cargo of coal on board said schooner, in favor of the United States upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same right of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. KING. Mr. President, I should like to know whether the committee received any evidence indicating culpability on the part of the representative of the Government? We have had a number of these cases referred to the proper courts for adjudication when, in my opinion, there was not a prima facie case made and not sufficient evidence adduced to justify putting the Government to the expense of defending an action.

Mr. WHITE. Mr. President, in this case there was in 1924 an original report from the Navy Department following an investigation by a naval board of inquiry. At that time the Navy Department held that there was no fault upon the part of the naval vessel, but that there was negligence upon the part of the schooner, and it recommended adversely on the bill then pending. It appeared, when the present bill was introduced, that the original investigation by the Navy Department was an ex parte investigation; that the board heard only the naval officers who were upon the submarine. The present report from the Navy Department admits the ex parte character of the original investi-

gation and sends the findings here with no recommendation whatsoever.

It appears that, if the claimant were permitted to go into court and testify, he would give evidence that he was observing in all respects the rules of the road in the navigation of his vessel; that his lights were newly bought and placed in position by the captain himself, and that they met in all respects the requirements of the navigation rules. It is represented further that he would testify that the lights of the submarine were themselves deficient and that there was no bow watch on the submarine.

Mr. KING. Mr. President, will the Senator yield?

Mr. WHITE. Yes.

Mr. KING. I do not ask the Senator to go into the case and state the testimony; I only ask whether or not before the committee there was evidence tending to show culpability upon the part of the representatives of the Government? Was there anything tending to show that there was negligence on the part of the officers of the Government?

Mr. WHITE. There was the direct statement presented that if permitted to go into court the claimant would testify that there was negligence on the part of the Government officers because of the absence of any bow watch on the submarine, and that the testimony would be that the failure to have such a bow watch was a direct and chief contributing cause to the collision.

Mr. KING. May I ask the Senator whether that was hearsay or whether the claimant himself appeared before the committee?

Mr. WHITE. Counsel for the claimants stated in writing that if permitted to testify the captain of the schooner would testify to that effect.

Mr. KING. I have no objection to the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEPH J. BAYLIN

The bill (S. 1021) for the relief of Joseph J. Baylin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Joseph J. Baylin, of Baltimore, Md., out of any money in the Treasury not otherwise appropriated, the sum of $1,000, which sum was forfeited to the United States by Joseph J. Baylin on the bail bond of Berkely Morseberger, afterwards produced in court through the efforts of said Joseph J. Baylin.

PETROLIA-FORT WORTH GAS-PIPE LINE

The bill (S. 2307) to provide for the settlement of damage arising from the construction of the Petrolia-Fort Worth gas-pipe line was announced as next in order.

Mr. KING. I ask that the bill go over.

Mr. SHEPPARD. Mr. President, may I say a word about this bill?

Mr. KING. I withhold my objection.

Mr. SHEPPARD. Mr. President, this is a bill to pay damages appraised and found to be due by a representative of the Navy Department to landowners for injuries to crops, lands, and fences occasioned by the construction of the Government-owned helium-gas pipe line from wells in north Texas to the Government helium plant at Forth Worth, Tex., in 1918 and 1919. Most of the damage claims have been settled, and this bill is to pay the remainder of unsettled claims in accordance with the findings of the Navy Department. The sum involved amounts to about $7,000 in all.

Mr. KING. My recollection is that many years ago, following the war, within a limited period persons who had claims growing out of the activities of the Government during the war were authorized to present those claims to a commission which was set up, and that commission, as I recall, had funds with which to meet such adjudicated claims. Was this claim presented to that commission?

Mr. SHEPPARD. The commission had no jurisdiction over claims of this character. No commission was set up to pass on these claims. The Navy Department itself examined the claims and found certain amounts to be due.

Mr. KING. Why should not this claim go to the Court of Claims? Why take merely the statement of the department? I do not think we have been in the habit of doing that except in cases where very small amounts were involved.

Mr. SHEPPARD. Most of the claims have been paid. A few remain unsettled because of continued failure to agree with the claimants. An appropriation made heretofore covering all the claims lapsed before all the disputed ones were settled. These are not such claims as go before the Court of Claims.

Mr. BARKLEY. Mr. President, will the Senator yield to me there?

Mr. KING. I yield.

Mr. BARKLEY. Does this claim grow out of the war or did it grow out of occurrences that transpired after the close of the war? I understand some of the helium plants had been established since the war. If so, the claim involved in the bill now before the Senate might not have come under the jurisdiction of the commission to which reference has been made.

Mr. KING. I should like to ascertain by what authority the Navy Department or some naval officer went out and made an investigation, and by what authority he was required to report to Congress his findings. If it was just a voluntary act upon the part of some official of the Navy Department, it seems to me that the claim ought to go to the Court of Claims, rather than that Congress should take the findings and pay the amount which he recommended.

Mr. BARKLEY. Mr. President, my experience and observation have been that when either Naval or Army officers are willing to admit that any of them have done any damage to any private person the chances are they have done it.

Mr. KING. That may be, but yet that would not be justification for the payment without the proper machinery of the Government or of the courts being employed for the purpose of determining the liability and the amount which should be paid.

Mr. SHEPPARD. The legal course was followed in this matter. The construction of the helium-gas pipe line was a war measure. It had to be constructed; and the department in charge, the Navy Department, went across people's lands in some instances without getting their permission, before it could reach a satisfactory arrangement with them, the understanding being that damage claims were to be adjusted afterwards. Adjustments were made under existing law, and an appropriation was made to pay all claims of this character after findings by the proper officer of the Navy Department. The appropriation lapsed before all the claims were settled. The pending bill takes care of claims still unpaid.

Mr. SMOOT. And it was under the jurisdiction of the Navy Department when the damages occurred.

Mr. SHEPPARD. So it was.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to transmit to the General Accounting Office for payment, in accordance with the approved findings contained in the report rendered by Lieut. Ira P. Griffin, Civil Engineer Corps, United States Navy, to the Navy Department under date of July 29, 1921, all unpaid claims for rights of way and damages to private property sustained in connection with the construction on behalf of the United States during the years 1918 and 1919, of a gas-pipe line extending from Petrolia to Fort Worth, Tex.

SEC. 2. That the Secretary of the Navy is also authorized to transmit to the General Accounting Office for payment the claim of W. S. Wakeman in the sum of $65 in addition to the sum for said claimant approved in the above-mentioned report.

SEC. 3. That acceptance by any claimant of an amount offered for settlement pursuant to this act shall be deemed to be in full settlement of his claim against the United States.

SEC. 4. No payment shall be made to any claimant under the provisions of this act who has received satisfaction from any other source for the damages sustained due to the laying of said gas-pipe line.

SEC. 5. That there is hereby authorized to be appropriated for the purposes of this act, out of any money in the Treasury not otherwise appropriated, the sum of $7,356.75.

AMENDMENT OF RIVERS AND HARBORS ACT OF JULY 3, 1930

The joint resolution (S. J. Res. 93) amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis was announced as next in order.

The PRESIDING OFFICER (Mr. FESS in the chair). This joint resolution is the same as House Joint Resolution 271.

Mr. SHIPSTEAD. I ask unanimous consent to substitute the House joint resolution for the Senate joint resolution.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. SMOOT. I should like to ask the Senator if the House measure is exactly the same as the Senate measure?

Mr. SHIPSTEAD. They are identical.

The Senate proceeded to consider the joint resolution (H. J. Res. 271) amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis, which was read, as follows:

Resolved, etc., That the provision, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis, in section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, is hereby amended to read as follows:

"Mississippi River between mouth of Illinois River and Minneapolis: The existing project is hereby modified so as to provide a channel depth of 9 feet at low water with widths suitable for long-haul common-carrier service, to be prosecuted in accordance with the plan for a comprehensive project to procure a channel of 9-foot depth, submitted in House Document No. 290, Seventy-first Congress, second session, or such modification thereof as in the discretion of the Chief of Engineers may be advisable; and the sum of $7,500,000, in addition to the amounts authorized under existing projects, is hereby authorized to be appropriated for the prosecution of initial works under the modified project: *Provided*, That all locks below the Twin City Dam shall be of not less than the Ohio River standard dimensions."

Mr. KING. Mr. President, will the Senator from Minnesota permit me to inquire why this matter was not brought in under the rivers and harbors bill, or is not included with the appropriations which are made in pursuance of it?

Mr. SHIPSTEAD. This is not an appropriation. The only new legislation in this amendment is the words "or such modification thereof as in the discretion of the Chief of Engineers may be advisable." That is usually put in rivers and harbors acts authorizing the construction of public works. In the act that was passed in 1930 these words were not included; and the engineers want them there in order to give them certain discretion which they have not at present.

Mr. ROBINSON of Arkansas. The bill is intended to correct an error in the act of 1930, according to the report.

Mr. SHIPSTEAD. Yes; that is all.

The joint resolution was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 93 will be indefinitely postponed.

Mr. SHIPSTEAD. I ask unanimous consent to have printed in the RECORD an explanatory statement by the engineers in reference to the joint resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

The specific purpose of the resolution is to enable the engineers to take advantage of their later surveys detailed in their final report submitted at this session in House Document No. 137, and to conform their tentative plans, as far as appropriations will permit, to their findings and conclusions as expressed in that final report.

RESIDENCE UPON HOMESTEAD LANDS

The Senate proceeded to consider the bill (H. R. 268) to excuse certain persons from residence upon homestead lands during 1930 and 1931 in the drought-stricken areas, which had been reported from the Committee on Public Lands and Surveys, with amendments.

The amendments were, on page 1, line 4, after the word "calendar," to strike out "years 1930 and" and insert "year 1929, 1930, or"; in line 5, after the word "it," to strike out "necessary" and insert "necessary, or during 1932 should find it necessary"; in line 8, after the word "family," to strike out "and" and insert "or"; in line 10, after the word "register," to insert "of the district"; and on page 2, line 2, after the word "years," to strike out "1930 and 1931" and insert "1929, 1930, 1931, and 1932," so as to make the bill read:

Be it enacted, etc., That any homestead settler or entryman who, during the calendar year 1929, 1930, or 1931, found it necessary, or during 1932 should find it necessary, to leave his homestead to seek employment in order to obtain food and other necessaries of life for himself, family, or work stock because of serious drought conditions, causing total or partial failure of crops, may, upon filing with the register of the district proof of such conditions in the form of a corroborated affidavit, be excused from residence upon his homestead during all or part of the calendar years 1929, 1930, 1931, and 1932, and said entries shall not be open to contest or protest because of such absences: *Provided*, That the time of such actual absence shall not be deducted from the actual residence required by law, but an equivalent period shall be added to the statutory life of the entry.

Mr. GORE. Mr. President, I do not quite understand the bill. What is the point in the bill? I did not quite catch it.

Mr. WALSH of Montana. Mr. President, the bill is intended to excuse homesteaders from residence upon their lands in the drought-stricken regions of the country where they were unable to continue their residence upon the lands by reason of failure of crops during those three years, and provides that their entries shall not be subject to contest by reason of their absence if their absence was occasioned in that way. The department has said that they are already protected by a general act, but it is rather too general; and it was thought that it would be safer to make this specific provision.

Mr. GORE. Was there a drought in 1929?

Mr. WALSH of Montana. There was; yes.

Mr. GORE. I gather that the bill, as originally introduced, did not include 1929.

Mr. WALSH of Montana. That is quite correct. In certain sections of the Northwest the drought has existed for three years, unfortunately.

Mr. SMOOT. Mr. President, does the Senator think it is necessary to include 1932? There will be no drought this year. We have more water there now than we can take care of.

Mr. WALSH of Montana. No; but the trouble about that is that by reason of the drought of 1931 it becomes necessary for the homesteaders to leave their homesteads now and go somewhere else to seek employment.

Mr. SMOOT. That is true as to 1931; but they have the whole of 1932 now to go back on their homesteads. There could not be any drought in 1932, because everybody in the West that I know of says we are going to have more water than we have had for years and years.

Mr. WALSH of Montana. I wish that were true in Montana.

Mr. SMOOT. I thought it was.

Mr. WALSH of Montana. But that does not affect the situation, because, however that may be, having no resources acquired by reason of the failure of crops in 1931, they will not be able to maintain their residence on the homesteads during 1932.

Mr. SMOOT. I have no particular objection to it; but I thought the question of drought would not be involved in the year 1932.

Mr. WALSH of Montana. It was not intended to excuse them by reason of drought in 1932; but it was intended to excuse them from residence on their homesteads in 1932 by

reason of the drought in 1931, which compels them this season to go elsewhere to find a livelihood.

The PRESIDING OFFICER. Does the Senator from Utah object?

Mr. SMOOT. No.

Mr. GEORGE. Mr. President, I wish to ask the Senator from Montana a question. I assume that this amendatory act contemplates the case where there has been an abandonment and no actual possession maintained of the property.

Mr. WALSH of Montana. Where a residence had been established, but it was found impossible to continue it as provided by the rule. The rule of the department requires a continuous residence.

Mr. GEORGE. Yes; I understand that; and I presume the Senator has given consideration to some possible adverse entry and actual possession.

Mr. WALSH of Montana. Oh, no; there could be no adverse possession. In order for one to secure any right, he must institute before the Land Office a contest against the entryman, and secure a cancellation of his entry by reason of his failure to reside upon the land.

Mr. GEORGE. So that there could be no adverse actual possession during the period covered by this amendatory act?

Mr. WALSH of Montana. There could be none.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to excuse certain persons from residence upon homestead lands during 1929, 1930, 1931, and 1932, in the drought-stricken areas."

LANDS IN HARFORD COUNTY, MD.

The Senate proceeded to consider the bill (S. 567) to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 5, after the word "to," to strike out "the" and insert "The"; on page 2, line 7, after the word "said," to strike out "the" and insert "The"; and in line 14, after the words "expense of," to strike out "the" and insert "The," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized, in his discretion, to sell, upon such terms and conditions as he considers advisable, to The Philadelphia, Baltimore & Washington Railroad Co., or its nominee, certain tracts of land adjacent to the right of way of said railroad company, situate in the county of Harford and State of Maryland between Aberdeen and Magnolia stations of said railroad company, such tracts containing approximately 6 acres, more or less, and now forming parts of War Department reservations at Aberdeen Proving Ground, Edgewood Arsenal, and Fort Hoyle, which said tracts are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf with and to the said The Philadelphia, Baltimore & Washington Railroad Co., or its nominee, any and all contracts, conveyances, or other instruments necessary to effectuate such sale; the net proceeds of the sale of the property hereinbefore designated to be deposited in the Treasury to the credit of the fund known as the Military Post Construction Fund: *Provided*, That the Secretary of War shall have the tracts of land appraised at the expense of The Philadelphia, Baltimore & Washington Railroad Co.: *And provided further*, That the Secretary of War shall not sell the tracts of land for less consideration than the approved appraised value thereof.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of War to sell to The Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland."

NATIONAL MASONIC MEMORIAL ASSOCIATION

The Senate proceeded to consider the bill (S. 499) authorizing the erection by the National Masonic Memorial Association of a memorial building at Fort Benning, Ga., which had been reported from the Committee on Military Affairs with an amendment, on page 2, line 4, after the word "available," to insert "to any denomination," so as to make the bill read:

Be it enacted, etc., That the National Masonic Memorial Association, a corporation organized and existing under the laws of the State of Georgia, is authorized to erect, in and upon the United States military reservation at Fort Benning, Ga., a suitable building in memory of those American men who have given their lives for their country, and to maintain and use such memorial building for the purposes of the association, under such regulations as the Secretary of War may prescribe, the plans and site of such building to be first approved by the Secretary of War. A portion of such memorial building shall be designed and used as a post chapel, without expense to the Government, and shall be available to any denomination for public worship. The United States shall be put to no expense in connection with the erection, maintenance, or use of such building.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CARE AND TREATMENT OF MEMBERS OF NATIONAL GUARD, ETC.

The Senate proceeded to consider the bill (S. 1690) to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes, which had been reported from the Committee on Military Affairs with an amendment, to insert at the end of the bill the following proviso:

Provided further, That, except as herein provided, section 6 of the act of March 4, 1923, as amended by the act of April 26, 1928 (45 Stat. 461), is hereby repealed.

So as to make the bill read:

Be it enacted, etc., That persons of the classes hereinafter enumerated who, while in a status hereinafter specified, suffer personal injury or, except as otherwise hereinafter prescribed, contract disease, not the result of their own misconduct, shall, under such regulations as the President may prescribe, be entitled, at Government expense, to: (1) Such hospitalization, rehospitalization, medical and surgical care in hospitals and at their homes as is necessary for the appropriate treatment of such injury or disease, until the disability resulting therefrom can not be materially improved by further hospitalization or treatment; (2) continuation during periods of such hospitalization and rehospitalization, but not for more than an aggregate of six months in any case, of the pay and allowances, whether in money or kind, to which they were entitled at the time such injury was suffered or disease contracted, to be computed from the first day of hospitalization following the injury or contraction of disease and including all subsequent periods of hospitalization and travel between hospitals and their homes; (3) subsistence during any period of hospitalization or rehospitalization when not entitled to pay and allowances under the next preceding provision; (4) necessary transportation incident to such hospitalization and rehospitalization and return to their homes upon discharge therefrom.

The provisions of this act shall be applicable to (1) members of the National Guard while en route to or from or during the period of attendance at encampments, maneuvers, or other exercises, or service schools, under the provisions of sections 94, 97, or 99 of the national defense act of June 3, 1916, as amended, or (in case of personal injury only, as distinguished from disease) while participating in aerial flights prescribed under the provisions of section 92 of said national defense act, as amended; (2) members of the Officers' Reserve Corps and Enlisted Reserve Corps of the Army while on active duty under proper orders, or (in case of personal injury only, as distinguished from disease) while voluntarily participating, when not on active duty, in aerial flights in Government-owned aircraft by proper authority as an incident to their military training; (3) members of the Reserve Officers' Training Corps and members of the citizens' military training camps while en route to or from, or during the period of attendance at, camps of instruction under the provisions of section 47a, or 47d of said national defense act, as amended.

In the event of the death, from any cause, of any person of the classes enumerated in the preceding paragraph while he is in any status described in that paragraph, or while he is undergoing the hospitalization, rehospitalization, or other medical care contemplated by this act, the United States shall, under such regulations as the President may prescribe, pay the necessary expenses, within a maximum to be prescribed by the President, for the recovery of his body, its preparation for burial, including the use of such of the uniform and articles of clothing issued to him as may be required, interment (or cremation if requested by his relatives), and transportation of his remains, including transportation and subsistence of an escort, to his home or such other place as his relatives may designate, provided the distance to such other place be not greater than the distance to his home: *Provided*, That when the expenses of the recovery, preparation,

and disposition of remains herein authorized, or any part thereof, are paid by individuals, such individuals may be reimbursed therefor in such amount as authorized by the regulations herein provided for.

The determination of the fact whether an injury was suffered or disease contracted by the person concerned as a result of his own misconduct, and of all other facts and conditions necessary to entitle a person to the benefits of this act, shall be made by the Secretary of War under such regulations as the President may prescribe, and such determination shall be final and conclusive for all purposes of this act.

SEC. 2. That any person who, on the date of approval of this act, is receiving or entitled to receive hospitalization or medical treatment under the provisions of section 6 of the act of March 4, 1923, as amended, shall be entitled to the benefits of this act in lieu thereof: *Provided*, That existing appropriations for carrying out the provisions of section 6 of the act of March 4, 1923, as amended, shall be available for any expenditures authorized by this act: *Provided further*, That, except as herein provided, section 6 of the act of March 4, 1923, as amended by the act of April 26, 1928 (45 Stat. 461), is hereby repealed.

Mr. REED. Mr. President, I should like to explain this bill, because it is not so formidable as it seems at first sight.

The bill has four purposes. First, the words "in line of duty" have been so strictly construed by the Comptroller General and other authorities here that we find that in some cases it is very difficult to give medical attention to a young man in one of these training camps where he is injured, not through any misconduct of his but merely in a period of relaxation between actual duty service in the camp. He ought, of course, to be taken to the hospital if he is injured through no misconduct of his; and this bill substitutes the one phrase for the other.

Next, the present law permits hospitalization with pay and allowances to anyone who is hurt in the course of an active training camp, but the Comptroller General has ruled that the period must be a continuous one; and where a doctor has been oversanguine in allowing the discharge of a patient and the patient has to come back 48 hours later for further medical care, the comptroller has ruled that the second period could not legally be granted by the Government. It is a very narrow point, and a very few dollars are involved. I do not suppose there are more than two or three such cases in a year. The limitation is very strict to six months' hospitalization in toto. This merely allows the six months to be taken in two or more installments, if necessary.

The third change is that the present law permits the medical care of members of the Reserve Officers' Training Corps and members of the citizens' military training camps in case of accident occurring at the camp, but does not permit their care in case of disease. Of course, if a young man gets pneumonia in the course of his duty, he is just as much entitled to Government hospitalization for the short period involved as if he breaks his leg. Each is an accident. One is traumatic; the other is not. We have put them both on the same basis by this bill.

Furthermore, it is found that in some cases the allowance of $100 for burial expense is inadequate where the young man's home is a considerable distance from the camp. As the Senate knows, a ticket for a corpse costs as much as a ticket for a live man, and you can not furnish much of a funeral for $100 if you have to pay $25 or $30 out of it for railroad fare. This bill merely corrects that situation.

I do not believe the total cost to the Government would be increased more than a few hundred dollars by this legislation.

Mr. KING. Mr. President, I should like to ask the Senator one question. If the ailment results from the misconduct of the individual, is the Government then to assume the liability?

Mr. REED. The Government is not responsible in any way whatever.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CARETAKERS FOR NATIONAL GUARD ORGANIZATIONS

The bill (S. 1692) to amend section 90 of the national defense act, as amended, relative to the employment of caretakers for National Guard organizations was considered by the Senate and was read, as follows:

Be it enacted, etc., That that part of section 90 of the national defense act, as amended, following the word "*Provided,*" be, and same is hereby, amended so as to read:

"That the caretakers hereby authorized to be employed shall not exceed 5 for any one organization, except heavier-than-air squadrons, for each of which a maximum of 10 is authorized, who shall be paid by the United States disbursing officer for each State, Territory, and the District of Columbia.

"The compensation paid to caretakers who belong to the National Guard, as herein authorized, shall be in addition to any compensation authorized for members of the National Guard under any of the provisions of the national defense act.

"Under such regulations as the Secretary of War shall prescribe, the matériel, animals, armament, and equipment, or any part thereof, of the National Guard of a State, Territory, or the District of Columbia may be put into a common pool for care, maintenance, and storage; and the employment of caretakers therefor, not to exceed 15 for any one pool, is hereby authorized.

"Commissioned officers on the active list of the National Guard shall not be employed as caretakers, except that one such officer not above the grade of first lieutenant for each heavier-than-air squadron may be employed. Either enlisted men or civilians may be employed as caretakers, but if there are as many as two caretakers in any organization one of them shall be an enlisted man.

"The Secretary of War shall, by regulations, fix the salaries of all caretakers hereby authorized to be employed and shall also designate by whom they shall be employed."

Mr. REED. Mr. President, the purpose of this bill is to save a little money for the Government. The present law seems to require a caretaker for each unit of the National Guard. This bill allows their valuable property to be pooled, under regulations, so that we may have one caretaker for the property of several units.

Mr. GORE. Mr. President, is the Senator certain that this bill will save the Government money?

Mr. REED. The War Department is certain, and its report seems plausible.

Mr. GORE. Will it save very much?

Mr. REED. Not very much.

Mr. GORE. That is a step in a strange direction.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL CREDITS

The bill (S. 1567) establishing a revolving fund to be administered by the Secretary of Agriculture for agricultural credit purposes was announced as next in order.

Mr. REED. Mr. President, this bill involves so much that it hardly seems to me it ought to be passed under the 5-minute rule.

Mr. SMITH. Mr. President, I can not express to the Senate the necessity for speedy action in this matter. It involves the maintenance of rural credit associations. They are the banking facilities set up under the intermediate credit system to aid farmers in making crops by depositing certain collateral.

We found that of the sum appropriated last year $10,000,000 was used. The Government loses nothing by it, and this year it is imperative that the remaining $10,000,000 be made available if arrangements are to be made through these intermediate credit corporations for the production of this year's crop. I hope the Senator will allow this matter to be considered now and passed, as time is the real essence of the whole matter.

Mr. GEORGE. Mr. President, I very much hope we may have consideration of the bill, because we have heretofore had similar matters before the Congress and the subject matter is not new. Indeed, a similar act is now in force, but it is temporary and has been closed by Executive order, as I understand it.

This bill has been recommended not only by the Committee on Agriculture and Forestry of the Senate, but a similar bill has been recommended by the Committee on Agriculture of the House of Representatives and is now on the House Calendar.

The matter has had careful consideration. The real purpose of it is to advance or to provide the necessary capital to farmers who wish to organize livestock or credit corporations, so that they may then procure their own credits with-

out the necessity of coming back to the Government for direct production loans.

Mr. REED. Mr. President, the bill is probably entirely meritorious, but I notice it was introduced by the Senator from Georgia calling for $20,000,000, and the Committee on Agriculture and Forestry, in a 7-line report, cuts the sum down from $20,000,000 to $10,000,000.

Mr. GEORGE. Let me explain, please. I myself suggested the amendment, for the reason that $10,000,000 is now being used for this particular purpose by the Department of Agriculture under a previous act, but it is being used only under a temporary authority. It is not a permanent fund which the department may administer from year to year.

I believed it wise to bring the amount within the limitations of the prior appropriation. That amendment was made at my suggestion by the chairman of the committee.

I very much hope the Senator will allow the bill to pass. It will go to the House, anyway.

Mr. REED. I have just one further question. Is it sound policy to create these permanent revolving funds without any limitation of time whatever?

Mr. GEORGE. I was going to say to the Senator, if that thought was in his mind, and it is in the mind of the Senator from Utah, that we add at the end of the bill the words "until July 1, 1934." I think that would carry us beyond the period of necessity.

Mr. REED. If the Senator would offer that amendment, I would have no objection to the bill.

Mr. GEORGE. I offer to amend by striking out the period at the end of the bill and inserting a comma and the following words, "until July 1, 1934."

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments.

The first amendment of the committee was, on page 1, line 3, after the word "hereby," to insert the words "authorized to be"; on line 5, to strike out "$20,000,000" and insert in lieu thereof "$10,000,000"; and on page 2, line 15, after the word "thereof" and before the period, to insert the words "until July 1, 1934," so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000,000, to be immediately available and to constitute a permanent revolving fund, to be administered by the Secretary of Agriculture and to be known as the agricultural credit fund, for the purpose of making advances or loans to individuals for forming such local agricultural credit corporations, livestock loan companies, or like organizations as are now or may hereafter be qualified to do business with Federal intermediate credit banks and of increasing the capital stock of such corporations, companies, or organizations, and, in the discretion of the Secretary of Agriculture, of making advances or loans direct to such corporations, companies, or organizations, upon such security as he may deem adequate. The advances and loans from the revolving fund shall be made upon such terms and conditions as the Secretary of Agriculture may prescribe; except that the advances and loans to any such corporation, company, or organization outstanding at any time shall not exceed 50 per cent of the capital stock thereof. All amounts received upon the repayment of any advance or loan made pursuant to this act shall be paid into the revolving fund and shall become a part thereof until July 1, 1934.

The amendments were agreed to.

Mr. KING. Mr. President, I desire to understand this bill and ascertain its commitments so far as the United States is concerned. May I say that measures of this kind, if I understand its terms, do not commend themselves to my judgment? I fear that it contravenes the accepted interpretation of the powers of the Federal Government. As I interpret it, it seems not to be sound philosophy, based upon our theory of government, for the Government of the United States to become a banking institution for all the industries of the United States, or to furnish capital to enable individuals or corporations to engage in the various forms of industry. We have gone a long way, it seems to me, in much of the legislation recently enacted.

A few years ago we set up a number of organizations to aid farmers. Boards and corporations were provided, from which loans could be obtained. This bill, as I understand it, seeks to create a revolving fund, from which loans will be made to individuals who may form organizations.

The cooperative societies which have been organized under the $500,000,000 appropriation recently made have borrowed enormous sums under that legislation. One company I have in mind obtained, as I recall, $20,000,000. I inquire why the organizations which the Senator from Georgia desires to be formed may not apply to the Farm Board and obtain loans from the $500,000,000 fund?

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. GEORGE. The Farm Board has no authority to lend for the purposes here indicated. This is merely to advance the capital, on the approval of the Secretary, and with security, for the purpose of enabling the farmers to form, not cooperative organizations but livestock or credit corporations, through which they may deal with the intermediate credit banks. The farmer can not borrow directly from the intermediate credit banks. He may only borrow through his livestock corporation or credit association, or other like association. Such associations must have a paid-in capital.

Mr. KING. Does this bill contemplate that corporations will be formed under the laws of the various States, and that a part of their capital will be drawn from this $10,000,000 fund?

Mr. GEORGE. Provided the Secretary of Agriculture is willing to make the loans for that purpose, and the organizers can furnish the necessary security.

Mr. KING. Of course, under this principle, plumbers or druggists, or persons engaged in any other form of industry, could apply to the Government and, if the principle is to be extended, obtain funds with which to organize corporations throughout the United States in order to aid them to secure loans.

Mr. GEORGE. Mr. President, we have not set up banks for that purpose, but we have set up an intermediate banking system. We have made it impossible for the farmer to go directly to that institution. He must go through these organizations. I am earnestly endeavoring to get away from the direct loan by the Government to the individual farmer.

Mr. KING. Mr. President, in view of the amendment which the Senator just stated would be acceptable——

Mr. GEORGE. It has been adopted.

Mr. KING. At the end of 1934, then, will this $10,000,000 be restored to the Government?

Mr. GEORGE. It will be. I now ask that the word "permanent," wherever it appears as describing the revolving fund, be stricken out.

The VICE PRESIDENT. Without objection, that amendment will be made.

Mr. THOMAS of Idaho. Mr. President, just a question of the author of the bill. The bill provides for a finance agency to lend money to the Federal intermediate credit bank. Is it the thought that it should also do business with the Reconstruction Corporation?

Mr. GEORGE. Yes. The Reconstruction Finance Corporation is authorized to loan money to such an organization.

Mr. THOMAS of Idaho. Does the Senator include under the provisions of the bill the Reconstruction Finance Corporation, or does he limit it to the Federal intermediate credit bank?

Mr. GEORGE. That is a mere reference in describing the type or kind or character of organization—that is, such an organization as is authorized to do business with the intermediate credit bank. The Reconstruction Finance Corporation is authorized to loan to such organizations.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LOANS TO DRAINAGE DISTRICTS

The bill (S. 1856) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee

districts, levee and drainage districts, irrigation, and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes, was announced as next in order.

Mr. GORE. Let that go over for the present.

Mr. DILL. Mr. President, I wish the Senator would not make that objection. This legislation has passed the Senate in the past, and it is greatly needed.

Mr. GORE. Mr. President, as I gather from the title of the bill, it is to lend money to irrigation projects.

Mr. DILL. Yes; irrigation and drainage and all other projects of that kind throughout the country.

Mr. GORE. By the Government?

Mr. DILL. By the Government, on 40-year terms.

Mr. GORE. Let it be passed over for the present.

The VICE PRESIDENT. The bill will be passed over.

SAN FRANCISCO BAY BRIDGE

The bill (S. 3282) to extend the times for commencing and completing the construction of a bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco by way of Goat Island to Oakland was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing construction of a bridge across the Bay of San Francisco, at or near the general site from Rincon Hill, in the city and county of San Francisco, to and across Goat Island, in San Francisco Bay, thence to Oakland, in the county of Alameda, authorized to be built by the State of California, by an act of Congress approved February 20, 1931, are hereby extended two and seven years, respectively, from February 20, 1932.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

SUSQUEHANNA RIVER BRIDGE, PENNSYLVANIA

The Senate proceeded to consider the bill (H. R. 81) granting the consent of Congress to the Catawissa Railroad Co. to reconstruct, maintain, and operate a railroad bridge across the Susquehanna River at or near Catawissa, Pa., which was ordered to a third reading, read the third time, and passed.

PAWCATUCK RIVER BRIDGE, RHODE ISLAND

The Senate proceeded to consider the bill (H. R. 7247) authorizing the Rhode Island State Board of Public Roads and the State Highway Department of the State of Connecticut to construct, maintain, and operate a free highway bridge across the Pawcatuck River near the location of the present Broad Street Bridge between Westerly, R. I., and Stonington, Conn., which was ordered to a third reading, read the third time, and passed.

CHANGE IN SPELLING OF PORTO RICO

The joint resolution (S. J. Res. 36) to change the name of the island of "Porto Rico" to "Puerto Rico" was announced as next in order.

Mr. DILL. Let that go over.

Mr. BINGHAM. Mr. President, may I ask what the objection is? The joint resolution was introduced at the request of the Legislature of Porto Rico.

Mr. DILL. Instead of making geography more difficult we ought to simplify it, and I think it is a ridiculous proposition to go back to an ancient spelling of the name.

The VICE PRESIDENT. The joint resolution will be passed over.

AMERICAN SAMOA GOVERNMENT

The Senate proceeded to consider the bill (S. 417) to provide a government for American Samoa, which was read, as follows:

Be it enacted etc.—

CHAPTER I—GENERAL PROVISIONS

DEFINITIONS

SECTION 1. That the phrase "the laws of American Samoa," as used in this act without qualifying words, shall mean the laws of American Samoa in force on the 16th day of October, 1930.

The statute law of American Samoa then in force as set forth in a compilation made by A. M. Noble under the authority of the Governor of American Samoa and published in one volume in 1921, entitled "Codification of the Regulations and Orders for the Government of American Samoa" and the amendments thereto, as certified to by G. S. Lincoln, Governor of American Samoa on October 16, 1930, as "a complete and accurate copy of all existing laws, rules, and regulations which apply to the inhabitants of American Samoa," and in the "Customs, Immigration, and Harbor Regulations of American Samoa," printed in one volume, and certified as a correct and accurate copy on said date by said governor, are referred to in this act as "codification" and "customs regulations." That all laws not appearing in the "codification" and "customs regulations" are hereby repealed.

SEC. 2. That the islands acquired by the United States of America under the act of Congress entitled "Joint resolution to provide for accepting, ratifying, and confirming the cessions of certain islands of the Samoan group to the United States, and for other purposes," approved February 20, 1929, and the act of Congress entitled "Joint resolution extending the sovereignty of the United States over Swains Island and making the island a part of American Samoa," approved March 4, 1925, shall be known as American Samoa.

CITIZENS; BODY POLITIC

SEC. 3. That a provincial government is hereby established over the said American Samoa with its capital at Pagopago (Fagatoga) on the island of Tutuila. That it shall not enter into any treaty, alliance, or confederation. That all persons of full or part Polynesian blood who were inhabitants of American Samoa on February 20, 1929, and their children born subsequent thereto, are hereby declared to be citizens of the United States of America. Those inhabitants of American Samoa of full or part Polynesian blood who, on said date, were residing on the mainland of the United States or in the Territory of Hawaii may, within two years after the taking effect of this act, file declarations in a district court of the United States to record their status as such, and those inhabitants of full or part Polynesian blood then residing elsewhere or engaged in foreign travel similarly may file such declarations with the Governor of American Samoa.

The people of American Samoa, through the legislative authority of that government, shall determine from time to time the qualifications necessary for citizenship in American Samoa, but no person shall be qualified to become a citizen of American Samoa who is not a citizen of the United States, nor shall American Samoan citizenship be denied to any person of full or part Polynesian blood otherwise qualified.

And until otherwise provided by law citizens of American Samoa shall be those persons of full or part Polynesian blood, being citizens of the United States by virtue of this act, who have resided in American Samoa for the five years preceding the taking effect of this act, and all other persons of full or part Polynesian blood who, being American citizens, shall have resided in American Samoa for five years.

They shall constitute a body politic under the name of the people of American Samoa, with governmental powers as in this act set forth, and with power to sue and be sued as such.

BILL OF RIGHTS

SEC. 4. No law shall be enacted respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press; or the right of the people peaceably to assemble and to petition the government for a redress of grievances. The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated, and no warrant shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the person or things to be seized. No person shall be deprived of life, liberty, or property without due process of law, nor shall private property be taken for public use without just compensation; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb, nor shall be compelled in any criminal case to be a witness against himself. In all criminal prosecutions the accused shall have the right to a speedy and public trial, to be informed of the nature and cause of the accusation, to be confronted with the witnesses against him, to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense. Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist in American Samoa. The privilege of the writ of habeas corpus shall not be suspended, unless when in cases of rebellion or invasion or imminent danger thereof the public safety shall require it. No ex post facto law shall be passed. No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court. Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted.

SEC. 5. That, except as otherwise provided, all the laws of the United States, including laws carrying general appropriations, shall have the same force and effect within American Samoa as elsewhere in the United States: *Provided*, That sections 1453 to 1485, inclusive, and sections 1487 to 1489, inclusive, title 48, United States Code, and the amendments thereof, shall not apply to American Samoa, nor shall there apply to American Samoa any law of the United States dealing with or covering the following general subjects: Public lands, immigration, internal revenue, tariff, and income tax, unless specifically so made applicable by the act of Congress.

The provisions of law restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port of the United States to another port of

the United States shall not be applicable to foreign vessels engaging to trade between the islands of American Samoa or between those islands and the United States.

SEC. 6. That the laws of American Samoa not inconsistent with the provisions of this act shall continue in force, subject to repeal or amendment by the legislative authority of American Samoa or the Congress of the United States.

SEC. 7. That the laws of American Samoa as set forth in the following sections of the codification and relating to the following subjects are hereby repealed: Codification, section 3, form of government, paragraphs 4, 26, 33, 39, 42, and 45, and last sentence in paragraph 10; section 7, oaths; section 71, alienation of native lands, paragraph 7; section 99, taxation of visitors.

SEC. 8. That the laws of American Samoa as set forth in the following sections of the codification, and relating to the following subjects, are hereby amended as follows: Section 3, Form of government, paragraph 1, delete "The laws of the United States shall be considered to be in force in American Samoa, subject, nevertheless, to the provisions of this declaration and such laws and regulations as shall, from time to time, be promulgated by the Governor of American Samoa, and ", paragraph 3, line 7, delete "for enactment by the governor, upon his approval ", paragraph 11, delete from the first sentence "and shall hold courts as directed by the governor" and insert at the beginning of the sentence: "Except as otherwise provided ", paragraph 17, delete "the jail at the United States naval station" and insert "jail ", paragraph 19, delete "and approved of by the governor," in paragraphs 14, 20, and 30 delete the word "natives" and insert "citizens of American Samoa," and delete the word "foreigners" and insert "those not citizens of American Samoa ", paragraph 27, delete "governor" and insert "chief justice ", paragraph 34, delete "His duties shall be to act as secretary to the governor, to," and insert "The Attorney General shall," and delete "under the instructions of the governor, and shall take the oath prescribed by law upon taking office" and insert "as prosecuting attorney in all felonies ", paragraph 35, delete the second and third sentences and insert "The head of the department, with the title of 'public health officer,' shall be appointed by the governor ", paragraph 43, delete "in the administration building, naval station ", paragraph 46, delete the last sentence and insert "The governor shall call the Fono in extraordinary session whenever in his judgment the public interest requires it ", paragraph 47, in line 2, delete "answers to the ", in line 3, delete "published in the proclamation and on those," and delete the second sentence; section 8, Pay of native judicial officials, paragraph 1, in lines 9 and 10, delete "the governor shall prescribe" and insert "by law provided," and in line 11 before "compensation" insert "additional ", paragraph 2, delete in line 6 "the governor may prescribe" and insert "by law provided," and in the last line delete "governor" and insert "chief justice ", paragraph 3 delete "governor" and insert "chief justice "; section 16, Bank of American Samoa, paragraph 4, delete "Navy Department" and insert "governor "; section 17, Births and deaths, paragraph 6, delete "native" and insert "person of Polynesian blood" and delete "foreigner" and insert "person not of Polynesian blood "; section 64, Immigration, paragraph 1, delete "foreign ", paragraph 2, delete "a foreign" and insert "any," paragraph 3, at the end of the first sentence add "and until they have made such deposit they shall not be considered to have legally entered nor be entitled to remain in American Samoa," at the end of the second sentence delete "a foreign" and insert "any," and at the end of the third sentence delete "the governor find the person aforesaid undesirable for any reason" and insert "he be convicted of an offense against the laws of American Samoa," paragraph 5, in line 5, insert after "persons" the words "and also those who are not legally entitled to remain in American Samoa," paragraph 6, add "Persons also are undesirable who are not legally entitled to remain in American Samoa because of failure to make said deposit "; section 67, department of education, paragraph 2 (a), delete "the allotments of his department in the budget approved by the governor, and with the orders of the governor" and insert "law," paragraph 3, in line 4, delete "Samoans" and insert "citizens of American Samoa "; section 71, alienation of native lands, paragraph 1, delete "aboriginal natives of the island of Samoa" and insert "citizens of American Samoa," paragraph 2 (as amended), delete "native Samoans" and insert "citizens of American Samoa," paragraph 3, delete "40" and insert "20 "; section 73, paragraph 1, delete "native land" and insert "land owned by citizens of American Samoa" and delete "forty (40)" and insert "20 "; section 78, marriage, paragraph 1, delete in line 3 "foreigners" and insert "persons who are not citizens of American Samoa," and in line 10 delete "foreigner" and insert "person," paragraph 8, delete "president of the," and delete "who" and insert in place thereof "which "; section 95, dealings between Samoans and non-Samoans, paragraph 1, delete in line 2 "native Samoans" and insert "citizens "; section 98, assessment and collection of taxes, paragraph 2 (as amended), delete "adjournment of the annual Fono" and insert "last Wednesday in October," and delete "in the administration building, naval station," and insert at the beginning of the last sentence thereof "Until otherwise by law provided," paragraph 3, insert at the beginning thereof "Until by law otherwise provided," paragraph 4, line 3, delete "Samoan" and insert "citizen of American Samoa and every male of part or full Polynesian blood who is not a citizen of American Samoa," and in line 4 delete "foreigner" and insert "other male person," paragraph 8, delete "foreigners" and insert "other male persons "; section 100, Traveling parties between American Samoa and Western Samoa, paragraph 3, delete "will then inform the Governor of Upolu, Savaii, and adjacent islands (known at the time of the original enactment of the regulation as German Samoa) of the full particulars of the intended 'malaga,' and upon a favorable reply being received from the Governor of Upolu, Savaii, and adjacent islands (known at the time of the original enactment of this regulation as German Samoa)," and delete "but if the Governor of Upolu, Savaii, and adjacent islands (known at the time of the original enactment of this regulation as German Samoa) does not approve of the 'malaga' visiting the places under his rule, then no passes shall be granted "; section 102, Department of Communications, paragraph 3, subparagraph 1-a, delete "the allotments of his department in the budget approved by the governor, and with the orders of the governor," and insert "law "; section 103, Fiscal regulations of the government of American Samoa, delete all of this section, beginning with paragraph 3 of subsection 2, so that the section as amended shall consist of five paragraphs, and delete paragraph 1 of subsection 1 and insert "There shall be a treasurer of the government of American Samoa, who shall be appointed by the governor. He shall furnish a surety bond for the faithful performance of his duties in such sum as the governor shall fix. The premium on the bond shall be paid by the government of American Samoa "; and as set forth in the chapter in the Customs Regulations relating to the subject of customs are hereby amended in paragraph 8 thereof by deleting "the United States merchant marine act of June 5, 1920, applies to American Samoa," and those in the chapter in the Customs Regulations relating to the subject of immigration, which said chapter is section 64 of the codification, are hereby amended in conformity with the amendments above made to section 64.

SEC. 9. That wherever the words "president of the high court" or "an American judge" or "American district judge" or "foreign associate judges" or "foreign officials" or "secretary of native affairs" or "island government of American Samoa" or "regulation" or "declaration," or their equivalents, occur in the laws of American Samoa not repealed by this act, they are hereby amended to read "chief justice" or "other officials" or "attorney general" or "government of American Samoa" or "law" or "section," or their equivalents, as the context requires.

CERTAIN OFFICE ABOLISHED

SEC. 10. That the office of secretary of native affairs is hereby abolished.

STYLE OF PROCESS

SEC. 11. That the style of all process in the courts of American Samoa shall hereafter run in the name of "The People of American Samoa," and all prosecutions shall be carried on in the name and by the authority of the people of American Samoa.

CHAPTER II—THE LEGISLATURE

SEC. 12. The Legislature of American Samoa shall consist of one house, which shall be organized and shall sit according to the laws of American Samoa, as they are now or may be amended or modified: *Provided*, That the governor shall not be a member thereof. The legislature shall be styled the "Fono." It shall be the judge of the selection and qualifications of its own members. It shall choose its own officers, determine the rules of its procedure, not inconsistent with this act, and keep a journal.

SEC. 13. No idiot or insane person, and no person who shall be expelled from the Fono for giving or receiving bribes or being accessory thereto, and no person who, in due course of law, shall have been convicted of any criminal offense punishable by imprisonment, whether with or without fine, shall sit in the Fono or hold any office in or under or by authority of the government, unless the person so convicted shall have been pardoned and restored to his civil rights. No person shall sit in the Fono who is not a citizen of American Samoa and who has not attained the age of 30 years nor resided in American Samoa for at least five years immediately preceding the sitting of the Fono.

OATH OF OFFICE

SEC. 14. That every member of the Fono and all officers of the government of American Samoa shall take the following oath or affirmation:

"I solemnly swear (or affirm) in the presence of Almighty God that I will faithfully support the Constitution and laws of the United States and conscientiously and impartially discharge my duties as a member of the Fono or as an officer of the government of American Samoa (as the case may be)."

YEAS AND NAYS

SEC. 15. That the yeas and nays of the members on any question shall, at the desire of one-fifth of the members present, be entered on the journal.

QUORUM

SEC. 16. That a majority of the number of members to which the Fono is entitled shall constitute a quorum for the conduct of ordinary business, of which quorum a majority shall suffice; but the final passage of a law shall require the affirmative vote of a majority of the number of members to which the Fono is entitled.

SEC. 17. That a smaller number than a quorum may adjourn from day to day and compel the attendance of absent members in such manner and under such penalties as the Fono may prescribe.

SEC. 18. That, for the purpose of ascertaining whether there is a quorum present, the chairman shall count the number of members present.

COMPENSATION OF MEMBERS

SEC. 19. That the members of the Fono shall receive no compensation for their services, but may be allowed mileage not in excess of 20 cents a mile each way.

EXEMPTION FROM LIABILITY

SEC. 20. That no member of the Fono shall be held to answer before any tribunal for any words uttered in his legislative functions in the Fono.

EXEMPTION FROM ARREST

SEC. 21. That the members of the Fono shall, in all cases, except treason, felony, or breach of the peace, be privileged from arrest during their attendance at the sessions of the Fono and in going to and returning from the same: *Provided*, That such privilege as to going and returning shall not cover a period of over 10 days each way.

DISTRICTS

SEC. 22. That for the purpose of representation in the Fono, American Samoa is divided into the following districts:

The district of Falelima i sisifo (east), island of Tutuila;

The district of Falelima i sasa'e (west), island of Tutuila;

The district of Manua, the islands of Ofu, Olosega, and Tau;

Swains Island shall be administered separately.

SESSIONS OF THE FONO

SEC. 23. The first session of the annual Fono shall be held between the 1st and 15th day of November each year at Fagatoga.

The governor may convene the Fono in special session, or in case the seat of government shall be unsafe from an enemy, riot, or insurrection, or any dangerous disease, direct that any regular or special session shall be held at some other than the regular meeting place. All meetings of the Fono shall be open and public.

ENACTING CLAUSE

SEC. 24. That the enacting clause of all laws shall be, "Be it enacted by the people of American Samoa in Fono assembled."

TITLE OF LAWS

SEC. 25. That each law shall embrace but one subject, which shall be expressed in its title.

SIGNING BILLS

SEC. 26. That except as herein provided all bills passed by the Fono shall, in order to be valid, be signed by the governor.

VETO OF GOVERNOR

SEC. 27. That every bill which shall have passed the Fono shall be certified by the presiding officer thereof and shall thereupon be presented to the governor. If he approves it, he shall sign it, and it shall become a law. If the governor does not approve of such bill, he may return it, with his objections, to the Fono.

He may veto any specific item or items in any bill which appropriates money for specific purposes but shall veto other bills, if at all, only as a whole.

PROCEDURE UPON RECEIPT OF VETO

SEC. 28. That upon the receipt of a veto message from the governor the Fono shall enter the same at large upon its journal and proceed to reconsider such bill, or part of a bill, and again vote upon it by yeas and nays, which shall be entered upon its journal.

If after such reconsideration such bill, or part of bill, shall be approved by a two-thirds vote of all members of the Fono, it shall become law if approved by the President of the United States. The President shall in his approval designate the date from which the law is effective. No bill vetoed by the governor and so reconsidered by the Fono shall have any validity unless the President shall so approve.

FAILURE OF GOVERNOR TO SIGN, VETO, OR RETURN BILL

SEC. 29. If the governor neither signs nor vetoes a bill within 10 days after it is delivered to him it shall become a law without his signature, unless the Fono adjourns sine die prior to the expiration of such 10 days. If any bill shall not be returned by the governor within 10 days (Sundays excepted) after it shall have been presented to him the same shall be a law in like manner as if he had signed it, unless the Fono by its adjournment prevents its return, in which case it shall not be a law.

APPROPRIATIONS

SEC. 30. That appropriations, except as herein otherwise provided, shall be made by the Fono.

SEC. 31. That the governor shall submit to the Fono estimates for appropriations for the succeeding period. He may submit also such bills to the Fono as he shall consider to be in the people's interest.

SEC. 32. That in case of failure of the Fono to pass appropriation bills providing for payments of the necessary current expenses of carrying on the government and meeting its legal obligations as the same are provided for by the then existing laws, and until the Fono shall have acted, the sums appropriated in the last appropriation bills shall be deemed to have been reappropriated.

And all legislative and other appropriations made prior to the date when this act shall take effect shall be available to the government of American Samoa.

LEGISLATIVE POWER

SEC. 33. That the legislative power of American Samoa shall extend to all rightful subjects of legislation not inconsistent with the provisions of this act and the laws of the United States locally applicable, but it shall not grant to any corporation, association, or individual any special or exclusive privileges, immunity, or franchise without the approval of Congress; nor shall it grant private charters, but it may by general act permit persons to associate themselves together as bodies corporate for agricultural, maritime, and industrial pursuits, and for the establishment and conduct of cemeteries. No divorce shall be granted by the Fono, nor shall any divorce be granted by the courts of American Samoa unless the applicant therefor shall have resided in American Samoa for one year next preceding the application; nor shall any lottery or sale of lottery tickets be allowed; nor shall any public money be appropriated for the support or benefit of any sectarian, denominational, or private school, or any school not under the exclusive control of the government; nor shall any debt be authorized to be contracted by or on behalf of the government of American Samoa except to pay the interest on existing indebtedness, to suppress insurrection, or to provide for the common defense, except that in addition to any indebtedness created for that purpose the legislative authority of said government may authorize loans for the erection of penal, charitable, and educational institutions and for public buildings, wharves, roads, harbor, and other public improvements, but the total of such indebtedness incurred in any one year by said government shall not exceed 3 per cent of the assessed value of the property in American Samoa as shown by the last assessment for taxation, and the total indebtedness of the said government shall not at any time be extended beyond 10 per cent of such assessed value; nor shall any such loan be made upon the credit of the public domain or any part thereof; nor shall any bond or other instrument of any such indebtedness be issued unless made payable in not more than 30 years from the date of the issue thereof; nor shall any such bond or indebtedness be issued or incurred until approved by the President of the United States: *Provided, however*, That no issue of bonds or other instruments of any such indebtedness shall be made, other than such bonds or other instruments of indebtedness in serial form maturing in substantially equal annual installments, the first installment to mature not later than five years from the date of the issue of such series and the last installment not later than 30 years from the date of such issue.

CHAPTER III—THE EXECUTIVE

THE EXECUTIVE POWER

SEC. 34. That the executive authority of the government of American Samoa shall be vested in a governor, who shall be appointed by the President, by and with the advice and consent of the Senate of the United States, and shall hold his office at the pleasure of the President and until his successor is chosen and qualified. The governor may be an active, retired, or reserve officer of the Navy or Army or a person from civil life. If the governor shall be such an officer, he shall be entitled to receive as salary any difference there may be between his pay as such officer and the salary attached to the office of Governor of American Samoa. The governor shall be not less than 30 years of age; shall be a citizen of the United States; shall be commander in chief of the militia of American Samoa; and may grant pardons and reprieves and remit fines and forfeitures for offenses against the laws of American Samoa, and reprieves against the laws of the United States, until the decision of the President is made known thereon.

He shall annually, and at such other times as he may be required, make official report of the transactions of the government of American Samoa to the executive department of the Government of the United States to be designated by the President of the United States, and such annual report shall be transmitted to Congress.

ENFORCEMENT OF LAW

SEC. 35. That the governor shall be responsible for the faithful execution of the laws of the United States and of American Samoa within the said islands of American Samoa; and whenever it becomes necessary he may call upon the commanders of the military and naval forces of the United States in American Samoa, or summon the posse comitatus, or call out the militia to prevent or suppress lawless violence, invasion, insurrection, or rebellion in American Samoa; and he may, in case of rebellion or invasion, or imminent danger thereof, when the public safety requires it, suspend the privilege of the writ of habeas corpus or place American Samoa, or any part thereof, under martial law until communication can be had with the President and his decision thereon be made known.

GENERAL POWERS OF THE GOVERNOR

SEC. 36. That all the powers and duties which heretofore by the laws of American Samoa are conferred upon or required of the governor, not inconsistent with the provisions of this act, are conferred upon and required of the governor, unless otherwise provided and until modified and amended by law.

ATTORNEY GENERAL

SEC. 37. There shall be an attorney general, who shall be appointed by the President by and with the advice and consent of the Senate of the United States, and hold his office at the pleasure of the President and until his successor shall be appointed and qualified. He shall have the nonjudicial power and duties heretofore reposed in or required of the secretary of native affairs under the laws of American Samoa. He shall record and preserve all the laws and proceedings of the Fono, and all acts and proceedings of the governor and promulgate proclamations of the governor. He shall within 30 days after the end of each session of the Fono transmit to the President, the President of the Senate, and the Speaker of the House of Representatives of the United States one copy each of the laws and journal of such session. He shall trans-

mit to the President, semiannually, on the 1st days of January and July, a copy of the executive proceedings and shall perform such other duties as are prescribed in this act, or as may be required of him by law.

ACTING GOVERNOR IN CERTAIN CONTINGENCIES

SEC. 38. That in case of the death, removal, resignation, or disability of the governor, or his absence from American Samoa, the attorney general shall exercise all the powers and perform all the duties of governor during such vacancy, disability, or absence, or until another governor is appointed and qualified. And in case of the death, removal, resignation, disability, or absence of both the governor and attorney general, the President may designate from time to time an officer of the Government of American Samoa to act as governor, and the officer so designated shall exercise all the powers and perform all the duties of the governor during such vacancy, disability, or absence.

APPOINTMENT, REMOVAL, TENURE, AND SALARIES OF OFFICERS

SEC. 39. That the President shall nominate and, by and with the advice and consent of the Senate, appoint the chief justice, who shall hold his office for the term of four years unless sooner removed by the President.

The governor shall, except as herein provided, appoint all officers and boards of a public character that may be created by law. The manner of appointments and removal and the tenure of all other officers shall be as provided by law; and the governor may appoint or remove any officer whose appointment or removal is not otherwise provided for.

The salaries of all officers other than those appointed by the President shall be provided by the Fono, but that of the chief justice shall not be diminished during his term of office.

All officers appointed under the provisions of this section shall be citizens of the United States.

All persons holding office in American Samoa at the time this act takes effect shall, except as herein otherwise provided, continue to hold their respective offices until their successors are appointed or qualified: *Provided, however,* That nothing in this section shall be construed to conflict with authority and powers conferred by section 33 of this act.

CHAPTER IV—THE JUDICIARY

SEC. 40. That the judicial authority of American Samoa shall be vested in one high court and in such inferior courts as the Fono may from time to time establish. And until the Fono shall otherwise provide, the laws of American Samoa heretofore in force concerning the several courts and their jurisdiction and procedure shall continue in force except as herein otherwise provided.

HIGH COURT

SEC. 41. That the high court shall consist of the chief justice and two associate judges, who shall be selected from time to time by the chief justice from among the district judges to sit with him as members of the court. If there be a difference of opinion between the chief justice and his associates, the opinion of the chief justice shall prevail. The governor shall not sit as a judge in any court.

LAWS CONTINUED IN FORCE

SEC. 42. That the laws of American Samoa relative to judicial administration, including civil and criminal procedure, except as amended by this act, are continued in force, subject to modification by Congress or the Fono.

SEC. 43. That no person shall sit as a judge in any case in which his relative by affinity or consanguinity within the third degree is interested either as a plaintiff, a defendant, or in the issue of which the said judge has directly or indirectly, or through such relative, any pecuniary interest; and the Fono may add other causes of disqualification to those herein enumerated.

Unless otherwise provided by law, in case of the disqualification or absence of the chief justice or any judge of any court in any cause pending before the court, on the trial and determination of such cause his place shall be filled by appointment by the governor.

SEC. 44. That the chief justice, when requested by the governor or the Fono, shall render opinions upon questions of law, and upon solemn occasions.

SEC. 45. That the District Court of the United States for the District of Hawaii shall have jurisdiction to review by appeal and thereupon to confirm, modify, or reverse final decisions of the high court of American Samoa in all cases, civil or criminal, wherein the provisions of this act or a statute or treaty of the United States, or any authority thereunder, is involved; in all other civil cases wherein the value in the controversy, exclusive of interests and costs, exceeds $2,000; in all other criminal cases where the offense charged is punishable by imprisonment for a term exceeding one year or by death, and in all habeas corpus proceedings. That the said district court of the United States shall also have jurisdiction to review the interlocutory orders and decrees of the said high court, and also whenever any record on appeal is manifestly incomplete or insufficient for a satisfactory understanding of the appeal, to inquire further into the matters in controversy. That, in lieu of statutory requirements applicable elsewhere, the said district court of the United States shall provide by its rules the mode of appeals generally, and particularly taking into consideration informality of procedure in the courts of American Samoa, such rules to be approved by the Attorney General of the United States. That for the above purpose special terms of the said district court of the United States shall be held in American Samoa at such times and in such places as the judges thereof may deem expedient.

CHAPTER V—MISCELLANEOUS

SEC. 46. That until further provision is made by Congress the wharves and landings constructed or controlled by the Government of American Samoa on any seacoast, bay, roadstead, or harbor shall remain under the control of the government of American Samoa, which shall receive and enjoy all revenue derived therefrom on condition that said property shall be kept in good condition for the use and convenience of commerce, but no tolls or charges shall be made by the government of American Samoa for the use of any such property by the United States or by any vessel of war, tug, revenue cutter, or other boat or transport in the service of the United States.

SEC. 47. That except as otherwise provided, the public property ceded and transferred to the United States under the said cessions, shall be and remain in the possession, use, and control of the government of American Samoa, and shall be maintained, managed, and cared for by it, at its own expense, until otherwise provided for by Congress, or taken for the uses and purposes of the United States by direction of the President or the Governor of American Samoa. And any such public property so taken for the uses and purposes of the United States may be restored to its previous status by direction of the President. The President may, from time to time, in his discretion, convey to the people of American Samoa such lands, buildings, or interest in land or other property owned by the United States, and within the territorial limits of American Samoa, as in his opinion are no longer needed for the purposes of the United States.

SEC. 48. That the public lands of American Samoa shall not be sold. They shall be administered under such laws as the Fono shall enact: *Provided,* That all revenues from, or proceeds of the same, except as regards such part thereof as may be used or occupied for the civil, military, or naval purposes of the United States, or may be assigned for the use of the Government of American Samoa, shall be used solely for the benefit of the inhabitants of American Samoa for educational and other public purposes.

LAND

SEC. 49. That no person not a citizen of American Samoa shall acquire, by purchase or otherwise, title to land, nor any leasehold interest therein, for a term in excess of 20 years: *Provided, however,* That this prohibition shall not affect the vested rights of persons who, not being citizens of American Samoa or of organizations which were owners of land or held leasehold interests in excess of such term, on the taking effect of this act, nor shall it apply to the conveyance or transfer, approved by the governor, to an authorized recognized religious society of sufficient land for the erection thereon of a church or a dwelling house for the pastor, or both: *And provided further,* That this prohibition shall not apply to the Government either of American Samoa nor of the United States of America. Any transfers of interests in land in violation hereof shall be void.

SEC. 50. That the following officers shall receive the following annual salaries, to be paid by the United States: The governor, $10,000; the attorney general, $6,000; the chief justice, $6,000. The governor shall receive annually from the United States in addition to his salary the sum of $500 for stationery, postage, and incidentals; and his traveling expenses while absent from the capital on official business. The governor is authorized to employ a private secretary, who shall receive an annual salary of $2,400, and an interpreter, who shall receive an annual salary of $1,800, both to be paid by the United States. Said officers and said private secretary shall be entitled to transportation for themselves, their immediate families, and their household effects from their homes in the United States to American Samoa upon their appointment, and from American Samoa to their said homes upon completion of their duties. Each said officers and said private secretary shall be granted also a leave of absence, but not oftener than every other year, as may by the governor be arranged, during which he shall be entitled to an additional allowance of $500, to be paid by the United States.

QUARANTINE

SEC. 51. That quarantine stations shall be established at such places in American Samoa as the Surgeon General of the Public Health Service of the United States shall direct, and the quarantine regulations for American Samoa relating to the importation of diseases from other countries shall be under the control of the Government of the United States. The quarantine stations and grounds at the harbor of Pagopago, together with all the public property belonging to that service, shall be transferred to the Public Health Service of the United States, and said grounds shall continue to be so used and employed until the station is changed to other grounds which may be selected by order of the Secretary of the Treasury.

The health laws of the government of American Samoa relating to the harbor of Pagopago and other harbors and inlets from the sea, and to the internal control of the health of American Samoa, shall remain in the jurisdiction of the government of American Samoa, subject to the quarantine laws and regulations of the United States.

SEC. 52. That imports from American Samoa into any State or Territory of the United States, of any dutiable article not the growth, production, or manufacture of American Samoa and imported into American Samoa after February 20, 1929, shall pay the

same duties that are imposed on the same articles when imported into the United States from any foreign country.

That merchandise and articles which are the growth, production, or manufacture of American Samoa coming into the United States from American Samoa shall be entered at the several ports of entry free of duty, and in no event shall any duties be collected on said merchandise or articles.

NATURALIZATION

SEC. 53. That for the purposes of naturalization under the laws of the United States residence in the islands of American Samoa prior to the taking effect of this act shall be deemed equivalent to residence in the United States, and the requirement of a previous declaration of intention to become a citizen of the United States and to renounce former allegiance shall not apply to persons who have resided in said islands at least five years prior to the taking effect of this act, but all other provisions of the laws of the United States relating to naturalization shall, so far as applicable, apply to persons in said islands: *Provided, however,* That no person of Polynesian blood shall be denied the benefit of said laws solely by the fact of such ancestry. The high court of American Samoa is hereby given jurisdiction in naturalization matters, subject to the right of appeal as in this act provided.

SEC. 54. No money shall be drawn from the Treasury but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

SEC. 55. Swains Island shall be considered as part of the naval station of Tutuila, and the affairs of the inhabitants thereof shall be administered by the commandant of that station as nearly as practicable in accordance with the laws of American Samoa locally applicable. The commandant shall make a report thereon annually to the Governor of American Samoa.

SEC. 56. This act shall take effect 60 days from and after the date of the approval thereof, excepting only as to section 32 relating to appropriations, which shall take effect upon such approval.

SEC. 57. This act may be cited as the "Samoan Organic Act."

Mr. LA FOLLETTE. Mr. President, what is this bill?

Mr. BINGHAM. This is the same bill which passed the Senate last year. It was prepared by the Senator from Arkansas [Mr. ROBINSON].

Mr. LA FOLLETTE. Are there any changes in it?

Mr. BINGHAM. No changes.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSFER OF LAVACA COUNTY, TEX., TO SOUTHERN DISTRICT

The Senate proceeded to consider the bill (H. R. 6304) to transfer Lavaca County from the Houston division of the southern judicial district of Texas, which was ordered to a third reading, read the third time, and passed.

DISTRICT OF COLUMBIA WORKHOUSE ROADS

The bill (S. 1768) to provide for the opening and closing of roads within the boundaries of the District of Columbia workhouse property at Occoquan, Fairfax County, Va., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to convey to the State of Virginia, or to the county of Fairfax in said State, a strip of land 50 feet wide to be used as a public thoroughfare running southerly for a distance of approximately 1,700 feet from the Fairfax Courthouse Road to the Telegraph Road in Fairfax County, Va., as shown on map No. 1595, filed in the office of the surveyor of the District of Columbia: *Provided,* That the State of Virginia, or the county of Fairfax in said State, shall convey to the District of Columbia for private use as part of the workhouse property a portion of Telegraph Road running southwesterly for a distance of approximately 900 feet from the Fairfax Courthouse Road to the 50-foot strip herein authorized to be conveyed by the Commissioners of the District of Columbia, as shown on map No. 1595, filed in the office of the surveyor of the District of Columbia.

LOANS TO FARMERS FOR THE CROP OF 1931

The Senate proceeded to consider the bill (S. 2265) to extend the time for repayment of certain loans to farmers for the crop of 1931.

Mr. GORE. Mr. President, I do not wish to object to the present consideration of this bill, but I do wish to submit an amendment.

The bill proposes to grant an extension of the seed loans made one year ago. It provides for an extension of one year. I assume that no Senator is astonished that this measure should make its appearance at this time. These extensions follow the original appropriation as the shadow follows the substance. They seem to be inseparable.

The Senate may have gathered that I have a rather decided fixed conviction that the relationship of creditor and debtor never ought to be created between the general government and the private citizen. It is an impossible relationship. It is bound to be fraught, in the long run, with more of mischief than of benefit. If the loan is repaid, it is likely unsatisfactory to the debtor. If it is not repaid, it ought to be unsatisfactory to the Government, unsatisfactory to the creditor. It creates a relationship that can not possibly please both parties concerned.

Whether those loans ought to have been made in the first instance brings up a debatable question, I may avow. Perhaps the extension of those loans is not debatable. I am rather inclined to the view that in this hour of distress loans which have been made, whether wisely made or not, ought to be extended, or that a reasonable policy of extension ought to be adopted. The loans involved in this extension amounted in the first instance to about $47,000,000. About 45 per cent—less than half—of those loans have been repaid by the farmers. The State making the largest percentage of repayment was Louisiana, 61 per cent. The State making the second largest repayment was Alabama, 60 per cent, perhaps as sorely distressed as any State in the Union. Oklahoma came third with 59 per cent, and I feel a just pride, I may say, in so liberal a showing as to payments made by the citizenship of my State.

I merely wanted to raise the point that some States have repaid only 3 per cent and several only 7 per cent. In the States that have paid 60 per cent of these obligations, what will the farmers think when they realize other States have made repayments to the extent of only 3 per cent? Will they not reach the conclusion that they were "easy marks" and that they took their obligations to their Government too seriously? Will it not discourage repayments in the future?

Those are the observations I desire to make, but I will say that the Senator from Kentucky [Mr. BARKLEY] has perhaps overpersuaded me not to offer the amendment which I had intended. I never had any purpose to obstruct the passage of the measure. I think the loans, whether wisely made or not, ought to be extended in deserving or distressed cases. I have intended to move to strike out the word "application" in line 1, page 4, and to insert the words "upon sufficient and satisfactory showing"; so amended the bill would enable any farmer who makes a sufficient and satisfactory showing to obtain an extension of his loan. I thought that would be a mark of appreciation as well as justice toward those farmers who through self-denial and self-sacrifice have discharged their debts to their Government notwithstanding this depression. The committee in its report says that it assumes that extensions will be made only in deserving cases and upon an ample showing. On the strength of that assumption and upon the request of the Senator from Kentucky [Mr. BARKLEY] I shall not offer the amendment which I had in mind.

I will ask to print in the RECORD a statement showing the repayments made by each State.

The VICE PRESIDENT. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

Collections to January 29, 1932

	Total amount loaned, 1931	Cash and warehouse receipts	Per cent collected, 1931 loans
Louisiana	$3,197,452.04	$1,965,943.70	61.5
Alabama	2,663,370.82	1,628,321.18	60.7
Oklahoma	1,608,268.78	1,005,485.29	59.4
Oregon	2,737.00	368.55	58.1
Arkansas	9,205,857.96	5,351,077.04	58.1
Texas	3,052,605.43	1,757,365.47	57.4
Georgia	2,527,924.77	1,427,881.30	56.1
Minnesota	27,065.00	14,740.86	53.8
North Carolina	2,181,286.88	1,165,028.67	53.2
South Carolina	982,789.96	493,480.61	49.1
Missouri	2,331,063.34	1,096,837.22	46.0
Mississippi	4,442,178.75	1,998,647.39	42.0
Tennessee	2,313,308.69	971,862.95	40.0
Illinois	285,234.93	111,251.82	39.0

Collections to January 29, 1932—Continued

	Total amount loaned, 1931	Cash and warehouse receipts	Per cent collected, 1931 loans
Indiana	$104, 563. 57	$176, 857. 36	34. 3
New Mexico	424, 575. 84	138, 739. 21	32. 6
Washington	491, 569. 34	137, 207. 69	27. 9
Kentucky	2, 529, 801. 03	698, 773. 36	27. 6
Virginia	2, 310, 211. 78	637, 522. 06	26. 7
Kansas	148, 282. 79	39, 465. 89	26. 6
West Virginia	531, 374. 75	114, 729. 67	21. 6
Ohio	218, 680. 27	44, 040. 71	20. 1
Michigan	167, 248. 11	31, 873. 82	19. 0
Florida	206, 749. 37	42, 343. 42	17. 0
Maryland	106, 078. 52	16, 080. 83	15. 2
Pennsylvania	48, 175. 00	6, 547. 80	13. 6
South Dakota	400, 864. 42	41, 553. 76	10. 4
North Dakota	2, 209, 662. 99	125, 713. 17	7. 8
Delaware	7, 045. 00	516. 00	7. 3
Montana	2, 103, 371. 91	147, 859. 72	7. 1
Wyoming	70, 916. 43	2, 489. 54	3. 5
Total	47, 610, 315. 47	21, 493, 368. 90	45. 5

The VICE PRESIDENT. The amendment of the Committee on Agriculture and Forestry will be stated.

The amendment was on page 1, line 3, after the word "authorized," to strike out the words "and directed," so as to make the bill read:

Be it enacted, etc., That the Secretary of Agriculture is authorized, upon the application of any farmer in the drought, storm, flood, and/or hail stricken areas of the United States to whom an advance or loan was made, for the crop of 1931, pursuant to the provisions of Public Resolution No. 112, approved December 20, 1930, as amended, or the provisions of the next to the last paragraph of the Department of Agriculture appropriation act for the fiscal year ending June 30, 1932, approved February 23, 1931, to extend the time of repayment by such farmer of any such advance or loan for a period of one year from the date of maturity thereof.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EMERGENCY CREDIT EXPANSION

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 3616.

The Senate proceeded to consider the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, which had been reported from the Committee on Banking and Currency with amendments.

Mr. TRAMMELL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Robinson, Ind.
Austin	Couzens	Kean	Schall
Bailey	Cutting	Kendrick	Sheppard
Bankhead	Dale	Keyes	Shipstead
Barbour	Davis	King	Smith
Barkley	Dickinson	La Follette	Smoot
Bingham	Dill	Lewis	Steiwer
Black	Fess	Logan	Stephens
Blaine	Fletcher	McGill	Thomas, Idaho
Borah	Frazier	McKellar	Thomas, Okla.
Bratton	George	McNary	Townsend
Brookhart	Glass	Morrison	Trammell
Broussard	Goldsborough	Moses	Tydings
Bulkley	Gore	Neely	Vandenberg
Bulow	Hale	Norbeck	Wagner
Byrnes	Harrison	Norris	Walcott
Capper	Hastings	Nye	Walsh, Mass.
Caraway	Hatfield	Oddie	Walsh, Mont.
Carey	Hawes	Patterson	Watson
Connally	Hayden	Pittman	Wheeler
Coolidge	Hull	Reed	White
Copeland	Johnson	Robinson, Ark.	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. GLASS. Mr. President, in obedience to a very explicit resolution of the Senate unanimously adopted at the last session of Congress a subcommittee of the Banking and Currency Committee was appointed, of which I was made chairman, to hold hearings and to report with recommendations to the Senate, a bill covering the problems set forth in the resolution. Accordingly, the subcommittee had protracted and searching hearings, at which the various aspects of the problems involved were discussed with experienced bankers, economists of reputation, and with a large group of witnesses especially qualified to deal with such questions.

USEFUL DISCLOSURES

At the conclusion of those hearings the subcommittee proceeded, in conjunction with its technician, to draft a measure based upon those data and the information generally acquired at the hearings and through answers to questionnaires. If no other good may ensue from that procedure it would have been worth while, if for no other reason than that it compelled disclosures to the subcommittee by the banking community and by the supervisory officials of the banks of the country which revealed a situation, if not menacing, at least distinctly disturbing.

Hence, when members of the subcommittee were hurriedly and urgently called into conference by high executive authorities and the supervising officials of our banking system and asked to take from the measure thus framed certain of its provisions and apply them to an existing situation, although the proposals did not completely commend themselves to my deliberate judgment or perhaps to that of my colleagues, I at least was unwilling—and I think my colleagues also were unwilling—to be put in the attitude of obstinacy in face of these more or less alarming representations.

A QUICK TRANSFER FOR EMERGENCY

That bill, by the way, was never intended as a measure of relief for the existing depression, but was intended more to avert a repetition of a disaster which should never have come to this country and never would have come but for maladministration in the banking community and among the supervisory officials. Among its provisions was one intended to be permanent, for the relief of the credit systems in time of exigency. We agreed to lift that provision out of the bill, and with two other provisions, one already agreed to by the subcommittee, put it in a separate emergent measure.

GROUP BANKING

This particular provision cited by me harked back to periods of distress when currency panics seized the banking community and resulted in incalculable injury to the commerce of the country, when it became necessary to form clearing-house associations throughout the country and to issue clearing-house certificates, a form of illicit and unauthorized currency.

We also had in mind the enactment by the Congress of what was known as the Vreeland-Aldrich emergency measure, the product of that high priest of the financial element of the Nation—the great former Senator from Rhode Island—but so stringent was that measure, so exacting in its various provisions, that we felt in this provision of our bill it should be very greatly liberalized.

Under the Vreeland-Aldrich emergency law provision was made for the great banks alone. No bank might join the group of 10 banks that had a capital of less than $5,000,000; no bank might derive any advantage from the issuance of its currency that had not outstanding 40 per cent of circulation based upon its own capital. It was ascertained in later years, when for the first and only time we had occasion to make use of the Vreeland-Aldrich law, that even some of the large banks, including two of the largest banks in New York, could not get a dollar of currency under that law because each of them had less than 40 per cent of outstanding circulation. Therefore we inserted in this bill the provision, lifted out of our permanent measure, liberalizing the provisions of the Vreeland-Aldrich law.

We provide in the first section for the organization of groups of banks authorized, after using their eligible assets, to get accommodation at their respective reserve banks on paper not now eligible for rediscount at the Federal reserve banks. Originally, our provision was for a minimum of 10 banks, but, in a yielding mood, we agreed to reduce that to

five banks. The proposition of the experts sent up from the Treasury and the Federal reserve system was that "a unanimous vote of the members of the Federal Reserve Board" should be required to authorize these rediscounts. The Senate committee reduced that to a vote of six members of the board. No limitation is put upon the amount of credit that may thus be obtained at a Federal reserve bank. That is left altogether within the discretion of the directors of the reserve bank, upon the approval of six members of the Federal Reserve Board.

INCREDIBLE SELFISHNESS

It has been objected to that provision that strong banks will not assist the weaker banks in any Federal reserve district, a statement, Mr. President, which to me involves an imputation of incredible selfishness on the part of the banking community. To think that as many as five banks in any considerable community may not be willing to organize themselves in a group to avert the failure and consequent disaster of one or more other banks in that community is to assume that the bankers of the country have not even an intelligent selfishness, because the failure of any one of the weaker banks in any given community has its reactionary effect upon the stronger banks and, it is readily conceivable, might bring disaster to them also. So we provide that there may be this species of group banking in the populous centers, where it may readily be employed and prove effective.

BANKS MUST NOT USE ELIGIBLE ASSETS

It was universally agreed, without any qualification whatever, at the executive conferences and at every other place, that no banks should be helped with their ineligible assets unless and until they had exhausted their eligible assets; in other words, we did not entertain for a moment the idea that the banks of the country might retain in their portfolios their eligible commercial paper and assets and unload on the Federal reserve banks their "cats and dogs," their "chips and whetstones," their utterly immobile, unliquid, and in many, if not in most, instances worthless assets. Therefore the protest that now comes from some banking sources against that provision of the bill ought not to be tolerated an instant by the Congress.

There have been some misinterpretations of one sentence of that provision of the bill which, by common consent, has been clarified by the expert draftsmen of the Treasury Department; and to that I will make allusion when we begin to consider the bill section by section.

AID TO COUNTRY BANKS

Having provided for the larger banks in populous centers, it was asked what might be done for the country banks, for smaller banks so detached from commercial and financial centers as to make it exceedingly inconvenient, if not actually impossible, for them either to organize into a group or readily to join an existing group.

It was agreed that they should be relieved; hence the second section of the bill already agreed to by our subcommittee was lifted out and incorporated in this bill.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Wisconsin?

Mr. GLASS. I do.

Mr. LA FOLLETTE. I should like to ask the Senator, before he passes from the first section to the second one, to explain just what types of paper may be employed by a group of five or more banks when they have exhausted the rediscount privileges of the eligible paper.

Mr. GLASS. Any type which the Federal reserve banks, with the approval of the Federal Reserve Board, may by regulation admit.

Mr. LA FOLLETTE. There is no limitation at all as to that?

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Washington?

Mr. GLASS. If it please the Senate, I should like to proceed with my general explanation of the bill and then submit myself to any questions that may be asked, because I am not like the trained speakers of this body who can readily submit to interruptions and then resume the thread of their remarks.

So that the second section of this bill, Mr. President, by express agreement, was intended for the relief of detached banks, of the smaller banks outside of commercial and financial centers where banks might readily organize themselves into groups.

When I presented the bill to the general Banking and Currency Committee, and undertook an explanation of that section, it was suggested that the text of the provision did not confine this relief to the country banks; that, as drawn, it might be used by any bank. Under that interpretation of the provision we could never, of course, hope to have a single group formed under the first provision of the bill. If any bank, large or small, might avail itself of the privilege extended, it would not, we are seriously told, join a group even to save a community. Therefore, upon motion of the Senator from Michigan [Mr. COUZENS], the Senator from Delaware [Mr. TOWNSEND] and I were expressly authorized so to alter that section as to make its application unmistakably to the smaller banks; and we did that—at least, we thought we did it—by providing a limitation upon the capital of any individual bank applying for relief under this provision of the bill.

First, it was suggested that a capital of $300,000 would be a proper limitation. Afterwards we agreed that a half million dollars, perhaps, would be a proper limitation and provided accordingly. With that single exception the bill that the Senate now has under consideration is the bill that was unanimously authorized to be reported from the Banking and Currency Committee.

LARGE BANKS NOT TO PREEMPT LOANS

There have come demands from the large banks of the country, stimulated by inspired telegrams from certain sources, that all banks should be permitted to come in under the single-bank provision of the law. To permit that would simply vitiate completely the first provision of the bill. It would be futile, idle, to retain the first provision of the bill if any bank, regardless of its size and its resources, could take advantage of the second provision of the bill. These inspired demands simply reveal to me that somebody who never had any great solicitude for the small banks of the country would return us to a situation recently revealed that amounted to a scandal, when 38 banks out of a membership then of about 8,000 in the Federal reserve system, 38 great banks easily identified as speculative institutions with large extensions on the stock exchange, were borrowing two-thirds of the outstanding loans of the Federal reserve banking system. I can not conceive that the Congress of the United States would want to put the system again in that jeopardy by opening this provision of the bill without restriction to any and all banks that might want to apply.

Over and over again we were told by the experts of the Treasury Department and of the board and by those high officials who were brought in consultation with us that that provision was intended for the country banks, for the smaller banks that were so detached geographically that they might not avail themselves of the group provision.

In passing, I may say that, responsive to tremendous pressure from various sources upon those who seemed to be in charge of the measure, we had conferences extending over a period of two days, at which it was finally agreed to increase this capital limitation to $2,000,000, and an amendment to that effect very likely will be offered by one of my colleagues. It was utterly contrary to my own view and judgment; but I have been in Congress long enough to have found out that my judgment does not always prevail, and very likely should not always prevail. We had to reach some common ground, some agreement, in order to get along with this measure. Therefore, in this case as in many others, I am distressed to say, I subordinated my own judgment to that of others, and we agreed that I would not contest on the floor the proposition to make that sum $2,000,000. We did that in the face of a terrific drive by people who have always sought to conduct banking business at liberty and without restraint, and who were clamoring to have no limitation at all put

upon the size of banks that might apply for this relief. So that is my defense for having yielded my own judgment in that regard.

With that limitation of $2,000,000 there are but 136 banks out of 7,600 that could be affected, and they are in populous communities, where they may readily organize a group to save any of the weaker banks of that community, and where, if they have intelligence and any degree of unselfishness, they will organize a group to save the weaker banks in the community. If they have any appreciation of their own situation, if they have any comprehension of what may happen to them unless they do this, they will organize a group, and there are but 136 of them distributed as to Federal reserve districts as follows:

Boston	11
New York	34
Philadelphia	12
Cleveland	16
Richmond	9
Atlanta	9
Chicago	10
St. Louis	6
Minneapolis	4
Kansas City	6
Dallas	4
San Francisco	15

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Iowa?

Mr. GLASS. If the Senator will just let me, in my layman's way, explain these provisions, I shall then be very glad to answer any questions I can.

Mr. BROOKHART. I will.

TO FORTIFY "FREE GOLD"

Mr. GLASS. The only other provision of the bill is one that I feel some degree of perplexity in attempting to explain, because it involves not only a domestic problem but an international situation.

As stated in the report of the committee, it is intended by the third provision of this bill to permit the Federal reserve banks, by a vote of a majority of the Federal Reserve Board, to use United States securities for the protection of what is called in banking nomenclature the "free gold" supply.

As Senators, of course, know, the requirement of the law is that there shall be 40 per cent gold reserve behind Federal reserve notes, the balance of the security being in eligible paper. Just to the extent that the Federal reserve banking system has free gold, it may make advances to member banks in excess of outstanding loans, fortified by the required 40 per cent gold cover. I think the reserves of the system now total, perhaps, about 76 per cent rather than 40 per cent. So that the system has now, or had the other day, when the figure was reported to me, about $465,000,000 of free gold, and could make additional loans if they had eligible commercial paper in hand. But they have not the commercial paper, and therefore they want to make use, for a limited period, of United States bonds behind the notes.

Those in authority express to us the hope that they may never have to use that provision of the bill. I am not misled by that sort of optimism. I think it very likely that they will have to use that provision of the bill.

I suppose I may, without exceeding the caution which ought to be observed, say that the reserve system has been threatened with raids upon its gold supply by foreign nations, notably by France. I would not have said that here had it not been publicly said elsewhere; so I repeat it here. There has been that threatening situation, the conjecture—and it is a conjecture—being that this foreign country hopes to affect the attitude of this Nation with respect to reparations and her indebtedness to the United States. I do not make that assertion; I say that is conjectured in some quarters.

Apparently the officials of the Bank of France have outwitted some of the officials of the Federal reserve system and have them in that rather awkward position. The real purpose of this section of the bill is to put foreign nations upon notice that if they, in conjunction with their business men, want to raid the gold supply over here, we have this method of meeting the situation.

NO REAL NEED OF HYSTERIA

I think it is due to my own intellectual integrity and my past record on questions of this kind to say I have not wanted to be stampeded. I have not wanted to share the fear with which some people seem to have been seized about these matters. I particularly have contested, from the beginning, the persistent assertions that there was any urgent need for these devices, except the last one. There is no paucity of eligible assets in the portfolios of the member banks of the Federal reserve system, nor is there any basis for the shabby talk elsewhere about the Federal reserve system having broken down. It has not broken down. The member banks of the system, the banking community of the United States, have ceased to function through abject fear and have communicated this fear to depositors. That is where the breakdown is.

I have here authoritative statements from the officials of the Federal reserve system that to-day the Federal reserve banks are in position to make loans in excess of those outstanding of nearly $4,000,000,000. Who will say that if we might expand to-day to the extent of $4,000,000,000 the situation would not be cured?

The Federal reserve member banks have in their portfolios eligible paper which would not only absorb the $4,000,000,000 which the Federal reserve banks might loan but $4,500,000,000 more.

Note these figures. The member banks of the Federal reserve system have in their portfolios a total of $2,997,167,000 of eligible commercial assets, within $3,000,000 of $3,000,000,000 of eligible commercial paper.

In addition to that, they have on hand $5,564,461,000 of United States securities, usable for rediscount purposes.

The 12 Federal reserve banks, therefore, according to the latest available quarterly report, have usable paper in the immense volume of $8,561,628,000!

At the last quarterly report they were rediscounting only $465,711,000, as against this $8,561,000,000. In other words, the 7,600 member banks have free approximately $8,100,000,000 of eligible assets, if they will only use them.

Let us take it bank by bank. Take the Boston Federal Reserve Bank. The member banks of the Boston district have in their portfolios $212,501,000 of eligible commercial paper, $330,322,000 of United States securities, making a total of usable paper of $542,823,000, and are discounting but $25,277,000.

New York: The member banks of the New York district have in their portfolios $940,151,000 of eligible commercial paper. They have, in addition to that, $2,196,881,000 in United States securities. They have a total of $3,136,032,000 which may be used for rediscount purposes, and are rediscounting to the extent of only $95,764,000.

Philadelphia: The member banks of that district have $208,060,000 of eligible paper, $365,901,000 of United States securities, a total of $573,961,000 of usable paper, and are discounting only to the extent of $73,209,000.

Cleveland: The member banks of this district have $173,861,000 of eligible paper, $567,449,000 of United States securities, making a total of usable paper of $741,310,000, and are discounting to the extent of $67,250,000.

Richmond: The member banks of this district have $141,104,000 of usable paper, $154,000,000 of securities, total usable volume $295,521,000, and they are discounting $35,000,000.

Atlanta: The Federal reserve banks in this district have $131,526,000 of eligible paper in the Cotton Belt, $160,517,000 of United States securities, a total of $292,043,000 of usable securities, and they are rediscounting at the Federal reserve banks to the extent of $34,409,000.

Chicago, from which point we have had some valuable advice: The member banks of the Chicago Federal reserve district have in eligible paper $328,991,000 and in securities $664,147,000. They have within $7,000,000 of a billion dol-

lars of usable securities, to wit, $993,138,000, and, mark this, that they are rediscounting to the extent of $27,144,000.

St. Louis has $138,746,000 of commercial paper and $152,731,000 of securities, making a total of $291,477,000, and they are discounting $19,254,000.

In the Minneapolis district the member banks appear to think it is a disgrace to patronize the Federal reserve bank. Instead of being ready to respond to the demands of commerce and to accommodate the merchants and the industries and the business of that district, they have on hand $164,332,000 of commercial paper and $121,997,000 of securities. They have a volume of $286,329,000 eligible for rediscount and are discounting $4,699,000.

Kansas City has $192,398,000 of commercial paper and $199,625,000 of securities, a total of $392,050,000, and is discounting to the extent of $15,398,000.

Dallas, in the Cotton Belt, has $156,034,000 of eligible paper in the portfolios of its member banks and $130,590,000 of securities, a total of $287,624,000, and is rediscounting to the extent of but $16,817,000.

San Francisco has of commercial paper $209,423,000, of eligible securities $519,857,000, making a total of $729,280,000, and is discounting to the extent of $51,370,000.

So we return to the total of $8,561,628,000 of usable paper and a total discounting of but $465,711,000!

When, from time to time, I have confronted gentlemen with these figures, unanswerable in themselves, I have been met with the response, "Oh, there is plenty of commercial eligible assets, but the distribution is defective." Let us see. The figures themselves show that the distribution is not defective. Here are supplemental figures which prove the case mathematically.

Out of 7,600 member banks of the system there are but 91 banks without eligible assets for rediscount at the Federal reserve banks. Here is the distribution of the 91 banks destitute of eligible assets:

Boston has 383 member banks and there are but three of the 383 member banks which are destitute of eligible paper.

New York has 876 member banks. There are but four without eligible assets, according to the official figures furnished to me.

The Philadelphia district has 740 member banks. There are but 15 without eligible assets.

Cleveland has 698 member banks and there are but 21 without eligible assets.

Richmond has 448 member banks and there are but 7 without eligible assets.

Atlanta has 363 member banks, with only 2 without eligible assets.

Chicago has 960 member banks, with only 5 without eligible assets.

St. Louis has 500 member banks, with only 5 with no eligible assets.

Minneapolis has 597 member banks, with only 7 without eligible assets.

Kansas City has 844 member banks, with but 4 without eligible assets.

Dallas has 645 member banks and but 1 without eligible assets.

San Francisco has 545 member banks and but 11 without eligible assets.

I have a statement from Federal reserve banking authorities as of date January 30, 1932, giving me the existing lending power of the respective Federal reserve banks over and above their outstanding loans as of that date.

The Boston bank may discount $232,000,000 in addition to its outstanding loans; the New York bank, $1,206,000,000; the Philadelphia bank, $198,000,000; the Cleveland bank, $300,000,000; the Richmond bank, $121,000,000; the Atlanta bank, $94,000,000; the Chicago bank, $831,000,000. Those are the amounts of loans that the banks are prepared to make in addition to those outstanding. St. Louis may make $102,000,000 additional loans; Minneapolis, $75,000,000; Kansas City, $98,000,000; Dallas, $52,000,000; and San Francisco, $190,000,000.

The member banks have in their portfolios twice as much usable paper as the 12 Federal reserve banks are able to rediscount, over and above their outstanding loans.

That being so, Mr. President, I individually have not been greatly impressed by the talk of "broadening the base for eligible paper." Nevertheless, I prepared last July and inserted in our permanent bill the provision, now transferred to this emergency measure, to avert a repetition of the present disaster. I refer to the provision of the bill authorizing banks, in certain exigencies and under certain restrictions, to use ineligible assets in rediscount operations.

THE MEASURE REASSURING

The trouble is that the banking community of the country is frightened to death. The banks have ceased to function. They have discarded the idea, without warrant, that the Federal reserve system was intended for a situation like this. They do not seem to realize that they can and should get this accommodation. But it is not within the province of the Congress to compel a bank to borrow money if it will not borrow money. The chief psychological advantage of this measure—and it is perhaps a valuable psychological advantage—is that it gives assurance to these frightened and timid bankers throughout the country that if they will only respond to the requirements of commerce, if they will only help in relieving themselves and the country from this depression and in doing so exhaust their eligible assets, then and only then may they make use of their ineligible assets.

Mr. President, it has not been an easy or a comfortable ordeal to which this subcommittee has been subjected. I have hundreds of telegrams here on my desk remonstrating with me for having deserted my convictions and "surrendered to the wild inflationists of the country." All of them may be voiced by this telegram from my State:

> Must say I am disappointed and distressed that you lend your good name and office to promote a scheme for inflation. I have always supported you politically and financially.

[Laughter.]

The nature of his protest is considerably modified by the latter statement. Neither this man nor any other ever spent a dollar on me at an election, nor have I ever spent one myself.

REFUSES TO BE OBSTINATE

I have no apology to make for refusing to be put in the attitude of contumacy or of obstinacy when those responsible for the administration of this Government and for the great banking systems confront me with disclosures that would seem to indicate that something of this kind is necessary. I conclude that, if only for psychological reasons, it is desirable to give this assurance and to try by this means to get the member banks of the Federal reserve system to realize their responsibilities and their obligations to the Nation and to stop hoarding and to lend money for proper purposes upon authorized securities.

The subcommittee has written into this bill every safeguard that has been put there. It has not been subservient to those in power. It has not trusted to selfish interests to write this bill for the committee. These now are trying to break it down. Even from responsible sources there have been put into my hands documents which I intend to preserve as mementos of their folly, embodying propositions that would destroy the Federal-reserve banking system, that would deprave our currency and take us the way that Germany and continental Europe have gone by depreciating their notes and starting their printing presses. We have steadily resisted all that sort of thing. Now we appeal to the Senate of the United States to sustain us in what we have done.

Mr. DILL. Mr. President——

The PRESIDING OFFICER (Mr. HASTINGS in the chair). Does the Senator from Virginia yield to the Senator from Washington?

Mr. GLASS. I yield.

Mr. DILL. I should like to ask the Senator why the committee did not follow the recommendation of the experts as to "unanimous consent of the Federal Reserve Board"

being required to enable any Federal reserve bank to make advances to member banks?

Mr. GLASS. Because it was represented to us that at some time, in an emergency, it might be impossible to assemble all the members of the board; some member might be sick; some member might be away.

COVERT HOSTILITY

Some bankers appear to feel it a personal affront that we have not permitted them to write the bill. Two of them, who have pestered Senators with letters recently, sent hundreds of telegrams from one end of the country to the other in a precipitate effort to kill the so-called "Glass bill." They professed to me not to understand the meaning of our proposed measure to avert disaster by restrictions on unwise banking; but they discovered its meaning between my office and the Western Union telegraph office, and wired banking officials throughout the United States to kill the bill. I do not know what has been the experience of other Senators, but I felicitate myself that the bankers of Virginia at least knew that I could not be swayed by anything of that sort. I got just one telegram, and that gentleman got one letter, and I venture to say he would, if he could, withdraw his telegram. [Laughter.]

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Illinois?

Mr. GLASS. I yield.

Mr. LEWIS. Mr. President, I have heard the distinguished chairman of the subcommittee make allusions to what has been the course of banking action in the city of Chicago. I myself am not able to prove that I am an expert in banking, either in lending or in borrowing, but I should like to ask the able Senator, if it be true, as it must be, that there has been some form of error in the conduct of banking affairs at Chicago and in that Federal reserve district; conscious as I am that those in positions of responsibility did the best they could for their community—and they have been met with many in distress—I would ask the Senator if he does not feel that the country ought now to know who was the source and what is the influence that allowed 38 of those institutions of this country the particular favor of drawing the large sum to which he has alluded in his splendid utterance as against the very many that were denied the equal privilege?

Mr. GLASS. Mr. President, I do not think we ought to go into that; that is not helpful to what we now want to accomplish. I am not particularly anxious to disclose or to criticize what has been done in the past. To the extent I have done that I have done it as a warning to the Senate against the covert and urgent influences that are now at work trying to mutilate this bill and trying to defeat another bill designed to avert a repetition of this frightful financial disaster; and I hope they are not going to succeed.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Montana?

Mr. GLASS. I yield.

Mr. WHEELER. May I ask the Senator a question?

Mr. GLASS. Certainly.

Mr. WHEELER. The Senator from Virginia stated that there was in gold a reserve of something like 70 per cent in this country at the present time.

Mr. GLASS. The figure is 76 per cent, I think.

Mr. WHEELER. Yes; 76 per cent. May I ask the Senator what proportion of that is earmarked for France or other countries?

Mr. GLASS. None of it. According to my latest information, France has about $600,000,000 earmarked at the New York Federal Reserve Bank. It is gradually withdrawing that gold. I think $107,000,000, not altogether belonging to France, went out in January last.

Mr. BORAH. Mr. President——

Mr. GLASS. I yield to the Senator from Idaho.

Mr. BORAH. The Senator from Montana, in part, asked the question which I desired to ask, and that is how much gold is there in this country subject to be withdrawn by foreign countries?

Mr. GLASS. We have been told in our deliberations that France has or had some days ago, about $600,000,000 and I have been told in conversation that other European institutions and individuals have impounded in the banks in this country approximately $250,000,000 more that may be withdrawn.

Mr. BORAH. Mr. President, if foreign nations should withdraw the gold which they now have on deposit in this country, the United States would still have over half the gold of the world in its possession, would it not?

Mr. GLASS. I do not know exactly how much the United States would have. The Federal reserve bank would have $465,000,000 of free gold; and should any part of it be impinged by withdrawals or domestic raids, it could utilize the third section of this bill for its business.

Mr. BORAH. Well, the United States and France are supposed to have about 70 per cent of all the gold in the world.

Mr. GLASS. Yes; except $100 that the Senator from New York [Mr. COPELAND] says his son has. [Laughter.]

Mr. BORAH. I did not catch the Senator's answer.

Mr. GLASS. I said all except perhaps a hundred dollars in gold that somebody presented to the son of the Senator from New York [Mr. COPELAND] as a Christmas gift. The boy was wittily boasting that he and France and the United States had all the gold in the world. [Laughter.]

Mr. BORAH. I think the boy was practically correct.

Mr. GLASS. I think practically he was.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Kentucky?

Mr. GLASS. I yield.

Mr. BARKLEY. The Senator just referred to the fact that, outside of the $600,000,000 that is earmarked in the Federal reserve bank in New York for the credit of France, other countries and individuals have impounded about $250,000,000 in gold in this country. What function is being performed by that $250,000,000 so impounded, if it is to be used for any function, while it is thus impounded?

Mr. GLASS. It may be in the vaults of the individual banks and used as a reserve for loaning purposes.

Mr. BARKLEY. It is not a part of that gold, of course, which is being used as a basis for the issue of currency on the part of the United States?

Mr. GLASS. No.

Mr. President, I may frankly say that while I have been willing to provide against any contingency that might arise, this country need have no fear of what foreign countries may do. That is my judgment of the case, and, while I am perfectly willing—not perfectly willing, but reluctantly willing—to provide this safeguard, I have not been much impressed by the assurance that it will never be used. I think it will be used to a limited extent.

Mr. KEAN. Mr. President, will the Senator yield?

Mr. GLASS. I yield.

Mr. KEAN. Is it not true that France has not $600,000,000, but has four hundred and odd million dollars that are earmarked, and by "earmarked" is meant that the bags of gold have a tag on them to the effect that the gold contained therein does not belong to the United States nor to the Federal reserve system, but belongs to the Bank of France, so that such gold is not used for any purpose here, but it is simply for safe storage?

Mr. GLASS. That is not altogether the fact. The fact is that some time back officials of the Federal reserve bank in New York required France to invest a part of that gold in bills and other securities in this country.

Mr. KEAN. I mean to say that does not count in any way——

Mr. GLASS. Oh, no; this country has $465,000,000——

Mr. KEAN. So that all that France could withdraw which would affect the Federal reserve bank is about $200,000,000.

Mr. GLASS. I have said—at least I think I have—that the Federal reserve banks have $465,000,000, exclusive of French gold.

Mr. KEAN. Yes. Is it not also true that all that France could ship per week would not be over sixteen or seventeen million dollars, because they can not get insurance on more than that to cover the ships?

Mr. GLASS. I can not undertake to answer that question. I have not gone into those details. I noted in the financial reports of the New York Times and other New York papers day before yesterday that $107,000,000 had been exported during the month of January.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Nebraska?

Mr. GLASS. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to ask the Senator two or three questions.

Mr. GLASS. Make them easy, please.

Mr. NORRIS. They are not hard, because I think I understand them myself, even.

In view of the immense amount of eligible assets, both in paper and other assets, that can be used for additional circulation and borrowing at the various Federal reserve banks, why is it necessary that we pass legislation—for I understand that that is the object of this bill—to create additional assets that can be used?

ENCOURAGING BANKS TO LOAN

Mr. GLASS. I answer that, Mr. President, by repeating that it amounts to an assurance to the great body of frightened bankers that if they will use their eligible assets, and they should become depleted, they might resort to this other method of securing credits at the Federal reserve banks.

Mr. NORRIS. But the Senator discloses that the record shows that there are now something over $8,000,000,000 scattered, from the Senator's statement, very fairly over the country that can be used for that purpose.

Mr. GLASS. But it is not being used.

Mr. NORRIS. I understand that it is not being used.

Mr. GLASS. And the purpose of this bill now, in this emergency, is to cause the banks to function and to use a large part of it. I may say to the Senator that I myself do not think they are going to have much occasion to use these provisions.

Mr. NORRIS. There is certainly no fear on the part of the banks that there is any immediate danger of the exhaustion of this $8,000,000,000.

Mr. GLASS. Mr. President, every bank is taking care of itself, with the old suggestion that "the devil may take the hindmost."

Mr. NORRIS. In other words, the banks are guilty of hoarding money, which they are charging against the people generally.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield to me?

Mr. NORRIS. I should like to ask the Senator another question or two.

Mr. ROBINSON of Arkansas. It was in that connection that I wanted to make a statement, with the permission of the Senator from Virginia.

Mr. GLASS. Yes; I yield to the Senator.

Mr. ROBINSON of Arkansas. The question that the Senator asks quite naturally arises in the mind of anyone. The condition to which he has referred with respect to eligibility finds a parallel with respect to deposits in banks.

The banks are frightened. In consequence, they have stopped making loans. They have pressed collection of amounts due them. They have an abundance of money. Nearly every bank that is open has more money than it ever had before in its history, but it is not making loans and it is collecting every dollar that it can collect; so that it is going through a process that can be literally described as hoarding.

Mr. NORRIS. That is the way I described it.

Mr. ROBINSON of Arkansas. It is absolutely true. Of course, the same thing is true in a measure with respect to eligible paper.

Many of the banks—most of the banks, as shown by the very remarkable and illuminating statement made by the Senator from Virginia—have an enormous amount of paper that they have not used and that they do not intend to use. It seems that in order to restore their courage they want back of the large amount of paper that they have, and the enormous amount of money that they have on deposit, an assurance that if they loan their money, if they rediscount their eligible paper, they will still have a resource of paper upon which to draw. It is a most remarkable condition, an astonishing situation, that with only a few member banks in the United States that have exhausted their eligible paper, it should be made to appear that the whole system is in danger.

Mr. NORRIS. If the Senator from Virginia will yield further——

Mr. GLASS. I yield.

Mr. NORRIS. It seems perfectly plain to me that when we have these astounding amounts of eligible paper scattered all over the United States and held by the member banks that can be used for the purpose of rediscount at the Federal reserve banks, we are now asked to pass a law that would increase, as every man knows it will increase, away beyond any possible use, this stupendous amount already piled mountain high.

Mr. GLASS. Mr. President, I am convinced that this legislation is desirable, and I do hope the Senate will pass it as speedily as possible. There are, at certain points, distressing conditions, threatening conditions. Not only is this bill intended to produce a healthy psychology in the manner of lending money by banks, but it is intended to produce a psychology that will appease the fright of depositors and arrest withdrawals from banks; and withdrawals from a bank, even though it have eligible paper, might speedily exhaust its eligible paper.

Mr. ROBINSON of Arkansas, Mr. REED, and Mr. BARKLEY addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator yield?

Mr. GLASS. I yield first to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. Mr. President, let me complete a statement that I made, or attempted to make, just a few moments ago.

Almost every bank has been threatened with a run. I know a number of banks, which, in my humble judgment, were entirely solvent, which were compelled to close their doors because of the fact that runs were continued to the point where the banks were threatened with insolvency or became insolvent. While that condition of hysteria—perhaps it is more accurate to describe it as a condition of fright—prevails in the minds of the depositors, it is communicated to the bankers themselves. Each fear feeds upon the other, and gathers volume, so that the banks stop loaning, press collections, pile up money within their vaults, refuse to avail themselves of their eligible paper, discontinue functioning, the communities are deprived of banking facilities, they gather fright, and the problem is constantly being augmented and intensified.

The reason why the banks have accumulated all the money they can and the reason why they are slow to avail themselves of the right of discount when they possess eligible paper, is the fact that they are afraid that a line of depositors will form outside and begin the withdrawal of cash. It is a fact that almost every bank that is now open in the United States is attempting to maintain its liquidity to such a degree that it has almost as much money as it has total deposits; and, of course, even those who have no more experience in banking than one of my limited experience realize that when a bank gets in that situation, it is not functioning.

The value of this legislation, as I see it, is twofold. It does afford assistance to the banks that are without eligible

paper. It does stimulate courage on the part of bank officials who possess eligible paper and are afraid to use it, because they think they may require it as a source of credit in order to meet withdrawals from their own depositors.

Mr. GLASS. And if we will just pass the bill, it will do more in 10 minutes to stimulate redeposits in the banks than these mass meetings that are now being held throughout the country will do to drive them out.

Mr. REED. Mr. President, will the Senator yield for a question?

Mr. GLASS. I will; yes.

Mr. REED. What are the aggregate deposits at the present time of the member banks of the country?

Mr. GLASS. I have seen it stated that there are forty billions in loans by all the banks; but, as the Senator knows, there are nearly 20,000 nonmember banks.

Mr. REED. Yes. I meant the member banks. I wondered whether the Senator carried the figure in his head.

Mr. GLASS. I do not recall the figures right now.

Mr. REED. I only desire to add one observation, and perhaps the Senator from Arkansas has already anticipated it. It seems to me that the holding of these eligibles, and refraining from rediscounting them with the Federal reserve banks in order to get money to loan, is due to the same thought that leads the bank to hoard its cash reserves. In the mind of the banker or the intelligent depositor, eligible paper is in exactly the same position as money—available to meet a demand obligation of the bank itself—and if those eligibles were used to raise money for commerce, to be loaned out in commerce, it is just the same as lending out the cash on hand in commerce.

The great merit of the bill which the Senator has brought here is not that it is going to lead to any kind of inflation; it is not that it is going to be resorted to in many cases; but that it adds to the resources of every bank a new bunch of eligibles which, in the eyes of the banker and the depositors, are actually cash, because they can be converted into cash at any minute; and it seems to me the assurance that the bill will bring to the depositors of the country would justify the passage of it at a time like this, because, as we all know, these additional eligibles that are proposed are just as good as the United States Government is good.

Is that a correct statement of the matter?

Mr. GLASS. The Senator has stated the matter much more lucidly than I could.

SPEEDY ACTION ASKED

Mr. REED. I did not mean to do that or to try to do it; but what we say here is going all over the country.

Mr. GLASS. The Senator has correctly stated the case in few words. Mr. President, I again appeal to the Senate for prompt and favorable action on the bill. There is no pride of authorship involved here. I did not seek to be made chairman of the subcommittee directed by the Senate to investigate these banking problems. I responded to the appeal of the chairman of the general committee; and I have several times expressed the very fervent wish that the name of either the Senator here to my right [Mr. TOWNSEND] or the Senator from Connecticut [Mr. WALCOTT] might be attached to this bill rather than my own. I simply appeal to the Senate not to delay matters upon technical objections or trivialities but to pass this bill and let us relieve this situation.

THE NATION'S GOLD SUPPLY AMPLE

Mr. REED. I am not proposing to delay it, or to ask enough questions to delaw the bill more than five minutes; but I want to ask the Senator one more question, if he will permit me, inspired again by the thought that what we say here is heard all over the United States. That is about these foreign withdrawals.

It is a fact, is it not, that this country is amply able to repay in gold every penny deposited in this country by foreign governments or foreign citizens, so far as they can be ascertained to be foreign citizens?

Mr. GLASS. At the present time; yes.

Mr. REED. Yes; at the present time. It is a fact that deposits of the French Government and of the Bank of France and of the French railways and these other institutions are all pretty well known; they are almost all in New York; and if they were all withdrawn at the present time, we could pay them in gold?

Mr. GLASS. I have said that I have no apprehension on that score; but, if we could not pay, the enactment of this bill would speedily help us to pay. If not, there is still another method provided by existing law.

Mr. REED. Exactly. Just one further question. Is not our position infinitely stronger after they have made their demand and had their payment than it is if that money is absorbed into the channels of American trade and is subject to be drawn out on demand at any time?

Mr. GLASS. Yes; and we would be still stronger if we had never let them impound it here.

Mr. REED. Exactly; because we always let them send us money when we did not need it, and let them take it when we needed it most.

Mr. GLASS. And we ought to have nerve enough to reject it when they offer it.

Mr. REED. I hope we will, next time.

Mr. GLASS. I hope there will never be a next time.

QUESTIONS AND ANSWERS

Mr. BARKLEY. Mr. President, in cataloguing the two types of eligible paper, composed of five and a half billion dollars of Government securities, by which I suppose he means Liberty bonds, and about three billion of commercial paper, is not the Senator able to advise us whether any of that three billion of commercial paper which may be legally and technically eligible on account of its character, is, in fact, ineligible because of its lack of liquidity, or for any other reason?

Mr. GLASS. No; if it is eligible it is eligible; it is within the requirements of the law.

Mr. BARKLEY. I understand it is within the requirements of the law, but it may not always be within the requirements of fact. What I am seeking to draw out is that the entire three billion of commercial paper, therefore, is subject to no exception in the statement that it is eligible in law and in fact.

Mr. GLASS. It may be used for rediscount purposes.

Mr. BARKLEY. Of course; the five and a half billion is eligible without any question at all.

Mr. DILL. Mr. President, will the Senator yield?

Mr. GLASS. I yield.

Mr. DILL. I note that the section about the Government securities provides that they shall not be less than the face value of the reserve notes issued. Is it within the discretion of the board to fix the amount of securities required for each dollar of reserve notes greater than the reserve notes?

Mr. GLASS. Yes; but there would be no use doing that.

Mr. DILL. The Walsh bill provided up to 90 per cent, and what I am trying to get at is this, whether this bill makes it mandatory on the board to issue up to 100 per cent.

Mr. GLASS. Together with the gold and bonds behind the notes; yes.

Mr. WALSH of Montana. Mr. President, it seems to me the impression would probably be left by this discussion this afternoon that the banks were actuated by the same unreasoning fear in declining to make loans that motivate depositors in withdrawing their deposits from the banks and hoarding them. But let me inquire of the Senator from Virginia whether a more powerful reason is not the inability of the banks to find eligible loans to make in view of the situation?

In our section of the country, for instance, a year ago or two years ago it would have been quite justifiable for a bank to make a loan to a man who was engaged in the sheep business or the cattle business, but now it declines to do so because it fears that such a business will not be profitable. So in the industrial sections, where a bank in times past, only a few years ago, would freely loan funds to a manufacturer, or to a man engaged in commerce in one way or

another, it now declines to do so because of the depressed prices of all commodities. It thinks that the enterprises may not be successful. Is not that really the reason why the banks do not make more loans?

Mr. GLASS. Not the sole reason, by any means. The fact that member banks have nearly $3,000,000,000 of eligible commercial paper means that there has been business to that extent transacted with the banks.

Mr. WALSH of Montana. To that extent.

Mr. GLASS. To that extent I have no doubt on earth that business has tremendously slackened; but, on the other hand, complaints after complaints, by wire and by letter, and by word of mouth, have come to us that the banks are calling their loans over the protests of the borrowers, and are not, in many cases, making extensions or other loans. They are, all of them, intent on getting liquid and staying so until this storm is weathered. We can not reasonably censure the banks of any given community or section. All of them are engaged in this process of self-preservation. It is perhaps natural, but nevertheless deplorable.

Mr. WALSH of Montana. Is not that because they fear that, by reason of the depressed condition of business, they will not be able to collect their loans?

Mr. GLASS. The whole thing amounts to fear—not of the banks alone but of depositors as well.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. GLASS. I yield.

Mr. COUZENS. I do not know whether the Senator is ready to discuss the separate provisions of the bill or not; or does he want us to take the bill just as it is and vote upon it?

Mr. GLASS. I would think that my colleagues on the committee might want to have something to say; and, in passing, I want to pay tribute to them.

Mr. COUZENS. If the Senator would prefer to hear from his colleagues on the committee, I will not ask him any questions now.

Mr. GLASS. Oh, no; let the Senator proceed.

Mr. FLETCHER. Mr. President, I suggest that the bill be taken up section by section, when we get to that order, and consider provisions as we come to them.

Mr. COUZENS. I am not discussing any amendment, but I was asking the Senator from Virginia whether he wanted to discuss any of the provisions which were now in the bill, instead of waiting until they come up in order.

Mr. GLASS. I shall be very glad to do that. The Senator asked me whether I wanted the bill voted on as it is, and I responded by saying that I imagined my colleagues might want to say something.

Mr. COUZENS. I mentioned that only because the Senator was urging great speed and expedition in getting the bill through, and I thought perhaps I could expedite it by asking him for an interpretation of section 3. I draw the Senator's attention to line 19, on page 4, where the following language appears:

> Any Federal reserve bank may make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal reserve agent of collateral in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act.

What does section 13 provide? It is not in this measure itself.

Mr. GLASS. Section 13 is existing law, and what the Senator has read has been existing law for 18 years.

Mr. COUZENS. But I observe on line 12, page 4, that no foreign obligations are permitted. Would they be permitted under section 13 of the old act?

Mr. GLASS. No; we distinctly exclude foreign obligations.

Mr. COUZENS. But not in section 3. In section 2 it is provided, beginning on line 12:

> No obligations of any foreign government, individual, partnership, association, or corporation organized under the laws thereof shall be eligible as collateral security for advances under this section.

That language does not appear in section 3, and I am wondering whether the existing act, not this bill but the act itself, excludes the obligations of foreign governments.

Mr. GLASS. I feel sure it does; but I would have to refer to section 13 of the reserve act to make sure. That is the main section of the act relating to commercial, industrial, and agricultural discounts.

Mr. COUZENS. I raise that question because we ought to make sure that the foreign securities could not be used under that section for the securing of Federal notes.

Mr. REED. Mr. President, if I may interject, certainly the present Federal reserve law does not allow the issuance of currency, Federal reserve notes, to be secured by foreign obligations.

Mr. GLASS. Not against foreign obligations.

Mr. REED. Clearly they are not eligible for reserve purposes.

Mr. SHIPSTEAD. Mr. President, I would like to ask the Senator from Virginia a question.

Mr. GLASS. I yield.

Mr. SHIPSTEAD. I do not find the provision in this bill we are considering now, but I understand that the bill provides that there shall always be a coverage of 40 per cent of gold.

Mr. GLASS. It is in the bill. No change has been made in that.

Mr. SHIPSTEAD. As I understand it, there is 76 per cent of gold now held against Federal reserve notes.

Mr. GLASS. Seventy-six per cent of gold is held by Federal reserve banks against Federal reserve credits and Federal reserve notes; but nearly half of this gold is free and might respond to applications for additional credits and notes.

Mr. SHIPSTEAD. Let me ask the Senator this: Under existing law there has to be 40 per cent coverage against notes?

Mr. GLASS. Yes; and there is no change in that.

Mr. SHIPSTEAD. I understand that. What I want to find out is this: Can notes now be issued against what is called free gold, which is not now covering Federal reserve notes under the various provisions of this measure?

Mr. GLASS. Against free gold and eligible paper; but they have not the eligible paper, and they want to use United States bonds.

Mr. SHIPSTEAD. As I understand it, they are limited to the amount of free gold that is now not required under the 40 per cent provision.

Mr. GLASS. They are limited to a 40 per cent reserve against notes and 35 per cent against credits.

Mr. SHIPSTEAD. Can the Senator give us an idea as to how much currency can be issued under those provisions of this bill?

Mr. GLASS. No; I can not say how much. I can not say how soon the banks are going to use all of their eligible paper. If they should use their $3,000,000,000 of eligible commercial paper and a large part of their bonds, it can not now be told whether this immense contribution to outstanding credits would exhaust the demands of their respective communities. I suspect it would; but nobody can tell. It would depend upon the increase of business.

There is a potential "inflation," if you want to call it that; or, if the more sensitive and conservative persons dealing with the question want to call it "expansion," there is a potential "expansion" in the third provision of the bill of about a billion and a half dollars, provided the reserve banks do not increase their holdings of United States securities; but, as I have stated, we have been told that little actual use may be made of this provision of the bill except in pressing circumstances.

Mr. SHIPSTEAD. Is there anything to limit the expansion except the provision that there shall be a 40 per cent coverage of gold?

Mr. GLASS. That is all, except the volume of United States bonds held.

Mr. SHIPSTEAD. I am afraid I did not make myself clear to the Senator. I did not ask how much currency would be issued under the bill; I asked him if he could tell us how much could be issued.

Mr. GLASS. I tried to answer that by saying there is about a billion and a half potential "expansion" in that provision of the bill.

Mr. SHIPSTEAD. I thank the Senator.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. GLASS. I yield.

Mr. COPELAND. May I ask the Senator this, whether, when it was decided to accept the obligations of the United States as collateral security, any consideration was given to the question of accepting State or municipal bonds?

Mr. GLASS. No; and I hope there never will be.

Mr. COPELAND. It was not considered at all?

Mr. GLASS. No. It is bad enough to accept United States bonds. To that extent it takes us back to a bond-secured currency, from which we tried to get away for 50 years, and never did until we passed the Federal reserve act.

Mr. COPELAND. The Senator's answer, then, is that to add State and municipal bonds would only make that section of the bill so much the worse?

Mr. GLASS. The Senator has answered his question for me.

Mr. WALCOTT. Mr. President, we have listened this afternoon to what I believe is the most extraordinary exposition of our banking system ever made before this body. It has been made by a master mind who knows the intricacies of that system in every detail. No words of mine are needed to amplify or explain this extraordinary story.

Mr. President, our linen is out on the line and those who have eyes may observe. There are, of course, defects, but I want to analyze briefly the situation from a slightly different point of view to see whether I can not account in large measure for the situation as it exists to-day.

In the early days in Europe the peasants used to frighten their children into good behavior by threatening them with a sight of the mythological god Pan, a 2-legged creature with cloven hoofs, with a hairy chest, and repulsive face, an ogre. When his presence was threatened the children were all on good behavior. That word "Pan" is the origin of our word "panic." We are now afraid of Pan, a mythological creature. Fear has so beset us, so taken possession of our very souls that we are doing things to-day which we would not have dreamt of doing a year ago.

Applying this to our banking system, it comes out in this way. Business became seriously depressed by a falling off in our exports due to the economic collapse of the countries who purchased from us. With the depression of business came a reduction of loans for commercial purposes. The combination of circumstances over a period of two years has led us from a tremendous inflation, where we were pyramiding, pyramid upon pyramid, encouraged by the very system which now needs relief, as the able Senator from Virginia has so well explained, until our banking system became involved in a system of tremendous and unjustified speculation, paying little attention to net earnings, paying less attention to management.

The new generation was advertising the theory that we were in a new era, that we would never have to go back to the old acid test of security safety. They were so sure that the older men were advising them wrongly that they stepped into a furnace seven times hotter than ever before. They have been burned and many of them extinguished; gradually our whole credit system, terribly inflated, began through fear, through the violent collapse of the securities market, to contract unduly, to contract to the danger point. Consequently our dollar, always backed by gold, became unduly valuable. Our dollar to-day buys too much, because commodity prices are lower than they should be.

Mr. WHEELER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Montana?

Mr. WALCOTT. I would prefer to make a continuous statement without interruption.

Mr. WHEELER. I want to ask the Senator just one question.

Mr. WALCOTT. Very well.

Mr. WHEELER. Can the Senator tell me whether there is anything in the pending bill that will have any tendency to bring up the price level of commodities in general, particularly such commodities as wheat and cotton, that have to be sold upon the world market?

Mr. WALCOTT. I am trying to show the Senator approximately what will happen.

Mr. WHEELER. I would like to have the Senator tell me, if he will, what there is in the bill that will raise the price level of such commodities. We have heard so much said to-day about bringing back prosperity. I would like to have the Senator point out, if he could or if he would, just how this bill will tend to raise commodity prices of wheat and tin, cotton and copper, or anything else that has to be sold upon the world market, for the reason, it seems to me, that we can not bring back prosperity in the country until such time as we can bring back the price level of those commodities. The statement has been made on the floor this afternoon to the effect that the banks have such a tremendous lot of money to lend. It is possible that they have not loaned money when they should have loaned money, but it is likewise true that there are very few people who will want to borrow money and go into business when commodity prices are dropping. I would like to have somebody explain, if they will, how this bill will improve the general price level of commodities.

Mr. WALCOTT. That is the purpose of what I have to say; I shall approach the subject gradually.

Mr. President, the attitude of Europe, plunged into abnormal debt, became unfriendly and perhaps still is. The question of international and interallied debts became an important factor. Without stopping to go into the details of that matter except to touch upon it as a very important factor in our international trade relations and in our export business and the ability of foreign peoples to buy our products, I come back to our domestic situation.

In 1900 there was a very rapid expansion of our banking system so that in approximately 10 years the number of our banks increased by almost 10,000, or almost doubled, there being about 10,000 banks in existence in this country in 1900. But, unfortunately for our system, a large proportion of those banks were State banks growing up under lax, overliberal State laws, in many cases with too low a minimum of capital, which was dangerous. Banks were incorporated with as little as $25,000 of capital. There were hundreds of those small, undercapitalized banks all over the country, and of course a large percentage of them in the then new and rapidly growing country of the Middle West and Northwest. Time has dealt roughly with those small and undercapitalized banks. One of the important things to do is to revise that figure of the minimum capitalization of a bank so that it is adequate to take care of the commercial business of even small towns.

The disaster that has befallen upon our banking system is marked by the failure of several thousand State banks and a very few Federal banks. By a Federal bank I mean this, by way of explanation: A national bank to be a national bank must be a member of the Federal reserve system; in other words, the Federal reserve system comprehends all the so-called member banks which are known to-day as national banks. If a national bank wishes to withdraw from the Federal reserve system voluntarily or because it can not comply with the more strict obligations of the Federal system, it automatically drops out from under the Federal laws and becomes a State bank, subject only to State laws.

During the 10 years previous to 1929, or from 1919 to 1929, approximately 6,000 banks failed in this country. In the last two years something like 3,500 banks have failed, an increasing ratio of failures due to the falling of our com-

modity prices, the shutting down of business, and the consequent depreciation in our industrial securities, particularly our railroad securities, which have had a disastrous time of it, affecting very largely the solvency of our banks and our insurance companies.

So we find ourselves in the predicament that we had commodity prices much too low, the dollar correspondingly too valuable, the purchasing power of the dollar too great, strange as it may seem, and business very largely paralyzed. What are we going to do about it? In the first place, we must eliminate fear from the situation. The figures which have been given us this afternoon by the distinguished Senator from Virginia [Mr. GLASS] show that while our banking system is filled to overflowing with eligible paper commercial loans are not being made.

The result of this is that business is suffering, individuals are suffering, many banks have not been able to stand the strain. Those banks which have closed, however, are not the banks with the large supply of eligible paper, but those weaker banks in turn affect the attitude of the public toward the banking system, causing great alarm because of the freezing of the deposits and in many cases absolute loss in deposits. The net result is that with the direct and indirect effect of failing banks upon the banks that are still solvent, we have a situation where many of the banks of the country are hoarding eligible paper. There is no question about that. The facts show that clearly, as the Senator from West Virginia has so ably explained.

With that situation to deal with, there is only one remedy.

Mr. MORRISON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from North Carolina?

Mr. WALCOTT. I should like to answer questions after I shall have finished my statement. I want to show the effect of this bill upon commodity prices, and, so, if the Senator pleases, I prefer to answer his questions later.

Mr. MORRISON. Very well.

Mr. WALCOTT. Mr. President, the banks which to-day are hoarding eligible paper are numerous and business in the respective places where those banks are located finds it very difficult to borrow money. Currency is hard to get and loans are scrutinized with unusual care. That perhaps is perfectly sound, but the fact that loans in many cases are not being made by banks which ought to be making them, and which have plenty of reserve to warrant such loans, makes the situation impossible to bear. There can be no recovery, Senators, until that situation shall have been changed; until that eligible paper can find a place where it can be lodged safely and in its place cash, United States currency, can be issued. We all know this, of course, but for the sake of the record I make the statement.

The situation should be completely reversed from that of 1928, so that instead of being on a speculative basis where loans for the purchase of securities are abnormally high and many of the securities of doubtful or inflated value, we should be brought back to a commercial banking basis where business and industry are considered first, and the man who wants to speculate in securities is considered second or third or fourth.

Mr. WHEELER. Mr. President, will the Senator from Connecticut yield to me?

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Montana?

Mr. WALCOTT. I very much prefer to continue the statement I am now making.

The PRESIDENT pro tempore. The Senator from Connecticut declines to yield.

Mr. WALCOTT. I will answer any questions a little later, but I desire to take a few moments to finish my statement.

What happens to the essential commodities such as copper, iron, lead, wheat, and cotton, all exportable?

If business has stopped, if business can not obtain commercial loans from the banks, or the banks become afraid and start to hoard their eligible paper, there can be no trade; potential purchasers are paralyzed by unemployment resulting from the stoppage of business; the sources of trade dry up, and the wholesale and retail stores are without customers. The finality is a complete clogging of our financial system. Our banks are closing partly because of a shrinkage in the value of their collateral and partly because of the unreasoning fear of the people who have deposited their money in the banks gradually drawing it out.

The cure for this is to allow the Federal reserve system to lend to the banks, if, in their judgment, the collateral is sound, upon more of their securities than can now be availed of, on securities that are to-day ineligible, but which, with more prosperous times, will recover in value to such an extent that what is C and D collateral to-day may become a year or two from now A and B collateral. The advance in values of securities, with the recovery of normal business, should be so great that almost any reasonable broadening of the base of eligibility at this time should be justified.

To call that inflation is perhaps justified; it is a kind of inflation; but it is not a dangerous kind. The dangerous kind of inflation would be to run our printing presses and issue greenbacks, paper money, without sufficient metallic reserve behind it, as Germany did following the World War. She repudiated her own mark until it became worthless and by that repudiation paid off her internal obligations to her own citizens from whom she had borrowed the sinews of war during the conflict, so that the German Government became solvent by completely wiping out all of her middle class. Germany being so successful in gaining national solvency encouraged France to follow suit. France let the franc go down until she could pay her national obligations to her own people with practically worthless paper, thus making her nationally solvent, and many of her people bankrupt. She, too, wiped out a large portion of her middle class, as did Germany.

We are doing the reverse. We are sticking absolutely to the gold standard, and, Mr. President, by the provisions of this bill we shall have our reserve of free gold built up so high that it will be a gold Gibraltar that will defy the world financially and no nation will be afraid to leave its gold with us, whether it is earmarked or whether it is not earmarked. Japan has millions of dollars in metallic gold on deposit to-day on the west coast. If we should let our gold reserve go down too low, Japan might be afraid to keep it there; but when this bill shall have been passed Japan or any other country can leave its gold on deposit here and know that it will be absolutely safe, and, in fact, in the safest place in the world. Twenty-four hours after the bill shall have been passed our potential free gold supply will be so large that the world will be amazed at our strength.

Furthermore, Mr. President, if we can broaden the base of eligible paper, we will have convinced the national banks of this country that they can return to normal commercial banking with absolute safety, because, in addition to their eligible paper which they may now be hoarding, the governors of the Federal reserve system will be able to lend them money on paper which is not now eligible. Restoration of commodity prices which will show the producers a profit should follow.

It should follow, as the day follows the night, if we strengthen our financial structure so as to protect not only the large banks but help to build up the credit of the smaller country banks we shall have restored commercial enterprises, we shall have restored the confidence of the people to such an extent that unemployment will decline and commodity prices increase with the added power to purchase. I very much hope that this bill will be passed for it is much needed. I am going to propose an amendment to clarify the language on page 3.

Mr. GLASS. I should think that would be in order, if I may say so to my colleague, when we begin to consider the bill provision by provision.

Mr. KING. Mr. President, I think it might be well if we could have the advantage of knowing what the proposed amendment is and could be able to consider it while the Senate is not in session; and so I suggest that the Senator tender the amendment at the desk and have it read so that it may be in the RECORD.

Mr. WALCOTT. Very well, I will send the amendment to the desk.

The amendment intended to be proposed by Mr. WALCOTT is as follows:

On page 2, line 3, after the word "the," to insert "provided the bank or banks which receive the proceeds of such advances as herein provided have no adequate amounts of eligible or acceptable assets available to enable such bank or banks to obtain sufficient credit accommodations from the Federal reserve bank through rediscounts or advances other than as provided in section 10 (b)."

Mr. WALCOTT. Mr. President, I can not let this opportunity pass without expressing the keen pleasure I have felt in working with a man of the character and the ability of my able and learned friend, the distinguished Senator from Virginia [Mr. GLASS].

He has shown a willingness to cooperate always. I have never worked with a man with so much genuine pleasure as I have worked with him in digging out the details of this financial picture. The subcommittee of which he is the chairman has been laboring now for a little over a year, and I think has laid the basis of fact so that, having passed these emergency measures and helped the return to normalcy, we can make a study of the entire banking system and perhaps evolve some measures which will prevent a recurrence of the disaster that happened in 1929.

Mr. WHEELER. Mr. President, will the Senator yield to a question?

Mr. WALCOTT. Certainly.

Mr. WHEELER. Taking section 3 of the bill, for instance, does the Senator believe that the Federal reserve banks will permit a small member bank to put up as security or as collateral for loans ineligible paper such as farm mortgages and collateral of that kind, or will the Federal reserve bank simply decline to take such paper, as they could do, and continue to accept as collateral the common stock of great corporations?

Mr. WALCOTT. Mr. President, I may say, without fear of contradiction, I think, that, while the loans must be adequately secured in the opinion of the lender, yet if the Federal reserve system does not lend a willing and a courageous hand, within reasonable bounds as to adequacy, in building up our agricultural situation as well as our industrial situation, it will be a terrible disappointment.

Mr. WHEELER. Mr. President, it must be perfectly obvious to anybody that we can not have any prosperity in this country unless we restore agriculture.

The thing that is needed more particularly in the agricultural sections than anything else is the ability of the farmer to borrow money upon his land so that he may carry on. To-day, Mr. President, the trouble all over the country in the agricultural sections is that the farmer, regardless of whether his land is mortgaged or not, or regardless of what he has, can not go to one of the banks in his community and borrow upon his land any money with which to do business. The banks have simply closed up entirely to the small borrower. In the past the legislation which has been enacted by Congress has reversed the situation. It has been enacted for the purpose of helping the bankers, for the purpose of helping the railroads and the industrialists, but thus far no legislation has been passed that is going particularly to help the distressed farmer who desires to borrow money upon farm lands.

If the Senator will pardon me further, he has referred to this country as being a Gibraltar so far as the gold standard is concerned. The truth about it, I think, as almost everyone will concede, is that what we have to-day is a banker's standard rather than a gold standard; but, in addition to that, if we remain upon the gold standard and the other countries of the world go off the gold standard, how is it going to be possible for our farmers—the cotton farmer and the wheat farmer—to compete with farmers in Australia, in Canada, in Argentina, if those countries are off the gold standard? It is a physical impossibility for the American wheat farmer to do so because of the fact that when he sells his wheat in Liverpool and brings his money back to this country it is immediately discounted 25 or 30 per cent, according to the value of the British pound.

It pays 25 or 30 per cent less of his indebtedness than does the Canadian or the Argentine or the Australian money. So, in my judgment, as long as we are on the gold standard and these other countries are off the gold standard it is going to be extremely difficult, if not impossible, to bring up our commodity price level on the things that have to be sold upon the world market.

Unless that is done I am convinced that we are not going to have any general prosperity. I think this bill may temporarily help some of the distressed banks; but to say that it is going to bring back general prosperity in this country in the near future, to my notion, is unwarrantedly arousing the hopes of the American people, and they will find that they will be very much disappointed with the result of it.

Particularly will the farming classes be disappointed, and the manufacturing classes who depend for their prosperity upon the sale of their products to the great bulk of the farming classes in the United States.

Mr. MORRISON. Mr. President——

Mr. WALCOTT. I yield to the Senator from North Carolina.

Mr. MORRISON. Has the Senator's committee gathered any statistics showing the extent to which the banks of the country have refused to make loans on paper eligible for discount at the Federal reserve system?

Mr. WALCOTT. I doubt if any such record is kept. The borrower is about the only man who knows whether or not he has been turned down.

Mr. MORRISON. So the criticism of the banks for not making loans of this character is not based on any reliable information, but it is simply the opinion of gentlemen making the statements that they have declined to make such loans?

Mr. WALCOTT. Mr. President, the only fact on which we can base any statement of that sort is that there is a very large amount of eligible paper now in the possession of the banks which they could use if the Federal reserve system would lend, and if the member banks, in turn, were willing to borrow and thus let go part of their eligible paper.

Mr. MORRISON. Exactly; but suppose they have not, as a matter of fact, refused those loans, and suppose they have this paper now subject to discount. Before we can justly criticize them and call them hoarders, ought we not to know what their deposits are and what their total loans are and what proportion of those loans already made are eligible for discount, so as to ascertain whether they are in a position to rediscount paper to loan out in these dangerous times?

Mr. WALCOTT. The Senator, of course, is quite right. I do not think any words spoken here to-day are intended to charge the Federal reserve banks with being remiss in making loans; but I feel quite certain that there is a kind of partial paralysis through the banking system, partly because of the extreme deflation in the value of securities, partly because they know now that if they go on making loans more or less indefinitely on their present supply of eligible paper, and they approach anything like the end of that supply, they will not be able to go on beyond that. The purpose of this bill is to broaden the borrowing powers of the banks and their lending powers to individuals, to farmers, to industrial corporations. Do I make myself clear?

Mr. MORRISON. I understand that, Mr. President; but they have been criticized here by the Senator from Connecticut and by the Senator from Virginia [Mr. GLASS] for hoarding, when the only fact I have heard stated is that they have a large amount of paper eligible for discount, and, as a matter of fact, it possibly would be very reckless banking for them to have less than they now have under the Federal reserve law, and their total loans are on ineligible paper to such an extent that they ought to be dealt with if they had less. Furthermore, I think before they should be so criticized we should know—and I do not believe it is the case to any considerable extent—whether or not they have refused loans sound and eligible for rediscount. I have

heard of no information being gathered here of any official and reliable character establishing the facts which are essential to be established before I should be willing to join in the criticism that is made of the banks.

Mr. WALCOTT. Mr. President, I did not intend to generalize about this matter, and I did not intend to criticize the Federal reserve system. What I did intend to say, and what I think I did say—the RECORD will show—is that some of our banks are hoarding their eligible paper. This we know to be a fact, because the reserves of these banks, which are well known in many cases, are abnormally high. I am not imputing any ulterior motives to those banks. I have nothing but charitable feeling for the banker, the individual, or the corporation who is consumed by fear.

Mr. MORRISON. I expect to address the Senate on this subject in the morning, and I desire very much to get any information the Senator has, unless a vote is to be had this evening. If so, I will not speak at all; but I really want to get any information the Senator has showing the facts about which I inquired; to wit, what proportion of the loans of these banks are in this eligible paper subject to rediscount.

The whole criticism of the country has been that the banks have loaded themselves up with too much paper ineligible for discount, and therefore the necessity of this legislation.

If that is so, and they have—as in my opinion, under the spirit of that law, almost all of them have—a small proportion of paper eligible for discount as related to their whole credits, without that information we can not know, it seems to me, whether or not they are hoarding, because I can conceive that they might have all of this paper they are talking about, and ought to have it, and they would be guilty of bad banking and but further confound the situation if they did otherwise.

I do not want to keep the Senator on his feet if he has not any information of that sort. I did not think he had; but I wanted to get in the RECORD the fact that there was not any; that the statement was based on opinion.

Mr. WALCOTT. I yield the floor, Mr. President.

Mr. MORRISON obtained the floor.

Mr. McNARY and Mr. THOMAS of Oklahoma addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from North Carolina yield; and if so, to whom?

Mr. MORRISON. I understand that the Senator from Oklahoma wants but a moment to offer an amendment.

Mr. THOMAS of Oklahoma. Mr. President, I desire to offer an amendment to the pending bill. I will ask that it be read, printed, and lie upon the table.

The PRESIDENT pro tempore. It is so ordered, without objection.

The CHIEF CLERK. The Senator from Oklahoma offers the following amendment: On page 3, line 15, strike out the following:

For a period of not exceeding one year.

And change the first letter in line 16, page 3, to a capital "F."

Mr. McNARY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Oregon?

Mr. MORRISON. If the Senator will give me two sentences, I will yield with pleasure.

I did not want to keep the Senator from Connecticut [Mr. WALCOTT] on the floor any longer, and I desire to complete what I had left unfinished in my colloquy with him. The point I was trying to make when I was asking for information from the Senator was that we needed information about the matters to which I referred before we could determine whether or not these banks could safely discount this paper.

I shall be glad now to yield to the Senator.

Mr. BLAINE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Wisconsin?

Mr. MORRISON. I do.

Mr. BLAINE. I desire to propose two amendments, and ask that they be printed and lie on the table. I ask that the amendment which I have earmarked as No. 3 be read at the desk.

The PRESIDENT pro tempore. The amendment numbered 3 will be read and, with the others, will be printed and lie on the table.

The Chief Clerk read as follows:

Amend Senate bill 3616, as amended, by adding at the end thereof a new section, to read as follows:

"SEC. 4. The Federal reserve act, as amended, is further amended by inserting a new paragraph reading as follows:

"'If any member bank to which a Federal reserve bank has made or may in the future make advances shall, immediately preceding or during the life or continuance of such advance, increase its outstanding loans made to any borrower upon collateral security, or made to the members of any organized stock exchange, investment house, or dealer in securities, upon any obligation, note, or bill, secured or unsecured, for the purpose of purchasing and/or carrying investment securities (except obligations of the United States) such advance shall be immediately due and payable, and such member bank shall be ineligible for a period of 90 days as a borrower at any reserve bank upon any and all paper: *Provided, however,* That the Federal Reserve Board shall have power from time to time in its discretion by unanimous vote of its members to suspend the provisions of this paragraph in whole or in part, whenever in its opinion the public interest shall call for such action. Each such suspension shall be for a period not exceeding 90 days and may be renewed for one additional period not exceeding 90 days during the same calendar year upon unanimous vote of the members of the board: *Provided, further,* That 90 days shall elapse between any periods of suspension in consecutive calendar years.'"

PLACING OF WREATH ON GRAVE OF THE MOTHER OF WASHINGTON

Mr. FESS. Mr. President, will the Senator yield to me?

Mr. MORRISON. I yield to the Senator from Ohio.

Mr. FESS. On yesterday the Senate passed House Concurrent Resolution 19, in which the word "clerk" is used instead of "secretary." It will be necessary to change it. I enter a motion to reconsider the vote by which the concurrent resolution was agreed to and move that the House be requested to return the concurrent resolution to the Senate.

The PRESIDENT pro tempore. The motion will be entered. The question is on the motion of the Senator from Ohio to request the House to return the concurrent resolution to the Senate.

The motion was agreed to.

EXECUTIVE SESSION

Mr. McNARY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Oregon?

Mr. MORRISON. I do.

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, submitting a nomination, which was appropriately referred.

(For nomination this day received see the end of Senate proceedings.)

REPORTS OF NOMINATIONS

Mr. SCHALL, from the Committee on the Judiciary, reported favorably the nomination of Dwayne D. Maddox, of Tennessee, to be United States attorney, western district of Tennessee, to succeed Nelson H. Carver.

He also, from the same committee, reported favorably the nomination of Reese Q. Lillard, of Tennessee, to be United States marshal, middle district of Tennessee.

Mr. ROBINSON of Indiana, from the Committee on the Judiciary, reported favorably the nomination of Oliver D. Burden, of New York, to be United States attorney, northern district of New York.

Mr. ASHURST, from the Committee on the Judiciary, reported favorably the nomination of Arthur B. Chilton, of Alabama, to be United States attorney, middle district of Alabama, to succeed Grady Reynolds.

FEDERAL FARM BOARD

The PRESIDENT pro tempore. There being no further reports of committees, the Executive Calendar will be proceeded with.

The Chief Clerk proceeded to read the nominations to the Federal Farm Board.

Mr. McNARY. Mr. President, I have reached an agreement with the senior Senator from South Dakota [Mr. NORBECK] to take those nominations up for consideration in the early part of next week.

The PRESIDENT pro tempore. The nominations will go over.

CUSTOMS SERVICE

The Chief Clerk read the nomination of Fred A. Bradley to be collector, customs collection district No. 9, Buffalo, N. Y.

Mr. COPELAND. I ask that that nomination go over.

The PRESIDENT pro tempore. The nomination will go over.

THE JUDICIARY

The Chief Clerk read the nomination of F. Dickinson Letts to be associate justice, Supreme Court, District of Columbia.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTER

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. GEORGE. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters on the calendar are confirmed en bloc.

IN THE MARINE CORPS AND NAVY

The Chief Clerk proceeded to read sundry nominations in the Marine Corps.

Mr. HALE. Mr. President, I ask that all nominations in the Marine Corps and the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, all nominations in the Marine Corps and the Navy are confirmed en bloc.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. REED. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the same order will be entered, and the nominations will be confirmed en bloc.

That completes the calendar.

ARTHUR B. CHILTON

Mr. KING. Mr. President, there has been reported from the Judiciary Committee the nomination of Mr. Arthur B. Chilton to be United States attorney for the middle district of Alabama. The nomination was reported by the senior Senator from Arizona [Mr. ASHURST]. I ask unanimous consent that the nomination be taken up and passed upon.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

RECESS

Mr. McNARY. As in legislative session, I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 4 o'clock and 47 minutes p. m.) took a recess until to-morrow, Thursday, February 18, 1932, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate, February 17, 1932

PUBLIC HEALTH SERVICE

Surg. Charles L. Williams to be senior surgeon in the Public Health Service, to rank as such from May 23, 1932.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 17, 1932

UNITED STATES ATTORNEY

Arthur B. Chilton to be United States attorney, middle district of Alabama.

ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

F. Dickinson Letts to be associate justice of the Supreme Court, District of Columbia.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Capt. Paul Gerhardt Balcar to Judge Advocate General's Department.

First Lieut. Edward Campbell Franklin to Ordnance Department.

Maj. Richard Stearns Dodson to Coast Artillery Corps.

Capt. Melvin Earl Gillette to Signal Corps.

Second Lieut. Thomas Lilley Sherburne, jr., to Field Artillery.

PROMOTIONS IN THE REGULAR ARMY

Copley Enos to be colonel, Cavalry.

Shepard Lawrence Pike to be colonel, Infantry.

Roy Carrington Kirtland to be colonel, Air Corps.

Henry Clinton Kress Muhllenberg to be lieutenant colonel, Air Corps.

Louis Lindsay Pendleton to be lieutenant colonel, Coast Artillery Corps.

John Francis Curry to be lieutenant colonel, Air Corps.

James Eugene Chaney to be lieutenant colonel, Air Corps.

Thomas Alexander Terry to be lieutenant colonel, Coast Artillery Corps.

John Henry Milam to be major, Field Artillery.

Emil Charles Rawitser to be major, Judge Advocate General's Department.

Wade Woodson Rhein to be major Coast Artillery Corps.

John David Key to be major, Field Artillery.

Harry Herman Young to be major, Air Corps.

Arthur Cole Fitzhugh to be major, Field Artillery.

Frank Alfred Jones to be major, Infantry.

Frank Curtis Mellon to be major, Field Artillery.

Donald Wilson to be major, Air Corps.

Charles Wesley Wood to be captain, Signal Corps.

Eugene Walter Lewis to be captain, Quartermaster Corps.

James Brian Edmunds to be captain, Cavalry.

Oscar William Koch to be captain, Cavalry.

Howard Sallee to be captain, Quartermaster Corps.

John Joseph Gahan to be captain, Infantry.

James Franklin Greene to be captain, Infantry.

Harold Farnsworth Hubbell to be captain, Signal Corps.

Charles Maze Simpson, jr., to be captain, Signal Corps.

Albert Milton Pigg to be captain, Signal Corps.

Everett Roy Wells to be captain, Signal Corps.

Arnold Richard Christian Sander to be captain, Infantry.

Stanley Marshall Prouty to be captain, Infantry.

Joseph Halversen to be first lieutenant, Infantry.

Marvin Westlake Peck to be first lieutenant, Infantry.

George Albert Smith, jr., to be first lieutenant, Infantry.

Eugene Charles Smallwood to be first lieutenant, Coast Artillery.

James Robert Davidson to be first lieutenant, Infantry.

Frank Freeman Miter to be first lieutenant, Coast Artillery Corps.

John Prichard Woodbridge to be first lieutenant, Field Artillery.

Thomas Edward de Shazo to be first lieutenant, Field Artillery.

Kenneth Frease March to be first lieutenant, Infantry.

Frederick Francis Scheiffler to be first lieutenant, Coast Artillery.

Robert Sylvester Nourse to be first lieutenant, Infantry.

Richard Edward O'Connor to be first lieutenant, Field Artillery.

John Sieba Roosma to be first lieutenant, Infantry.

John Anthony McFarland to be first lieutenant, Field Artillery.

Morris Robert Nelson to be first lieutenant, Air Corps.

Henry Blodgett McIntyre to be lieutenant colonel, Medical Corps.

Rufus Wood Leigh to be major, Dental Corps.

Ernest Eugene Hodgson to be captain, Veterinary Corps.

Glenn Charles Salisbury to be captain, Air Corps.

Harold Ralph Wells to be captain, Air Corps.

Kenneth Perry McNaughton to be first lieutenant, Air Corps.

John Harvey Kane to be first lieutenant, Infantry.

James Rhea McDowell to be major, Medical Corps.

Louis Curtis Tiernan to be chaplain with the rank of captain.

PROMOTION IN THE PHILIPPINE SCOUTS

Oscar Blair Tudor to be captain.

PROMOTIONS IN THE NAVY

Robert A. Theobald to be captain.
William L. Beck to be captain.
Charles F. Russell to be captain.
Edward B. Lapham to be commander.

To be lieutenant commanders

Proctor M. Thornton.
William R. Gardner.
Harold A. Clough.
Henry T. Stanley.
Theodore C. Lonnquest.
Herbert C. Rodd.
Alfred M. Pride.
Lester T. Hundt.
Arthur Gavin.

To be lieutenants

Henry G. Moran.
Burton Davis.
Louis N. Miller.
John V. Peterson.
William D. Wright, jr.
Charles H. Walker.
William P. MacCarty.
Richard P. McDonough.

William W. Hargrave to be medical inspector.
Claude D. Roop to be surgeon.
Walter P. Dey to be surgeon.
Charles P. Holland to be dental surgeon.
James H. Connelly to be assistant dental surgeon.
William R. Van Buren to be pay director.
Elwood A. Cobey to be pay director.
William B. Craig to be chief electrician.
Frank H. Edwards to be chief electrician.
Earl B. Mangham to be chief electrician.
Frank R. Harrigan to be chief electrician.
Chester E. Schneider to be chief radio electrician.
John D. Isbell to be chief radio electrician.
Dean Fluss to be chief machinist.
Carl E. Richards to be chief machinist.

MARINE CORPS

To be majors

James T. Moore.
John M. Arthur.
Thomas P. Cheatham.
Louis W. Whaley.
William C. James.
Thomas E. Bourke.
LeRoy P. Hunt.
Clifton B. Cates.

To be captains

Lloyd R. Pugh.
Vernon M. Guymon.
William W. Scott, jr.
Paul R. Cowley.
Edward G. Hagen.
James L. Denham.
Frank P. Snow.
George D. Hamilton.
Lemuel A. Haslup.
Norman E. True.
Robert S. Pendleton.
George L. Maynard.
Carl W. Meigs.
Floyd W. Bennett.
Edwin U. Hakala.
Brady L. Vogt.

To be first lieutenants

Francis J. McQuillen.
Edward W. Snedeker.
Kenneth W. Benner.
John S. E. Young, jr.
Kenneth H. Cornell.
Arthur H. Butler.
Nels H. Nelson.
Russell N. Jordahl.
Chester B. Graham.
Mortimer S. Crawford.
Benjamin F. Kaiser, jr.
Elmer H. Salzman.
Thomas A. Wornham.
Thomas B. Jordan.

To be chief quartermaster clerk

Willis V. Harris.

POSTMASTERS

ALABAMA

Thelma Slone, Cedar Bluff.
Violet A. Yeend, Chickasaw.
Aulsie M. Fincher, Eclectic.
Anna H. Nagele, Elberta.
Euline G. Holsonback, Kennedy.
Luke Bates, Rogersville.
Elmer L. Kiick, Sheffield.
Minnie L. Garrett, Uriah.
Emma Rippetoe, Vredenburgh.
Samuel H. Gwin, Whatley.

ARIZONA

J. Lee Conrad, Scottsdale.

COLORADO

May I. Wood, Crawford.
Eben H. Bebee, Cripple Creek.
Newell R. Usher, Florence.
Charles D. Hathaway, Hugo.
Zina N. Cleveland, Julesburg.

FLORIDA

Robert E. Murphy, High Springs.
Frank H. Logan, Ocala.

GEORGIA

Mary L. Burch, Eastman.
Arthur G. Williams, Jesup.
Kenneth E. Stapleton, Lakeland.
Minnie E. Giddens, Willacoochee.
Theodore R. Berry, Young Harris.

ILLINOIS

Lewis B. Tuthill, Anna.

INDIANA

John T. Clapp, Beech Grove.
Arvel I. Martin, Ramsey.
Walter W. Creviston, Van Buren.

KENTUCKY

Edna M. Jolly, Mentor.
John S. Marksbury, Williamstown.

MAINE

Wade P. Clifton, Greenville Junction.
Dwight P. Macartney, Oakland.
Lysle W. Folsom, Springvale.
Lester E. Goud, Topsham.
Marjorie Gatcomb, Vanceboro.
Edward C. Bridges, York Village.

MICHIGAN

William H. Reynolds, Alpena.
Norman J. Laskey, Milan.

MINNESOTA

George E. Anderson, Austin.
Prudence M. Crosbie, Brewster.
Cora E. Cook, Chandler.
Lottie A. Samuelson, Grasston.
Hazel W. Brown, La Crescent.
John Briffett, Lake Benton.
James H. Smullen, Le Center.
Walter J. Westensee, Lewisville.
John J. Ruff, Long Lake.
Torstein M. Teigum, Madelia.
Isaac I. Bargen, Mountain Lake.
Lewis B. Krook, New Ulm.
Edwin H. Vollmer, Northfield.
Clayton A. Larsen, St. James.
Henry W. Fingarson, Walnut Grove.
Dwight M. Backman, Whalan.

MISSISSIPPI

James K. Baker, Aberdeen.
William W. Shook, Belmont.
Nettie E. Shelby, Beulah.
Isaac J. Morris, Coahoma.
Thomas Burns, Edgewater Park.

Cecil W. Tinnin, Isola.
James S. Niles, Kosciusko.
Robert H. Redus, Starkville.
Charles M. Jaco, Winona.

MONTANA

Francis F. Fowler, Darby.
Leslie L. Like, Drummond.
Ruth Allen, Poplar.
Glenwood N. Corrington, Ryegate.
Rose C. Spangler, Superior.

NEBRASKA

Clarence E. Johnson, Gibbon.
Merrell M. Stuart, Stuart.

NEVADA

Philomena M. Borrego, Austin.
John C. Foster, Lovelock.

NEW YORK

Robert C. Downey, Akron.
Mabel F. Reynolds, Alfred.
Harrison D. Fuller, Antwerp.
Arthur L. Howard, Baldwinsville.
Rudolph W. Schoverling, Bayville.
Henry B. Mulford, Binghamton.
Maud Rogers, Bridgehampton.
Lawrence R. Ryckman, Brocton.
Charles W. Dunn, Calcium.
Ernest K. Hudson, Castleton on Hudson.
Charles W. Brock, Cattaraugus.
Margaret R. Mulligan, Central Islip.
Benjamin Wightman, Cherry Valley.
Carolyn F. Parker, Chestertown.
Herbert N. Rothenmeyer, Clarence.
Henry P. Wilcox, Cohocton.
Robert D. Southward, Congers.
Rhoda H. Lee, Dundee.
Benjamin R. Erwin, East Rochester.
Raymond L. Hodge, East Syracuse.
William E. Lent, East Williston.
Henry J. Frey, Ebenezer.
Gaylord F. Carpenter, Elbridge.
Philip F. Schaefer, Fleischmanns.
Walter A. Pierce, Fort Ann.
Thomas J. Courtney, Garden City.
Arthur Decker, Goshen.
Paul W. Christenson, Gowanda.
Will E. Roberts, Granville.
George R. Archer, Hadley.
Ella E. Rodger, Hammond.
Ray F. Dunlop, Harrisville.
Walter J. Pelham, Hensonville.
Thomas J. Wintermute, jr., Horseheads.
Joseph R. Cowell, Jordan.
Lizzie G. Hall, Little Valley.
Violet M. Hill, Loomis.
Mary Murdie, Loon Lake.
Arthur G. Dean, Marion.
Katherine A. Slattery, Maryknoll.
Lizzie M. Tuthill, Mattituck.
Alonzo L. Waters, Medina.
Dill H. Werley, Middletown.
Perry R. Bennett, Milford.
Edward Everett, Millerton.
Edith A. Parker, Moravia.
Albert Lynd, Nassau.
James Owens, Ossining.
William O. Cooper, Oxford.
John T. Mills, Oyster Bay.
Edward R. Harms, Pearl River.
Lida M. Schwetz, Port Byron.
Mabel S. Griswold, Pottersville.
Willard G. Bullion, Richfield Springs.
Park J. Johnson, Ripley.
Max C. Headley, Rushville.
Eugene W. Seraphin, St. Bonaventure.
John D. Fratsher, Saugerties.
Charles L. Carrier, Sherburne.
Frank A. Erickson, Sherman.
Helen M. Braisted, Silver Bay.
William A. Hilton, Skaneateles.
William M. Ackerman, Sparkill.
Arthur L. Willshaw, Staten Island.
Carlyle S. Hoskins, Stillwater.
John W. Bellis, Tappan.
Marion E. Wroten, Trudeau.
John De Frine, Williamson.
George L. Helfter, Williamsville.
Ada J. Folsom, Winthrop.

NORTH DAKOTA

Selmer Erfjord, Buxton.
James E. Cusator, Cleveland.
Catherine Lynch, Lakota.
Martin E. Larson, Marion.

PENNSYLVANIA

Mary H. Guess, West Alexander.

TENNESSEE

James G. Jones, Ardmore.
Jean Brient, Friendsville.
Rufus T. Hickman, Lynnville.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 17, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Gracious Lord, reproach us, but do not be silent toward us. We yearn for the clear assurance that we have another chance. We thank Thee for the countless mercies of Thy providence. Thou art blessed forever and blessing forever—because it is more blessed to give than to receive. Thou who art the infinite food of the universe, be Thou the bread and the water of our souls. The Blessed Lord help us to be manly, to be faithful, to be proud where we are, and each day enable us to do that which is best and wisest. Help any who may be striving against doubt and fear and any who may be confused by uncertainties and know not how to minister in their perplexities. Give us courage to stand in the radiance of the white light where moral earnestness is the resistless force of our beings. Bear to each home the blessings of good health, safety, and happiness. Run this tremendous truth into all hearts: "Heaven and earth shall pass away, but my words shall not pass away." Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 19. Concurrent resolution providing wreath to be placed on the grave of the mother of Washington on February 22, 1932.

The message also announced that the Senate had agreed to the amendment of the House to a bill of the Senate of the following title:

S. 1588. An act to authorize the Secretary of the Interior to issue patents for lands held under color of title.

The message also announced that the Senate disagrees to the amendments of the House to the joint resolution (S. J. Res. 14) entitled "Joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress," requests a conference with the House on the

disagreeing votes of the two Houses thereon, and appoints Mr. NORRIS, Mr. BORAH, and Mr. WALSH of Montana to be the conferees on the part of the Senate.

ADDRESS BY HON. BURNETT M. CHIPERFIELD, PRINTED AS HOUSE DOCUMENT

Mr. STEVENSON. Mr. Speaker, from the Committee on Printing I report back a privileged resolution with an amendment and ask unanimous consent for its immediate consideration.

The SPEAKER. The gentleman from South Carolina offers a privileged resolution and asks unanimous consent for its immediate consideration. Is there objection?

There was no objection.

The Clerk read the resolution, as follows:

House Resolution 145

Whereas the youth of our country need every encouragement possible, showing the advantages of our form of government, no matter how humble born they may be; and

Whereas the Lincoln day address delivered by Hon. BURNETT M. CHIPERFIELD, of Illinois, in the House of Representatives on February 12, 1932, clearly sets out what may be accomplished by a poor boy by reciting the accomplishments of Abraham Lincoln: Now, therefore, be it

Resolved, That this address be printed as a House document for the use of the Members of the House of Representatives.

With the following committee amendment:

Strike out the preamble and all after the resolving clause and insert the following:

"That the address delivered in the House of Representatives on February 12, 1932, by the Hon. BURNETT M. CHIPERFIELD, a Representative from Illinois, in commemoration of the birth of Abraham Lincoln, be printed as a House document."

The committee amendment was agreed to.

The resolution as amended was agreed to.

PERMISSION TO COMMITTEE ON INDIAN AFFAIRS TO SIT DURING SESSIONS OF THE HOUSE

Mr. HOWARD. Mr. Speaker, I desire to state two unanimous-consent requests. First, I ask unanimous consent that the Committee on Indian Affairs be privileged to sit during the sessions of the House this day.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOWARD. Mr. Speaker, I now ask unanimous consent that on to-morrow morning, following the disposition of business on the Speaker's table, I may be privileged to address the House for 18 minutes.

Mr. MICHENER. Mr. Speaker, reserving the right to object, may I ask the gentleman on what subject?

Mr. HOWARD. Mr. Speaker, am I required under the rules to answer the gentleman? On being required to answer, I will do so. I desire to softly discuss a subject that I have frequently discussed rather harshly heretofore—the subject of the infamous gag-rule system.

Mr. MICHENER. As now invoked in the House?

Mr. HOWARD. As now practiced, after long tutelage under the Republican organization. [Laughter.]

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

Mr. SNELL. Mr. Speaker, under the circumstances, I think I shall be obliged to object.

Mr. HOWARD. The combination is working. [Laughter.]

PLACING OF WREATH ON GRAVE OF MARY WASHINGTON

The SPEAKER. Pursuant to House Concurrent Resolution 19, the Chair appoints the gentleman from Virginia [Mr. BLAND] to carry out the purposes of the resolution.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the committees.

The Clerk called the committees; and when the Committee on Agriculture was called,

Mr. JONES. Mr. Speaker, I call up House Joint Resolution No. 292.

The SPEAKER. The gentleman from Texas calls up a House joint resolution, which the Clerk will report.

The Clerk read the title of the resolution.

The SPEAKER. This resolution is on the Union Calendar; and, under the rules, the House automatically resolves into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 292) to authorize the Secretary of Agriculture to aid in the establishment of agricultural credit corporations, and for other purposes, with Mr. KELLER in the chair.

AGRICULTURAL CREDIT CORPORATIONS

Mr. JONES. Mr. Chairman, I ask unanimous consent that the first reading of the resolution be dispensed with.

The CHAIRMAN. Is there objection?

Mr. STAFFORD. Mr. Chairman, reserving the right to object, this is a short resolution, and I think the House would be rather informed on the subject matter if it were read. Therefore I object.

The Clerk read the House joint resolution, as follows:

House Joint Resolution 292

Resolved, etc., That the Secretary of Agriculture is hereby authorized to make advances or loans to individuals, a sum not exceeding $10,000,000, under such regulations as he may prescribe, for the purpose of assisting in forming local agricultural-credit corporations, livestock-loan companies, or like organizations, or of increasing the capital stock of such corporations, companies, or organizations qualified to do business with Federal intermediate credit banks or to which such privileges may be extended.

SEC. 2. (a) No loans shall be made to individual stockholders on the capital stock of, or to create or increase the capital stock of such corporation, company, or organization in an amount in excess of 75 per cent of the par value of the capital stock of such corporation, company, or organization owned by or proposed to be subscribed to by such individual, nor unless such individual shall submit a credit statement (in such form as the Secretary of Agriculture may prescribe) which shall be verified by the investigation of the Secretary of Agriculture and shall show that such individual is not indebted in an amount in excess of one-half of the fair market value of his assets and that the value of such assets above such indebtedness shall be at least twice the value of the loan applied for; nor shall any loan be made to any individual on the capital stock of, or to create or to increase the capital stock of, any corporation devoted mainly to the financing and/or sale of special products to farmers.

(b) No loan shall be made upon the capital stock of any corporation until the Secretary of Agriculture shall find that the financial structure of such corporation is sound and unimpaired and by him approved, nor shall any loan be made upon the capital stock of such corporation until the management of such company shall be made known to and approved by the Secretary, and the Secretary shall have the right at any time to declare the indebtedness to the Government that may be created hereunder due whenever in his judgment the financial structure of the corporation shall become so impaired or the management become so unsatisfactory as to jeopardize the interests of the Government.

SEC. 3. No loan or advance shall be made to any individual upon the capital stock of or to create or increase the capital stock of any corporation, unless the capital stock of such corporation shall be at least $10,000.

SEC. 4. To carry out the provisions of this resolution, including all expenses incurred thereunder, there are authorized to be appropriated, out of the unexpended balances of appropriations made to carry out the provisions of Public Resolution No. 112, Seventy-first Congress (46 Stat. 1032), as amended by the Interior Department appropriation act for the fiscal year ending June 30, 1932, and as amended by Public Resolution No. 120 (46 Stat. 1167), and out of the collections from loans made under Public Resolution No. 112, as so amended, a sum not exceeding $10,000,000, which sum shall be paid into a revolving fund. Not to exceed 2 per cent of such fund may be used for expenses of administration. All moneys received from time to time upon the repayment of any advance or loan made pursuant to this act, together with the interest, shall be paid into the revolving fund and shall thereafter be available for the purposes and in the manner hereinbefore provided.

Mr. LUCE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LUCE. The law creating intermediate credit banks was the result of a bill introduced by the Committee on Banking and Currency. My query is whether this matter has been properly referred to and considered by the Committee on Agriculture?

The CHAIRMAN. The Committee on Agriculture having reported it out, the Chair would say that it has jurisdiction

of the joint resolution. Does the gentleman make inquiry of the chairman of the committee?

Mr. LUCE. No. It is a parliamentary inquiry.

The CHAIRMAN. The Chair will state that the Committee on Agriculture having reported the bill out, it has taken jurisdiction of the joint resolution.

The gentleman from Texas is recognized for one hour.

Is there any member of the committee in opposition to the bill?

Mr. STAFFORD. Mr. Chairman, I ask recognition in opposition.

Mr. JONES. Mr. Chairman, simply stated, the purpose of this measure is to make available not to exceed $10,000,000 of the unexpended balances of the old drought relief measures for the purpose of assisting in the establishment of agricultural credit corporations, and for assisting in increasing the stock of existing ones, in order that those corporations may be in a position to utilize the intermediate-credit banking facilities.

It seems to me it is altogether desirable that this program be established. Provision has been made for an intermediate-credit system which would take care of the longer term credit that is needed by the livestock man and the farmer in connection with their operations. Due to a peculiar condition that has prevailed in the agricultural and livestock sections, the money has not been available for the establishment of these agricultural-credit corporations and livestock loan companies.

As everyone knows, this country has many resources. It has a great many supplies. It has both natural resources and industrial development. It has an abundance of farm commodities. But due to some peculiar practices, to discriminations and favoritism in the business practices of America, and to some economic mistakes, the agricultural sections of our land have gotten into such a condition that they can not secure the essential credits. In many places the banking facilities have ceased to function.

The prices of agricultural products are so low that the credit of both the livestock man and the farmer has been almost destroyed. It has been so nearly destroyed that we have found it necessary within the last two years to make provision for direct loans to farmers for crop production on the crop as security. I believe that every Member of the Congress regrets the necessity of establishing that program, and it is hoped, by the means which are set up in this bill, that we may encourage a sound system of credit in the agricultural and livestock sections that will at least reduce the necessity of the direct loan program that has heretofore been in vogue.

We are a Nation of moods and tenses. We seem to have cycles of booms and depressions at somewhat irregular but certain intervals. During all the periods with which most of the Members of the House have been familiar the United States Government has had almost unlimited resources. Even during the times through which we are now passing the United States Government has had practically the same resources and the same wealth it had during the great boom of 1927 and 1928.

It is a matter of distribution. We have mastered the machinery of production to a far greater degree than we have massed the machinery of distribution. According to my view, the only way we will be able to restore prosperity to the whole Nation is to restore the purchasing power of agriculture in America. [Applause.]

High interest rates have been one of the curses of the American farmer. The present commercial banking system is established primarily, or, at least it has functioned primarily, on a commercial basis, to take care of the commercial short-time loans, with renewals every 60 or 90 days, so that the farmer and livestock man, even if they can secure the credit, pay a high rate of interest. In many instances he can not secure the essential credit.

The money that is sought to be made available by this bill has already been made available for individual loans. In one of the measures which is referred to in this bill provision was made for assisting in organizing associations along similar lines to those provided for in this bill; and even though its application was limited to the drought areas, they organized 52 agricultural-credit corporations and livestock-loan companies, which furnished long-time credit at a rate of interest to the farmer of between 6 and 7 per cent. Wherever it is possible to establish that sound-basis credit I think it is desirable from the standpoint of every citizen of America. This will enable the farmers to have a system of credit that is suited to their peculiar needs. We authorize $10,000,000 to be made available out of the funds that were provided for loans to farmers under the old drought-relief program. The measure provides that the Secretary of Agriculture may lend not to exceed 75 per cent of the par value of the stock in the local agricultural credit corporation and livestock-loan companies in order to enable those individuals to purchase stock.

Mr. SNELL. Will the gentleman yield?

Mr. JONES. Yes.

Mr. SNELL. I do not quite understand about the reference to 75 per cent of the stock. That is not clear to me. What stock is the gentleman talking about?

Mr. JONES. I will illustrate it in this way: Suppose it is desired to organize an agricultural credit corporation or a livestock loan company with a capital of $25,000. There are 25 men who desire to put in $1,000 apiece. In that event the Secretary of Agriculture may lend to each of these men as much as $750 in order to enable them to purchase this stock and have the capital stock in the corporation available.

Mr. SNELL. I do not see that the Secretary of Agriculture has any security for that stock.

Mr. JONES. He has the stock as security. Then the gentleman understands that the entire capital stock must be invested in liquid securities and placed with the intermediate credit banks.

Mr. SNELL. Does he put that up as security, or just as stock?

Mr. JONES. The stock is security. Then the Secretary of Agriculture may require a credit statement. Then the corporate funds would be behind the value of the stock. The only way these corporations will be permitted to function will be through an intermediate credit system, which has the rediscount privileges, as the gentleman knows, and will have supervision of the paper which they rediscount. I will state to the gentleman that this is much better security than the security which is given for these same funds which may now be loaned to individual farmers. It is hoped—and I think everyone would wish to do it—that this may go as far as possible in substituting this system for the present system of direct loans, so that in the future direct loans will not be necessary, at least, except in a great emergency. If the purchasing power of agriculture had not been so greatly reduced and if its credit had not been practically destroyed, it would not have been necessary to make provision for these individual loans. This system is so much sounder, so far as security is concerned, than the system under which these same funds may be loaned directly to farmers, and for that reason it certainly should be adopted. It has the approval of the department. It has restrictions thrown around its operations in several different ways, as the gentleman knows if he has had an opportunity to read the bill.

Mr. SNELL. I have read the bill, but I am frank to say that I did not fully understand it just from reading it. The bill just came in this morning. Have we ever done anything similar to this before?

Mr. JONES. Yes; in the drought-relief program we authorized, I believe it was, not to exceed $3,000,000 or perhaps $5,000,000, to be used in this same way. Fifty-two agricultural credit corporations and livestock loan companies were established under the drought-relief program, and most of them are now functioning and functioning successfully. Of course such organizations, under that bill, were limited to the drought area. The Department of Agriculture has done fine work in handling this program.

Mr. SNELL. Did we lend money on the stock of the corporation at that time?

Mr. JONES. Exactly. We lent an average of about 72 per cent. In some instances the department, under unusual circumstances, lent 100 per cent of the stock, and the average was 72 per cent.

Mr. FULMER. Will the gentleman yield at that point?

Mr. JONES. I will be pleased to yield.

Mr. FULMER. After the Secretary of Agriculture has made these loans to the extent of 75 per cent the total capital will then be invested in bonds and placed as collateral behind all of these individual loans.

Mr. JONES. Yes; I am glad my colleague has called attention to that point. When this stock is finally paid in it must be invested in bonds and put up with the intermediate credit bank against the capital stock of these local organizations and associations.

Mr. BRAND of Georgia. Will the gentleman yield?

Mr. JONES. Yes.

Mr. BRAND of Georgia. No farmer, as I understand this proposition, who does not own stock in the Agricultural Credit Corporation can borrow any money from it?

Mr. JONES. Any farmer whose paper is acceptable may borrow money from the agricultural credit corporation, and it may be rediscounted, if it is eligible, at the intermediate credit bank. They are not limited to the organizers. They can take care of anyone in the community who can comply with their terms.

Mr. BRAND of Georgia. But he has to own stock before he can borrow money on it?

Mr. JONES. The intermediate credit bank may require a small amount of stock, as they do in the intermediate credit system, but that is a matter for the intermediate credit system and not for the agricultural credit corporation. They must meet the terms of the intermediate credit bank, which, I believe, requires 5 per cent probably.

Mr. BRAND of Georgia. Under the present law no person can borrow a dollar from an agricultural credit corporation unless he owns some of the stock.

Mr. JONES. That is only a very small percentage of his loan and that is simply a further margin of security.

Mr. BRAND of Georgia. Does this bill propose that any farmer can borrow money from the agricultural credit corporation without owning stock?

Mr. JONES. This bill, I will state to the gentleman, does not undertake to amend the intermediate credit act at all. It simply provides funds for the establishment of agricultural loan corporations which, of course, must comply with the terms of the intermediate credit bank, if they function in that way.

Mr. TILSON and Mr. CAMPBELL of Iowa rose.

Mr. JONES. I yield first to the gentleman from Connecticut.

Mr. TILSON. Recalling the gentleman's attention to the illustration he gave a few moments ago as to how a farmer might obtain a loan of $1,000 under this resolution, I wish to see if I clearly understand him. First, some one determines that the farmer is worth, or has assets to the value of $2,000, which is double the amount of the $1,000 that he wishes to invest in one of these credit companies. With this showing he can get a loan of $750 from the Government by putting up $250 of his own, and thus he becomes the owner of $1,000 of stock in the credit corporation.

Mr. JONES. Yes.

Mr. TILSON. Then what does he do with the stock?

Mr. JONES. The stock, of course, is held as collateral for the Government loan until such time as it may be repaid. Then he will own it outright. The money, however, is put up with the intermediate credit system in the form of bonds that are purchased with the capital stock.

Mr. CAMPBELL of Iowa. I think the gentleman from Georgia is right when he states that under the present intermediate credit system, in order to borrow from that system you can not borrow as an individual, but you have got to form corporations, because I have gone through that matter myself, and I take it this bill is for the purpose of aiding these men who want to get together in groups; and I want to say further, in answer to questions that have been asked, there is not only the security they have by virtue of the 100 per cent that is placed in the corporation, 75 per cent of which is borrowed, but when they make these loans through the intermediate credit system, you will find out they take only the best class of security. In other words, if you have cattle that are valued on the market at $10,000, the maximum loan you can get is from 60 to 70 per cent of that valuation. This is in addition to the security of the 25 per cent that they would have in the corporation under this bill.

Mr. JONES. I thank the gentleman for his explanation.

Mr. WILSON. Will the gentleman yield?

Mr. JONES. Yes.

Mr. WILSON. I understand the purpose of the resolution is to authorize the Secretary of Agriculture to make loans to individuals in order that they may take stock in local agricultural credit corporations.

Mr. JONES. Yes.

Mr. WILSON. Why not arrange for the Secretary of Agriculture to provide proper funds to take stock in the local corporations?

Mr. JONES. It is always better, if it can be arranged on a sound basis, to have the control in the hands of local people in managing such things, because they are familiar with the credit of the community and know whose paper is good. Then you will have an interest on the part of those who own the stock to see that the investment, in a measurable degree at least, is a success.

Mr. WILSON. Suppose the local people have not got the collateral and can not put up the money.

Mr. JONES. That is exactly what we are endeavoring to do in this measure.

I want to state that under the previous loan bill two of these corporations were organized in the district which I have the honor to represent. They are both functioning now, while some of the banks are not functioning; in fact, in one place where such a corporation is functioning the banks have closed, but the Agricultural Credit Corporation is functioning and is furnishing money to the farmers and livestock men at a comparatively low rate of interest.

In this particular section, if the Secretary of Agriculture had not been authorized two years ago to do practically what is authorized here, that corporation might not have been formed, because local funds would not have been available for that purpose. If the provision had not been made, a great many people would have had to make crop-production loans, which are far less desirable than what is involved here.

Mr. LANKFORD of Virginia. Will the gentleman yield?

Mr. JONES. I yield.

Mr. LANKFORD of Virginia. The trouble with the farmers in my district is this, that the farms are mortgaged, and they have not been able to get good prices for their crops, they have not got the money to pay the taxes. Is this intended to help them?

Mr. JONES. This does not involve the land proposition at all.

Mr. LANKFORD of Virginia. Can the farmer call on them for a loan when he needs it for producing crops?

Mr. JONES. This simply offers a means for the livestock men and farmers, who have something to offer in the way of collateral, to secure the loan. The credit corporation may apply to the intermediate credit bank, and they are authorized to make funds available by way of purchase or rediscount up to ten times the capital stock. I think six times is about as far as they ever go, but the law permits 10 to 1. These $25,000 corporations when formed may thus be able to increase the available funds through the intermediate credit bank system.

Mr. ALLEN. Will the gentleman yield?

Mr. JONES. I yield.

Mr. ALLEN. I have a request from the receiver of a bank in my district; I think he has about finished the work as receiver of the bank. This gentleman is in close touch with the agricultural conditions in his section of the district. He reports to me that many farmers who are engaged in stock raising are without funds to buy the stock and carry

on their activities. He made application to the intermediate-credit bank in St. Louis to organize a local branch of the credit bank, and he says they sent him an outline for the plan and papers to organize in his local community. He winds up his request by saying that it would require $10,000. The picture is that he has not got the $10,000. How is he going to operate?

Mr. JONES. This bill authorizes a loan of three-quarters of the $10,000 to enable them to meet just such a situation as the gentleman has described. If we do not establish something like this, we will be face to face for years with the individual loan proposition on crop production, which is not a very satisfactory system, and should only be used in a great emergency.

Mr. WILSON. Will the gentleman yield?

Mr. JONES. I will.

Mr. WILSON. In this locality which I have described, where you have not the collateral to take stock in the local credit corporation, would not it be better for the Secretary of Agriculture to subscribe to the stock in the local credit bank?

Mr. JONES. Isn't this a sounder plan? They will have the local margin of interest, and as soon as the Government funds are repaid there will be entire local ownership and control. This system was suggested by the Department of Agriculture and by Mr. Wall, who has charge of the present administration. They, however, suggested 60 per cent rather than 75 per cent.

Mr. SANDLIN. They are taking 75 per cent as it is. The only question is where they are going to get the other 25 per cent.

Mr. LAMBETH. Will the gentleman yield?

Mr. JONES. I yield.

Mr. LAMBETH. I am interested in this legislation because of the acute situation in my district. Through no fault of mine, I was not in the Chamber when the gentleman from Texas explained the bill. I wish to ask this question—I have not had an opportunity to read the bill, which has just been handed to me: Does this bill create a revolving fund for the purpose of making advances or loans to individuals, under such regulations as the Secretary of Agriculture may prescribe, for the purpose of assisting in forming local agricultural credit corporations, livestock loan companies, or like organizations, as are now or hereafter may be qualified to do business with the Federal intermediate credit bank?

Mr. JONES. That is correct. That is, it transfers a portion of the old drought-relief fund to a revolving fund for that purpose.

Mr. LAMBETH. In other words, this bill has the same effect as the bill introduced by Senator GEORGE, if I understand correctly?

Mr. JONES. They are along very similar lines.

Mr. LAMBETH. Under the Reconstruction Finance Corporation act limiting the loans, as I understand, the limit to any farmer or any landowner is $1,600, or four tenants borrowing $400 each. In my State we have many large landowners, particularly in the cotton-producing counties, who operate from 5 to 100 plows. This is the only place where they can get credit to-day. In Raleigh we have the Growers Agricultural Credit Corporation, which has been functioning successfully for more than a year, and it is to get relief for that situation that I am making this inquiry.

Mr. JONES. I thank the gentleman for his contribution. That is what we are endeavoring to do here. We are simply endeavoring to establish a sound system of credit that can take the place of an unsound system.

I regret that I must reserve the balance of my time, because some others want to be heard.

I reserve the balance of my time, Mr. Chairman.

Mr. STAFFORD. Mr. Chairman, I ask recognition for one hour.

I yield 10 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Chairman, my knowledge of this bill began when it was laid before us a few minutes ago, and I may not address myself to details with any confidence, but the fortune that has enabled me to be a member of the Committee on Banking and Currency for a dozen years allows me to see the core of the bill and ask the attention of the House while I point out that this is the most dangerous proposition, in my judgment, that has been laid before the House in my term of service.

It is a proposal that ought to have had the consideration of the Committee on Banking and Currency, for it was that committee which created the Federal farm loan system and the intermediate credit banks. I mean no unkind stricture when I expostulate at the course of another committee in thus usurping the province of the committee which in part exists in order to consider this class of proposals. It is certainly a weakness in our parliamentary system that there may be brought before us from a committee that could not have been expected to ask this privilege, the consideration of so serious a measure.

Mr. JONES. Will the gentleman yield?

Mr. LUCE. Certainly.

Mr. JONES. This bill does not undertake to amend the intermediate credit bank act. Does the gentleman think that his committee should have jurisdiction of a measure which simply provides for lending money to certain groups for the purpose of organizing a corporation that is authorized by a measure presented by the gentleman's committee?

Mr. LUCE. Absolutely. It is before the House improperly, but I have no remedy, and I must address myself, therefore, to the principles of the bill.

Mr. JONES. I will say to the gentleman that the same matter was handled by this committee two years ago.

Mr. LUCE. It was then handled improperly, if that were the case.

Mr. SNELL. Will the gentleman yield for a question right there?

Mr. LUCE. Certainly.

Mr. SNELL. In regard to the matter that was before the House two years ago, as I understand, it was simply an emergency proposition, but, as I understand from a cursory reading of this bill, this is setting up a financial system that will be in vogue for years. I agree with the gentleman from Massachusetts that it is a matter that should go properly to the Committee on Banking and Currency.

Mr. JONES. In view of the statement made heretofore, I will state that, in my judgment, the whole intermediate credit system should have gone to the Committee on Agriculture, and that the reference to the gentleman's committee was wrong in the first place.

Mr. LUCE. Regretting that I can not agree with the gentleman as to the parliamentary situation and regretting that our system of parliamentary procedure permits us thus to be taken unawares, without opportunity for considering whether this should have gone to the committee that created the system involved, let me go to the core of the matter. From 90 to 95 per cent of our work here consists in developing policies established for the most part long ago. It is hardly once in a session that there is laid before us a proposal for an absolutely new policy. If this bill becomes law, it will be the first time, as far as I am aware, that we shall have committed ourselves to a permanent policy of furnishing money to individuals to buy stock in corporations. As a temporary matter, this may have been done, but not without time limitation. The camel is putting his nose under the tent.

Yesterday, in an address that deserves the perusal of every Member of the House who did not hear it——

Mr. JONES. Did we not do that in connection with both the Federal reserve system and the Federal land-bank system? Did not the Government advance the money for the stock in both of those propositions?

Mr. LUCE. I am not aware that the Government ever furnished a dollar to any individual to buy stock in the corporations mentioned.

Mr. JONES. Well, the Government bought the stock outright, which is even going farther.

Mr. LUCE. Oh, I can not discuss such sophistries. I desire to address myself to the fact that this is the first time

it has been proposed that the United States of America shall lend to individual citizens money with which to buy stock in corporations other than for temporary purposes under emergency conditions.

If I may complete the sentence which I started, yesterday there was delivered in this House an address by the gentleman from Arizona [Mr. DOUGLAS] which deserves the perusal of every man who did not hear it. He pointed out that in the last 10 years we have increased the running expenses of this Government by $1,000,000,000 a year; in that time we have increased the number of persons on the pay roll by 68,000, all in the development of ideas like this, which began with seeming harmlessness, that were of a temporary nature, perchance, or were never expected to develop into what gentlemen now characterize as a monstrous extension of the scope of government.

I point out in all kindness that this proposition comes from the side of the House whose principles from the time of Thomas Jefferson have all been contrary to such an idea as that of financing individuals to buy stock in corporations.

Now, what will follow? Gentlemen will say this proposal concerns activities clothed with a public interest. It is frequently brought to our attention that agriculture is the mainstay of the country. Here again I do not desire to discuss whether the brain, the heart, or the lungs are more important to the body, but I point out that if you lend money to men engaged in agriculture in order to enable them to buy stocks in corporations you will be confronted next with the proposal that the same thing be done for other lines of activity.

Let me illustrate. There is no industry, if I may call it that, no activity in this country that to-day bids fair to be more important in the long run than that of gold mining. Looking beyond the moment of depression and following the economists who are studying these subjects you may find that 10 years from now the supply of gold will be the most important thing not only to this country but to the whole world. Therefore it may properly be urged that gold mining is clothed with a public interest, and it may then be properly urged that it is the duty of Congress to furnish money to individuals with which to form gold-mining companies in order that they may supply us with a prime necessity of commerce and business. Then Congress may be called upon to follow that to other lines of activity. One after another the various groups or sections of this country interested in this or that line of endeavor will come before us and say that the welfare of the country is concerned, and that we can only advance the welfare of the country by helping the welfare of this or that activity and we ought to do it by furnishing money to individuals to form corporations.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. LUCE. I am not prepared to say, sir, that as the years pass this sort of thing may not come to be thought a proper function of government.

"The world advances and in time outgrows the laws that in our father's day were best." Perhaps a hundred years from now we shall find all business centralized in Washington, if this Nation still endures, though it is difficult to see how it can endure under such a system. However, a hundred years from now we may find the Public Treasury used to finance every citizen who wants to work. A man will come here and say that what he produces is for the welfare of the United States. "I can only produce it if you will finance me, if you will lend me the money with which to form a corporation."

The logic of the thing brings us to a state of affairs that even in Russia is not more fully achieved. Nothing can be more sovietistical, if I may coin the word, than a policy of financing individuals in all their lines of endeavor.

Do we want to go in that direction? Perhaps we do. Perhaps gentlemen from the farming districts will say it is time to engage in such a program, but if they do say that, they ought to form a new political party. They ought to forget all memory of Thomas Jefferson. They ought to desert the banner under which they and their predecessors have marched so bravely and happily through a century and more. They ought to throw overboard the idea upon which we have based our prosperity, the idea that the individual should be left to work out his own salvation. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. STAFFORD. Mr. Chairman, out of the hour at my disposal I ask for recognition for 20 minutes.

Mr. Chairman, when the chairman of the committee stated that this principle had been heretofore recognized by legislative enactment I was astounded, for I do not recall when the proposal involved in this bill was ever under consideration in a prior Congress. Certainly never in the history of this Government have we launched upon the sovietized idea of the Government loaning money to individuals with which to purchase stock in private corporations, to purchase stock to the amount of 75 per cent of the face value of that stock. That privilege is to be accorded to a certain class of our people which does not have a greater indebtedness on its property than 50 per cent, subject, however, under the terms of the bill, that there shall be an investigation to see whether the individual might have theretofore borrowed more than 50 per cent of the value of his property. Upon this bare showing and nothing more an individual will be privileged to get a loan to the extent of 75 per cent of the face value of the stock, to be invested in the stock of a private corporation that is to be formed.

This is the wholesale appropriation of the people's money without any security whatever—no lien on the stock to be issued, nothing but a gift to an individual to be invested in a certificate of stock of a certain prescribed kind of private corporation. This Government has become an eleemosynary institution for a certain mortgaged class who is without property to secure a private loan, which the Government extends as a generous Santa Claus.

If we launch into this policy, why, there is every conceivable character of private endeavor where we will be asked to allow Uncle Sam's Treasury to be opened to individuals to buy stock in private corporations under certain terms.

Mr. JONES. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. JONES. Does the gentleman think it is going any further to make loans to individuals than it is to do what we did under the $2,000,000,000 Reconstruction Finance Corporation act in lending to corporations and banks and insurance companies?

Mr. STAFFORD. Ah, there we authorized loans as a temporary means to palliate existing conditions to corporations that could furnish adequate security, to corporations that are established, mostly to banking institutions throughout the country, to merely aid them in this depression by extending additional credit. There you have capital and you have back of it all the assets of these great institutions. Here you are seeking to lend money to the individual, without any security whatsoever; advancing Government money to be invested by him in the purchase of capital stock in a private corporation.

Mr. JONES. But in that instance the Government guarantees the stock and bonds up to $2,000,000,000 and pays any loss.

Mr. STAFFORD. The Government does not guarantee it. It is the banks and the individuals to whom the money is lent. The gentleman can take his time to explain that.

Mr. JONES. All right.

Mr. STAFFORD. It is the bank that guarantees the loan, it is the railroad that guarantees the repayment of the loan, and they have to furnish adequate security against the loans that are made.

Mr. JONES. Will the gentleman permit another question, and then I shall not bother him again?

Mr. STAFFORD. I will ask the gentleman this question and allow him time to answer it: When was such a proposal ever considered before on the floor of the House?

Mr. JONES. This same proposition was considered two years ago in the consideration of the drought-relief program.

Mr. STAFFORD. It was never considered.

Mr. JONES. And there are 52 functioning agricultural credit corporations and livestock loan companies to-day under that authorization.

Mr. STAFFORD. It was never before considered on the floor of the House, never considered before in debate, and, mark you, gentlemen, never in the history of the Government has there ever been a direct legislative enactment authorizing loans of money from the Treasury to individuals, and in this instance to do what? To form a private corporation; and what more? We have here a report that has not even got any recommendation from the Secretary of Agriculture.

Mr. JONES. Will the gentleman permit me to call his attention to the law——

Mr. STAFFORD. I have read that. It was called to my attention a moment ago, and what does that law provide? It was not considered on the floor of the House. It was not given any consideration. What does that law provide? The act of February 14, 1931, I believe the gentleman is referring to.

Mr. JONES. Yes.

Mr. STAFFORD. It was just a year ago. The whole phraseology of that law shows that it was temporary in its character, just for the time being, and the very last sentence of that law says:

> The advances in loans made pursuant to this act and amendments thereto shall be secured by liens on crops or by other security.

This was carrying out the fundamental idea of the loan act, that when loans were to be made to these farmers for seed, for gasoline, and for feed, we would take a lien on the existing crops. I do not recall how many years ago it was when the Government first launched on this policy of making loans direct to farmers for the purchase of seed. It was to afford relief to the farmers in the drought-stricken area of North Dakota. Uncle Joe Cannon, of favorable memory, rose on the floor of the House and attacked it as being socialistic in its tendency. We have seen that little seed grow from year to year until the last Congress we voted $20,000,000, and this Congress in the $500,000,000 Reconstruction Finance Corporation measure we authorized $200,000,000 and more to be loaned to the farmers of the country for the same purpose—to purchase seed, to purchase feed, and to purchase gasoline, to be secured by a lien on the crops; and the testimony shows that about 80 per cent, if I am liberal, of the funds that had been loaned under prior acts had been returned to the Treasury.

But here you are establishing a policy of having Uncle Sam furnish money direct to individuals. If you are warranted in furnishing money direct to individuals to form a private corporation or to buy certificates of stock, why, then, we will be in the same position and have a precedent to haunt us so that every private merchant who is in distress will have the privilege of coming to Uncle Sam and asking that Uncle Sam's money be used to purchase shares of stock to form private corporations. Every home dweller and every member of building and loan associations would have an equal right under the same conditions to come here and say, "I am in distress; I am out of work; I need money, and my home is going"; or to take the counterposition, "I need money to build a home." We are all in favor of a country of home owners, and they would say, "I have got a little piece of land over here on which there is no mortgage"—but under this law he could have a mortgage of 50 per cent—"let me have a loan to the extent of 75 per cent of the value of my equity so I can go and buy building-and-loan stock."

Mr. FULBRIGHT. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. FULBRIGHT. The gentleman referred to socialism. I would like to know whether or not this bill, authorizing loans to organizations and to relieve individuals in distress, would more likely lead to socialism and open the door to the Treasury of the United States than the relief to great corporations, who, as the result of their own mistakes, were about to become victims of their own folly?

Mr. STAFFORD. Oh, I have to differ with the gentleman's premise, that the condition of these corporations has been brought about by their own acts. They are merely the creatures, like individuals, of an unfortunate situation. I believe, fundamentally, that the various localities throughout the country, the individual localities, the individual States, should look after the destitute within their borders, and Wisconsin is not coming to the National Congress and asking for public relief. My State is meeting that condition by taxing our own people, doubling the income tax, like the State of New York has doubled its income tax, and providing funds to meet the individual condition. I am not in favor of every little locality shifting its responsibilities to meet the conditions prevailing there upon the shoulders of people in other places who are sharing and meeting the burdens of their own communities.

Mr. CHRISTGAU. Did we not adopt a similar system in the establishment of the Federal land banks, when we loaned money to the individual farmers? This is merely a short-term credit, and providing the machinery for it.

Mr. STAFFORD. Under the Federal farm loan act we established some 12 Federal land banks, with $750,000 capital each, or a total of $9,000,000, and they were scattered in different sections of the country, and we authorized that loans should be made to individuals and organizations on acceptable security. Some of that money was to be contributed by the National Government and other money by private stockholders. Then later on we established intermediate-credit banks, under which the Secretary of the Treasury was authorized to purchase some of the stock, and the balance of the stock was authorized to be purchased by the individual and farm organizations. But nowhere, at no time in the history of this Congress, have we ever authorized public funds to be advanced to individuals for the purchase of shares of stock in private corporations.

Mr. SNELL. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. SNELL. I think I am familiar with all of the seed loans, and at that time the proponents of those acts simply said it was an emergency act and would not establish a precedent.

Mr. STAFFORD. Oh, they have always been emergency loans, terminating at the end of the year, and if the conditions continued they would be extended for another year; but in no case has the loan been for more than two years.

Mr. SNELL. And the same people who said that it should not establish a precedent are now citing it as a precedent for loaning money to individuals.

Mr. STAFFORD. Yes; but they are out-Heroding Herod in their rapacity to get at public moneys. There is nothing in the bill that limits these provisions. It is for all time. It is a permanent policy of this Government that public funds shall be loaned to private individuals to purchase stock in a private corporation.

Mr. SNELL. I agree with the gentleman, and that matter has not been before Congress before.

Mr. STAFFORD. It never has been considered at any time, and I challenge any gentleman on either side of the aisle to cite one line of discussion on the floor of the House where this principle was ever under discussion.

Mr. LUCE. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. LUCE. The gentleman spoke of the possibility of helping people in distress. I call the attention of the committee and the gentleman's attention to the fact that there is not a word in here about distress, and that there is not a word here that prevents a man from borrowing $75,000, if he chooses, in order to buy $100,000 of stock, if he wants to put up the other $25,000. It is not limited to the poor man; it is not limited to the man in distress; it has no limit—the sky is the limit.

Mr. STAFFORD. It is not limited to the poor man; it is limited to the man who has land, it is to permit loans to the landed gentry of the country, such landed gentry as

have 50 per cent of mortgage on their property, and you are going to allow them an additional loan, not secured by a lien on the crops, with no security at all, to 50 per cent of the estimated equity.

Mr. COLTON. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. COLTON. Between the method, however, of continuing these seed loans and the establishment of some permanent policy of this kind, granting that we will continue to make seed loans, is not this method preferable to the other?

Mr. STAFFORD. By no means. I bottom my opposition on principle. I am no ephemeral opportunist advocating here a policy that is opposed to the fundamental principles of my Government. No; a thousand times no; because the loan principle is not going to persist for all time. God forbid that the farmers of the country are always going to be in this prostrate condition. The industrialists, the workers of the country, the little storekeepers, are just as much embarrassed at the present time as are the farmers. In my State the farmers are better off than the industrialists. In Wisconsin the farmers are generally in a fair condition. It is generally accepted that there is not much destitution in the farming districts of Wisconsin. That is the report of the survey made by the State government.

The destitution is in our industrial centers. This bill would launch the Government for all time on the policy of allowing loans to individuals to be invested in private capital stock, and I say right here and now without any security whatsoever, because what is the security we are getting to the amount of 50 per cent of the value of an equity, when 50 per cent has already been mortgaged on the property?

Mr. FULMER. Will the gentleman permit me to tell him about the securities?

Mr. STAFFORD. The gentleman has had his time. My time is occupied.

Now, I am not going into a discussion of the intermediate credit banks, farm-loan banks, and joint-stock land banks. We went pretty far at the close of the war in loaning funds of the Government to come to the relief of the farmers by creating these instrumentalities. It was represented that the mortgage bankers in the agricultural South and West were charging 8 per cent, 10 per cent, and 12 per cent for mortgage loans.

We established these Government agencies whereby the interest rates on such loans have been cut down to 5½ and 6 per cent, and it was on that idea that I subscribed to and voted for the establishment of those agencies, so that the local mortgage bankers of those localities would not hold up the farmers. Those agencies have proved efficacious in cutting down the outrageously high mortgage interest rates that were charged prior to the establishment of those agencies.

Mr. Chairman, I view with great alarm any bill such as this being incorporated on the statute books. I have served here long enough to know the danger of precedent. Once establish this proposal, and there is no hope whatsoever for our adhering to the fundamental Jeffersonian principle of having the Government keep out of business. We are launching right into the individual's affairs—agriculture in this instance, industrial in the next, and commercial in the next. I regret that this bill is in such broad terms that it will establish a policy that will come to haunt us not only to-day but in future years of the Government. Let us hold fast to the principles on which our Government was founded, against using the trust funds of the Government for the private venture of the individual.

I reserve the balance of my time, Mr. Chairman.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Chairman, one hesitates to take the floor after the very scholarly address made by our distinguished colleague the gentleman from Massachusetts [Mr. LUCE] and attempt to argue a proposition in the field of legislation to which the gentleman has given his attention for the last 10 years. I am not now undertaking to launch myself into that field with any hope that I shall be able to cope with the gentleman, but I do want to make this frank statement before the committee, that in my humble judgment the difficulties the gentleman believes we are entering upon and the fears with which the gentleman views our entrance into this field, it seems, are answered by the one fact that can answer it, that is, the actual success of organizations of this kind that have been set up with the very careful supervision that has been given them by one of the keenest young departmental men I have had the opportunity to observe in a long time.

Time after time during the debate upon the Reconstruction Finance Corporation proposition we heard it echoed around this hall that the sum total of the benefits of this particular proposition, the success or failure of it, will depend upon the men who are to administer it. I am here to say to my friend the gentleman from Massachusetts, who on matters of government is so upright, that upon frequent occasions he leans over backward, I would leave it to him, with his discriminating and rare judgment and fine erudition and great eloquence and all the other qualities that we admire in him so much, as to whether the gentleman in charge of this particular activity would insure complete confidence and whether there was any danger in adopting or making use of this principle, or in its actual operation, as far as bringing benefits to those whom it was desired to aid was concerned.

I simply make that statement because I believe in making it I would have the support of every member of the committee who has had an opportunity to observe this young man and who know his qualities.

Now, in response to my good friend the gentleman from Wisconsin [Mr. STAFFORD], who is always here when agriculture is under consideration, I would say that I am surprised to know that the gentleman, the watchdog not only of the Treasury but of legislation, will stand on this floor and admit that in February, 1931, a proposition of this kind passed the House without the gentleman's eagle eye resting thereon.

Mr. STAFFORD. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. STAFFORD. Will the gentleman cite one line of that act where it states we are authorized to loan money to individuals to buy stock?

Mr. KETCHAM. I do not have the act before me.

Mr. STAFFORD. I will furnish it to the gentleman.

Mr. JONES. The first part of the second paragraph covers exactly the same proposition. There is not a whit of difference.

Mr. KETCHAM. I read this language:

> In addition to the sums herein authorized and appropriations made thereunder, there is hereby appropriated to be immediately available out of any money in the Treasury not otherwise appropriated, the sum of $20,000,000 to be used by the Secretary of Agriculture for the following purposes: To make advances or loans to individuals in the drought or storm-stricken areas, or for the purpose of assisting in forming local agriculture credit corporations.

Now, that is a loan to individuals for the distinct purpose embodied in this act.

Mr. STAFFORD. There is not a word about authorizing a loan to an individual to purchase stock and take stock security.

Mr. KETCHAM. Now, members of the committee, I just leave it to you whether or not the loaning of money to individuals to assist them in forming corporations is not identically the same in form and meaning as the language incorporated in this bill?

Mr. WHITTINGTON. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. WHITTINGTON. The language of the present bill and the language of the bill which the gentleman read is not only similar but it is identical, word for word.

Mr. SIMMONS. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. SIMMONS. Under this resolution, if it should become law, would it be possible for a group of farmers who desired,

for instance, to buy dairy cattle to secure a loan up to 75 per cent, and form an association in order that they might borrow from the intermediate credit banks?

Mr. KETCHAM. That is the purpose of it.

Mr. SIMMONS. And it would enable the farmers to form that sort of corporation?

Mr. KETCHAM. Exactly.

Mr. HARE. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. HARE. I am sympathetic toward this legislation, but I want to ask for information. Suppose the gentleman and I were farmers and the gentleman were to furnish $25,000?

Mr. KETCHAM. Oh, that is too much.

Mr. HARE. Well, we will make a supposition, contrary to fact. And suppose I were to furnish $25,000. That would make $50,000. Under the provisions of this act we would be entitled to borrow $150,000 and set up an agricultural credit corporation of $200,000. Is that correct?

Mr. KETCHAM. I so understand it.

Mr. HARE. I want information, and I want this made clear. That is the way I interpret the bill.

If an individual or two or three individuals or more individuals put up 25 per cent of the proposed stock, then under this act the Secretary of Agriculture will loan the other 75 per cent.

Mr. KETCHAM. That is the purpose of it.

Mr. HARE. What I wanted to get at is this: Under the illustration I gave, if you and I formed this agricultural credit corporation, then we would in effect have a banking institution, and I think that will facilitate the loaning of money to individual farmers, but I am just wondering whether or not somebody, not you and I, who would have the $25,000 each, would set up an organization of that kind and establish a banking institution in competition with others.

Mr. KETCHAM. I am glad the gentleman asked that question because that matter came within the purview of the committee a number of times. The set-up of these organizations not only adds to the number of subscriptions and the character of the security that is behind the amount of money that may be loaned but as to the whole management of it is very carefully safeguarded and has been worked out by very good rules and regulations, and I think they have been and will be very capably administered. May I say further to the gentleman that it developed that in the earlier days, when these matters were not so carefully safeguarded, some condition like that indicated by the gentleman developed, and the care in drafting this language and the regulations now provided are intended to offset and prevent a recurrence of that very thing.

Mr. HARE. Then there would be no opportunity for you and me, under the illustration given, to exploit the farmers in the community in which we were dealing?

Mr. KETCHAM. The opposite is the intention and the plan, and I think it is very carefully safeguarded both in the legislation and its administration.

Mr. BURTNESS. This bill has the unanimous approval of the Committee on Agriculture?

Mr. KETCHAM. It has. Now, may I say that this legislation comes in as emergency legislation. The gentleman referred to the seed loans as emergency legislation. Indeed, they were; but, my friends, no one around this Chamber this afternoon who claims to have any knowledge of the agricultural situation will dispute the fact that the present agriculture-credit distress is far more serious than it was when these seed loans were made. So, friends, there can be no manner of question but what this particular agency is very much desired at this time. With reference to the other emergency legislation—the seed loan legislation—may I say that this is designed to be used instead and as a sort of buffer against any undue expansion of the seed-loan proposition, which, as the chairman has so well said, has led us into considerable difficulty. Back of these corporations there is to be the best of security, namely, the assets of the men themselves who subscribe for this stock, and that is very carefully safeguarded.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. KETCHAM. May I say, in conclusion, gentlemen, that the evidence before the committee indicated that in certain particular sections of the country, where certain lines of agricultural activity are followed, which do not terminate with the seasons, but which run into a range of two or three years—and particularly is that true of the livestock industry—this particular agency has been of great help.

I am not going to plead for the passage of this bill because it will be of any particular value to my State. I think there is no agricultural credit corporation set up in my home community. It was called to their attention, but they did not seem to care to avail themselves of it; but I do know from the evidence presented that it did render splendid service in other regions.

Mr. SNELL. Will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. SNELL. In section 3 it is provided that—

> No loan or advance shall be made to any individual upon the capital stock of or to create or increase the capital stock of any corporation, unless the capital stock of such corporation shall be at least $10,000.

That means paid-in capital stock.

Mr. KETCHAM. That is paid-in capital stock. The original capital was $25,000, but it was believed it would be better to reduce it to $10,000.

Mr. SNELL. That does not mean authorized capital stock to that amount and $500 paid in?

Mr. KETCHAM. No. I submit, gentlemen, this measure, as alarming as it appears to some Members of the House, has the unanimous support of the Committee on Agriculture. We have been voting literally millions, and running into the billions of dollars, for assistance in other avenues of industry in the United States, so certainly we ought not to feel that the setting aside of $10,000,000, involving no new appropriations, but appropriations that have been repaid, should be used for this activity. It certainly seems we ought not to feel we are endangering the credit of the United States or that we are entering into any new, astonishing or dangerous proposition. I certainly hope the measure will have very large support.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I yield five minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Chairman, a few minutes ago, my good friend from Wisconsin [Mr. STAFFORD] stated that this was a very unusual bill. I want to state to my friend that within the past few weeks we have passed a good many very unusual bills. In connection with the statement made by the gentleman from Massachusetts [Mr. LUCE], I hope the committee will not take his objection very seriously. The gentleman is usually so busy in looking after adequate tariff rates for industry in the New England States and giving his time to the authorization of appropriations to be loaned to railroads, banks, and building associations that about all the time and aid he has to give the farmers is to extend to them his sympathy.

There has been something said as to the collateral in connection with these loans. I want to say to the gentleman from Wisconsin that out of all of the bills you have passed recently wherein you propose to loan millions there will be no industry or bank able to put up better collateral than we will have under this set-up. For instance, you take a corporation of $25,000. Seventy-five per cent of it will be loaned by the Secretary of Agriculture to farmers to pay for stock, and the stockholders will put in 25 per cent. The total capital of $25,000 will be invested in bonds and turned over to the Secretary of Agriculture as collateral for the whole of the 75 per cent and, therefore, there is no possible chance of a single loss in connection with these loans.

I want to say also to the committee that this is a piece of emergency legislation, and unless you do something in this Congress to set up proper machinery to give the agricultural interests of the country production credit, you are going to have to continue making seed loans which to my way of thinking are very unsound and very unsatisfactory.

I happened to have worked with the Secretary of Agriculture last year in setting up one of these associations, and I may say to the members of the committee that you need not be uneasy as to how many stockholders will be required to come in or as to the type of officials in these organizations, because the Secretary of Agriculture has full power and full control in either accepting or rejecting applications for loans and the set-up of these associations.

I want to say to my good friend from Georgia [Mr. BRAND] the trouble about the associations in my State and the associations in his State is that they were set up under the immediate credit bank act which was passed by the Congress, largely and in most every instance by speculators who organized for the purpose of selling fertilizer and making profits, and they did rob the agricultural interests of your State and of my State, and these associations were absolute failures. Under this set-up, with the safeguards and with the administration largely in the hands of the Secretary of Agriculture, farmers will not have such treatment and they should be successful.

Mr. BOILEAU. Will the gentleman yield?

Mr. FULMER. Yes.

Mr. BOILEAU. As I understand the bill, under section 2 if a farmer has a $20,000 farm and has liabilities to the extent of $11,000, or over one-half of the value of his farm, he is not eligible for a loan, although he may have a $9,000 equity in that farm; is that correct?

Mr. FULMER. He would be eligible for a loan because of the largeness of his equity in the farm.

Mr. BOILEAU. The section states that a credit statement must show that the individual is not indebted in an amount in excess of one-half of the fair market value of his assets.

Mr. FULMER. May I state to the gentleman that that will be passed upon by the Secretary of Agriculture, and the type of man making application for the loan, as well as his resources, will have quite a lot to do with it?

Mr. BOILEAU. It seems to me the language clearly prohibits any such loan if the debts are more than one-half the fair market value of his assets.

Mr. FULMER. I would like to state to the committee that I believe one reason that these associations have failed and have not functioned properly in the past is because the intermediate-credit banks are under the jurisdiction of the Federal Farm Loan Board. I believe they should be under some other department of the Government more interested and more closely in touch with agriculture. I have a bill pending now before the Banking and Currency Committee proposing to transfer the activities of the Farm Loan Board, as they relate to the intermediate-credit banks, to the Department of Agriculture, where they can be properly and sympathetically administered.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Chairman, I am very much surprised that the gentleman from Massachusetts [Mr. LUCE] and the gentleman from Wisconsin [Mr. STAFFORD] have found this to be such a dangerous piece of legislation in so short a time. We have 23 members on the Committee on Agriculture. We had hearings before the committee. We had representatives of the Department of Agriculture before us asking for the legislation, and it is very strange that the Department of Agriculture, with the aid of the committee, could not find any danger in this piece of legislation after a careful study of the matter. The truth is there is no danger in it whatever.

We have in my State a similar proposition which was set up last year, and I called your attention to the fact on the floor of the House that when we were seeking aid in our State during the drought, we borrowed in that State about $10,000,000 from the Government, but this was not sufficient to meet our needs. The State legislature passed an act to set up a similar corporation to this one that could extend loans, and they set up, in connection with an intermediate credit bank in St. Louis, an agency, and they loaned $9,000,000 additional money in the State last year. I saw a statement in the Arkansas Gazette last week, and you perchance saw it here on the rack, that every dollar of that $9,000,000 was paid back, and that they had tendered them this year, under the same plan, $12,000,000 worth of credit.

This is the right kind of legislation. It hits the spot. Let me tell you another thing. I never had a clearer demonstration in my life of the need of direct contact with the farmer to give him aid than what we learned from the lesson we had last year in lending him money. I want to say to you that if you can reach him with credit at a low rate of interest, you are doing more for agriculture than you will be able to do in almost any other way.

Another thing that this bill does is this. There are many communities in the United States which have no bank to which they can go for credit or to get a loan; they have no means of getting credit. They have agriculture there and they have men who are financially able to set up a corporation of this kind, and 10 of them can take $1,000 each and set up one of these associations and receive a loan and then they can finance themselves.

This is to help the farmer and to take some tension off the little banks that you and I know are struggling to keep their heads above water. It will aid them, and it will aid agriculture.

I want to say to you that we have passed several measures looking to the relief of the conditions that we have; but when you get under agriculture, to raise it where it ought to be, you will give credit back to the banks, make business for the railroads, and start the wheels of progress. [Applause.]

Mr. MAY. Will the gentleman yield?

Mr. GLOVER. Yes.

Mr. MAY. I am for everything that will aid the farmer. When I have considered this resolution I will probably be for this; but the gentleman has said that the farmers obtained last year $10,000,000 in loans. I assume that they obtained those loans from the Federal land banks.

Mr. GLOVER. No; they obtained it direct as a part of the drought-relief fund.

Mr. MAY. How did they obtain it directly?

Mr. GLOVER. Direct to the individual himself; and about 90 per cent of that has been paid back.

Mr. MAY. Would it not be better to extend the power and privileges to the farm loan banks?

Mr. GLOVER. No; I want it extended directly to the farmers, where they will not waste so much of it in getting it to him. I want it to go directly to him at a low rate of interest.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. CAMPBELL].

Mr. CAMPBELL of Iowa. Mr. Chairman, the gentleman from Wisconsin said that he viewed with alarm the provisions as set out in this bill. I wish to say to the ladies and gentlemen of this House that it is time we viewed with alarm some of the conditions that exist, not only in the whole country but especially the conditions in regard to agriculture.

I have only a few minutes to speak, and I do not want to spend much time telling you of conditions in my part of the country.

In 1924 we had 13 banks in my community to take care of the financing of the farmers. To-day, out of those 13 banks, there are 11 banks left. The deposits, which were generally distributed in farm loans, have been reduced to less than one-third.

Now, something has got to be done. I have assisted in the liquidation of several banks. To-day farmers are ask-

ing me where will they get the money to finance and carry out their operations.

In other words, the banks have a chattel mortgage—banks that are in liquidation now have chattel mortgages—on the personal property used in the operation of the farm.

The question comes, as I said before, Where are you going to get the money? When the banks are closed, when they are in liquidation, where can the farmers get the money? You know and I know that when it comes to agricultural industry it involves the livelihood of over 30,000,000 people and is the very foundation, as has been said on this floor, of our very civilization.

I say to you, and I say to the gentleman from Wisconsin, that I do view with alarm—not the provisions of this bill, as much as the conditions that exist out there.

How will this help? In the first place, $2,500, with the $7,500, is money enough to take care of these men and women out there who are engaged in the farming industry. I say to you that I went further than I ever supposed I would go, when I voted for the reconstruction bill, when I voted for all these measures that came from the White House and through the Democratic organization, to keep this country on its feet.

Now, to-day, for the first time in the present Congress, you have got down to the very meat of the situation, when you are doing something for the benefit of the farmers. I think of all the bills that have come up here, this bill goes to the very foundation of helping out the country in this crisis.

Mr. BALDRIGE. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL of Iowa. Yes.

Mr. BALDRIGE. I see in the report that the measure does not require any new appropriation, that there is $10,000,000 of unexpended balance of the drought-relief money. I had a talk with the Secretary of Agriculture about a week ago and he said that that figure was $7,000,000, and at that time they had opened up this $7,000,000 for some other relief in the Middle West, particularly in the northern part of Nebraska. A good deal of that has been taken away from this figure of $10,000,000, and it must have been greatly reduced.

Mr. CAMPBELL of Iowa. As far as the provisions of the bill are concerned, I think the gentleman better address that question to the chairman of the committee or to a member of the committee. I am like the gentleman from Massachusetts [Mr. LUCE]. The first I knew of this bill was when it first came up. If gentlemen will read from line 20 to line 24 they will find that the regulations are very strict that surround the organization of these companies, and the loans to be made to these companies are all supervised through the Secretary of Agriculture. If he feels it is being mismanaged, if he feels that the loans are not of the right kind, he can immediately call in the loan that he has made. Every safeguard in the world surrounds the formation of these organizations, and they are good regulations at that. I certainly hope that all bills that we have passed here will have the support of the Members of this House. [Applause.]

Mr. JONES. Mr. Chairman, I yield four minutes to the gentleman from Illinois [Mr. ADKINS.]

Mr. ADKINS. Mr. Chairman, I do not think that we need discuss the necessities for a loan agency of this kind. One has been in successful operation for a good while. The representatives of the Department of Agriculture on a direct question from myself said that they had gone as far as they could and that they needed additional capital to proceed along this line. If the activities of the intermediate credit banks should stop right now, at a time when a large number of men need credit, I think it would be a very serious handicap. My boy was in Chicago last week with cattle. He writes me about men being there, men whose credit is good, with cattle that they had bought at from 8 to 9 cents a pound a year ago which they were selling at from 5 to 7½ cents a pound. Ordinarily a man feeds cattle on borrowed capital. These men will have to go back and make up the loss which they have sustained this year, and unless credit is given to them they will either have to suspend operations or else find some other means of credit. In some sections of the country that means the credit is all gone, and will be gone unless we provide means like this so that they may receive credit. If they have reached their limit and can not function any further, then we have either got to stop that activity and handicap those particular agriculture activities or else make the appropriation to continue. I have not heard it charged by anybody that the intermediate credit bank operations have been unsound or that we have suffered any great losses by reason of those operations. I do not suppose we will ourselves want credit in our neighborhood, because we have credit facilities there. Take the matter of corn. Nobody wants to sell corn at the price that is offered now, and under our warehouse act we have had the sealer seal the corn, and in the intermediate credit bank a good many dollars were borrowed on as good security as there is in the world. A man is not allowed to touch that corn until he does sell it. That enables a man to wait until he can see whether the market reacts to his advantage, so that he may not be compelled to sell his corn at less than the cost of production. These activities of agriculture must either cease in certain sections of the country or we must make this appropriation in localities where there is no likelihood of their having any credit for the next 12 or 15 months. I would not myself go into a credit organization when I could get credit some place else, but there are many communities where they are entirely without credit facilities. This seems to meet the situation. This seems to be where the farmers can get together and, through this agency, procure the means to carry on their business operations. Otherwise, if they have reached the end of their facilities, as they say they have, the activity must stop. Each locality must cease to function except on what resources they have, and in such localities where the banks have failed their resources are very limited. Our livestock farmers in many localities will avail themselves of this means of credit. Many of them will have to cease their operation during the next year. Now, that means something to everybody. [Applause.]

Mr. JONES. Mr. Chairman, I yield the remaining time on my side to the gentleman from Missouri [Mr. FULBRIGHT].

Mr. FULBRIGHT. Mr. Chairman, in the first place, I desire to say that I do not want to be understood as an enemy of big business. I believe in big business, honestly conducted and efficiently managed, and I believe in giving the same consideration to individuals as is given to corporations.

I was very much impressed a few moments ago by the remarks of my distinguished friend, the gentleman from Massachusetts [Mr. LUCE]. On different occasions I have heard the gentleman speak on the floor of this House. Invariably when the big business interests of the country are at stake, the gentleman from Massachusetts rushes to their assistance, but in all the remarks of the gentleman to which I have listened, I have never heard a word that carried a ray of sympathy for the common man. We are justified in coming to the relief of the business interests of the country in this emergency, but we ought not forget that the common people ought also to receive some consideration in a great republic like this, and to this class the farmer belongs. [Applause.]

Now, Mr. Chairman, in view of the remarks made yesterday by the distinguished gentleman from Arizona [Mr. DOUGLAS], and the suggestion of the introduction of a resolution by the gentleman from Tennessee [Mr. BYRNS], and the gentleman from Oklahoma [Mr. MCCLINTIC] relative to reorganization of the administrative departments of the Government, I want to refer to that matter for just a moment.

With a deep appreciation of the need for a careful and specialized study of the entire problem of reorganization of the Federal Government, and with special consideration of the functions, responsibilities, and activities of every establishment, I introduced February 1, 1932, H. R. 8690 to establish a survey board for the purpose of making a survey to determine what action should be taken to increase efficiency

and reduce the costs of administration, with respect to (1) eliminating useless boards, bureaus, commissions, and other agencies; (2) merging or consolidating boards, bureaus, commissions, or other agencies whose functions are related, overlapping, or duplicating; and (3) modernizing, systematizing, and standardizing the departments and agencies of the Federal Government.

This bill proposes that this survey board shall consist of five members, four of whom shall be appointed from among individuals not in the service of the United States Government who are political economists of outstanding ability, the chief of the bureau of efficiency to be ex officio chairman. I understand the resolutions to which I have referred provide for a committee composed of Members of Congress to do this work. If the results sought can be secured more quickly, I shall be heartily in accord with that procedure.

I realize that if a survey and recommendations to Congress be made only to be brushed aside and disregarded this legislation would avail nothing, and the same unscientific, slipshod methods would continue, with consequent waste and extravagance. However, if the intent and purpose of this legislation is realized, it will be an economy measure of first magnitude. No person who is familiar, even in a general way, with the administration of the affairs of government has the slightest doubt but that if useless boards, bureaus, commissions, and other such governmental agencies were eliminated and related, overlapping and duplicating functions were consolidated, it would substantially reduce the costs of government and mean a saving to the taxpayers of the country of hundreds of millions of dollars annually and at the same time increase efficiency and improve the service. The application of the practical principles of private business in the affairs of government would save millions annually to the taxpayers, whereas the application of our present methods in private business would force them into bankruptcy within a few years even in normal times.

In every campaign for many years candidates for Congress of both major parties have declared against useless boards, bureaus, and commissions and the duplication of governmental functions. Candidates for the Presidency of both major parties have likewise expressed their views in pronouncements equally as definite. Platform declarations of both major parties have repeatedly condemned this situation and pledged the respective parties to needed reform.

There are some boards, bureaus, and commissions that might be abolished, some duplications that might be eliminated, without a scientific investigation—for instance, the Farm Board that has relieved the farmer of practically everything he had except his mortgages and deeds of trust. But everyone will agree that in a general program of reorganization, elimination, and consolidation a scientific study and survey should be made by a competent board composed of men broad enough and patriotic enough to rise above favoritism and political expediency, who will keep in view only the public good. In other words, in seeking to remedy the situation resulting from our impractical methods we should not hastily employ similar loose methods in attempting to effect a solution. A comprehensive reorganization and consolidation of the various agencies of the Federal Government, the elimination of duplicated and related functions which could be accomplished would ultimately result in a tremendous reduction of taxes. The President is talking a great deal about balancing the Budget, and in order to do so is very insistent upon increasing taxes. I feel that he should be just as earnest and insistent about balancing the Budget through economy and lowering the costs of government.

Never before has there been greater need nor a more insistent demand on the part of taxpayers of America for relief from profligate expenditures and high taxation. We are to-day in the midst of a panic—and I use the word "panic" advisedly—unprecedented in its extent and intensity. It has driven millions into the ranks of the unemployed, brought hunger and distress to thousands of once happy and prosperous homes, filled the poorhouses and asylums with the poverty stricken and insane, and marked its pathway with the crimson blood and dead bodies of suicides. Yet when the great corporations, international bankers, and bond brokers, responsible largely for the present plight of the small bankers, business men, and farmers, were about to become the victims of their own folly, they were promptly given relief to the extent of $2,000,000,000 at the expense of the already overburdened taxpayers of the Nation. The question of balancing the Budget evidently was forgotten. The so-called relief program for big business when put into full operation will obligate this Government to the extent of billions of dollars. Every step that has been taken has been primarily in the interest of big business, on the theory that some relief would trickle down to the common man. I can not subscribe to this Hamiltonian theory. In the midst of the present economic debacle the controlling thought seems to be to place the Government into every kind of private business at the expense of the public.

The Glenn-Smith bill, having in view the refinancing of drainage and levee districts, provides loans to public enterprises that are political subdivisions of States, and is an investment, not a dole. It would give relief to 5,000,000 people distributed in 34 States without the cost of one cent to the Government. Although it would be the means of saving the homes of hundreds of thousands of people from the auction block, apparently an attempt is being made to sidetrack it in order to give the President's program the right of way. This bill should be enacted without further delay. It is a relief measure of a constructive, permanent nature.

It is a thoroughly established fact that prosperity can not be purchased; that a nation can not convert a panic into prosperity by going into business with an empty treasury. Such a policy will finally lead to Government bankruptcy or an oppressive fiscal policy that will ultimately result in revolution. The power to tax is the power to destroy.

Credulous people who think that opening the Treasury of the United States and inviting the business interests to borrow at pleasure will produce prosperity remind one, as suggested recently by the Denver Post, of the old woman who called to her friends and said, "I'm so happy; I have just borrowed enough money to pay all my debts." No nation can borrow itself into prosperity. Neither can individuals nor corporations borrow themselves out of debt. The great trouble with the large institutions that have driven this Government to open its Treasury to them is that they are bonded and watered to death. They are like bloated steers and everybody seems to be afraid to puncture their inflated skins and let out the gas that is killing them.

Making it easy for corporations or individuals to borrow more millions at the expense of the taxpayers of the country only increases their inflation, likewise the burdens of the taxpayers, making all the worse the crash that will come sooner or later, and probably cause the collapse of our financial system. It is therefore imperative that we inaugurate a practical business policy in our fiscal affairs.

We are now faced with a deficit of more than $2,000,000,000, which is increasing day by day, and, I repeat, we are asked by the President to balance the Budget by increasing taxes. Every obnoxious tax known to legislative parlance has been recommended by the Hoover-Mellon-Mills coalition—stamp tax on drafts, checks, notes, deeds, and mortgages; tax on receipts of moving-picture shows, on automobiles and parts; a sales tax on almost everything; a tax on small incomes, and, to add insult to injury, they would make the tax retroactive in their desperate effort to balance the ever-increasing Budget.

To my mind the attitude of the people to-day is set forth very clearly in the following statement taken from a letter received from a prominent business man in my State:

> The most judicious plan to effect savings in the conducting of American business is recognized as being necessary to overcome present deplorable agricultural and business conditions. It should certainly be applied to the appropriations being made by Congress. When one sees and hears of the gross extravagance in the Government expenditures it not only fosters but greatly encourages socialistic ideas.

The Government has in the past decade made many questionable appropriations and pursued a policy of reckless and flagrant extravagance. Heads of departments and governmental agencies have demanded unbridled access to the public funds. These apalling and reckless expenditures, which account so materially for the present depression, suffering and distress, they would augment by greater appropriations and further expenditures. The people throughout the country are urged by the President and the spokesmen of his administration to practice economy and thrift. Farmers are criticized because, perchance, they have automobiles, and the laboring man is advised to walk. If economy is the road to success for the farmer and the laboring man, it should be a certain road to success for the big banker, the big corporation, and the Government as well.

In a recent discussion in the Senate Hon. CORDELL HULL, of Tennessee, one of the ablest Members of the Senate and one of the best informed students of government and fiscal affairs in the country, said in substance that "plans for the elimination of waste, extravagance, overlapping governmental agencies, and activities would effect enormous savings." Continuing, he said:

> Budgetary policy, so often ignored or abused, must be everywhere established and rigidly carried out so as to prevent any duplication or overlapping, or waste and extravagance, confining expenditures to absolutely necessary or thoroughly productive purposes.

Such a policy would be very refreshing to the American people, lighten their burdens, and restore confidence in their Government.

I warn you that the public mind is not in the proper frame to submit to any substantial increase in taxation unless we reduce the costs of government, eliminate waste and extravagance, and show a willingness and determination to keep our appropriations within reasonable limitations, confining them to essential and meritorious purposes.

The Seventy-second Congress is not responsible for the conditions that confront us at this time. I shall not undertake to place the responsibilities—the people of the country will do that. They are thinking to-day more than ever before. This Congress has a responsibility, however. We are solemnly obligated to watch appropriations, eliminate waste and extravagance, and balance the Budget largely by judicious saving in the administration of the Government rather than by greatly increased taxation. I would prefer to see the present administration take care of its deficit and relief legislation for the depression that it has brought upon us, by a bond issue, and not shirk its responsibility by forcing the issue over into the Democratic administration that is soon to follow.

Impatient with the leadership that has piloted us into this orgy of inexplicable extravagance and waste, the people of this country are aroused as never before. Inexorable and determined, they are demanding retrenchment, economy, and reform. A well-defined idea has again taken form in the public mind—not a new idea, but an old idea. The idea that fired the 300 at Thermopylæ and armed the 10,000 at Marathon; that drove Tarquin from Rome and aimed the arrow of Tell; the idea that charged with Cromwell and his Ironsides and accompanied Sidney to the block; that fired the farmer's gun at Lexington and razed the Bastile at Paris; the idea that inspired the charter in the cabin of the *Mayflower* and the Declaration of Independence in the Continental Congress. They are reasserting the principle that inspired the Boston Tea Party and rebelling against misrepresentation, high taxes, and extravagance in governmental affairs. They are demanding equal rights and equal opportunities for honor and fortune. Profound unrest is ever present when the burden of taxation becomes oppressive and when greed and avarice lifts its shaggy head in the affairs of men. The time has come when we must get back to fundamentals, back to the doctrine of the fathers, back to the principles of government promulgated by Thomas Jefferson, executed by Andrew Jackson, practiced by Abraham Lincoln, and glorified by Woodrow Wilson.

The pessimist thinks that the halycon days of this Republic are gone and pictures the future in darkness and gloom. But this is not true. Through the dark mantle of despair that hovers over us I see the sun. If I believed that the old golden glory of the days that are gone contained the sweetest and fullest cup of joy, it would stifle every aspiration of my soul and shatter every hope. There is a grander day for this great Republic. Happiness and prosperity will return, but that day will come and come only when the Government is divorced from the sordid influences of the high priests of pillage and plunder. The day of reckoning is at hand. An indignant people are rising in their might to drive the money changers from the temple "with scorpion whips tipped with consuming flames." [Applause.]

The CHAIRMAN. All time has expired.

The Clerk read as follows:

> *Resolved, etc.*, That the Secretary of Agriculture is hereby authorized to make advances or loans to individuals, under such regulations as he may prescribe, for the purpose of assisting in forming local agricultural-credit corporations, livestock-loan companies, or like organizations, or of increasing the capital stock of such corporations, companies, or organizations qualified to do business with Federal intermediate credit banks or to which such privileges may be extended.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LAGUARDIA. Mr. Chairman, I want to apologize to the committee for asking for this additional time, but I understand it is the purpose of the committee to discuss this bill fully and finish it to-day. It is a short bill, and I know that my additional time will in no way hinder or delay the ultimate vote on the bill.

Some very remarkable and keen constitutional arguments were made against this bill this morning, and they were made by Members who are always deliberate, always studious and scholarly, not impulsive, jumping up on the spur of the moment, as some of us do, but making arguments that are always well thought out and, according to their own admission, fundamentally sound. But may I, with all due deference, ask those distinguished constitutionalists now opposing this bill on constitutional grounds where they were with their sound constitutional arguments when we were discussing the Reconstruction Finance Corporation bill? [Applause.] This bill may be unconstitutional, but how about the finance reconstruction bill that these same gentlemen sponsored, supported, and voted for with gusto? Am I mistaken when I say that I think the great constitutional authority—and I say that respectfully—the distinguished gentleman from Massachusetts [Mr. LUCE], took this floor and defended the Reconstruction Finance Corporation bill, or am I not mistaken? Oh, no. His remarks are to be found as a part of the permanent RECORD. All through the debate on that bill these same gentlemen were very active in favor of that measure. I believe at the time we were discussing that measure you will find the remarks of the gentleman from Massachusetts [Mr. LUCE], but yet they distinguish their argument that the Reconstruction Finance Corporation provides for a loan to a corporation; hence constitutional and proper; but the bill now before the House provides for a loan to an individual; hence unconstitutional, improper, un-American, bolshevistic, and unsound.

I challenge any lawyer in this body, or elsewhere, to distinguish or to point out wherein under our law or any statute a corporation has any greater privileges or rights than the individual. In the very rules of construction of the United States code of laws it provides that persons and corporations are interchangeable, wherever used in the law. In fact, in over 15 statutes now on the books the two terms are interchangeable. We provide in the Reconstruction Finance Corporation bill for loans to whom? To banks, savings banks, trust companies, building and loan associations, insurance companies, mortgage-loan companies, farm-land banks, joint-stock land banks, Federal intermediate banks, railroads, and any other kind of a corporation providing it

has lost sufficient millions to make it important. Where were the constitutional lawyers on that day? Or was it the case of the usual corporations saying to their lawyers, "Do not tell me what we can not do, but tell me how I can do it"?

What constitutional difference can there be if Federal aid is given to a group of persons avoiding personal responsibility under the cover of a corporation or to an individual personally responsible and liable?

Mr. McFADDEN. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. McFADDEN. Is the gentleman arguing that the Reconstruction Finance Corporation is not constitutional?

Mr. LaGUARDIA. I am pointing out the inconsistency of our constitutional guides in the House.

Mr. McFADDEN. Does the gentleman think that the Reconstruction Finance Corporation is unconstitutional? I will say that some Senators are saying that, and I was trying to get information.

Mr. LaGUARDIA. I am pointing out the willingness of some Members of Congress to aid wealth and ignore human misery.

Mr. PATTERSON. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. PATTERSON. The gentleman, in his summary, did not include other finance institutions.

Mr. LaGUARDIA. If the gentleman will remember, we took out the mythical corporations. Indeed, as all now know, to take over the big fiasco of the Federal Credit Corporation, so much advertised and which turned out to be a dud.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. SCHNEIDER. I understand there has been a loan of $2,000,000 under the Reconstruction Finance Corporation law to a railroad for the purpose of paying interest, and I want to ask the gentleman if he thinks it would be constitutional under that act to loan money for the purpose of paying railroad dividends?

Mr. LaGUARDIA. Why, $2,000,000 is a pittance; at this very moment deals are being made for loans of $100,000,000 each. What is the Constitution when large corporations are involved? Here we provide a limit of $10,000. Where is the gentleman from Arizona, my good friend, Mr. Douglas, who yesterday shed tears on the floor of this House in his plea to "balance the Budget" and for rigid economy? Where was he when we appropriated $500,000,000 outright to the Reconstruction Finance Corporation and authorized an additional $1,500,000,000 in bonds, with Uncle Sam's indorsement and guarantee? Where were you gentlemen who are arguing for economy when we voted these large sums for the corporation without any assurance that it will put a single man to work? But to-day, when we pick out a stock raiser and contemplate loaning him $10,000, for which he has to put up his home and his land and his all, then we have constitutional objections raised and a plea made for rugged individualism. Where was your rugged individualism when we authorized originally a loan of $200,000,000, which we cut to $100,000,000, to any one borrower? And on what? On his home? Not at all. But on any kind of worthless security which he could not negotiate otherwise and upon which he could not obtain a loan. Deny that if you can!

Now, gentlemen, all of this talk about the Government not having the power to aid the individual can not be urged after the passage of the reconstruction finance bill and the inflation bill of only two days ago. Sooner or later we are going to be confronted with the necessity as to what we are going to do for direct relief. We can not dodge that. People are unemployed, people are starving. The vote in the other body yesterday is not the final say on that question. To date, the chief concern of the administration and Congress seems to be the stock ticker, rather than the actual needs of millions of our fellow citizens out of work, or broke on the farms. Is it wrong and is it unconstitutional to give aid to an individual? Is it wrong and unconstitutional to make loans to an individual and yet right to make loans to a corporation? Is that your constitutional line of demarkation? How can it be? For after all a corporation is only a group of individuals. It is only a legal entity. It enjoys no greater power, and its relation to the Federal Government is no different, than that of an individual. How could it be?

Why is it we succor railroads, aid tottering banks, make good the mistakes and sins of boards of directors by pouring into their depleted treasury many millions of dollars and take their questionable securities as collateral, on the ground that it is an emergency, and yet, if we plead for direct aid to the very men and women who have built up this country and who have created its wealth, we are immediately marked as radicals and the question of constitutionality is presented?

You can not get away from it, gentlemen. The localities are doing all they can. Private charity is doing all it can; but we have reached the point where the Federal Government will have to give direct relief in order to prevent loyal, fine, American citizens from starving to death—a sad commentary, indeed, on the progress of our civilization and the success of our economic system. [Applause.]

Why is it, in a sincere effort to restore confidence, when we suggested a plan that would guarantee deposits in banks through a national system that was brushed aside and ignored? Why grant aid to bankers and ignore depositors? Why is it, when we pleaded, in the interest of the dignity and security of American labor, for an immediate study of a plan of unemployment insurance, that was immediately classified as a most horrible thing, unconstitutional and un-American, a "dole"; and yet lavished and squandered $2,000,000,000, a subsidy on incompetent banking and a premium to the very people who dishonestly sold worthless bonds and unloaded fake securities on the public?

Mr. GIFFORD. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. GIFFORD. Is the gentleman discussing this bill?

Mr. LaGUARDIA. Very much so. I am discussing this bill very much.

Mr. GIFFORD. The gentleman stated that a man who borrows under this bill must put up his home. However, as I read the bill, all he has to do is to make a statement as to his assets and liabilities, and his assets must be twice as much as the loan. The bill also provides that loans be made to individuals in order to set up a corporation which may get loans, and that is far different in the results possibly contemplated.

Mr. LaGUARDIA. This will require a statement to be made by the borrower. In that statement he must list his assets and his liabilities. The loan is made upon the representations contained in the statement, and if there is anything false in the statement the man goes to jail, but under the bill we passed a few days ago a man can present a lot of no-good securities and get a loan of $100,000,000, and then if it is found that the securities are not good there is no recourse as against any of the individuals of the corporation. [Applause.]

I will say to the gentleman from Massachusetts that the provisions of the bill now under consideration are novel. I will agree with the gentleman that they are, indeed, far-fetched, but not at all comparable with the novelty and the far-reaching effect of the Reconstruction Finance bill which passed this House almost unanimously. This bill, at least, has the element of human kindness in it. The reconstruction finance bill is sordidly selfish and an aid to wealth.

Mr. GIFFORD. May I ask the gentleman a further question? Does not the gentleman think the bill might well be amended so that the individual of an industrial cooperative association may be allowed to purchase stock in his corporation, so that that corporation, after it is once large enough, may proceed to do business and to take over industrial things as well as agricultural things?

Mr. LaGUARDIA. I will say to my friend from Massachusetts not to become discouraged. This Congress will before very long be compelled to take action to bring relief in one way or another to the American working men and women. [Applause.]

Some of us have suffered in our efforts to endeavor to bring Congress to a full realization of the economic condition

of the country. I say that it is the highest function of government to protect and take care of human life, and that in an economic depression such as we are in now, it is our first duty to take care of the human element and to take care of dividends afterwards.

Mr. GIFFORD. I would like to ask one more question. Does the gentleman favor any proposition wherein the Government will lend individuals money to form or to increase corporations and to take over and operate industry? Is not that sovietism 100 per cent?

Mr. LAGUARDIA. If that is sovietism, it is the gentleman's example and not mine; but if it is sovietism, in the name of common sense and truthfulness, what is your Reconstruction Finance Corporation? Call it what you may, the effect is there. It is the creation of a superclass to be rewarded for failure and to be given more money of the people to further exploit the people.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

Mr. JONES. Mr. Chairman, for the present I shall not object; but I hope as many as can will get through within the limit of five minutes, because a number want to talk on the bill. I shall not object to this request.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Chairman, I want first of all to reply, if I may, to the arguments of the gentleman from Massachusetts [Mr. LUCE] and to the statement of the gentleman from Wisconsin [Mr. STAFFORD] that this bill is dangerous and revolutionary. It is alleged by these two gentlemen that this bill is without precedent. It is alleged, as a sweet morsel to their tongues, that it provides for loans to individuals to establish corporations.

Let us keep in mind that we are dealing with agricultural credit corporations, that the purpose of the legislation is to promote agriculture, and it does not deal with corporations generally. I submit that this legislation, instead of being dangerous and revolutionary, is more conservative than the legislation provided by the present Congress and by Congresses during the past 10 years in aid of Federal land banks and intermediate credit banks. Under the legislation providing for the establishment of these institutions, Mr. Chairman, the Federal Government subscribed the entire amount of the original capital stock. Under the pending legislation the Government provides for a maximum loan of only three-fourths of the capital stock.

This legislation is not without precedent. It was passed in this identical language one year ago, effective during the year 1931, and only in drought or similar areas. It was well considered, recommended then, and recommended now by the Department of Agriculture; and I submit if Congress had adopted the theory underlying this legislation in making provision for the establishment of Federal land banks, they would probably now be in better condition.

The individuals under the pending bill interested in agriculture are required to put up at least one-fourth of the capital stock. This is conservative. Instead of being revolutionary, I submit it is a wise provision, and I commend the Department of Agriculture for asking it to be inserted in this bill.

Complaint has been made that this matter was not considered by the Committee on Banking and Currency. Mr. Chairman, I am prepared to admit that that great committee has had much to do with the legislation at the present session of the Congress.

I commend it for its efforts, but I am by no means prepared to admit that that committee is the only committee of the House prepared to deal with questions relating particularly to agriculture. Legislation similar to this or identical with this was considered in the Seventy-first Congress, not once but twice, and each time all loans with respect to agriculture or all provisions for direct loans to farmers or for the organization of credit corporations were referred to, and properly considered by, the Committee on Agriculture.

The gentleman from Wisconsin is in error. The gentleman is unduly alarmed. In the discharge of his multitude of duties in keeping up with all legislation, he undoubtedly did not have an opportunity to refresh his memory upon the important bill passed just a year ago for relief, during 1931, in the drought areas.

I said that the language of this bill is identical with the language of the legislation passed last year for the establishment of agricultural credit corporations, and I shall read from the bill adopted and approved on February 14, 1931, and ask you to mark the language. In this connection, and before I read, I call attention, Mr. Chairman, to the history of this legislation and the necessity for it. It was a part of the legislation in aid of drought relief in 1931. The fundamental justification for direct loans to farmers was and is the total lack of local credit. It is the justification for the pending bill.

It will be remembered that Congress appropriated in December, 1930, $45,000,000 for drought relief in 1931, and shortly after that and on February 14, 1931, this appropriation was supplemented by an additional appropriation of $20,000,000, of which amount the Secretary of Agriculture allocated $10,000,000 for aid to credit corporations.

My information is that the Secretary only used about three million of the ten million allocated for aid to the credit corporations, and I understand the $7,000,000 unexpended, which, with $5,000,000 remaining of the $45,000,000, makes a total amount of about $12,000,000 balance unexpended. This legislation allocates not to exceed $10,000,000 of that amount as a revolving fund to promote credit corporations.

Now, the bill passed February 14, 1931, was for the purpose, and I quote from the bill—

> To make advances or loans to individuals in the drought and/or storm or hail stricken areas of the United States for the purpose of assisting in forming local agricultural credit corporations, livestock loan companies, or like organizations, or of increasing the capital stock of such corporations, companies, or organizations qualified to do business with Federal intermediate-credit banks, or to which such privileges may be extended, and/or of making loans to individuals upon the security of the capital stock of such corporations, companies, or organizations.

Now I read from the pending bill:

> The Secretary of Agriculture is hereby authorized to make advances or loans to individuals under such regulations as he may prescribe for the purpose of assisting in forming local agricultural credit corporations, livestock loan companies, or like organizations, or of increasing the capital stock of such corporations, companies, or organizations qualified to do business with Federal intermediate-credit banks or to which such privileges may be extended.

Not similar—but the legislation is in the exact language of the legislation of last year.

Now, the distinguished minority leader, Mr. SNELL, of New York, complains that the bill provides for a permanent revolving fund. It comes with the recommendation of the Department of Agriculture; and while I hold no brief for that department, I say to you that in my judgment this is a wise provision.

I have been a Member of this House for some years, and without exception every year we have made seed loans, and in my judgment the sooner we get away from that practice the better off we will be. I think the Secretary of Agriculture was wise when he recommended the legislation for aid to credit corporations to Congress a year ago. I think he is wise in recommending the enactment of the present legislation.

Again, I submit that while a revolving fund is created, it is better to provide a permanent fund, rather than have this legislation come before Congress at every session. If this is passed, it will largely eliminate direct loans to farmers.

Now, Mr. Chairman, something has been said about the provision of lending to individuals on 75 per cent of the amount of the stock. Personally, I know agriculture with respect to cotton growing, and I would prefer that the loans be made to banks and other corporations, as in the case of the Federal land banks and as in the case of the Recon-

struction Finance Corporation. The Department of Agriculture takes a different view, and the Secretary has the experience of the past year to profit by.

What is the urgency, what is the necessity for these corporations in the agricultural areas of the United States? There are no sources of local credits in many places. The banks are closed. There are no individuals with money, because of the banking situation, who could subscribe in full to the capital stock. They have property, they have assets, and they are just as much entitled as individuals to consideration as are the great banks and the railroads and the great life-insurance companies of the United States; and when they put up one-fourth of the the value of the stock, with assets of at least double the amount, which the Government is expected to advance, it occurs to me that there is adequate security.

What about the details of the bill? They are nothing more nor less than the regulations, more stringent and conservative, adopted and used by the Secretary of Agriculture in making similar loans under the legislation passed in 1931. Moreover, they are intended to protect the fund. In the first place, the Secretary, by the limitations of this bill, would not be permitted to lend more than 75 per cent of the stock to the credit corporations, while under the law which we passed last year he had discretion to lend 100 per cent. The Federal Treasury is being protected; and instead of it being revolutionary and instead of it being dangerous, I repeat that the legislation is conservative. The handling of the fund is in the discretion of the Secretary of Agriculture, and the establishment of agricultural credit corporations is just as essential as aid to banks, railroads, and life-insurance companies. The intermediate credit banks were established for the purpose of advancing production credit. There are no local agencies of credits, because the banks have failed. The purpose of this bill is to establish sound agricultural credit corporations, organized efficiently, with the power and authority to do business with the intermediate credit banks.

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. Yes.

Mr. ALLGOOD. Then the gentleman agrees that no one measure is going to cure all of our evils, that we do need more than the one remedy, more than one bill for the relief of agriculture, for the relief of banks, and for the relief of business?

Mr. WHITTINGTON. I do. Inasmuch as Congress has already allocated in the Reconstruction Finance Corporation at least $50,000,000 for direct loans to farmers, and inasmuch as those loans are going to be small and widespread I submit that there will be a greater demand for this type of legislation than there was last year, or than there has ever been in the history of the country.

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. Yes.

Mr. KETCHAM. The gentleman will be interested in the testimony of Mr. Wall, bearing directly upon the assistance that these credit corporations are extending to the small banks that are having a great burden in many localities. He says:

> With the additional credit facilities it has been possible for country banks in those particular areas to strengthen their position inasmuch as the local credit corporations have taken over loans from banks which were in difficulty, and thus enabled those particular banks to build up their reserve and to continue operations.

Mr. WHITTINGTON. These credit corporations, in my judgment, will not only aid in the present emergency, but I believe they will in the end result in eliminating the direct loans to farmers from the Federal Treasury, and the advantage of this permanent revolving fund is to encourage and to perpetuate with that available fund the establishment of these corporations, so that it will not be necessary to pass legislation of this kind at every session of Congress.

While the authorization is not to exceed $10,000,000, the Secretary of Agriculture may not use all of that sum. Last year he was authorized to use $10,000,000 and he used only $2,000,000. The authorization is for $10,000,000, but Congress may not appropriate over $5,000,000. The point is that the bill provides for a permanent policy, conservative, and in my judgment, sound in the light of previous legislation with respect to agricultural production, and with respect to agricultural aid, and one that is greatly needed at this time.

The bill passed by Congress on February 14, 1931, provided for aid to agricultural credit corporations in the exact language contained in the pending bill, but it was only for the period of 1931 and limited to the drought and similar areas. The appropriation is not now available, inasmuch as it was limited to the year 1931. But conditions are even worse in the agricultural areas than they were in 1930 and 1931. Credits are difficult. Banks have closed. There are no sources of local credits. The direct loans to farmers are small. They will not be of benefit to the larger farmers, and particularly to the more extensive cotton growers. It is imperative that protection be extended to the cotton growers of the South and to the farmers of the Nation to whom the direct loans do not apply.

The Secretary will not lend more than $400 to any one farmer and not more than $1,600 to any one farmer in the direct loans. The intermediate credit banks will be assisted and helped by the Reconstruction Finance Corporation. Individual growers can not borrow from the intermediate credit banks. They can only deal with such banks through credit corporations or associations.

There are, however, but few of these corporations. Those interested, on account of the tremendous losses of the past two years, are unable to subscribe the capital stock.

The pending bill would enable the Government to subscribe not more than 75 per cent of the stock. There is no merit whatsoever in the argument or contention that the Government has never made loans to individuals. The individual is more important than the corporation. Loans have been made to associations and corporations in aid of banking and transportation. There is no reason under the law and under the Constitution why such loans should not be made to individuals. Personally I would prefer that the pending bill be amended, as individuals in the existing depression are without funds to enable loans to be made to banks and corporations, so that they could subscribe to the capital stock of credit associations. I appreciate, however, that the Department of Agriculture feels that the stockholders should furnish a part of the capital stock. They should have a pecuniary interest. The funds of the Government are safeguarded in the present bill, as loans are made to individuals and then only for not in excess of three-fourths of the capital stock, whereas in the case of Federal land banks, over which the Committee on Banking and Currency, of which my good friend, Mr. LUCE, is a member, has jurisdiction, the Government advanced the entire capital stock.

The apprehensions of the gentleman from Wisconsin are without foundation. The pending bill only aids agricultural credit corporations or associations. It is not intended to aid in the organization of corporations generally. The purpose is to promote production credit to agriculture.

I summarize by saying that under the terms of the bill loans will be available anywhere in the United States for assisting in forming agricultural credit corporations or in increasing the stock of such corporations. These loans will not be in excess of 75 per cent of the value of the stock. The matter is in the discretion of the Secretary of Agriculture. Loans will be made to individuals where liabilities are not in excess of one-half of the fair market value of their assets.

Again, the Secretary will carefully investigate the set-up, and if any corporation is unsound or impaired the loans may be called.

An important feature of the bill is that it provides, without any additional appropriation out of the unexpended appropriations heretofore made for drought relief in 1931, a revolving fund of not exceeding $10,000,000 to aid in the organization of agricultural credit corporations. It is my thought that this feature of the bill is especially constructive. It will enable farmers to help themselves. It will eliminate the necessity for passing emergency measures for loans to agriculture where the usual credit facilities have failed. I

can not overemphasize the emergency that confronts the cotton growers of the South. Many do not know where they will obtain money with which to make their crops. The crop season is now on. Existing conditions demand the immediate passage of this legislation. [Applause.]

Mr. PATTERSON. Mr. Chairman, I move to strike out the word "privileges" in line 10, and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PATTERSON. Mr. Chairman and gentlemen of the committee, I am glad to support this bill, because I believe it is a step in the right direction and will help to make a more liberal and a better credit system for our farmers, and I think that everyone who knows the problems of the farmers of our country feels that is necessary, since a proper and cheaper credit is one of the farmers' needs. If we can do that, if this bill will accomplish that purpose, it will be a constructive measure. I hope the bill will pass and will not be so administered as to disappoint us.

I also want to say something to you about some of the conditions which have been brought to my attention through the public press which to me are alarming. I spoke on this same subject last Monday. I noticed yesterday that the Secretary of the Treasury submitted to the Committee on Ways and Means another tax suggestion. I repeat with all of the emphasis and power that I have that this country can not tax itself out of the depression. When we bring prosperity to this country, as we should, we will be able to raise taxes. I am astounded by the suggestions of the Secretary of the Treasury wherein he proposes to go into some of the fields heretofore only taxed by the States. I shall discuss for a moment his proposal to tax electricity. I think a great many of us from the different States feel that this commodity, when taxed as it is in my State, and other similar commodities should be reserved to the States and taxed at their source, rather than at the place of consumption, and passed on to the consumer. I believe, and I think everyone who has studied this question feels, that power and light is far too high and should be brought down. This is especially true of the domestic consumer, and I pledge myself to do everything I can to help bring the price of this commodity down within the reach of the farmer and small consumer as well as for those uses which benefit laborers. The domestic consumer will be taxed 7 per cent, I believe. It has been brought to your attention probably in studying these figures that some authorities estimate the domestic consumer of electricity in the United States only uses about 16⅔ per cent of the power generated, and they pay 66 per cent of the bill. The domestic consumer is supposed to use about one-sixth, although I am not absolutely certain of these statistics, and pays two-thirds of the bill. It is proposed to place a 7 per cent tax on this electricity that is going into the homes of the American people.

The proposal is also made to levy a tax on gas and other things. It is very interesting to me how they lighten up on the big incomes. They ask for a tax of 42 per cent on incomes of $500,000 and over, but it does not matter how much there is above that, the same identical per cent is levied. Some of our people have had incomes as high as around $20,000,000 or above. I say to you, and I am responsible to my constituents and to the country for what I say, that I believe we should revise our income tax, our estate and gift tax, and levy a substantial gift tax and return this country to prosperity, and then with these and a few other revisions will bring in the money with increased prosperity, or a return to prosperity.

Some of us who recognize the great monopoly of the Power Trust had hoped we might bring power down so that it could reach the home of the farmer and the poor people; but if we start a system like this, it will give them a further excuse to charge outrageous rates to the consumer.

Then, further, it is proposed to tax gasoline. In some of the States there is a gasoline tax as high as 7 cents a gallon. It is to be hoped the Federal Government will not enter this field and I hope and trust the members of the Committee on Ways and Means will see to it that they do not enter that field.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. PATTERSON. I yield for a question.

Mr. FULBRIGHT. Did the gentleman not recently read the statement of Mrs. Gann to the effect that the depression no longer existed?

Mr. PATTERSON. Oh, it has not existed for more than 30 or 60 days at a time, according to some prophecies, until recently.

Mr. FULBRIGHT. The gentleman knows that prosperity is just around the corner.

Mr. PATTERSON. Prosperity has just been around the corner 30 or 60 days all the time, but after two years and four months it is, I regret to say, around the corner—I fear we do not know which corner.

Then I see further that the taxation of incomes is proposed to be brought down to the 1924 basis. It is to be extended to people who have a thousand-dollar income. I hope taxes are not levied as provided in accord with this suggestion. I believe it will do harm to the very thing we are trying to help. I repeat again that we can not tax ourselves out of the depression, and to lade new taxes and burdensome taxes on the farmer, laborer, and the small businessman, and others of a similar class will be unbearable and unjust in my opinion.

And I for one pledge myself to oppose a burdensome tax to the great masses of our people—the masses of the people in our country, including farmers, laborers, small business people, professional people, and others who are trying to own homes, and thousands who are trying to do legitimate business in our country. And we must take a stand here for the masses of our people, and I hope enough Members of this Congress will be found to protect them.

Mr. Chairman, I feel that this bill is a meritorious measure and one that should be passed to relieve the American farmer. That is one of the fundamental bases of prosperity in this country. In my judgment, there are two fundamental bases. One is the American farmer and the other is that class of people who work and earn a living by earning wages and salaries. Those are the fundamental bases of prosperity and there will be no prosperity in this country, and we can not regain prosperity with all the doles that are given to the railroads and other big interests, until we bring back the purchasing power of our people.

In closing I want to say that I, for one, expect from now on, until something more is done for relief to our people in this Congress, to oppose any measure brought in here which is not for relief to our people. I am in favor of this bill because it is a relief measure. The bills that are considered on the Private Calendar and the Consent Calendar, as well as others, as far as I am concerned, must be for some kind of relief, and that relief be deserved, or I shall oppose them. The time has come when this Congress should demand that the American people who are starving and distressed—the farmers, and the laborers, and the small business men, and our people in general—should be relieved. We can give relief and we should do it. For one I want to pledge myself to that program, that I will not support any legislation except that legislation that has some kind of relief, except, of course, the general appropriation bills. I was glad to support the legislation on Monday which had for its purpose giving the country more money in circulation, for I believe this was a relief measure, and I believe this bill is a relief measure, but we should go further yet and really give the masses of our people relief by bringing about employment and such prices to our farmers which will give them a reasonable and fair income which they do not have now. Our cotton farmers can not survive with the present prices which are far below cost of production, and we must change this condition. The wheat farmer, the corn farmer, the cattle and stock raiser, and others face the same condition, and we must remedy this condition. The laboring man is in a similar condition—we must relieve his condition—and I

hope to see enough Members in this House pledge themselves to give this relief and prevent this extra tax burden on the masses of our people.

Mr. MAY. Mr. Chairman, I move to strike out the word "extended" at the end of line 10 on the first page.

I rise, Mr. Chairman, for the purpose of speaking in favor of this resolution. I do not propose at this time to enter into an extended discussion of whether this bill is constitutional or unconstitutional or whether the various measures that this House has passed during the present session are constitutional or unconstitutional.

This resolution appeals especially to me on two grounds. It is an effort upon the part of Congress to extend aid to that class of citizens of this country in whom I am very much interested, namely, the farmer. Secondly, it does not undertake to appropriate from the Federal Treasury any funds that have not already been allocated to farmers for the purpose. In other words, it does not undertake to appropriate new funds from the Treasury.

I think one of the admirable things in this country is the manner in which the farmers of the Nation who borrowed on loans for seed purposes last year, have responded to the call of the Government on those loans in these times of depression. Perhaps I will be pardoned for reference to my own home county, but there is one instance that is very strikingly commendable. In the county where I was born and reared, when the Farm Loan agent visited that county he found the farmers who had borrowed these seed loans ready to respond, and they paid the payments that were demanded and continued the extension of the balance of the loan without question.

I say it is a tribute to that class of citizens, in a time when there is absolutely no market for their products, that they are able, on their own credits, to borrow locally from their neighbors or elsewhere, or by thrift and economy arrange to meet this obligation.

We have heard much said here and criticisms passed from one side of this House to the other on the question of voting money for the benefit of corporations. I am one of the Members of this House who believe that the welfare of the country rests upon its whole citizenship without regard to classes, and I believe the welfare of one class will add to the prosperity of another. The farmers, as a class engaged in agriculture, are the ones to whom all other industries and all the people must look for their very existence. Therefore I say that this bill, which proposes to give to the farmers of the Nation and other individuals engaged in farming, if you please, though they be not farm owners, the right to obtain a loan through the Department of Agriculture for farming purposes, just brings the loan privilege down a little closer to the small farmer. When we limited in the Reconstruction Finance Corporation bill the borrowing capacity of corporations we did a wise thing, though we limited it to many millions of dollars.

Not long ago the Department of Agriculture issued a request to the cotton farmers to disregard, Mr. Chairman, the admonition that "In the sweat of thy face shalt thou eat bread." They asked them to plow up every third row of their cotton. They forgot the statement in Holy Writ to the effect that "He that refuseth to plow by reason of the cold shall beg in harvest time and have nothing."

I believe in loaning to the farmers the same as to corporations and other industries, upon a statement showing double the value of the money to be borrowed. I believe in extending these loans to them and giving them an opportunity and a chance to continue their farming developments and their farm improvements throughout this land.

I stand here ready to vote for this upon the idea that it is constitutional under the general welfare clause of the Constitution, and is a loan to the industry that holds and owns 40 per cent of all the wealth of the Nation and is least responsible—in fact, not responsible at all—for the terrible depression in which we now are.

Another important reason for the enactment of this bill into law is the fact that it creates a kind of revolving fund and makes available for use money that is not now in use. It will aid in releasing from intermediate credit banks other moneys and give the tax and mortgage oppressed farmer further credit and thus relieve him and his family from having to answer for the sins of the speculators and plutocrats of America. I shall vote, Mr. Speaker, for the bill. [Applause.]

Mr. HOPE. Mr. Chairman, I am another one of those who has been surprised at the opposition expressed to this legislation by Members who voted for the bill creating the Reconstruction Finance Corporation, who have voted for the bill to increase the capital stock of the Federal land banks by permitting the Government to subscribe thereto, and who have been for years voting for seed loans to individual farmers.

Mr. THURSTON. Will the gentleman yield?

Mr. HOPE. Yes.

Mr. THURSTON. Is it not also true that a few years ago Congress passed an act in behalf of the merchant marine providing that the Government could make loans to the extent of three-fourths of the cost of any ship that might be built, and that those securing the loans were only subjected to the rate of interest which the Government pays on its current borrowings, which would be about 3 per cent, rather than 5 or 6 per cent which the farmer would pay for this accommodation?

Mr. HOPE. I so understand, and no doubt many gentlemen who are opposing this legislation voted for that bill.

Now, what is the situation which this bill attempts to meet? Simply this: One of the greatest handicaps that the American farmer has had to contend with in recent years has been the lack of production credit. That is shown very clearly by the fact that in a majority of the years since 1919 this Congress has authorized loans to individual farmers for production credit. While those loans have been considered as temporary, we need not get the idea that we are going to get away from them until the time comes when we set up some system of production credit which will adequately serve the farming industry. That is what this bill attempts to do. Our intermediate credit act attempted to do that thing, but so far the farmers themselves have not been able to take advantage of it and to-day they are less in a position to do so than ever before, because they can not put up the initial capital which is required to set up the little local livestock and agricultural loan companies through which the act must function.

What does this bill do? It provides a part of that capital but not all of it, as in the case of the Federal land banks and in the case of the Reconstruction Finance Corporation. It provides that not exceeding 75 per cent shall be put up by the Government. The Department of Agriculture, which has sponsored this bill and which administered a similar bill which we passed last year, says that it will in many cases enable them to go out into communities which do not have adequate agricultural credit facilities at this time, and where the rates of interest are so high that the farmers can not pay them, and avoid making these seed loans, and will enable them to set up a permanent system of agricultural credits. That is the sole purpose of this bill. It is to help set up a system of agricultural credit that will take the Government out of the business of making little individual loans of $200, $300, and $400 every year to the farmers of this country. It will enable them to set up their own system of credits, so as to provide the kind of credit which agriculture needs and which is not available under our present financial set-up.

Let me say in conclusion that this bill was reported by the unanimous vote of the committee after hearings had been conducted for three days. There appeared before the committee the representatives of the Department of Agriculture, who explained how the loans which were made last year, under the legislation we passed then, had been administered, as well as representatives of agricultural organizations. All of them urged most strongly the passage of this bill. [Applause.]

Mr. SHALLENBERGER. Mr. Chairman, I ask recognition in order to propound a question to the chairman of the

committee. I note from the report that it is stated, "It is expected these loans will be made at a low rate of interest." I have had a letter from the manager of a farmers' agricultural credit corporation, organized under the law which was passed in the last Congress, and he complains to me that the rate of interest charged him by the intermediate credit bank requires him to charge the farmer something like 9 per cent. So I would like to ask the chairman if it is his opinion that under the operation of this bill they could expect a better rate of interest for the farmers than the one to which I have referred?

Mr. JONES. The gentleman probably refers to an agricultural credit corporation rather than an intermediate credit bank?

Mr. SHALLENBERGER. Yes.

Mr. JONES. The intermediate credit bank charges only 1 per cent above what it sells its debentures for, and just at the present time the debentures are somewhat high. The rate will vary. However, during the operation of the ones that have been organized under the last drought loan provision, the rate of interest has averaged between 6 and 7 per cent.

Mr. CAMPBELL of Iowa. If the gentleman will permit, in answering the question of the gentleman from Nebraska [Mr. SHALLENBERGER], upon investigation, I believe the gentleman will find that in the 9 per cent there is included an addition which they make for the inspection of the lands and for their traveling expenses, whereas in this bill we get away from that.

Mr. SHALLENBERGER. And we can fairly well expect that this bill will give them a better rate.

Mr. CAMPBELL of Iowa. Yes.

Mr. JONES. It is hoped so. The agricultural credit corporations organized under the old system did not have the supervision which these organizations will have.

Mr. SHALLENBERGER. I am glad to have that information. My informant stated that the farmer was charged 9 per cent and the cost of inspection also.

Mr. ARENTZ. Mr. Chairman, I just want to take a minute of time to try to have the gentleman from Kansas [Mr. HOPE] answer a question, because in his statement he said he did not understand why there is so much opposition to this bill. I think I can answer this. It seems to me that a bill of this importance is bound to arouse a certain amount of antagonism if it comes out on the floor with as little notice as this had. The bill came up this morning, and I did not know before I came on the floor that the bill was to be taken up. I have spoken to other gentlemen about me and I find they, too, did not know the bill was coming up. This bill deserves the attention of the House. It is not that I am opposed to legislation of this sort. I am in favor of helping the farmer, but, certainly, all bills of this kind ought to have more attention than it is possible to give this afternoon. It deserves attention and study.

Take the report, for instance. It does not say here one thing about the attitude of the Secretary of Agriculture. Now, where do we find out about that? In the hearings, of course; but the ordinary report that comes before the House on any bill is presumed, at least, to show something of the history of the legislation, including the attitude of the Secretary, to which it was referred, and matters of that sort, but not so with this bill.

We listened to the statements of the gentleman from Michigan, the gentleman from Texas, and others, and we got a glimmer of exactly what the bill means. I am trying to find out all I can about this bill, and when I do that I hope to be able to vote intelligently; but until I can find out something more about it, I do not intend to vote.

Mr. MAY. Will the gentleman yield?

Mr. ARENTZ. I gladly yield to the gentleman from Kentucky.

Mr. MAY. I agree with the gentleman on the question that the House is entitled to more advance information on these various measures that we are asked to consider and vote upon, but I saw that this was a short resolution, and the gentleman will recall that I asked in the RECORD a question that indicated I was perfectly ignorant of what the bill was. I have tried to scan it and have read it two or three times and, on account of the nature of the resolution, I made up my mind to vote for it, anyhow.

Mr. ARENTZ. When the gentleman from Kentucky made his speech, he delivered it in such a way that I thought he knew all about it. He made a good speech. I say this without intending any discourtesy to the gentleman.

Mr. JONES. Will the gentleman yield?

Mr. ARENTZ. Yes.

Mr. JONES. I wish to say to the gentleman that the committees have just one day of call during the session and this was our call day, and if we did not get the measure up to-day we could not get it up.

Mr. ARENTZ. What does the Secretary of Agriculture say about the bill?

Mr. JONES. The bill has the approval of the Secretary of Agriculture; in fact, he went over the bill and suggested certain provisions—in fact, a number of its provisions—and he is very anxious to have it passed and has written a letter to the committee to that effect. A similar bill has just passed the Senate.

Mr. ARENTZ. What interest will these loans bear?

Mr. JONES. The interest under the present arrangement is 3 per cent, but that will be fixed by the Secretary of Agriculture.

Mr. ARENTZ. What answer will be made to the gentleman from Nebraska [Mr. SHALLENBERGER]?

Mr. JONES. The gentleman from Nebraska was referring to loans made to the individual farmers. I thought the gentleman was asking about the loans the Government is making.

Mr. ARENTZ. Yes; that is true.

Mr. JONES. It will be a low rate of interest.

Mr. ARENTZ. I hope the gentleman will put that information in the RECORD so that we may have it available.

Mr. FULBRIGHT rose.

Mr. ARENTZ. I yield to the gentleman from Missouri.

Mr. FULBRIGHT. I want to say to the gentleman that I quite agree with him that we ought not to pass legislation without time for due consideration, but I would like to ask him if he thinks it is any more inappropriate to pass this bill than it was to pass the bill of the magnitude that we passed yesterday without any consideration whatever. I want to know if the gentleman thinks that legislation that is sent to us from the other end of the Avenue ought to be swallowed without any knowledge of it whatever.

Mr. ARENTZ. Two wrongs never made a right, I will say to the gentleman.

Mr. DOWELL. Mr. Chairman, I make the point of order that the gentleman from Nevada has no right to yield time under the 5-minute rule.

Mr. ARENTZ. Mr. Chairman, have I any time remaining?

The CHAIRMAN. The gentleman has one-half minute.

Mr. ARENTZ. In that one-half minute I want to say to the gentleman from Iowa that I stated I yielded to my friend over here, which I did. I was not yielding any time but was simply allowing him to ask me a question. I am sure that on second thought the gentleman from Iowa will see that I have observed the rules of the House and did not yield of my time.

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

Mr. UNDERHILL. Reserving the right to object, and I shall not object, I want to get some information from the chairman of the Committee on Agriculture.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that all debate on this section and all amendments thereto close in 30 minutes. Is there objection?

Mr. UNDERHILL. Reserving the right to object, for the purpose of asking a question, I want to ask the gentleman from Texas if there is any objection to amending the bill so as to include merchants dealing in drugs or merchants dealing in hardware?

Mr. JONES. I do not think that would be germane.

Mr. UNDERHILL. It would not be subject to a point of order, if it is in the same line.

Mr. LAGUARDIA. Reserving the right to object, Mr. Chairman, I want to know from the gentleman from Massachusetts if he would support such an amendment as he suggests providing for the relief that he so eloquently pleads for at this time?

The CHAIRMAN. The question is, Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LARSEN. Mr. Chairman, ladies and gentlemen of the committee, there is a point or two in the resolution which I think ought to be emphasized, and which I do not think has been.

As I understand, this is simply a credit facility proposed to be offered to farmers for the establishment or organization of a credit finance corporation for agriculture.

There are a number of communities where farmers want to go into livestock business, but they have no money. They can not get funds through the intermediate credit banks, because they can not qualify for credit. In one of these localities with which I happen to be familiar the credit rules and regulations preclude them from getting the funds, for instance, because they require them to put up some 50 per cent of the money necessary to purchase the livestock, and in addition, to have on hand, in their barns or silos, sufficient food to feed the stock for a period of 12 months. That is an absolutely impossible condition and can not be complied with.

Under the provisions of this resolution, in communities of this character it will be possible to borrow, if the security and conditions warrant it, in the estimation of the Secretary of Agriculture; if 75 per cent of the money necessary to purchase the stock for the corporation can be borrowed from the Government and they can put up the 25 per cent necessary for complete organization, the farmers in communities such as I mention may be able to organize and operate business.

What happened when we established the Federal reserve bank? In that instance the Government organized the banks and sold them, as it were, to the stockholders.

Mr. LUCE. I do not think there was any such opportunity for individuals as that.

Mr. LARSEN. What is the difference? If you were a stockholder, you got the benefit of it; it so happens that they were all bankers and on the inside. The same thing was true as to the intermediate credit banks, and these banks are operated by men who are not farmers. You simply put the banker across the necks of the farmers.

Now, we want to put the farmer in position where he can organize for credit at the intermediate credit institutions. He ought to have this opportunity. If he goes to the local bank, he would have to pay 10 or 12 per cent interest and probably be unable to get the funds with which to organize If he gets it under this resolution, the rate should not exceed 5 or 6 per cent. One gentleman states the rate as 9 per cent at intermediate credit banks. That does not include the abstract fees, and in almost every section they are paying at least 10 per cent when you consider the abstract fees paid, but this money that we are going to get them to organize with in this instance will come from the Government at about 5 per cent.

Let us see if this is a good class of credit. In subsection (b) of the bill you will find that the Secretary of Agriculture has a right at any time when in his judgment the credit of the corporation is being impaired, or the management of the corporation is not satisfactory, to call for the amount due, and what does he get? He gets the stock that the Government has contributed to it and the 25 per cent that the individual has put into it. This should make it safe credit.

Mr. BURTNESS. And in addition to that the borrower is liable upon his note.

Mr. LARSEN. Of course; but I am telling you that he gets enough without additional liability. In addition to that, there must be the credit liability of the man who borrowed the money. There is nothing unusual about the character of credit in this instance except the fact that the terms given to the farmers are not the same liberal terms that we have been giving to other lines of endeavor not engaged in agriculture.

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. LARSEN. Yes.

Mr. KETCHAM. And is it not true that in the cases of rather scattered communities, where the rate of interest holds as high as the gentleman indicated, the rate of interest charged by other institutions would naturally have to be high because of the rather difficult credit conditions existing in the country.

Mr. LARSEN. That is true. The scarcity of money is so great that it is almost impossible to obtain funds with which to organize corporations for credit or of obtaining any advantages under the intermediate credit banks which we have heretofore organized. This resolution should put agriculture in a position where it can take advantage of the credit facilities created several years ago and which have been withheld on account of the conditions obtaining in the country and the adverse desire of the intermediate credit banks to extend credit.

Mr. GILCHRIST. Mr. Chairman, so far in this Congress I have occupied about two minutes in a speech, and I hope I shall not occupy much more time than that to-day. I would feel very small indeed if I put on a red shirt and stood here in this Chamber and proclaimed myself as being opposed to corporations as corporations. If I should be among those who criticize this bill, I would not criticize it because the benefit is to go to individuals. On the contrary, I would feel equally ashamed of myself if I were unable to point out a basic reason for objecting to the bill other than to say that what we have done or passed heretofore has been for corporations and that this is for individuals. There ought to be a basic distinction for any such criticism. I am glad that we have helped the corporations that we have helped. I talked the other day to a member of the Interstate Commerce Commission, and he pointed out to me how the great Reconstruction Finance Corporation is benefiting a certain railroad in my section of the State, thereby releasing money which was owed by the railroads to the banks of the community so that such banks can be paid and thereby making it possible for such banks to open up the jam and set business flowing. I am one of those who believe in the quantitative theory of money and currency, but I also believe that the basic thing for us to consider is the turnover of money and currency, and that when the turnover is quick and active, then business becomes good. As applying to this situation, if no reason can be given for objecting to this bill except that it is the first time that we have loaned money to individuals, then I can not go along with those gentleman who present that argument. It has been presented here by two gentlemen whom we regard, the dynamic character from Wisconsin [Mr. STAFFORD] and the erudite gentleman from Massachusetts [Mr. LUCE], to whom I am willing to accord my profound respect, although I disagree with them at this point.

Let me call your attention to a thing that has existed up to a day or two ago when we passed some legislation that helped the farmer. Heretofore a farmer could not go into the great Federal reserve system of banking in this country and borrow money for the purpose of paying interest upon his farm mortgage. Perhaps that is a wise provision. I do not think so. But I am not here to discuss it at this time. I called attention the other day that thousands of farmers are losing their homes. One-eighth of the farmers in the adjoining county to mine have been foreclosed and kicked out by the sheriff. The farmer could not go to the local bank and say that he wanted to borrow $300 to pay his interest on March 1, because the local banker was compelled to refuse and to say to the farmer, "I can not let you have that money, because your note will not be subject to rediscount within the Federal reserve system." But if the same farmer could approach the local bank and say that he

wanted $300 to buy farm machinery, then his note would become subject to rediscount and the bank could furnish him the money.

It ought to make no difference what the loan is for, if it is a good loan and has behind it collateral and chattels which will back it up, and any such loan ought to be made to a farmer who needs it. The provisions of this bill will allow him to be provided with some money to meet the emergency in which he finds himself. Every one of the mortgages to which I have reference contains what is known as an acceleration clause. This acceleration clause is written into practically all of the mortgages executed in my State. It provides that if the farmer shall fail to pay his interest on March 1, provided that is the interest pay day—and in most of the cases that is true—then the whole loan falls due; and, therefore, with prices as they are now, the farmer is unable to get the money to pay the interest on his mortgage either from the local bank or by sale of farm products. The result is that the mortgage falls due at once. I say, therefore, that this bill is a thing that will give some relief to him, and it is in the nature of an emergency provision, and the farmer should have some way to protect his house and his home from foreclosure sale. And when you sell a man's home it is far different from stepping into the market tomorrow morning and selling the stocks and bonds which a debtor may have put up as collateral for a debt.

Mr. MAY. Will the gentleman yield?

Mr. GILCHRIST. I yield.

Mr. MAY. There are about 2,500 places in this country, most of them in farming sections, where, when the farmer walks up to the bank and applies for a loan, he finds a notice on the door, "Closed by order of the board of directors."

Mr. GILCHRIST. That is very true; but I am talking about a condition which exists where the banks are open. In my section we have had no droughts, we have no grasshoppers, but the farmer has had a good crop but can not finance himself because of the ruinous prices which he must now accept for his products and his labor. Now, for the first time, here is legislation that will help him, and he should be helped.

[Here the gavel fell.]

Mr. SABATH. Mr. Chairman, I appreciate the statement made by the gentleman from Iowa. I know that there are thousands of farmers who are being kicked out of their homes and evicted from their farms, as the gentleman says. Everybody knows—God Himself knows—that if anybody needs relief it is the farmer; but I want him to know and I want the rest of you to know that the need of the people, the small business man, and the small manufacturer in the city is just as great. There are more people who are being evicted from their homes in the cities than there are from the farms, and still we can never secure any relief legislation for those millions of unfortunate people who live in the cities, who are obliged to depend on dole and on charity. But not a single bill has been passed that would directly aid the 8,000,000 unemployed people in the cities, or the small banker, or the smaller manufacturer, or the small business man.

My genial friend the gentleman from Nevada [Mr. ARENTZ] was wondering why there was so much haste with this legislation. I say to the gentleman that the Democratic Party is so desirous——

Mr. GILCHRIST. Will the gentleman yield?

Mr. SABATH. I can not now. Later on I will. The Democratic Party is so desirous to help the farmers that, in the short space of this session, six or seven farm relief bills have been passed. If you Democrats think that by passing all of this farm legislation the farmers in Iowa or Kansas or the Dakotas will appreciate it, you are sadly mistaken. I say that, no matter what you do for the farmers in these States, when election time comes around they will foolishly vote for the Republican Party, depending on the promises, depending once more upon the false promises made by the Republican administration and the Republican Party. [Applause.] You Republicans may applaud; you may be able to fool them again, but I doubt very much whether you will fool very many of them. I think they are sick and tired of the prosperity which you have been giving them.

Now, permit me to make this observation. I am of the opinion that if we continue to appropriate millions and millions until the very last day of this session, we will not help the farmers. I believe an ounce of prevention is worth a pound of cure. We are not reaching the conditions that exist. We must begin to eliminate or eradicate the evil that is responsible for the condition in which the country, in which the farmer, and in which the people of the Nation find themselves. It is the terrific inflation and manipulation, permitted and sanctioned under a Republican President, that is responsible for this panic, for the destruction, and for the misery of people all over the United States.

During 1927, 1928, and 1929 the country was mulcted and milked dry. No wonder the people have no money.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. SABATH. I can not now.

No wonder the people have no money to pay a fair price for the things which the farmer produces. They have been robbed by the manipulators of Wall Street, and until we stop this manipulation we can not have any relief. Let us stop this infamous practice that has robbed 20,000,000 American people of their savings. Let us enact legislation that will make impossible in the future such a practice, such a destructive practice, that has been permitted by this great Government of ours.

I have been working for two and a half years to secure legislation to stop or, at least, curtail short selling on the stock exchanges. Had we adopted such a law two years ago, when I first called attention to this criminal activity, I assure you the distressing conditions which now prevail in this country would not have occurred. [Applause.]

Mr. Chairman, ladies, and gentlemen, that short selling has materially aided in destruction of prices no honest man familiar with the practice can deny. Therefore, I say that in order to bring about stability in the market we must eliminate this "bear raiding" and short selling; and not until it has been eliminated will confidence be restored; and not until then will the farmer receive the just prices for his products that will make it unnecessary for him to depend upon the Federal Government for aid; yes, for existence. I am satisfied that as soon as short selling is prohibited we will have stability in the values of property and stocks, which will have an influence upon all commodities, and only then will the small number of the prudent men, who still have some funds left, begin to invest; but these men are entitled to know that when they do invest they will not be at the mercy of those few professional, price destroying, short selling "bear raiders."

All of the legislation that has been enacted thus far has been passed on the theory that it will reestablish confidence; therefore, I ask, in view of the fact that it will not cost the Government anything, why would it not be logical to enact legislation to stop short selling. I repeat, it is absolutely necessary and even more imperative than the millions and billions of dollars that we have appropriated in bringing about and reestablishing the much-needed confidence.

[Here the gavel fell.]

Mr. LINTHICUM. Mr. Chairman, I was very much interested in what the gentleman from Nevada [Mr. ARENTZ] had to say in reference to not having sufficient time to study the bill before us or for its consideration. There was a hearing before the Committee on Foreign Affairs on what is known as the polar year bill, and I took the trouble to send a copy of the hearings to each and every Member of the House, believing it was very interesting and that he would see the importance of the bill. I am just wondering how many Members of the House took the trouble to read any part of that hearing and study the question. I sincerely hope they will do so before next week, when that bill will probably come before the House.

Mr. UNDERHILL. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. UNDERHILL. I want to say that I did and I am compelled to vote against it.

Mr. LINTHICUM. I am sorry the gentleman looks at it in that manner.

Mr. Chairman, I represent a city district. We do not have any livestock in our district, but we have a great volume of watered stock, much of it overwatered. But that is not the question I wanted to speak about. We passed a bill which is supposed to appropriate $2,000,000,000 for loans to banks, railroad companies, and other corporations, in order to help reconstruct the country. We have passed a bill appropriating $125,000,000 to help the farm-loan banks, and I am glad to note that their stock has gone up since the Government made the loan. We are now engaged in passing a bill for $10,000,000 as a loan to help the farmers, who seem to be in a worse condition than many of the other people and corporations whom we have been trying to help. Now I am sad to state there is another body of people who have become bankrupt, who need loans and contributions, and it may be well for this committee to consider the question as to whether it should not amend this bill to help this other body of citizens and corporations.

This morning I received a letter from the Anti-Saloon League of America, in which it stated:

A sudden blow has struck, a new, unexpected, shocking blow. The Bank of Westerville has failed.

Mr. JONES. Mr. Chairman, I hope the gentleman will not bring in collateral matters. To-day is Calendar Wednesday, and we want to finish this bill.

Mr. BLANTON. I hope my colleague will let him read the letter.

Mr. LINTHICUM. You have been talking about collateral matters all day. It will not take me long to read this letter, and it adds humor to this very serious discussion.

A sudden blow has struck, a new, unexpected, shocking blow. The Bank of Westerville has failed.

Thus our local bank, a reliable resource of the national Anti-Saloon League for 20 years, is in the hands of the State superintendent of banks. It is now in process of liquidation.

Not much will be lost in deposits. But the league, after deeply cutting expenses, has required some very large loans. These are, of course, for short periods. They must be paid as they come due. We no longer deal with long-time friends. Several notes have been rediscounted to outside banks, which will also demand full payment at maturity.

Our league's credit is in peril. We turn for relief to you and to other faithful friends. Our league's obligations, incurred during the hard times, must be promptly met. What if this be not done? It would mean litigation and publicity with disastrous results. There's only one way. All must unite in sacrifice. We dare not fail.

In view of this emergency, won't you kindly send by first mail a special offering in addition to your regular gifts to the State or national league? Please send just as large a check as you can (payable either to the Anti-Saloon League of America or to Harry B. Sowers, treasurer) in the inclosed envelope. Do not put this off. Do not fail to send something. We know you will do your best.

Doctor McBride and Doctor Cherrington join me in this request; also the Ohio officers—see letter from Superintendent McNaught inclosed. We thank you for your aid at this crisis. Please reply by return mail.

Gratefully yours,

HOWARD H. RUSSELL.

Founder and First Superintendent Ohio Anti-Saloon League; Associate General Superintendent Anti-Saloon League of America.

[Here the gavel fell.]

Mr. LINTHICUM. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Mr. Chairman, that is unfair, because there are only seven minutes left of the time that was fixed and limited for debate on this paragraph. That is unfair, because I must have time to answer the gentleman.

Mr. LINTHICUM. I want to say just in conclusion that I hope some provision will be made for these people. [Applause.]

Mr. BLANTON. Mr. Chairman, I offer an amendment. On page 1, in line 4, strike out the words "to individuals, under such regulations as he may prescribe."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 1, line 4, after the word "loans," strike out the words "to individuals, under such regulations as he may prescribe."

Mr. BLANTON. Mr. Chairman, I hold no brief for the Anti-Saloon League of America. But I can not permit it to be sneered at. It is an organization that is kept up by noble Christian men and women—Methodists, Baptists, Presbyterians, Christians, Episcopalians, Catholics, and churchmen of every denomination in the land—to fight the infamous liquor traffic. The splendid gentleman who signed that letter of appeal——

Mr. JONES. Mr. Chairman, I am going to let the gentleman finish his statement, but after this I shall make the point of order that the remarks be confined to the bill, because there are some Members who really want to discuss this legislation. [Applause.]

Mr. BLANTON. The splendid gentleman who signed that letter of appeal, Rev. Howard Hyde Russell, following the failure of the Westerville bank that contained all of his organization's funds, is the founder of this worthy and most valuable Anti-Saloon League of Ohio and its first superintendent. He has devoted much of his life to the cause of fighting the open saloon. He is associate general superintendent of the Anti-Saloon League of America.

The reading of that letter by my friend from Maryland, the wet leader from Maryland, is worth thousands of dollars to the dry cause, because this appeal from Dr. Howard Hyde Russell will now go into every nook and corner of the United States when it appears in the daily CONGRESSIONAL RECORD in the morning. It will let the people of the United States know that the bank at Westerville, Ohio, has failed and closed its doors; that it has taken all of the funds of the Anti-Saloon League that has been fighting the liquor traffic: and men and women everywhere, out of the goodness of their hearts, who believe in prohibition and who are against the open saloon, will contribute of their means, and it will have the effect that Doctor Russell intended. I hope my friend from Maryland will send them a check to-morrow for $1,000. I hope my friend from Wisconsin [Mr. SCHAFER], who was making fun of the fact that he had received on of these letters—I want JOHN SCHAFER to send his check to them to-morrow for $1,000.

Mr. CELLER and Mr. SABATH rose.

Mr. BLANTON. To whom shall I yield first? The wet gentleman from New York or the wet gentleman from Chicago, both of whom, even though dripping wet, are splendid gentlemen.

Mr. CELLER. There will be no deposits lost. According to this letter they borrowed large sums of money which they will have to pay back, and they are asking funds for that purpose.

Mr. BLANTON. The people will respond nobly. Methodists, Baptists, Presbyterians, and many other Christians, even from New York City, will help them out because there are many good men and women in New York City who are for the Constitution. They have not taken an oath to uphold it; they are not under oath "to uphold and defend the Constitution against all enemies, foreign and domestic," but they are for it nevertheless, and they will send in funds to Doctor Russell at Westerville, Ohio, I am sure.

The Anti-Saloon League is merely one of the numerous organizations fighting against the infamous liquor traffic. It is to the dry cause just what the gentleman from New York is to the wet cause. It is to the dry cause just what the gentleman from Maryland is to the wet cause. But it has many other exponents to help its cause, and when all of the organizations now fighting the open saloon unite their forces they are most powerful indeed. There are millions of men and women in the United States who are as dry as the desert of Sahara who have no connection whatever with the Anti-Saloon League. They are unalterably and uncompromisingly against the saloon and they are against the infamous liquor traffic which can make a great United States official, acting under orders from the Vare machine,

turn overnight from a lifelong dry to a new wet. That is the power they are fighting, an infamous, pernicious, dangerous power that is a menace to good government everywhere in the United States.

These men and women everywhere of whom I speak, who with all their means and might and souls are fighting against the return of open saloons—and beer means just that—are fighting this moneyed octopus that stops at nothing; this liquor traffic which the committee of United States Senators, after careful investigation, reported "would debauch public officials and buy and control the press." You will remember that when this subsidized press misquoted the position of Bishop E. G. Richardson, the new president of the Anti-Saloon League of America, on the subject of a referendum, he, from his home at 1701 Arch Street, Philadelphia, Pa., on January 20, 1932, gave to the press a written statement clearly announcing his position, and only the unsubsidized newspapers carried it. Here is what Bishop E. G. Richardson then said:

JANUARY 20, 1932.

Apparently from some reports that are reaching me an erroneous conclusion is being drawn from some of the statements that I made to the reporters recently in Washington. The few reports that I have seen are generally correct in their statements. I must believe, however, from some word that reaches me from various parts of the country that undue emphasis is being laid on some of the statements that I made, and others are being wrongly interpreted.

I was asked whether I believed in a referendum on the subject of prohibition. I replied in the negative and gave my reasons for my negative position. As has been reported where I have seen the reports of my interview. I stated that a referendum would be unconstitutional and meaningless.

I then went on to say that I conceded the right to every citizen to oppose the prohibition amendment if he conscientiously did not believe in it. Those citizens who do not believe in the prohibition amendment have just as much right to try to have it repealed or further amended as I have to try to keep it where it now is. I went on to state that the Constitution provides a way by which this can be attempted. These constitution processes provide a way for a constitutional referendum.

According to the Constitution, amendments may originate in the Congress or they may originate through the legislatures of the various States. If the opponents of the prohibition amendment can secure action through the legislatures of 36 States asking for the repeal or modification of the eighteenth amendment, they have an absolute right to do so.

In brief this was my statement to the press in Washington, and on this statement I am willing to stand.

E. G. RICHARDSON.

Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HART. Mr. Chairman, I want to know from the gentleman from Texas if these dry people included Mabel Walker Willebrandt.

Mr. BLANTON. With all due disappointment for what she has done since she went out of office, I want to say for that former splendid woman that, when she was Assistant United States Attorney General, watching these liquor violation cases before the Supreme Court of the United States, she rendered distinct and valuable service to this Nation. If through threats they can change a United States Senator overnight, from a dry to a wet, they can probably find positions and big salary inducements that would change a good woman from a dry to a wet also. [Laughter and applause.] It is the pernicious, dangerous power of the liquor traffic that does this, that makes it a menace to all civilization.

Mr. HART. The pernicious power of the money traffic.

Mr. BLANTON. Both of them, liquor and its unlimited money. They control powers here and there in legislatures, press offices, and congressess, and it is time that somebody was fighting them here, and I am going to do it uncompromisingly.

Mr. CELLER. When the gentleman looks at the vote taken in the Judiciary Committee yesterday on the Beck-Linthicum resolution——

Mr. BLANTON. Fourteen to nine.

Mr. CELLER (continuing). He will find that several dry States have fallen into the wet column.

Mr. BLANTON. Oh, probably from wets purposely seeking places on that great committee. We must watch it to keep it from being stacked. I know it is unpolitic and dangerous for me politically to make this speech. Similar speeches have already aroused opposition to me. I know there will be "wet" money spent in my district to defeat me, but let them spend it. If it takes my office—and to be able to continue holding it keeps me from voicing my real sentiments—then let the office be damned. I would not want it at that price. I am going to speak my sentiments on the floor of this House as long as I am here, office or no office. [Applause.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 2. (a) No loans shall be made to individual stockholders on the capital stock of, or to create or increase the capital stock of such corporation, company, or organization in an amount in excess of 75 per cent of the par value of the capital stock of such corporation, company, or organization owned by or proposed to be subscribed to by such individual, nor unless such individual shall submit a credit statement (in such form as the Secretary of Agriculture may prescribe) which shall be verified by the investigation of the Secretary of Agriculture and shall show that such individual is not indebted in an amount in excess of one-half of the fair market value of his assets, and that the value of such assets above such indebtedness shall be at least twice the value of the loan applied for; nor shall any loan be made to any individual on the capital stock of, or to create or to increase the capital stock of, any corporation devoted mainly to the financing and/or sale of special products to farmers.

(b) No loan shall be made upon the capital stock of any corporation until the Secretary of Agriculture shall find that the financial structure of such corporation is sound and unimpaired and by him approved, nor shall any loan be made upon the capital stock of such corporation until the management of such company shall be made known to and approved by the Secretary, and the Secretary shall have the right at any time to declare the indebtedness to the Government that may be created hereunder due whenever in his judgment the financial structure of the corporation shall become so impaired or the management become so unsatisfactory as to jeopardize the interests of the Government.

Mr. BOILEAU. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: Page 2, line 9, strike out all of lines 9, 10, and 11, and insert in lieu thereof the words "such individual's assets above his indebtedness is at."

Mr. BOILEAU. Mr. Chairman, I wish to call the attention of the members of the committee to lines 9, 10, and 11. The resolution provides that when an individual makes application for a loan he must file a credit statement, and then it says that such credit statement shall show such individual is not indebted in an amount in excess of one-half of the fair market value of his assets, and that the value of such assets above such indebtedness shall be at least twice the value of the loan applied for.

My amendment will take out the first qualification for this loan. It seems to me unfair that the resolution should provide that under no circumstances shall the individual's indebtedness exceed more than one-half of his total assets in order to qualify for a loan. In other words, under this resolution if a man has a $20,000 farm and he has a $10,000 mortgage on that farm, he could borrow $5,000, because there is a difference of $10,000 between his assets and his liabilities. He has a $10,000 equity in that farm and could borrow one-half of it, or $5,000, and increase his indebtedness up to $15,000; but if that same individual had just a few dollars more than $10,000 of indebtedness, or we will say if he had $11,000 of indebtedness on a $20,000 farm, with a clear equity of $9,000, he would be prohibited from borrowing one red cent.

I can not see the justice of this provision. It seems to me that the other provision, which requires that his net worth or the difference between his assets and liabilities shall be twice the amount applied for, is adequate security.

If a man has a $50,000 farm with a $26,000 encumbrance, he could not borrow a nickel, although he has a clear equity of $24,000; but a man with a $5,000 farm with a $2,500 mortgage on it, with a clear equity of only $2,500, could borrow $1,250.

In view of the fact that the resolution does not require that the individual mortgage or pledge his property, that

this is grossly unfair, and I believe upon proper consideration the members of the committee will adopt the amendment.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. BOILEAU. Yes.

Mr. CAMPBELL of Iowa. Suppose a young man bought a piece of land under a contract which provides for the payment of $20,000 on the farm, on which he has paid $3,000, and we will say that all of his personal property is absolutely clear and amounts to the sum of $8,000, under this bill ne could not borrow a cent.

Mr. BOILEAU. Not a cent; but if another man had bought a $20,000 farm and paid $10,000 on the contract, leaving an equity of $10,000, he could borrow $5,000, or increase his liabilities to $15,000, and the Government would not be nearly as well secured as it would be in the case of the other man being loaned two or three thousand dollars.

Mr. JONES. Mr. Chairman, I simply wish to state that this paragraph does not refer to individual loans which the borrowers may borrow or the livestock men may borrow from the Agricultural Credit Corporation. It is just an effort to throw some safeguard around the Government money that is lent for the purpose of enabling them to establish such a corporation.

Any farmer or any livestock man, after the corporation is established, may borrow such as his credit may entitle him to.

Mr. KETCHAM. This provision is giving him the qualifications for subscribing for stock.

Mr. JONES. Yes; he may subscribe for the stock if qualified under this provision. This is a safeguard which the Secretary of Agriculture, who assisted in preparing the measure, wanted put in for the protection of the Government in making loans for the stock itself. Ultimately a sound system is in the interest of the borrower.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. JONES. I yield.

Mr. CAMPBELL of Iowa. Suppose you are qualified to come under the provisions of this bill, and purchase $2,500 worth of stock. Suppose I am not qualified to come in under the provisions of the bill, but suppose you sell your stock to me. Is there anything against that?

Mr. JONES. There is nothing against the sale of the stock. This is for loan, to enable a group of men to get together and organize a corporation. I suppose an individual might sell his stock, but if a majority of it fell into the hands of incompetent or irresponsible people the Government has a remedy in one of the provisions of the bill.

Mr. BOILEAU. Will the gentleman yield?

Mr. JONES. I yield.

Mr. BOILEAU. If I had $11,000 indebtedness and a $20,000 farm, is it not true that I would not be eligible to borrow anything from the corporation?

Mr. JONES. That would depend on what other assets you might have. Your assets must be double your liabilities before the Secretary would lend you money for the purchase of stock. But the credit corporation, after organization, would not be bound by this limitation. They would pass upon the loan by the corporation on its merits and on the value of the collateral offered.

Mr. BOILEAU. In the event that I had a $10,000 indebtedness and a $20,000 farm I could borrow $5,000, could I not?

Mr. JONES. Not necessarily. You might not be able to borrow any. It would depend on whether your credit statement satisfied the Secretary. The Secretary of Agriculture may make additional restrictions and would pass on the loan. I have no idea he would grant a $3,500 loan under the circumstances mentioned by you.

Mr. BOILEAU. Again, I ask the gentleman if it is not true that if I had the $20,000 farm and a $10,000 indebtedness I would be eligible to obtain a loan of $5,000?

Mr. JONES. No; not unless the corporation wanted to extend it.

Mr. BOILEAU. They would have the authority to give me the loan.

Mr. JONES. It is the corporation that makes the loan to individuals. This has no relation to individual borrowers, only for the purpose of buying stock in the corporation.

Mr. BOILEAU. The provision I object to is the one that requires him to have double the amount of assets over his liabilities.

Mr. JONES. I think that safeguard ought to be in the bill. What we want to do is get rid of an unsound system and establish a sound system. Mr. Chairman, I ask for a vote.

The question was taken; and the amendment of Mr. BOILEAU was rejected.

Mr. BURTNESS. Mr. Chairman, I move to strike out the last word. I had not intended to take any time on this bill, but there seems to be considerable confusion among the Members as to what it is intended to do and as to the fundamental theory upon which the Federal Government is justified in adopting the proposal or not so justified. For this reason may I detain you briefly as to my viewpoint?

I think it advisable to call the attention of the membership of this committee to what took place when Congress enacted the so-called Lenroot-Anderson Act of some years ago, because we have to go back to that act as the foundation or background for this act. What was the intent of that act? It is to be found in its name, in a word. It is called the intermediate credit act. Why was it enacted? Because Congress and the country realized that there was no place in our existing financial system to which a farmer could go for the purpose of getting the intermediate credit needs he required from time to time taken care of. The Federal farm land bank system had been established for the long-term real-estate loans. It was thought and believed—and, of course, was true when banks were operating and functioning normally all over this country—that the short-term credit needs of farmer—his seasonal loans—would be taken care of by the local bankers; but there was no place where a farmer could obtain credit for a period of three or four years during the time, for instance, that a bunch of livestock that he desired to purchase would be grown and put in shape for sale so he could pay off the debt that he contracted in the purchase of that livestock. The same would apply to a case where he might desire to buy a herd of dairy cows.

We have now been operating under that act for several years, and what are the practical situations that have arisen since that time? In that act provision was made that the intermediate credit bank could make loans to, could discount livestock paper—and that is all they deal in—when guaranteed either by a local bank which would make livestock loans or through so-called agricultural credit corporations which were authorized to be established.

The one thing that has been most disappointing to me since the act was established is the fact that the provision with reference to the local banks discounting paper with the intermediate credit bank has not been found practicable, or at least we have had the experience that it is not used. Why has it not been used? I have asked dozens of bankers that question. They say that they can not deal in this type of agricultural paper and rediscount it with intermediate credit banks for the reason that when they do, their statement will show that they are owing money, and ordinarily the individual banker wants to get away from making that sort of a showing. Of course, that has been particularly true since the orgy of bank closings started throughout the agricultural sections a few years ago. They are afraid to borrow money when their statements will show bills payable and are in continued fear of a run on the bank.

That has limited the functioning of the intermediate credit banks to the so-called agricultural corporations. The theory of the law was that such corporations were to be organized generally by farmers themselves, and the farmers were first to put up the required capital stock, which capital stock would be additional security to the intermediate credit system, additional to the livestock paper that the individual credit corporation would discount with that system. When

they started operations a few years ago they were liberal in requirements as to capital; it did not make much difference in what form the capital stock was kept. Leniency in that regard was soon found to be unwise and unsafe, and to-day the intermediate credit system requires every single individual agricultural credit corporation to deposit its entire capital stock in liquid securities with the intermediate credit banks, and those securities are held as collateral to all of the loans discounted by the local credit corporation. What is the situation now? Why the need of this law?

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

Mr. JONES. Mr. Chairman, I regret I must object to that.

Mr. BURTNESS. I modify my request to three minutes.

Mr. JONES. Will the gentleman submit to a unanimous-consent request before that is put?

Mr. BURTNESS. Certainly.

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in three minutes.

The CHAIRMAN. Is there objection?

Mr. LINTHICUM. I object.

Mr. JONES. Mr. Chairman, I move that all debate on this section and all amendments thereto close in three minutes.

The question was taken; and on a division (demanded by Mr. LINTHICUM) there were—ayes 54, noes 5.

So the motion was agreed to.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BURTNESS. Mr. Chairman, to-day the farmers have no available funds, and there are no banks to which he can go, generally speaking, to get money to invest in the required stock to establish these agricultural credit corporations. That is the reason for this bill, and the sole reason for it. This measure will assist them to procure the necessary funds.

As was so well explained by the gentleman from Mississippi [Mr. WHITTINGTON] and a number of others here, the Government in making the loans proposed will get as security the stock itself for the amount that it will advance, which, in turn, is limited to 75 per cent. There has been some confusion on the theory that these loans now being considered are to be made direct to the farmers for various purposes. The loan is to be made for only one purpose, and that is to give those desiring to do so an opportunity to invest in the capital stock of the agricultural credit corporation, so that such corporation can function along the lines that Congress believed it would be able to function when we passed the original Lenroot-Anderson bill. This provision is not confined to farmers, but it applies to any person who is willing to invest in the capital stock of the agricultural credit corporation, which in turn will make loans to farmers on the security of livestock. That is the purpose of it. It is to assist it in that way.

The intermediate credit corporation will continue to accept applications for loans as in the past. When a new one is established, it will start to accept applications for loans from farmers. Every one of those loans must be adequately secured by farm chattels, principally livestock, if it is going to be rediscounted with the intermediate credit bank. They are generally loans on the finest kind of livestock—dairy or beef cattle—and they are made very conservatively, for they are generally limited at the present time to $25 or $30 per head. They are in actual practice limited to a value that is approximately one-third of what you would assume would be a fair value even in rather drastic times. So every one of those loans will be well secured. There is no question about that. The system as a whole has lost little or no money. This is simply an additional feature which experience shows to be a desirable set-up in order to make it function better. It is needed more to-day throughout the agricultural sections of the country than it has ever been needed in the past.

No ready capital is available for the required initial stock or to take care of needed enlargements of existing local credit corporations. Some now require the borrower to take out 5 or 10 per cent of their loan in stock, thus reducing the amount the farmer can obtain and which he generally sorely needs for operation. To him that appears as if he is paying 16 or 17 per cent interest on his loan. Of course, he remains the owner of the stock, but he does not always understand that. In any event, many of them can not afford to make the investment, and to-day he can not borrow on the capital stock itself, for no one stands ready to accept it as collateral.

We, who have had some experience with this matter, know the conservative business attitude of the management of the intermediate credit banks. Sometimes I have criticized them. I have urged them to be more liberal in the making of their loans. They have insisted at all times on a conservative policy; and probably, under our declining-price level on livestock, that policy has worked out to the best interests of agriculture in the long run, for otherwise the system might have become insolvent and thus been destroyed. In any event, there is little or no danger of losing any money by the enactment of this bill.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 3. No loan or advance shall be made to any individual upon the capital stock of or to create or increase the capital stock of any corporation, unless the capital stock of such corporation shall be at least $10,000.

Mr. KLEBERG. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KLEBERG: Page 3, line 6, after the word "the," insert the words "paid in."

Mr. KLEBERG. Mr. Chairman, this amendment is agreeable to the committee and acceptable to them. The amendment is offered for the purpose of clarifying the language of this particular section of the bill.

Without referring further to the amendment, the reason for which is apparent, I would like to take occasion at this time to call the attention of the committee briefly to the reasons why this measure should be passed.

On numbers of occasions there have been before this House distinguished Members calling attention to conditions of all sorts confronting this country. Preeminently among those conditions there has been a very strong suggestion that the available capital or money or wealth, if you please, of this Nation on deposit and elsewhere is not now in circulation. This particular measure will put into immediate function and circulation $10,000,000 of the residue of a fund which at present is lying idle, the unused portion of the drought-relief fund.

In addition thereto it will enable the intermediate credit bank to put into circulation a large part of the fund they hold to the benefit of those engaged in agriculture, because of the fact that there is no chance at the present time for the farmer to avail himself, with present existing agencies in certain sections of the country, of the moneys in the hands of the intermediate credit banking system.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. KLEBERG. I yield.

Mr. CAMPBELL of Iowa. How much is that fund that they did not use last year?

Mr. KLEBERG. There is a little over $11,000,000 remaining.

There are, then, two funds released and put into circulation. We have successfully combated a certain state of idleness of a large part of the capital which was voted and put into this depositary for the very purpose for which we ask the passage of this bill.

In addition, attention has been called to the vital necessity of balancing the Budget. I submit to you in all reasonableness that this bill does not endanger the balancing of the Budget. On the other hand, it enables the farmers, through production loans, to be able to pay their taxes in many instances which they could not pay because of inability to finance themselves for future production.

[Here the gavel fell.]

Mr. STOKES. Mr. Chairman, I ask recognition in opposition to the amendment.

Mr. Chairman, I sometimes think of the peddler, who in Fleet Street Prison told Sam Weller that when money was left to him he found his overthrow came. Undoubtedly the farmers of the country are the class of people more than any other whom we have to encourage if good times are to return, but is it not better to encourage them not to borrow money but to pay off their loans and to adopt economical methods?

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. STOKES. I yield.

Mr. STRONG of Kansas. Many of them can not pay their taxes now. What is the use of asking them to pay off their loans?

Mr. STOKES. There is an old adage which says "Who goes a-borrowing goes a-sorrowing." Let us encourage them by trying to get them lower costs of transportation, lower costs of materials and supplies, and, if possible, higher prices for their produce.

Mr. STRONG of Kansas. That will stop them going a-borrowing.

Mr. STOKES. To be sure, this is only $10,000,000. That is not very much, but it adds something to our already heavily burdened Treasury. Ten million dollars, stretched out over this huge country, is nothing at all. It would be merely wasted. We should have ten times that much money. The Reconstruction Finance Corporation is this same type of legislation. Let us give that a chance and see how it works out. That was aimed directly for agriculture, commerce, industry, the railroads. Let us give them a chance. The banks of the country are supposed to loan money to individuals.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. STOKES. I yield.

Mr. CAMPBELL of Iowa. Suppose there are not any banks in the country; suppose they have all gone broke?

Mr. STOKES. That point is well taken, but we have a corporation called the Reconstruction Finance Corporation with $2,000,000,000 assets, which is authorized to loan them money if they need it.

Mr. CAMPBELL of Iowa. But I want to inform the gentleman from Pennsylvania that we can not get anything in the form of individual loans through that bill.

Mr. ALLEN. Will the gentleman yield?

Mr. STOKES. I yield.

Mr. ALLEN. The gentleman was speaking about railroads. The gentleman is familiar with the fact that the first request for a loan under the Reconstruction Finance Corporation act was for a railroad, asking for $18,000,000, almost double the amount we are asking in this bill.

Mr. STAFFORD. If the gentleman will permit, the main purpose was to rescue individual banks that were in distress. As far as the relief which will go to the railroads, it will be a fractional part, indeed. It was to relieve the banks in distress throughout the entire country.

Mr. ALLEN. But they reached out for the first grab at it. One of the Democratic principles—I wish it was one of the Republican principles and hope it soon will be—is that the States have the right to order and control their own domestic institutions according to their own judgment. Let us hold to that doctrine, because it has always been successful. [Applause.]

Mr. UNDERHILL. Mr. Chairman, I rise in support of the amendment. I have secured time for the purpose of asking one question of the chairman of the committee.

Mr. JONES. Will the gentleman yield in order that I may make a unanimous-consent request?

Mr. UNDERHILL. Yes.

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. UNDERHILL. For a number of years I have been voting for farm relief, farm relief this year, last year, the year before last, and running back quite a number of years. All I have succeeded in doing thus far is to put the farmer further into debt. That is one thing to which I object.

The second thing to which I object is the creation of Government bureaus in order to give easy jobs to hundreds of nonfarmers for which the farmer has to pay in taxes. In the third place, I object to the encouragement of a lobby here which is supported by voluntary membership fees from the pocket of the farmer, a lobby which exists for the assumed purpose of finding more ways to relieve the farmer, but principally for the purpose of perpetuating its own existence. Exploiting the poor farmer, the personnel lives the life of Riley here in Washington, and although ostensibly, as I said, exists for the purpose of finding more relief for the farmer, in reality it is enlarging a vicious circuit without a terminal of more taxes, more bureaus, and more jobs, all at the expense of the deluded farmer. Now, if this bill is going to stop that sort of thing, any or all of it, I would be willing to go along with the gentlemen, even if it goes further than we have ever gone before. One of the evil results of this continual agitation for supposed relief is the lobby to which I have referred, and one of the worst features of this lobby is that it sits on the neck of every man here who represents a farming constituency and tells him he must support its program or it will go into his district and defeat him for reelection.

There are many, many men in this body representing farming districts whom I admire, who are of the greatest value to the whole country, who take a broad, national view of questions. I do not blame them for feeling sometimes as though they are forced by circumstances and this tremendous farm lobby which has been built up here in Washington in recent years to vote for legislation which is not sound, which does not assist the farmer, but which, in fact, hurts the farmer, who has been sold the economic gold brick by farm organizations through misleading propaganda from Washington, D. C.

I have said all I intended to say on this question. But before this bill comes to a vote I would like the chairman of the committee to tell us how, where, and when we are going to stop this thing; when we are going to help the farmer out of this trouble and stop this effort to lift himself by his bootstraps or pushing him further and further into debt. I now yield to the gentleman from Georgia.

Mr. BRAND of Georgia. I want to ask the chairman a question. The object of this bill, as it states, is to aid in the establishment of agricultural credit corporations. Who is going to form those corporations?

Mr. JONES. Usually individuals in the local communities, as they have been forming them under the drought relief act which is in the exact language of this bill.

Mr. BRAND of Georgia. Are these corporations to be formed by the general assemblies of the various States or the courts?

Mr. JONES. No. Provision has already been made in the intermediate credit act, with which the gentleman is familiar, for such corporations. Individuals who want to buy stock and form a corporation may get together in a community and borrow three-fourths of the necessary money and put up the remaining part.

Mr. BRAND of Georgia. I know that; but what court is to organize these corporations, and, if not any court, is the general assembly of a State to create a corporation? Somebody must create it.

Mr. JONES. The intermediate credit act provides for the filing of articles of incorporation with the board here in Washington; and they may, of course, organize under State laws.

Mr. BRAND of Georgia. I know they can, and that is the tribunal to which they should resort to be incorporated; but in this bill you undertake to permit them to create a corporation themselves.

Mr. JONES. No, no. Most States have general laws providing for incorporating a company, or stipulate the method that must be used. These laws, of course, must be complied with.

Mr. BRAND of Georgia. You can not do it that way. A corporation must be created by the courts or a general assembly.

Mr. JONES. I do not think the language is susceptible to that construction.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. All time has expired. The question is on the amendment offered by the gentleman from Texas.

Mr. GLOVER. Mr. Chairman, I ask unanimous consent that the amendment may again be reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again read the amendment.

Mr. JONES. The amendment is acceptable to the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. To carry out the provisions of this resolution, including all expenses incurred thereunder, there are authorized to be appropriated, out of the unexpended balances of appropriations made to carry out the provisions of Public Resolution No. 112, Seventy-first Congress (46 Stat. 1032), as amended by the Interior Department appropriation act for the fiscal year ending June 30, 1932, and as amended by Public Resolution No. 120 (46 Stat. 1167), and out of the collections from loans made under Public Resolution No. 112, as so amended, a sum not exceeding $10,000,000, which sum shall be paid into a revolving fund. Not to exceed 2 per cent of such fund may be used for expenses of administration. All moneys received from time to time upon the repayment of any advance or loan made pursuant to this act, together with the interest, shall be paid into the revolving fund and shall thereafter be available for the purposes and in the manner hereinbefore provided.

Mr. JONES. Mr. Chairman, I would like to have debate closed except on amendments that are offered for a real purpose.

Mr. REED of New York. Mr. Chairman, I have such an amendment.

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. REED of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REED of New York: On page 3, line 25, after the word "*Provided*," insert a colon and the following: "*Provided*, That the amount loaned in each State shall be allotted to the States in the proportion that their population bears to the total population of the United States, exclusive of the insular possessions, according to the United States census last preceding the end of the fiscal year in which such allotment is to be made."

Mr. JONES. Mr. Chairman, I make a point of order on the amendment that it is not germane and brings in an entirely new method of distribution and arrangement and other similar action.

Mr. REED of New York. Will the gentleman withhold his point of order?

Mr. JONES. I think there are those that really want to discuss the bill. If the gentleman wants to discuss some features of the bill, I shall reserve it.

Mr. REED of New York. I would like to discuss the amendment for about a minute or two.

Mr. STAFFORD. May I inquire of the gentleman from Texas what is his point of order?

Mr. JONES. That it is not germane and brings in entirely new matter and a system of allocation and allotment that is not provided in the bill.

Mr. BLANTON. And is inconsistent with the purposes of the bill, which is a farm measure and does not take in metropolitan New York with its 6,000,000 people.

Mr. REED of New York. They pay the taxes. I would like to have a minute or two on the amendment. Of course, I do not admit the force of the gentleman's point of order.

The CHAIRMAN. Does the gentleman from Texas desire to press his point of order?

Mr. JONES. Yes. I reserve the point, however, so that the gentleman may discuss the matter.

Mr. REED of New York. Mr. Chairman, as I look about me here I am looking into the faces of a large group of men who have had an opportunity to see the interest I have always displayed in farm legislation. You men may not realize it, but in the great State of New York, with its large number of farms and its large farm population, the farmers there face difficulties just as well as do the farmers in Texas and the other States of the Union. We have our droughts and we have our grasshoppers, and we have all the difficulties that are visited by Providence upon the farmers of the country.

I have noticed as I have voted for large appropriations to assist farmers throughout the country, invariably there is a clause in the rules and regulations or in the law itself that before they can get any relief the Secretary of Agriculture must be satisfied that some extraordinary emergency must exist, and, as a rule, the farmers of New York State and of New England and of other sections where they pay large taxes to meet a crisis, seldom receive very much relief from such appropriations. When it is a matter of good roads or vocational education you will find us here favoring the legislation——

Mr. ABERNETHY. Will the gentleman yield?

Mr. REED of New York. In just a moment. I only have a few minutes.

Mr. ABERNETHY. The gentleman can secure more time, because I think the gentleman is telling the God's truth. I think the gentleman is preaching a sermon, and I would like for him to continue. We help the banks and everything else, but when we come to help these poor devils we surround it in such a way that they can not receive any benefits.

Mr. REED of New York. I come from a farming district and they ask the question when I go home, "Why is it that you support these general farm propositions and yet we, as farmers, seldom receive relief from such measures?"

I know there is a great sense of fairness in the House here, and it strikes me it would only be fair to be sure that each State is going to get something for the relief of its farmers, and all I am proposing to do here is to see that a certain amount, based upon population, is allocated to New York and Pennsylvania and New England that pay a very large proportion of the taxes. If you were to do this, I am quite sure that these States would feel much more like going along on your good-roads program and your educational matters, as we invariably do, and I am simply submitting this amendment as a matter of common fairness to the men who need help when we are paying out these large sums of money.

Mr. JONES. Will the gentleman yield?

Mr. REED of New York. I very gladly yield to the gentleman from Texas.

Mr. JONES. I would like to state to the gentleman that some of us tried to get an allocation on the same basis when the Reconstruction Finance Corporation measure was up, and they would not let us have it.

Mr. REED of New York. Do not blame me for that.

Mr. ABERNETHY. Will the gentleman yield for a question?

Mr. REED of New York. Yes.

Mr. ABERNETHY. North Carolina is the second largest tax-paying State in the Union, and we are getting darned little from any source.

Mr. REED of New York. And unless this amendment goes through you will not get a nickel for your farmers.

Mr. ABERNETHY. But I am not getting much under this administration, and that is what is worrying me.

Mr. BURTNESS. Will the gentleman yield?

Mr. REED of New York. Yes.

Mr. BURTNESS. Surely, the gentleman, by his amendment, does not intend to include the total population, but the farm population?

Mr. REED of New York. I would be very glad to.

Mr. BURTNESS. Does not the gentleman think he would get further with his amendment if he limited it to farm population?

[Here the gavel fell.]

Mr. PATMAN. Mr. Chairman, much has been said here this afternoon about how much is being done for the farmers. This bill authorizes the use of $10,000,000 as what we may term a revolving fund; $10,000,000, which is one-tenth of the amount that one corporation can borrow under the terms of the Reconstruction Finance Corporation act.

Now remember that this money will not be used for paying dividends, or for any similar purpose. It will be used to advance to individuals who can also put up at least 25 per cent, and then put up their stock as collateral security for the additional 75 per cent, and show that they are solvent, that they have assets over and above the liabilities which will equal twice the amount of money borrowed from the Secretary of Agriculture.

When the reconstruction bill was before another body, as shown on page 1698 of the CONGRESSIONAL RECORD, a Member of that body sent up an amendment. I want you gentlemen to listen to the reading of this amendment. It is this:

> It shall be a condition to any loan made by the corporation as herein provided that the financial institution or corporation to which the loan is made shall not declare any dividend while such loan is outstanding, and it shall be expressly stated in each contract of loan that if any such dividend is declared, the loan shall immediately become due and payable, and the corporation shall proceed to enforce payment of the same; but the acceptance under section 5a of any draft or bill of exchange drawn upon the corporation shall not be considered a loan within the meaning of this prohibition.

Ordinarily, you would think that such a meritorious amendment would be adopted. It was not adopted; it was defeated, and the bill to-day provides that you can use this money for the purpose of paying dividends, which will result in paying dividends on watered stock and bonds in many instances. The big corporations will have their dividends paid from the United States Treasury.

Therefore, the amount of money provided in the legislation under consideration here now is very small and insignificant compared to the amount of money that can be loaned to one concern under the reconstruction finance bill, and for the purpose of paying dividends on its watered stock and bonds.

I would like to insert, Mr. Chairman, at this point a record of a number of bank failures. I ask unanimous consent to insert an editorial from an Alabama newspaper at this point.

The CHAIRMAN. Is there objection?

There was no objection.

The matter is as follows:

MR. MELLON

Andrew Mellon is no longer Secretary of the Treasury. This news will be received with a sigh of relief by millions of American people. He has held this position, which is regarded as the head of our financial system, since 1921. During this 10 years there have been 6,447 bank failures, as compared with 762 during the preceding 10 years. During the term of CARTER GLASS, the last four years of the Wilson administration, there were only 161 bank failures. There were nearly three times as many bank failures in the United States in 1930 as during the entire eight years of the Wilson administration. Is it any wonder that there was rejoicing when Mellon resigned to become ambassador to England?—Oneonta Southern Democrat.

Mr. PATMAN. Now, that shows that there were 6,447 bank failures in the United States during the past 10 years. During the same period of time there was only one bank failure in Canada and no bank failure in England.

Mr. KETCHAM. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. KETCHAM. Will the gentleman permit this observation: Whereas only $10,000,000 is provided here under the Reconstruction Finance Corporation act there may be expended six to ten times the amount, which would ultimately result in the use of $100,000,000.

Mr. PATMAN. But not guaranteed by the Government. The Reconstruction Finance Corporation will have its paper guaranteed by the Government. This will not be guaranteed by the Government. There is a considerable difference in that.

Mr. GLOVER. Now I call attention to the wording of the bill, beginning on line 20:

> All moneys received from time to time upon the repayment of any advance or loan made pursuant to this act, together with the interest, shall be paid into the revolving fund and shall thereafter be available for the purposes and in the manner hereinbefore provided.

In other words, if it is profitable, it would soon earn enough money so that the Government will get its money back, and they will have their own money.

Mr. PATMAN. I thank the gentleman for his suggestion.

Mr. LANKFORD of Georgia. Mr. Chairman, ladies and gentlemen of the committee, I am in favor of this legislation, because it is a step in the right direction. The farmers of the country are in worse condition than ever before since the beginning of our Government. Banks are closing all over the country. Many counties in my section, which four or five years ago had two and three banks, to-day have no banks at all. That means that those farmers in those counties have no place where they can get the money they need for production purposes. This bill is along the line of furnishing money for production purposes. Unless some method is adopted to help the farmers of the country get a better price for commodities, in the future we will have to go still further than this bill goes. We passed a bill here a little while ago to purchase $125,000,000 of stock of the Federal land banks. Many people said that that would help the farmer and would stop the long-term farm-loan foreclosures throughout the country. On the day the bill was pending during last December I wired the Federal Land Bank of Columbia, S. C., and asked them how many loan foreclosures instituted by that bank were pending at that time. I wired that same bank last Saturday and asked them to tell me how many loan foreclosures were pending at that time, nearly two months later, and the two replies show that the foreclosures by this bank are increasing.

The farmers are losing their homes, and we must give them some real relief now if their homes are to be saved.

Mr. McGUGIN. Mr. Chairman, will the gentleman yield?

Mr. LANKFORD of Georgia. Yes.

Mr. McGUGIN. I am interested in what the gentleman is saying. How long a period of redemption do they have in Georgia, the Carolinas, and those other Southern States in which a farmer can hold his land and redeem it after the foreclosure of a mortgage?

Mr. LANKFORD of Georgia. In Georgia most loans are made under a paper containing a power of attorney which gives the bank the right to advertise for a certain period, and then sell the property and perfect title on that day.

Mr. McGUGIN. Why is not the place to obtain relief for those farmers, who are being foreclosed back there, with their State legislatures instead of in Congress?

Mr. LANKFORD of Georgia. State laws granting a long period of redemption would probably help in some cases. I am in favor of such a law, but even then, under the contract provisions of the Federal Constitution, I believe the equity of redemption would avail the farmer nothing.

Mr. ESLICK. Is it not a fact that these loans will not be made by the Federal land banks unless the equity of redemption is waived as a condition precedent?

Mr. LANKFORD of Georgia. I understand that is true in those States where an equity of redemption is provided by law. After all, the farmer eventually loses his farm when foreclosure takes place unless he can raise the money in some way.

In this emergency we must provide loans to the farmers until they can get on their feet again. After all, though, this is only temporary, and a plan should be presented helping the farmers get a better price for their products so they will become lenders rather than borrowers.

I am for this bill and shall vote for it. In the near future I purpose using enough time to again fully present my plan for real farm relief. For the present I want to make some observations on some kindred subjects, touching loans to farmers, the depression, and efforts to solve the present economic problems, and so forth. In this connection let me say, I am glad that on the 10th of this month the Secretary of Agriculture modified the rules and regulations as to production loans, so this money could be used to hire help or for any other production purpose. I regret very much the other rules were left without change. They are extremely vicious and very unfair.

Now let me again mention another vitally important matter. As I just said, the farm-loan foreclosure stampede has not abated in the least. When the bill to authorize the appropriation of $125,000,000 was being considered in the House the Columbia Farm Loan Bank had pending 834 foreclosures. On last Saturday the president of that bank, F. H. Daniel, and the general counsel, Harry D. Reed, wired me that there were then pending 881 foreclosures, or an increase of 47 foreclosures. The wire received from these officials confirmed my fears that this loan-foreclosure outrage would not at all abate as the result of this enormous additional appropriation for these banks. I am also sure no help along this line will come from the Reconstruction Finance Corporation.

Mr. Chairman, no man can ever explain a vote for these enormous appropriations and expenditures of the people's money for the big bankers and corporations and at the same time oppose all relief to the farmers and common people.

After these tremendous expenditures for the rich it is a breach of good faith with the farmer to increase his taxes and refuse to spend a comparatively small amount of money to stop the present heart-rending awful foreclosure procedures. Mr. Chairman, I can not find words to express the resentment that fills my very being when I contemplate just what has taken place.

I am simply heartbroken over the awful suffering of the people of our Nation and the apparently deliberate purpose of Congress to grant them no real substantial relief, but to add untold additional burdens to already broken and dying men and women.

This Congress convened during the high tide of the greatest suffering of the common people since the beginning of time. And pray behold its awful legislative record to date. The sum total until this bill to-day is a foreign-debt moratorium in behalf of international bankers, in furtherance of a scheme donating enough of the people's money to the big rich of this country and foreign nations to pay off every long-term loan of all our farmers; build each a new home; pay all their taxes for years to come; and set up a farm-relief plan making them happy and prosperous forever; and a so-called Reconstruction Finance Corporation to loan enough of the people's money to big corporations—if used in behalf of the farmers—to stop all the farm-loan foreclosures, even in this depression, for the next 10 years; and also a bill furnishing $125,000,000 more money to Federal land banks in order that they may carry on with greater murderous design the present uncalled-for, unnecessary, and brutal foreclosure debauchery.

And now the Republican administration, the Democratic leaders in Congress, and the big newspapers are raising an awful din of self-serving praise about the recently launched measure giving more credit and power to the very crowd that already has control of all the credit, money, and incident political and financial power in the United States.

Oh, they say the New York Stock Market is going up. This does not mean prosperity for the common people. It ofttimes means the contrary. Millions and billions made on stock market in 1929 meant millions and billions of losses to the common people of our Nation. The gambler prospers over the downfall and because of the loss and destruction of others.

A great vulture of the air is prosperous as he eats and destroys the eggs and young of the smaller birds, but if the time should come when there are only vultures left in the bird kingdom his early gluttony would have become his own destruction. The gluttony of the great fish of the briny deep in eating countless millions of the smaller and younger fish is but a transitory prosperity of one at the expense of millions of others, a prosperity which if continued means ruin.

The greed of great corporate wealth is unjustly sapping millions from countless millions of men, women, and children—the very lifeblood of the Nation—and if not curbed will rob unto destruction and death the agricultural interest of the country, undermine and blast the very foundations of our Government, and destroy our Nation, and with it the greedy horde of American financial conspirators and traitors.

Let us not think that because bandits hold up a bank and get away with a hundred thousand dollars and are prosperous then that everyone else in the community is prosperous; neither let us believe that because the profiteers of the Nation are prosperous then that all the people of our Nation are prosperous. What is the real truth? During the latter part of 1929, less than three years ago, the United States Steel Corporation and other great corporations from their mass of stolen goods declared enormous stock dividends and otherwise published their tremendous earnings, and this was hailed with delight by many as a token of prosperity.

Away with this false idea of prosperity. On the contrary, it meant that a few individuals had gotten together a large accumulation of stolen property. It meant that heartless, soulless, conscienceless, big corporate interests, managed by men in many instances who are cold to every appeal of humanity, justice, and patriotism, were plundering, within unjust and basely discriminatory laws, more than a hundred million bleeding, suffering, and dying men, women, and children.

Such as this means that there are too many yet who rejoice over the unjust accumulation of wealth by one millionaire more than over the prosperity of the great common people. It means that the plundering of the Nation, or the common people, of hundreds of millions of dollars is to be hailed by many as an act of patriotism and that the perpetrator is to receive the plaudits of those engaged in similar business or well-wisher to it.

Such dividends in the midst of the human suffering and financial distress, which were even then abroad in our land, are not indicative of the prosperity of our Nation. They are a glaring signal of unjust and corrupt favortism in legislation and government. They are the result of the grossest sort of high-price fixing of what the common people must buy, and of a stubborn refusal to give the great citizenship of our Nation even a square deal.

For every chuckle of delight which dulls the conscience of the conspirators who hoard this and other similarly ill-gotten wealth there results the degradation, poverty, and death of countless millions of outraged men, women, and children.

And such as this is called prosperity. It is the prosperity of the lion destroying the lamb and of the eagle eating the sparrow. If this is prosperity, then the early settlers of our country were prosperous when the Indians were burning their homes, destroying their property, scalping their wives and children, and carrying them into captivity and to torture and death.

This is prosperity such as came to the Belgians when the German hordes were at their doors, when death and devastation were on every hand, and when the cannon roar rocked their hills.

This is success of a favored few wrung from the great common people by taskmasters more cruel than ever lashed Egyptian wretch or galley slave. It is the fiendish prosperity of those who put money ahead of men, property ahead of people, boodle ahead of boys and girls, criminal

profits and pleasures ahead of children's rights and welfare, the profiteer ahead of the patriot, conscienceless greed ahead of our country's need, and gold ahead of God.

Away with the suggestion that Congress should voluntarily, or as servant of the corrupt and corrupting big interest, be guided by the money-mad clamor of the millionaires of the nation. Oh, that Congress, now and forever, would free itself from every influence save and except those actuated by an honest desire to serve the great masses of common people.

Heretofore the present Congress has attempted to save the profiteer, the stock gambler, and the millionaire and the great corporations with apparently an utter disregard of the rights of the farmers and the common folks. With the present bill comes the first hope of real relief.

I repeat, this is the record of the present Congress to date. The future is filled with promises of much more of the same kind of legislation, while very little is either done or promised worthy of the name of real legislation for the farmers or common people.

Ah, Mr. Chairman, unless there is a revolution of the legislative program of those in charge of affairs in Congress, the people may as well now learn that little or nothing is to be done in their behalf by this Congress and that they must struggle on without hope, praying that yet in some way, sometime, justice may be done in behalf of the farmer and the masses of America.

Every move of any consequence so far is to take millions and even billions out of the pockets of the common people and put it into the vaults of the money-mad bankers of Wall Street. Some are determined to save the millionaires even if all other people are destroyed by the process.

Many of us here are determined to fight to the last ditch, even if there is little hope of success. We can not afford to stop and fold our arms amidst such suffering. We must struggle on with our comrades and suffer, hoping all the while to save our great citizenry of common people, and, saving them, save our country.

Mr. Chairman, in conclusion let me say I now indulge the fond hope that we are at the turning of the tide and that this bill is not only a step in the right direction but that in the future the Congress will work out its own program rather than follow the suggestions of others. I have unbounded faith in the ability, honesty of purpose, and patriotism of the leaders in charge of the legislative program of the House at this time, and feel that if any mistakes have been made they have been made in our leaders being led, rather than in their leading.

Mr. McGUGIN. Mr. Chairman, I come from an agricultural State. I am perfectly willing to concede in the beginning that this bill is socialistic in its nature. As I have said before on the floor of this House, I do not believe the obligation is upon the Congress of the United States to solve the financial, social, and economic problems of the individual citizens of this country. The Federal Government was not framed for that purpose. The United States Government does not operate under that kind of a constitution. The point brought up by the gentleman from Georgia [Mr. LANKFORD] is illustrative of how helpless we are in sitting here in the Congress and trying to take care of the debtor farmers of this country. I refer to his suggestion that farm mortgages are being foreclosed in wholesale. I realize that the foreclosures of mortgages at this time are wiping farmers out all over this country, selling their homes out from under them at a distressed market, but that is not the problem of Congress; it is the problem of your own State legislatures. Congress has no power to meet this situation.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. McGUGIN. Not at this time. The State legislature alone can and should enact laws providing for a decent period of redemption, so that money lenders can not sell property at depressed prices. We have a law in Kansas providing 18 months in which a landowner may redeem after foreclosure of a mortgage. Every day I receive letters from farmers throughout the country whose homes are being foreclosed, but I have not received any letters of that kind from Kansas, because the State laws there protect the landowner. Congress can not give them that protection.

Coming to this bill, socialistic though it is, it is no more socialistic than the Reconstruction Finance Corporation bill. The thing which causes me to look upon the present situation with despair is that we are following the precepts of socialism in trying to solve our problems. We are constantly hearing the cry for Congress to help this one or that one. Let me make this observation. If we can get out of this difficulty following the precepts of socialism, then be not surprised if socialism overwhelms our country.

If socialism is the kind of a government which can pull us out of an emergency, then it is the right kind of a government in fair weather. I am not ready to make the concession that socialism is the right kind of a government in prosperity or in depression. We can not escape the proposition that every time we appropriate money out of the Public Treasury to solve our troubles, whether they be troubles of the plug hats or of the humble people, we are following socialism. Marxism is sweeping this country, and nowhere is it finding greater hold than in this particular Congress by the very emergency programs we have been carrying out so far during this session.

Save and except the bill which will put more money into circulation, I know not of a single emergency measure that is not founded upon the proposition of milking the public Treasury. I agree with the gentleman from Massachusetts [Mr. LUCE] about this bill being socialistic in its nature, but let me say to the gentleman, the gentleman supported the Reconstruction Finance Corporation bill. That bill provided eighteen hundred million dollars to finance the industrial and financial world. This bill provides for $10,000,000 to try to finance agriculture. Agriculture receives, therefore, one-half of 1 per cent as much as was received by industry, although agriculture represents 40 per cent of the business of the Nation.

Let us see how ridiculous we are getting in this situation. When the Reconstruction Finance Corporation bill was being considered, in order to justify the vote of rural Congressmen there was set aside two hundred million for agriculture. That was to be used exclusively for seeds. To-day $10,000,000 is asked for agricultural credit. Ten million dollars to finance agriculture and $200,000,000 for seed loans! That is some of the wisdom and intelligence of the socialism practiced in this Congress. This bill to-day of $10,000,000 to finance agriculture means about 60 cents in credit per capita for the 27,000,000 farm people. It means about $2.50 worth of credit for every American farmer, yet there are those who oppose it, while at the same time they cheerfully voted eighteen hundred million dollars exclusively for industry and finance.

Mr. JONES. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. JOHNSON] the balance of the time.

RELIEF LEGISLATION FOR WAR VETERANS AND DEPENDENTS

Mr. JOHNSON of Oklahoma. Mr. Chairman and fellow Members, I have asked the indulgence of the committee at this time to speak out of order for the purpose of calling attention to a few of the many bills now pending in Congress or before the respective committees for the relief of our war veterans, their widows, orphans, and aged dependent parents, as well as other measures in which the American Legion, Veterans of Foreign Wars, and other service men's organizations are vitally interested.

ACTION TOO LONG DELAYED

Congress has been in session since the early part of last December, and up to this good hour not one measure has been passed that is sponsored by the American Legion nor one in which that great body of men, who fought and won the World War, is especially interested. Judging from the letters I am receiving from former service men, I feel that many are becoming restless and are wondering if Congress might adjourn without passing all or any part of their program. Speaking for one—and for one only—I, too, have become concerned for fear this Congress is going to be too busy taking care of the needs of international bankers and other big business in America, China, and elsewhere to heed

the demands of the millions of America's war veterans and their dependent families, many of whom are in deep distress.

WIDOWS' PENSION BILLS

Let me recount some of the pending legislation to which I especially refer. A widows' pension measure, known as the Rankin bill—H. R. 8080—recently reported out of the World War Veterans' Committee and soon to be considered by the House, proposes to pay a small allowance or pension to widows of World War veterans—$20 per month, with $6 extra for each additional child. This bill is similar, if not almost identical, to a measure introduced by me in the early part of the present session, except that the childless widow, included in my bill, would receive no benefits from the Rankin measure—an unjust discrimination. However, it is better than nothing, and would bring relief to thousands of needy widows of war veterans. The Rankin measure also proposes to pay dependent parents of deceased World War veterans $15 each per month, or $20 if only one parent is living, provided that such parent is not only dependent but has reached the age of 65 years. The importance of the passage of this or similar legislation can not be overemphasized. Another pension measure for widows—H. R. 7230—is, in my judgment, a much more desirable measure. It proposes that widows of all war veterans be treated alike. That is to say, it would pay all such widows under the age of 40 years $20 per month, with an increase to $30 at 40 years; $40 at the age of 50, and $50 per month when the widow reaches the age of 70 years. For each child under 16 years the widow would also receive an additional $6 per month. The Gasque measure has been reported out of the committee favorably and has, as I understand, the indorsement of all veterans' organizations.

WOULD AMEND INSURANCE LAWS

The cumbersome insurance laws should be amended in several respects. H. R. 6406 proposes to extend the time for a period of five years for a veteran or his beneficiary to sue on Government insurance, and another would make brothers and sisters become beneficiaries under the law. This legislation is urgently needed. At the present time there are hundreds of cases that are admitted to be deserving but which are barred on account of the limitation of present law.

H. R. 7374 provides for the renewal of 5-year term Government insurance without increasing premium rate and without medical examination. Unless this or a similar measure is passed during the present session of Congress, thousands of our war veterans, who have sacrificed and stinted themselves to pay their insurance premiums for the past 14 or 15 years, will be forced to let their insurance policies drop at a time and age when they and their families need protection more than at any time in their lives.

OUR DISABLED VETERANS

A large number of measures for the relief of our unfortunate disabled veterans are pending before the committees at this time, some of which are of vital importance. Time, of course, does not permit me to discuss all of them. For example, there are thousands of deserving veterans who are permanently disabled, but who have been unable to prove, to the satisfaction of the Veterans' Administration, that their disabilities are in fact service connected, and, therefore, get no consideration under the present law. Unless such a veteran can prove that his disability is 25 per cent or more, and that such disability is permanent, he can not establish his claim. Just what 25 per cent is, or by what method the alleged doctors of the bureau reach their decision that a case is permanent, is a mystery that we laymen do not pretend to understand. I have in mind a number of deserving cases wherein the veteran has been unable physically to do any manual labor for several years, and who had clear and specific statements from their local physicians as to the physical condition of the veteran, but whose claims have been denied time and again, either on the ground that disability was less than 25 per cent, or else the condition was not permanent. H. R. 8979 would give a measure of relief in such cases, inasmuch as it proposes to lower the minimum percentage of disability from 25 to 15 per cent.

The World War veterans' act originally passed in 1924 does not meet the demands of to-day. There are a number of bills pending for the purpose of eliminating red tape and clarifying present laws. Inasmuch as I now have more than 2,500 claims before the Veterans' Administration, I am reminded almost daily of the urgent need for additional legislation to meet the present situation for the relief of our disabled veterans and their dependents.

TOO MUCH COST SAY OPPOSITION

Some two years ago when I addressed the House at length on the subject of my remarks to-day, the same objection was raised then to this legislation as we now hear. At that time, despite the fact that Congress had recently made a drastic reduction on income taxes, especially in the higher brackets, a great wail went up from some of our then leaders in Congress that we were spending too much money for our World War veterans. In my remarks made two years ago on this subject I said in part:

> Some one has raised the point that if this bill is passed, Congress will be compelled to repeal the law refunding $190,000,000 income taxes. This, to my mind, is abundant reason for this legislation. Why not let those millionaires who profiteered to the tune of 500 to 700 per cent during the World War, while our soldier boys worked for $1 a day, help pay cost of this legislation for these disabled and helpless veterans?
>
> [Applause.]

In the same remarks, in discussing the need for legislation for the disabled and the inconsistency of some in opposing same, I further said:

> Last December this House voted to relieve France of $407,000,000 of indebtedness to the United States. Some of you who are now opposing this bill stood on the floor of the House and pleaded eloquently for "poor poverty-stricken France." You were anxious to relieve France of the debt of $407,000,000 which she owed the American people, in order to show your "brotherly love," but to the thousands of our own American soldiers who lost their health in France and who are to-day looking to this Congress for their very existence, you turn a deaf ear, put your hands on your pocketbooks, with the flimsy excuse that it will cost too much money. [Applause.]

MUST CANCEL INTERSET

H. R. 4586, proposing to cancel the 4½ per cent compound interest now being charged war veterans by the Government for loans made them on their "bonus" certificates from their own funds, is still another measure in which our veterans and their dependents are especially interested. Once again we hear the cry that it will cost too much. This bill also provides that loans may be made to veterans by the Government immediately after issuance of their adjusted-service certificates, instead of being required to wait a period of two years, a very unnecessary and absurd provision of the present law. It is working a hardship upon many of our worthy veterans who are in financial distress and in urgent need of obtaining loans upon their certificates. Early passage of this or a similar bill is imperative.

Permit me to say again, as I have previously stated upon this floor, that I favor payment of the so-called "bonus" certificates in cash. This is a debt due the veterans by the Government. It is not only a just debt but an acknowledged obligation on the part of the Government to the veterans and should be paid now. I have had considerable to say in the past in criticism of war profiteers and shall discuss that again in a moment. First, however, we ought to at least partially pay those men who actually fought the last one. Let us in this manner take some of the profits out of the last war. [Applause.] Let us say to our Nation's defenders that their services were as necessary and as much appreciated as were the services of the railroads, shipbuilders, and civilian workers. But we are told that this is not a part of the American Legion program because of the failure on the part of the last national convention of the American Legion to go on record favoring the full cash settlement of adjusted-service certificates. I do not care to go into a discussion as to the reason for lack of affirmative action on the part of our national convention. Nor do I know how the legionaires and other ex-service men of the rest of the country feel. I will say, however, that practically every post in the district I have the honor to represent has

officially gone on record favoring full cash payment now. Many other patriotic as well as civic organizations in Oklahoma, as well as other States, have done likewise. Nevertheless, the Patman bill, the Hastings measure, as well as dozens of similar bills, proposing to pay the last half of the bonus certificates are still sleeping peacefully in the committee.

WAR, PEACE, AND PREPAREDNESS

Now, I desire to say a word about war, peace, and preparedness. Our war veterans and veterans' organizations, like the American Legion and auxiliary, are repeatedly charged by their enemies with being militarists. That charge is unfair and unfounded. Men who have faced machine guns, who have suffered the privations and hardships of war, who have stood in the muddy, filthy, cootie-infested trenches of Flanders Field, Chateau-Thierry, and the Argonne Forest do not desire another war. They abhor the thought of another armed conflict. The sad memories of the last one to thousands are not only a terrible nightmare, but a grim reality. They think of war as heartless military murder. They know, too, that war is utterly useless and seldom settles anything. Mothers, wives, and sisters of our war veterans are more bitter against war. Millions of innocent and helpless children cry out against war. Our veterans and veterans' organizations, however, if I know their sentiments generally, feel that one of the surest ways of maintaining peace in America is for us to be reasonably well prepared against war. It is folly to say that for the United States to disarm or materially reduce our Army, Navy, and aircraft, while all Europe arms to the belt, would be any insurance against future wars. To disarm under such conditions would be national suicide.

MUST MAKE WAR PROFITEERING IMPOSSIBLE

For several weeks the black clouds of war have been hanging low over the Far East; the jingoists, professional militarists and war profiteers, are already beginning to demand war against a powerful Government on the other side of the globe. It is high time for Congress to make it plain that before this Government shall ever call on the young men of this Nation to serve in armed forces against a foreign foe, that all wealth and materials necessary to conduct a war without profit to anyone shall be placed under military rule. I submit that the resources and wealth of this land are not as dear as the most humble human life. Some of us have been advocating such a law for many years and are convinced that if Congress will take a firm and definite action on this part of the American Legion program, which, by the way, has also the indorsement of every farm organization in America, it will mean infinitely more to the safety and security of our people than great armies, modern machine guns, death-dealing gases, huge cannon balls, or thirty to forty million dollar battleships.

PEACE CONFERENCES FAIL

If this Congress could be induced to adopt a program that would make future war profits impossible, I submit, Mr. Chairman, that it would be a mighty forward step in the great cause for world-wide peace. It would be more practical and much less expensive than to send a delegation from America to a so-called peace conference in Europe, who will spend some three or four hundred thousand dollars in wining and dining bewhiskered foreigners, none of whom are our friends, but many of whom are eager to get the United States embroiled in the ever-present and the constantly increasing troubles of the Old World. I expressed this same thought some four years ago, in addressing the House, when, as I recall, another alleged peace conference was scheduled to be held in Geneva, Switzerland. At that time I closed my remarks as follows:

If peace is to be maintained in this great land of ours, we must take the profits out of war. We must eliminate the blighting effects of the damnable profiteers who have amassed great fortunes out of war. We must make it plain to our people and the world that property is no more sacred to America than human lives. We must conscript every available resource in this country in case of armed conflict. That will do far more, Mr. Speaker, toward perpetuating the peace of the world than all the peace conferences held in the past decade. Let us eliminate the profits of war, and then, when the other nations follow our example, peace will breathe as fragrantly in the world almost as if the day of redemption had come.

Having myself attended two peace conferences in Europe as one of the representatives of this body since becoming a Member of Congress, I desire to state that I share the same views to-day as I did when I addressed the House on this subject in 1928.

CONGRESS PASSED BUCK TO COMMISSION

It occurs to me that Congress has thus far not taken this important proposed legislation very seriously. As a sort of "sop" to the American Legion and other organizations that for the past 10 or 12 years have been urging the passage of the universal draft law, the last Congress made a faint and feeble gesture. Inasmuch as commissions were being appointed almost daily during the last Congress in order to "pass the buck" and evade embarrassing issues, some one conceived the idea of getting rid of this agitation for elimination of war profits by appointing one more commission. Just what it was supposed to do has never been made quite clear.

No one could be sure by reading the verbiage of the resolution creating that commission, but judging from some of the millionaires who were named on it, possibly the purpose of that exhalted body was to make an "exhaustive investigation" to ascertain whether or not there was really any one engaged in profiteering during the World War. Although the commission has not yet reported, it is rumored that it has labored and might possibly surprise Congress and the country by actually making a report this spring or summer. It is also a general rumor that it will astound the world by announcing that profiteering was actually engaged in during the World War. [Applause.] It is further rumored that this report may admonish the profiteers against committing this heinous offense again. It may go so far as to charge that war profiteers were unpatriotic or otherwise naughty. Such a report, if and when made, will be a terrible blow to the consciousless war contractors and, of course, will outlaw the remotest possibility of any such future profiteering.

PROGRAM UNSELFISH AND FAR-REACHING

Mr. Chairman, I desire to say in conclusion that although I have spoken at some length, I have touched only the high spots of this important program in which our veterans and their dependents are so vitally interested. Time does not permit me to mention all of them. It is needless for me to say that I am for all of the program I have outlined and urge on the part of my fellow Members of this House the most earnest consideration of each of the bills I have discussed. Nor do I claim these measures to be all of the American Legion program. Although I do not pretend to speak for the American Legion or other ex-service men's organizations, I am glad to say that I have heretofore supported their program in Congress, and so long as they advocate the betterment of conditions of their disabled buddies, for a reasonable measure of relief for their widows and orphans, and for the preservation of the peace of the world by banishing war profiteering, I shall count it an honor to support such an unselfish and far-reaching program that stands foursquare for God and country. [Applause.]

Mr. JONES. Mr. Chairman, I think we would save time by not discussing the point of order, and I withdraw the point of order made to the amendment offered by the gentleman from New York.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent that the amendment be again read for information.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk again reported the amendment offered by the gentleman from New York [Mr. REED].

Mr. LARSEN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from New York by adding the word "farm" before the word "population."

Mr. REED of New York. Mr. Chairman, I accept the amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment to the amendment offered by the gentleman from New York, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. LARSEN to the amendment offered by Mr. REED of New York: Before the word "population" where it appears the second time in the amendment insert the word "farm," so that it will read: "that the amount loaned in each State shall be allotted to the States in the proportion that their population bears to the total farm population of the United States."

The CHAIRMAN. The question is on agreeing to the amendment offered to the amendment.

The question was taken; and on a division (demanded by Mr. REED of New York) there were—ayes 44, noes 58.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. JONES. Mr. Chairman, I move that the committee do now rise and report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. KELLER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the joint resolution (H. J. Res. 292) to authorize the Secretary of Agriculture to aid in the establishment of agricultural-credit corporations, and for other purposes, and had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

Mr. JONES. Mr. Speaker, I move the previous question on the joint resolution and all amendments thereto to final passage.

The previous question was ordered.

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the final passage of the joint resolution.

Mr. PARKER of Georgia. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. BACON) there were—ayes 151, noes 35.

Mr. STAFFORD. Mr. Speaker, I challenge the vote and make the point of order that there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-eight Members are present, a quorum.

So the House joint resolution was passed.

On motion of Mr. JONES, a motion to reconsider the vote by which the House joint resolution was passed was laid on the table.

EXTENSION OF REMARKS—AGRICULTURAL CREDIT CORPORATIONS

Mr. JONES. Mr. Speaker, I ask unanimous consent that all Members have five legislative days in which to extend their remarks on the resolution just passed.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPARKS. Mr. Speaker, in the several bills that have come before the House for consideration and action thereon many Members have entertained the fear that the beneficent provisions of the bills might not be as favorably construed for the agricultural interests as many supporters of such bills believe they should be.

The Agriculture Committee of the House, after very careful consideration, has brought before the House for its attention House Joint Resolution 292, which, if enacted into law, will make available $10,000,000 for the purpose of making advances or loans to individuals under such regulations as the Secretary of Agriculture may prescribe, for the purpose of forming local agricultural credit corporations, livestock-loan companies, or like organizations, or of increasing the capital stock of such corporations, companies, or organizations qualified to do business with Federal intermediate credit banks.

As a protection to the Government for such loans, it is provided in such resolution that—

No loans shall be made to individual stockholders on the capital stock of, or to create or increase the capital stock of such corporation, company, or organization in an amount in excess of 75 per cent of the par value of the capital stock of such corporation, company, or organization by or proposed to be subscribed to by such individual, nor unless such individual shall submit a credit statement which shall be verified by the investigation of the Secretary of Agriculture and shall show that such individual is not indebted in an amount in excess of one-half of the fair market value of his assets and that the value of such assets above such indebtedness shall be at least twice the value of the loan applied for.

A further provision is contained in the bill that no assistance shall be given for the purpose of aiding corporations which are financing or selling special products to the farmers.

It is further provided in the bill that when any of the loans are paid back to the Government the money shall be used as a revolving fund to carry on the purposes provided for in the act.

This legislation should aid materially agricultural credit corporations in responding to the needs of their community. The deflation of agricultural securities, either on real estate or on personal property, has deprived the farmers from securing credit which in normal times they could easily secure. The withdrawal of money from circulation has so reduced the circulating medium that there is not sufficient money to carry on the normal activities in the business world. This has depressed commodity prices, deprived people generally of meritorious credit, and created a lack of confidence in the stability of our financial institutions. Congress at this session has faithfully endeavored to infuse new blood into the economic arteries of the Nation.

The beneficent provisions of the Reconstruction Finance Corporation act should enable banks in this country now in process of liquidation, and which were forced to this condition by reason of decline of the value of real estate and property value common to those communities, to rehabilitate, and banks, which are in a weakened condition brought about by the same cause, to financially revive, and thereby protect their depositors, inspire new confidence, and continue to supply a great public necessity for their respective communities.

The amendment to the Federal reserve act, which expands the currency of this country to an approximate amount of $750,000,000, by enabling five or more member banks of such system to secure advances upon their promissory notes, when they are not in possession of other eligible security, should give greater facilities for additional credit and enable them to retain the savings of a lifetime which they are about to lose through foreclosure proceedings.

The passage of the bill to permit the loaning of $10,000,000 to agricultural credit corporations, either for their establishment or the sustaining of existing organizations, should further relieve the stringent credit conditions existing throughout the agricultural communities of this country.

The failure of the aforesaid legislation to operate beneficially to the small banks, small financial institutions, and the farmers will be because of a lack of an understanding on the part of those administering such laws of the real purpose for which such legislation was intended by Congress.

It was, indeed, a surprise to many Members from agricultural sections that the Agriculture Committee of the House refused to act favorably upon the Capper bill for a distribution of 40,000,000 bushels of wheat to the destitute and unemployed people of this country. The storage charges on such wheat held by the Farm Board and the shrinkage loss is daily lessening the value of such wheat, and instead of its loss being consumed in this manner it should be used to relieve the distressed people of our land.

The economic crisis now prevailing must necessarily be met by merciful legislation designed to relieve the financial

stringency prevailing throughout the country. Farmers who have been compelled to sell their crops at prices below the cost of production can not pay their taxes and indebtedness, and such condition equitably demands the strengthening support of governmental aid to create a sufficient flow of currency in business activities to insure better commodity prices and thus restore to the farmers of this Nation fair and honest returns for their toil. There will not be a permanent economic recovery until agriculture is placed on a parity with business generally throughout the land.

Our surplus crops are not the full beneficiaries under the tariff laws designed to protect them. While such distressing conditions continue, in order to make the tariff more effective as to such surplus crops, a debenture provision should be enacted into the law to enable one-half of the tariff rate to be reflected in the selling prices of those commodities. The unjust and unfair gambling in stock exchanges, which tends to destroy the values of agricultural commodities through the law of supply and demand, is a dangerous practice, and denies to the producers the rightful results of their honest toil. Organized industry has been able to protect its interests in the field of active competition, while the agriculturalist of this country has been the prey of the speculators and stock-market gamblers.

Congress will not do its full duty unless it responds generously to the cry for relief from the agricultural sections of this country as far as it is possible through legislative action. Economies in all the departments of Government should be practiced to the lowest possible point consistent with the proper functioning of those departments. Salaries of officials in the higher brackets should be reduced to aid in balancing the National Budget. The large deficit in our National Treasury, which requires the levying of taxes to meet the deficit, should be largely borne by taxes on unconscionable incomes of individuals and corporations and by taxes on gifts of large amounts of property, and thereby create to a certain extent a redistribution of the wealth of this country. The excessive tax burdens now being borne by the people of average wealth throughout this Nation should not further be increased by taxes upon the necessities of life and other things of general and common use in their communities. The people who have an unjust proportion of the wealth of this country secure greater benefits under the law, because they have a greater proportion of interest to be protected, and thereby are entitled to share such extra burdens of governmental protection.

The prosperity existing in this country occasioned by the World War created a spending orgy which has built up enormous taxes in the different governmental divisions of our country, and now under the weight and burdens of an economic crisis, we are unable to respond to its obligations. Our present condition demands the thought and wisdom of the people of our Nation and the patriotic and loyal devotion of every citizen in a united effort on the part of all to reach a solution which will preserve the integrity and stability of our Nation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. STEVENSON, for one week, on account of official business.

TEMPORARY REMOVAL OF PORTRAITS IN THE CAPITOL BUILDING TO THE CORCORAN ART GALLERY

Mr. BANKHEAD, from the Committee on Rules, presented the following privileged report for printing under the rule:

House Resolution 148

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Concurrent Resolution 18, proposing to remove temporarily to the Corcoran Art Gallery for exhibition in the bicentennial portrait exhibit to be held as a part of such celebration, any portraits in the Capitol Building (not in the public corridors), including the following:

George Washington, by Rembrandt Peale, in the Vice President's room;

George Washington, by Gilbert Stuart, in the Post Offices and Post Roads Committee room;

John Marshall, by Martin, in the Supreme Court robing room;

Frederick Muhlenberg, copied from a Wright portrait by Samuel B. Waugh, in the Speaker's lobby; and

Oliver Ellsworth, copied from an Earl portrait by Charles Loring Elliott, in the Supreme Court robing room.

That, after general debate, which shall be confined to the concurrent resolution and shall continue not to exceed 20 minutes, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Library, the concurrent resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the concurrent resolution for amendment the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and the amendment thereto to final passage without intervening motion except one motion to recommit.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed the following resolution:

Resolved, That the Secretary be directed to request the House of Representatives to return to the Senate the concurrent resolution (H. Con. Res. 19) entitled "Concurrent resolution providing wreath to be placed on the grave of the mother of Washington on February 22, 1932."

REORGANIZATION OF GOVERNMENTAL DEPARTMENTS (H. DOC. NO. 254)

The SPEAKER laid before the House the following message from the President, which was read, and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed:

To the Senate and House of Representatives:

Because of its direct relation to the cost of Government, I desire again to bring to the attention of the Congress the necessity of more effective organization of the Executive branch of the Government, the importance of which I have referred to in previous messages. This subject has been considered many times by the Executive and by the Congress, but without substantial results. Various projects are now before the Congress.

The need for reorganization is obvious. There has been with the years a gradual growth of the Government by the accretion in its departments and by independent executive establishments, boards, and commissions as problems requiring solution confront the President and the Congress. To-day the Government embraces from 150 to 200 separate units, dependent on the method of notation used. Governmental units when once set up have a tendency to grow independently of other units. This leads to overlapping and waste. Moreover, there is a marked tendency to find new occupations when the initial duties are completed. The overlap and the number of agencies can be reduced.

A few consolidations, notably in law enforcement and the veterans' services, have been effected. Both of these reorganized agencies have been able to discharge the very greatly increased burdens imposed upon them without such an increase in administrative expense as would otherwise have been the case.

In the present crisis the absolute necessity for the most drastic economy makes the problem of governmental reorganization one of paramount importance. The amount of saving in public funds to be effected by a thoroughgoing reorganization, while difficult to estimate accurately, will be material, amounting to many millions of dollars annually. Not only will the Government's business be conducted more efficiently and economically but the great body of citizens who have business relations with their Government will be relieved of the burden and expense of dealing with a multitude of unnecessary and sometimes widely separated public agencies.

We may frankly admit the practical difficulties of such reorganization. Not only do different fractions of the Government fear such reorganization but many associations and agencies throughout the country will be alarmed that the particular function to which they are devoted may in some fashion be curtailed. Proposals to the Congress of detailed plans for the reorganization of the many different bureaus

and independent agencies have always proved in the past to be a signal for the mobilization of opposition from all quarters which has destroyed the possibility of constructive action.

There is little hope for success in this task unless it is placed in the hands of some one responsible for it, with authority and direction to act. Moreover, the consummation of a comprehensive reorganization at one moment is not in the best public interest. Such reorganization should be undertaken gradually and systematically, predicated on a sound and definite theory of government and effectuated as the result of study and experience gained in the actual processes of reorganization.

I recommend, therefore, that the Congress provide for—

(a) Consolidation and grouping of the various executive and administrative activities according to their major purposes under single-headed responsibility, the Congress designating the title of the officer to be placed in immediate charge of such groups as are not now possible under existing organization.

(b) Adoption of the general principle that executive and administrative functions should have single-headed responsibility and that advisory, regulatory, and quasi-judicial functions should be performed by boards and commissions, thus permitting the transfer of certain regulatory functions from executive officials to existing boards or commissions and executive functions from boards and commissions to executive officials.

(c) Authority under proper safeguards to be lodged in the President to effect these transfers and consolidations and authority to redistribute executive groups in the 10 executive departments of the Government or in the independent establishments, as the President may determine, by Executive order, such Executive order to lie before the Congress for 60 days during sessions thereof before becoming effective, but becoming effective at the end of such period unless the Congress shall request suspension of action.

The 10 major executive departments and the major regulatory and financial boards and commissions should, of course, be maintained. Some of these existing agencies are already organized upon the basis of their major purpose, but functions of the same major purpose now outside of these groups should be transferred to them.

It will be necessary also to authorize changes in titles of some officials and to create a few new positions in order to permit grouping and consolidation not now possible. With the enormous growth of governmental business there has been great expansion and diffusion of authority amongst minor officials. At the same time, there is an insufficient number of officials of definite and concentrated responsibility to the public. The additional expense of such officers over and above the salaries now paid to officials who would be displaced would be less than $40,000 per annum. The saving in cost of administration would be many times this sum. The most important of the posts of this character are the following:

Public Works Administrator (new office).

Personnel Administrator (change from chairman of Civil Service Commission).

Assistant Secretary for Public Health (new).

Assistant Secretary for Education (change from commissioner).

Assistant Secretary for Merchant Marine (new office).

Assistant Secretary for Conservation (new office).

Assistant Secretary for Agricultural Research (change from present Assistant Secretary).

Assistant Secretary for Agricultural Economics (change from director).

The establishment of an assistant secretary for merchant marine would enable the consummation of the proposals in my message of December 8 in respect to the Shipping Board.

The public works administration should be partially a service agency to the other departments of the Government, executing certain construction work, the subsequent operation of which should be carried on by those departments. It should be also partially an agency administering certain contract work which can not be delegated to any one department. Naval, military, and some other highly specialized construction work should not be transferred to this agency. The supervision and construction of rivers and harbors work should be continued under the direction of the Army engineers, who should be delegated by the Secretary of War to the service of the administrator of public works for this purpose.

The personnel administration should comprise various agencies relating to the personnel of the Government as a service agency to call departments of the Government. I recommend that the Civil Service Commission should be maintained as an advisory body to the personnel administrator, and the approval of this body should be required in all regulatory questions. The personnel administrator should be the chairman of the commission. Other functions relating to the personnel of the Government should be transferred to the personnel administration as may be deemed wise from time to time.

RECLAMATION SERVICE

With respect to certain agencies in the Government, I recommend a separate legislative reorganization of policy. The first of these is the Reclamation Service. Reclamation should have a broader import than that of bringing unproductive land under cultivation. We do not need further additions to our agricultural land at present. Additional agricultural production except such marginal expansion as present projects warrant is inadvisable.

The conservation of water by storage is required, not alone in the West, but in all parts of the country.

The effective development of water conservation through storage is largely an interstate question in the aid of domestic and industrial water supply, transportation, irrigation, and flood control. Where construction work for storage relates to these larger issues, it is properly the work of the Federal Government. Where water power is developed as a by-product, it should be disposed of in advance by contracts which will fairly reimburse the Government for its outlay. The Reclamation Service should be extended to cover these broad purposes of storage and conservation of water rather than the narrow purpose of irrigation. Such important projects as the dam at Boulder Canyon, the dam at Cove Creek, and the development of the Columbia, should ultimately be undertaken when there is need for such service and when contracts can be made for the sale of power to amortize the cost of construction to the Government. The actual construction work under this plan should be carried out by the public-works administrator and the completed projects administered by the Reclamation Service.

CONSERVATION OF WESTERN RANGES

There should be a change in policy in dealing with public lands if we are to preserve their value for grazing and other purposes. The Committee on Conservation and Administration of the Public Domain, authorized by act of the Congress approved April 10, 1930, completed the task assigned to it a year ago. Its report has been transmitted to Members of the Congress. Legislation carrying into effect the recommendations of the committee also is before the Congress. These proposals are the result of painstaking study and earnest deliberation. They offer a solution of the problems, connected with this remnant of our public domain, which have persisted for the past 25 years. I commend the report to the attention of the Congress, deeming the legislation of sufficient importance to justify early action.

CONCLUSION

In conclusion I can not recommend too strongly that the Congress give the subject of effective organization of the executive branch of the Government its early and serious attention. It is an essential part of a sound reconstruction and economy program. A patchwork organization compels inefficiency, waste, and extravagance. Economy and efficiency can come only through modernization. A proper reorganization of our departments, commissions, and bureaus

will result not only in much greater efficiency and public convenience but in the saving of many millions of dollars now extracted annually from our overburdened taxpayers.

HERBERT HOOVER.

THE WHITE HOUSE, *February 17, 1932.*

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. I would like to ask whether the Chair is in a position to tell us that it is a fact that during the last Congress no such urgent special message on consolidation and reorganization came from the White House?

The SPEAKER. The Chair is not advised as to that matter.

Mr. BLANTON. It is very strange, indeed, that the President did not send his Seventy-first Congress such an urgent special message in the last Congress, and I want to call attention to the fact that he had in the last Congress a brutal party majority of 100 Republicans, of the same party as the President, who would have carried out every wish and will of the President at any time, yet he sent us no such urgent special message. I have been fighting for reorganization and consolidation of useless bureaus ever since I came to Congress, but they have been increasing continually during the Harding-Coolidge-Hoover administrations.

ABRAHAM LINCOLN

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address delivered on Lincoln's birthday by Dr. Ray Lyman Wilbur, Secretary of the Interior.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURPHY. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following speech by Dr. Ray Lyman Wilbur, Secretary of the Interior, at the First Annual Lincoln Day Dinner of the National Capital Republican Club, Friday evening, February 12, 1932, Willard Hotel, Washington, D. C.:

We measure periods by men. Across the middle of the last century falls the long shadow of the towering figure of Abraham Lincoln. But few of those are alive who had the chance to see him in the flesh, but more millions are now influenced by his personality and by what he was able to do than during his own lifetime. His stature increases every year. With the spread of popular government over the earth his name, his wise sayings, his eloquent speeches are a part of the mental equipment of many of the youth of the world. Human institutions have human qualities. They have their good days and their bad days, their illnesses and their periods of convalescence, and when one of those periods of stress and strain comes to popular government men and women look back to Abraham Lincoln.

We know that Lincoln was a bundle of firm muscles and strong emotions, controlled by a powerful, self-disciplined intellect which was keenly susceptible to what we call the spirit. Because of his own struggles and personal experiences and his power of analysis, he had great sympathy and patience and a rare understanding of his fellows. But through all of his tolerance there was a strong, unbending attitude for what he thought of as right. Aware of everything about him, he saw through the fogs of the valley to the bright mountain tops. His feet were held firm on the ground, but, like a beautiful lily, he could reach from the mud to face, unafraid, the open skies.

We face to-day here in this country, where popular government has worked so long and so well, problems in the field of economic and social well-being that approximate in their intensity and importance that period in our Nation's history when Lincoln was at the helm. We can well turn back and study his life and get some of his reactions. He saw so clearly the responsibility, as he put it, for "maintaining in the world that form and substance of government whose leading object is to elevate the condition of men—to lift artificial weights from all shoulders; to clear the paths of laudable pursuit for all; to afford all an unfettered start, and a fair chance in the race of life." He calls attention to the fact that our popular Government has often been called an experiment. He sees this whole process of organization and control which we call Government working itself out here in America on a comparatively new basis. Most vital of all to him was to have it maintained as a geographical unit which he called the Union.

Without unity, he saw this continent repeating the clashing history of Europe. He elbowed out of the way the smaller phases of issues and saw them clear and in the large. To me his most outstanding quality was his capacity to see the results of day-to-day actions in the future. This kept his course true, even though at times he seemed to temporize. To know when to round out programs is as important as to know when to pick fruit. Green plans, like green fruit, cause trouble.

Although he had to develop under war conditions a powerful centralized government, his faith was not in centralized power, but in people. Living at the apex of the government of a great country, his mind was always upon its substantial base. Our kind of government could not exist on an effective basis without effective citizens. How better can the need of strong and self-sustaining local government be expressed than by his statement at Indianapolis preliminary to coming to Washington to take up the Presidency? He says: "I wish you to remember, now and forever, that it is your business, and not mine; that if the Union of these States and the liberties of this people shall be lost, it is but little to any one man of 52 years of age, but a great deal to the 30,000,000 people who inhabit these United States, and to their posterity in all coming times. * * * Constantly bear in mind that not with politicians, not with Presidents, not with office-seekers, but with you, is the question, Shall the Union and shall the liberties of this country be preserved to the latest generation?"

Certainly, as we think over what he has said and turn to our own people in this day of world depression and confusion, we can say to ourselves that the future of our country is in the hands of each individual American citizen. We can not escape by condemning and blaming our legislators and officials.

Naturally enough, Lincoln was not understood. Like all important figures in times of war and confusion he was continually criticized, ostracized, and crucified. A newspaper editor in answering the question of what the vox populi expects of Presidents, said: "All that America expects is a combination of Moses, Demosthenes, St. Paul, and Santa Claus." This may seem like a large contract for any man. There are to-day issues as vital and potent as those that faced our country during the Civil War. We have established governmental mechanisms that give us all certain rights and opportunities. These rights can be destroyed just as readily by undermining and slow attrition as by explosion. It takes planning and deep thought to see that the forces that develop are kept moving in the right direction during periods of strain. We have had a chorus of discord with some of the loudest voices with a strong political note. Complaint, suggestion, vilification almost blot out in their vociferousness sound, sane, and conservative thought and action. One of my friends tells me of a man who had started some false rumors against him but who later came in to borrow some money. When asked why he did so after his previous conduct, he said: "If you want to attack a man you must say something against him, mustn't you?" There is always vagueness in the talk and remedies of those who have no responsibility. Too many of our people have been willing to listen to rumor, fancy, libel and scandal, and talk without thought. There has been a lot of "hollering in the rain barrel."

As I have watched the last few years and have seen Herbert Hoover as the successor of Abraham Lincoln in the White House, I have often thought of what Lincoln said during the war, when he needed to throw off the burden of complaint which was coming in upon him: "Gentleman, suppose all the property you were worth was in gold and you had put it in the hands of Blondin to carry across the Niagara River on a rope. Would you shake the cable or keep shouting at him, 'Blondin, stand up a little straighter—Blondin, stoop a little more—go a little faster—lean a little more to the north—lean a little more to the south'? No; you would hold your breath as well as your tongue and keep your hands off till he was safe over. The Government is carrying an enormous weight. Untold treasures are in their hands; they are doing the very best they can. Don't badger them. Keep silence, and we will get you safe across." The parallel with the present days to those of Lincoln comes readily to us all.

Lincoln had vision and courage. He was not afraid to take an active part in a new venture—the birth of the Republican Party. He thought it was born for a specific task. He gave it his loyal support, even though its early days were not victorious. His leadership gave it an impulse of character which has persisted to the present day. Abraham Lincoln is one of the reasons why I am talking to this Republican meeting. My grandfather was a Jackson Democrat, but my father and his four brothers followed Abraham Lincoln into the new party.

While there is constant evolution and change in our thinking, fundamentally we are about the kind of individuals that built the pyramids, the Roman roads, and the fleets of the British Empire. We work busily at our tasks not realizing that by the multiplication of human beings and by the applications of science we have created world systems in economics and government of new types which are most difficult of operation. A majority of our voters must have brains enough not simply to vote the weather. Our method of government by representation needs to recognize that experts are required if we are to successfully operate what we have constructed. Partisan politics must work within a more restricted area. In that area it should be active and effective. Because we feel competent to sit upon a jury does not mean that we are competent to make decisions where we are not informed. Safety of government to-day depends upon facts, and these facts must be arranged, set in order, and carefully studied.

The mass of facts that pour in upon our President seems too great for human consumption, but he has drawn lines for action that the ordinary opportunist never sees. They follow channels developed in American thinking by long experience. We are on our way to repeat the election of 1864. People then talked and talked and then began to think and think and voted that Abraham Lincoln should stay in office, just as they will do for Herbert Hoover.

PROHIBITION

Mr. SCHNEIDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCHNEIDER. Mr. Speaker, it is fortunate for the Nation, as well as for those who have continued to hope that eventually the problems created by prohibition will be solved in a spirit of fairness and to the satisfaction of all concerned, that the resolution upon which we are to vote to-day has reduced the issue to the simplest terms of which it is capable of being reduced.

We are not voting on whether prohibition is desirable or undesirable. We are not voting to determine whether the "noble experiment," as our President has characterized it, has accomplished, or has failed to accomplish, the results that its advocates promised it would. We are not voting to either abolish prohibition or to continue it.

The question before us is on a motion to discharge the Committee of the Judiciary from further consideration of a resolution which merely provides that the people shall have an opportunity to decide for themselves whether they want to continue prohibition, repeal it, or modify it in accordance with the experience they have gained during the 12 years which have elapsed since Federal and so-called "bone-dry" prohibition was adopted as a national policy.

In view of what it proposes, the pending resolution has not only reduced the question to its simplest terms, as I have already said, but it has broadened the basis of the problem to make it one in which the very issue of democratic government itself is involved.

What objection can there be, Mr. Speaker, to permitting the people to pass judgment on a national policy which for 12 years has agitated their minds and has created more feeling, and possibly more bitterness, than any issue known to our national history in a half century?

Those who oppose submitting the question to the people either believe that the people will approve prohibition—in which event they should have no objection, but should feel gratified that they will receive this additional indorsment from the people—or they believe that the people, tired and disgusted with the experiment, will vote to modify or repeal it—in which event they have no legal, moral, political, or constitutional justification for continuing a system which they know the people are opposed to.

Their opposition to the pending resolution is all the more striking when it is recalled that there was a time, and not so very long ago, when the leaders of the prohibition movement were heartily in favor of a referendum.

In 1917 Senator SHEPPARD, of Texas, sponsor of the eighteenth amendment, said:

> The Member of Congress who will not vote for the submission of a constitutional amendment to the decision of the States, where it belongs, unless he personally believes it should become a part of the Constitution, usurps the function of the States, arrogates to himself and the Federal Government a prerogative that belongs to the States, and violates the very essence of their sovereignty.

That was in 1917, before he and those for whom he spoke succeeded in securing the acceptance of the amendment. But if it was a usurpation of the functions of the States for a Member of Congress not to vote to submit a constitutional amendment to the States then, is it less of a usurpation not to do identically the same thing now? If it was an arrogation to himself of a prerogative that belongs to the States then, is it less of an arrogation now?

Why this solicitude for democracy and sovereignty in 1917, when the prohibitionists thought they would benefit by such submission, and this lack of interest in democracy and sovereignty in 1932 when there is unmistakable evidence that the people want a change?

What are the objections that the proponents of prohibition raise to the adoption of the pending resolution for the principle of which they once contended? Let us see.

The chairman of the House Committee on the Judiciary, one of our leading drys, states that the committee has refused to report the resolution because it would not be proper at this time, when economic problems are pressing for solution, when there is hunger, unemployment, and general economic distress, to inject a highly controversial issue, the effect of which, he states, would be to divide and distract our people.

If this is not the proper time to consider the question, or raise the issue, why have not the chairman and the members of that committee—and the present chairman has been a member of it for many years—permitted any of the bills that were introduced in the previous Congresses to come before the House for a vote?

In each Congress since prohibition became a national problem similar measures, providing for a similar disposition of the matter, were introduced and referred to his committee. The number of such bills increased in each Congress, reflecting a rising tide of resentment which might be stifled for the time being but which had to eventually become so formidable as to compel consideration and action.

Those were years of so-called prosperity, when unemployment was not nearly as serious, when the minds of the people would not have been diverted from pressing economic problems, when they were giving thought and attention to prohibition, when the Law Enforcement Commission appointed by the President was investigating the results of prohibition, when the Nation was discussing the subject and wanted it acted upon.

Yet, in one Congress after another these bills were killed in committee. No excuse was given, none was needed. They had the power, and they were determined to exercise it in defiance of a growing body of thought and sentiment that demanded a new policy and relief from intolerable conditions. To-day, when the strength of the antiprohibition movement, growing from year to year, has reached such proportions that 145 Members of this House, representing 43,000,000 people, have petitioned that the committee be discharged from further consideration of this resolution, the committee has discovered that to bring the resolution out would divert attention from other issues which the members of the committee consider of paramount importance.

The fear, or alleged fear, of diverting the people's minds from other questions by injecting the prohibition controversy is groundless. Their minds are on it, and have been from the time that the fundamental law of the land was distorted from its purpose to include a sumptuary law.

Moreover, it was this fear of the people's minds and judgment that was responsible for the adoption of the measure in the first instance. Fourteen years ago, when the Nation was engaged in a titanic struggle and in the midst of a world war, when 4,000,000 men were in uniform and half that number in or near the firing line 3,000 miles away, when the thoughts of the people were directed at the winning of the war and their minds were preoccupied with their loved ones who had been sent across the sea to face destruction and death, the proponents of national prohibition found that it was an ideal time to secure the enactment of a constitutional amendment.

You may remember the ideal conditions that were predicted as a result of this change. No longer would it be necessary to maintain jails for the confinement of criminals, since the saloon was the cause of all crime and its abolition would abolish crime. No longer would there be distress and poverty, the twin evils, they said, of liquor and the saloon. No longer would homes be destroyed, families disrupted, children orphaned through the tragic death of their parents from alcoholic beverages. No longer would children be brought into the world helpless and crippled mentally and physically because they inherited diseases due to the drunkenness of their parents.

You may remember the posters that were used to portray the ruins that prohibition would put an end to, and the glowing accounts of the highly paid organizers and speakers of the Anti-Saloon League of a new world, a better world, a world in which the millenium will have finally arrived. On the strength of the miracles that prohibition was to work, the dimes and nickels of the gullible were

collected in every hamlet and village through the length and breadth of the land. And along with those nickels and dimes came the contributions from the larger corporations, the soft-drink manufacturers, the financial interests that saw more dividends if by any chance prohibition should become effective and enforcible.

I am not going to cite statistics—they are not needed—but who, recalling that beautiful picture of a happy and contented nation freed from the curse of drink, will say that prohibition has emptied the jails, ended divorces, enriched the people, reduced suffering, improved the morals of our people, benefited the younger generations, and made our Nation happier than it was before prohibition?

In spite of all the alleged blessings that were so sure to flow from prohibition, it would not have been incorporated in our national Constitution if the war fever and fervor had not diverted the people's minds to things that at that time seemed to them to be infinitely more serious and important.

Federal prohibition was thus conceived in sin. The popular sentiment necessary to insure the enforcement of the law which revolutionized the customs of our people by legislative fiat was lacking. The prohibitionists knew it was lacking. One of their great leaders, William Jennings Bryan, stated on the public platform when ratification of the amendment seemed imminent that following ratification it would be necessary to educate public opinion to support the measure.

In a democracy the procedure should have been reversed. Public opinion should have first been educated to the need of a Federal amendment, and then the amendment would have followed as a matter of course. But the time was propitious—the minds of the people were centered elsewhere—their hearts were thousands of miles away—and the prohibitionists found that they could conveniently put it over. At least they thought that they had put it over.

What has happened since should be a salutary lesson to all militant minorities who expect to enforce their conception of what is right and wrong and impose their hobby on the people before the people are either willing or ready. They should know that laws can not take the place of reason and education; that law should be the result of reason and education; and that while the process of securing a Federal law might, under certain conditions, be easier, in the long run it will be harder, because public sentiment, which is stronger than all the clubs of all the policemen you can muster—stronger by far than your Army and Navy—does not sustain your law.

Nor is it correct to state, as has the chairman of the committee, that the effect of submitting this proposal to the people will be to divide and distract them.

The division and distraction is here. It is to be found in the new and exceedingly dangerous bootleg industry, where crime is rewarded more richly than it has ever been before. It is to be found in the increasing number of arrests for drunkenness throughout the Nation, in the consumption of poisonous beverages by the young men and young women in the colleges and fraternities, in the general disregard among all classes of people of all law and all civic decency. It is to be found in the corruption which, having taken root with the nation-wide bootleg traffic, has extended itself until it menaces other fields of government. It is to be found in the growing resentment on the part of millions of people who believe in temperance, as I do, and who would like to see real temperance promoted, but who have found that prohibition defeats temperance because it compels people to resort to hard liquors, which it is easy to get, when they might have gotten accustomed to more moderate drinks which prohibition has made it difficult to get.

That division and distraction is not only here, but it will continue, because it can not be stifled the way the committee has stifled all measures designed to remedy the evil, and it will continue until the problem is permitted to come out in the open for a free and frank discussion, after which the people may be permitted to exercise their inalienable right to alter or abolish the prohibition policy.

Whatever the outcome of the vote to-day—and I am under no illusions as to how it will go—there will be other votes on other days, and sooner or later—and I hope sooner rather than later, for the sake of our Nation—a sane policy will be adopted, one which does not provide a remedy that is infinitely worse than the disease it is supposed to cure.

Instead of our present economic condition being a reason for letting the prohibition subject rest, it is one of the best reasons of which I know to modify prohibition right now by restoring beer as a means of raising the revenue we require to balance the Budget. Instead of imposing upon the already overburdened shoulders of the consumers—the workers and farmers—a general sales tax on the things they must have, we can, by imposing a tax of $6 per barrel on legalized beer, derive all that is possible under the sales tax, and without making it more costly for the people to purchase the necessities of life.

We shall, under that plan, do more than balance the Budget without adding to the burdens of the people generally. We shall deliver a fatal blow to the powerful bootleg industry, whose corrupting and criminal influence is becoming a cancerous growth in our body politic, and whose position now ranks high among the major industries of our country.

If you do not wish to embark upon this as a permanent policy, you can limit the period of its operation to three or five years, and at the end of that period continue it, modify it, or abolish it, as the results seem to dictate. It would be an experiment at least as noble as the one from which an increasing number of people are trying to escape, and far more effective, in my judgment, in restoring peace of mind and normal conditions in our national life.

Opponents of the pending resolution state that even if we get sufficient votes to discharge the committee—it will require just a majority of those voting—it would still be impossible to adopt the resolution and send it to the States, because that requires a two-thirds vote.

There was a time when it was impossible to get enough votes to move to discharge the committee. That has now been done. There will come a time when the irresistible force of public opinion, gaining momentum and gathering strength, will compel Members to adopt, by a two-thirds vote, either this resolution or one similar to it. We can save time, and save ourselves a lot of unnecessary and costly delay, by permitting the people now to say whether they want prohibition or are through with it.

That there should be a considerable body of thought in this House which resists the simple proposal to let the people make the decision—the same people who sent us here, and from whom we derive what authority we attempt to exercise in their behalf—to prevent those people, I say, from deciding a question which they consider vital to themselves, their children, and to the Nation, strikes me as amazing—one of many amazing things that have happened since prohibition has become a national issue.

I am opposed to prohibition and all its fruits. I do not believe that Federal "bone-dry" prohibition is desirable, even if it were possible—and I do not think that it is possible, even if it were desirable. I do not believe that the total abstinence which the prohibitionists have sought to enforce is beneficial to us as individuals or as a Nation. If drink injured nations, and abstinence benefited them, the most cultured, the most progressive, the most advanced nations would be the Mohammedan nations, because they are teetotalers, while the most backward nations, intellectually and morally, would be the Christian nations, in most of which the people drink. The reverse happens to be the truth.

Drinking to excess is undoubtedly bad, but so is eating to excess bad, and more people eat to excess than drink to excess. Any excess is bad and dangerous. But to adopt a universal rule to bind all, including those who drink in moderation—and the overwhelming mass of people belong to that class—is to attempt what is unnecessary and impractical. And, as I say, even if it were necessary, I should still consider it impossible.

But if I were as ardently for prohibition as I am against it; if I were as thoroughly convinced that it is a blessing as I am convinced it is a curse; if I were as sure that it brought happiness to the people as I am sure it has brought misery; if I thought that its virtues were more numerous than its vices, and I believe the reverse to be true—I should still wish to have the matter submitted to the people.

Any other course seems inconsistent to me as a believer in our form of government. Our Government derives its just powers from the consent of the governed. It required a revolution to establish that principle. The governed are the ones to say, in the last analysis, whether we have their consent or not. That is elementary—too elementary to require elaboration at this time.

I have addressed myself mainly to the question before us to-day. I have not used any mass of statistics, nor have I extended myself on the question of the merits or demerits of prohibition, except as it has been necessary or incidental to the consideration of the pending motion. We can settle one question at a time, but the first question we should settle—because it is the key and the guide to the settlement of so many others—is whether the people have any rights that this body or the Members of it who stand by the present prohibition policy are bound to respect. If it is not settled to-day, it will be settled later on.

THE AMERICAN TARIFF AND ITS ADMINISTRATION

Mr. BEEDY. Mr. Speaker, I ask unanimous consent to extend by remarks in the RECORD by inserting an address delivered by the present Commissioner of Customs.

The SPEAKER. Is there objection?

There was no objection.

Mr. BEEDY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Capt. F. X. A. Eble, United States Commissioner of Customs, before the Harvard Business School Club, Harvard University, Boston, Mass., February 9, 1932:

The subject chosen for my talk is closely associated with the history and development of our country. It is indeed a comprehensive topic. The tariff itself is a very controversial issue.

One of the very first laws enacted by the First Congress under the Constitution was a tariff law. This was the beginning of a long series of tariff acts, which have ever been the storm center of American politics.

The officials charged with the administration of our tariff are too busily engaged with the sundry and intricate problems incident to their colossal tasks to engage in any argumentative discourses on our Nation's policy in this direction. Most of them purposely avoid such discussions, but when sometimes forced into them they endeavor to hold to the "middle mast."

It has been said, and truthfully so, that our tariff laws are the most complicated on our statute books. The present law is no exception. New questions involving changes in classifications and the variance in rates of duties constitute some of the major problems confronting the administrative officers. But these are not all; some of the more important ones will be touched on later.

I shall discuss the principal points of my talk in the following order:

1. A brief history of tariff legislation.
2. Outline of the administrative organization.
3. The 1930 tariff act.
4. The operation and administration of our present tariff law.

HISTORY

When the First Congress of the United States met in New York in 1789 a resolution providing for levying of duties on imported merchandise was one of the first presented. It was introduced by Representative Madison, of Virginia, who later became the fourth President of the United States. This resolution authorized a specific duty on spirituous liquors, tea, coffee, cocoa, sugar, molasses, pepper, cheese, soap, shoes, etc. An ad valorem duty of 5 per cent, based on the value of certain goods at the time and place of importation, was the first application of American valuation, so hotly debated more than a century later.

The Madison resolution was strictly a revenue measure, since the public purse was empty and the country was deeply in debt. But the law, as it was passed three months later, differed radically from the original resolution. The young American industries needed protection. Much discussion ensued, and finally the first tariff law was passed. The act was signed by President Washington on July 4, 1789, and on account of the general rejoicing it occasioned it was hailed as a second Declaration of Independence.

The new duties were declared to be "necessary for the support of the Government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures." It was hoped that customs collections would yield $3,000,000 of the $8,000,000 needed yearly. During the first and only year of its operation—the duties were increased a year later—it did yield the sum of $2,239,746.75, with an additional $157,376.24 in duties on tonnage.

The Congress, however, made one mistake, for in passing the first tariff law it provided no machinery for the administration. The law was to become effective on August 1, 1789. One day before this the Congress passed another law—its fourth. It was the act of July 31, 1789, creating customs districts and ports of entry and authorizing the appointment of customs officers and prescribing the procedure to be followed in collecting customs duties. So it was on this date that the Customs Service, which is the administrative machinery for collecting the duties, came into existence.

The first vessel to arrive in the port of New York under the first tariff act was the brigantine *Persis* from Leghorn, with a miscellaneous cargo. The total duties collected on this cargo amounted to $774.71.

Compilation of all customs laws

Such was the modest beginning of tariff legislation and administration. The Congress has since passed many laws imposing duties on imports, but there is no accurate compilation thereof. The Congress authorized a compilation in 1898 and again in 1909. The first volume contains 185 acts, joint resolutions, and proclamations. Of this number, 35 are listed as general tariff acts, with a sufficient enumeration of the articles to require a separate index.

The general counsel of the Bureau of Customs, in Washington, made a very hasty search of the Statutes at Large and other documents on file in his office and found that, since the compilation in 1909, there have been enacted 177 acts, joint resolutions, and proclamations affecting the assessment of customs duties; so that the total number to date is 438. In addition, the President has issued 56 proclamations under the flexible tariff provisions of the acts of 1922 and 1930. Our analysis shows that there have been approximately 39 general revisions.

Inasmuch as this analysis was made hurriedly, I should not care to vouch for its accuracy without further study of the subject. It is very probable that a more careful review would eliminate some of the acts included in our compilation and perhaps add others which we have omitted. Nevertheless, in reviewing these many laws we can not fail to be impressed with the fact that tariff tinkering has been practically a continuous performance of our Congresses. It has become a habit, and habits once formed are usually difficult to overcome.

ORGANIZATION

I shall now discuss the organization which is charged with the administration of the tariff law. This organization is known as the United States Customs Service. Briefly, the organization consists of a bureau headquarters in Washington and a field service. The field service is divided into 48 customs collection districts which are scattered throughout continental United States and its Territorial possessions. The administrative affairs of each district are supervised by a collector of customs. Each district consists of a headquarters port and, in many instances, quite a number of subports of entry; so that the total number of ports of entry in all districts is about 300.

Presidential appointees

At several of the larger ports there are, in addition to the collector, an appraiser, a surveyor, and a comptroller. We have, therefore, in the 48 collection districts a total of 78 field administrative heads. All of these, with two exceptions, are commonly known as "political appointees." That is, they are appointed by the President and confirmed by the Senate, and are of the political faith of the party in power. The term of office of these appointees (with the exception of the appraiser, whose term is unlimited) is four years.

However, the rank and file of our service, totaling approximately 10,000 employees, are appointed subject to the rules of the Civil Service Commission.

At various times men whose names are familiar in American history, including one President, have graced the rosters of the Customs Service.

During the early part of the nineteenth century the famous historian George Bancroft was collector of the port of Boston. One of Collector Bancroft's first acts was to appoint as measurer in the Boston customhouse, at an annual salary of $1,500, one of New England's best-known sons and geniuses. I refer to that "rebellious Puritan," that distinguished man of letters from whose pen several of the world's literary classics have flowed, Nathaniel Hawthorne. Shortly after his appointment, Hawthorne, in writing to his friend Longfellow, remarked gaily: "I have no reason to doubt of my capacity to fulfill the duties, for I don't know what they are."

The New England novelist, however, was destined for a higher position in the Customs Service, and four years later the man who gave the world the Scarlet Letter was notified of his appointment as surveyor of the port of Salem under that old veteran of Ticonderoga, Gen. James Miller, collector of the port.

In looking over our list of ex-officers, we also find the name of Edwin A. Robinson, famous contemporary poet. Mr. Robinson was appointed a special agent at the port of New York by the late President Roosevelt. Poet Robinson, by the way, attended Harvard 1891–92.

So you see, my friends, we of the Customs Service are not only revenue collectors but job providers for men of literary and poetical persuasion. Therefore, if there are, perchance, amongst you any whose fettered souls are striving for what the æsthetes are

pleased to call "expression," the Customs Service offers a haven of refuge from a world grown cold with commercialism.

Of the 48 customs districts, the district of New York, with headquarters in New York City, is the most important from the standpoint of revenue collected and number of employees. More than one-third of our total force is employed at the port of New York, and more than one-half of our total customs revenue is collected there.

Foreign service

In addition to our bureau in Washington and the field service throughout the United States the Customs Service maintains a foreign force whose headquarters are located in the capitals of the principal European countries. There are also two offices in the Orient. The officials in charge are known as Treasury attachés. These officers are a branch of the investigative unit of the bureau in Washington. This unit, which is the directing office of the Customs Agency Service, constitutes the "eyes and ears" of the commissioner and assists him materially in the detection and prevention of frauds upon the revenue.

To give you an idea of the growth of the service since the beginning of our Government, the collections for the first year amounted to approximately $2,000,000, while during the fiscal year ended June 30, 1929, the service collected in excess of $600,000,000 in customs duties. The major portion of this amount was collected in the form of duties on imported merchandise and only a small portion (less than $5,000,000) was collected from passengers on articles brought in by them as part of their baggage.

THE 1930 TARIFF ACT

This brings me to the third point of my talk, i. e., the tariff act of 1930, which is the law now in force. It is commonly called the Hawley-Smoot law. You will remember that the 1928 tariff platforms of our two major political parties dealt with the tariff, the Republican tariff pledge specifically indicating that a revision of the tariff act of 1922 would be undertaken.

In accordance with the Republican pledge a revision of the tariff was begun early in January of 1929 with hearings before the Ways and Means Committee of the House. The proposed new law was introduced in the House February 27, 1929; passed by the House May 28, 1929; reported in the Senate with amendment September 4, 1929; and passed by the Senate with amendment March 24, 1930. It was a very different measure from that which had passed the House almost a year before; and, in accordance with the usual practice, the bill went to a conference committee made up of an equal number of members of both the Ways and Means Committee and the Finance Committee of the Senate. The differences between the two measures were ironed out and reconciled, and the bill became a law with President Hoover's signature on June 17, 1930, almost 18 months after the revision was begun.

Such, in general, have been the main features in all our recent tariff revisions. So, it seems to me, it can reasonably be said that an American tariff law probably gets a more thorough consideration by the Congress than does any other single piece of legislation.

In the hearings before the committees everyone is given an opportunity to be heard and to present his case; and you will get an idea of the extent to which this is done when I tell you that the record of the hearings before the two committees covers some 18,000 printed pages. I might add at this point that in our recent revisions there has been a decided tendency for the Congress to rely less and less on the data submitted at these hearings and to frame the bill in consultation with the Government experts of the Tariff Commission and of the Treasury Department.

The law has two principal divisions; the rate structure comes first—15 dutiable schedules and a free list. These schedules are on the basis of broad commodity classifications, such as chemicals, metals and manufactures thereof, agricultural products, wool and its manufactures, and sundries. These schedules and the free list occupy about half the total pages in the law—107 out of a total of 194. The remaining 90 pages make up the second principal division of the law and consist of the various administrative provisions which set forth in rather elaborate and detailed manner the technique by which the law is to be administered and enforced.

It is this enforcement and administration which will be the principal subject of my discussion to you, inasmuch as my duties and responsibilities as Commissioner of Customs give me an intimate contact and association with this division of our tariff law.

In passing, let me mention here that the last revision was the first one in our history in which these administrative sections were revised and gone over by the Congress as completely as were the rate schedules.

In previous revisions a few specific administrative provisions were considered by the Congress in the course of the revision, but prior to the revision of 1929–30, an American tariff revision was essentially and almost completely a revision of the rate structure. As a matter of fact, prior to the act of 1913 no administrative sections were incorporated as a part of the tariff acts passed by the Congress; and it was not until the act of 1922 that the administrative provisions were incorporated in an extensive way.

OPERATION AND ADMINISTRATION OF PRESENT TARIFF LAW

I shall now discuss the last and most important feature of my talk. The administration of our tariff law is the joint responsibility of three of the executive branches of the Government—the Treasury Department, the Department of Justice, and the Tariff Commission. (The Department of Commerce might be mentioned as a fourth in connection with its work in the compiling and publication of the voluminous statistical records of our import trade.) Of these three branches—Treasury, Justice, and Tariff Commission—the Treasury Department has by far the largest sphere of activity; and the Bureau of Customs, of which I happen to be the chief, is a unit of the Treasury Department.

We admit imported merchandise into this country; we examine, appraise, and classify it for duty purposes, collect the duty, and turn the merchandise over to the importer. In the conduct of this activity we are called upon many times a day to make rulings, decisions, and regulations covering the thousand and one moot points which arise between the arrival of the imported merchandise at one of the ports of entry and the final ascertainment and the collection of the duty accruing on these imports. I shall come back to our work again, but let me first dispose of the functions and the activities of the Department of Justice and of the Tariff Commission in that order.

Department of Justice activities

The work of the Department of Justice as it relates to the Customs Service falls into two categories. The first has to do with the criminal provisions of the customs laws and such civil provisions, penal in nature, as require judicial determination. This so-called customs penal code is an accumulation of law, precedent, and regulation built up over the last 140 years to deal with violations of the customs laws involving fraud and smuggling. In this activity the work of the Department of Justice is conducted by the United States attorneys in the various judicial districts, the United States district courts, the United States circuit courts of appeals, and the Supreme Court of the United States.

The second and more familiar activity of the Department of Justice is evident in the work of the customs courts, whose jurisdiction covers all decisions of the collectors and appraisers as to the classification, rates of duty, and value of imported merchandise. As an indication of the importance of this aspect of tariff administration, the annual report of the United States Attorney General for the last fiscal year shows the following:

Protests on dockets at port of New York during the year	129,226	
Protests on dockets at other ports	16,898	
		146,124
Reappraisements on dockets at New York	5,758	
Reappraisements on dockets at other ports	839	
		6,597
Applications for review of reappraisement appeals on dockets at port of New York		6,116
Petitions for remission of additional duties at port of New York	216	
Petitions for remission at other ports	136	
		352
Claims for allowance at port of New York	114	
Claims for allowance at other ports	5	
		119
Total number of cases appearing on dockets		159,308
Classification cases		
Classification cases (protests):		
Pending at beginning of year (July 1, 1930)	211,073	
Filed during year	80,073	
Total	291,146	
Disposed of during year	53,705	
Pending at end of year (June 30, 1931)		237,441
Reappraisement proceedings		
Reappraisement appeals:		
Pending at beginning of year (July 1, 1930)	15,385	
Filed during year	3,361	
Total	18,746	
Disposed of during year	7,071	
Pending at end of year (June 30, 1931)		11,675
Applications for review:		
Pending at beginning of year (July 1, 1930)	466	
Filed during year	5,423	
Total	5,889	
Disposed of during year	5,691	
Pending at end of year (June 30, 1931)		198
Petitions for remission of additional duties		
Petitions for remission:		
Pending at beginning of year (July 1, 1930)	178	
Filed during year	173	
Total	351	
Disposed of during year	185	
Pending at end of year (June 30, 1931)		166

TARIFF COMMISSION ACTIVITIES

Now, with regard to the Tariff Commission, which is a separate branch of the executive department directly accountable to the President. Historically, our experience with tariff commissions goes back to 1882, with the appointment by the Congress of a commission to accumulate and prepare data for the tariff revision of 1883. After a lapse of a quarter century the commission principle was again revived with the appointment in 1909 of the so-called Taft Tariff Board, which continued to function as an investigatory branch of the Government until 1912, when it became defunct due to the failure of the Congress to provide funds for its continuance.

The present Tariff Commission was established in 1916 under a revenue law of that year; and it, too, was originally established as an investigatory body to provide the Congress with data for use during congressional revisions of the tariff. The commission is a bipartisan body made up of six men—three Republicans and three Democrats. Your own Prof. Frank W. Taussig was the first chairman of the commission.

With the passage of the Fordney-McCumber Act of 1922, the commission was given a new and very important function, which has been continued under the present Hawley-Smoot law. This is the so-called flexible-tariff feature of the law, by which the commission is authorized to determine such changes in existing rates of duty as may be necessary to equalize the difference between foreign and domestic costs of production. The commission reports its findings to the President, who makes them effective by presidential proclamation, adjusting, either up or down within a 50 per cent limitation, the rates of duty in the law in accordance with the cost of production formula.

Proposed amendment to present law

Right here I might digress long enough to tell you that the proposed amendment to the tariff law, which has already passed the House and is now before the Senate, provides for certain changes in the technique of flexible-tariff-rate adjustments and for the calling by the President of an international economic conference to consider the tariffs of the world. The Treasury Department has gone on record before both tariff committees of the Congress on this proposed new law as regarding it unwise and unnecessary legislation. The principal change proposed in the flexible-tariff procedure by this measure would make the commission report its findings to the Congress instead of the President. It is the contention of the Treasury, as expressed by Secretary Mills, that this would destroy all flexibility in the tariff law, would have a tendency to freeze all the present rates (however much they might be in need of adjustment, either up or down) and would keep the tariff continually before the Congress.

The department is opposed to the international-conference proposition also on the theory that our tariff policy should not be the result of international bargainings but should be established by the Congress, which alone should have control of it.

Mr. Mills stated that "if the members of this committee and the Members of the House of Representatives, whose constitutional duty it is to initiate tariff legislation, believe that our present tariff structure is too high in the interest of the people of the United States, then I submit it is their duty to act on that belief and not refer this matter, without instructions, to an international body."

Secretary Mills also voiced the opposition of the administration and the Treasury Department to the provision which authorized the President to negotiate with foreign governments reciprocal trade agreements under a policy of mutual concessions. Mr. Mills stated in substance that if it is to be the policy of the Government to negotiate treaties, he believed the practice followed in the past should be continued, and that we can profitably follow the excellent recommendations of President Roosevelt contained in his annual message to the Congress in 1901, which were as follows:

"Reciprocity must be treated as the handmaiden of protection. Our first duty is to see that the protection granted by the tariff in every case where it is needed is maintained, and that reciprocity be sought for so far as it can safely be done without injury to our home industries. Just how far this is must be determined according to the individual case, remembering always that every application of our tariff policy to meet our shifting national needs must be conditioned upon the cardinal fact that the duties must never be reduced below the point that will cover the difference between the labor cost here and abroad. The well-being of the wageworker is a prime consideration of our entire policy of economic legislation."

Mr. Mills also quoted from the Tariff Commission's report of December 4, 1918, on reciprocity and commercial treaties which was submitted to Congress by Chairman Taussig, as follows:

"Finally, it can not be too much emphasized that any policy adopted by the United States should have for its object, on the one hand, the prevention of discrimination and the securing of equality of treatment for American commerce and for American citizens, and on the other hand the frank offer of the same equality of treatment to all countries that reciprocate in the same spirit and to the same effect. The United States should ask no special favors and should grant no special favors. It should exercise its powers and should impose its penalties not for the purpose of securing discrimination in its favor but to prevent discrimination to its disadvantage."

So much for this proposed legislation, reference to which is timely, I think.

With this résumé of the activities and functions of the Department of Justice and of the Tariff Commission in the administration of the tariff act, I return to the work of the Treasury Department.

I shall not burden you with anything like a detailed recital of our functions, responsibilities, and activities; but in order to give you an idea as to the scope and character of these, I shall discuss certain of the more important phases of our administration of the law.

Rates of duty

The rates in the dutiable schedules of the tariff act are specific, ad valorem, and a combination of both, known as compound. The specific rates, being on a basis of some unit of physical measurement or volume, as a pound, a yard, or a bushel, are relatively simple of administration.

Regarding the ad valorem rates, however, the situation is quite different. Obviously the assessment of these duties requires first of all a determination of the value on which they are to be based. The practice throughout the various countries of the world with regard to the assessment of ad valorem duties is by no means uniform. Some countries assess these duties on the value of imported merchandise after it has been imported, while others, including the United States, use what is known as "foreign value" as the fundamental basis for the assessment of ad valorem duties.

Foreign value

Foreign value, briefly, is the equivalent of the wholesale selling price of the merchandise in its country of origin or production packed ready for shipment, and it is on this value base that most of our ad valorem duties are assessed.

All this sounds quite simple, but I wish it were in fact as simple as it sounds. Our work in connection with the determination of value for the assessment of ad valorem duties is without a doubt one of our most important activities, and I shall therefore begin this discussion of certain of the important details of the administration of the tariff with a consideration of the problems incident to the determination of the dutiable value of imported merchandise.

Section 402 of the act of 1930 enunciates the law by which we are guided and governed. Our problems begin with the first provision of this section, in which the Congress has provided that the fundamental basis for the assessment of our ad valorem duties shall be either the foreign value or the export value of the merchandise, whichever is higher. I have explained foreign value as the equivalent of the wholesale selling price of the merchandise in the country of origin.

Export value

Export value is the price of the merchandise in the country of origin for exportation specifically to the United States, and we are required to determine which of these two is the higher and to use it. It frequently happens, for any one of a number of reasons which I shall not take your time to discuss here, that in the case of certain imported merchandise there is no foreign market value and no export value. Where this is the case the law provides that we shall assess duty on the basis of its United States value.

United States value

United States value, briefly, is the wholesale selling price of the imported merchandise in this country less certain deductions which the law enumerates. These dutiable bases, you might think, would meet about every situation likely to arise; but, as a matter of fact, they do not, and the law provides for two other value bases, making five in all.

Cost of production

Occasionally it happens that we are unable to determine foreign value, export value, or United States value for a particular importation. In this event the law requires us to determine dutiable value on the basis of the cost of production of the merchandise. In this connection you will readily appreciate the difficulties of determining the cost of production of an article made, say, some place in Czechoslovakia or in the interior of China. However, cost-of-production investigations are very rare, probably not more than one in a thousand.

American selling price

The fifth value base, that of American selling price, is the wholesale selling price of the American-made product comparable with the imported merchandise, and is for use only in certain cases. and I shall not complicate my discussion unnecessarily by going into that here.

It is in the establishment of foreign values that the agents of the customs foreign service render very valuable assistance to our appraising officers. If any United States appraising officer is uncertain as to the real or market value of any imported foreign commodity, he sends a request to the department that an investigation be made, and this in turn is forwarded to the Treasury attaché stationed in the country from which the merchandise was exported to the United States.

This gives you, briefly, an indication of the problems with which we are daily confronted in the assessment of ad valorem duties on imported merchandise.

ANTIDUMPING LAW

There is in connection with our valuation work one other very important function of the Treasury Department. This has to do with the administration of the antidumping act, which was passed as a part of the emergency tariff act of May, 1921. Our work on

this score is in addition to that which I have just indicated above as necessary in order to assess our ad valorem rates in accordance with the law.

Dumping, as defined in the act of May, 1921, is the selling of foreign merchandise in the markets of our country for less than its foreign value which, as I indicated above, is practically the equivalent of the wholesale selling price in the country of origin of the foreign merchandise. Our law is based on the theory that dumping is an uneconomical and predatory practice not to be countenanced in our markets any more than is predatory price-cutting on the part of an American producer who might seek thereby to secure a monopoly of the domestic market.

In order to find "dumping," two facts must be ascertained—first, that merchandise has been sold at less than its fair value; and, second, that an American industry has been injured, is likely to be injured, or is prevented from being established.

The question of injury has always been a very irksome one, it being very difficult at times to establish. An amendment to the antidumping act has been introduced in the House of Representatives by Mr. HAWLEY, of Oregon, eliminating the injury feature. If this amendment becomes law, the administration of our antidumping act will be much simpler and the act will be along the lines of the present Canadian antidumping law.

Depreciated currency (dumping?)

At this point I wish to invite your attention to a form of indirect dumping which various industries of our country are facing to-day. I refer to the fact that more than 40 per cent of our total importations of free and dutiable merchandise are coming from countries (excluding China) which have abandoned the gold standard of currency. England discontinued the gold standard on September 21, 1931, and merchandise is still being imported in many instances at prices which prevailed previous to that date. In some instances slight advances in prices have occurred, but not in the same ratio as the currency has depreciated.

Let me illustrate by using high-grade china clay as an example. One hundred and thirty-five thousand two hundred and ten tons of this commodity were imported during the calendar year 1931. On September 20, 1931, the price was £20 a ton ($97.20 in United States currency converted at $4.86). This was subject to a duty of $2.50 a ton, making the landed value $99.70 a ton. On January 18, 1932, a shipment arrived at the port of New York invoiced at the same price in English currency, i. e., £20 a ton; but on conversion into United States currency at $3.47, the prevailing rate of exchange on date of importation, we have a price of $69.40 a ton, as compared with $97.20 a ton for the same merchandise imported the day before England abandoned the gold standard. The decrease in value is 27.9 per cent. While it is true the depreciation of the English currency has no effect on our revenue in this instance, as the rate of duty is specific, nevertheless, there are many other commodities subject to ad valorem rates of duty where the decrease in customs revenue averages approximately 30 per cent.

It is obvious, therefore, with regard to merchandise subject to an ad valorem rate of duty, that the protection heretofore afforded domestic industry has been automatically wiped out in the ratio of the depreciation.

Although the Bureau of Customs has received many complaints from American manufacturers in which they state they are being injured through importations arriving from countries which have abandoned the gold standard, the department is helpless as the present antidumping act does not contain any provision which could be applied.

I noticed in the press the other day that Germany has issued a decree authorizing customs officers to apply compensatory duties in the case of commodities imported from countries which are on a depreciated-currency basis.

In a personal note which I recently received from Dr. E. W. Kemmerer, that eminent economist and financial expert, of Princeton, he comments on the situation as follows:

"I believe that the artificial stimulation of export trade by means of currency inflation is a policy that in the long run hurts the country adopting it; for it exploits home labor and results in the country's giving an increasing amount of its own home products for a decreasing amount of foreign products. However, I think that for a short time it strengthens the country's power to compete with other countries for foreign markets. In this way it acts like a sort of an export bounty and in its effects is like 'dumping.' It really is not a fair kind of competition. It is 'punching below the belt.' In the case of imports from countries adopting this policy, I think it would be perfectly logical for countries remaining on the gold standard to apply the principles of 'antidumping' regulations."

You see at once the work which devolves upon us in the administration of this antidumping law. We are required to determine whether or not dumping does in fact exist; and this, you will appreciate, calls for an elaborate investigation, both abroad and in this country, in order to determine whether or not the imported merchandise is being offered in our markets for less than it is sold abroad. The burden of this work falls upon this same far-flung organization of the Treasury Department to which I referred above, and frequently calls for no inconsiderable ability, resourcefulness, tact, and diplomacy on the part of our agents.

Such in summary are the principal problems and certain of the more important details in our valuation work.

I shall now refer to one or two other important sections in the administrative provisions of the tariff act.

MARKING PROVISIONS OF THE LAW

Section 304 of the act of 1930 requires that all imported merchandise capable of being marked without injury shall be marked with the country of origin. We in the Treasury Department have the responsibility of carrying out the intent of the Congress in enacting this provision. This means deciding which merchandise is to be marked and which is not, and it means the assessment of an additional duty of 10 per cent on all imported merchandise which should be marked and is not.

One of the most important cases which came before us recently under this provision involved the importation of some 400 tractors through the port of Baltimore. A few years ago our customs courts decided that tractors were entitled to duty-free entry into this country on the theory that they are agricultural implements. Subsequent to this decision—I do not say as the result of it—the company in question abandoned entirely the manufacture of tractors in this country and transferred its whole tractor manufacturing organization to Cork, Ireland. The consignment of tractors of which I speak came from Ireland and were not marked with the country of origin. We decided that they should be marked, and required the attachment of a plate to each machine showing that it was made in Ireland, and assessed the 10 per cent duty specified by the law for failure to mark.

You have no idea of the innumerable instances in which the provisions of this marking law are involved. In many cases an importer is only too glad to comply with the requirements, believing that the country-of-origin mark gives his merchandise a considerable prestige value. Leather luggage from England, for example, seems to have such a prestige value, and, accordingly, we have little difficulty with such merchandise. In the case of many other commodities, however, the importer apparently would prefer not to reveal the country of origin of the merchandise, and in the case of such imports our job is one of constant scrutiny and supervision. In administering this provision of the law, as well as all similar provisions, the department's foreign representatives cooperate in every way possible with foreign producers shipping goods to this country in order that their merchandise may, upon its arrival here, comply with our regulations.

CONVICT AND INDENTURED LABOR

I shall now discuss another important administrative section in the tariff act, section 307, relating to the importation of merchandise produced by convict, forced, or identured labor. The fundamental principle of this provision is not new; our tariff law has provided for an embargo on the importation of convict-made merchandise since 1890. This fundamental principle, however, was broadened and extended considerably during the last revision, so that the prohibition previously applicable to convict-made merchandise is now extended to merchandise made by forced or indentured labor under penal sanction—in other words, labor not voluntarily performed on the part of the laborer.

With regard to merchandise made by such forced or indentured labor, however, the act provides that the prohibition shall not be applicable in the case of imported merchandise not produced in the United States in sufficient quantities to meet our consumptive demand. To state the provisions of the law, even as I have paraphrased them, is at the same time to indicate our problem.

In the case of convict-made merchandise, we have only to establish that convict labor has entered into the production of a particular importation under consideration; but when we deal with merchandise made with forced or indentured labor, our problems and difficulties are greatly multiplied.

Simple as it may seem on the surface, it is far from routine procedure to establish definitely where free labor ends and forced or indentured labor under penal sanction begins. In endeavoring to settle this fact you will, of course, understand that we are necessarily dealing always with a foreign people, foreign customs, and foreign economic systems. There is still extant in various foreign countries a type of economic organization which, it seems to me, can only be described as a survival of the system of serfdom of the Middle Ages; and I think all of you will have some hesitancy in deciding whether or not a serf or a peon is a forced laborer.

Consumptive demand

But even if we clear this hurdle and are able to establish satisfactorily that a particular importation is the product of forced or indentured labor under penal sanction, we still have the greater problem as to whether or not the product is produced in the United States in sufficient quantities to meet the consumptive demand of our people. You, of course, with your economic background, appreciate the true significance of the demand concept; you recognize it not as a fixed, unvarying, and constant amount or volume, but as an extremely sensitive, widely fluctuating variable—a variable which changes almost from day to day as the price of a commodity fluctuates, and a variable which changes from period to period as a result of seasons, good times and bad, new inventions, style changes, and a host of other causes.

Recognizing the almost impossible character of the task of establishing a theoretical consumptive demand for a product, we have, nevertheless, to determine what is practically and reasonably the consumptive demand for a commodity. This we do by determining the average demand for the commodity over a recent period of years and comparing this figure with our statistics on domestic production. But this is only used as a basis for our determination, as in the last analysis our determination is based upon the production in a given year, calendar or fiscal, as against demand for the following year.

This very problem has come before us recently in a most elaborate and involved form. The commodity is wrapper tobacco used in the manufacture of cigars. Our principal foreign source is the Dutch East Indies from which comes the Sumatra wrapper tobacco familiar to most of you, and which, of course, is in direct competition with the wrapper tobacco grown here in New England, especially in the Connecticut Valley.

Our investigation established the fact that much of this foreign wrapper tobacco is the product of indentured labor under penal sanction; and we, accordingly, had next to settle the question as to whether or not our domestic production is sufficient to meet the consumptive demands.

The ascertainment of this truth has been complicated in the extreme, due to the character of the product itself. The total production of wrapper tobacco is a highly variable quantity from season to season. The yield from each crop is dependent upon certain factors which combine to increase or decrease the number of leaves on the stalks suitable for wrapper use.

After an exhaustive investigation the department found that our domestic production of wrapper tobacco is not sufficient to meet the consumptive demands, and we accordingly ruled that Sumatra wrapper tobacco is entitled to importation.

IMPORTATIONS FROM RUSSIA

This same section 307 and our administration of it have been prominently before the country recently in connection with the importation of merchandise from Russia. I need not here enlarge upon the uncertainty of conditions in Russia as we know them, or upon the very unreliable character of most of what purports to be accurate information concerning conditions within the Soviet boundaries. As a nation, of course, we have no official or diplomatic relations with Russia, and as a consequence our investigative agents do not enter that country. We therefore have to use the best and most reliable of the data concerning Russia available to us; and on the basis of this about a year ago it seemed to us that certain merchandise coming to this country from Russia was the product of convict labor.

Burden of proof on importer

The law which became effective January 1, 1932, requires strict enforcement of the new prohibition against the importation of forced-labor merchandise. It is both proper and reasonable, in view of the circumstances surrounding the Russian situation, to place upon the importer of suspected merchandise the burden of proving that such merchandise is not the product of forced labor. Unless the importers are able to establish by a preponderance of evidence that their merchandise was not produced in prison encampments or penal colonies, such merchandise shall be denied entry at our ports.

This is the policy which governs our administration of these provisions of the tariff law. There are still various other provisions, some of which are quite complicated and require careful and judicious treatment. I shall not burden you with any more of these problems, for I believe you now have a fairly good idea of the task which rests upon the Treasury and customs officials in administering the tariff act.

Many of you, perhaps most of you, know something of the size and volume of our import trade, but let me, nevertheless, begin with a few statistics of a general character.

During the Fordney-McCumber law, which was in force from September, 1922, to June, 1930, the total importations into this country were valued at $31,000,000,000, of which twenty billion came in free of duty and eleven billion subject to duty.

During the first 16 months of the Hawley-Smoot law our total importations were valued at $3,000,000,000, of which two billion came in free of duty and nine hundred and ninety million subject to duty.

I shall refer entirely to the dutiable portions, which, of course, are as varied as the merchandise described in the act. The counts of the number of rates of duty in the tariff law vary from 3,000 to almost 30,000, depending upon the basis used by the enumerator, and all too often upon his purpose.

The 3,000 count is more indicative of the number of rates in our law, inasmuch as the larger counts involve more or less duplication such as you get, in striking fashion, in some of the cotton-cloth paragraphs, where there are a number of different rates in the one paragraph, depending upon the count of the cloth.

But whether the count be 3,000 or 30,000 makes little difference for our purposes, inasmuch as all dutiable merchandise is "grist for our mill," and a little later on I shall refer to the number of rates merely to give you an idea of the size and character of our job.

I have endeavored to indicate to you the technique by which a tariff law is administered and certain of the important problems which are to us a part of our daily lives. In all of this I have intended no consideration of the merit or demerit of our tariff policy; no argument as between protection on the one hand and free trade or a competitive tariff on the other. These are questions and considerations which are no part of our administration of the tariff law. They are wholly within the province of the Congress which, in passing the tariff act, lays down our tariff policy.

Our tariff policy has been a vital political issue for so long and the subject of such a violent controversy for more than a century that every schoolboy in the land begins to have a tariff attitude and a tariff viewpoint long before he has a vote by which to express this attitude and viewpoint.

I have reached my conclusions concerning our tariff policy on the basis of my tariff experience both in this country and for many years as a Government representative abroad, which latter experience brought me into intimate contact with the economic conditions in the various foreign countries.

In what I say I shall ignore completely any discussion of the theory of free trade as being entirely beside the point. In justification of this I assure you that with regard to the doctrine of free trade as a theory I have no argument and no dispute; I regard it theoretically as wholly unassailable. My objection to it lies in its impracticability in view of the widely divergent economic conditions prevailing throughout the world.

Professor Taussig's views on the rayon industry

I believe much of the economic development of this country during the past hundred years has been due, in no inconsiderable measure, to our policy of a protective tariff, under which we have fostered and developed our industries. In my perusal of Professor Taussig's new edition of his book, Some Aspects of the Tariff Question, I noted with particular interest his new chapter on Rayon. After a brief but fascinating account of the development of this great industry, he says, on page 428: "It seems almost indisputable that the tariff was responsible for the establishment of the (rayon) industry in the United States." Later, on page 433, he says:

"To sum up: The duty on rayon brought into the United States a new and important industry, one which would seem to illustrate the type justifying protection in this country during the early stages—an industry for which there are neither climatic nor geographic disadvantages; which is adapted to large-scale standardized production, with the use of machinery and relatively little hand labor; and in which, at the start, the difficulties are great, the technique of production being so difficult as to require an experimental period of many years before an adequate technical staff and labor force can be developed."

Were I any place but right here at Harvard, I ought, perhaps, to give more of the context than I have surrounding these two statements, but under the circumstances I feel sure this is unnecessary.

Needless to say I agree completely with these statements Professor Taussig makes concerning the development of the rayon industry in this country. I might add that I think exactly the same conclusions are possible with regard to our great tin-plate industry with an annual output to-day in excess of $200,000,000, and also with regard to our whole chemical industry in the development of which, in less than 10 years, we have transferred ourselves from a Nation dependent, even to the extent of our national existence, upon foreign chemical sources into a chemical-producing Nation independent of the rest of the world.

The tariff has done some things over which there can be no disagreement. However, I am sorry that I disagree with Professor Taussig's splendid article entitled "What the Tariff Has Done to Us," which appeared in the November, 1931, issue of the Atlantic Monthly.

Mr. Taussig states:

"The extremes to which our system has been carried are familiar enough. In the days before the Great War the only country which went as far as we did was Czarist Russia. I am not sure just where we stand now in the competition for this sort of bigness. Our example has infected the rest of the world (about this, more presently), and other countries may have bettered our instruction. It is not easy to make comparison of the general or average height of highly complicated tariff rates of different countries; but I should be surprised if those of any among the so-called civilized countries outran ours.

"There has been, at all events, during the last decade a kind of change—a new sort of development—which is significant of the way we have pushed up and up. This appears in the very high ad valorem duties which are scattered here and there in the tariff acts of 1922 and 1930. A few illustrations will point the lesson. On children's toys (which the Germans, as it happens, make in great variety and with much ingenuity) the duty is 70 per cent on the value. Some kinds of dollies are hit even harder; they are put at 90 per cent. Some women's garments pay 75 per cent. Other things much used by the gentle sex—veils, veilings, ruchings, insertions, an extended and very meticulously listed range of articles, embellished in ways that attract the users—pay 90 per cent. Laces also pay 90 per cent.

"Now, these rates are unprecedented; not so much as regards the effective height but as regards the overt and fairly unblushing form of statement."

In order to answer Professor Taussig on this point, and also to enable you to visualize more clearly the passage of importations through the customs and to indicate to you the competitive character of this merchandise, I have selected as exhibits a number of samples of various commodities.

Each exhibit I have here before me comprises two samples—the domestic article and the competitive imported article. All of the imported articles arrived at the port of New York and the prices shown were taken from the files of the customhouse and include duty and transportation. The prices given on the domestic articles were represented to me as bare cost of production, excluding overhead and profit.

EXHIBIT 1.—*"Hit and miss" cotton rag rug, size 2 feet by 3 feet*

a. Domestic—cost of manufacture (each) $0.28
b. Imported (from Japan)—landed cost (each) ..... .09
(Dutiable under par. 921—75 per cent ad valorem.)

We have here two rugs, one imported from Japan at a landed cost (including duty and transportation charges) of nine cents;

the other a domestic rug, represented to me to cost 28 cents to manufacture. Both rugs are known to the trade as the "hit and miss" variety of rag rug.

I am going to ask you, gentlemen, to visualize the class of labor employed in making each of these rugs, and the standard of living of each class of workmen, i. e., the Japanese workman and his American brother; their home surroundings, the clothing they wear, and the luxuries they enjoy. In the first place, the rate of pay of the American laborer is from three to four hundred per cent higher than the wage scale in Japan; the American lives in a better home, he has better food, wears better clothing, and enjoys various luxuries which are denied the Japanese worker.

Please remember that the 9-cent rug is landed here, transportation and duty being included in that price. The duty is 75 per cent. You could add another 200 per cent and the landed cost would still be under the American price.

Of course, this might seem an extreme case; but I assure you it is not an exceptional one. There are hundreds of items landing in our country to-day subject to apparently high rates of duty, but our American industries receive little or no protection. Then, again, we see merchandise being imported at depreciated currency prices, and the effect of the high rates in many instances has been vitiated.

I have other samples here, but I am not going to comment on them as I have done in this case. I shall merely mention them and place the articles before you.

EXHIBIT 2.—*Cotton suede cloth, 36 inches wide*

a. Domestic—cost of manufacture (yard) $0.567
b. Imported (from Czechoslovakia)—landed cost (yard) .. .479

(Dutiable under par. 904 at 22 per cent, based on average yarn number.)

EXHIBIT 3.—*Men's leather gloves*

a. Domestic—cost of manufacture (dozen pairs) $26.00
b. Imported (from England)—landed cost (dozen pairs) .. 24.89

(Dutiable under par. 1532 at $11 a dozen pairs as hand sewed, but not less than 50 per cent.)

EXHIBIT 4.—*Briarwood pipe*

a. Domestic—cost of manufacture (per 100) $24.00
b. Imported (from Italy)—landed cost (per 100) 19.25

(Dutiable under par. 1552 at 5 cents each and 60 per cent ad valorem.)

EXHIBIT 5.—*Canvas shoes*

a. Domestic—cost of manufacture (pair, sizes 6 to 12) .. $0.38
b. Imported (from Japan)—landed cost (pair, sizes 6 to 12) . .27½

(Dutiable under par. 1530 (e), 35 per cent ad valorem.)

EXHIBIT 6.—*Thumb tacks*

a. Domestic—cost of manufacture (per 100) $0.049
b. Imported (from Germany)—landed cost (per 100) ..... .025

(Dutiable under par. 331 at 3 cents a pound.)

EXHIBIT 7—*Metal toy*

a. Domestic, cost of manufacture (each) $0.45
b. Imported (from Japan), landed cost (each) ..... .30

(Dutiable under par. 1513, 70 per cent ad valorem.)

With your indulgence, I should like to discuss briefly Exhibit 7. A duty of 70 per cent ad valorem is imposed upon the foreign article. Professor Taussig, in his recent paper in the Atlantic Monthly, comments on this class of merchandise with, "A few illustrations will point the lesson." Here is the illustration in concrete form, and I am going to let you, gentlemen, decide whether the present rate of 70 per cent is too high on this merchandise. It would take an additional 50 per cent duty to bring the landed cost of the foreign article on a par with the production cost of the competitive domestic article.

EXHIBIT 8—*Woolen hoods*

a. Domestic, cost of manufacture (dozen) $3.65
b. Imported (from Italy), landed cost (dozen) 2.42

(Dutiable under par. 1115 (b) and T. D. 44715, 40 cents a pound and 55 per cent ad valorem; approximate weight, 1¾ pounds per dozen.)

EXHIBIT 9—*Knives and forks*

a. Domestic, cost of manufacture (set of 6 table knives and forks) $7.42
b. Imported (from England), landed cost (set of 6) 4.81

(Dutiable under par. 355 at 8 cents each and 45 per cent ad valorem.)

EXHIBIT 10.—*Electric light bulbs*

a. Domestic—cost of manufacture (per 100) $2.35
b. Imported (from Japan)—landed cost (per 100) 1.55

(Dutiable under par. 229, 20 per cent ad valorem.)

EXHIBIT 11.—*Fireman's hat badge*

a. Domestic—cost of manufacture (each) ..... .15½
b. Imported (from England)—landed cost (each) ..... .10

(Dutiable under par. 397, 45 per cent ad valorem.)

EXHIBIT 12.—*Golf ball*

a. Domestic—cost of manufacture (dozen) 6.00
b. Imported (form England)—landed cost (dozen) based on depreciated currency 3.21

Using the normal rate of exchange, the cost of the foreign article, including duty, would only amount to $5.10 a dozen as compared with a cost of $6 a dozen for the domestic article, which results in the differential of about 16 per cent in favor of the foreign article. Using the present rate of exchange, there is a difference of about 46½ per cent in favor of the imported golf ball.

Now I shall take up the last of my exhibits. The samples represent a commodity known as "allover lace." The rate of duty to which this class of merchandise is subject amounts to 90 per cent. This is one of the high rates referred to in Mr. Taussig's article in the Atlantic Monthly.

EXHIBIT 13.—*Allover lace*

a. Domestic—cost of manufacture (yard) $0.80
b. Imported (from England)—landed cost (yard) based on depreciated currency ..... .46

Even using the normal rate of exchange, the cost of the foreign lace, including duty, would only amount to 65 cents a yard, as compared with a cost of 80 cents a yard for the domestic article, which results in the differential of about 20 per cent in favor of the foreign article.

It is significant to note that notwithstanding the fact that the foreign lace bears a duty of 90 per cent, it is sold at a price considerably below that of the domestic article. The need for a high protective tariff on goods of this nature is readily apparent. For instance, if there were no duty whatever on lace of this kind, the imported article could be bought at 34 cents a yard, based on the normal rate of exchange, and 24 cents a yard at the present rate of exchange.

I believe, as evidenced by these exhibits, that the economic welfare of the United States is dependent upon our maintenance of a tariff policy which will prevent ruinous foreign competition in our domestic markets. I say ruinous foreign competition, and I shall try to tell you why I believe this competition to be ruinous.

American living standard highest in the world

We have in this country to-day, as a result of the last century of our economic development, a higher standard of living than prevails in any other country of the world. One of the most prominent features of this higher standard of living is a higher wage scale than is to be found in any other country. Generally speaking, American wages are from two to three times the wages paid in Europe and from five to ten times the wages paid in the Orient.

This is generally admitted even by the most outspoken of the critics of a policy of protective tariff who, however, counter with the claim that our higher wages and higher living standards are accompanied by a greater efficiency and, hence, a larger output on the part of our labor, which has a tendency to offset the otherwise apparent difference between the unit cost of production of American-made and of foreign-made merchandise.

I do not for a moment dispute the fact that American labor is more efficient than foreign labor. In fact, practically all of our investigations, as well as those made by the Tariff Commission, bear out the fact that the American workman is decidedly more efficient than his foreign rival. But I certainly do deny the imputations that this greater efficiency of American labor is sufficient in itself to neutralize the effect of the lower wages paid abroad. I know of no more striking illustration of this fallacy than that to be found in the investigation of the Tariff Commission of a few years back showing the cost of producing a ton of pig iron in this country and in British India.

The American iron and steel industry, I think it will be generally conceded, is one of our greatest economic developments—an industry in which we have carried almost to the limit large-scale production, machine technique, and industrial integration. It is an industry, in short, in which each unit of production reflects the most economical operation possible. It is an industry, in other words, in which it ought to be true, if it ever is, that our greater productive efficiency offsets our higher wage costs. And yet even in the case of this industry the Tariff Commission's report indicated that a ton of pig iron could be produced in British India and brought to New York for approximately $7 less than our American furnaces in the Pennsylvania area could produce a ton of pig iron and lay it down in New York.

I refer to this particular case simply as an illustration of what we find to be, with only now and then an exception, the general situation, namely, that our greater industrial efficiency and the greater efficiency of our labor, when compared with foreign labor, are not sufficient to offset the lower wages and the lower production costs which are general in foreign countries.

I know of no better plan to maintain the American wage scale and our present living standard than that enunciated in our past and present protective tariff acts. Duties are levied on imported commodities based on the difference in production costs between the American article and the similar or competitive foreign article. The flexibility clause existing in the present law should take care of variations that may arise from time to time. This protective-tariff policy goes hand in hand with our restrictive immigration law. Any other policy, it seems to me, would prove exceedingly detrimental to American labor and industry.

Conclusive evidence, I think, has been presented to you this evening that sundry imported articles, some of which are subject to the highest prevailing rates of duty, are to-day being sold on the American market at prices far below the actual cost of production of the competing American-made commodities.

Furthermore, I firmly believe that to permit more or less freedom of competition between the products of high-wage standard and high-production-cost countries and the products of low-standard and low-production-cost countries would produce a result identical with the result of Gresham's law in monetary eco-

nomics—the bad would drive out the good; the cheap would drive out the dear, or at least pull it down to its own lower standard. In this statement you have my justification for my use of the term "ruinous foreign competition."

Professor Taussig in his article seems to think our present tariff rates are too high. If they are too high, just how far should they be reduced? He does not say. Of course, this is a question for the Congress to decide. However, let us see what Adam Smith has to say in The Wealth of Nations on this point.

"The case in which it may sometimes be a matter of deliberation, how far, or in what manner, it is proper to restore the free importation of foreign goods, after it has been for some time interrupted, is when particular manufactures, by means of high duties or prohibitions upon all foreign goods which can come into competition with them, have been so far extended as to employ a great multitude of hands. Humanity may in this case require that the freedom of trade should be restored only by slow gradations, and with a good deal of reserve and circumspection. Were those high duties and prohibitions taken away all at once, cheaper foreign goods of the same kind might be poured so fast into the home market as to deprive all at once many thousands of our people of their ordinary employment and means of subsistence."

Again on page 434 he states that:

"The undertaker of a great manufacture, who, by the home markets being suddenly laid open to the competition of foreigners, should be obliged to abandon his trade, would no doubt suffer very considerably. That part of his capital which had usually been employed in purchasing materials and in paying his workmen, might, without much difficulty, perhaps, find another employment. But that part of it which was fixed in workhouses and in the instruments of trade could scarce be disposed of without considerable loss. The equitable regard, therefore, to his interest requires that changes of this kind should never be introduced suddenly, but slowly, gradually, and after a very long warning."

Here is a warning to our friends who believe in free trade, from the greatest free trader of them all—Adam Smith, whose Wealth of Nations, published in 1775, gave England her free-trade philosophy and led to the abandonment of protection over a period of 40 years following the Napoleonic wars. It is also, in my opinion, a warning to those who would make precipitous reductions in the present tariff structure. Indeed, if any reduction is to be made, according to Adam Smith's theory it would have to be a gradual reduction covering a period of years.

Here again it seems to me that our theory needs consideration in the light of certain known facts and past experience. We can buy from foreign countries, and we do buy from them, in direct proportion to the consuming capacity of our people, which, of course, is wholly dependent upon their prosperity. I do not for a moment stand before you and claim that the prosperity of this country is dependent entirely upon our tariff policy. Our experience over the last two years more than demonstrates that our tariff is neither a preventive nor a panacea for internal economic crises and depressions. But this I do believe, that our country (by which, of course, I mean our industries and our workers) can not possibly prosper if forced to meet unbridled competition in our markets with foreign-made merchandise produced at costs and sold at prices below those prevailing in this country.

I have referred to the statistics of our imports under the Fordney-McCumber tariff law of 1922. That was a protective tariff enactment, and during its eight years of operation we imported into this country over $30,000,000,000 worth of foreign merchandise. During most of the life of the Fordney-McCumber law our importations were the largest in history. The enormous volume of these importations under this protective tariff law was the direct result of the prosperity of our country during the years 1922 to 1929.

Mind, if you please, I do not say this prosperity in turn was the result entirely of the Fordney-McCumber law, but again I do say this: If we had not had tariff revisions in 1921 and 1922 (as a result of which we returned to the policy of protection), the Underwood-Simmons law of 1913 would have continued in force, American industry and American labor would have had to struggle with disheartening foreign competition, and I firmly believe we would not have had seven prosperous years such as we did have until the fall of 1929.

I hope that in none of this will I seem to you to be dogmatic. I try not to be in my thoughts on our tariff problem. I have endeavored only to indicate to you how, on the basis of my experience, and by what processes of reasoning I have arrived at the stand I take with respect to our protective tariff.

I agree with Dean Donham's suggestion that we must view the series of events through which we have come and through which we must go as divided into periods, and you will doubtless remember, too, his frequent reference to the enormous economic importance of our home markets. With these references I read you a paragraph from Business Adrift, at page 95:

"Nevertheless, such a program means for this middle period comparative economic isolation with major and controlling emphasis on our great home markets. Wherever the interests of home markets are directly or indirectly involved or in conflict with foreign trade we should prefer the home markets. Our export of commodities and capital during the generation ahead should be limited to amounts which can be paid for by the rest of the world without bitter competition with the other advanced nations. Greater reliance than this on export markets would introduce a major element of instability for both labor and capital. Our first thought should be for stability at home."

This sounds logical. A generation ago you had here at Harvard a famous philosopher, William James. In the fundamental and underlying principles in James's philosophy, I have found the key to my whole tariff attitude. I leave it with you in further explanation for what I have said and what I have had to leave unsaid and in justification for what it seems to me should be our future course: "That is truth which works."

Effect of depreciated currency on imports—Comparative statement of landed value (foreign cost plus duty) of unmanufactured cotton and china clay entered at the port of New York on dates specified

	Unit of quantity	Rate of exchange	Foreign cost		Duty	Landed value	Comparison
			In English currency	In United States currency			
Long-staple cotton:[1]			*Pence*	*Cents*	*Cents*	*Cents*	
June 1, 1930	Pound	$4.86	11.01	22.02	7	29.02	December, 1931, with September, 1931, 11.4 per cent decrease; December, 1931, with June, 1930, 38.6 per cent decrease.
Sept. 16, 1931	do	4.86	6.56	13.12	7	20.12	
Dec. 22, 1931	do	3.40	7.57	10.82	7	17.82	
Upper Egypt cotton:[2]							
June 1, 1930	do	4.86	8.07	16.14	7	23.14	December, 1931, with September, 1931, 8.3 per cent decrease; December, 1931, with June, 1930, 32.5 per cent decrease.
Sept. 16, 1931	do	4.86	5.02	10.04	7	17.04	
Dec. 22, 1931	do	3.40	6.04	8.63	7	15.63	
China clay:[3]			£ s d				
High grade—							
Sept. 20, 1931	Ton	4.86	20 0 0	$97.20	2.50	$99.70	January, 1932, with September, 1931, 27.9 per cent decrease.
Jan. 18, 1932	do	3.47	20 0 0	69.40	2.50	71.90	
Medium grade—							
Sept. 20, 1931	do	4.86	10 0 0	48.60	2.50	51.10	January, 1932, with September, 1931, 27.2 per cent decrease.
Jan. 18, 1932	do	3.47	10 0 0	34.70	2.50	37.20	
Poor grade—							
Sept. 20, 1931	do	4.86	4 6 0	20.89	2.50	23.39	January, 1932, with September, 1931, 25.5 per cent decrease.
Jan. 18, 1932	do	3.47	4 6 0	14.92	2.50	17.42	

[1] Known as Sakellaridis; dutiable under par. 783 of the tariff act.
[2] If staple is 1⅛ inches or more in length, dutiable under par. 783 of the tariff act; otherwise is free under par. 1662.
[3] Dutiable under par. 207 of the tariff act.

REFERENCE OF A RESOLUTION

Mr. McKEOWN. Mr. Speaker, I ask unanimous consent to rerefer House Joint Resolution 199 from the Committee on Foreign Affairs to the Committee on Coinage, Weights, and Measures. I will state that the chairmen of these committees have agreed to this rereference.

The SPEAKER. Is there objection?

There was no objection.

COMMENCEMENT OF TERMS OF PRESIDENT, VICE PRESIDENT, MEMBERS OF CONGRESS, ETC.

Mr. JEFFERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (S. J. Res. 14) proposing an amendment to the Constitution of the United States, fixing the commencement of the terms of President, Vice President, and Members of Congress, and fixing the time of assembling of Congress, with a House

amendment, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. JEFFERS, LOZIER, and GIFFORD.

MESSAGE FROM THE SENATE

The SPEAKER. The Chair lays before the House the following message from the Senate:

Resolved, That the Secretary be directed to request the House of Representatives to return to the Senate the concurrent resolution (H. Con. Res. 19) entitled "Concurrent resolution providing wreath to be placed on the grave of the mother of Washington on February 22, 1932."

The SPEAKER. Is there objection to granting the request?

There was no objection.

INDIAN SIGN LANGUAGE

Mr. LEAVITT. Mr. Speaker, I ask unanimous consent to extend my remarks, and in doing so to include a certain statement made by Maj. Gen. Hugh L. Scott with regard to the Indian sign language.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEAVITT. Mr. Speaker, I have asked to extend my remarks in order to make available to those interested the address delivered by Maj. Gen. Hugh L. Scott upon the occasion of the showing of the moving talking pictures depicting the sign language of the plains Indians, last Monday evening, in the House caucus room. The caucus room with 500 seats was filled, but several Members who could not be present have since asked about the pictures and their purpose.

You will recall that these pictures were made under authorization of the Seventy-second Congress, which provided $5,000 for the purpose of preserving the Indian sign language through the instrumentality of General Scott. I introduced that bill because the sign language is fast disappearing as the old Indians of the days of the buffalo take their way to the sand hills and the happy hunting grounds. To preserve it is a duty. The idea of using the motion picture to do so before it is too late came to me while listening to Doctor Stefansson, of Arctic fame, urge upon General Scott that he set down his unique knowledge of it. This was in 1929.

The bill was passed and the money made available in 1930. The pictures shown to the Members, their families and friends last Monday are the result. They contain a statement by General Scott, historical in form; a dictionary of signs enacted by him; and the gathering of a council of 12 tribes at Fort Browning, Mont., demonstrating the use of the sign language by those whose spoken language differs to an extent making other conversation impossible.

Monday evening General Scott delivered an explanation which I here include. He went to Montana following the annihilation of Custer's command by the Sioux and Cheyennes in 1876. He was first a lieutenant in the Seventh Cavalry. He commanded the detail which gathered Custer's bones for shipment to their final resting place. He has spent fully 50 years in some sort of contact with the Indians. They know him as their friend. His study and use of their sign language have made him the one man who could make this record. He became ultimately Chief of Staff of the Armies of the United States and has lived one of the most colorful and useful military careers in American history.

The making of this permanent record of the sign language of the plains Indian is not the least of his services. No one else could have done that work so well. The dictionary, or demonstration of the individual signs, is not yet fully completed, and there must be some further appropriation to make it as complete as it could be made. But it is now a wonderfully informative record of a permanent character, which guarantees that this picturesque means of communication shall not be lost.

The address of General Scott in advance of the showing of the pictures Monday evening, February 15, 1932, was as follows:

The American Indian has been since discovery an object of intense interest and speculation. The white man has looked upon the red as a mysterious and romantic figure. He has written many books to account for the origin of the Indian, to portray his customs and nature, and to rescue many of his vocal languages from oblivion. But notwithstanding a vast amount of interest and research, it is a remarkable fact that only a few men in all our history have understood the Indian himself and his sign language; indeed, it may be said that no one has ever really understood more than the mere rudiments of this language. The sign language is still a living language in that it is still spoken by the older of the plains tribes and finds new gestures to express new ideas as they arise, such as expressions for a steel trap, alfalfa, the German ex-Kaiser, the automobile, airplane, and radio. Nevertheless, the young are not learning it and use the English taught in our schools as their means of intertribal expression. The Hon. SCOTT LEAVITT, Member of Congress from Montana, of the Indian Committee of the House, fully aware of this fact, impressed by the rapidity with which everything aboriginal is being swept away, and regretful of the disappearance of a language that has played such a high part in the West for ages, brought about the passage of an act of Congress appropriating $5,000 for the purpose of recording the sign language by sound and motion pictures before the language shall disappear forever to be no more seen, which would prove a shame on our civilization. The result of the expenditure of this appropriation will be shown here to-night by sound and motion pictures by Mr. Raymond Evans, chief of the photographic division of the Agricultural Department, and his assistants, Mr. Tooker and Mr. Ford, all of whom have taken the greatest interest in this production and have made the appropriation go far beyond what could have been accomplished in a commercial studio.

The honorable Secretary of the Interior has had supervision of the expenditures, the honorable Secretary of Agriculture and many of both departments have cooperated in the kindest way to make these pictures a success, notably the Hon. Joseph Dixon, Assistant Secretary of the Interior, Superintendents Campbell and Stone, of the Blackfoot Agency in Montana, where much of the photographic work has been accomplished and where representatives of 13 different vocal languages were gathered, each one totally ignorant of the vocal speech of all the others, in order to prove the intertribal character of the sign language, in which they all laughed and joked together until far into the night.

When we come to the examination of the sign language of the plains Indian we must approach its study, as in the investigation of every other language, in the spirit of modern research, by the inductive method, proceeding according to the laws of linguistic science; we must define what language is in general and determine whether this system of communication, composed entirely of gestures, may properly be called language; and if so, whether it should receive attention in comparison with the vocal languages. It has been well said "that he who speaks but one language knows none," since he has no means of measuring his own. We must make, therefore, a comparison with some well-known language in order to obtain a standard of measurement of the sign language; we must point out the stage of linguistic progress in which we find the sign language and assign its position in the hierarchy of the other natural evolved languages of the human race. We must describe the nature of the sign language—tell what it is; set forth the cause and method of its origin; account for its presence here and its absence there; and, just as "etymology, the historical study of individual words, is the foundation and substructure of all investigation of language;" so it is of the individual gestures of the sign language, and since it was evolved, long before the coming of the white man, by Indians for Indians.

We must look to the Indian himself for facts with which to construct a dictionary of signs, by interrogating every Indian of every tribe in the plains it is possible to reach, concerning every one of the gestures and connection with their meanings, and when the Indian fails us in this search, as he usually does, we must reconstruct the original pantomime and continue the search in the French, Spanish, and English literature as well as among the cognate terms in the vocal speech of every tribe on the Plains until the proper clue has been found. We must deduce the laws that govern the life, growth, and practical use of the sign language, collect the scanty references to be found in the French, Spanish, and English literature, which, taken with the traditions of the Indians properly interpreted, constitute all the history it is possible to obtain at this late date. Having then accounted for the origin, collected a history, and provided a dictionary with laws for the use of the signs, we may, remembering our common humanity, compare the gestures of the sign language with the roots of the dialects of our linguistic family, the Indo-European and with the Chinese, all of which are in the same primitive monosyllabic stage of language; thus proceeding from the known to the unknown we will arrive, if happily we may, at the ultimate facts of the sign language. This has all been accomplished during the past 50 years and is now in manuscript form in my possession.

We are asked here, "What is the sign language of the plains?" and what is its nature and its habitat? The sign language of the Indian of the high plains of North America is an intertribal language of ideographic gestures made with the hands, spoken in the time of its vogue on the plains of the buffalo, by means of which I have myself spoken for hours at a time with members of every tribe on the plains, from the Saskatch River of Canada to the border of old Mexico, with a greater unity of expression than the English language is spoken in Great Britain. It is a very important part of the plains culture derived from the buffalo, and is a regular conventional language that has expressions for every tribe on the plains, for all the important animals, trees, and rivers, as well as for some mountains, fish, and flowers; it has, moreover, laws that govern its life, growth, and practical use. By it an Indian is able to impart to another all the feelings of his heart; all the happenings of the plains; all the intellectual concepts his knowledge and experience permit him to entertain. To be sure, it is not adapted to a discussion of the higher mathematics, nor of abstruse questions of lofty metaphysical import, of which the Indian knew nothing and had no terms to express. But, then, our own language was no better adapted to express them when in the same primitive stage of linguistic progress.

The sign language is one of the most peculiar and interesting of all the languages of all the earth, and, if properly presented and understood, should be of vast interest to the philologist, because it is still a living language in the same primitive root stage once occupied by every member of our own linguistic family, the Indo-European, before progression to a higher stage, and its processes lie wide open to the view. During the long climb of the members of our linguistic family from the lowest to the highest stage of human speech much of their material has been changed or lost; whereas the central corps of the sign language has changed but little, if at all, since stabilization, some time before the dawn of American history, and it is one of the natural evolved languages of the human race. Born of the necessity for human intercourse, it is subject to all the general laws of linguistic science save those of sound; it makes the same appeal to the human intellect, by the same thoughts as made by the vocal tongues, the difference being that this identical appeal is made through the eye rather than through the ear. It has its own place in the hierarchy of all human speech, akin to all, through our common humanity, and if studied with these points in view would throw light upon the origin, the life, and growth of all language.

It remains now only to explain that the gestures of the sign language are not arbitrary but are based upon imitation by gesture of acts and qualities. The Indian is extremely apt in selecting outstanding attributes for imitation for the purposes of nomenclature that will differentiate their subject from all others of the same class, as will be seen in the portraying of the dictionary.

The sign language of the plains is full of poetry and lends itself to the expression of poetic and dramatic thought. The Red is a gifted race—many of its individuals are endowed with a natural talent for oratory, music, painting, and sculpture.

The sign language lends itself in a very high degree to persuasion and the portrayal of dramatic fire. If you could have been present with me in the olden time amid a crowd of armed and angry Indians, wrought to a high pitch of excitement; with war hanging over as by a single hair; the fate of the women and children of a countryside fluttering like the flame of a candle in the wind, needing only a slight extra puff to blow it out; and then have seen the excitement allayed—the women and children saved by the matchless persuasion of gesture speech. Of if you could have been seated some cold night of winter in one of the warm skin lodges, lighted by a cottonwood fire, in a village of the olden time, far out on the buffalo range or sheltered from the wind in a mountain park, when some aged historian was relating by gesture to a breathless audience his version of the legends, migrations, and trials of his people; or it may be some revered old warrior of the plains unfolding his story of war and adventure with all the grace and dramatic fire of a master, swaying his audience this way and that while rising to his climax, enacting his drama of how he struck his enemy, took his scalp and horses far north on the plains of the Saskatchewan River of Canada, or south on the Missouri, the Yellowstone, or Platte, the Arkansas or Canadian, or it may be on the staked plains of Texas or far down in old Mexico, then could you fully realize the immense value, the exceeding gracefulness, significance, and beauty of the sign language of the plains Indian.

Although the sign language has been the arbiter between peace and war and the means of the spread of intertribal culture on the plains for ages, it is rapidly dying out in the land of its birth to live only in the records of the white man, unless it should be taken up by the Boy Scouts of all countries as a means of international communication throughout the world, for which use it is better adapted than for any other; in which case it would start out again on a career of even greater usefulness than in the past, when confined only to the plains of the buffalo.

UNITED STATES EMPLOYMENT SERVICE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, I dislike to hold up the House at this time of day, but I did not want to slow up proceedings during the consideration of the farm relief bill, and I would like to call this situation to the attention of the House.

The following language is contained in the bill introduced in the House of Representatives making appropriations for the Department of Labor for the fiscal year ending June 30, 1933, at pages 121–122:

* * * and miscellaneous expenses, $802,500, of which amount not to exceed $54,930 may be expended for personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be expended for the establishment or maintenance of any employment office unless suitable space therefor is furnished free of rent by State, county, or local authority, or by individuals or organizations: *Provided further*, That no part of this appropriation shall be used to pay any salary in any field employment office at an annual rate in excess of $2,000.

The amount submitted to the Congress by the Bureau of the Budget for the Employment Service was $820,000. The amount carried in the bill, $802,500, is a reduction of $17,500, and it is stated in the report that this amount can be saved by the elimination of rents.

The first proviso that no part of the appropriations shall be expended for the establishment or maintenance of any employment office means that after June 30, 1932, the Department of Labor, through its United States Employment Service, will not be permitted to pay rent for suitable quarters for Employment Service offices which have been maintained at various points throughout the United States for a period of 10 years or more. It is not going to be possible for the United States Employment Service to obtain suitable permanent office space in which to house its service unless they get it free of charge.

Under a special appropriation granted by the Congress in December, 1931, a proviso was included that no part of the amount could be used for the payment of rent. This has not worked any particular hardship on the Employment Service, for the communities interested in having this service during the present time of unusual unemployment have been glad to furnish without cost suitable quarters, it being understood that the establishment of the offices was on a more or less temporary basis. This is not the situation with the permanent establishment, and the original amount of $820,000 asked for should be restored to the bill.

The second proviso provides that no part of the appropriation shall be used to pay any salary in any field employment office at an annual rate in excess of $2,000.

This proviso simply means that the managers of our veterans' employment service offices will suffer a cut in pay of $400 per annum. It means that the State directors of the 48 States and the District of Columbia will suffer a cut of from $1,000 to $2,000 per annum.

All of the placement offices of the United States Employment Service are in the field service.

There is no need for either of these provisos, and they should both be stricken from the appropriation bill.

The gentlemen who are present will remember I asked Mr. BYRNS, the chairman of the Committee on Appropriations, here on this floor just before Christmas, when they brought in an emergency appropriation for the employment offices of the United States Department of Labor, "Is this proposition you are bringing in to provide no salary over $2,000 going to affect the other offices which have already been appropriated for by law?" and he said, "Absolutely not."

Now, this language that is being put in the Department of Labor bill next week is going to reduce everybody's salary who gets paid over $2,000 and is employed in the employment offices of the Department of Labor throughout the United States.

Mr. BLANTON. Will the gentleman yield?

Mr. CONNERY. I will be glad to yield to the gentleman from Texas.

Mr. BLANTON. That limitation of $2,000 refers only to the employees in "field employment offices" and does not limit the State directors. There are 49 State officials whose salaries will not be disturbed at all.

Mr. CONNERY. But every one of these offices of the Department of Labor throughout the United States comes under the United States Department of Labor employment offices as well as veterans' employment offices. The gentleman will bear in mind that the veterans' employment offices can not pay over $2,000 to these men under this language. Some of them are now getting $4,000 and they are going to be cut to $2,000.

Mr. BLANTON. As before stated, the limitation of $2,000 does not apply to State directors, and this provision does not interfere with the State directors' salaries now paid, but applies only to employees in field employment offices.

Mr. CONNERY. Yes; it interferes with anybody who is in charge of one of these employment offices and also cuts down the appropriation by $17,000.

Now, with what we have been having lately on unemployment we have passed reconstruction finance bills and legislation that is going to help the banks and help big business in the country, then the Appropriations Committee comes along with a proposition to take off $17,000 from the appropriation for the employment offices.

Mr. BLANTON. I will state to my friend that I am not in favor of cutting any of these State directors, and there are 49 of them; but I am afraid my friend is a little too apprehensive about something that does not exist. That language clearly refers to employees in "field employment offices," and only to them.

Mr. CONNERY. This proviso means that the managers of our veterans' employment service offices will suffer a cut in pay of $400 per annum. It means that the State directors in the 48 States and in the District of Columbia will suffer a cut of from $1,000 to $2,000 per annum. All the placement offices of the United States Employment Service are in the field.

Mr. BLANTON. I will state to my friend that I have in my office a list of every one of the 49 State directors and their salaries, which I will be glad to place in the RECORD at this point, so that our colleagues may see the names of the State directors, where their offices are located, and the salary each now draws. None of these are affected by the limitation the gentleman mentions.

The following is the list:

STATE DIRECTORS OF UNITED STATES EMPLOYMENT SERVICE

Alabama: R. C. Cadden, Birmingham, $3,000.
Arizona: H. M. Watson, Phoenix, $3,000.
Arkansas: W. H. Manville, Little Rock, $3,000.
California: Walter G. Mathewson, San Francisco, $4,000.
Colorado: Quince Record, Denver, $4,000.
Connecticut: Harry E. Mackenzie, Danbury, $3,500.
Delaware: Francis E. B. McCann, Wilmington, $3,000.
District of Columbia: Mrs. Agatha D. Ward, Washington, $3,000.
Florida: James A. Davis, Jacksonville, $3,000.
Georgia: Otto F. Bading, Atlanta, $3,000.
Idaho: Thomas W. McDonough, Boise, $3,000.
Illinois: Ralph B. Powers, Chicago, $4,000.
Indiana: Clarence W. Baker, Indianapolis, $3,500.
Iowa: T. L. Taggart, Sioux City, $3,000.
Kansas: Jay M. Besore, Topeka, $3,000.
Kentucky: George Baker, Central City, $3,500.
Louisiana: Charles W. Swallow, Shreveport, $3,000.
Maine: Harry T. Burr, Portland, $3,000.
Maryland: Raymond W. Bellamy, Baltimore, $3,000.
Massachusetts: Walter C. Conroy, Boston, $4,000.
Michigan: Henry Irwin, Detroit, $3,500.
Minnesota: Richard T. Jones, Minneapolis, $3,800.
Mississippi: J. T. Farr, Meridian, $3,000.
Missouri: George E. Tucker, Kansas City, $4,200.
Montana: Stephen Ely, Helena, $3,000.
Nebraska: Mrs. Lulah T. Andrews, Omaha, $3,500.
Nevada: Archie L. Cross, Reno, $3,000.
New Hampshire: Henry A. Tafe, Nashua, $3,000.
New Jersey: Philip Stevenson, Newark, $4,000.
New Mexico: Mrs. E. A. Perreault, Albuquerque, $3,000.
New York: Ralph H. Koch, New York, $4,000.
North Carolina: Nathan A. Gregg, Charlotte, $3,500.
North Dakota: Roland A. Rottweiler, Grand Forks, $3,000.
Ohio: William Robinette, Columbus, $4,000.
Oklahoma: Mack Kelly, Muskogee, $3,000.
Oregon: E. J. Stack, Portland, $3,000.
Pennsylvania: Lewis G. Hines, Philadelphia, $4,000.
Rhode Island: Roderick A. McGarry, Providence, $3,000.
South Carolina: R. D. McMillan, Florence, $3,000.
South Dakota: Charles S. Weller, Mitchell, $3,000.
Tennessee: Robert Nelson, Campbell, Knoxville, $3,500.
Texas: Cony Warren Woodman, Fort Worth, $2,500.
Utah: A. C. Wilson, Salt Lake City, $3,000.
Vermont: L. L. Lane, Rutland, $3,000.
Virginia: Walter W. Bryant, Roanoke, $3,500.
Washington: W. C. Carpenter, Spokane, $3,500.
West Virginia: Arthur D. Lilly, Charleston, $3,000.
Wisconsin: Roy Empey, Milwaukee, $3,500.
Wyoming: Joseph F. Minnick, Casper, $3,000.

M. CONNERY. Yes; but you are cutting $17,000 off the appropriation for these offices, the purpose of which is to find employment for people. If we have anything that will get anybody a job in these days, why take off $17,000?

Mr. BLANTON. Secretary Doak, of the Labor Department, and Mr. Alpine, who directs this service, will tell the gentleman that there is no better friend in the House to this employment service than myself. I have backed them up in every instance and have fought to give them everything they need. They are doing a most valuable service to the country, and are aiding unemployment very materially. And I want to add that both Chairman BYRNS, of the Committee on Appropriations, and Chairman OLIVER, of the subcommittee, are both true and tried friends of this department and of this Employment Service and no Member here need have any apprehension whatever about any crippling of the service, as the distinguished and able chairmen I have mentioned have shown no disposition whatever in that direction.

Mr. CONNERY. I know that, and my friend from Texas will have plenty of opportunity to show his friendship when the bill comes in, because they are cutting down appropriations in the conciliation service which is established to settle strikes and labor troubles, and they have cut down other activities——

Mr. BLANTON. I will be working shoulder to shoulder with the gentleman from Massachusetts, but I predict that we will both be following Chairman BYRNS and Chairman OLIVER, for they are likewise friends to the department.

Mr. CONNERY. I thank my distinguished colleague, and he will certainly have a chance, because I am going to make a fight on all of them.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. LAGUARDIA. Then the gentleman from Massachusetts is giving notice now that he will move to correct these matters when the bill is before us?

Mr. CONNERY. Yes.

Mr. LAGUARDIA. And I shall join the gentleman.

Mr. BLANTON. The following is a list of the offices for which rental is now paid, and the amount of annual rent paid, all of which leases expire June 30, 1932, and which $17,569 the committee thought that it could save, as these cities should do as all other cities are doing, furnish free offices in chambers of commerce or Federal buildings:

Employment service offices under lease February 16, 1932

Location and kind of office:	Annual rent
Denver, Colo., farm placement office	$498
Kansas City, Mo., State director, director farm service and placement office	1,800
Cleveland, Ohio, veterans' placement office	560
Philadelphia, Pa., State director, veterans', and transportation-superintendent's office	957
Pittsburgh, Pa., veterans' placement office	900
Jackson, Miss., farm placement office	480
Indianapolis, Ind., veterans' placement office	498
El Paso, Tex., farm placement office	420
Oakland, Calif., farm placement office	420
Chicago, Ill., veterans' placement office	930
Walla Walla, Wash., farm placement office	240
Detroit, Mich., veterans' placement office	600
Omaha, Nebr., veterans' placement office	480
Meridian, Miss., State director and placement office	420
Casper, Wyo., State director and placement office	420
Phoenix, Ariz., State director and placement office	420
Portland, Me., State director and placement office	300
Omaha, Nebr., State director and placement office	354
Fort Worth, Tex., State director and placement office	498
Columbus, Ohio, State director and placement office	480
Topeka, Kans., State director and placement office	456
Nashua, N. H., State director and placement office	420

Location and kind of office—Continued.	Annual rent
Charleston, W. Va., State director and placement office	$200
Helena, Mont., State director and placement office	360
Little Rock, Ark., State director and placement office	420
Salt Lake City, Utah, veterans' placement office	480
Los Angeles, Calif., farm placement office	720
Oklahoma City, Okla., placement office	540
Shreveport, La., State director and placement office	498
Newark, N. J., State director and placement office	600
Boston, Mass., State director, placement office, and office of textile superintendent	1,200
Total	17,569

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. PATTERSON. Mr. Speaker, I feel sure that all Members of the House have noticed the program of the American Legion, that great patriotic organization, to try to get jobs for people who are out of work, and I notice that the result of the first day's work was that nearly 17,000 men and women found employment as a result of the Legion's program. The other great American and patriotic organizations—the American Federation of Labor, the Association of National Advertisers, and the Legion Auxiliary—joined in this program, and I think their efforts are commendable and promise beneficial results.

As one Member of the Congress, I want to commend the good work that the American Legion and these other great organizations are doing in this respect.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1588. An act to authorize the Secretary of the Interior to issue patents for lands held under color of title.

ADJOURNMENT

Mr. JONES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, Thursday, February 18, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Thursday, February 18, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(10 a. m.)

Alaskan fisheries (H. R. 6483).

COMMITTEE ON AGRICULTURE

(10 a. m.)

Farm legislation.

COMMITTEE ON THE DISTRICT OF COLUMBIA—SUBCOMMITTEE ON PUBLIC UTILITIES

(10.30 a. m.)

Merger of the street-railway corporations in the District (H. J. Res. 154).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Railroad holding companies (H. R. 9059).

COMMITTEE ON NAVAL AFFAIRS—SUBCOMMITTEE ON PRIVATE BILLS

(10.30 a. m.)

Private bills.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

H. R. 8877, relating to contract-labor provisions of the immigration laws.

Bills relating to the suspension, restriction, additional restriction, or prohibition of immigration of aliens into the United States.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

446. A letter from the Secretary of War, transmitting a report dated February 15, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Fort Pierce Inlet, Fla. (H. Doc. No. 252); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

447. A letter from the Secretary of War, transmitting a report dated February 15, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Pensacola Harbor, Fla. (H. Doc. No. 253); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

448. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize an exchange of lands between the city of San Diego and the United States; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7498. A bill to amend Act No. 4 of the Isthmian Canal Commission entitled "An act to prohibit gambling in the Canal Zone, Isthmus of Panama, and to provide for the punishment of violations thereof, and for other purposes," enacted August 22, 1904; with amendment (Rept. No. 510). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7499. A bill to amend Act No. 3 of the Isthmian Canal Commission relating to the suppression of lotteries in the Canal Zone, enacted August 22, 1904; with amendment (Rept. No. 511). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7500. A bill to amend an Executive order promulgated August 4, 1911, prohibiting promotion of fights between bulls, dogs, or cocks; without amendment (Rept. No. 512). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7501. A bill to prevent, in the Canal Zone, fire-hunting at night and hunting by means of a spring or trap, and to repeal the Executive orders of September 8, 1909, and January 27, 1914; without amendment (Rept. No. 513). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7502. A bill to regulate the carrying and keeping of arms in the Canal Zone; with amendment (Rept. No. 514). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7503. A bill to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor; without amendment (Rept. No. 515). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7504. A bill to provide for the extradition of fugitives from the justice of the Republic of Panama who seek refuge in the Canal Zone; without amendment (Rept. No. 516). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7505. A bill to provide for the protection of birds and their nests in the Canal Zone; without amendment (Rept. No. 517). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7506. A bill to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, establishing market regulations for the Canal Zone; without amendment (Rept. No. 518). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7507. A bill to regulate radio equipment on ocean-

going vessels using the ports of the Canal Zone; without amendment (Rept. No. 519). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7508. A bill to provide for the inspection of vessels navigating Canal Zone waters; without amendment (Rept. No. 520). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7509. A bill to authorize certain officials of the Canal Zone to administer oaths and to summon witnesses to testify in matters within the jurisdiction of such officials; without amendment (Rept. No. 521). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7510. A bill to punish persons deported from the Canal Zone who return thereto; without amendment (Rept. No. 522). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7511. A bill to regulate the operation of street-railway cars at crossings; with amendment (Rept. No. 523). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7512. A bill to amend section 5 of the Panama Canal act; without amendment (Rept. No. 524). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7513. A bill to provide for the appointment of a public defender for the Canal Zone; without amendment (Rept. No. 525). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7514. A bill in relation to the Canal Zone postal service; without amendment (Rept. No. 526). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7515. A bill to provide for the establishment of a customs service in the Canal Zone, and other matters; without amendment (Rept. No. 527). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7516. A bill in relation to the keeping and impounding of domestic animals in the Canal Zone; without amendment (Rept. No. 528). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7517. A bill to provide for the transportation of liquors under seal through the Canal Zone; with amendment (Rept. No. 529). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7518. A bill to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916; with amendment (Rept. No. 530). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7519. A bill to amend the Penal Code of the Canal Zone; without amendment (Rept. No. 531). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7520. A bill to amend the Code of Criminal Procedure for the Canal Zone; with amendment (Rept. No. 532). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7521. A bill to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure; with amendment (Rept. No. 533). Referred to the House Calendar.

Mr. GILLEN: Committee on Interstate and Foreign Commerce. H. R. 7522. A bill to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code; with amendment (Rept. No. 534). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 7523. A bill to amend sections 7, 8, and 9 of the Panama Canal act, as amended; with amendment (Rept. No. 535). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEVENSON: Committee on Printing. H. Res. 145. A resolution providing for the printing of the Lincoln Day address of Hon BURNETT M. CHIPERFIELD as a House document (Rept. No. 536). Ordered to be printed.

Mr. BARTON: Committee on Naval Affairs. H. R. 6734. A bill to amend an act entitled "An act to authorize payment of six months' death gratuity to dependent relative of officers, enlisted men, or nurses whose death results from wounds or disease not resulting from their own misconduct," approved May 22, 1928; with amendment (Rept. No. 537). Referred to the Committee of the Whole House on the state of the Union.

Mr. BANKHEAD: Committee on Rules. H. Res. 148. A resolution providing for the consideration of House Concurrent Resolution 18. Concurrent resolution granting the consent of Congress for the temporary removal to the Corcoran Art Gallery of certain portraits in the Capitol Building; without amendment (Rept. No. 543). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 2213. A bill for the relief of Harvey Collins; without amendment (Rept. No. 538). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 2844. A bill for the relief of Elmo K. Gordon; without amendment (Rept. No. 539). Referred to the Committee of the Whole House.

Mr. GOSS: Committee on Military Affairs. H. R. 4166. A bill to correct the military record of Lake B. Morrison; without amendment (Rept. No. 540). Referred to the Committee of the Whole House.

Mr. GASQUE: Committee on Pensions. H. R. 5385. A bill granting a pension to Helen H. Taft; without amendment (Rept. No. 541). Referred to the Committee of the Whole House.

Mr. MARTIN of Oregon: Committee on War Claims. S. 259. An act authorizing adjustment of the claim of the Public Service Coordinated Transport of Newark, N. J.; without amendment (Rept. No. 542). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9110) granting an increase of pension to Amanda J. Gilliam; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

Joint resolution (H. J. Res. 199) requesting the President of the United States to call an intergovernmental conference or conferences to prevent the debasing and sale of silver by governments, and on bimetallism, and for other purposes; Committee on Foreign Affairs discharged, and referred to the Committee on Coinage, Weights, and Measures.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LANKFORD of Virginia: A bill (H. R. 9438) to correct the status of transferred members of the Fleet Naval Reserve placed on the retired list; to the Committee on Naval Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 9439) providing that the proceeds from hunting and fishing within the Fort

Hall Indian Reservation, Idaho, may be expended under the direction of the tribal council for the benefit of the Indians; to the Committee on Indian Affairs.

By Mr. HILL of Washington: A bill (H. R. 9440) to authorize the adjustment of the boundaries of the Colville National Forest, in the State of Washington, and for other purposes; to the Committee on the Public Lands.

By Mr. HASTINGS: A bill (H. R. 9441) to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern or Emmigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. GILBERT: A bill (H. R. 9442) to amend an act entitled "An act to erect a tablet or marker to the memory of the Federal soldiers who were killed at the Battle of Perryville, and for other purposes;" approved March 3, 1928; to the Committee on the Library.

By Mr. STEAGALL: A bill (H. R. 9443) to authorize an appropriation for levee construction and other flood-control works at Elba, Ala., on the Choctawhatchee River; to the Committee on Flood Control.

Also, a bill (H. R. 9444) to authorize an appropriation for levee construction and other flood-control works at Geneva, Ala., on the Choctowhatchee River; to the Committee on Flood Control.

By Mr. ALMON: A bill (H. R. 9445) authorizing a supplemental appropriation for emergency construction during the remainder of the year 1932 on the Federal-aid highway system, with a view to increasing employment; to the Committee on Roads.

By Mr. VINSON of Georgia: A bill (H. R. 9446) to authorize an exchange of lands between the city of San Diego and the United States; to the Committee on Naval Affairs.

By Mr. LAGUARDIA: A bill (H. R. 9447) to prohibit use of the mails for use of fraudulent real-estate securities, to provide punishment therefor, and for other purposes; to the Committee on the Judiciary.

By Mr. SIROVICH: A bill (H. R. 9448) to provide a permanent force to classify patents, etc., in the patent office; to the Committee on Patents.

By Mr. McSWAIN: A bill (H. R. 9449) to authorize the leasing of the Muscle Shoals property, upon certain terms and conditions, to provide for the national defense and for the regulation of interstate commerce, and for other purposes; to the Committee on Military Affairs.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 9450) to adjust compensation benefits to veterans for disabilities arising from service during the period of active hostilities in the World War; to the Committee on World War Veterans' Legislation.

By Mr. KENNEDY: Joint resolution (H. J. Res. 296) proposing an amendment to the Constitution of the United States repealing the eighteenth amendment thereto; to the Committee on the Judiciary.

By Mr. GRANFIELD: Joint resolution (H. J. Res. 297) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

By Mr. SIMMONS: Joint resolution (H. J. Res. 298) authorizing the President to reorganize the executive agencies of the Government; to the Committee on Expenditures in the Executive Departments.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALMON: A bill (H. R. 9451) to provide a preliminary examination of the Flint River, Ala. and Tenn., with a view to the control of its floods; to the Committee on Flood Control.

Also, a bill (H. R. 9452) to provide a preliminary examination of Flint Creek and its branches in Morgan County, Ala., with a view to the control of its floods; to the Committee on Flood Control.

Also, a bill (H. R. 9453) to provide a preliminary examination of Cataco Creek and its branches in Morgan County, Ala., with a view to the control of its floods; to the Committee on Flood Control.

By Mr. BOLAND: A bill (H. R. 9454) for the relief of Joseph Marko; to the Committee on Pensions.

By Mr. BURDICK: A bill (H. R. 9455) granting a pension to Daniel J. O'Connell; to the Committee on Pensions.

By Mr. CARDEN: A bill (H. R. 9456) providing for an examination and survey of Lewis Creek, Ohio County, Ky.; to the Committee on Flood Control.

By Mr. CELLER: A bill (H. R. 9457) for relief of Sperry Gyroscope Co. (Inc.), of New York; to the Committee on Claims.

By Mr. CRAIL: A bill (H. R. 9458) granting an increase of pension to Peter F. Roller; to the Committee on Pensions.

By Mr. GRANFIELD: A bill (H. R. 9459) for the relief of Clara Easter; to the Committee on Claims.

By Mr. DAVIS: A bill (H. R. 9460) for the relief of Arthur Nelson Lightfoot; to the Committee on Naval Affairs.

By Mr. DRANE: A bill (H. R. 9461) granting a pension to Margaret Haskin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9462) granting a pension to Irene C. Flack; to the Committee on Invalid Pensions.

By Mr. FIESINGER: A bill (H. R. 9463) for the relief of P. H. Daub & Son; to the Committee on Claims.

By Mr. GAMBRILL: A bill (H. R. 9464) for the relief of the heirs of James Henry Birch; to the Committee on War Claims.

By Mr. GASQUE: A bill (H. R. 9465) granting an increase of pension to Helen K. Snowden; to the Committee on Pensions.

By Mr. GOSS: A bill (H. R. 9466) granting Stanley Harrison the privilege of filing application for benefits under the emergency officers' retirement act; to the Committee on Naval Affairs.

By Mr. HANCOCK of New York: A bill (H. R. 9467) for the relief of Charles D. Shay; to the Committee on Claims.

By Mr. KNIFFIN: A bill (H. R. 9468) granting an increase of pension to Frances A. Kuder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9469) granting an increase of pension to Mary L. Pease; to the Committee on Invalid Pensions.

By Mr. MAGRADY: A bill (H. R. 9470) granting an increase of pension to Ellen Snyder; to the Committee on Invalid Pensions.

By Mr. MARTIN of Massachusetts: A bill (H. R. 9471) for the relief of Joseph Mello, alias Joseph Midiroes; to the Committee on Military Affairs.

By Mr. MARTIN of Oregon: A bill (H. R. 9472) granting an increase of pension to June MacMillan Ordway; to the Committee on Pensions.

By Mr. MEAD: A bill (H. R. 9473) for the relief of Olen H. Parker; to the Committee on Naval Affairs.

By Mr. MOUSER: A bill (H. R. 9474) granting a pension to Clara Riffle; to the Committee on Invalid Pensions.

By Mrs. OWEN: A bill (H. R. 9475) to provide for a survey of the channel between Hawk Channel (Atlantic Ocean) and the Gulf of Mexico, known as Pirates Cove Channel, traversing the waters of Sacarma Bay, Pirates Cove, and Johnstons Pass, Fla. (the southern entrance of this channel is approximately 5 miles north by east from the American Shoal Light), with a view to securing a channel of approximately 8-feet depth and 80-feet width; to the Committee on Rivers and Harbors.

By Mr. PARKS: A bill (H. R. 9476) for the relief of Merchants & Farmers Bank, Junction City, Ark.; to the Committee on Claims.

By Mr. SHOTT: A bill (H. R. 9477) for the relief of James E. Caffee; to the Committee on Military Affairs.

By Mr. STOKES: A bill (H. R. 9478) for the relief of Horace Austin Craig; to the Committee on Naval Affairs.

Also, a bill (H. R. 9479) for the relief of Benjamin Franklin, alias William Hart; to the Committee on Naval Affairs.

Also, a bill (H. R. 9480) for the relief of William Henry Savage; to the Committee on Naval Affairs.

By Mr. SWICK: A bill (H. R. 9481) granting an increase of pension to Isabel Birch; to the Committee on Invalid Pensions.

By Mr. TEMPLE: A bill (H. R. 9482) granting a pension to Margaret Eicher; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 9483) granting a pension to William Thorp; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 9484) granting an increase of pension to Clara G. F. Kerr; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2166. By Mr. BRUNNER: Petition of the Fleet Reserve Association, Queens Branch, No. 35, of Jamaica, N. Y., indorsing House bill 8230 to authorize construction of certain naval vessels, etc.; to the Committee on Naval Affairs.

2167. By Mr. BURDICK: Petition of Marie Elston and 20 other residents of Providence, Cranston, Arlington, and Johnston, R. I., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2168. Also, petition of Agnes B. Hall and 21 other residents of Providence and Lymansville, R. I., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2169. By Mr. CANFIELD: Petition of John C. Ale and 284 other citizens of North Vernon, Ind., protesting against any change in the prohibition law; to the Committee on the Judiciary.

2170. By Mr. CARY: Petition of Mrs. E. H. Cameron, secretary Woman's Christian Temperance Union of Madisonville, Ky., inclosing resolutions by the following-named churches: Madisonville Methodist Church, Main Street Presbyterian Church, Cumberland Presbyterian Church, First Christian Church, First Baptist Church, and the Men's Bible Class of the First Christian Church, all of Madisonville, Ky., protesting against repeal of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2171. By Mr. CHIPERFIELD: Petition of Cameron Chapel Society, of Galesburg, Ill., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2172. Also, petition of the Woman's Christian Temperance Union of Galesburg, Ill., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2173. Also, petition of the Abingdon Woman's Christian Temperance Union, opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2174. By Mr. CRAIL: Petition of Roosevelt Camp, No. 9, United Spanish War Veterans, Los Angeles, Calif., protesting against the fact that it is almost impossible to buy in the market at the present time American-made United States flags, insignia, and emblems because the same are manufactured by nationals of foreign nations in ever-increasing volume; to the Committee on the Judiciary.

2175. Also, petition of Mrs. G. Keevil and several hundred other citizens of Los Angeles County, Calif., protesting against the repeal, resubmission, revision, or nullification of the eighteenth amendment; to the Committee on the Judiciary.

2176. By Mr. DAVENPORT: Petition of 147 citizens of Utica, N. Y., favoring the maintenance and enforcement of the prohibition law and opposing its modification, repeal, or resubmission to the States; to the Committee on the Judiciary.

2177. By Mr. EVANS of California: Petition signed by approximately 185 persons, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

2178. By Mr. FULBRIGHT: Petition of citizens of Marston, Mo., favoring the Connery old age pension bill; to the Committee on Labor.

2179. Also, petition of citizens of Willow Springs, Mo., favoring railroad employees' national pension plan; to the Committee on Labor.

2180. By Mr. GARBER: Petition of Gerard Pentecostal Sunday school of Buffalo, upholding the eighteenth amendment; to the Committee on the Judiciary.

2181. Also, petition of Air Reserve Officers' Club of Oklahoma, urging appropriations for the Air Corps Reserve; to the Committee on Appropriations.

2182. Also, petition of Woman's Christian Temperance Union of Douglas, Okla., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2183. Also, petition of Woman's Christian Temperance Union, protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2184. Also, petition of Chester Christian Church, Chester, Okla., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2185. Also, petition of Laverne Baptist Church, Laverne, Okla., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2186. By Mr. GOLDSBOROUGH: Resolution of the Rising Sun (Md.) Woman's Christian Temperance Union, representing 160 people, opposing resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and favoring adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2187. Also, petition of the Woman's Christian Temperance Union of Denton, Md., opposing resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and favoring adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2188. By Mr. GRISWOLD: Petition of Elizabeth Laner and 10 other citizens of Urbana, Ind., protesting against any change or modification of the prohibition law and urging strict enforcement of this law; to the Committee on the Judiciary.

2189. Also, petition of Z. T. Hawkins and 32 other citizens of Fairmount, Ind., protesting against any change or modification of the prohibition law and urging strict enforcement of this law; to the Committee on the Judiciary.

2190. By Mr. GUYER: Petition of D. R. Carr, for the Methodist Church, and Edith Pierce and Edna Barber, for the Farm Bureau Club, of Mound City, Kans., urging the maintenance of the eighteenth amendment and the enforcement of prohibition; to the Committee on the Judiciary.

2191. Also, petition of Virginia Hawkins, Mrs. C. S. Bixby, Mrs. F. E. Fitzgerald, the Missionary Circle of the Baptist Church, the Woman's Christian Temperance Union, and 50 citizens of Osawatomie, Kans., urging the maintenance of the eighteenth amendment and the enforcement of prohibition; to the Committee on the Judiciary.

2192. Also, petition of Mollie Swarin, Grace L. Cummings, president, and 48 other members of Kennard Woman's Christian Temperance Union, Lawrence, Kans., urging maintenance of the eighteenth amendment and enforcement of prohibition; to the Committee on the Judiciary.

2193. Also, petition of Emma M. Kreider and 20 citizens, of Lecompton, Kans., urging the maintenance of the eighteenth amendment and the enforcement of prohibition; to the Committee on the Judiciary.

2194. Also, petition of Anna B. Ross, president, Elizabeth Brown, secretary, and 50 members of the Woman's Christian Temperance Union at Iola, Kans., urging maintenance of the eighteenth amendment and the enforcement of prohibition; to the Committee on the Judiciary.

2195. Also, petition of Earl Ludlam, Helen J. Tippie, and 26 members of the Methodist Sunday school, Elsmore, Kans., urging maintenance of the eighteenth amendment and the enforcement of prohibition; to the Committee on the Judiciary.

2196. Also, petition of Mrs. C. A. Meng, Mrs. Charles Anderson, and 24 members of the Ladies' Bible Class of the Methodist Church, Gardner, Kans., urging maintenance of the eighteenth amendment and the enforcement of prohibition; to the Committee on the Judiciary.

2197. Also, petition of Mrs. Ara D. Quick, Mrs. S. H. Lynn, and 17 members of the Woman's Christian Temperance Union, of Redfield, Kans., urging the maintenance of the eighteenth amendment and the enforcement of prohibition; to the Committee on the Judiciary.

2198. Also, petition of the Gleaners Class and the Community Class, representing 40 petitioners, of Mound City, Kans., by Mrs. Roy Dalton, president, and Mrs. J. B. Kincaid, secretary, urging maintenance of the eighteenth amendment and enforcement of prohibition; to the Committee on the Judiciary.

2199. By Mr. HILL of Washington: Petition of Woman's Christian Temperance Union of Wenatchee, Wash., opposing repeal, modification, or resubmission of eighteenth amendment; to the Committee on the Judiciary.

2200. Also, petition of Tonasket-Ellisford (Wash.) Woman's Christian Temperance Union, opposing repeal, modification, or resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2201. Also, petition of Okanogan (Wash.) Woman's Christian Temperance Union, opposing repeal, modification, or resubmission to States of the eighteenth amendment; to the Committee on the Judiciary.

2202. Also, petition of Rev. Robert B. Shaw and 29 other citizens, of Veradale, Wash., urging economy in governmental expenditures and reduction of military appropriations; to the Committee on Appropriations.

2203. Also, petition of John H. Taylor and 53 other citizens, of Leavenworth, Wash., opposing the passage of Senate bill 1202 or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

2204. By Mr. JENKINS: Petition signed by several hundred members of the Woman's Christian Temperance Union, of Jackson County, Ohio, urging that Members of Congress use their influence and cast their vote in support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2205. Also, petition signed by 36 members of the Woman's Christian Temperance Union, of Jackson, Ohio, urging that Members of Congress use their influence and cast their vote in support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2206. By Mr. KELLER: Petition of the Board of Supervisors, of Williamson County, Ill., urging the erection of a veterans' hospital for southern Illinois; to the Committee on World War Veterans' Legislation.

2207. Also, petition of Williamson Lodge, No. 392, Independent Order of Odd Fellows, of Marion, Ill., urging the erection of a Government hospital in that vicinity; to the Committee on World War Veterans' Legislation.

2208. By Mr. KNIFFIN: Petition of Mrs. C. E. Curtis and 28 others, of Swanton, Ohio, urging that I support the maintenance of the prohibition law and its enforcement, and vote against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2209. By Mr. KURTZ: Petition of 96 citizens of Altoona, Pa., urging passage of bill (S. 1107) known as the farmers farm relief act, and also bill S. 2487; to the Committee on Agriculture.

2210. By Mr. KVALE: Petition of Lake Stay Farmers Union, Local No. 178, of Arco, Minn., urging enactment of bill 7797; to the Committee on Agriculture.

2211. Also, petition of Lake Stay Farmers Union, Local No. 178, of Arco, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2212. Also, petition of Lake Stay Farmers Union, Local No. 178, of Arco, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2213. Also, petition of Farmers Union, Local No. 162, and the community, of Blomkest, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2214. Also, petition of Lisbon Local, No. 124, the voters of Lisbon township, and the voters of Clarkfield, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2215. Also, petition of Pennock Cooperative Creamery Co., Pennock, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2216. Also, petition of St. Paul Express Lodge, No. 2068, St. Paul, Minn., urging increase in second, third, and fourth class rates; to the Committee on the Post Office and Post Roads.

2217. Also, petition of Lisbon Local, No. 124, the voters of Lisbon township, and the voters in the village of Clarkfield, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2218. Also, petition of Farmers Union, Local No. 162, and the community of Blomkest, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2219. Also, petition of Farmers Local, No. 162, and the town of Blomkest, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2220. Also, petition of Clarkfield Farmers Elevator Co., of Clarkfield, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2221. Also, petition of Lisbon Local, No. 124, the voters of Lisbon township, and the voters of Clarkfield, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2222. Also, petition of Hugo Menzel and two other citizens, of Odessa, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2223. Also, petition of Pennock Cooperative Creamery Co., Pennock, Minn., urging that the Philippine Islands be given their independence; to the Committee on Insular Affairs.

2224. Also, petition of Hector Local, No. 257, Hector, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2225. Also, petition of Farmers Union, Local No. 274, Rose Dell, Rock County, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2226. Also, petition of Farmers Union, Local No. 274, Rose Dell, Rock County, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2227. Also, petition of Farmers Union, Local No. 274, Rose Dell, Rock County, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2228. Also, petition of Big Stone Local, No. 160, of the Farmers Educational and Cooperative Union, Ortonville, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2229. Also, petition of Big Stone Local, No. 160, of the Farmers Educational and Cooperative Union, Ortonville, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2230. Also, petition of Farmers Union, Local No. 170, Raymond, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2231. Also, petition of Farmers Union, Local No. 170, of Raymond, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2232. Also, petition of Big Stone Local, No. 160, of the Farmers Educational and Cooperative Union, Ortonville, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2233. Also, petition of Farmers Union, Local No. 170, of Raymond, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2234. Also, petition of Hector Local, No. 257, Hector, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2235. Also, petition of Hector Local, No. 257, Hector, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2236. Also, petition of Lac qui Parle County Farmers Union, Freeland Local, No. 108, urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2237. Also, petition of Lac qui Parle County Farmers Union, Freeland Local No. 108, Minnesota, urging enactment of Senate bill 2487; to the Committee on Agriculture.

2238. Also, petition of Lake Shore Local No. 147, Farmers Union of Lac qui Parle County, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2239. Also, petition of George M. Hentges and 148 other citizens, of Canby, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2240. Also, petition of George M. Hentges and 122 citizens, of Canby, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2241. Also, petition of Lake Shore Local No. 147, Farmers Union of Lac qui Parle County, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2242. Also, petition of George M. Hentges and 148 other citizens of Canby, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2243. Also, petition of 74 members of the Woman's Christian Temperance Union of Hanley Falls, Minn., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2244. Also, petition of 50 members of the Woman's Christian Temperance Union of Alexandria, Minn., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2245. By Mr. LAMBERTSON: Petition of G. H. Warner and 45 other people of Effingham, Monrovia, Lancaster, Huron, Centralia, and Atchison, Kans., urging the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2246. Also, resolution of the Sunday schools and churches of Effingham, Kans., urging the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2247. Also, resolution of the Chalitso Club of Topeka, Kans., urging the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2248. By Mr. LAMNECK: Petition of U. S. Goodwin and 2,500 other members of the Ohio Railway Employees and Citizens League, protesting against the unjust, unreasonable, and discriminatory operation of unregulated busses and trucks engaged in interstate commerce and the subsidizing of water and other competitive transportation with taxpayers' money against well-regulated railroads and petitioning Congress to enact suitable laws at once to prevent this unjust discrimination of competing agencies of transportation against the railroads; to the Committee on Interstate and Foreign Commerce.

2249. By Mr. MEAD: Petition of the Woman's Christian Temperance Union of Blasdell, N. Y., opposing modification of the prohibition law; to the Committee on the Judiciary.

2250. Also, petition of Polish National Alliance, Group No. 242, urging enactment of House Joint Resolution 144; to the Committee on the Judiciary.

2251. By Mr. MOREHEAD: Petition of Burlington employees, Nebraska City, Nebr., petitioning the same regulations for truck and bus companies as apply to railroads; to the Committee on Interstate and Foreign Commerce.

2252. Also, petition for the support and maintenance of prohibition and its enforcement, and against any measure for modification or repeal; to the Committee on the Judiciary.

2253. By Mr. MITCHELL: Petition of Ben F. McMurry and others, of Knoxville, Tenn.; to the Committee on Public Buildings and Grounds.

2254. Also, petition of Gordon S. Smith and others, of Chattanooga, Tenn.; to the Committee on Public Buildings and Grounds.

2255. By Mr. O'CONNOR: Resolutions of the governing board of Local 802, American Federation of Musicians, comprising 16,000 citizens of New York, urging passage of House bill 7926; to the Committee on Labor.

2256. By Mr. PERSON: Resolution of Mrs. D. McCaughna and 63 citizens of Flint, Mich., relative to modification and resubmission of the prohibition law; to the Committee on the Judiciary.

2257. Also, resolution of Michigan State Journeymen Barbers' Association, favoring the enactment of legislation to close barber shops in the District of Columbia on Sundays; to the Committee on the District of Columbia.

2258. By Mr. ROBINSON: Petition signed by Mrs. Laura E. McGrew, secretary of the Gilman (Iowa) Woman's Christian Temperance Union, and 52 other citizens of Gilman, Iowa, urging the support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2259. By Mr. RUDD: Petition of Carll Tucker, 420 Lexington Avenue, New York City, favoring the Everglades national park in Florida, legislation now pending before the House of Representatives; to the Committee on the Public Lands.

2260. Also, petition of Local 902, A. F. of M., Associated Musicians of Greater New York, favoring the passage of the old age security bill, H. R. 7926; to the Committee on Labor.

2261. By Mr. SELVIG: Petition of Fraternal Order of Eagles, No. 873, of Crookston, Minn., favoring enactment of House bill 491, for relief of fire sufferers of Minnesota; to the Committee on Claims.

2262. Also, petition of Urbank Creamery Association, Urbank, Minn., favoring granting independence to the Philippine Islands because of hardship on farmers of allowing duty-free imports of competitive agricultural products; to the Committee on Insular Affairs.

2263. Mr. SINCLAIR: Petition of Mrs. Charles E. Grasser and about 200 other residents of Epping, N. Dak., and vicinity, protesting against the enactment of compulsory Sunday observance legislation; to the Committee on the District of Columbia.

2264. Also, petition of Arthur Sellie and 39 other residents of Power Lake, N. Dak., and vicinity, opposing the increase of taxes on automobiles, parts, etc.; to the Committee on Ways and Means.

2265. Also, petition of R. A. Goodwin and 49 other residents of Marmarth, N. Dak., and vicinity, favoring a tariff on oil; to the Committee on Ways and Means.

2266. By Mr. SMITH of West Virginia: Petition of citizens of Fayetteville, W. Va., favoring retention of the eighteenth amendment; to the Committee on the Judiciary.

2267. Also, resolution of Adult Bible Class, Atkinson Memorial Methodist Episcopal Church, St. Albans, W. Va., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2268. By Mr. SPARKS: Resolution of the Woman's Christian Temperance Union, of Minneapolis, Kans., signed and sent in by Lena E. Channer, president, and Elsie L. Cromley, secretary, Minneapolis, Kans., protesting against any weakening or change of the prohibition law; to the Committee on the Judiciary.

2269. By Mr. STEWART: Resolution of the State Highway Commission of the State of New Jersey, requesting a special appropriation of $125,000,000 for Federal aid to States in road construction; to the Committee on Roads.

2270. Also, petition of 149 residents of the State of New Jersey, objecting to proposed discriminatory taxation of motor cars and accessories; to the Committee on Ways and Means.

2271. By Mr. SUTPHIN: Petition of Freedom Council, No. 36, Sons and Daughters of Liberty, asking support of House bill 1967; to the Committee on Immigration and Naturalization.

2272. By Mr. SWICK: Petition of Plaingrove and Harlansburg Presbyterian Churches, Lawrence County, Pa., Rev. A. I. Dickinson, pastor, opposing the resubmission of the

eighteenth amendment to the State legislatures or conventions for repeal; to the Committee on the Judiciary.

2273. Also, petition of Methodist Episcopal Church, New Wilmington, Pa., opposing the resubmission of the eighteenth amendment to the Constitution to the State legislatures or State conventions for repeal; to the Committee on the Judiciary.

2274. By Mr. TEMPLE: Petition of Central Presbyterian Church, Canonsburg, Pa., supporting the eighteenth amendment and protesting against the submission of an amendment to the States repealing the eighteenth amendment; to the Committee on the Judiciary.

2275. Also, petition of African Methodist Episcopal Church, Canonsburg, Pa., supporting the eighteenth amendment and protesting against the submission of an amendment to the States repealing the eighteenth amendment; to the Committee on the Judiciary.

2276. Also, petition of American Zinc & Chemical Co. and the Langeloth Coal Co., Langeloth, Pa., protesting against the proposed kilowatt-hour tax on power; to the Committee on Ways and Means.

2277. By Mr. TIMBERLAKE: Petition of First Baptist Church, Littleton, Colo., protesting against submitting the eighteenth amendment to States for a referendum vote; to the Committee on the Judiciary.

2278. Also, petition of Holyoke (Colo.) Woman's Christian Temperance Union, protesting against submitting the eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

2279. By Mr. TREADWAY: Petition of Grace C. Jones and other citizens of North Adams, Mass., supporting the prohibition law and its enforcement; to the Committee on the Judiciary.

2280. By Mr. WEST: Petition of 160 Ohio railway employees and Citizens League, protesting against the unjust, unreasonable, and discriminatory operation of unregulated busses and trucks engaged in interstate commerce and the subsidizing of water and other competitive transportation with taxpayers' money against well-regulated railroads; to the Committee on Interstate and Foreign Commerce.

2281. By Mr. WYANT: Petition of James E. Zundel Post, No. 446, the American Legion, of Mount Pleasant, Pa., urging support of legislation providing for full payment of soldiers' bonus; to the Committee on Ways and Means.

2282. Also, petition of Westmoreland County Council, of American Legion, representing 3,000 members, urging support of bills now in Congress providing for aid for naval hospital at Philadelphia and veterans' hospital in northeastern Pennsylvania; to the Committee on World War Veterans' Legislation.

SENATE

THURSDAY, FEBRUARY 18, 1932

(Legislative day of Wednesday, February 17, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Caraway	Goldsborough	McGill
Austin	Carey	Gore	McKellar
Bailey	Connally	Hale	McNary
Bankhead	Coolidge	Harrison	Morrison
Barbour	Copeland	Hastings	Moses
Barkley	Costigan	Hatfield	Neely
Bingham	Couzens	Hawes	Norbeck
Black	Cutting	Hayden	Norris
Blaine	Dale	Hull	Nye
Borah	Davis	Johnson	Oddie
Bratton	Dickinson	Jones	Patterson
Brookhart	Dill	Kean	Pittman
Broussard	Fess	Kendrick	Reed
Bulkley	Fletcher	Keyes	Robinson, Ark.
Bulow	Frazier	King	Robinson, Ind.
Byrnes	George	La Follette	Schall
Capper	Glass	Logan	Sheppard
Shipstead	Stephens	Trammell	Walsh, Mass.
Smith	Thomas, Idaho	Vandenberg	Watson
Smoot	Thomas, Okla.	Wagner	Wheeler
Steiwer	Townsend	Walcott	White

Mr. FESS. I desire to announce the continued absence of the junior Senator from California [Mr. SHORTRIDGE] because of illness. I ask that this announcement may stand for the day.

Mr. GEORGE. My colleague the senior Senator from Georgia [Mr. HARRIS] is detained from the Senate because of illness. This announcement may stand for the day.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House insisted upon its amendment to the joint resolution (S. J. Res. 14) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JEFFERS, Mr. LOZIER, and Mr. GIFFORD were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a joint resolution (H. J. Res. 292) to authorize the Secretary of Agriculture to aid in the establishment of agricultural credit corporations, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 14) granting the consent of Congress for the temporary removal to the Corcoran Art Gallery of certain portraits in the Capitol Building.

The message also announced that the House had agreed to the following resolution:

IN THE HOUSE OF REPRESENTATIVES,
February 17, 1932.

Resolved, That the concurrent resolution (H. Con. Res. 19) entitled "Concurrent resolution providing wreath to be placed on the grave of the mother of Washington on February 22, 1932," be, and the same is hereby, returned to the Senate pursuant to a resolution of the Senate requesting the return thereof.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1588) to authorize the Secretary of the Interior to issue patents for lands held under color of title, and it was signed by the President pro tempore.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter in the nature of a petition from Ignatius K. Werwinski, of South Bend, Ind., praying for the passage of legislation providing that October 11 of each year be proclaimed as General Pulaski's Memorial Day, which was referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted at Milwaukee, Wis., by the Associated General Contractors of America (Inc.), favoring the enactment of legislation to establish uniform requirements affecting Government contracts, and the prequalification of bidders, and protesting against the passage of legislation requiring in bids for Government work the names of subcontractors and suppliers of material, which were referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by the Woman's Christian Temperance Unions of Kahoka, Mo., and of Harford County, Havre de Grace, Md., protesting against the resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Board of Supervisors of Mendocino County, Calif., favoring the passage of legislation amending the prohibition law so as to permit the manufacture, sale, distribution, and consumption of 4 per cent beer, which was referred to the Committee on Manufactures.

Mr. BROOKHART presented a petition of sundry citizens of Wapello County, Iowa, praying that adequate appropriations be made for the maintenance of the military defenses of the country, including the national rifle matches, which was referred to the Committee on Appropriations.

Mr. BARBOUR presented resolutions adopted by Freedom Council, No. 36, of Keyport; Pride of Belleville Council, No. 215, of Belleville; and Pride of Mechanics' Home Council, No. 61, of Jamesburg, Sons and Daughters of Liberty, in the State of New Jersey, favoring the passage of the bill (H. R. 1967) to provide for exclusion and expulsion of alien communists, which were referred to the Committee on Immigration.

Mr. FRAZIER presented the memorial of Mrs. Mary Dokken and 49 other citizens, of Palermo, N. Dak., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which was referred to the Committee on the District of Columbia.

He also presented the petition of C. C. Converse and 104 other citizens of Bismarck, N. Dak., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. BLAINE presented a resolution adopted by Group No. 1553 of the Polish National Alliance, of Milwaukee, Wis., favoring the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's memorial day, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Evangelical Adult Sunday School of Ripon, Wis., protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented petitions, numerously signed by sundry citizens of Washington, D. C., praying for the passage of legislation to regulate the closing of barber shops on Sunday in the District of Columbia, known as the Copeland Sunday health bill, which were referred to the Committee on the District of Columbia.

He also presented petitions of sundry citizens of Burlington, Effingham, and Minneapolis, in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the congregation of the First Baptist Church of Reading, the First Methodist Episcopal Church and Sunday school of Hutchinson, the Atlantean Brown Club, and the Methodist Church and Sunday school, both of Minneapolis, all in the State of Kansas, favoring the maintenance of the prohibition law and its enforcement, and protesting its proposed modification or repeal, which were referred to the Committee on the Judiciary.

Mr. COPELAND presented petitions of sundry citizens of Round Lake, Malta, Niagara Falls, and Sinclairville, all in the State of New York, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the First Methodist Episcopal Church Sunday School of Buffalo; the Woman's Foreign Missionary Society of the Methodist Episcopal Church of Port Jefferson; the First Baptist Sunday School of Springfield Center; the Sunday Morning Meeting of the Wilson Methodist Episcopal Church, of Wilson; Vestal Grange, No. 1073 (Inc.), of Vestal; and the Woman's Christian Temperance Unions of Glens Falls, Livingston, Oneonta, Elmira, Clyde, Johnstown, Amsterdam, and the Niagara Union of Buffalo, all in the State of New York, protesting against the resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by groups of the Polish National Alliance, of Amsterdam, Dunkirk, and Buffalo, N. Y., favoring the passage of legislation providing that October 11 in each year be proclaimed as General Pulaski's memorial day, which were referred to the Committee on the Judiciary.

He also presented a memorial of the Folsom Men's Club, of the Folsom Avenue Methodist Episcopal Church, of Glendale, Long Island, N. Y., remonstrating against the proposed reduction in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the Fleet Reserve Association, Queens Branch, No. 35, of Jamaica, N. Y., favoring the passage of legislation providing for the building of the Navy up to the Washington and London treaties strength, which was referred to the Committee on Naval Affairs.

He also presented a petition of sundry citizens of Brooklyn and New York City, N. Y., praying for the passage of legislation to prohibit the vivisection of dogs in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented memorials of sundry citizens of Otego, Glenham, Fishkill, and Beacon, all in the State of New York, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented a petition of the Nassau County Chapter of the American Association of University Women, of New York State, praying for the passage of Senate bill 572, providing Federal aid for maternal and infant hygiene, which was referred to the Committee on Commerce.

He also presented a resolution adopted by Nathan Hale Council, No. 113, Sons and Daughters of Liberty, in the State of New York, favoring the passage of legislation providing for the deportation of undesirable aliens, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the New York Branch of the National Customs Service Association, of New York City, N. Y., protesting against any reduction in the salaries of Federal employees, which was referred to the Committee on Civil Service.

He also presented petitions of the Flushing (N. Y.) Peace Society, and members of the Nassau Chapter, American Association of University Women, in the State of New York, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Association of 100 Per Cent United States Women of New York City, N. Y., favoring the retention of the sovereignty of the United States without alien interference from any source, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Home Market Club, of Boston, Mass., favoring the passage of House bill 8688, to equalize tariff duties by compensating for depreciation in foreign currencies, which was referred to the Committee on Finance.

He also presented resolutions adopted by the memorial and executive committees, United Spanish War Veterans, Borough of Brooklyn, N. Y., protesting against any reduction in personnel of the armed forces of the United States, and favoring the passage of legislation to build the Navy up to the London treaty strength, which were referred to the Committee on Appropriations.

PROPOSED TARIFF ON CRUDE OIL

Mr. BARKLEY. Mr. President, I present a petition addressed to the President of the United States and to the two branches of Congress signed by numerous citizens of Kentucky asking for the imposition of a tariff on oil. I ask that it may be printed in the RECORD and appropriately referred.

There being no objection, the petition was referred to the Committee on Finance and ordered to be printed in the RECORD without the signatures after the first two, as follows:

To His Excellency the Hon. Herbert Hoover, President of the United States of America, the United States Senate, and the House of Representatives:

We, the undersigned citizens of the southern part of the State of Kentucky, do hereby petition and request that you use your influence and thereby cause a reasonable tariff, sufficient to make the cost even with the cost of production to produce crude oil in the United States, on all foreign-produced crude oil.

We would represent that the oil industry in the State of Kentucky was, up until recently, one of the greatest industries we had in the State of Kentucky, but since the great flow of production in foreign countries and in view of the fact that their production is so much greater than ours and so much more cheaply produced, our oil industry, considering the cost to produce our oil, has had to fail, and since the failure of our oil industry in the State of Kentucky and as a result thereof, the oil people are out of business, and all the employees of oil people and oil companies, and the natural result is a loss to unemployed and a lot of misery, want, and woe, and we feel like if the oil business in the State of Kentucky was given this protection that it would again be one of the greatest industries the State of Kentucky has ever had and would help to eliminate, as much as any one thing, the great depression now on.

We earnestly urge and pray that you use your influence and see that this protection is given to us.

W. M. BACK,
President Wayne Co. Oil and Gas Association.
D. C. BYERS (and others).

Mr. WAGNER presented resolutions adopted by the Motor Truck Association of America, protesting against the proposed imposition of a tariff tax on crude oil, which were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas Senate bill No. 3 places a tariff on crude petroleum and other petroleum extracts, including gasoline, and the enactment of this legislation will increase the retail price of gasoline 4 cents a gallon; and

Whereas gasoline bears the highest tax ratio to its price of any necessity of such widespread use in the United States; and

Whereas it is contemplated, according to reports in the daily press, that many States, as well as the Federal Government, are considering emergency additional taxes on gasoline to balance their budgets; and

Whereas the owners of motor trucks, which comprise one-eighth of the registrations of motor vehicles in the United States, are now paying 35 per cent of the gasoline taxes paid in the United States, and the additional tax which will then be imposed upon them by an increase in the retail price of gasoline of approximately 4 cents per gallon will amount to approximately $200,000,000 a year: Now, therefore, be it

Resolved, That the Motor Truck Association of America (Inc.) vigorously oppose the imposition of such an unjust tax in view of the very high percentage of motor-vehicle taxes that motor-truck operators are already paying; and therefore be it further

Resolved, That the Motor Truck Association of America (Inc.) use every effort within its power to prevent the passage of such unjustified legislation.

DISARMAMENT AND WORLD PEACE

Mr. WAGNER presented a resolution addressed to the American delegates to the Geneva Disarmament Conference, adopted at a mass meeting at Temple Israel, Lawrence, Long Island, N. Y., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

FEBRUARY 2, 1932.

To the American delegates to the Geneva Disarmament Conference:

The following resolution was unanimously adopted at a mass meeting held on Tuesday, February 2, 1932, at Temple Israel, Lawrence, Long Island, at which there were present representatives of all religious, civic, and educational organizations in the communities of Far Rockaway, Inwood, Lawrence, Cedarhurst, Woodmere, and Hewlett, Long Island, N. Y., as follows: Sage Memorial Church; parent-teachers' associations; St. Mary's Star of the Sea Church; St. John's Parish House; Methodist Churches; Trinity Parish; Women's International League for Peace, Far Rockaway; congregation of Shaaray Tefila; Temple Beth El; Temple Israel:

"Whereas the hope and prayer for peace has ever been stressed throughout the centuries and has been a part of the teachings of all spiritual geniuses throughout the ages; and

"Whereas at this critical time in world relations we believe that it is imperative that all organizations, of whatever denomination, assembled for purposes of civic, religious, and spiritual development, should take a clean-cut and positive position against war; and

"Whereas the continuation of civilization is incompatible with war and great armaments are incompatible with peace; and

"Whereas a conference is now being held at Geneva, composed of delegates of all the nations of the world, to bring about a material reduction in war expenditures as a contribution toward permanent peace and the welfare of the world, which conference has been preceded by years of preparation, and the time is now ripe for further action: Now, therefore, we, the residents of the several communities above mentioned, affiliated with the aforesaid religious, civic, and educational organizations, in mass meeting assembled, at Temple Israel, Lawrence, N. Y., on February 2, 1932, hereby

"*Resolve*, That this is an opportune time for real results in your deliberations; that we look to you in confidence, as our representatives, to assume leadership to bring about further progress in the solution of the problems of disarmament; we recognize that compromise and sacrifices may be required; we know that you will be courageous in your desire for peace, and in order that limitation of armaments and security to all nations may be brought about; that a world aflame shall never return to this earth; that this danger must be prevented; that mutual aims can be found whereby understandings may be reached and conditions for world peace realized and established; that these issues press for solution upon mankind as never before in human history; we know that you will be eager to do whatever can be done in order that the curse of war shall be lifted from the earth; that you urge and champion the reduction and limitation of armaments to become effective; we know that you will contribute to the success of the conference, to the end that the first epoch-making step upon the highway of world peace and comity may become a fact; and we further

"*Resolve*, That a copy of this resolution be forwarded to the President of the United States, to the United States Senators representing the State of New York, and to the Congressman in the House of Representatives representing this district, as well as to the American delegates at Geneva."

THE PROHIBITION QUESTION

Mr. WAGNER. I present a resolution adopted by the Perry Baptist Sunday School, of Perry, N. Y., favoring prohibition, which I ask may be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

To the United States Senate:

Whereas the eighteenth amendment was adopted by the orderly processes of government and has been sustained by no less than 48 decisions of the United States Supreme Court; and

Whereas its opponents are now asking Congress to resubmit the question of prohibition through a repeal amendment to be ratified by State conventions called for that purpose; and

Whereas we have no reason to believe that those opponents who have not counseled obedience to the eighteenth amendment and its enforcement act and those who have openly advocated disobedience and disregard of the same, which is selective anarchy, would change their attitude and accept the vote of the majority of States should the repeal amendment fail of ratification; and

Whereas we are confident that resubmission would not take prohibition out of politics but would intensify it as a State issue: Therefore be it

Resolved, That we are opposed to the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and that we ask our Congressman from this district and our United States Senators to vote against such a resolution and to vote for adequate appropriations for law enforcement and for education in law observance.

Adopted by adult department, Perry Baptist Sunday School.
Representing over 100 people.
Dated February 7, 1932, Perry, N. Y.
(Also by M. E. School.)

UNEMPLOYMENT AND BUILDING PROGRAM

Mr. WAGNER. I also present two resolutions adopted by the New York State Building Trades Council, which I ask may be printed in the RECORD and lie on the table.

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

ALBANY, N. Y., *February 15, 1932.*

Hon. ROBERT F. WAGNER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: The following resolution was adopted by the executive board of the New York State Building Trades Council at a meeting held in Albany, N. Y., on February 13, 1932:

"Whereas loaning money to railroads will not create traffic, a public-works program will, by creating orders for the material that goes into construction. This material must be transported.

"Whereas loaning money to corporations that produce building material will not create a market for what they have to sell, a construction project will.

"*Resolved*, That the New York State Building Trades Council, through its representatives in Congress, respectfully petition the Congress of the United States to pass the compromise appropriation bill to relieve unemployment and distress; it is our opinion that until the unemployed are put back to work you can not return prosperity."

Very truly yours,

EDWARD ACKERLEY,
Secretary-Treasurer New York State Building Trades Council.

Whereas the Federal Employment Stabilization Board has been preparing plans and specifications for construction projects, and the plans are in readiness;

Whereas congressional authorization has been given and the next step is for the President to submit the estimates to Congress for the money required to carry the work forward: Therefore, be it

Resolved, That the New York State Building Trades Council urge Senator WAGNER and Senator COPELAND to ask for immediate action by the Senate calling on the President to start the Federal construction program.

REMONETIZATION OF SILVER

Mr. WHEELER presented an editorial from the Wallace (Idaho) Press-Times, issue of Monday, February 1, 1932, on the silver question, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

[From the Wallace (Idaho) Press-Times of February 1, 1932]

BIMETALISM OR BOLSHEVISM

On the mines page will be found the first of four installments giving in full the speech which Senator WHEELER, of Montana, delivered a week ago in the United States Senate advocating the adoption of his bill remonetizing silver on a basis of 16 to 1. The condition which Senator WHEELER describes deserves the attention of every right-thinking citizen. The specter of 7,000,000 unemployed, along with an abundance of farm products and an overproduction of raw materials and manufactured articles, will not be downed by appropriations from Congress, increasing the taxpayers' burden. History shows that bread lines and business failures are the forerunners of social unrest and political upheaval. Remonetization of silver is the only procedure which guarantees quick relief from the present intolerable era of ruin and disintegration.

The cause of silver—meaning the restoration to statutory parity with gold—is the cause of humanity, nationally and internationally. The gold standard has failed; 24 nations have abandoned it. Senator WHEELER has made the case for silver. You are urged to read and study the four installments of his speech, then act accordingly. Write or wire your representatives in Congress your indorsement of the Wheeler bill.

DELAWARE RIVER JOINT COMMISSION

Mr. DAVIS presented a letter from Hon. Edward Martin, State treasurer of Pennsylvania, relative to the Delaware River Joint Commission, and also a letter from Hon. Gifford Pinchot, Governor of Pennsylvania, on the same subject, which were ordered to lie on the table and to be printed in the RECORD, as follows:

COMMONWEALTH OF PENNSYLVANIA,
OFFICE OF STATE TREASURER,
Harrisburg, February 11, 1932.

Hon. JAMES J. DAVIS,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: May I respectfully call your attention to a resolution now before Congress approving the agreement between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River Joint Commission, and further to request your active aid and support of this measure. It is extremely important financially both to the Commonwealth and to the city of Philadelphia that favorable action be obtained at Washington in order that the Delaware River Joint Commission, of which I am a member, may proceed with its contemplated financing whereby Pennsylvania and Philadelphia will each be repaid nearly $10,000,000 and the State of New Jersey nearly $13,000,000 as their respective investments in the Delaware River Bridge.

This financing can not be completed until congressional approval is obtained, according to the banking syndicates which plan to bid for the bonds. The bankers hold that any agreement entered into between two States must have the formal approval of Congress.

Congress on February 15, 1921, granted permission to the Delaware River Bridge Joint Commission for the construction and operation of the bridge across the Delaware River between Philadelphia and Camden. Last year Pennsylvania and New Jersey reorganized the commission as the Delaware River Joint Commission, "a body corporate and politic," and turned over to it the operation and revenues of the bridge with power to borrow money upon its bonds, from the proceeds of which repayment would be made to Pennsylvania, New Jersey, and Philadelphia. The commission was authorized to construct facilities for high-speed rail transit between Philadelphia and Camden by way of the bridge. No power was given to the commission to levy taxes or to pledge the credit of Pennsylvania or New Jersey.

The resolution now before Congress specifically provides that nothing therein shall affect or impair the powers or jurisdiction of the United States in regard to the Delaware River and commerce between the States.

Formal approval by Congress would be highly beneficial to our State, and your cooperation will be most welcome.

With kind personal regards, I am, very sincerely,

EDWARD MARTIN.

COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE,
Harrisburg, January 26, 1932.

Hon. JAMES J. DAVIS,
United States Senate, Washington, D. C.

DEAR JIM: Many thanks for your letter inquiring whether Pennsylvania has any objection to Senate Joint Resolution 41, granting the consent of Congress to the compact or agreement between Pennsylvania and New Jersey creating the Delaware River Joint Commission.

Pennsylvania is extremely interested in having this resolution passed as speedily as possible. Its passage is necessary to enable bonds to be issued which will repay to the State and to the city of Philadelphia their respective investments in the construction of the Camden-Philadelphia Bridge.

Sincerely yours,

GIFFORD PINCHOT.

CONTROL OF THE CORN BORER

Mr. DAVIS presented a letter from Hon. John A. McSparran, secretary of agriculture of Pennsylvania, relative to the control of the corn borer in the United States, which, with the accompanying table, was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Harrisburg, February 16, 1932.

Hon. JAMES J. DAVIS,
United States Senate, Washington, D. C.

DEAR SENATOR DAVIS: I recognize that the United States Government will have to cut down the appropriation that has heretofore gone toward control of the corn borer in the United States. However, I do not believe it is wise, unless it is absolutely necessary that it should be cut as much as two-thirds. If, however, it must be cut two-thirds, the main objection that we have to the way the bill passed the House is that the money is earmarked for scouting work.

I am inclosing you a tabulation which indicates, I think you will agree, that we have kept the corn borer under control in the State of Pennsylvania. We have done the most of the scouting, as I understand it, and the United States Government has helped to maintain the quarantine. They are splendidly fitted to handle the quarantine, and we feel that this coming season especially the quarantine should by all means be maintained rather than the scouting for the reason that New Jersey has a corn borer which breeds twice in the season, and that is just across the river from the main corn belt of the State of Pennsylvania, which is in southeastern Pennsylvania.

I do hope, therefore, that whatever money the United States Government appropriates to corn-borer work that the Congress will not earmark it so that we shall be compelled to have it used in Pennsylvania for scouting purposes, when we feel absolutely sure that our main problem is the quarantine, and I will appreciate it if you can bring this matter directly to the attention of the proper people.

Sincerely yours,

JOHN A. MCSPARRAN,
Secretary of Agriculture.

Borers per 100 stalks

State	1925	1926	1927	1928	1929	1930
Michigan	1.18	11.80	24.90	13.97	15.68	12.61
Indiana				.33	.57	.76
Ohio	2.17	7.30	5.02	7.54	12.89	5.40
Pennsylvania	1.91	5.40	5.49	.74	.96	.68
New York	1.82	5.15	10.24	9.38	9.21	10.23

PHILIPPINE INDEPENDENCE

Mr. CUTTING. Mr. President, I have a statement submitted by the Philippine Commission which I ask to have printed in the RECORD, and also referred to the Committee on Territories and Insular Affairs.

There being no objection, the statement was referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

STATEMENT SUBMITTED BY THE PHILIPPINE COMMISSION TO THE COMMITTEE ON TERRITORIES AND INSULAR AFFAIRS, UNITED STATES SENATE, ON THE VIEWS EXPRESSED BY THE SECRETARY OF WAR IN HIS TESTIMONY ON PHILIPPINE INDEPENDENCE

The War Department being the administrative branch of the United States Government directly charged with the supervision of Philippine affairs, the statement made by the Secretary of War before this committee can not but command careful attention. Hence the Philippine Commission, after analyzing it conscientiously, considers it its duty to express its views on the important points brought out in his testimony. This the commission will do with frankness and without equivocation, sincere in its purpose to aid this committee in arriving at definite and just conclusions.

The Philippine Commission is in substantial accord with Secretary Hurley upon the following fundamental facts:

1. The validity of the title of the United States to the Philippine Islands precisely as granted by the treaty of Paris and a later supplementary treaty. It should be added, however, that the treaty of Paris left to the Congress of the United States the determination of the future status of the inhabitants of the Philippine Islands.

2. The American policy in the Philippines represents a new conception in dealing with subject peoples, its purpose being not exploitation but "to introduce and develop the basic conceptions of free government." The aim has always been, as President Roosevelt stated, "to make them fit for self-government after the fashion of really free nations."

3. Independence has always been the objective of American policy in the Philippines. The true and clear purport of this policy appears in the repeated declarations of authorized officials, especially Presidents of the United States, and in the congressional commitment contained in the Jones Act. Philippine independence is more than a mere policy; it is a solemn promise made by the United States to the people of the Philippine Islands, which must be fulfilled.

4. From the inception of American sovereignty in the Philippines the powers of government have been gradually transferred to Filipino officials, until at the present time the government is in a very large degree in their hands.

5. The people of the Philippine Islands, after more than 30 years of association with the United States, have demonstrated their capacity to govern themselves. In this connection it is only fair to note that Secretary Hurley qualifies this assertion with the remark that 40 per cent of the territory of the islands is inhabited by people who in their majority are non-Christians, and who have not attained the degree of political education which the Christian Filipinos have achieved. While this reference of Secretary Hurley is in a sense correct, it should be recalled that only a very small portion of the area mentioned by him is actually occupied by non-Christian Filipinos, and that more than 80 per cent of such area is unoccupied Government land.

It should also be noted that the non-Christian population of the Philippines is less than 9 per cent of the total population of the islands, and that the Christian population of the nine special provinces referred to by Secretary Hurley exceeds either the Mohammedans or Pagans in those provinces. Secretary Hurley places emphasis on the fact that the non-Christians are still represented by appointive representatives in the legislature. This is true. They are represented in the Philippine Legislature by 2 out of 24 members of the senate and by 9 appointive delegates out of a total membership of 97 in the lower house. But this fact should not be taken as the measure of the political capacity of these people. That their representatives are still appointive is neither their choice nor their desire. It is an arrangement established by the Congress of the United States which the Legislature of the Philippine Islands is without power to change. Secretary Hurley stated the truth when he affirmed in the course of his testimony that there are to-day among these people many well-educated men and women who could with credit represent them in the legislature.

On the basis of these undisputed facts, the political capacity of the whole Filipino people should not be questioned. Political capacity should be determined not by the level of enlightenment, experience, and capacity of a small minority of the population but rather by the average level reached by the majority of the people or the people as a whole.

6. The Filipino people are practically united in their desire for independence. Secretary Hurley, however, intimates that there are many among the non-Christian people who are opposed to it. He admits that the Christian Filipinos are more ready for self-government than the non-Christians. It is difficult to understand how Secretary Hurley can attribute strength and weight to expressions against independence among those who are less capable of understanding the consequences of independence, and at the same time deny the effectiveness of the desires of the bulk of the population who are better informed and more intelligent.

7. Great progress has been made in the Philippines not only in political preparation but in the advancement of education, sanitation, public improvements, and other lines of activity. It is also agreed that the Philippine government is sound financially and has a balanced budget. Philippine currency is on a stable basis. These achievements are the result of the joint efforts of Americans and Filipinos.

Having stated briefly the points upon which there is no controversy, we shall now proceed to examine the facts bearing upon the conclusions of Secretary Hurley with which we beg to disagree:

1. Secretary Hurley asserts that the promise of independence was conditioned by what he calls a composite objective, which includes capacity for self-government, economic independence, and high social standards. Secretary Hurley argues that all of these accomplishments not having been reached, the Filipino people should not be granted their independence now or in the near future. He adds that it is impossible to forecast when these conditions will be attained, and urged the view that the time when independence is to be granted must be determined by certain definite achievements which can not be established in advance.

An examination of American policy toward the Philippines will show that the capacity of the people to set up a stable government is the only condition imposed by the United States for their independence. Stable government has a well-defined and accepted meaning and does not include the special conditions which Secretary Hurley desires to impose on the Philippines. Stability of government does not require economic independence. It certainly does not include the maintenance of prosperous trade relationships with other countries of the world. It does not necessitate the absolute assurance of economic prosperity for the whole people, let alone freedom from economic difficulties incident upon political changes or from the all-too-common possible adverse effects resulting from the free play of economic laws. Economic independence or self-sufficiency has been reached by hardly any country in the world. Whether the Philippines, being largely an agricultural country, will soon reach self-sufficiency is a debatable question. But one thing is certain: The Philippines will not reach that stage while they remain under the American flag, living an artificial life, under artificial trade and other unstable economic arrangements, which are beyond the power or right of their people to influence or command. To attain economic stability, the Philippine nation, as soon as possible, must be placed on its own resources, with its people free to work out their own economic salvation in the competitive markets of the world. A postponement of their independence until balanced trade has been attained will surely add to their difficulties and problems when they are finally cut off from the American market. Moreover, it would also increase the difficulties which the change will bring about upon American trade with the Philippine Islands.

2. Secretary Hurley alleges with insistence that the Filipino leaders have not formulated an economic program for independence. This statement is incorrect. All the pleas for independence presented by Filipino representatives have always called the attention of Congress to the fact that to bring about a liquidation of American-Philippine trade relations without injury to the interest concerned or harm to the Philippine economic structure, once a definite time for independence is fixed, reasonable arrangements should be effected for the adjustment of economic relationships. Such a program is contained in the Hawes-Cutting bill and in the Hare bill, and its purpose is to maintain substantially the status quo as to the volume of reciprocal free trade with the United States for a period of five years, during which time it is believed economic conditions would be adjusted to meet the new situation which will prevail upon complete severance of political ties; more specifically, to allow Philippine industries now dependent upon the free American market a time for adjustment when they may be placed on a competitive basis. While this readjustment is taking place, production of articles not dependent on the American free market will necessarily receive an impetus. At the same time the Filipinos will have an opportunity to develop new markets for their export products. The result will be to stabilize economic conditions and permit of economic development on solid and lasting foundations.

What the effect of these temporary trade arrangements will be on the finances of the Philippine government will not be difficult to surmise. Should economic conditions in the islands be maintained until they can reasonably adjust themselves after independence, when the Philippines will find itself outside of the tariff walls of the United States, the Filipinos believe that they would then be at least as financially able to support their independent government as they now are. Moreover, should the new burdens and responsibilities, which independence will entail, require the expenditure of funds which are not now provided for, the Filipino people will undoubtedly be ready to increase the tax burdens they are at present carrying.

Beyond the scheme proposed in the Hawes-Cutting bill and in the Hare bill covering the economic relations during the intervening period prior to independence, it is not intelligently possible to formulate another program. Nor should it be required as a condition precedent to congressional action on these bills. No country in the past aspiring to its independence was required to have an economic program. The United States, upon the declaration of its independence, did not even consider such a problem. Cuba did not offer one before the withdrawal of American sovereignty.

Uninformed as the Filipinos are to-day of the terms and conditions upon which their independence may be granted, and of the time when the withdrawal of American sovereignty will actually take place, they are not now able to anticipate a hypothetical situation and take it as a basis upon which to formulate an economic program covering their industries, their trade, and the finances of their government.

With reference to the Philippine National Bank, Secretary Hurley asserted that independence in five years would produce its collapse, alleging that the bank now has frozen assets closely tied up with the sugar industry. The Hawes-Cutting bill or the Hare bill does not propose to kill the sugar industry in the Philippines.

It specifically provides for continued favorable conditions affecting the industry during the 5-year period. The sugar mills of the Philippines owe the national bank about 25,000,000 pesos. During the last five years these mills had paid to the bank 21,000,000 pesos on the capital and 15,000,000 pesos interest on the original indebtedness of 46,000,000 pesos. These figures will show that were present trade relations with the United States to continue for some time, the mills may be expected to pay on the capital indebtedness the same amount which they paid during the last five years, so that at the end of the 5-year period the mills would only be indebted to the bank in the amount of about 5,000,000 pesos.

Secretary Hurley also mentions the fact that the withdrawal of the American Army from the Philippines would reduce the circulation of the islands by $12,000,000 a year. By what course of reasoning Secretary Hurley arrives at this conclusion is difficult to understand. In the first place, the United States Army does not spend $12,000,000 a year in the islands. An examination of the official records will show that the amount actually spent in the Philippines for salaries and supplies purchased in the Philippines is much less. This suspension of such expenditures would not necessarily affect the circulation of the Philippines any more than a reduction in an equal amount of the value of Philippine exports to the United States. What will result will be a proportional reduction in the value of the imports from the United States to the Philippines.

The Filipino leaders are not unaware of all the elements which enter into the Philippine question. They have taken pains to view them in their true aspects and to inform their people of their significance. The Filipino people understand that independence will bring about a termination of reciprocal free-trade relations with the United States. They know it may produce economic hardships and increase tax burdens, but they are prepared to meet the responsibilities which will devolve upon them.

3. Secretary Hurley, as far as can be deduced from his testimony, considers the economic unpreparedness of the islands as the one great obstacle to independence. He is positive in his belief that economic readiness can only be brought about through the achievement of a balanced trade with the United States. It is difficult to understand how the balancing of commercial exchange between the United States and the Philippines would make the islands any more prepared for their independence than they are to-day. The result that would follow political separation, namely, the disruption of free-trade reciprocity, would injure Philippine and American trade as much if a balanced trade existed, as it would at present. If at all, the difference would be that at the end of a long period of years necessary to bring about a balanced trade the Philippines might be involved in greater difficulties because of increased production of commodities now enjoying protection in the American market, or the stimulation of other products equally protected and which are not now being produced.

4. Secretary Hurley maintains with great insistence the impossibility of fixing a definite time for independence, because he claims that it is beyond the vision of practical men to map out a satisfactory economic program which could be successfully terminated in a stated period. With this view we can not agree. If the objective is clear and well defined, certainly it is not impossible to formulate a program and a stated time for its achievement. Accepting the opinion of Secretary Hurley that the sudden termination of the privileges which Philippine products now enjoy would bring about the collapse of some of the most important industries in the Philippines and result in economic depression in the islands, it would seem plain that what the Philippines really need is the fixing of a definite time for independence so that a proper adjustment to the new conditions which will obtain after independence may be made. The normal operation of economic laws would require a definite period. Besides, without such a period it would be difficult to expect this readjustment to take place, for it would only be natural for the Filipinos not to exert themselves for its attainment until a definite date is fixed for the change that is to eventuate. Leaving the future political status undecided will merely prolong the existing uncertainty, which is not conducive either to economic stability or to the solution of the economic intricacies of the present situation.

The theory of definite accomplishments is so vague and so uncertain as to give no hope of successful results. It will satisfy no one who desires a definite settlement of the Philippine problem and will not pave the way for the solution of the economic difficulties which confront the Filipino people. Instead of disentangling the Philippines from the economic system of the United States it will merely involve the islands in a closer artificial relationship with the United States which can not be terminated at any future time without serious injury to both countries. On the other hand, with the determination of a fixed time when the Philippines shall be placed outside of the tariff walls of the United States, merchants and producers of both countries are informed of the change that will occur. In this case we would only need a reasonable time to prepare ourselves for the change in order to escape avoidable consequences.

5. Secretary Hurley makes repeated protestations of a sincere desire to bring about the independence of the Philippines. However, this deep concern for the future welfare and security of the Filipinos is such that were his expectations and fears to be accepted it would be fair to state that the Philippine Islands would never attain their independence. He desires, for example, to elevate the social standards and the political and economic capacity of the non-Christian Filipinos at least to the same levels attained by the Christian Filipinos. Under American sovereignty such a task would require many generations. And even then it would be doubtful if the Mohammedan Filipinos would ever attain social standards which Secretary Hurley might consider satisfactory, for their religious and moral conceptions are different from Christian civilization.

Secretary Hurley also would require the Philippine Islands to build up a system of military and naval defense which would make them impregnable against foreign aggression. There are very few countries in the world to-day which are in such a strong position. Frankly, if this condition were imposed upon the Filipino people, it would be tantamount to a denial of our independence. Ability to maintain a naval and military establishment adequate to withstand aggression from without is not now possessed by the Filipino people, and they will not be able to develop such a system of defense for many years to come. But there are to-day in the world influences and instrumentalities, other than military force, which are deemed sufficient for the preservation of national integrity, and the Filipino people have the right to rely on them. Recent happenings in China should not be cited to justify assumptions as to what will happen in an independent Philippines five years from now. The two countries are differently situated and the cross interests and conflicting purposes of other nations bearing on China happily do not obtain as regards the Philippines.

6. Great emphasis is laid by Secretary Hurley on what he terms the special responsibility which the United States Government assumed with respect to the Mohammedan Filipinos. He claims that when the United States forces disarmed the Moros they were given assurances that the United States would exercise tutelage over them until they were able to defend their rights and, besides, to protect them against what he calls their "hereditary enemies," the Christian Filipinos. Secretary Hurley could hardly have cited a fact more lacking in historical foundation or more widely divergent from the views of those who have been most intimately associated with both Mohammedan and Christian Filipinos and the events referred to. The Mohammedan Filipinos were disarmed, about 5,000 rifles having been gathered from them, as the Christian Filipinos had previously been disarmed. No apologies were made for this action of the Government, and certainly no promises were proffered. General Pershing, Governor General Forbes, and former Gov. Frank W. Carpenter, of the department of Mindanao and Sulu, are witnesses to this fact, and the denials of such promises appear in the official records of the Government. The United States did not assume any obligation toward the Mohammedan Filipinos differing from that which it assumed as regards the Christian Filipinos. As to the alleged traditional animosity between the Mohammedan and the Christian Filipinos, it is very unfortunate that Secretary Hurley should share in the belief of its existence. The truth is different. If religion is the barrier to complete understanding between the two elements, it is easy to see that the Mohammedan Filipinos would be as distrustful of American Christians as they are of Filipino Christians. The real fact is that no such animosity exists, and that Mohammedan and Christian Filipinos, belonging as they do to the same race and conscious as they are of a common destiny, to-day feel that they are part of the same nation, which it is their privilege and duty both to support and to govern.

7. Secretary Hurley, who persistently refused to fix a date for independence on the ground that he is not a prophet is not, however, disinclined to prophesy disaster, chaos, anarchy, and even revolution in the Philippines if independence were granted. He cites no facts and gives no reasons in the course of his testimony which would justify such gloomy forebodings. We claim to know our people better and to be, at least, as familiar as Secretary Hurley with the economic and social conditions obtaining in our country. We are not burdened with such pessimism. We fear no revolution. The history of our people is sufficient to allay such fear. The Filipinos are law-abiding and have learned to accept the decision of the majority. No spirit of sectionalism or class divides them. Through democratic practices for almost a generation now they have learned to settle their national problems at the polls. Anarchy and revolution are most improbable. And why should there be such upheavals? Let us accept the worst that may happen, because of sudden economic changes. Let us admit, for the sake of argument, that the foreign trade of the islands would be wiped out and hat the exportable products can not find a profitable market either in the United States or elsewhere. Undoubtedly such a condition would result in serious difficulties and great hardships for the Filipino people. But unemployment, hunger, and starvation will not follow in their wake. The Philippines is an agricultural country. Its people possess the natural resiliency of a tropical people to changing economic conditions. A very large percentage of the Filipino people are land owners and own their homes. They also have opportunities of acquiring lands which they may cultivate and develop to satisfy their wants. But if depressed conditions must come and the Filipinos must pay the price which other nations have paid before they were permitted to enjoy fully the blessings of national independence, the Filipino people should not be denied the opportunity to pay that price.

SUGGESTIONS OF SECRETARY HURLEY

Secretary Hurley proposed that the Filipino people be not now informed as to their political future, and, thus, would continue the present uncertainty which not only hampers their progress but shakes their spirit and makes them despair of their liberty. He does not propose to settle the question of independence. He merely hints that sometime, ultimately, it may be granted. Im-

mediately, however, he proposes that congressional action be taken limiting the free entry of Philippine products into the United States, and also Philippine immigration into continental United States. This is the first time since the American occupation of the islands that such a proposal has come from an authoritative official branch of the American Government. It is not only contrary to the avowed American policy of altruism in the Philippines but is diametrically opposed to the position heretofore taken on this question by the War Department, by the Governors General of the Philippines, and by every American administration. It will deprive the Filipinos of priceless privileges and rights which they now enjoy under the American flag, the withdrawal of which could not but be interpreted by them as both unjust and discriminatory.

But Secretary Hurley is not satisfied with these limitations on Philippine freedom and the curtailment of their rights and trade. He proposes to maintain in the Philippines an unrestricted market for American products and manufactures. He goes farther. He would compel the Philippines to revise their tariff laws so as to impose higher duties on articles coming from foreign countries and thus force increased consumption of American products by the Filipino people. Such a scheme, if carried out, would embark the United States on a policy of exploitation of the Philippines.

The adoption of these steps without at the same time fixing a definite date for the independence of the Philippines is a reversal of America's traditional policy and the inauguration of a new policy, that of permanent retention and subjugation of the Filipino people. It is true that Secretary Hurley, in answer to certain criticisms of his proposed policy, recognized that such steps as he proposed could justly be considered politically unmoral if they were not adopted as steps preparatory to independence. On the other hand, unless a definite date were fixed the approval of the program outlined by Secretary Hurley would lead the Philippines away from, not nearer to, their coveted liberty, while at the same time strait-jacketing their economic development and trade for an indefinite period. Certainly the mere expectation of ultimate independence as described by Secretary Hurley is too vague and indefinite to offer a justification for such drastic impositions upon the Filipino people.

Secretary Hurley couples his trade proposals with the hint of an enlargement of Filipino participation in their governmental affairs. This can not satisfy the Filipinos. It will not justify the injurious restrictions which it is sought to impose on their trade and the right of Filipino citizens freely to enter the United States. But even this offer of increased participation in government administration is difficult to understand and will be misconstrued. For the offer is limited by Secretary Hurley as follows: "Provided it involves no surrender of any authority now possessed by the American Government." Government authority is a definable and fixed measure of political power. It is impossible to increase the participation of one element without reducing the authority of the other. It is difficult to discern how Philippine participation can be increased without reducing that which the American Government now exercises. Reference to this proposal is made here not that it is of any importance in the discussion of this question of independence but merely because it offers one additional reason to support the view that the proposal of Secretary Hurley is impracticable and unjust, is meaningless in its political phase, and highly injurious to Philippine interests in its economic aspects. It can not be acceptable to the people of the Philippine Islands.

CONCLUSION

The analysis of the testimony of Secretary Hurley shows that both the plan and the provisions of the Hawes-Cutting bill in the Senate and the Hare bill in the House of Representatives provide a sound and statesmanlike solution of the question of Philippine independence. These bills courageously and without any attempt at evasion or postponement of fundamental issues solve the Philippine problem in conformity with American policy, in accord with Filipino aspirations, and with proper safeguards for their political, social, and economic interests.

A fair and impartial consideration of the facts bearing on the Philippine question, even only of those which are not disputed by Secretary Hurley, will justify the enactment of a measure granting the Philippines its independence, as was promised in the Jones Act. The Filipino people are confident that such action will be taken.

Respectfully submitted.

SERGIO OSMEÑA,
Acting President Philippine Senate.
RUPERTO MONTINOLA,
Senate Minority Leader.
PEDRO GUEVARA,
Resident Commissioner from the Philippines.
CAMILO OSIAS,
Resident Commissioner from the Philippines.
MANUEL ROXAS,
Speaker Philippine House of Representatives.
PEDRO SABIDO,
House Majority Leader.
EMILIANO T. TIRONA,
House Minority Leader.

INDEPENDENT BIMETALLISM

Mr. WHEELER presented an article appearing in the Oklahoma Union Farmer, Oklahoma City, Okla., in its issue of February 1, 1932, entitled "Independent Bimetallism," which was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

[From the Oklahoma Union Farmer, of Oklahoma City, Okla., issue of February 1, 1932]

INDEPENDENT BIMETALLISM

Jonathan Bourne, jr., former United States Senator and for 10 years president of the Republican Publicity Association, gives out the following statement:

"Senator WHEELER's bill, S. 2487, introduced January 4, to establish a bimetallic system of currency employing gold and silver, to fix the relative value of gold and silver, to provide for the free coinage of silver as well as gold, and for other purposes, is, in my opinion, the most important measure from an economic standpoint that has been introduced in Congress during the present century.

"Its enactment into law would do more to help extricate the United States and the rest of the world from our present economic chaos than all other suggestions, if same were adopted, that have thus far emanated from our present Executive, members of his Cabinet, political economists, and so-called captains of big industry that I have thus far seen or heard of.

"Understanding that the United States Department of Agriculture estimates the value of last year's agricultural products to be approximately $4,000,000,000, I unhesitatingly assert that had this bill of Senator WHEELER's been enacted into law a year ago more than $10,000,000,000 would have been added to the four billions of estimated value of last year's agricultural products and that all classes of our society and all producers of raw and manufactured products in this country would have been increasingly benefited.

"In studying this and the monetary question it is well to learn that while all money is a medium of exchange, primary money only is the measure of value.

"For many centuries the only primary moneys known in the world have been gold and silver.

"I respectfully urge any and all readers of this article to immediately request their Senators and Members of Congress to forward them copies of the Wheeler bill, S. 2487, and also copies of Senator WHEELER's speech when delivered (which I understand he expects to deliver in the Senate within the next 10 days) containing his arguments demonstrating the desirability of the enactment into law of his bill establishing a bimetallic system of currency in the United States.

"After receipt and careful study of the bill and speech, if convinced by the latter that the proposed legislation is absolutely sound and would be beneficial to all classes of our society, form bimetallic clubs in their various communities; get their various agricultural, labor, and commercial organizations to discuss and pass resolutions requesting their representatives in both branches of Congress to carry out the mandates set forth in said resolutions for support or opposition to the enactment of this legislation.

"Remember that the free coinage of both silver and gold as provided by the act of 1792 was continued to 1873, although the ratio between gold and silver coins was changed from 15 to 1 as fixed by the act of 1792, to 16 to 1 by the act of 1834, and to 15.988 to 1 by the act of 1837.

"Further, note that from and including the years 1801 to 1850 the average gold-silver price ratio was 15.7, while the average silver-gold production ratio for the entire world was 28.0.

"Also note that from the period of 1851 to 1875, both inclusive, the average gold-silver price ratio was 15.5, while the silver-gold production ratio was 6.7.

"The fact that Great Britain adopted gold monometallism in 1816, France in the 1850's, Germany in 1871, in conjunction with the above-stated average in gold-silver price ratio, together with the world's silver-gold production ratios from 1801 to 1875, prove conclusively the ability of the United States by independent action in the enactment of the Wheeler bill, S. 2487, to maintain the parity of 16 to 1 as provided for in said bill.

"The above facts, in my opinion, also absolutely disprove any claim that the United States under the enactment of the Wheeler bill would become the dumping ground for the world's silver, or that silver, the cheapest metal, would drive out gold, the dearest metal, for the reason that neither metal would be cheaper or dearer because of the unlimited demand created for both metals by the free and unlimited coinage of both metals by the United States Mint at the fixed valuation for each metal as provided for in the Wheeler bill.

"JONATHAN BOURNE, Jr.

"WASHINGTON, D. C.,
"January 9, 1932."

REPORTS OF COMMITTEES

Mr. FRAZIER, from the Committee on Indian Affairs, to which was referred the bill (S. 3654) to authorize turning over to the Indian Service vehicles, vessels, and supplies seized and forfeited for violation of liquor laws, reported it without amendment and submitted a report (No. 261) thereon.

Mr. CAREY, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 3706) for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law, reported it

without amendment and submitted a report (No. 262) thereon.

Mr. BRATTON, from the Committee on Irrigation and Reclamation, to which was referred the joint resolution (S. J. Res. 55) to amend section 2 of the act of February 25, 1927 (44 Stat. L., pt. 2, p. 336), reported it without amendment and submitted a report (No. 263) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 276. An act for the construction and equipment of a hospital on Crow Indian Reservation (Rept. No. 264);

S. 278. An act for the relief of Charles Parshall, Fort Peck Indian allottee, of the Fort Peck Reservation, Mont. (Rept. No. 265); and

S. 2987. An act providing for the construction and equipment of a hospital upon the Blackfeet Indian Reservation in the State of Montana (Rept. No. 266).

EXECUTIVE REPORTS OF THE COMMITTEE ON POST OFFICES AND POST ROADS

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES:

A bill (S. 3711) to authorize the adjustment of the boundaries of the Chelan National Forest, in the State of Washington, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. VANDENBERG:

A bill (S. 3712) for the relief of Harbor Springs, Mich.; to the Committee on Claims.

A bill (S. 3713) for the relief of Vincent J. Toole; to the Committee on Military Affairs.

By Mr. HASTINGS:

A bill (S. 3714) to amend the act entitled "An act making it a felony with penalty for certain aliens to enter the United States of America under certain conditions in violation of law," approved March 4, 1929, as amended; to the Committee on Immigration.

By Mr. NEELY:

A bill (S. 3715) granting a pension to Richard H. Wraase; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 3716) making provisions in reference to personal injury suits by seamen; to the Committee on Commerce.

By Mr. FRAZIER:

A bill (S. 3717) relating to the removal of certain employees in the Indian Service; to the Committee on Indian Affairs.

By Mr. ROBINSON of Indiana:

A bill (S. 3718) granting a pension to Emily Rather (with accompanying papers);

A bill (S. 3719) granting a pension to Frank E. Reasoner (with accompanying papers); and

A bill (S. 3720) granting an increase of pension to Mary Ferrell (with accompanying papers); to the Committee on Pensions.

By Mr. DILL:

A bill (S. 3721) for the relief of Francis Gerrity; to the Committee on Military Affairs.

By Mr. SMOOT:

A bill (S. 3722) to extend the requirement for Federal income-tax exemption for disability allowance purposes under the World War veterans' act, as amended July 3, 1930, to aliens or residents of the Philippine Islands; to the Committee on Finance.

By Mr. BYRNES:

A bill (S. 3723) authorizing the Secretary of War to convey to the State of South Carolina the land known as the Fort Moultrie Rifle Range, on Sullivans Island, S. C.; to the Committee on Military Affairs.

By Mr. ODDIE:

A bill (S. 3724) to correct the military record of Gerald E. Byrne; to the Committee on Military Affairs.

By Mr. WAGNER:

A joint resolution (S. J. Res. 106) providing for the encouragement of United States citizens in participation in the Levant Fair, to be held at Tel-Aviv, Palestine, April 7 to 30, 1932; to the Committee on Foreign Relations.

By Mr. DILL:

A joint resolution (S. J. Res. 107) proposing an amendment to the Constitution of the United States relative to election and qualification of judges; to the Committee on the Judiciary.

By Mr. CAPPER:

A joint resolution (S. J. Res. 108) to authorize and direct the Secretary of Agriculture to investigate the cost of maintaining the present system of future trading in agricultural products and to ascertain what classes of citizens bear such cost; to the Committee on Agriculture and Forestry.

CHANGE OF REFERENCE

On motion of Mr. BINGHAM, the Committee on Finance was discharged from the further consideration of the bill (S. 2527) for the relief of Edwin P. Hulsberger, and it was referred to the Committee on Military Affairs.

EMERGENCY CREDIT EXPANSION—AMENDMENT

Mr. WALCOTT submitted an amendment intended to be proposed by him to the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. ASHURST submitted an amendment intended to be proposed by him to House bill 8397, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 35, line 13, after the word "deficient," insert:
"*Provided further*, That contracts or agreements for payment of public-school tuition from this appropriation shall provide for a rate of 75 cents a day, based upon actual attendance of each pupil covered by such contract or agreement."

Mr. ODDIE submitted amendments intended to be proposed by him to House bill 8397, the Interior Department appropriation bill, which were referred to the Committee on Appropriations and ordered to be printed:

On page 48, line 22, after the semicolon, insert the following: "for power lines and equipment, including payment for necessary rights of way, $17,000, to be immediately available; in all, $38,000."

On page 72, line 24, strike out "$8,000,000" and insert in lieu thereof "$15,000,000"; and

On page 73, after line 14, insert the following new paragraph:

"For payment to the city of Las Vegas, Nev., for furnishing educational facilities during the fiscal year ending June 30, 1932, to children of employees working on the Hoover Dam and incidental works the construction of which is authorized by the Boulder Canyon project act, $29,282.04, to be immediately available."

PRINTING OF HEARINGS ON ESTABLISHMENT OF A NATIONAL ECONOMIC COUNCIL

Mr. LA FOLLETTE submitted the following concurrent resolution (S. Con. Res. 18), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That, in accordance with paragraph 3 of section 2 of the printing act, approved March 1, 1907, the Committee on Manufactures of the Senate be, and is hereby, empowered to have printed 3,000 additional copies of the hearings held before the committee during the current session on the establishment of a national economic council.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on to-day, February 18, 1932, the President approved and signed the following acts:

S. 1306. An act to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial; and

S. 2173. An act to authorize associations of employees in the District of Columbia to adopt a device to designate the products of the labor of their members, to punish illegal use or imitation of such device, and for other purposes.

WITHDRAWAL OF A BILL

Mr. BROOKHART. Mr. President, on the 16th instant I introduced a bill (S. 3677) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, and it was referred to the Committee on Interstate Commerce. There is some controversy in reference to the terms of the bill, and the author would like to have it withdrawn until those matters can be adjusted. I therefore ask unanimous consent to withdraw the bill.

The PRESIDENT pro tempore. Without objection, the bill is withdrawn.

NOTICE OF MOTION TO SUSPEND PARAGRAPH 4 OF RULE XVI

Mr. HAYDEN. Mr. President, under the Rule XL, I desire to give one day's notice of a motion to suspend the rules. It is my understanding that the one day is a calendar day and not a legislative day. I send the notice to the desk.

The PRESIDENT pro tempore. The motion will be read and noted in the RECORD.

The legislative clerk read as follows:

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of Rule XVI, for the purpose of proposing to the bill (H. R. 7912) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1933, and for other purposes, the following amendment, viz: At the end of the bill insert the following:

"EMERGENCY CONSTRUCTION

"SEC. 4. That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be immediately available, for the purpose of providing emergency construction on public roads during the remainder of the calendar year 1932 with a view to increasing employment; namely:

"BUREAU OF PUBLIC ROADS

"Federal-aid highway system: For apportionment to and expenditure within the several States under the provisions of the Federal highway act, as amended, $120,000,000: *Provided*, That no part of such sum apportioned to any State need be matched by State funds and may be used to meet the provisions of such act as to State funds required on Federal-aid projects, and except that in the expenditure of such sum the limitations contained in the Federal highway act, as amended, upon construction within municipalities of 2,500 or more population and upon the payments per mile which may be made from Federal funds shall not apply.

"FOREST SERVICE

"National-forest highways: For the construction and improvement of highways within the boundaries of the national forests, $5,000,000.

"Improvement of national forest: For the construction and maintenance of roads, trails, bridges, fire lanes, etc., including the same objects specified under this head in the Agricultural appropriation act for the fiscal year 1932, $5,000,000.

"NATIONAL PARK SERVICE

"Roads and trails: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks and national monuments under the jurisdiction of the Department of the Interior, $1,500,000.

"BUREAU OF INDIAN AFFAIRS

"Indian reservation roads: For construction and improvement of Indian reservations roads under the provisions of the act approved May 26, 1928 (45 Stat. 750), $1,000,000.

"ROADS ON FEDERAL LANDS

"Roads on unappropriated or unreserved public lands, nontaxable Indian lands, etc.: For the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations other than the forest reservations, under the provisions of the act approved June 24, 1930 (46 Stat. 805), $3,000,000."

AGRICULTURAL DEPARTMENT APPROPRIATIONS

Mr. McNARY. Mr. President, as an ex officio member of the Committee on Appropriations to consider the Agricultural Department appropriation bill, I report back favorably with amendments the bill (H. R. 7912) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1933, and for other purposes, and I submit a report (No. 260) thereon. I wish to express the hope that I may seize an opportunity probably to bring this bill to the attention of the Senate some time during tomorrow.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

AMERICAN SAMOA GOVERNMENT

Mr. JONES. Mr. President, I notice that on yesterday the bill (S. 417) to provide a government for American Samoa was passed. At the time I was necessarily absent from the Chamber. I wish now to enter a motion to reconsider the vote by which the bill was passed. I understand the papers have not gone over to the House.

The PRESIDENT pro tempore. The motion of the Senator from Washington to reconsider will be entered.

PLACING OF WREATH ON GRAVE OF MOTHER OF WASHINGTON

Mr. FESS. Mr. President, I ask unanimous consent for a reconsideration of House Concurrent Resolution 19, relative to the placing of a wreath on the grave of the mother of Washington.

Mr. KING. What is to be done with the concurrent resolution?

Mr. FESS. The object is to strike out the word "Clerk" and insert the word "Secretary."

The PRESIDENT pro tempore. The Senator from Ohio moves to reconsider the vote by which the concurrent resolution was agreed to. The Chair hears no objection, and the concurrent resolution is reconsidered. The Senator from Ohio now moves to amend the concurrent resolution by striking out the word "Clerk," on page 1, line 2, and inserting the word "Secretary."

Without objection, the amendment is agreed to; and, without objection, the concurrent resolution as amended is agreed to.

CLAIM OF HORACIO DE JESUS CASTILLO, A NICARAGUAN CITIZEN (H. DOC. NO. 256)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State recommending the enactment of legislation authorizing an appropriation in the sum of $1,000, in settlement of the claim presented against the Government of the United States on behalf of Horacio de Jesus Castillo, a citizen of Nicaragua, as compensation for personal injuries sustained by him as the result of an assault alleged to have been committed upon him by a member of the United States Marine Corps at Matagalpa, Nicaragua, on February 24, 1931.

I recommend that the Congress enact legislation authorizing an appropriation in the amount mentioned in accordance with the recommendation of the Secretary of State.

HERBERT HOOVER.

THE WHITE HOUSE, *February 18, 1932.*

(Inclosure: Report from the Secretary of State.)

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

HOW WE TREAT THE PRESIDENTS—ADDRESS BY SENATOR JONES

Mr. WATSON. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the Senator from Washington [Mr. JONES] over the radio on Monday evening, February 15, 1932, on the subject "How We Treat the Presidents."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen of the radio audience, most speakers over the radio start right out on their subject. Maybe that is best—I prefer not to do it. Of course, I don't know who you are, where you are, nor how many you are. I know I have so much time, and when that is up I stop whether I am through or not. Maybe you like the way I begin, maybe not. I feel more at home with you anyhow.

I am going to talk about how we treat our Presidents and how we have done so from the beginning. I will talk no politics. What I say you may forget. It may do no good, but I ask you to think it over. If you think I am right, do your part as good citizens to see that more respect is shown our Presidents, regardless of their politics. That office is the highest in the gift of the people—it is the highest in the world. No man is, and no man in the world's history has been, the head of such a concentrated, homogeneous body of 130,000,000 energetic, intelligent, highly civilized and progressive people as is the President of the United States.

No bad man has ever been President. That I want to emphasize. Our people select him. They may differ over principles and policies, but the man they select for this high office has always been, and will continue to be, a good, patriotic man. No President has received harsher treatment at the hands of his contemporary historians than Andrew Johnson; but now that the passions engendered by his time have subsided and an impartial study of his character and his life has been possible, he is taking his just place in history as one of our really great and good Presidents.

Probably in the main we are very much like other people of our race, but we do substantially differ from them in many ways. We are more energetic, more progressive, more capable, more enlightened, and more advanced in the civilization of the day than any other people on the face of the earth. Our amazing development and record of achievement in every line of human endeavor and accomplishment justifies this opinion. We boast of our liberty and our liberal spirit, of our freedom and our independence, and yet we are the most intemperate, intolerant, and domineering in our language. This is especially true of our attitude toward those whose opinions differ from ours, and toward those in public positions when their action does not accord with our views. We have been so from the very foundation of our Government. We may not always agree with our friends or those with whom we come in daily contact, but that disagreement does not—or should not—terminate the friendship or dissolve those daily associations. There may be honest differences of opinion, but that is no valid ground for questioning the integrity, sincerity, honesty, or patriotism of those with whom we do not agree. We are too prone to do this. I protest against it. I appeal to history, to your own sense of justice, and to your patriotism, to be more just and more fair to others.

We denounce communism and anarchy, and rightly so. Yet we often unwittingly encourage and seem to justify those dangerous doctrines by the language we use toward—and the attitude we attribute to—men in high position. I have heard language in the United States Senate toward men in high office that I believe to be wholly unjustified; and if that sort of language is justified, then our Government is in danger. Fortunately, we are less intemperate along these lines than in the past and this, I think, is very encouraging. It ought to be interesting and instructive to learn how we have acted along these lines in the past and hear the length to which we have gone in expressing our difference in opinion by an attack on character. It may be encouraging to men now in high positions dealing with the most intricate and difficult problems of government, and who are earnestly striving to do the best possible for the welfare of our people, but who are severely criticized in their personal characters, their motives and their honesty impugned, to recall the facts showing that the great men in our history who, in their own day, were most severely denounced, are to-day the most idolized.

The immortal Washington lives in the hearts of our people as the Father of his Country, and the first American. Listen to what was said about him:

A newspaper owned by the grandson of Benjamin Franklin said:

"If ever a nation was debauched by a man the American Nation has been debauched by Washington. If ever a nation was deceived by a man the American Nation has been deceived by Washington."

Again he said:

"I could drop a tear over the fallen state of my country, which through the influence of one man (Washington) has been driven to the precipice of destruction. Alas that a man whose cup of glory and fame was full should suffer himself to be deluded by a false ambition, and in rebelling against his own profession, should fall, never to rise again!"

Washington was even accused by antagonistic newspapers of having overdrawn his salary at the Treasury; this charge was clearly disproved, but notwithstanding this proof one newspaper made the following editorial comment:

"General Washington went to the Treasury; some future President may go to the bank—the one step will not be one jot worse than the other."

Another paper referred to Washington as a—

"Faithless, unprincipled, and aristocratic moderatist, who would offer up the sacred obligations of our country on the altar of treachery and dishonor."

A New York paper said, upon his retirement:

"Now should the people rejoice exceedingly and let their hearts be glad, for now is the source of all misfortune brought down to the level of his fellow men. Now will political iniquity cease to be legalized by a name. * * * After bringing the country to the very brink of ruin, Washington has fled from the gathering storm. Having ran the ship between the rocks and shoals, he has abandoned the helm and left the vessel to her fate. * * * History will be puzzled to know whether Washington betrayed his character or ever had any to betray."

To sum it all up, Washington was termed "An American Cæsar—a deceiver—a debaucher of the Nation—faithless—false—unprincipled—corrupt—a traitor."

James Madison was referred to by a New York newspaper as "the little poltroon in the President's mansion."

Thomas Jefferson, not only a great President, but the patron saint of the Democratic Party, was referred to as follows:

"There is not enough spirit in a hundred such men as Mr. Jefferson to load, much less fire, one pocket pistol."

And again it was said of him:

"In the struggle between Jefferson and Burr for the Presidency, in the last resort the success of the former was only obtained by the most direct and scandalous bribery and corruption."

Andrew Jackson is classed as one of our great Presidents. According to one historian, he "was held up before the conservative and timid as rash, dangerous, destructive."

Again, it was said:

"He is a mixture of the demagogue and the despot, of depravity, desperation, malice, and vengeance partially smothered."

An orator said of him:

"The President's conduct has been lawless; he and his other Goths have set up an elective monarchy."

An attempt was made to assassinate Jackson, and one paper laid his attack to references to Jackson as "a Caesar who ought to have a Brutus, as a Cromwell, a Nero, a Tiberius."

No man is more revered to-day than Abraham Lincoln, and yet no man in our history has been more severely denounced. A New York paper said of him:

"Mr. Lincoln has proved himself a faithful tool of lawlessness. Step by step he has gone on in treason. Popular submission to his crimes but gives him, in the commission of the next, greater audacity."

Another paper said:

"The saddest day that ever dawned upon this country was that on which Abraham Lincoln was elected President; and the great mass of the people look forward with dismay to a possible repetition of that day's work."

The same paper also said of him:

"Mr. Lincoln is doomed. Nothing can save him and the country at the same time. The two can not coexist. One must be abandoned."

This statement was made on the floor of the Senate of the United States regarding Lincoln:

"Thus it has been with Mr. Lincoln—a weak and imbecile man; the weakest man I ever knew in a high place. * * * If I wanted to paint a despot, a man perfectly regardless of every constitutional right of the people, whose sworn servant, not ruler, he is, I would paint the hideous form of Abraham Lincoln."

Again was it said:

"In two years and two days more Abraham Lincoln will go out of office, and I have no doubt the whole country, except thieves, plunderers, officeholders, and the tools of power will rejoice when that day shall arrive."

Again it was said of Lincoln—and by a man of high position:

"We want to try Lincoln as Charles the First of England was tried; and if found guilty, will carry out the law."

Another said:

"You might search hell over and find none worse than Abraham Lincoln."

Another said (and all these men are from Northern States):

"The American people are ruled by felons. With all his vast armies, Lincoln has failed, failed, failed. And still the monster usurper wants more victims for his slaughter pens. I blush that such a felon should occupy the highest gift of the people. Perjury and larceny are written all over him. * * * Blood has flowed in torrents, and yet the thirst of the old monster is not quenched. His cry is ever for more blood."

Thus a man whom the country idolizes to-day as a man who sympathized with the hopes and aspirations of the lowliest of our people was called "weak—unfit—an imbecile—criminal—the tool of lawlessness—a perjured wretch—a felon—and a traitor."

To-day history points to Grover Cleveland as another of our great Presidents, and yet a great newspaper said of him:

"Mr. Cleveland has come to be an amazing incapacity, intellectually unable to comprehend the duties and responsibilities of his place."

Another great newspaper said:

"His personal character flouts morality and defies religion. It is proved by his own friends that he is a moral leper."

Another great newspaper said of him:

"He is a dull, heavy creature, a hangman, a self-confessed libertine, a political accident, a friend of monopolists and an enemy of workingmen."

To-day, as I have said, he is considered one of our great Presidents, and his administration is often referred to in most glowing terms.

Coming closer to our own immediate times, a New York paper referred to President Wilson as a

"Politician who has quit principle after principle, and promise after promise, and policy after policy, with the time-serving shiftiness of a well-oiled weathercock."

Another great paper said of him:

"He has run true to form as a breaker of faith and a dodger of contracts."

And in another great publication we find:

"Talk about egomania! What is fermenting in that mind of boundless conceit, ugly arrogance and limitless ambition?"

Again it was said:

"For the gratification of his insatiable ambition and overweening egotism he would first sacrifice the vital interests and integrity of his own country, and then would menace with defeat the peace-making efforts and desires of all the world. Was there ever a more execrable exhibition of moral treason to the Nation and to humanity?"

And yet President Wilson is revered by our people to-day, regardless of politics, as one of our great Presidents and a man who devoted his life, and was willing to sacrifice it, to world peace!

The people ought to resent the aspersions hurled at the men they have entrusted with their confidence unless it is clearly proven that they purposely abused the trust reposed in them. Party fealty should not lead to groundless personal attacks. No proposition is so important as to justify unfounded innuendoes against any opponent's character.

There can be no excuse or justification for personal assaults upon the character of the President of the United States, no matter how much we may differ from him in our views. I grant you that our statesmen are partisans—they may be Republicans, Democrats, or neither; that our leading newspapers may be partisans along political, industrial, economic, or some other lines; I will further grant that our professional writers and political observers may with propriety and perfect honesty express partisan views, according to their own beliefs or those of their publishers. Granting all this, they are, or should be, patriotic Americans; and as such they must recognize that our political system is a partisan system—that there are honest differences of political thought and opinion represented chiefly by the two major political parties. It is equally true that more than one economic plan is ably and honestly urged as that which will ultimately prove to offer the greatest good to the greatest number. So any man may exercise his honest and sincere judgment in selecting a political faith or economic policy without stripping himself of his good name or destroying his own personal character. Why can it not be recognized that these differences are honest differences, that the exponents of either school of thought are equally honorable, that to differ with reference to them has no bearing on the personal attributes of a partisan on either side? To assail the personal character of a political opponent is unjustified; nay, it is worse; it is uncalled for, unpardonable, dangerous.

If our leaders with impunity and without prudence may assail the private character of one who is honestly of a different political faith or economic school, what is their responsibility if some poor, misguided, overemotional, and easily led fanatic should decide to emulate a Booth, a Guiteau, a Czolgosz? Is the character assassin who works with deliberation any less guilty than that other—it's an ugly word—murderer? I leave the answer to the good judgment of my hearers.

Harsh criticism, personal slurs, and insinuations have been hurled at President Hoover on the floor of the United States Senate, in the public press, and from the public platform. He has borne them without complaint, conscious of his own honest intentions. No President since the Civil War has been confronted during his term with more complex and difficult problems. He has faced them earnestly, uncomplainingly, and bravely, just as Lincoln faced his problems. With courage unsurpassed on the battlefield, with no regard for personal comfort and safety, he has devoted his time and strength to finding a wise solution of the problems confronting the Nation and its people. In the face of bitter and unjust criticism, despite the slurs and innuendoes against his ability and devotion to his country, regardless of the base attacks on his Americanism, he has steadfastly gone on seeking the people's welfare.

Our interest and welfare are his highest aim. He will make any personal sacrifice for the people's good. He is a partisan, as all Americans are partisans; but first he is a patriot, as all good Americans are patriots. The problems he has had to face have been the people's problems, and he has dealt with them as a patriot. His plan for their solution may or may not be in accord with that of somebody else, but the responsibility for having a plan and presenting it to Congress and to the country is his responsibility. He is not shirking that responsibility but has given, and continues to give, these problems the best and most sincere study which any man can give them—honestly and fearlessly he offers what his judgment indicates to be the best solution. Wherein does a difference of opinion on that solution constitute the right to make a personal attack on his character, ability, or patriotism? Let no man besmirch the good name of another as a political expedient. Neither party is worth it.

Just as Washington prevailed over those who called him vile names; just as Jefferson, Jackson, Lincoln, and the others whom I have named kept steadfastly on toward the right as they saw it, with the fineness of their personal characters unhurt by the slanders of their contemporary detractors, so now the President applies his energy, not to any refutation of these personal attacks but solely to the problems of state before him, problems of an enormity such as no other peace-time President has had to face. Let us be thankful that neither the slanderer nor the detractor has undermined his faith in America and Americans, nor deviated him from the path of duty as he sees it in the light of his own experience and the counsel of his advisers. And in spite of the attacks—in spite of the stupendous problems before him—his personality remains the same. He has not forgotten his own boyhood struggles with poverty, and is ready and glad to give a helping hand to every poor struggling boy. He has the tenderness of a woman and the modesty of a child. He does not ask men's applause but seeks their good at any personal sacrifice to himself.

When our people return again to a high plane of prosperity, as they will; when the future historians write of these troublous times and the unselfish leadership of those who conducted us through them; when his calumiators and detractors are forgotton, Herbert Hoover will have his place among the wisest, ablest, most courageous, and patriotic of our Presidents.

RADIO BROADCASTING IN EUROPE

Mr. DILL. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Armstrong Perry entitled "Radiobroadcasting in Europe." This article was prepared for publication by the National Committee on Education by Radio of the Interior Department.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RADIOBROADCASTING IN EUROPE—HOW IT IS CONTROLLED AND FINANCED

The National Committee on Education by Radio sent Armstrong Perry, director of its service bureau, to Europe in August, 1931. He was instructed to obtain from officials of each country information concerning radiobroadcasting.

The United States Department of State gave Mr. Perry a letter of introduction addressed to the diplomatic and consular officers of the United States of America. The United States Commissioner of Education gave him a letter of introduction addressed to educational officials in Europe. In each of the 35 countries visited, Mr. Perry called first at the American consulate, unless the consulate had previously made arrangements which rendered a call unnecessary. The consulates arranged for his interviews with radio officials and officials of public education. Usually a member of the staff of the consulate accompanied him and was present during the interviews.

Mr. Perry prepared a report concerning each country and submitted these reports to the consulates which had arranged for his interviews. At his request the consulates submitted the reports to the persons interviewed except in one case in which the consulate suggested that the reports be sent directly to the persons interviewed. Such changes as were suggested by the consulates or by persons interviewed were made.

The report of Mr. Perry's investigation follows:

In a nutshell

Number of countries having stations	29
Number of countries having no stations	7
Number in which the governments own and operate all stations and provide programs	7
Number in which the governments own and operate some of the stations and provide programs on these	2
Number in which governments own and operate stations but have programs provided by program companies	3
Number in which governments own the stations and grant operating concessions to private companies	1
Number in which governments grant concessions to companies which build and operate stations and provide programs	17
Number in which governments own stock in operating or program companies	4
Number in which broadcasting is supported entirely by license fees from listeners	10
Number in which voluntary contributions are the only source of revenue	2
Number in which government appropriations are the only source of revenue	2
Number in which advertising is the only source of revenue [1]	1
Number in which license fees and other taxes support broadcasting	1
Number in which license fees and voluntary contributions support broadcasting	1
Number in which license fees and advertising support broadcasting [2]	7
Number in which license fees, other taxes, and advertising support broadcasting [2]	4
Number in which license fees, voluntary contributions, and advertising support broadcasting	1

An important source of revenue in some countries is the sale of program magazines.

Albania: No broadcasting station in operation.

Andorra: No broadcasting station in operation.

Austria: Broadcasting stations are operated by Ravag, a corporation, under a 30-year contract with the Government. A license fee of 2 schillings (about 30 cents) per month is charged for each radio receiver. Number of receivers paying fee in 1930, 423,534. Government retained 10 per cent of license fees (about $152,472.24)

[1] Luxemburg. The station is expected to open April 1, 1932.

[2] The amount of revenue from advertising is negligible.

plus 12 per cent dividends on capital stock of Ravag, of which a large part is owned by the Government, plus 50 per cent of that portion of the net profits which remains after payment of 8 per cent dividend. Ravag received 90 per cent of the license fees, about $1,372,250.16. No advertising broadcast. Licensed sets increased 12 per cent in 1930. Further increase of 15,788 receivers (3.77 per cent) reported January 1 to July 1, 1931.

Belgium: New law in effect June, 1930, created the Belgian National Institute of Broadcasting, composed of one representative of the Government and nine representatives of civic, education, and religious organizations, so chosen as to insure unofficial representation of all political parties. The institute began broadcasting in February, 1931. Set owners pay license fee of 60 francs (about $2.40) yearly. Number of licensed sets in 1930, 81,150.

Government retained 10 per cent of license fees, 486,900 francs (about $13,633.20). Institute received 90 per cent (about $122,698.80), plus the proceeds of a 6 per cent tax on all imported vacuum tubes. Advertising is prohibited. The two major stations are operated by the institute. One college station and 10 small local stations are operated by their respective managements, but are not permitted to sell time for advertising. Licensed sets reported in July, 1931, 69,437.

Bulgaria: Only broadcasting station is operated by Rodno Radio, a private organization of listeners, under temporary permission from Government. There are about 6,000 members. Each pays 500 levras (about $3.58) per year. Programs controlled by a commission of educators appointed by the Government. Government collects a license fee of 500 levras from each set owner (3,024 in 1930) and retains all of it. Revenue from this source about $10,825.92.

Czechoslovakia: Broadcasting stations owned by the Government. Operated by Radio Journal, a corporation in which the Government owns 51 per cent of the capital stock. Radio Journal has no contract with the Government and no assurance of continuation of privileges. The Government pays some of the operating engineers. Radio Journal pays the research engineers. Government collects license fee of 120 crowns (about $3.60) annually on receiving sets. Licensed sets in 1930, 315,241. Total license fees about $1,134,867.60. Government retained 50 per cent (about $567,433.80).

Radio Journal received the same amount. Sets reported as 325,000 in July, 1931. Advertising prohibited as "impossible and undesirable." American radio receivers and others imported into the country are subject to royalties, which must be paid to the Telefunken Co.

Danzig: Only broadcasting station is owned and operated by the Government. A license fee of 2½ gulden (about 50 cents) monthly is collected from each of 20,000 set owners. Total revenue, $120,000 per year. Balance after paying expenses, 10 per cent (about $12,000). Total time used for advertising, about five minutes daily. The listeners complain about this and it is believed that no more would be tolerated. Number of receiving sets reported as 16,000, July, 1931. The Danzig station has connection with all German stations and those of central Europe through the Konigsberg station.

Denmark: Government owns and operates stations. Advertising prohibited. News broadcasting handled by Pressens Radio, an organization representing the newspapers and financed by the Government. In 1922 listeners sent in voluntary contributions amounting to $15,000 to finance programs. Government operation started 1925. Number of licensed sets in 1930, 420,000; 1931, 450,000 (13 per cent of the population, highest percentage in Europe). Set owners pay 10 kronen (about $2.67) yearly. Income from this source, about $1,000,000 yearly. Operating expense is from about $667,500 to about $801,000 yearly. Law prohibits use of license fees for purposes other than broadcasting, so balance is used for improvement of plant and programs.

Estonia: Broadcasting station operated by Raadio Ringhaaling Co. under permission from the Government. Government collects license fees for receivers, $4 to $10 per year. Number of receivers April 1, 1931, 13,266. Income above $60,000 per year. Government retains 15 per cent (more than $9,000). The balance (over $51,000) goes to Raadio Ringhaaling Co., but Government taxes reduce this to $30,600 up to $35,700. The company paid a dividend to stockholders in 1928 and since that time has added 10 to 12 per cent of its gross income to its reserve. Number of receivers reported in July, 1931, 15,869. Advertising occupies about 20 minutes per day. The income from advertising is too small to affect the policies of the company.

Finland: Government owns and operates all but two stations and will take over these two. Programs are produced by Osakeyhtio Suomen Yleisradio, a national organization whose capital stock is owned by universities and other educational and civic organizations, including cooperative societies (which include in their membership about 35 per cent of the population). The managing board of the company is composed of 4 representatives of the Government and 15 representatives of the stockholders. The executive committee of the board is composed of 5 members elected by the board. Said committee, representing the 63 educational and civic shareholding groups, and enlarged by 2 members representing the Government, forms together the program committee, which partly arranges, but mainly only controls, the details of current programs. These contain no advertising. The Government taxes receivers 100 marks (about $2.50) yearly. There were 106,559 licensed receivers in 1930 and the income was about $266,397.50. The Government retained about 50 per cent to pay operating expenses and paid the balance to the program organization. This organization pays 7 per cent dividends, which are limited to 1 per cent above the discount rate of the state bank. There is a possibility that the Government will take over the program organization. Political propaganda is excluded. Also care is taken to prevent any political party from gaining a preponderance of power in the board.

France: The Government operates some stations and others are operated by commercial companies. Advertising is limited to short announcements because the listeners do not want advertising. The Government charges a license fee of 10 francs (about 39 cents) yearly for receivers. The number of receivers is reported by a commercial broadcasting company as 2,000,000, but this appears to be an estimate.

Germany: The German Reichspost (mail service) is the central office for all legally sanctioned activities in the field of radio. The Government controls Reichs Rundfunk Gesellschaft, which is a central organization representing nine broadcasting companies. The Reichs Rundfunk Gesellschaft has a majority vote in the nine companies. Another organization, Deutsche Welle, receiving income from the operating companies, provides national educational programs. A license fee of 24 marks (about $5.63) yearly is collected from owners of receivers. Number of receivers in 1930, 3,509,509. Revenue from fees, about $19,758,535.67. The Government retained 40 per cent (about $7,903,414.26) and paid 60 per cent (about $11,855,121.40) to the operating companies. The companies are permitted to make profits up to 10 per cent. Number of receivers reported July, 1931, 3,241,725. Advertising is broadcast about 10 minutes daily from each station. Revenue from advertising goes to the Government. Listeners object to the advertising, and an effort is being made to reduce the time.

Great Britain: Stations operated by British Broadcasting Corporation, which is chartered by the Government. This corporation succeeded the British Broadcasting Company, dissolved because it was under control of the radio industry. Because of this control it came to be felt there was no guaranty against exploitation of listeners. The Postmaster General is the agent of liaison between the corporation, the Crown, and Parliament. He has the right to issue licenses for the construction and operation of broadcasting stations, to issue such general orders and particular instructions as he considers useful, to demand such proof as he desires of the execution of his instructions, to examine the accounts and annual reports of the corporation, and to authorize or forbid the liquidation of the corporation.

The mention of the producers of a phonograph record that is broadcast, or of a sponsor of a program, is permitted, but nothing else in the nature of advertising.

The Government charges a license fee of 10 shillings (about $2.43) yearly for receivers. The number of receivers (1931) was nearly 4,000,000. The income from license fees was well over $7,000,000. The Government retained 12½ per cent of this amount (about $875,000). The national treasury department took approximately 25 per cent (about $1,750,000). Total revenue for the Government, about $2,625,000. To help the Government in the financial depression of 1931 the corporation voluntarily offered to pay $1,000,000 into the treasury out of the balance put aside for future development.

Greece: No broadcasting station at present. A concession has been granted to Durham & Co. (Inc.), of Philadelphia, Pa. The Government retains full control of its radio channels. A license fee will be collected from set owners by the Government, which will give the company money to finance its operations in Greece. Brief advertising announcements will be permitted between programs. Number of receivers at present about 3,000.

Hungary: The Government erects, operates, and maintains the broadcasting stations. The programs are provided by Magyar Telefonhirmondo es Radio, a corporation. A tax of 2.40 pengos (about 40 cents) per month is collected from owners of radio receivers. Additional amounts are collected from hotels and other concerns using one master receiver to serve numbers of patrons. The Government retains one-half the tax and gives the balance to the program company. There were 307,909 licensed receivers in 1930. Revenue to the Government about $1,477,963.20. Same amount to the program company. The company's share will be reduced and that of the Government correspondingly increased if the number of set owners increases beyond a certain stipulated total. Advertising by radio is prohibited as contrary to the best interests of the Government, the company, and the listeners. Program plans are submitted in advance for the approval of the Government, and certain hours are reserved for use by the Government. Hungary began broadcasting music and news over telephone lines to homes in 1896, and is believed to have had a longer experience with program service than any other country.

Irish Free State: The Government owns and operates the broadcasting stations. They are financed by a license fee of 10 shillings per year (about $1.70) plus an ad valorem duty of about 33⅓ per cent on imported radio apparatus. Number of licensed sets (1930), 26,000. Revenue to the Government, about $44,200. Advertising time is sold to reputable concerns selling Irish products or foreign products not competing with Irish products, but the demand for time is small.

Italy: The broadcasting stations are erected and operated by Ente Italiano per le Audizione Radiofoniche. Program plans are submitted in advance to a commission appointed by the Government. The commission comprises representatives of the musical, scientific, artistic, and civic interests of the nation.

The Government collects annual license fees of 72 lire (about $3.60) yearly on radio receivers. Number of receivers (1930), 170,000. Income from this source, about $612,000. The Government also collects duties on imported radio receivers and compulsory con-

tributions from all town and city governments in place of more than 1,000 population and from hotels and other places of public entertainment. Advertising announcements are permitted during the daytime but not in the evening. The demand for advertising time is small, because listeners object to advertising. The Government retains about 4 per cent of the license fees and 10 per cent of the contributions. Profits of Ente Italiano per le Audizione Radiofoniche are not limited by law, but the demands of the Government for the development of facilities and programs tend to limit the profits.

Latvia: The Government owns and operates the only broadcasting station. A license fee of 2 lats (about 40 cents) per month is collected from owners of radio receivers during the winter and 1 lat (about 20 cents) per month in the summer. Number of receivers (1930), 38,740. Revenue to the Government, about $162,708.

The League of Nations: The League of Nations has made a contract with Radio Suisse, a communications company, for the use of a short-wave station at Geneva, Switzerland. Addresses and news of the league will be broadcast to all parts of the world, by radiotelegraphy at first, but later, possibly, by radiotelephony. The broadcasting will be financed at first by handling commercial point-to-point communications.

Liechtenstein: No broadcasting station. The Government has a contract with the Government of Switzerland under which the radio laws of Switzerland, among others, apply to Liechtenstein. Owners of radio receivers pay a license fee of 15 francs yearly (about $2.92) to Switzerland.

Lithuania: The Government owns and operates the only broadcasting station. The broadcasting of programs is under the supervision of the Ministry of Education. Owners of crystal radio receivers pay two lits (about 20 cents) per month if they live in cities and one lit (about 10 cents) per month if they live in rural areas. Owners of tube receivers pay license fees of five lits (about 50 cents) per month if they live in cities and three lits (about 30 cents) per month if they live in rural areas. Revenue to the Government in 1930, about $32,860. Of this 90 per cent went to the Ministry of Education and covered between 60 per cent and 65 per cent of the broadcasting expense. The balance was paid by the Government. Advertising is broadcast from 2 to 5 minutes 2 or 3 days a week. Advertisers pay 15 lits (about $1.50) per minute. Income from advertising about $600.

Luxemburg: The Government has given a concession to Compagnie Luxembourgeoise de Hadiodiffusion, a commercial company which is erecting a 200,000-watt broadcasting station. It will derive its revenue from advertising. An official of the company stated that it was associated with an international trust which includes in its membership the dominant American and European radio corporations. He stated also that when the powerful station of his company began broadcasting it would be difficult for many weaker stations in other countries to continue. The contract calls for the appointment by the Government of two commissions to control the operations and programs of the company. Of the net profits, 5 per cent will be set aside for the obligatory legal reserve; then 6 per cent of the balance for dividends to stockholders; then 15 per cent of the balance may be taken for gratuities for the board of directors. The Government will receive 30 per cent of what remains of the net profits.

Monaco: No broadcasting station. A small license fee is collected from owners of radio receivers, but they are few in number and the income is inconsiderable.

The Netherlands: The two stations, by consent of the Government, are operated by two broadcasting organizations, which represent civic, educational, and religious interests. Two other major and seven minor organizations are given time on these stations. Advertising has been prohibited by law since 1928, although it paid 70 per cent net profit to the broadcasting organizations until it was prohibited. No license fees are collected from owners of radio receivers. Broadcasting is dependent entirely on voluntary contributions from listeners. Listeners increased rapidly after advertising was prohibited. One organization with 132,000 regular contributors accumulated a surplus of $600,000 in two years. Another has 125,000 regular volunteer contributors who send in an average of 4 florins (about $1.60) yearly and has accumulated a large surplus. The four major organizations received contributions amounting to about $800,000 in 1931, according to a reliable estimate.

Norway: Broadcasting is mainly in the hands of one private company, Kringkastingsalskapet, A. S. The Government collects license fees of 20 krone (about $5.34) yearly from owners of receivers and retains 25 per cent. Also a sales tax of 10 per cent on the retail prices of receivers is collected. The broadcasting companies receive 75 per cent of the license fees and all of the tax. The total amount is divided among the companies according to the number of licensed receivers in their respective territories. Out of this income the salaries of the Government employees who have charge of the technical operation of the station, are paid, as are all other broadcasting expenses. Number of receiving sets (September, 1931) about 100,000. Income from license fees, about $534,000. The profits of the company are limited by law to 7 per cent. On account of technical difficulties which prevent complete coverage of the mountainous country, the number of set owners is not sufficient to provide that percentage of profit at present. The Oslo Broadcasting Co., whose total income for 1930 was about $516,360, received $18,760 from advertising, which is confined to a short period at about 7 p. m. and not connected with other programs. Because of complaints from listeners the limitation on advertising is expected to continue.

Poland: The Government owns 40 per cent of the stock of the operating company, Polskie Radjo, S. A. This stock is in a class by itself, the other classes of stock being preferred and common. No stock can be sold or transferred without the consent of the board of directors. A monthly license fee of 3 zlotys (about 35 cents) is collected from owners of radio receivers. The Government retains 15 per cent, and Polskie Radjo receives 85 per cent, under a 20-year contract. Number of receivers (1930) 246,000. Income from license fees, about $1,033,200. Each of the six stations in Poland sells 20 minutes a day to advertisers, but the revenue from this source is too small to affect the general policies of the company. There was no intention (August, 1931) of increasing advertising time. Polskie Radjo pays 15 per cent dividends on preferred stock and 10 per cent on common. An advisory committee to develop programs consists of five representatives of the Government and four of the company.

Portugal: Provisional licenses for the erection and operation of broadcasting stations are issued to reputable persons or concerns. The broadcasting of advertising is prohibited. No license fees are collected from owners of receivers. Stations are operated mainly by radio dealers and experimenters. The Government has appropriated $200,000 for a Government broadcasting station of 20 kilowatts or more.

Rumania: Broadcasting is done by the Société de Diffusion Radiotéléphonique de Roumanie. This is a joint stock company with $300,000 capital. Sixty per cent of the stock belongs to the Government and 40 per cent to banks, which subscribed $12,000 when the company was organized. An annual license fee of about $4.80 is collected on tube sets and about $1.40 on crystal sets. There were 51,199 licensed sets in 1930. The number in November, 1931, was estimated at 75,000. Radio shops pay a tax of $6 yearly; clubs, $12; motion-picture theaters, $18; public establishments, $30. Broadcasting was subsidized by the Government to the amount of $30,000 in 1929, but in 1930 the stock of the broadcasting company paid a 10 per cent dividend. The erection of two regional stations depends on the attitude of the American company which has the telephone monopoly in Rumania.

Russia: Broadcasting is operated as an instrument of special utility in fixing the attention of the masses on the fundamental questions of the socialist construction, in industry as well as in the socialistic sector of rural economy. The Commissariat of Posts and Telegraphs was charged to furnish all the republics, countries, and regions in the Soviet Union, and also the principal autonomous republics and regions, with broadcasting stations during 1931 and 1932. The Supreme Council of the National Economy was charged to erect, in 1932, three stations of 100 kilowatts power and eight stations of 10 kilowatts. The Commissariat of Posts and Telegraphs was charged to construct six stations of 10 kilowatts, and to begin, in 1932, a Radio House (headquarters) to be finished in 1933. In 1932 a factory is to be built for the production of radio receivers at the annual rate of 1,000,000. Factories for the production of tubes and other accessories are also provided for. Loud-speakers are to be produced at the annual rate of 4,000,000 in a factory to be finished in 1932. Programs will be transmitted by wire lines and radio to all parts of the country, and reception will be assured by the production of receivers to meet the conditions in lumber camps, mines, hunters' cabins, fishing boats, farming districts, villages, towns, and cities, and on the highways. All suitable wave lengths will be organized and employed. Russia already has many broadcasting stations. Programs are broadcast in many languages, and are heard throughout Europe and on other continents.

The Saar: No broadcasting stations or plans.

San Marino: No broadcasting station, few receivers, no radio laws, and no license fees. Programs from all parts of Europe are heard.

Spain: The privilege of erecting and operating broadcasting stations is granted free of charge to acceptable persons and organizations. A license fee of 5 pesetas (about 50 cents) yearly is collected from owners of radio receivers. The Government retains all of this, and gives general supervision to the programs to see that information and education are given a proper proportion of the time and that no laws are violated. The only company operating on a large national scale is Union-Radio, which owns and operates six stations and operates a seventh station which is rented from the Government for certain hours. Advertising is permitted. Listeners are invited to contribute toward the expense of programs. About 15,000 listeners in Madrid give from 10 cents to 50 cents monthly. The Government may take over all broadcasting or place a monopoly in the hands of a radio organization.

Sweden: The Government owns and operates the major stations. Only a few low-power local stations are in private hands. A license fee of 10 krona (about $2.70) yearly is collected from owners of radio receivers. Number of receivers (1930), 482,300. Revenue from licenses, about $1,302,210. The production of programs is placed in the hands of a private company, Aktiobolaget Radiojanst. This company receives one-third of the license fees, and is permitted to take from this a profit of 6 per cent. Any balance remaining after program expense and profits are paid is used for improvement of plant and programs, or returned to the Government. The private local stations receive a percentage of the license fees collected in their respective areas and are permitted to broadcast the national programs. Representatives appointed by the Government in the Ministries of Education and Commerce serve as advisers to the broadcasting companies with a view to maintaining satisfactory standards for programs. Advertising and political propaganda are excluded from radio programs.

Switzerland: The Government reorganized its broadcasting system in 1931. The private companies which had operated the seven broadcasting stations in the country were brought into one national organization, called the Swiss Radio Corporation. The number of transmitting stations was reduced to two, which were connected with all the local broadcasting studios. A third station will be erected. Advertising is prohibited.

The Swiss Radio Corporation is not a business concern but a program organization. The Swiss Government has five representatives in the corporation. Each of the local program organizations is represented. A license fee of 15 francs (about $3) yearly is collected from owners of radio receivers. Number of licensed receivers (October, 1931), 127,000, an increase of over 25 per cent from the preceding January. Revenue from this source, about $381,000. The Swiss Radio Corporation receives 80 per cent of the license fees. The Government retains the balance. Three private companies have been granted concessions from the Government for distributing radio programs over private-wire circuits to listeners.

Turkey: The two broadcasting stations in Turkey are operated by Telsiz Telefon T. A. S., a corporation which has a concession from the Government extending to 1937. Radio is used only to a negligible extent for advertising. The Government collects $2 per kilogram on imported radio apparatus plus 10 per cent ad valorem, plus 25 per cent ad valorem. The latter percentage goes to the broadcasting company. Users of radio receivers pay an annual license fee of about $1.50. The number of licensed receivers (October, 1931) was about 2,500. The broadcasting company is capitalized at about $50,000. Much of the stock is in control of a bank in which the Government has an active interest. The company's office is in the post office at Istanbul and its relations with the Government are close. Broadcast advertising occupies only a negligible part of the time.

Vatican City: The Government has a short-wave radio station, which includes apparatus for the transmission of still pictures. The station is used mainly for point-to-point radiotelegraphic communications of the church, but programs are broadcast twice daily on week days and once on Sundays. Efforts to induce the Pope to authorize a regular program service, relayed to America through American chains, have failed. Broadcasting of advertising is not permitted.

Yugoslavia: The Government has given concessions to two broadcasting companies and one society. Each operates one station and serves principally one section of the country. The law permits the Government to control the programs and to take over the stations at any time. A license fee of 25 dinars (about 50 cents) monthly is collected from owners of radio receivers. Number of receivers (1931), 42,478. Revenue from licenses, about $254,868. Each of the three broadcasting organizations receives from 65 per cent to 85 per cent of the license fees collected in its service area. The balance is retained by the Government. Advertising is permitted, but the listeners object to it so much that it is limited to a few brief announcements. The leading company is considering eliminating all advertising. The Government permits the broadcasting organizations to make profits up to 20 per cent. Anything over that is to go to the Government. No profits were made up to 1931, but the increase of receiving sets indicates that there may be profits later.

USE AND ISSUANCE OF MONEY—ARTICLE BY M. F. PEARSON

Mr. JONES. Mr. President, I have here an article by Mowbray French Pearson, of Spokane, Wash., touching the subject of the use and issuance of money for public works, which I ask unanimous consent may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONEY

By Mowbray French Pearson

President Hoover recently delivered a message to Congress urging reduced expenditures. We have to relieve unemployment and distress. There may be some question about appropriations for public work. This paper is written particularly to show a method of issuing money in payment for public work. We have been helping the farmers through the Farm Board. Another way of doing so is shown. There has long been a desire to stabilize the dollar. A method of doing that is shown. Congress is faced with the reparations problem. My impression is this country refuses to allow goods to come in because that may take business away from our own people. We insist on gold payment. If the plan given in Men or Money were put into effect we could take goods from Europe and our own people would still have plenty to do. I will show a new basis for issuing money different and better than any now in use.

The question of money has come down to us from antiquity. The more complex civilization becomes, the more acute becomes the problem. At least four world conferences have been held to improve money without result. At present we have in the United States the following kinds of money:

1. Coin, actual value equal to face value.
2. Paper currency convertible into metal.
3. Paper currency convertible into other money.
4. Coins the face value of which is greater than metallic value but receivable at face value.
5. Paper money and bank notes secured by partial reserves and right of convertibility.
6. Token coins.
7. Paper money, not convertible, but value depends upon the relation of quantity to demand.

We are just passing through a world-wide depression and it is imperative that some solution be found to relieve this condition, and if possible prevent its recurrence.

This paper will show that all wealth (money) is the result of time-energy and that therefore money should be issued on a basis of time-energy.

What is money? Webster's New International Dictionary edition of 1928 gives this definition. "Metal, as gold, silver, copper and issued by a recognized authority as a medium of exchange—and paper currency—in a comprehensive sense anything used as a medium of exchange, sheep, wampum, gold dust, shovel blades, tobacco." I will now give what I think should be the definition of money. "Gold, silver, or other metal coined, or paper money issued, by a recognized authority, as a token to represent time-energy. The article produced by time-energy must be in the possession or under the control of the authority and the money issued must be called in when the article passes from said control, except gold or other metal which is itself the product of time-energy." The security must be of good value.

In the earliest historic times trading was by barter but gold and silver were among the most desired articles. They were found to have the most stable value in all countries and were the easiest transported so finally became the commonest medium of exchange. The present use of gold is therefore because of antiquity and the fact that it had value without the stamp of recognized authority.

It has not an absolute value. True, $1 always contains 25.8 grains of gold 9-10th fine but its cost of production is not uniform. On the Nome beach a man with a rocker, shovel, and gold pan could secure $100 a day or more by his individual effort. A prospector might look for gold a year and not earn his grubstake. Neither has gold (or silver) an absolute buying power. The amount one can buy with a dollar varies tremendously, so although wages may remain the same in dollars they actually may be half or double.

The United States is on a gold basis so let us consider gold as money. Where does gold come from? It is the time-energy of a miner. That is the original source of gold. Sheep are money. Where do they come from? Time-energy of a farmer. He spent his time and work looking after them and raising their feed. Every article of wealth has its original basis in time-energy. Gold is time-energy, wheat is time-energy, sheep are time-energy. If the same amount of effort is put into each they would be worth the same amount. Gold is a commodity the same as sheep or wheat. It can be put in the cash drawer; they can not. The original source of each is time-energy, so let a recognized authority issue a token for time-energy and see that back of that token is a product of value.

Congress should pass a law establishing the amount of time-energy equal to a gold dollar. It should then issue paper money on the same basis of time-energy, and the paper dollar would be worth the same as the gold dollar. It would have the same original value back of it.

Miner plus time-energy produces gold. Government issues gold certificate.	Farmer plus time-energy produces wheat. Government issued time-energy certificate.

They are both equal to the same thing, so equal to each other.

Some may immediately say this is flat money, but such is not the case. Fiat money is issued with no value back of it, but this money has value back of it.

Since I have shown that time-energy is the basis of value, men can be employed on public work that has a permanent value and be paid in money. Take the proposed dam across the Columbia River which is to water the Columbia Basin project and furnish power for the Northwest. It will have a permanent value. Instead of issuing bonds for its construction, issue money for its construction. Retire, say, 1 per cent or 2 per cent a year for depreciation, and if the money is wisely spent there is a better value back of the money than there would be if the same value in gold were lying uselessly in the vaults at Washington. The dam would be of use to the people; the gold is of no use.

Public roads, aviation fields, public buildings—anything of a permanent nature belonging to the public—could be paid for in money, with enough money redeemed each year to take care of the depreciation.

That would mean financing public work during any depression without bonds or increased taxation, and it would be done on a sound basis.

Money could also be issued against wheat. Wheat is the product of time-energy. As long as it is in the possession of the farmer, he owns the wealth. If he puts it into a public bonded warehouse, the Government could issue time-energy money against his warehouse receipt up to a reasonable per cent of its value. If the price went down, the farmer would have to turn back part of his money to maintain his margin or have his wheat sold at the market. If the price went up and he wanted to sell, the miller would give him gold certificates for the whole value of his wheat. The farmer would give the miller the time-energy money and his warehouse receipt which the miller would give to the Government and take his wheat. The time-energy money would be canceled

as there would be no value back of it. The above is merely to show the theory. In practice the money would be interchangeable and it would just be necessary to have value to the amount of the time-energy money outstanding. The public would think no more about time-energy money than it does now about whether it gets gold, a gold certificate, greenbacks, or banknotes.

There would be no need of a Farm Board to finance the farmers. They could finance themselves and the system would work automatically. If a farmer wanted money on his growing crop or for harvesting, he would go to his bank the same as now. Currency would be expanded and contracted with the needs of trade with this addition. Money would be issued for public work during times of depression so there would be expansion of the currency during hard times instead of contraction as at present; the currency would, however, have value back of it. Our stock of gold is an accumulation of hundreds of years. It is the result of time-energy saved. It can not be eaten, it can not be burned, it can not be used for either clothes or houses. It is merely money. Time-energy money would gradually accumulate representing the increased wealth of the Nation in public works of all kinds. There would be more of it the same as the stock of gold increases with each additional supply mined.

There has long been a desire to have a gold dollar worth a definite amount. To-day the only thing stable about it is that it contains 25.8 grains of gold. Its cost of production is wildly erratic, its buying power as bad. Gold is hard to stabilize, but time energy is a fairly definite thing. One man may do twice as much work as another, but the average amount of work a million men can do is about the same this year and next year. If improved machinery increases production, the increase will be gradual and permanent. Gold will then be a token representing a fairly certain quantity—time, energy. Gold can still be used the same as now, especially in international transactions, until such time as the League of Nations issues time-energy money. None of our present money need be changed in the least. There would be just eight kinds of money instead of seven.

Prices would still fluctuate if the quantities of goods produced were more or less than demand, but if production were regulated as suggested in Men or Money, the price of commodities would gradually become worth just their cost in time-energy, and prices would be uniform.

International reparations are causing serious concern. The United States does not want to cancel billions of dollars due and does not know how to collect. Under present conditions, if payment is taken in goods, additional unemployment is created in this country. But suppose everyone is busy, as may easily be the case if suggestions in Men or Money are followed. The United States can say to Germany, "We will ship what you need in raw materials if you will return manufactured goods to 10 per cent greater value in time-energy." The United States would know what its people want from budgets submitted. These goods could be sold to the public and the money used to retire Liberty bonds. Everybody in this country would be busy, anyway, so this would be real wealth coming into this country to pay for what we sent to Europe during the war. Europe would be busy, and soon conditions all over the world would improve.

In issuing money against a man's time-energy the man becomes the important thing and the money the result of his labors as was outlined in Men or Money.

An increase of the quantity of money raises prices and a diminution lowers them. Let me quote from House Miscellaneous Documents, first session, Forty-ninth Congress, 1885–86, volume 25, page 10: "A rise in the value of money and a fall in general prices are the greatest evils which can befall the world. In the whole history of the human race not a single instance can be pointed out of a fall in the value of either or both of the metals which has not proved a benefaction to mankind, while on the other hand, during every period and whenever a rise in the value of metallic money has occurred it has been attended by financial, industrial, political, and social disaster."

Time-energy is universal, it starts over again every morning. The supply can not be cornered by any bank, group of banks, country, or group of countries. If that is used in a sound manner as the basis for money there will never be another financial stringency. Every producer will make his own money the same as he did at the beginning of time. The Government will merely issue its token so there can be universal transfer.

Taking my booklet, Men or Money, and this article together, I have shown how we can have a national plan of production and distribution; how everyone can have what he wants up to the maximum of his earning power, without regard to possible unemployment; have immense public works done by men who are now idle, and at no cost; have shown how crime can be lessened; how manufacturers can be benefited; how farmers can be helped; have shown a new basis of issuing currency that is absolutely sound, is elastic, will expand during times of depression; and how the dollar will have a much more uniform value than ever in the past.

The labor of about 10,000,000 people is being wasted in the United States alone because of the lack of a national plan of production and distribution. This stupendous waste is entirely avoidable. It just takes the vote of Congress to start the wheels of industry moving. It is not only the privilege but it is the duty of every citizen to urge action to stop this tremendous waste of wealth and to stop the uncalculable misery due to this depression.

There have been rumors that this is a made panic or at least that its severity and length have been much increased by artificial means to enable the rich to depress prices and so get hold of the world's securities, which are the evidences of its wealth. It is suggested that many men in public life and many editors are opposed to even a discussion of a reasonable method of improving conditions. They want things as they are until they have finished gathering in the harvest.

Where do you stand? Have you helped to create this depression? Do you want its continuance? Do you put personal profit before the welfare of millions of people? Will you play politics regardless of consequences to the people of this Nation and of the world? Are you afraid to express your opinion? Surely you have an opinion. Silence is a cowardly way of standing pat.

If you are a voter, you can write to your Senator or Congressman, urging action along the lines suggested; if you are a newspaperman or man of influence, you can use your pen or voice; if you are a Senator or Congressman, you can speak and vote to secure results. The answer is up to you.

RELIEF OF UNEMPLOYMENT—ARTICLE BY J. B. FITZGERALD

Mr. JONES. Mr. President, I present an article entitled "A Work Army Plan to Relieve Unemployment," by Mr. J. B. Fitzgerald, of Seattle, Wash., in charge of the information department of the West Coast Lumbermen's Association, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A WORK-ARMY PLAN TO RELIEVE UNEMPLOYMENT

I should like to recommend that the President's Organization on Unemployment Relief give consideration to the suggestions outlined below:

1. That beginning at the earliest possible date this fall, by October 15, or November 1, at the latest, the United States Government set up a plan for enlisting men in the United States Army for a three months' or a four months' period, the enlistment to be national in scope and, in so far as it can be so arranged, organized to withdraw from the local population numbers of the unemployed such as would best serve the necessities in villages, towns, and cities.

2. As this temporary enlistment would be for the purposes of forwarding unemployment relief and preventing the serious consequences we may all foresee in another winter of widespread hunger and idleness, this recommendation includes a temporary abandonment of the usual strict physical examination on enlistments under this proposed special short-term arrangement. It should be the intention to relieve unemployment first and to do this all men capable of doing ordinary physical labor in industries might well be accepted.

3. The bulk of the recruits accepted under this temporary enlistment plan might be taken under Regular Army direction into the Corps of Engineers, and, after being given sufficient military training for purposes of discipline, be employed on public works or otherwise during the winter under Army direction, but on projects developed to assist the States, counties, and cities in the area. Others, better suited for military service, might be sent directly to the established Army camps and be given three or four months of regular military training. Both groups, however, should be treated alike as temporary members of the armed forces of the United States.

4. Officers of the National Guard and of the reserve forces, who totaled in 1929, 12,535 and 101,926, respectively, might be used to handle under Army authority the entire enlistment to do most of the management of the unemployment troops during the short enlistment.

5. The initial enlistment should call for 1,000,000 men.

6. Cost: The pay of a man under this enlistment might be placed at $1 per day. Subsistence of the Army in 1929 cost $24,000,000 with an enlisted personnel of 124,000, or approximately 53 cents per man per day. Clothing and equipage during 1929 cost the Army $6,650,000, or 15 cents per man per day. This is the equivalent of $13.89 per man for three months. Subsistence at 53 cents per day for 90 days equals $46.80. Subsistence and clothing on the 1929 basis would total approximately $60; but due to the present low cost of materials, these figures might easily be reduced by 25 per cent. A 25 per cent reduction would leave the estimated cost of subsistence and clothing per man for a 90-day period at $44. Add to this $90 for pay and $10 per man for average transportation and the total is $144 per man for a 90-day enlistment, or $144,000,000 per 1,000,000 men.

I have been informed that the Army has complete equipment now to care for an enlistment in the regular way of 1,000,000 men, so that up to this number the above estimates of cost may be excessive.

7. The cost of caring for 1,000,000 men might be met through arrangement with the States, counties, and cities where the greatest number of men are unemployed and/or where necessary public work may be needed. The depression has brought into the cities millions of workers in the basic industries—mines, lumber camps, fisheries, and so on—who are now added to those locally out of work. Most of these men are able-bodied American citizens who are most anxious for work and who do not want charity. Each city of consequence, but particularly those in industrial centers, will find it necessary to arrange for local relief work on a large scale this winter to care for those normally productive workers. If the Government could take the lead and offer to enlist 10,000 men here, 2,000 there, and 50,000 in another locality, with the

understanding that the labor of these men would be directed to useful undertakings and, in so far as was possible—weather and other conditions considered—in local undertakings, I believe the States, counties, and towns throughout the country would respond enthusiastically and furnish work to employ the million men and the money with which to pay for their cost.

In this way necessary work might be done, and on a national basis, which would result in lower cost and greater net return to the men working in money, comfort, and self-respect. National leadership in this crisis is an important factor which should not be overlooked. Most of us have little confidence in our local governments in matters of relief, but we have confidence in the United States Government and a respect for the Army.

8. The enlistment might be staggered so that men would be released in the spring to suit the opportunities for work district by district, discharges beginning in the South and gradually moving north as farm and industrial work opens up.

THE OBVIOUS ADVANTAGES

The advantages of this plan would be fairly evident. We have several million unemployed men who are at present inadequately fed and housed, fearful of the future, and potential sources of serious trouble, locally and nationally. If our Government were able to take 1,000,000 men out of this fierce competition for existence during the winter months, it would thereby greatly relieve the pressure on the others. The men enlisted would begin immediately to need regular rations of beef, pork, wheat, corn, and all sorts of canned vegetables and fruits, building up their own bodies and helping to absorb the present surpluses in goods of this kind. They would need shoes, clothing, dental and medical care. Some temporary housing would need to be built. Railways would be called on for the transportation of men, equipment, and supplies. We would have right in the depths of winter an added and important demand for goods of all kinds which would stimulate industries sufficiently to reemploy not fewer than 500,000 men.

We are facing at this time either a dole, whether it be national or local, or some one method which will temporarily, at least, reduce the number of the unemployed and increase the number of commodity consumers. Men enlisted in the United States Army put to useful labor and paid even a small amount for work which they can see is in the best interests of their communities, States, and the National Government will never have the feeling toward their experience that will come to their fellows who have to accept meal tickets, groceries, and house rent from charitable agencies, no matter how organized.

REFORM OF LEGAL PROCEDURE—ADDRESS BY JUSTICE FINCH, OF NEW YORK

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD an address recently delivered by a distinguished jurist of my State, Presiding Justice Edward R. Finch, of the appellate division, New York Supreme Court, in the nonpartisan series of addresses sponsored by the National Democratic Club of New York, February 6, 1932.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I

Mr. Chairman, friends and neighbors, ladies and gentlemen, in this nonpartisan series of addresses sponsored by the National Democratic Club I have chosen as my subject "Needed Changes in Legal Procedure and Administration."

Speaking to such a subject it would be out of place to consider it in any philosophical or moral aspect, which, for clarity, is often denominated the higher law, to distinguish it from the principles which immediately govern the courts and individuals. These principles are what is connoted by the term "law" to the average person, and are aptly termed for the English-speaking people "the common law." While this may seem somewhat obvious, yet it is very important to bear the distinction between law meaning enforcible rules of living from law meaning philosophy and morals, since certainty and clarity ought to be necessary attributes of the common law, while uncertainty and doubt are necessary attributes of philosophy and morals, as we understand them.

Before taking up needed changes in administration and procedure, will you permit me to say, because it does have a bearing on what is to follow, that at a time like this, when the world at large is perplexed by doubts and fears, there is an especial need for renewing our faith and our faith in our leaders. Conversely, these leaders must prove themselves worthy of our faith. Prosperity and luxury were fast undermining our character and moral fiber. America was losing her soul. We must now recover that character and moral fiber which have made us, as a Nation, able to administer our form of government, and, indeed, any form of government which we may adopt, in the opinion of competent authorities in other nations.

Now, how does this apply to an address on so dry a subject as legal administration and procedure? Because under our system of government the well-being of the judicial branch of the Government provides our greatest bulwark and anchor. In so loosely knit a form of government as ours, wherein so much real liberty is accorded to the individual, there must exist a forum to which everyone may repair with absolute confidence and with the facts existent that there at least his cause will be dealt with on the merits and without the intrusion of any other consideration than the merits. But even that is not all that should be demanded. In addition the courts must function efficiently. Justice may be so cumbersome or so retarded that it may become ineffectual. It does not seem to me too strong a statement to say that with our courts integrating conscientiously and efficiently we, as a Nation, can succeed with any form of government we may adopt, but with the courts out of kilter, no form of government can long endure.

II

In order to make the courts more efficient I should like to embody one remedy in a simple and easily understood idea. I wonder how many of us have ever thought through the effectiveness of an idea? Yet we have all experienced the impotency of the forces of evil as they break against the impelling force of an idea. Let me remind you how Rousseau's idea of equal opportunity for all, misinterpreted to mean that all men are created equal, has changed the course of the world. Now, what is the idea which will help to make the courts more efficient?

It is to put the responsibility for the needed changes and improvements in administration and procedure, and even in legal principles, squarely up to the judges who are daily dealing not only with such administration and procedure as a workman deals with his tools, but also are dealing with the principles of law as rules of living. Up to this time we have permitted the judges and the members of the legislature to play battledore and shuttlecock with the necessary improvements not only in legal principles but even in the rules of administration and procedure.

The result is that in some instances these rules of administration and procedure are the despair of the clients, who after all are the ones most vitally affected. Heretofore when there has been complaint about administration and procedure, we have permitted the judge complacently to say: "Why, that is a matter for the legislature, since they enact not only what shall be the law but also what shall be the rules of administration and procedure." On the other hand, the legislature does not realize the necessity for the needed improvements and changes, because the members of the legislature are not coming in daily contact with the courts, and have only a limited experience, born of a casual and intermittent acquaintance with these rules, with the result that nothing is done, and we go on with a system archaic in some respects and out of step with the evolution and development of concomitant lines of human endeavor. Ask anyone with experience as to how changes often take place in administration and procedure, and I believe you will find the answer to be that many changes arise out of the personal experience in a particular case of some member of the legislature. He then seeks to have legislation enacted changing the rules in accordance with his contentions in that particular case. It is unnecessary to say to this audience that this is about the worst way to have changes made in administration and procedure. With the judges therefore passing the responsibility to the legislature and the failure of the legislature to enact because of insufficient understanding in the matter, we have had to rely for real improvement upon the voluntary actions of groups of citizens, such as the associations of the bar, merchants' associations, chambers of commerce, and the like. I wish I had time to show you how much we are indebted for unselfish community service in this regard to the associations of the bar, to the merchants' associations, to chambers of commerce, and to other like bodies. But these associations at best must act through committees, who have only had a limited personal experience, and ofttimes must base their report upon the result unearthed by investigators, whereas the judges are dealing every day with administration and procedure as tools of their work. Thus we come to a fundamental postulate, which is that if effective leadership is to be had, you must be able to locate duty and responsibility. They can not be divided between two independent bodies. It seems to me that this duty and responsibility should be laid upon the judges. Once we have placed this duty and this responsibility definitely on the judges, and not divided between the judges and the legislature, we have made a great step forward.

But I did not invent this idea. Let us give praise where praise is due. The present governor of this State, Gov. Franklin D. Roosevelt, only recently urged that the State of New York should follow a policy of holding the judges responsible for the proper and efficient administration of the judicial branch of the Government.

Then we have another fine practical example of what happens when a judge does take such responsibility. I call attention to what Surrogate Foley has done in connection with the drafting and enactment of laws relating to decedents' estates and inheritances.

III

So far we have stressed the idea that leadership in making the necessary changes in judicial administration and procedure, and even in principles of law, should be considered by the judges and by the people as a part of the duty and responsibility of the judges. In line with this, it naturally follows that so far as judicial administration and procedure go, legislative enactments in reference to this should be removed from the civil practice, and the courts should have the power to prescribe the necessary procedure by rule of court. There are, as you know, a body of civil practice rules covering procedure in part, but judicial procedure in its entirety should be left to the judges to be regulated by rule of court. Given this power, they should be held absolutely responsible for its proper and efficient exercise. But some judges do not occupy judicial positions of sufficient importance to give

them the power to make the necessary changes. Also from time to time there occurs the necessity for change in the principles of the law, which can only be made by an enactment of the legislature. As to needed changes arising in this manner it is necessary to have some duly constituted authority to act as a liaison body between the courts and the legislature. Chief Judge Cardozo emphasized the necessity of some such body and called it a "ministry of justice." Such a body does exist in many of the States now and is called a "judicial council." The name is unimportant, but some such body should be created in this State. In the creation of it, however, the duty and responsibility must not be taken from the judges of assuming the leadership for changes and improvements necessary in the judicial branch of the Government. Unless care is taken in this regard, we will substitute for what is now a responsibility divided between the legislature and the courts a responsibility triply divided between the legislature, a judicial council, and the courts.

We must also have a department where statistics of the work of the courts must be accurately and publicly kept. With the large number of courts necessary for the despatch of judicial business, there must be some place where accurate, truthful, and complete statistics can be publicly kept of what goes on in these courts. Many people think of this data as only making possible periodic surveys of the work of the courts, so that needed changes may be made not only in administration and procedure but in principles of law. Such statistical department, however, will be effective in producing efficiency in the courts. No public official likes to create an unworthy measure of his worth. It is unnecessary for me to tell this audience that human nature is inclined to go along the easiest way if it is not held up by the requirements of an office.

I suggest that there be created a State department of judicial statistics. In order to make this department effective I suggest that the items of statistics which shall be reported by the clerks of the various courts shall be plainly and completely specified, and that such reports shall be made by the clerks in accordance with the facts upon pain of dismissal. Otherwise a bureau of statistics may become a mere sham and of no value.

IV

There should also be such change in our administration and procedure as will insure fairness between litigants as respects the burdens and expenses of litigation. As our laws are now drawn, they encourage and invite litigation which is speculative and often without intrinsic merit and unduly favor a defendant who desires to profit by a wrongful breach of his contract obligations. Take the case of a defendant who has bought $10,000 worth of goods on credit, has sold the goods before the bill is due, and with the money in his pocket compels the seller to commence an action, in which he puts in a defense that the goods were defective. The plaintiff thereupon has to engage a lawyer to collect his claim. But the most the plaintiff can recover from the defendant is the amount of the claim, plus 6 per cent interest, together with a bill of costs so small that it is practically nominal. Not only is the bill of the plaintiff reduced by the amount which he has to pay to his attorney to collect and the expenses of the suit, but in so far as the defendant may delay the collection of the claim the defendant obtains an enforced loan at 6 per cent interest.

Furthermore, because of the delay to the plaintiff and because of the expense and lawyer's bill which the plaintiff is forced to bear, the defendant is in a position to make an advantageous settlement of the claim for much less than the face of the original bill, even though his claim that the goods were defective is wholly without merit. Even though the same defendant is unsuccessful in the lower court, he may appeal the case, and here again the bill of the lawyer which the plaintiff must retain upon the appeal, together with all other expenses of the appeal, must be added to the expenses and lawyer's bill for the trial and taken by the plaintiff out of the selling price of his goods, since all that he may again recover from the defendant is 6 per cent interest and what practically amounts to a nominal bill of costs upon appeal, as was the case upon the trial. A plaintiff, if successful, should be able to recover at least a part of the expense and a part of his lawyer's bill to which he has been put by the wrongful act of the defendant. In fairness he should recover all.

Take, likewise, the case of a plaintiff with a purely speculative claim. By joining with a lawyer who will agree to take the matter upon a speculative basis, he may bring suit against a defendant, and even if the defendant wins, he loses, because he can not recover from the plaintiff even a part of the expense of his counsel fee nor the greater part of his other expenses. Such a condition of the law encourages unworthy litigation and penalizes the honest litigant. A change should be here demanded by every business organization.

England, with the same common law as ours, has corrected this injustice upwards of 40 years ago.

V

Because of the need of speaking of more fundamental changes, I have not taken up with you what is known as the broadening of the summary-judgment rule. The adoption of this rule well illustrates how reluctant any profession is to change its old and accustomed way of doing things simply because any change, even for the better, is irksome. But in this the professional man is not very different from any one of us. Notice how uncomfortable we become if somebody suggests a change in our method of doing things, particularly when we have pursued this method for a long time. So it is with the members of the legal profession. They like to follow the old ruts and the old grooves.

This procedure, known as the summary-judgment rule, which permits a plaintiff with a just claim to strike out an answer which is false in fact and obtain his judgment, had been adopted in England for over 50 years before we enacted it here. And even when we did adopt it in 1921, the proponents of the change were so fearful lest it would fail that they only proposed a very limited application of the rule. We should make the rule more broadly applicable. There is no more reason why a false answer in a foreclosure suit should delay a plaintiff in securing his rightful judgment than if he had made a loan of money. Since the summary-judgment rule was originally enacted by rule of court, it can be changed easily, and, I predict, will be changed by the judges within a few weeks.

In urging before you these needed changes in administration and procedure, I do not wish, however, to give you any cause for discouragement. If there were time, I could take you back through history and show you that from the earliest days each generation has found fault with the efficiency of its courts. They still can be made more efficient, but they are not as inefficient as they used to be.

VI

May I give you two practical illustrations of the latest changes and show you what important consequences and results may follow from comparatively small changes?

For generations, or practically since the inauguration of the courts, we have had in the Supreme Court a daily call of the calendar to ascertain what cases were ready for trial. Of course, in a department like this, where there are thousands of cases to be tried, and therefore many trial parts, several hundred cases have to be called every day in order to provide a sufficient number of ready cases. This necessitated that each law office employ a number of clerks whose time was largely taken up in answering calendars. Each day prior to the trial of a case it was necessary to have witnesses ready. Thus there was unnecessarily wasted the time of the clerks of the attorneys, which added expense for the clients, the time of witnesses, and the time of the courts in calling the calendars.

On January 1, 1932, the appellate division of this department abolished in the supreme court the daily calendar calls and substituted a call but once a week. Thereafter the clerks of the court, according to a regular routine laid out for them, informed the attorneys in advance when the cases would be ready for trial, so that the trial counsel and their witnesses need assemble only once for the actual trial of the case. In addition, a result of far-reaching consequences was obtained, namely, that the trial parts of the supreme court during the month of January, 1932, disposed of practically 85 per cent more cases than have ever been disposed of in the history of the court. In other words, in January, 1931, with 17 parts of the court in session, there were 280 actual trials and inquests disposed of; whereas, in January, 1932, with the new system, with only 14 parts in session and an additional part in session for only two weeks of the month, 361 actual trials and inquests were disposed of. To express it in terms of percentages, 25 cases per part were disposed of under the new system as against 16½ cases under the old system. It appears now as if it will be possible to keep abreast of the present calendar without additional judges, whereas under the old system it would have been impossible.

Consider for a moment also what is known as the pooling system for jurors. This system, in brief, consists of having all jurors drawn assemble in comfort in a particular room instead of being drawn for each individual part of the court. As jurors are needed, they are obtained from the jury room. The result is that we need to summon only half as many jurors as formerly, and after a 5-day service we can give each juror a 2-year exemption. In addition, we save in fees in the supreme court alone a sum of almost $100,000 a year, the exact figures being $94,000. The jurors also have comforts which it was impossible to obtain for them when they were drawn for each separate part of the court.

Neither the pooling system for jurors nor the new method of assigning cases for trial has been adopted by the court of general sessions. In fairness to the judges of that court, this is partly due to the fact that our present Criminal Courts Building is physically inadequate to the demands which are now made upon it. I was hoping that in this period of unemployment we might have given employment for such a work as constructing a new Criminal Courts Building. I wish to express my appreciation for the willingness to cooperate on the part of the judges of the court of general sessions. I am hoping, and I believe, that with such cooperation we will be able within a few months to have both of these improvements installed in the court of general sessions.

VII

May I say in conclusion the changes which I have urged seem to me to be important and fundamental. Within the next 10 years we are going through one of the greatest evolutions that mankind has ever known. The development of the law may be termed a peaceful evolution of the new out of the old. The American people in the past have been particularly adept in altering and fitting the old garment of the law to new conditions, so that the evolution may take place lawfully and peacefully. The more efficient we make the administration and procedure of the law the easier we make it to alter the garment of the law so as to bring about evolution in the American way.

ADDRESS OF HON. CHARLES F. SCOTT BEFORE THE KANSAS DAY CLUB

Mr. CAPPER. Mr. President, on January 29, 1932, Hon. Charles F. Scott, former Congressman from Kansas, and one of the most distinguished citizens of my State, delivered a notable address at the Fortieth Annual Meeting of the Kansas Day Club held in Topeka. This club, formed to commemorate the admission of the State into the Union, is an important civic organization and numbers among its membership many of the most prominent citizens of Kansas. For more than 30 years Mr. Scott has been one of the leading journalists of the State and a close student of public questions. He is a most able speaker, and I believe there will be general interest in the views he expresses on public affairs in this address. I desire, therefore, to ask that the address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

A CALL TO ARMS

Mr. Chairman, ladies, and gentlemen, I have come nearly 2,000 miles to sound before the nearly 2,000 Republicans assembled here from all over Kansas, a call to arms. I have come to summon you to a new battle for the old faith. I have come to appeal to your Republican pride. I have come to awaken, if I may, your Republican enthusiasm. I have come to arouse the fighting spirit which has carried the Republican Party to victory in so many hard-fought campaigns. I have come to bid you renew your vows of allegiance to the party which, through three-quarters of a century of peace and war, has given the great Republic matchless and indomitable leadership. I have come to ask you to forget everything that has divided you in the past and to remember only that you are Republicans. I have come to challenge your attention to the historic fact that never since Abraham Lincoln has the Republican Party lost an election upon the issues it has championed; it has lost only when there was dissension in its own ranks. I have come to remind you that on the issues of this day the position of the Republican Party is precisely as impregnable as it was four years ago when it swept the country with an unparalleled majority. I have come to tell you that Herbert Hoover is just as great a man, just as true a patriot, just as wise a statesman, just as unflinching a defender of constitutional government as he was when he carried 37 States of this Union by majorities unprecedented. I have come to implore you to cast out fear, to put on your fighting armor, to summon up your fighting blood, and to fall in line, head up and breast forward, behind the great and gallant leader who for three years, with unwearied patience, with dauntless courage, with unrivaled wisdom and statesmanship has been fighting the battles, not of our party alone but of the whole country, not of our country alone but of the whole world, and march with him to certain victory.

THE ATTACK ON THE PRESIDENT

This great leader has not come off scatheless. He has been criticised and attacked as none of our Presidents with the exception of Washington and Lincoln have been criticised and attacked. Hardly were the returns all in from the last election when the orders went out from Democratic headquarters to "Smear Hoover." Underwritten by John J. Raskob, to whom incidentally the Democratic Party owes more than it ever owed to any other man living or dead, a publicity bureau was established and with diabolical cleverness it entered at once upon a campaign of calumny such as American politics has rarely witnessed. There was no delay. The inauguration ceremonies were hardly over before the assault began. The President's words were distorted, his acts were misrepresented, his motives were impugned, by every method ingenuity could devise the effort was made to poison the public mind against him, to break down his popularity and destroy the confidence the people had in him. Men were out of employment and they were told it was because of the "Hoover Panic." Prices of farm products were low and farmers were told it was because of the policies of the Farm Board which Hoover directed. Many families suffered from the drought and they were told their sufferings would have been more adequately relieved but for Hoover's interference with the desires of Congress.

What was the inspiration of all these assaults? Politics! Politics, pure and simple. Mr. Hoover was in politics. He was in office. He was the leader of the Republican Party. He doubtless would be renominated. Unless he were broken down he would be reelected and the Republican Party would remain in power. And so the orders went out to "Smear Hoover" to the end that the Republican Party might be defeated. It is all perfectly simple. And yet multitudes of people, doubtless unconsciously, have been influenced by this purely political Democratic propaganda.

CRITICS NOT LEADERS

The President has been criticized and attacked. But among all the raucous voices raised against him is there one coming from a man who has himself solved the problem that he blames Hoover for having failed to solve? Is there one who has given any reason for hope that by voting for some unknown candidate and against Mr. Hoover the clouds that he is blamed for failing to dissipate will suddenly and miraculously be dispelled? Amid all the clamor has one leader arisen who knows of something that will restore prosperity to the world and has proclaimed that sovereign remedy? The answer to all these questions is No! And when this truth is realized does not all the angry uproar resolve itself into the familiar spectacle of men who, unable to get into the game themselves, sit on the sidelines and crab and complain?

A REVIEW OF HISTORY

The President has been criticized and attacked. He has been charged with responsibility for the business recession of the past two years in terms which left the necessary implication that if he had not been elected the trouble would never have occurred. Well, let us review a little history. In the spring of 1914 the world was prosperous and happy. At least that part of the world from the Ural Mountains to Patagonia was prosperous and happy. All over Europe kings were seated securely on their thrones. Currencies were stable, resting upon a foundation of gold. Government debts were carried easily. Taxes were light. Prices were satisfactory and labor was employed. All over South America similar conditions prevailed. Here in our own country our national debt was floating along at about a billion dollars, carried in bonds that bore 2 per cent interest. Federal taxation was so light that nobody ever mentioned it. Everybody had a job that wanted one and was able to work. There was so little politics that about the most exciting topic was whether Taft and T. R. had got over their mad spell and made up again.

And then, like a bolt from the blue, the Great War burst upon the startled world, and for four years 20 nations concentrated all their strength and all their resources upon the grisly business of killing men.

When the war was over what a different world it was! Victors and vanquished alike were prostrate. Thrones had been overturned. Dynasties had perished. Budgets were hopelessly out of balance. National debts were piled mountain high, and taxes mounted with them. Currencies were unsettled. Industries were dislocated. All Europe was a welter of political, economic, and financial chaos. Here in America, although the war had touched us lightly so far as the actual conflict was concerned, we had spent $40,000,000,000. Part of it we paid as we went along, but in the end our national debt was $26,000,000,000. During those two years this Government spent more money than it had expended all told for all purposes during the first 125 years of its existence. Did you know that? Do you realize that this war will have cost us $150,000,000,000 before we have finished with it? Do you realize that, largely because of this war, 85 cents out of every dollar of tax money that comes into the Federal Treasury goes out to pay for war, past and future? Eighty-five cents for war, 15 cents for every other Government purpose. These are some of the things the war did to Europe and to ourselves. I do not need to recount in detail the things that have happened since the war, directly resulting from it—the financial convulsions that made the currency of Germany and France and half a score of other European countries valueless, that ultimately forced even Great Britain herself to abandon the gold standard, that brought about 14 revolutions in South America, that led to the wild orgy of speculation in our own country ending with the crash that wiped out uncounted fortunes.

Does any sane mind have to seek further than the World War and its inevitable aftermath for the causes that have brought about the economic conditions of the past two years? Suppose there had been no war. Suppose Europe had continued peaceful and busy and prosperous, affording an ever-enlarging market for the products of our fields and factories. Would we have been worrying now about overproduction, about low farm prices, and unemployment? Suppose our national debt had not been piled up to inconceivable figures. Would we be confronted now with a huge deficit and perplexed as to the means of meeting it? It is too obvious for argument that every great problem which now confronts us, both domestic and foreign, harks back to the war—the war, and not to Herbert Hoover. That is a conclusion which will not be challenged—except by those who seek to make political capital out of human misery.

HOOVER HAS BEEN THE LEADER

Herbert Hoover was not responsible for the war and he is not responsible for any of the problems that have grown out of the war. But he has attacked those problems as if he were responsible for them. He has brought all the strength of his powerful mind, all the resources of his superb genius for organization, to the service of his country in this emergency. And let it be remembered that he is the only one of our Presidents who has ever tried to make good times out of bad times. In the last hundred years there have been 15 major depressions. The Presidents in office, when they fell upon the country, have described them and deplored them but they did nothing about them. In other periods of depression the banks have had to look out for themselves, the industries have had to look out for themselves, the unemployed have had to look out for themselves, the farmers have had to look out for themselves. In these other periods, in a word, when business has found itself bogged down in a morass it has had to dig itself out the best it could without any help, without even any suggestion from the White House.

But Herbert Hoover is not built on those lines. When he sees anyone in trouble his first instinct is to reach out and help. That is what took him into Belgium before we got into the war. That is what took him when the war was over into 20 countries of Europe where women and children were dying for lack of food and medical care. That is what made him the greatest humanitarian of all times. When he sees anyone in trouble he just has

to reach out and help. And so when the crash came in 1929 and he saw there was likely to be slashing of wages and consequent strikes and riots, as there had been in every other depression, he called the captains of industry and the leaders of labor into conference and obtained agreements as a result of which there has been greater harmony between capital and labor these past two years than ever before under similar conditions. He saw there was likely to be widespread unemployment and so he launched a program of construction, not only under the Federal Government but under State, municipal, and corporation authorities, as a result of which hundreds of thousands of men have been employed who would otherwise have been idle. He saw that banks all over the country were in danger of failing, not because they were insolvent but because their resources were not readily available, and he brought about the organization of a gigantic credit corporation which is carrying hundreds of banks safely through the crisis and saving their thousands of depositors from loss and suffering. Only a few days ago a Democratic congressman declared that had it not been for this credit corporation every bank in his State would have failed. The President saw that thousands of farmers who had borrowed money from the Federal land banks were likely to lose their farms because the banks had not sufficient capital to carry them, and so he asked Congress to place $100,000,000 at the disposal of the banks, and Congress promptly did it.

The President saw that many key industries and many lines of business, including building and loan associations and insurance companies that carry farm loans, were in danger by the closing of the ordinary credit channels, and so he asked Congress to create a Reconstruction Finance Corporation with a vast potential capital of $2,000,000,000 as a safeguard against further paralyzing influences and shocks, and again Congress promptly responded. And so, one after another, the President has brought forward great measures of stabilization, rehabilitation, and reconstruction, until, all told, he has presented to the Congress and to the country the most comprehensive and far-reaching program ever offered by any leader in any country at any time in the world's history.

And remember it is Herbert Hoover who has done all this. It was not a banker who came forward with a plan for steadying the credit situation. It was not a labor leader who pointed the way to industrial peace. It was not a captain of industry who proposed great works of construction to combat unemployment. It was not a farm leader who suggested increasing the capital of the farm-loan banks as a means of relieving farm debtors. It was not a great business genius who called for the creation of the gigantic and far-reaching Reconstruction Finance Corporation. Least of all was it any of his critics who brought forward any of these measures. They were too busy denouncing the President for doing nothing. "I complain," "I protest," "I denounce," these critics were declaring. And paying no attention to them, the President has been calmly saying: "I propose," "I suggest," "I recommend." Who has rendered the greater service to the country, the men who have sat on the side lines, crabbing and complaining, or the stalwart, untiring, and courageous leader who all day and every day has played the game?

SUPPOSE SMITH HAD BEEN ELECTED

The President has been criticized and attacked. The people have been told they made a great mistake when they voted as they did in 1928, that instead of Herbert Hoover they should have elected Alfred E. Smith. Well, let us suppose they had done that and that for the past three years Alfred E. Smith had been sitting in the White House. The stock market would have collapsed in 1929 just the same. Does anybody doubt that? The march of untoward events in Europe would have gone on just the same. The civil war in China, and now the disturbance in Manchuria and at Shanghai would have gone on just the same. The revolutions which have unseated eight governments in South America would have gone on just the same. With our foreign markets restricted by these events and the conditions arising from them, unemployment among our workers would have followed just the same and the prices of farm products would have declined just the same. I presume no sane and fair-minded man will deny that if Alfred E. Smith had been elected in 1928 he would have been confronted by precisely the same problems that have faced Mr. Hoover. So the only important question is, What would he have done about them?

Fortunately, we have an answer to that question. Mr. Smith himself has answered it. At the great Jackson Day dinner in Washington, January 8—at which with a singular sense of the fitness of things the three speakers were the men who in the last three campaigns had led their party to inglorious defeat, each one repudiated more decidedly than the one before—at this Jackson Day dinner Governor Smith brought forward his program of reconstruction, his sovereign remedies for the ills that now afflict us. And what were those remedies?

Bonds and beer!

BONDS AND BEER!

Does that sound incredible to you? Do you think I must be misrepresenting the governor, or that I am merely joking? Well, frankly, I do not blame you, but here are his words:

"Now it would be idle to find fault and I have some constructive suggestions. I know that what I am going to suggest will at least in the beginning be received probably with an unpopular note; and that is an issue of Federal bonds for necessary public works and building."

After an argument of several minutes in support of this suggestion, the governor said:

"And what about prohibition? Here we are actually spending $100,000,000 a year in a senseless, useless, fruitless attempt to enforce prohibition. But the $100,000,000 for enforcement is a flea bite. It is a flea bite. Think of the billions we are kicking away from us that would come in in taxation."

So that is what we would be having if we did not have Hoover. The only relief for unemployment Governor Smith can think of is public works, a remedy President Hoover proposed more than two years ago and which he has applied without a bond issue as far as it can be properly carried. And the only cure the governor can think of for the Treasury deficit is to do away with prohibition and restore the traffic in intoxicating liquors and collect from this traffic the "billions" of dollars of taxes we are now "kicking away."

Bonds and beer! With a man in the White House whose mind could not rise above that level can you imagine what these past two years would have brought us in added unemployment and in increased financial and economic confusion and chaos? And what would have become of the proud place we now hold in world leadership? Can you imagine Premier MacDonald and Premier Laval and Premier Grandi coming across the Atlantic to consult Al Smith! Can you imagine the ideas of Al Smith dominating the London Naval Conference? Can you imagine the mind of Al Smith conceiving the German moratorium? Can you imagine Al Smith standing out as the acknowledged leader of the forces making for world peace and international good will?

Bonds and beer!

Honestly, ladies and gentlemen, do you really and truly believe that the people made a mistake when they chose Herbert Hoover in 1928?

A WORD ABOUT PROPHETS

Of course Governor Smith did not devote all his Jackson Day speech to what he chose to call his constructive program. He devoted a good deal of his time to criticism of the President as a prophet, pointing out with fine sarcasm the contrast between what the President said would happen and what actually has happened. Well, if one were disposed to return a Roland for an Oliver he might turn to the prospectus of the Empire State Building issued by the governor as president of that great enterprise in which prospective purchasers of bonds were assured that it would be filled as soon as finished and contrast that prediction with the present reported fact that the structure, now a little more than a year old, is 12 per cent occupied. Or if he wanted to go a little farther back he might recall the prediction of the whole Democratic Party in 1916 that if President Wilson were elected he would keep us out of war. Or he might come back again to modern times and discover in a radio address delivered by the Hon. John J. Raskob, October 27, 1930, this paragraph:

"In closing let me say that no country in the world, not even our own, was ever in as splendid a condition to go forward and enjoy a period of prosperity as our country is to-day. Everything has been thoroughly deflated and business is now turning upward. The momentum is necessarily slow at first but within three months, with the impetus the automobile industry is sure to provide, starting with the January shows, we will quickly leave depression behind and all be singing Happy Days Are Here Again."

And so if the President was mistaken in assuming that the depression would be of shorter duration than he once thought, he was, at least, in good Democratic company—if Democratic company can ever be good.

WHO INCURRED THE DEBTS?

The President has been criticized and attacked on the score that his German moratorium has opened the way for the cancellation of the debts owed us by European powers. The first thing to be said in answer to that criticism is that on every proper occasion, and in the moratorium message itself, the President declared that he is opposed to the cancellation of these debts.

But the next thing is to ask and answer the question, Who incurred these debts?

To answer that question with authority I consulted a report made by the Senate Judiciary Committee during the first session of the Sixty-seventh Congress, called by President Harding within a few days following his inauguration to make an investigation of the status of foreign loans. This report is known as Senate Document No. 86, Sixty-seventh Congress, second session, and may be obtained by anyone who cares to check up the following statements. During the progress of the war approximately $8,000,000,000 was loaned by our Government to the governments associated with us in the conflict. These loans were made under authority of various acts of Congress, every one of which explicitly declared that in exchange for the money thus provided them foreign governments should give us their bonds bearing interest at the same rate as our own bonds by the sale of which the money was raised and having the same maturity date. The Wilson administration paid no attention to this requirement but handed over the money on the I O U of the governments receiving it. In return for the $8,000,000,000 thus advanced this Government held merely the demand notes of other governments with no rate of interest stipulated and no date of maturity specified. All of the acts of Congress under which these loans were made provided that the authority to make such loans should cease upon the termination of hostilities. In the face of this provision the Wilson administration advanced to foreign governments $1,500,000,000 after the armistice had been signed.

The Senate report from which I am quoting makes it clear that Treasury Department officials of the United States were aware of the fact that they had no legal authority to continue the loaning of money, raised from the people of the United States by the sale of Liberty bonds and by taxation for the purpose of prosecuting the war, after all hostilities had ceased. As evidence of this fact the report shows that two Secretaries of the Treasury—first Mr. McAdoo, then Mr. Glass, went before Congress and asked for authority to make these postwar loans, and Congress refused their requests. But in spite of the fact that the authority had been asked for and explicitly denied, the Treasury Department continued making loans to foreign governments for reconstruction purposes after all hostilities had ended. Money raised from the American people for the purpose of the prosecution of the war against Germany found its way into Germany with the sanction of the Treasury Department of the United States while Germany was yet our technical enemy. Forty-eight millions of dollars of the American people's Liberty loan money was used for the purpose of sending supplies into Austria while that country was still our enemy. Millions of dollars of this Liberty loan fund was loaned to foreign governments and by them loaned to various relief and reconstruction organizations, thus circumventing the act of Congress. Money was loaned by the United States to these various governments so that they could repay it to the United States as interest on loans already made. Millions of dollars of this Liberty loan money were loaned to Great Britain after all hostilities had ceased for the purpose of allowing her to build up her export trade and return to a normal basis. Thus the money raised from the American people to prosecute the war was used by Great Britain in competition with American foreign trade. One hundred thousand dollars of America's Liberty loan money was used for expenses of the Russian delegation at the peace conference. Twenty-six thousand dollars of America's Liberty loan money was used for the expenses of the delegates from Liberia to the peace conference. Millions of dollars from this fund were loaned to governments not then actually in existence.

Czechoslovakia was not a nation until it was created by the treaty of peace of June, 1919. And yet American tax money went into her treasury. Serbia had no parliamentary form of government during the time it received loans from this country. Moneys from this fund went to the aid of three separate de facto governments in Russia, namely, the Kerenski government, the Kolchak government, and the Wrangel government. The Treasury Department, with the sanction of President Wilson, continued making advances to foreign governments at the very time when it was holding consultations and parleys with these governments on the possible cancellation of all debts, as proposed by these governments.

Various branches of the United States Government made payments of cash to foreign governments which governments were indebted to the United States, both on loans and interest when those payments should have been made to the United States Treasury and credited to the account of the government to which they were due. Numerous loans were made from this fund for the purpose of increasing our influence in the European political situation at the peace conference; not for the purpose of prosecution of the war. The Treasury allowed the payment out of this fund of interest and bonds of foreign governments held by private citizens of the United States, thus giving private loans preference over the United States loans. As late as January 10, 1920, the Treasury Department made loans to governments supposed to be engaged in war with enemies of the United States after the peace treaty had been signed and the governments receiving the money were actually and technically at peace with Germany. And let me repeat that in making these loans, as well as in making the loans while the war was in progress, the Treasury Department accepted demand obligations from foreign governments when all of the sections of the acts authorizing these loans provided that they must be exchanged for obligations of the same tenor and effect as the particular Liberty loan by which the money was raised. These demand notes, having no maturity date and no definite interest-paying date, made it an easy matter for the foreign governments to defer the payments, both of principal and interest, and make it an easy matter for them now to quibble about the payment of the debts.

Let me repeat that every statement I have made with respect to these transactions has been taken directly from official records and can not be challenged. That was the unholy mess to which the Harding and Coolidge and Hoover administrations fell heir. I am not disposed to be hypercritical concerning those transactions which took place while the war was still in progress, although even war would seem to be hardly justification or excuse for the plain violation of law. But what can be said in defense of the loans made after the war was over when the law explicitly forbade them, and when Congress, asked for legislation to authorize such loans, deliberately refused to grant it? I leave that question to be answered by those who are criticizing the President because he has not immediately brought order out of the chaos and confusion which a Democratic administration handed to him.

THE FARM PROBLEM

The President has been criticized and attacked because the Farm Board has been unable to maintain the price of farm products at a profitable figure. Let us see just how reasonable that criticism is.

Until the close of the World War the problem of the American farmer was one of production. From the time of its organization the work of the Department of Agriculture in its efforts to help the farmer was concentrated upon aids to production, to eliminate pests, to improve varieties of seeds, to introduce better methods of farm management. But with the close of the war the American farmer found himself faced with competition such as he had never known before. We had increased our own wheat area by 60,000,000 acres. Argentina, Australia, and Canada had brought into production 28,000,000 additional wheat acres, an increase of 300 per cent. The countries that were at war have come into heavy production under the stimulus of high tariffs and other protective measures, with the result that the world now produces more wheat than it can eat. There has been an enormous increase in dairy and meat production also. Canada, Argentina, and New Zealand have increased their exports of butter from 50,000,000 to 350,000,000 pounds annually, while Uruguay and Argentina have increased their beef exports from 300,000,000 to 2,000,000,000 pounds per year.

The problem of the American farmer, therefore, has completely changed. It is no longer a question of production; it is the question of selling. With his unfailing business acumen President Hoover recognized this changed situation and accordingly laid before the Congress when he called it in special session soon after his inauguration in 1929 a bill designed to aid the farmer to sell his crops. This bill was entitled "the agricultural marketing act," and its purpose and intent were defined in the following words:

"It is hereby declared to be the policy of Congress to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, so that the industry of agriculture will be placed on a basis of economic equality with other industries, and to that end to protect, control, and stabilize the currents of interstate and foreign commerce in the marketing of agricultural commodities and other food products."

Never before in the history of this or any other nation has a government given a group of people a bill of rights with such far-reaching possibilities as is given the American farmer in this legislation. If it had been put into effect when times were normal, I think it will be generally conceded that by this time it would have been recognized as one of the most beneficent pieces of legislation for the promotion of agriculture ever devised by any parliamentary body.

But before the Farm Board, appointed to operate the law, was fully organized the crash of Wall Street's speculative bubble began, carrying with it all other speculative markets, including those in wheat and cotton futures. At the same time there swept over the whole world a business cataclysm which demoralized all the ordinary and usual operations of world commerce. Into this world chaos of industrial, financial, and agricultural demoralization the Farm Board was suddenly projected.

The immediate demand made upon it was that it stabilize the wheat and cotton markets by purchasing large quantities of wheat and cotton. Everybody, including the Farm Board itself, now recognizes that this was a mistake. But those who criticize the work of the board in this respect should not forget that the policy it adopted was urged upon it with the greatest vehemence by every national farm organization, backed up by the Senators and Representatives and governors of the States particularly concerned. Here in Kansas we surely have not forgotten that in the summer of 1930 Senator CAPPER and Governor Reed went all the way to Washington to urge, nay to demand, that the Farm Board buy 100,000,000 bushels of wheat. And they are not to be criticized too severely, any more than the Farm Board is to be criticized for yielding to their demand. At that time there was no one bold enough to predict that the price of wheat and cotton would sink to the lowest levels ever known. It was universally believed that if the Farm Board would hold a quantity of wheat and cotton off the market during the time when the new crop was being sold, satisfactory prices would return and be maintained. That is precisely what would have happened if times had been normal; and if it had happened thus the agricultural marketing act would have been hailed as a piece of divinely inspired legislation and Herbert Hoover's fame as a friend of the farmer would have been secure.

But times were not normal. World conditions were such that the hope could not be realized. The price of wheat and cotton continued to fall and the policy had to be abandoned. As the result of the experiment, the Government may lose some money. But it is only fair to admit that the purchase of wheat at the time it was done seemed imperative in order to avert widespread disaster. Banks west of the Mississippi were carrying 100,000,000 bushels of wheat and probably as much more east of the river when the prices in Winnipeg and London began to break. In a single day 62 banks closed in one State alone and panic was everywhere possible.

If the wheat loans had been called generally, as they inevitably would have been but for the action of the Farm Board, the price would have broken far below the figure it did reach, and business, big and little, banks, large and small, would have been forced into liquidation, with incalculable loss to their depositors and to the communities they served. In like manner the purchase of cotton by the Farm Board saved scores of banks in the South from closing and hundreds if not thousands of planters from bankruptcy. Not only was this financial disaster averted, but by the operations of the Farm Board it is estimated that the 1929 and 1930 cotton crops were sold for approximately $300,000,000 more than they would have been if thrown immediately on the market, and that the wheat crop of 1930 brought the farmers

$340,000,000 more than they would have realized but for the operations of the Farm Board.

But it should be remembered that the wheat and cotton stabilization operations of the Farm Board have been but one of its activities, and one that in normal times would rarely if ever be involved. Realizing, as I remarked a moment ago, that the big problem of the farmer of this day is to sell at the least cost and to the best advantage what he produces, the board has been quietly and powerfully building up cooperative organizations throughout the country, aiding them, getting them better equipped and organized and ready to do their helpful work. These organization activities extend to every important farm commodity. There are three-quarters of a million more farmers in cooperatives now than there were two years ago, and the cooperatives themselves, with few exceptions, are better established. With a return to normal conditions, the benefit that will accrue to the farmers through the constructive work of the Farm Board will be easily seen and greatly appreciated. It is because they are looking forward to these benefits that all the important farm organizations in America are stanchly supporting the farm marketing act, and the Republican Party will have no occasion to apologize for it or to run away from it.

THE HAWLEY-SMOOT LAW

The President has been criticized and attacked because he signed a tariff bill which, it is alleged, did not come within the specifications he laid down for the guidance of Congress. Well, let us clear away the underbrush of false statement and misrepresentation and get at the truth about the Hawley-Smoot bill. The critics allege that the President asked for a limited revision of the tariff and that he got a general revision. That is the charge. The Tariff Commission reports that of the 3,300 dutiable items mentioned in the bill 890 were altered and 2,170 were untouched. That is the truth.

The critics charge that the President asked that the tariff be revised specially in the interest of agriculture and that instead of this being done it was revised in the interest of industry. The Tariff Commission says that of all the increases in the bill, 93 per cent are upon products of agricultural origin, while only 7 per cent are upon commodities of strictly nonagricultural origin. Not only were duties increased upon the things the farmer has to sell, but 130 imported articles, the things the farmer specially has to buy, were placed on the free list.

The critics charge that the Hawley-Smoot law is the highest tariff law ever enacted. The Tariff Commission says that within the past 40 years there have been four that carried higher duties—and one of them was a Democratic measure, the Mills bill.

The critics charge that by reason of its high rates the law has wrecked our foreign trade, that other nations will not buy here because they can not sell here. Nothing could be farther from the truth. To cite just two examples: In the fiscal year 1929 British South Africa sold in the United States only $9,000,000 worth of goods, but she bought in our markets $63,000,000 worth of commodities. The same year we sold to Japan only $259,000,000 worth of things, but we bought from Japan $431,000,000 worth. Let us broaden the field a little.

During the normal years 1924–1927, inclusive, 19 representative countries, comprising our leading customers, purchased 20.7 per cent of their imports from the United States, while during the first year of the Hawley-Smoot law these same countries bought 20 per cent of their imports from us, a loss of only seven-tenths of 1 per cent. And yet the critics say the law has wrecked our foreign trade. The truth is that business is cold blooded. It does not go by favor. It goes by price list. Men of all nations sell in the best market they can find, and they buy where they can buy cheapest. Without doubt we could attract a great flood of foreign goods to our markets by lowering our tariff walls, but that would be only to displace our domestic production with consequent increase of unemployment, while it would not create a market for a single additional dollar's worth of American products in foreign countries.

There are the answers to the attacks of the critics upon the Hawley-Smoot law, every one of them refuted by the official records.

DEMOCRATS REPUDIATE THEIR OWN ATTACKS

Not only are these attacks refuted by the facts, but they have been in effect repudiated by the Democrats themselves. When the Democrats found themselves in control of the House of Representatives and the duty of dealing with the tariff devolved upon them, did they introduce a bill to reduce the rates they had so loudly proclaimed were extortionate? They did not! Their leader, the Hon. HENRY T. RAINEY, frankly declared on the floor of the House that they did not dare to lower the present rates because if they did our markets would be flooded with foreign goods—which is precisely what the Republicans have been saying all along. But they had to save their faces by bringing in some sort of a tariff bill, and so they brought in and passed a measure which did not touch a single rate. It contained just two sections.

One of these cut the life out of the flexible provisions of the present law by providing that the reports of the Tariff Commission should be made to Congress instead of to the President; and the other called for an international economic conference with a view to lowering excessive tariff duties and eliminating discriminatory and unfair trade practices, preventing retaliatory tariff measures and economic wars and promoting fair, equal, and friendly trade and commercial relations between nations. Remember that under the present law when the Tariff Commission, composed of three Republicans and three Democrats, recommends a change in any existing duty the President, if he approves, can put it into effect in 30 days. There is no politics in it and no disturbance of business. The Democratic bill would have the reports of the Tariff Commission turned into the Congress where there would be endless debate, logrolling, business uncertainty and all the evils that accompany the revision of the tariff when it is made the football of politics. The second section of the Democratic bill, calling for an international economic conference, virtually asks other countries to write our tariff laws for us, a privilege which we must certainly reserve for ourselves. The truth is, of course, that the bill is an empty and meaningless gesture—a pitiable confession that the bold attacks they made upon the Hawley-Smoot law when they thought they would have no responsibility with regard to it were for political purposes only and had no foundation in fact.

RAIDS ON THE TREASURY

The President has been criticized and attacked because he has stood between the Public Treasury and those who would raid it in the alleged interest of unemployment relief. The President has declared, "We can not squander ourselves into prosperity," and he is standing unflinchingly for cutting governmental expenses to the lowest limit compatible with the proper functioning of the Government. But have you noticed what his critics have done?

During the first three weeks of this Congress bills were introduced calling for the expenditure of $29,000,000,000 in the course of the next five years, over and above the regular Budget. And most of these bills were introduced by Senators and Representatives who have been the most bitter and malignant critics of the President. Some of these bills, carrying billions of dollars, in all probability will pass the House and Senate. But are not you glad there is a man in the White House who will veto them? And do not you think we would better keep him there to guard against similar raids in the future?

A THREATENING EVIL

The fact that these extravagant bills have been introduced and for the purpose they declare should warn us to be on our guard against one of the most insidious evils that threatens our national life. In times such as those through which we are now passing there is always danger that sound principles of government and wise measures of statesmanship may be set aside by the plausible appeals of sincere but unthinking men who imagine that our difficulties are due in some obscure way to our form of government; who pretend that economic ills, which have grown out of a long succession of events, can be cured overnight by the prescription of some untried remedy; that immutable economic laws can be set aside and superseded by some legislative enactment. It was from the danger of following such leadership that the President warned the people when in his Indianapolis speech he used these significant words:

"The issue is whether we shall go on with our American system * * * or shall directly or indirectly regiment the population into a bureaucracy to serve the state, use force instead of cooperation in plans and thereby direct every man as to what he may or may not do."

In these words the President named the great issue in this and in many coming campaigns.

Some of the people may not see it now. Other things blur their vision—tariff, farm relief, prohibition, foreign commerce, and unemployment.

But the penetrating eye of the President, looking beneath the superficial, looking beyond the limited horizon of the here and the now, sees to the heart of the great problem and knows that it reaches to the very foundation of the Republic; and so in solemn words he warns us. Thus far America has been built upon a system which holds that the major purpose of a state is to protect the people and to give them equality of opportunity; that the basis of all happiness is in development of the individual; that the sum of national progress can only be gaged by the progress of the individual; that we should steadily build up cooperation among the people themselves to these ends.

There is the real issue—individualism or collectivism—the republic or the soviet.

This issue in set terms may not be found out in this campaign, but the outcome of this campaign will have a very direct bearing on it, one way or the other. The Republican Party stands for the American system. The coalition that will oppose the Republican Party, in Congress and out, is fighting for measures which, if adopted, will undermine the entire fabric of our Government. It is fighting for a creed foreign to our people. It is asking us to abandon the philosophy America has followed for 150 years. Let us not be caught off our guard.

RALLY TO OUR LEADER

The President is being criticised and attacked. It is not Herbert Hoover against whom all these shafts are directed. Let us never forget that. It is the President of the United States. It is the leader of the Republican Party who is being assailed with all these envenomed darts. He has made no reply. He has "kept his head while all about him were losing theirs" and blaming it on him. He has gone straight on with his duty. He has taken no vacation. He is carrying the heaviest load of any man in America.

A newspaper writer who called on him the other day declared that he had aged 20 years in appearance in the three years since his inauguration. Those of us who see him frequently can see almost daily the lines of public care cutting deeper into his face. He is our President. He is our party leader. He can not answer for himself the savage assaults that are made upon him. Then in

Heaven's name can not we answer for him? Are we to stand by silent and consenting while he is stoned to his political death? Or shall we make his cause our own and make his battle our own?

In the course of a long life it has fallen to my lot to travel rather widely. I have gone down to the sea in many ships and have sailed on many voyages. Most of them were in fair weather and on quiet waters. But I remember one that was not so. We were on the North Atlantic, not far out of the path of the icebergs, homeward bound, when we ran into foul weather. For three days and nights the storm beat upon the ship with unforgettable fury. And during those three days and nights the captain never left the bridge. The passengers were safe in the sheltered cabins below the wave-swept decks. Then gradually the skies cleared, the winds subsided, the waves became laughing ripples on a sun-drenched sea. And for the first time in three days the captain entered the dining room and walked unsteadily to his place at the head of the table. His eyes were heavy, his face was furrowed, and every expression and attitude betrayed the terrific strain through which he had passed. Did the passengers revile him for bringing on the storm? Did they complain about the way he had navigated the ship? Did they suggest that he ought to be thrown overboard and a new captain chosen? They did not! With a fine spontaneous impulse as he entered the door they came to their feet and gave him three resounding cheers!

EMERGENCY CREDIT EXPANSION

The Senate resumed the consideration of the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

The VICE PRESIDENT. The Chair is advised that the Senator from North Carolina [Mr. MORRISON] had the floor when the Senate proceeded to the consideration of executive business and afterwards recessed last evening, and that that Senator has been detained from the Chamber temporarily.

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia desire to address the Senate?

Mr. GLASS. No; I merely wish to proceed with the consideration of the bill.

Mr. ROBINSON of Arkansas. Mr. President, I should like to ask the attention of the Senate for only a few moments.

Mr. GLASS. Very well.

Mr. ROBINSON of Arkansas. Mr. President, the principal purpose of the pending bill, known as the Glass-Steagall bill, is to overcome the fear that has gripped finance and paralyzed business. One of its features is designed to offset the hoarding of currency by providing for an emergency circulation of Federal reserve notes secured by Government bonds. The other provisions are calculated and designed to revitalize the confidence of bankers and bank depositors by making certain that if their paper available for discount at Federal reserve banks should be exhausted other assets may be used during the emergency as a basis of credit. The measure of the value of the changes in the banking laws contemplated by the bill can only be determined by experience. The bill will probably prevent the depletion of gold reserves to the danger point should that again be threatened, and it should cause a discontinuance of runs on banks.

The Senator from Virginia [Mr. GLASS] in an address yesterday analyzed the bill and fully explained its provisions. He and the Senator from Connecticut [Mr. WALCOTT] have been diligent in the preparation of a measure known as the Glass bill, which contemplates many important changes in the banking laws. Some of those changes, I am prepared to say, from a study of them, are fairly calculated to safeguard against errors that experience has shown are likely to recur.

An editorial in the Washington Post published on February 15 characterized the Glass-Steagall bill as one of the measures in the President's program, and numerous administration papers have named it "the Hoover bill." This is typical of comments by administration spokesmen and newspapers. Anyone reading or hearing such statements without knowledge of the history of the proposed legislation would conclude, naturally, that the President first suggested the measure.

Democrats in both Houses of Congress have cooperated with the President and his party associates in the preparation and passage of so-called emergency measures; but when enactments representing the best thought and the untiring efforts of members of both parties—indeed, of all parties—are claimed by Republican leaders as the achievement of President Hoover alone, the Democrats in the Congress are not only justified—they are almost required to call attention to the record of the two parties touching the particular subject matter of legislation being dealt with.

The Glass-Steagall bill, which we are now considering, is not an administration measure in the true sense of those words. It was not suggested by the administration, and its principles were actually opposed by the governor of the Federal Reserve Board and the Secretary of the Treasury until quite recently. Let me now submit the proof of that statement.

On December 12, 1930, Congressman SABATH, of Illinois, urged upon the governor of the Federal Reserve Board the expansion of the list of assets eligible for discount at Federal reserve banks, and declared such expansion could do no possible harm and would probably revive business and diminish unemployment. Those declarations by the Congressman were submitted in a letter directed to the Governor of the Federal Reserve Board, Mr. Eugene Meyer, dated, as I have said, December 12, 1930. There was no reply to that letter until about three weeks had elapsed, when, on December 29, 1930, the governor of the Federal Reserve Board, who undoubtedly spoke for the administration, replied. I quote from his reply, as follows:

There are very few banks that do not have enough eligible paper to use at Federal reserve banks when the need arises. I am not inclined to believe, therefore, that enlarging the class of paper eligible for rediscount at reserve banks would help the credit or the business situation.

As late as January 19, 1931, Congressman SABATH insisted again to the Governor of the Federal Reserve Board that while there are many large banks possessing a surplus of rediscountable paper and therefore not in need of assistance, there are also other banks whose rediscountable paper has been depleted. He again urged broadening the classification as to eligible paper. There has never been a reply to that letter of January 19, 1931.

From time to time for more than 30 years Democrats in the Congress have proposed measures authorizing the issuance of emergency circulation based on United States bonds.

On February 6, 1900, Senator James K. Jones, chairman of the Democratic National Committee and Democratic leader in the Senate, proposed an amendment to the law authorizing an emergency circulation fund and the issuance of United States Treasury notes, secured by Government bonds, subject to redemption within 12 months. Note the close parallel between that provision and the one contained in the bill now under consideration.

January 4, 1932, Congressman KELLER, Democrat from Illinois, introduced H. R. 6720, giving the circulation privilege to all bonds of the United States.

January 22, 1932, he introduced a second measure, H. R. 8246, authorizing the issuance of Federal reserve notes based on Government bonds, with a view to stabilizing commodity prices.

The Senator from Massachusetts [Mr. WALSH] introduced S. 2675 on January 5, 1932, providing for an emergency circulation fund, the bill conforming substantially in terms to the proposal of Senator Jones, already referred to as having been introduced February 6, 1900.

Three weeks ago Mr. Mellon, who was then Secretary of the Treasury, and Mr. Mills, the present Secretary, emphatically and unqualifiedly disapproved these bills.

We all know the principal provisions of the pending bill have been modeled by the subcommittee of the Committee on Banking and Currency after paragraphs embraced in the Glass bill, S. 3215, the bill to which I referred some moments ago as providing for a somewhat general revision of the banking laws. This bill was introduced in the Senate January 21, 1932, but it has been in process of preparation by the subcommittee heretofore named throughout a period of one year or more. It is a general measure materially revising

a large number of paragraphs in our present banking laws. It was, as already stated, prepared by a subcommittee of the Committee on Banking and Currency, of which the Senator from Virginia [Mr. GLASS] is chairman and the Senator from Connecticut [Mr. WALCOTT] is a member.

Of course, the important question is, Will the measure tend to restore confidence and expand credit; but it is also proper that the facts pertaining to the initiation of the bill shall be fairly stated.

This bill is receiving, as did the Reconstruction Finance Corporation bill, practically the unanimous support of Members of the Senate. Every provision in it has been sponsored by Democrats, proposed by Democrats, at times when the administration or its spokesmen have expressed unqualified opposition to similar provisions. It can only be said to be an administration measure because of the fact that the administration is now according it support.

Yesterday in his able address to the Senate the Senator from Virginia pointed out the fact that there are almost $8,000,000,000 of assets acceptable under the law for discount at Federal reserve banks and that, in so far as the banks which own those assets are concerned, there is little occasion for the passage of this measure, because they have refused or failed to use the paper which they already possess, paper that is under present law available for discount. There are, of course, some banks, comparatively few, that have exhausted their paper which can be used for discount at Federal reserve banks and which are at present in need of the provisions of this bill, in need of the service that may be permitted under the terms of the bill; but it can not be said with any degree of soundness or fairness that the suspension of business, the failure of banks to make loans is primarily due to the lack of paper which the law permits to be discounted at the Federal reserve banks. It is due to the fact that the spirit of fear has possessed the souls of both depositors and bankers.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Kentucky?

Mr. ROBINSON of Arkansas. I yield.

Mr. BARKLEY. Certainly that state of fear ought not longer to exist, because the newspapers yesterday carried the announcement that out of the $1,200,000,000 which 10 days ago the President said were hoarded he had induced $34,000,000 of it to come out into the open.

Mr. ROBINSON of Arkansas. Well, Mr. President, it is not possible by holding public meetings and urging hoarders to abandon their practice to remove the cause which has prompted it. It is only natural when banks have failed in every part of the country that persons should resort to hoarding, and they will continue to do so in spite of all the eloquent utterances that may be made until they feel that their funds are reasonably secure in banks, and when that feeling shall have been brought about the moneys that are now being hoarded will go back into use, go back into circulation. If this bill shall accomplish that end, in whole or in part, it will be well justified, and there will be credit enough for all.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. ROBINSON of Arkansas. I yield.

Mr. BARKLEY. I agree entirely with what the Senator said; and, as a member of the Committee on Banking and Currency and as a Member of this body, I am supporting the measure in the hope that it will accomplish that very thing. But does not the Senator think that fundamentally something must be done more than to allow somebody to borrow some more money before the real seat of all our economic difficulties will be reached and cured?

Mr. ROBINSON of Arkansas. Undoubtedly. I do not think any business can be made profitable and prosperous by the sole process of borrowing money. If it were possible to accomplish that end in that way many who are in difficulty would be rich now, for they have borrowed to the limit of their ability.

Mr. President, as a part of my remarks I desire to have printed in the RECORD the amendment referred to, offered by former Senator Jones of Arkansas; also House bill 6720, introduced by Representative KELLER; House bill 8246, introduced by Representative KELLER; and Senate bill 2675, introduced by Senator WALSH of Massachusetts.

There being no objection, the bills and amendment were ordered to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. Jones, of Arkansas, to the bill (H. R. 1) to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, and for other purposes, viz: On page —, line —, insert the following:

"That the Secretary of the Treasury is hereby directed to have printed and to keep on hand United States Treasury notes under a special account, to be called the 'emergency circulation fund.' Such notes shall be full legal tender. Any citizen of the United States shall have the right to deposit United States bonds, under rules and regulations to be prescribed by the Secretary of the Treasury, and receive from such fund 90 per cent of the face value of such bonds in United States Treasury notes, and shall have the right at any time within 12 months to redeem such bonds by repaying in United States Treasury notes the amount so received by him on account of such bonds, with interest at the rate of 6 per cent per annum on such amount. Failure to so redeem such bonds within the limit of 12 months shall operate as a forfeiture of such bonds to the United States, and such bonds shall be sold to the highest bidder in the open market, and the balance, after the payment of the principal of the amount advanced, the interest on the same, and the expenses, shall be paid to the former owner of such bonds. Any moneys received from such sale may be exchanged with other moneys in the Treasury, so that this fund shall consist alone of Treasury notes. The principal of all sums so advanced when repaid shall be returned to the 'emergency circulation fund,' and all interest upon such sums shall be passed to the credit of the Treasury under miscellaneous receipts. The actual amount of notes held in the 'emergency circulation fund' shall never be less than $50,000,000 in excess of any outstanding advances. Said fund shall neither be increased or diminished except in the manner provided."

A bill (H. R. 6720) to provide that for certain purposes under the Federal reserve act all United States bonds shall bear the circulation privilege

Be it enacted, etc., That paragraph 8 of section 4 of the Federal reserve act, as amended (U. S. C., title 12, sec. 341), is amended by adding at the end thereof the following: "All bonds of the United States, regardless of the time of issue, and regardless of any other provisions of law to the contrary, shall, for the purposes of this paragraph, bear the circulation privilege."

A bill (H. R. 8246) to amend the act approved December 23, 1913, known as the Federal reserve act, to stabilize the average wholesale price of commodities at the average level of the year 1926, thereby to correct the price decline suffered since September, 1928, to promote economic justice, to steady industry, agriculture, commerce, and employment, and for other purposes

Be it enacted, etc., That the act approved December 23, 1913, known as the Federal reserve act, as amended, be further amended by adding after section 14 thereof the following:

"SEC. 14A. It is hereby declared to be a leading purpose of the monetary policy of the United States to stabilize the average wholesale price of commodities in the United States substantially at the average level of the year 1926 according to the revised index of the Bureau of Labor Statistics, in order thereby to rectify the price decline suffered since September, 1928, to promote economic justice, and to steady industry, agriculture, commerce, and employment. The Federal Reserve Board and the Federal reserve banks are directed to conduct all their operations in subordination to, and in support of, this policy, and diligently to use their power over the supply of money and credit toward speedy restoration in the United States of the average wholesale commodity price level of the year 1926, indicated by the figure 100.00 in said revised index, toward prevention thereafter of deviations from said level exceeding 1 per cent, and toward prompt rectification of any deviations that may occur.

"SEC. 14B. For the purpose of enabling the Federal Reserve Board and the Federal reserve banks more effectively to carry out the provisions of section 14A hereof, the Federal Reserve Board is hereby empowered and directed, whenever it shall become necessary for the attainment of the objects specified in section 14A hereof—

"1. To authorize and direct any of the Federal reserve agents to accept from their Federal reserve banks, respectively, United States Government securities as collateral for the issue of Federal reserve notes, in amounts from time to time to be specified.

"2. To direct the Federal reserve banks, or any of them, to purchase United States Government securities in amounts to be specified in the orders, either from the United States Treasury or in the open market, and to hold said bonds, except as used for collateral under the preceding paragraph, subject to the orders of the Federal Reserve Board."

A bill (S. 2675) providing for an emergency circulation fund, and for other purposes

Be it enacted, etc., That the Secretary of the Treasury is hereby directed to have printed and to keep on hand United States Treasury notes under a special account to be called the "emergency circulation fund." Such notes shall be in the same denominations as the Treasury notes issued to the Federal reserve agents. Any bank, corporation, or citizen of the United States shall have the right to deposit United States bonds in the amount of $1,000 or multiples thereof, under rules and regulations to be prescribed by the Secretary of the Treasury, and to receive from such fund 90 per cent of the face value of such bonds in United States Treasury notes, and shall have the right at any time within 12 months to redeem such bonds by repaying in United States currency the amount so received by him on account of such bonds, with interest at the rate of 5 per cent per annum on such amount. Failure to redeem such bonds within the limit of 12 months shall operate as a forfeiture of such bonds to the United States. Any moneys received from such sale may be exchanged with other moneys in the Treasury so that this fund shall consist alone of such Treasury notes. The principal of all sums so advanced when repaid shall be returned to the "emergency circulation fund," and all interest and profits upon such advances shall be passed to the credit of the Treasury under miscellaneous receipts. The actual amount of notes held in the "emergency circulation fund" shall never be less than $100,000,000 in excess of any outstanding advances. Said fund shall neither be increased nor diminished except in the manner provided.

Amendment intended to be proposed by Mr. WALSH of Massachusetts to the bill (S. 2675) providing for an emergency circulation fund, and for other purposes, viz:

On page 1, line 8, preceding the word "Any," insert a new clause, as follows: "Whenever and as long as the average wholesale price of commodities in the United States, as indicated by the revised index of the Bureau of Labor Statistics, stands below the level indicated by the figure 95.00 in said index."

Mr. MORRISON. Mr. President, I do not think the banking system of the United States produced the present widespread depression in our country; but I do think that its weaknesses and breakdowns have tremendously augmented our difficulties.

I feel very confident that the banking and currency system of this country upon the whole is so defective that we are less able to bear the present distressed condition of all industry, agriculture, and business in our country than we would be if we had a practical working banking and currency system.

Bob Burdette, I believe it was, said that no logician had been great enough to make a "convincing argument in favor of a failure or against a success." However the depression may have been caused, the banking and currency system of this country is prostrate, and we all know it.

In the month of January we had 334 bank failures in the United States, and in the year ending December 31, 1931, we had 2,290 out of the 20,000 banks in the country. We so generally recognized the utter breakdown of credit accommodation that almost with unanimity, forgetting party, forgetting section, we enacted into law the Reconstruction Finance Corporation bill. Why? Because it was necessary to set up some instrumentality of government to carry the country through this crisis other than the worthless banking and currency system under which we have been struggling.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Utah?

Mr. MORRISON. I do.

Mr. KING. I apologize for interrupting the able Senator from North Carolina. I beg, however, with his permission, to dissent from the generalization in which he has indulged. I think we have the best banking system in the world, notwithstanding the prostrate condition of industry to which he has referred. I think it is attributable rather to the folly of the people in their persistent efforts to borrow, until we have contracted obligations amounting to nearly $200,000,000,000, rather than to defects in the banking system.

Mr. MORRISON. Mr. President, I did not yield to the Senator to have a present debate with him, but for a question. If the banking system was not a failure, why did we set up an emergency contrivance for the very purpose of supplying the reasonable accommodations to the people of this country which the banking and currency system did not and could not provide? We have enacted other emergency legislation here; and to-day in a wide part of this Republic the only way the farmers are getting any money upon which to make their current crop is by direct loans from the Government through the Agricultural Department. Why? Because they can not obtain reasonable and current accommodations from the banking and currency system of this country.

Mr. President, I do not want to criticize bankers. I think every group engaged in industry or business in this Republic, on the whole, is worthy of this enlightened day; that there are good people in all groups, and there are bad; but in all groups the majority, I think, are good. While I would not say that some bankers have not abused the power which they enjoy under the banking and currency laws of this Republic, I do say, as a representative of a State where bankers as a class are as honorable and patriotic citizens as can be found in any State, that we ought not to use language here calculated to inflame the public mind against any worthy group of the people of our Republic.

At the same time, while I entertain a high opinion of the bankers of this country, if I had the genius and the moral power and dignity of the great Senator from Virginia [Mr. GLASS] or the great Senator from Arkansas [Mr. ROBINSON], instead of lauding the system, I would erect a black shaft of infamy in front of the system as a whole, because in the hour of our country's distress—I shall not digress to discuss the primary and basic causes which, in my opinion, produced that distress—but when it came the banking and currency system of this country was totally inadequate to carry the people through the difficulty. I submit that weaknesses have been disclosed; and without any sort of claim to expert knowledge or profound learning upon the intricacies and mysteries of the banking and currency laws, they have been disclosed to me, as to millions of my countrymen; and I think this country ought to acknowledge the difficulties and remedy them.

Why, Mr. President, what is the matter with the banking and currency system of the country that all of this distress has occurred? You may talk about the banks being left with paper eligible for discount; but I have seen my friends, honored by me through a lifetime, with broken hearts, crazy, dying. Some of them have committed suicide. Wreck, misery, wretchedness exist throughout this entire Republic. What are we to do about it?

The Bourbon would say, "All's well"; but the liberal, the Democrat, the real Republican, and certainly the Progressive, ought to seek the weaknesses and remove them. The principal one is that under our banking and currency system no provision is made for rediscount by banks except of a few types of credit.

I am willing to grant the importance of the few types of paper eligible for discount; but we can have autocracy in financial legislation as well as other legislation. I do not believe, in democratic America, in having aristocratic, autocratic superiority in the items of credit provided for under the banking and currency laws of this Republic.

What are these preferred credits under the Federal reserve system—and I am willing to say that I think it is the best thing in the worthless banking and currency system, and about the only thing that is any account—what does it undertake to do? It does not loan money, as is generally thought. It discounts notes for the members of the system. What notes—any of them? No—oh, no! It discounts certain notes therein distinctly enumerated, and none other.

What are they? I shall not take your time, although they could be mentioned very briefly, to recall the enumeration. I think they have been embraced quite completely under the expression "for business in process"—short-term paper arising out of commercial transactions, manufacturing and agriculture, and all business enterprises where liquidity is provided for by the turnover in the transaction. For that purpose the Federal reserve system has been a success, I think, beyond the visions of the great financial statesmen who initiated it and contributed it to the banking and currency system of our country.

The effect of that success, however, has been that the very appreciation of that type of credit has depreciated every other type of credit known to the people of this country, with the result that while during this terrible trouble the paper subject to rediscount moved under all the circumstances I think reasonably generously and well, yet the banks which belong to the regional banking system do not loan money on that type of credit alone. They do, and have to do, almost everywhere, a general banking business, with the result that in some sections there is little of the type of paper eligible for discount; in other sections more; but there is a lack of other credit in this terrible crucifixion of the small man. I do not like to use that term, because I am no demagogue, and my brethren in the Senate will find it out if I serve here long enough.

The average man, the small man who finds himself dealing with a deficit instead of business in process, has not been adequately provided for. The great commercial transaction, where the responsibility is high, has very little difficulty in getting the short-term money provided for in the Federal reserve note-discounting system—very little trouble; but every other type of credit has been practically destroyed, as is a matter of common knowledge.

Mr. President, we are cited to the number of banks which have some paper subject to rediscount. I would not want to say anything to encourage the banks not to go ahead, and I am not an admirer of the ignoble attribute of the human heart called cowardice. I admire prudence, discretion, not cowardice, and frequently the bravest man is the man who exercises sound discretion.

I submit that in the main these banks which have this paper subject to rediscount understand that under present emergencies, with thousands of depositors lining up daily in front of the banks all over this Republic demanding their money, they would better keep that paper, because next to cash it is the best thing a bank can have, because it can be rediscounted quickly and the depositors' demands met, while all other types of credit are worthless in this emergency for lack of rediscount opportunity.

Banks have broken, markets have broken, lives have been wrecked and families made miserable, and whole communities blighted by banks failing, with good municipals, with the highest class of securities known to the business life heretofore, in hand, for lack of anywhere to go to get reasonable discounts upon which to continue their business.

Mr. President, this banking and currency system, it seems to me, has a weakness there which could be safely removed. This bill does what? It is a further recognition of the very difficulty I have tried to point out, and which all the business world understands. The emergency reconstruction finance bill was a recognition of it, powerful and sweeping and unprecedented.

This bill does what? For the first time the regional banking system provides for actually lending distressed member banks some money, not discounting particular types of notes, but lending them some money upon the security therein mentioned, with the safeguards therein provided, in an emergency, and gentlemen seem to be afraid, say it is terribly dangerous and fraught with all sorts of danger.

Mr. President, I do not expect it to be done now; I know that we victims of the system can not overcome yet the experts and those who have the mysterious knowledge of this subject; but I dare say the time is not far distant when this will be made, with proper safeguards, a permanent part of the Federal reserve system of this Republic.

We have had warning in this catastrophe, instead of resorting to this emergency legislation, that something like this provision of the bill ought to be made permanent and everlasting. The system is actually dangerous without it, because under it we take all this gold that the United States Government has acquired, which it has through this particular bank, and we use it for mankind as gold has not heretofore been used. No. We use it to bolster up this aristocratic, autocratic type of credit in this country, and none other, and we use only a little for that. We lock the rest up and worship it, but do not use it, while our country and the world are suffering because there is so little gold that we can hardly do the business of the world with it any way.

If his satanic majesty had employed his greatest genius upon this earth to do something to distress mankind, I do not think he could have done a thing that would have caused more suffering to the producers, to the creators of our commodities of all types and kinds, than to have taken the large part of the gold of the world we have taken and locked it up, dedicated a portion of it to particular types of credit, and locked the rest up and denied all mankind its use. That has been a powerful contributing cause, in my judgment, to the deflated, paralyzed condition of every industry in this Republic in which men toil, either with hand, back, or brain.

We provide through this measure for a little loan to the bank, a small discount, hedged about, tied up, but in a great emergency rather than let the country be completely destroyed and mankind truly crucified, they are willing to exercise the rediscount power a little bit upon the whole assets of the bank with good security.

I think it goes a very little way, but, thank God, it moves; it moves in the direction of liberalism and of compassionate regard for the whole people in their demand for a credit system under which the people, even in time of adversity, can hope to find their savings safe in the banks of the country, and obtain such reasonable credit accommodations as they may be able to amply secure.

Mr. President, I have not anything to do with the official conduct of a bank, but I am somewhat acquainted with the operations of banks. I know one in a splendid city of the South, one of the cities that is probably nearer synonymous with industry, initiative, and success along many lines than any other town of the whole Southland.

One of the banks of that town broke, as banks were breaking everywhere in the vicinity. There was consternation. The other banks were threatened. What did the officials of the bank I refer to do? They went to the Federal reserve bank with all the paper they had subject to rediscount, and had it approved for discount, and made ready, so that if the depositors lined up in front of the bank as they did in front of two others, and demanded their money, they could use this paper—and it was all they had—to obtain the cash with which to pay their depositors. They held that paper, and I say it would be cruel to demand of those men, in the condition in which they are now, that they rediscount that paper. Why should they? Is there any evidence here that this type of loan has been refused? No; verily there is not. Such loans have not been refused over the country generally, because paper which can be rediscounted is looked upon practically as money.

Before we can criticize a bank, we must understand its difficulties and the danger in which it may find itself; and danger will be imminent, in my judgment, throughout the country, and certainly throughout the South, for some time unless we pass this bill.

This bill, Mr. President, it is said, will do away with fear. I beg leave in perfect sincerity, and with tolerance for those who disagree with me, to modify that statement by saying that it will do away with the reason that has made as brave men as honor the business life of this Republic live in daily dread and horror not only of their banks being wrecked but, if they are wrecked, of finding themselves in the penitentiary for permitting it to happen, as most of them, without regard to the merit of the case, are apt to be accused of doing amid the excitement and bitterness general throughout the land.

This bill will to a degree let these banks understand that they may rediscount their eligible paper, and then do what with it? If a farmer did not make any money last year, under the Federal reserve act he may borrow some money with which to make his crop this year if his paper is good. But what good will that do him when the sheriff is going to sell him out for what he lost last year before he can make his crop, as they are doing all over the country? Yet they can not borrow a cent and can not rediscount any-

thing except notes with which to carry on business in agriculture in process.

Under this bill, if it shall be enacted, they can rediscount his paper with greater safety than they could before, and after they have discounted it they can loan it to somebody else besides the aristocrats of American finance who desire the particular items and types of credit provided for in the Federal reserve rediscount powers.

If the Federal reserve system of this country is accepted by the country as an example of how successfully this thing can be done, it will forever bless the people of the Nation and of the world because our influence will radiate all over the world. It has demonstrated that by taking the people dealing in that kind of credit, tying them together under safeguards erected, as Mr. Warburg called it in one of his early speeches on the subject, into a "reservoir of credit" to which in time of fear and disaster they can resort for accommodation. If that is the purpose of its creation, it has gloriously succeeded, and it has demonstrated to the public that we can succeed, with supplements and additions to it that will carry the blessings of that great idea to every business and every nook and every corner of this Republic.

But if it is to be set up as a completed "sacred cow" and worshiped, without lessons to be learned from it, without amendments, it will prove a curse, in my judgment, to the people of America. Let us imitate it. Let us take the whole business of the Republic and under wise, well-considered safeguards mobilize the assets of all of the banking and currency system of the country and put up additional reservoirs or enlarge this one, in order that resort may be had there for other purposes than for discount of three or four months' paper arising out of commercial transactions and contracts to carry on business in process. Let us but profit by it and utilize it, and it will bless this Republic as no other measure enacted into law in our day has blessed America. It has demonstrated its success, but it has also been as clearly demonstrated that it does not embrace enough of our total business life, and that with safety more can be embraced.

I am for the measure before us, Mr. President, because for a year we are going to enjoy its blessings—a whole long year. Why a year? Why not let us try to be happy and out from under this distress, not produced by the banking and currency system but which we have to live through—why not let us hope for two years of greater ease and opportunity to live and do business? Why not let us hope for a long life of a sound banking system based upon the Federal reserve system and our experience with it?

Yes, Mr. President; the country is in a bad fix. The great burdens upon this country and upon the world, I think, are three in number: First, destructive, confiscatory, business-paralyzing taxation all over the world, and reckless, improvident expenditures by the United States following the war and its mighty outgo, which the people could not bear. Our own war debt we are paying too fast, and with these other burdens the country is suffering. Then we continued to raise the tariff and raised it until finally we enacted the last great monstrosity which caused the whole world to flame into resentment, and to resort to the same isolation, the same commercial inactivity. We practically paralyzed trade in the world by our tariff. That has been, with taxation, a powerful contributing cause to present conditions.

Then, Mr. President, the money of a majority of the people who live in the world is cheaper money than ours. It is depreciated money compared to ours. There is nowhere in the world, hardly, that we can do business without a disadvantage on account of the fact that they will pay us more in their money, in some places four times as much, as they would in our money. When we sell cotton to the eastern man at 7 cents he will have to pay us from 22 to 28 cents for it, and that has contributed to paralyzing foreign commerce. We are not able to do the normal business through which we dispose of our surpluses.

All that has brought about this terrible condition and found us with a banking and currency system under which we can not bear as easily as we ought to be able to bear this terrible condition.

The condition will never be remedied by any of the legislation we are enacting. We must cut down public expenditures and taxation and restore life to the industries so that men who are now out of employment will find jobs. To do this we must in some way reestablish trade with the world, moderate the tariff troubles under which we suffer, and in some way finally we must get our money and the world's money in some shape under which we can do business in competition with other countries who are using a cheaper money, and do business direct with other lands without their having to pay destructive prices in exchange.

In the meantime, Mr. President, we have in the United States now still standing, many of them paralyzed and dead and with cause to be frightened, 20,000 banks. Only about 7,000 of them belong to the Federal reserve system. The others must trust for rediscount opportunities to those who do belong to it. When they have the right paper they can discount it. I believe that this measure when enacted into law will be a healthy tonic to the whole business life of the Republic. Where will it do any harm? I do not think anybody seriously claims it will do any harm. It certainly will not. Some are very much afraid that the country will think it will do more good than it will really do. I would hate for that to happen because of inflation; but, Mr. President, for a moment more I want to say that the depreciated value of everything in this Republic has become a most serious question.

Some talk about raising taxes this year in the higher income brackets. I shall not oppose it, but I want to point to the fact that there will be very few in these brackets as compared with the past. Whoever paid the highest income taxes last year not only did not make any money in the sense of net increases in his wealth but he lost more money than anybody else in the country. The man who paid an income tax on an income of half a million dollars last year derived from the ordinary assortment of American investments suffered a depreciation in the value of the property from which the income came greatly exceeding the income, I should say, on an average of five times as much. In the sense of taxing people who are making more money now, there are none, because the man who received an income last year of $6 on a share of stock worth $125 in the beginning of the year has seen that stock depreciate until now it is worth only $27 or $30, as, for instance, New York Central Railroad stock. We may tell him until we are black in the face that he made money last year, but he knows very well that he did not. Even if he keeps that stock, the value is gone, and thousands are having to sell such investments at heavy losses.

Mr. President, what the country needs to realize is that there has been depreciation in all values until there is no net increase in anybody's wealth. It is all very well to put taxation on those whose wealth is mounting annually by the millions on the cash items involved in income, but when it is going the other way and when as a matter of fact they are losing millions and millions, as some of them are, it is a different proposition. I do not think we need to be worried if this legislation should have the effect of bringing back to somewhere in the neighborhood of their real worth the farms, the town lots, the shares of stock in the great enterprises of the Republic, and thus to increase the wealth and the power of the great business fabric of the Republic.

Oh, but, it is said, Mr. President, that it is very dangerous, that inflation is a terrible thing—and it would be; but I do not think anybody need be afraid of ultimately getting back into the whole life of the Republic a credit system under which we will attain to normalcy, much less inflation. It is going to be a long, tedious struggle in my opinion. Ten per cent of the banks are gone. It is going to take a long time and the finest kind of statesmanship and business ability that ever led this country to get us back to our normal state where the whole people can be doing business in a healthy way as they did before this great depression came upon our country and, led by our country, upon the world.

Mr. VANDENBERG obtained the floor.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Hull	Reed
Austin	Costigan	Johnson	Robinson, Ark.
Bailey	Couzens	Jones	Robinson, Ind.
Bankhead	Cutting	Kean	Schall
Barbour	Dale	Kendrick	Sheppard
Barkley	Davis	Keyes	Shipstead
Bingham	Dickinson	King	Smith
Black	Dill	La Follette	Smoot
Blaine	Fess	Logan	Steiwer
Borah	Fletcher	McGill	Stephens
Bratton	Frazier	McKellar	Thomas, Idaho
Brookhart	George	McNary	Thomas, Okla.
Broussard	Glass	Morrison	Townsend
Bulkley	Goldsborough	Moses	Trammell
Bulow	Gore	Neely	Vandenberg
Byrnes	Hale	Norbeck	Wagner
Capper	Harrison	Norris	Walcott
Caraway	Hastings	Nye	Walsh, Mass.
Carey	Hatfield	Oddie	Watson
Connally	Hawes	Patterson	Wheeler
Coolidge	Hayden	Pittman	White

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

Mr. VANDENBERG. Mr. President, the recommendations in behalf of this measure which were submitted yesterday by the able and distinguished Senator from Virginia [Mr. GLASS], who, without question, is the highest congressional authority upon legislation of this character, are entirely sufficient to defend, first, its necessity, and secondly, its dependability in respect to the sound operation of the Federal reserve system. I had hoped the legislation might proceed to a vote without further discussion upon the basis of the thoroughly illuminating presentation submitted by the Senator from Virginia and by his able colleague the Senator from Connecticut [Mr. WALCOTT]. But the debate has taken a wider and more critical range in many respects, and I am begging the indulgence of the Senate for a few incidental observations which, it seems to me, are highly pertinent to the contemplated legislation.

Undoubtedly there is nothing to be gained by further discussion of the condition of member banks in the Federal reserve system or by a further discussion of the exhibits upon this floor as submitted by the Senator from Virginia yesterday in respect to eligibility assets. Yet there are certain implications which ought to be reanalyzed. It requires no assurance of mine, Mr. President, that the figures submitted by the Senator from Virginia are accurate. But the interpretation to which those figures may be subject is a matter of appropriate discussion, and in respect to a practical survey of these figures I find myself in different conclusion from my able friend. His thesis was that this new rediscount privilege may not be needed because of resources already existing. My thesis is that the new privilege is a decided necessity and a great potential utility.

Even this much of a further discussion of the figures might be a disservice at the present time, except that, in my judgment, it wholly helps to sustain the importance and the necessity of the pending legislation. I believe it to be the most useful and potential contribution which can be made to economic restabilization for the advantage of our whole people.

The Senator from Virginia submitted figures indicating that only 91 member banks of the Federal reserve system have exhausted their eligibility resources. As I have already said, that is a scrupulously correct statement. But it reflects the condition as of September 29, 1931, and to-day's condition, due to hysteria now happily and justifiedly stopping, is a totally different story.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. VANDENBERG. I yield to the Senator from Kentucky.

Mr. BARKLEY. The Senator from Virginia did not, I think, refer to it, and I do not know that the figures are available; but I am wondering what proportion of the national banks that have failed and closed their doors during the last year or two had exhausted their eligible rediscountable paper.

Mr. VANDENBERG. I am unable to give the Senator the figures. Possibly the Senator from Virginia can answer the question.

Mr. GLASS. Mr. President, I may say to the Senator from Kentucky that I endeavored to get that information from the comptroller's office yesterday, but was told that it was not now available; that they had no statistical information on the subject. I also endeavored to ascertain the causes of bank failures within a given period, notably bank failures which have occurred since September 29 of last year, the date of the issuance of the last quarterly report, and was told by the comptroller's office that there were no such statistics available, and doubt was expressed as to whether any such information could be obtained. My desire was to ascertain whether banks had failed because of a lack of eligible paper or whether they had failed because of improvident extensions or other maladministration; but there were no such statistics available.

Mr. VANDENBERG. Mr. President, possibly the conclusions to which I am about to proceed will bear upon the question which the Senator from Kentucky has propounded.

Mr. BARKLEY. It occurred to me, just in that connection, that the mere statement that there are only 91 banks now in operation among those that are still left that have exhausted their rediscountable paper would not afford a true picture of the banking situation, because most of those that have closed within the last two years might have exhausted their rediscountable paper, and that might have contributed very largely to their inability further to function.

Mr. VANDENBERG. Mr. President, I completely agree with the Senator, and I am proceeding to discuss, so far as information is available, the question to which the Senator adverts.

We are discussing the fact that on September 29, 1931, which was nearly half a year ago, there were only 91 banks in the Federal reserve system, which presumably had exhausted their eligible resources at the Federal reserve banks. Even at that time, Mr. President, 20.6 per cent of those banks had less than $10 of eligible assets per hundred dollars of their total loans and investments. In other words, one-fifth of them were under even a decent margin in respect to their rediscount assets. Mind you, they had other equally good assets, but these other sound values fell outside the arbitrary limitations set up in the original Federal reserve act some 15 years ago. Commercial practice has changed in these 15 years, and Federal reserve definitions should progress with the times.

Let us carry the analysis farther. The fact is that 231 banks reported upon that date—and their figures are included in the total to which the Senator from Virginia referred—231 banks reported that they were using 70 per cent or more of their eligible assets to borrow from the Federal reserve banks at that time. They were in the danger zone. Meanwhile, since September 29, 1931, the deposits in the Federal reserve banks of the country have declined two and one-fourth billion dollars, or 11 per cent, so that in the interim between September 29, 1931, and the present hour, which we are treating in respect to this legislation, there has, of course, developed an obviously tenser situation. We must treat it as we find it. There is an emphatic and tangible need to be met.

Furthermore, I want to use a specific exhibit to demonstrate the fact that we might be misled in our interpretation if we did not break down the figures to which I am adverting.

Mr. GORE. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON of Indiana in the chair). Does the Senator from Michigan yield to the Senator from Oklahoma?

Mr. VANDENBERG. I yield to the Senator from Oklahoma.

Mr. GORE. The Senator observed that the deposits in the Federal reserve banks had declined more than $2,000,000,000

since the September report. Did he mean the Federal reserve banks or the member banks?

Mr. VANDENBERG. I meant, of course, the member banks of the Federal reserve system.

There was one Federal reserve district, Mr. President—which, perhaps, for the purpose of this further discussion had better not be identified—in which the report of September 29, 1931, indicated that only five banks had exhausted their eligible resources. That obviously is an astounding and challenging statement and would indicate a total lack of any need for supplemental relief. Furthermore, I repeat, it is an absolutely accurate fact, as submitted by the Senator from Virginia——

Mr. FLETCHER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Florida?

Mr. VANDENBERG. Yes. I think I could present my collective picture a little better if I might be interrogated at the end instead of in the middle, however.

Mr. FLETCHER. I am sorry. I just wanted to interrupt at that point to suggest that people withdraw their deposits not only from the member banks but from the State banks and the banks generally. This falling off of deposits, which would seem to emphasize the importance of this measure, is one of the reasons why the banks fail to utilize their eligible paper. It is because they know that the deposits are diminishing and they want to be prepared to respond to the demand of depositors at any time; and for that reason they are not using all of their eligible paper. Is not that the case?

Mr. VANDENBERG. I totally agree with the Senator from Florida.

Now let me proceed with this particular exhibit. As an indication that ample rediscount eligibility already exists we are given this example: Here is a Federal reserve district in which it is reported that only five member banks have exhausted all of their eligible paper as of September 29, 1931; yet in that district 103 member banks closed in 1931, and 25 more have closed since New Year's—a total of 128 banks in that particular district which have closed in 14 months, leaving 870 open. In other words, 1 out of 7 member banks in that district have closed in the course of 14 months. One out of seven member banks in the district have exhausted not only all of their eligibility but all of their other ability to keep their doors open. So the fact that five banks only are reported upon a given date as having exhausted these resources, I submit, does not wholly represent, although it has its bearing, the question of whether or not the eligibility privilege, as now existing and as heretofore existing, is entirely adequate. I state also my belief that many closed banks would be open to-day if a broader rediscount privilege had existed, because some closed not by reason of insolvency but by reason of a lack of abnormal liquidity.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. VANDENBERG. I yield to the Senator from Virginia.

Mr. GLASS. I am sure the Senator from Michigan will concede that the degree in which his analysis of the figures may be accepted would depend upon the question as to how many of those failed banks failed by reason, as I have said, of improvident extensions of loans to their own officials which never should have been made, of investments in immobile securities, and of general mismanagement of the banks.

Mr. VANDENBERG. I cordially agree with the Senator that none of these figures can be read to a final conclusion. That is precisely the point I am making; and it applies equally to those I am submitting as it does to those that were submitted by the Senator from Virginia.

Bearing upon the question of whether or not the remaining eligibility is badly distributed, it is illuminating in passing to note that in the particular district to which I am now adverting I am apprised as of to-day that 60 per cent of all of the rediscounts in that district are confined in half of one State; so that in the half of that one State there is a totally different situation than there is in the rest of the area. So here, again, we find the impossibility of reading the abstract statistics to a fully conclusive opinion respecting the utility of the existing rediscount privilege. In other words, it is my contention that abstract figures, as of last September, pretending to show a large amount of unused rediscount eligibility are not an automatic argument against the need for or the propriety of this legislation.

For instance, here is a typical example, Mr. President. I am quoting from a letter from the chairman of the board of directors of what is still one of the soundest banks in America, in a typical progressive American city of 50,000 people:

> Commercial paper is on the market only in a limited degree as compared with 1914. In this city we have about $38,000,000 of sound banking resources and less than $2,500,000 worth of paper that is legally subject to rediscount at the Federal reserve bank. The theory is that other paper is not marketable. As a banker of 43 years' experience, I am not interested in these theories. I am interested in securing money, and securing it quickly, in case of an emergency. The Federal reserve system is wonderful in many ways; but as a direct support in this, the greatest financial emergency in history, it has failed.

I do not agree that it has failed; but I do agree, Mr. President, that it can and should and must safely serve a larger measure of emergency dependability in precisely the fashion that is proposed in this legislation because the other assets referred to in this letter are often just as good or better than the eligibile assets under the existing rule. The existing rule is prejudicial and unwarranted. It reflects upon banking assets that may be the best in the land.

I agree that there has been definite and specific hoarding in some of the larger banks of the United States, and I think a very serious indictment can be laid at their door in some serious instances. Yes; and I agree, Mr. President, that there has been a speculative element in the portfolio of many of these banks—an element which deserves every stricture that the distinguished Senator from Virginia has pronounced upon them, which deserves every corrective element which he can fabricate in the measure which has yet to come before the Senate under his auspices. I cordially concur in his point of view in this respect. I think that when the fact is disclosed that upon a given day the total brokers' loans in a handful of Federal reserve member banks exceeded by three-fourths of a billion dollars all of the mortgages upon all of the farms and upon all of the homes of the United States, it is a tragic contemplation in respect to the nature of our fiscal and banking operations.

I agree that there has been in some instances also a certain type of inexcusable banking timidity; but, Mr. President, I cringe at the word "cowardice" that has been used in the indictment of the bankers of America as a whole, as it was used in many newspaper reports this morning in connection with the disclosures made yesterday upon this floor.

Edmund Burke said that you can not indict a people. Neither can you indict a class. It is true, of course, that there has been cowardly banking; but in my own observation I have seen many and many and many an epic in heroism and self-sacrifice and total dedication to the community welfare in big and little banks of the United States during the last tragic months. Let us be no less free with these acknowledgments than we are with our criticisms and complaints.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. VANDENBERG. I yield to the Senator from Virginia.

Mr. GLASS. If it will not divert the Senator, I think at this point it might be suggested that over and above the $3,000,000,000 of commercial paper reported at the time given in the portfolios of the member banks of the Federal reserve system, there might have been many millions more had certain dominating influences in the Federal reserve system undertaken to create an active market for commer-

cial paper, instead of practically confining their open-market operations to bonds for stock speculative uses.

Mr. VANDENBERG. In that comment, Mr. President, I totally concur, and I associate myself with the Senator in his attitude respecting them.

The chief reason why I rose was to add whatever reassurance may be necessary—I think none is necessary—to the credentials which support this legislation. The fact that the able Senator from Virginia puts his recommendation behind it is of itself a major warrant; but I make bold to submit, Mr. President, further very definite indications of the opinion in America that precisely this type of banking emergency relief is calculated to be of vital advantage to our credit and currency situation, to our bank depositors and borrowers, to the maintenance of our gold standards against all raids, to a stimulated commodity-price index, to resurgent trade, and thus to reemployment.

I want to submit the reactions of the State banking commissioners of the United States. It may be something of an anomaly and a paradox to consult State banking authorities in respect to a national-banking instrumentality. Nevertheless, the fact remains that the State banking authorities are in intimate contact with their own local situations. They are in intimate knowledge—at least, they should be—of the nature of the banking problem as it impends in the various States.

With this thought in mind, I undertook last summer and fall, when I was studying this same problem, to determine what the reaction of State banking authorities would be toward precisely the type of legislation which now impends, undertaking to accumulate this information as a background for what ultimately came to be Senate bill 546 and Senate bill 547, the forerunners of this legislation, which I introduced at the beginning of the session, and which were heard by the Committee on Banking and Currency last December.

This is the question which I asked these various State banking commissioners last September. I asked them whether they would favor the following proposition:

> The creation of a limited emergency power akin to the so-called "Lombard loans" made by every central bank of issue in Europe.

That is a very important fact, the fact that these so-called emergency loan privileges exist in some form or other, and have for a century, in connection with practically every central bank of issue in Europe.

> The creation of a limited emergency power permitting the temporary rediscount of "other assets"—

Other assets being those beyond the limited definition in the Federal reserve act itself—

> subject to the discretion of the board of directors of the Federal reserve bank and to such restrictions, limitations, and regulations and special rates as may be imposed by the Federal reserve bank, *provided* that these emergency rediscounts shall *not* be used as collateral security for Federal reserve notes.

Mr. President, it seems to me that the result of this referendum should be highly encouraging to any Senators who may still have any lingering doubts either about the utility or the safety or the high encouragement in the pending legislation, because here is definite official information straight from the decentralized banking control points of the Union.

What was the result of this questionnaire, a questionnaire which was circulated at almost precisely the time which is reflected in the rediscount figures which we have been discussing? This was last September. Affirmative replies, often accompanied by enthusiastic and urgent letters, were immediately recorded to this question from the following States: Alabama, Arizona, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Massachusetts, Michigan, Mississippi, Missouri, Nebraska, Nevada, New Mexico, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, Wisconsin, and Wyoming.

Mr. President, thus 28 States, in the face of circumstances as they existed last fall, were asking for this new latitude which is provided in the pending measure. There were others whose affirmative response was in general terms. A few were opposed. I have attempted, during the past few days, to bring the poll down to date in the light of subsequent developments. Additional affirmative indorsements as a result may be recorded from the following States: New York, North Dakota, New Jersey, Arkansas, Maine, Rhode Island, Maryland, California, Montana, and Idaho.

This, Mr. President, makes a total of 38 States which, speaking through their State banking authorities, put themselves squarely upon record in definite and specific indorsement of this pending philosophy of fiscal action and of the advantage to be gained from the creation of this protective emergency machinery in the Federal reserve system.

The following States expressed themselves in general approval of careful liberalization, without wanting to be specific: Kansas and Virginia.

The only States registered in opposition on the poll of last September, from which I have not been able to secure subsequent word, were New Hampshire, Minnesota, and North Carolina.

Mr. President, with that background of official banking credentials, not from bankers but from the duly chargeable public banking authorities of various States, I turn to one or two other exhibits by way of a demonstration of the broad base which underlies and justifies the acceptance by the Senate of this legislation which makes a better Federal reserve system, a safer system, and a system more responsive to the developing needs of the United States.

I want to refer to a statement issued on January 7, 1932, by the American Farm Bureau Federation, which produced an amazingly complete analysis of the relations between money, prices, and prosperity. It showed that the dollar's buying power to-day makes it worth $1.45 compared with normal, and that the commodity-price index has sunk below par in relative proportion. With the price index at 100 for 1926, the general commodity index in November, 1931, was 68, and the agricultural-ocommodity index was 58. Here we touch the realities of our troubles.

The American Farm Bureau Federation came to these two conclusions, these findings being the conclusions which the federation believes essential if we are to restore our economic normalcy:

> First. Restore the wholesale commodity price level to a point somewhere near that at the beginning of the present deflation.
> Second. Stabilize the price level at that point.

How to achieve these results, in the view of the American Farm Bureau Federation? The third of the recommendations reads as follows:

> Broaden the rediscount-eligibility provisions of the Federal reserve act.

In other words, these economists, speaking for organized agriculture, come to the conclusion that the use of a conservative broadening of the rediscount eligibility of the Federal reserve system will make its contribution toward the return of the commodity-price index toward par. When that trend sets in, Mr. President, we have broken the vicious circle which now has us in its grip. We have turned toward the economic sunrise.

In precise line with this conclusion, let me also refer to the well-known program of economic action proposed during the holidays by a group of distinguished economists, headed by Prof. Warren M. Persons, formerly of Harvard, and including all of the following distinguished experts: Prof. T. S. Adams, of Yale, member of the fiscal committee of the League of Nations; Prof. E. L. Bogart, University of Illinois, retiring president of the American Economics Association; Prof. T. N. Carver, Harvard, president of the American Economics Association; Prof. J. M. Clark, Columbia; Prof. John R. Commons, University of Wisconsin; Prof. John H. Cover, University of Chicago; Victor Clerk, consultant in economics, Library of Congress, former editor of Living Age; Prof. J. S. Davis, director of Food Institute, Stanford; Prof. Carroll W. Doten, Massachusetts Institute of Technology; E. Dana Durand, former director of the United States Census; Prof. J. T. Ebersole, Harvard Graduate School of Business, former economist, United States Treasury Department; Prof. Irving Fisher, Yale; David Friday, Washing-

ton economist; Prof. Jacob H. Hollander, Johns Hopkins University; Virgil Jordan, economist, McGraw-Hill publications; Prof. Edwin W. Kemmerer, Princeton, monetary consultant to several governments; Max O. Lorenz, statistician, Interstate Commerce Commission; Prof. Harry E. Miller, Brown University; Prof. Harold L. Reed, Cornell; the Rev. John A. Ryan, Catholic University, Washington; Prof. I. Leo Sharfman, University of Michigan; Prof. Walter Spahr, New York University; Prof. Walter E. Willcox, Cornell, vice president, Institute Internationale de Statistique.

What was the diagnosis of these leading economists of the country? First, that the general contraction of credit and the deflation of prices had gone far enough. A thousand times, yes.

Second. That the United States "can have substantial business recovery without waiting for a solution of Europe's difficulties."

That is a highly encouraging and refreshing thing to be said, and a thing which ought to be said. We can, if we will, be self-sufficient.

Third. That recovery is possible on a sound money basis, "without recourse to monetary panaceas."

This is a philosophy with which I cordially associate myself. In the measure pending before the Senate there is no panacea, and there is not a penny of anything else except sound money; and I, for one, would not approach one inch in the direction of anything else but sound money. The program pending has in it only the same kind of money precisely which exists in America to-day, and a limited creation of a thoroughly safeguarded provision for latitude, as emergency arises and as necessity may dictate. We unlace our strait-jacket.

Let me pursue the analysis from these distinguished economists by way of leading to a demonstration that here again is the same meeting of minds at the point where the Senate to-day is invited to action upon this legislation.

How did these economists suggest that these desirable results should be accomplished?

First, pass the Reconstruction Finance Corporation bill. That has already been done.

Second, force economy in municipal, State, and National budgets, and increase taxation to meet any remaining deficit.

This second plan is well under way, so far, at least, as the Federal Government's prospectus is concerned.

Third, build a liberal Federal reserve policy designed to check credit contraction and encourage some expansion.

Thus again we arrive at the same indispensable goal. Once more we reach the precise measure now pending before the Senate.

Mr. President, these exhibits could be multiplied almost without end. It is the considered opinion, I believe, of those in America who think they know something about the question that this measure which the Senator from Virginia brings to the bar of the Senate to-day has within it the greatest possibilities of encouragement, and then of actual contribution to a restoration of reasonably dependable economic times, of any legislation which has been offiered or will be. I favor it enthusiastically, and I should favor a still further release of some of the limitations in it.

Of course, the question of inflation immediately arises, the bogy question of inflation. There is a school of thought at home and abroad which can not approach the question of inflation, or hear the word, without apoplexy. Inflation, as it is known abroad, means printing-press money, the type of money which, if the world has ever needed an unanswerable demonstration of its futility, got the demonstration in connection with the French assignats of 1790. Of course, there is no inflation of any such type involved in this measure.

If it were to mean debased currency, it would most certainly be entitled to precisely the same quarantine as would printing-press money. If it represented fiat money in any degree, of course, it could not earn the consideration of a favoring Senate. But none of these elements is involved. In no remote degree are any of these elements involved, and those who seek to attribute any of these elements in any degree to the pending legislation are either ignorant or malicious.

Mr. BLAINE. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Michigan yield to the Senator from Wisconsin?

Mr. VANDENBERG. I yield.

Mr. BLAINE. I hope that after I ask a question of the Senator he will not consider me malicious, at least.

Mr. VANDENBERG. I acquit the Senator in advance.

Mr. BLAINE. I may be ignorant of what this bill purports to do, but I want to call the Senator's attention to the fact that when United States obligations, which are merely promises to pay, are used as eligible paper against which the Federal reserve system may issue Federal reserve notes up to the extent of 60 per cent of that promise to pay, have we not, to that extent, a scrip money that has no other backing than the promise of the Government, the same as a Government note would be a promise of the Government to that degree, 60 per cent?

Mr. VANDENBERG. Mr. President, under the terms of the bill, the substitution of Government bonds in that sector of the note backing which requires something else than gold would seem to me to provide the finest and most dependable security on earth, and to that extent it would seem to me that Federal reserve circulation issued upon the basis indicated would be even sounder circulation than that which is issued under the existing method.

Mr. BLAINE. Mr. President, will the Senator yield further?

Mr. VANDENBERG. Certainly.

Mr. BLAINE. Has the Senator answered my question? My question is this: Government obligations are merely agreements to pay. So to the extent of 60 per cent back of the reserve notes is an obligation of the Government to pay. Are not the notes therefore to that degree—that is, 60 per cent—merely paper money, a promise to pay, having no other force and effect than a printed dollar which carries on the face of it the statement that "this is equal to 60 cents"? We have nothing but the promise of the Government to pay. We have exactly the same situation when the Government issues scrip money, when it issues greenbacks, if you please. To that degree it is money that is nothing more than the ordinary scrip.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. VANDENBERG. I yield.

Mr. GLASS. I am sure the Senator from Michigan does not need any aid from me; but, if I may, I take leave to suggest that there is something more behind the note than the promise of the Government to pay. In addition to that promise of the Government to pay, the combined assets of 12 Federal-reserve banks, with the double liability involved of the member banks, are behind the note.

Mr. VANDENBERG. I thank the Senator for his contribution.

Mr. BLAINE. That prompts this further question. If we could determine the ratio of that double liability to the amount that can be issued under the terms of the bill against Government obligations, then to that degree we still have the element of scrip or the greenback—to some degree at least. I do not know what degree it might be. On the face of it the degree of the scrip is exactly 60 cents on the dollar if the Federal reserve issues notes with 40 per cent gold and the remainder Government obligations.

Mr. GLASS. I am not finding fault with the soundness of the Senator's view. I think his view is sound. But right on that point I may state that it has been suggested that there should be some limitation upon the amount of United States securities that may be used for the purposes indicated. In short, it has been suggested that the Federal reserve banks be confined to the $750,000,000, which they have bought and now have on hand. But that is a question which we may consider when we take up the bill section by section.

Mr. VANDENBERG. Mr. President, I happen to be one of those who believe, speaking very bluntly, that one of the necessities of the moment is more money. I do not mean to be facetious, for that is obviously the need. I am speaking of more currency. One of the best authorities I know of in North America upon subjects of this nature is Mr. T. B. McCauley, president of the Sun Life Insurance Co. of Canada, from whom I quote the following:

> That the purchasing power of currency depends on the amount of that currency and currency credits which may be outstanding can no longer be denied.

I do not think it can be denied. I have a feeling that the contraction of the volume of our currency is one of the major difficulties which we confront in driving back toward normalcy, not only because of its effect upon banking but particularly because of its effect upon trade. We can not do normal business with a subnormal currency. What is it we are undertaking to do when we fight hoarding? We are undertaking to bring back more money, more sound money, more real money into being and into circulation. What is it that will primarily make the largest contribution toward starting the commodity price index back up out of the basement? More money, more actual, real money, more currency. The volume of the currency, the sufficiency of the currency, is inevitably related to the commodity-price index, and the commodity-price index is inevitably related to the moment when we shall dependably start back toward prosperity in our economic operations. I do not mean this is a cure-all, but I do mean that it is permanent and priceless tonic.

So that the phase of the bill which contributes to more sound money in terms of currency is a phase of the bill which in my humble judgment is calculated to make a substantial contribution to the advantage of the next few months, and this is just as great a contribution to labor as to capital. It is a contribution to business and to jobs.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Idaho?

Mr. VANDENBERG. I yield.

Mr. BORAH. In view of the rather wide discretionary power which is lodged in the Federal Reserve Board, how much more money does the Senator think this will provide?

Mr. VANDENBERG. The Senator from Virginia [Mr. GLASS] responded yesterday to a question along similar lines indicating that in his judgment a maximum of $1,500,000,000 of additional currency could issue under the terms of the bill. I will submit to the Senator from Idaho a letter from the Secretary of the Treasury, Mr. Ogden L. Mills, dated February 16, 1932, which states:

> The total volume of Federal reserve notes that the Federal reserve banks can issue is limited by the requirement that a 40 per cent gold reserve must be maintained against such notes. On the basis of the existing volume of excess reserves, which is $1,400,000,000, the Federal reserve banks can issue $3,500,000,000 of Federal reserve notes. There is nothing in the pending bill to change this maximum amount.

The thing that is in the pending bill is a provision which defeats the present sterility of the gold supply. A definite answer to the Senator's question would be entirely dependent upon a definite identification of the extent of our free gold. The mere existence of the new latitudes may well so restore confidence and restore money from hiding that their actual use might not be largely necessary.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Kentucky?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. Regardless of the maximum amount that may be issued by the Federal reserve banks, will not the amount that will be actually issued depend somewhat on the demand for money, and will not that demand depend upon the confidence men will have in the investment of that money for business or economic purposes, so that fundamentally we have to restore somebody's confidence in the ability to get a return on the money before they are going to borrow it for any purpose?

Mr. VANDENBERG. That, of course, is entirely correct. It is what I am saying. I agree with the Senator's statement.

At this point I ask that the letter of the Secretary of the Treasury, from which I just quoted, may be printed in full in connection with these observations.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

FEDERAL RESERVE BOARD,
Washington, February 16, 1932.

Hon. ARTHUR H. VANDENBERG,
United States Senate, Washington, D. C.

MY DEAR SENATOR VANDENBERG: I wish to acknowledge receipt of your letter of February 12, in which you inquire about the effects of section 3 of the pending bill, S. 3616, on the power of the Federal reserve banks to issue currency.

The total volume of Federal reserve notes that the Federal reserve banks can issue is limited by the requirement that a 40 per cent gold reserve must be maintained against such notes. On the basis of the existing volume of excess reserves, which is $1,400,000,000, the Federal reserve banks can issue $3,500,000,000 of Federal reserve notes. There is nothing in the pending bill to change this maximum amount.

Under existing law, however, the Federal reserve banks will be able to meet only about $430,000,000 of additional demands for currency (or for gold for export) without making it necessary for member banks to increase their indebtedness at the reserve banks. This is for the reason that the law requires that Federal reserve notes issued by the Federal reserve agents be covered up to 100 per cent either by eligible paper or by gold. At the present time the total amount of eligible paper in the hands of the Federal reserve banks is about $900,000,000 and the total amount of Federal reserve notes outstanding is $2,900,000,000, so that about $2,000,000,000 of the Federal reserve notes have to be covered by gold. When allowance is made for the 35 per cent reserve required against deposits and for the amount of gold required in the redemption fund in the Treasury, this leaves about $430,000,000 of gold that is not required either as reserve or as collateral against notes. It is only up to this amount that the reserve banks can meet either an internal or an external drain without forcing the member banks further into debt. When this amount of free gold is distributed among the 12 Federal reserve banks, it is clear that the available margin is narrow. It is evident that it would be highly undesirable in the existing circumstances, with member-bank indebtedness already over $800,000,000, to increase this indebtedness, particularly so long as this increase is not caused by a revival of business but either by further domestic hoarding or by gold exports. It is in order to meet this situation that the proposed amendment authorizes the Federal reserve banks to use United States Government obligations as collateral against Federal reserve notes. This will make it possible for the reserve banks to meet additional demands upon them without putting member banks further into debt and thus exerting a contracting influence on the credit situation.

At the present time every effort must be made to encourage banks to resume the normal financing of the requirements of trade and industry, and the necessity of increasing their burden of indebtedness must be avoided. It is for these reasons that I urge the adoption of the section in S. 3616 which authorizes the use of direct obligations of the United States as collateral against Federal reserve notes.

Very truly yours,

OGDEN L. MILLS,
Secretary of the Treasury.

Mr. VANDENBERG. Mr. President, some people call this bill "antideflationary," seeking to avoid the awful word "inflation." Some describe it as "a privilege of expansion," still seeking to avoid the word "inflation." Personally I am not afraid of words, and I decline to be crucified on their definition. But I am not sure that if a scrupulously accurate word were to be sought to describe the process which is invoked, it would be neither "deflation" nor "inflation," but "reflation," suggesting in the nature of the word itself that we are simply seeking to recapture the normal and essential currency supply in emergency, so far as that can be done on an absolutely safe and appropriate basis.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Oklahoma?

Mr. VANDENBERG. Certainly.

Mr. GORE. I would like to have the Senator's views and criticism on this point. I was reading an address a few days ago by Doctor Kemmerer, of Princeton University, a recognized authority on the subject of banking and currency. He stated that on October 31, 1929, the week of the

crash, there was in circulation in this country $4,838,000,000; that on the 30th day of November, 1931, two years later, the circulation was increased to $5,536,000,000. There was an increase of $700,000,000 in our monetary circulation—in our coin and currency—an increase of 14 per cent. During the same two years trade and production had declined in the country 25 per cent, and in addition to that the wholesale price level had declined 30 per cent; so that taking the amount of money in circulation on October 31, 1929, as related to trade and production and as related to price level, there was the equivalent of $2.20 in circulation on November 30, 1931, as compared with $1 in circulation on October 31, 1929, the week of the crash. Counting the amount of work to be performed by our monetary circulation, there was a potential increase in our volume of coin and currency amounting to more than 120 per cent. I would like to have the Senator's comment on that point, because to me it is a very interesting problem.

Mr. VANDENBERG. I agree with the Senator that the statement is exceedingly interesting. I would not assume to analyze it in detail without having the figures in hand to study. I would say at the moment that the figures involve one fiction, namely, that the so-called circulation in the fall of 1931 to which the Senator adverts was circulation in theory rather than in fact, because of the tremendous hoarding which already was under way and because of the tremendous amount of assets which were locked up in the closed banks of the Nation. The mathematical equation which he submits to me is an equation which is more seeming than real. Nevertheless, there is a challenge in the figures and one that deserves study.

Mr. GORE. The Senator is correct in that observation, and that is the point I was trying to make, whether the cause of the existing trouble is a shrinkage in money or not. If that is not the reason, of course we may be pursuing a phantom. If it is the reason, of course it ought to be ascertained beyond doubt, because we do not wish to administer treatment based upon an incorrect analysis or diagnosis of the disease. That is the reason why I interrupted the Senator.

Mr. VANDENBERG. I thank the Senator. As I have already indicated, I am one of those who believe the volume of currency does have some relationship to the problem.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Florida?

Mr. VANDENBERG. I yield.

Mr. FLETCHER. Is it not true that perhaps it is not sound to refer to this money as being in circulation when as a matter of fact it may not be in circulation; that is to say, the money that is hoarded is listed as in fact in circulation, whereas it is not in circulation actually at all.

Mr. VANDENBERG. That is correct, and that is what I have undertaken to show.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Kentucky?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. Mr. President, adverting to the suggestion of the Senator from Oklahoma [Mr. GORE] that we might be treating the patient for the wrong disease, I have not been so certain that in some of our legislative treatments here we have not proceeded on the policy of the quack doctor who was called in to diagnose the disease of a member of a family. After stumbling around considerably and deciding that he did not know what was the matter with the patient, he suggested to the family that he was good on fits, and therefore he would throw the patient into a fit in order that he might cure that. I am not so certain that in some of our governmental actions in this country we have not thrown our own country, if not the world, into a fit, and that we are now undertaking to cure that in order we may establish a reputation as physicians.

Mr. VANDENBERG. Mr. President, allow me to agree with the Senator to this extent, that, in my judgment, the pending measure should have been the first measure in the program of reconstruction; and, in my judgment, if this measure had first put its authority into the reactions of the Nation 60 days ago, some of the other instrumentalities which we have created might not have been necessary. The President, in his admirable December message, used a happy phrase when he asked us to join him in putting steel beams under the Nation's credit structure. We have been setting these steel beams in place one by one. But this is the greatest steel girder of all. I thought so last summer when few would listen. I think so more emphatically than ever to-day.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from South Carolina?

Mr. VANDENBERG. I yield.

Mr. SMITH. In discussing this question with particular reference to having paper which is now not eligible made eligible for rediscount, after the astounding presentation of the facts by the Senator from Virginia [Mr. GLASS] on yesterday, I was wondering if the innumerable failures of banks, particularly country banks and those in the outlying districts, had not been due to the fact that the price of agricultural products of the country has shrunk to such a point that in seasonal times when ordinarily deposits are made by those who have borrowed for the purpose of producing their crops there have been withdrawn from the banks what little deposits remained over, because the gross returns did not in any degree meet the cost of production. In two major crops alone in two years, 1930 and 1931, there was a drop from the preceding year of something over $4,000,000,000 in value of farm products. That meant that that much actual currency was lost to trade which otherwise would have made it possible for the banks to have tided over the period when their deposits were so depleted, and therefore they could not continue in business.

What I am wondering is, will the plan that we have before us now, if adopted, have any effect in the way of restoring confidence on the part of the banks throughout the country so that they will lend on the basic agricultural elements? I say, Mr. President, here and now, that until real estate and agricultural crops are restored to something like a fair price—that is, a price covering the cost of production of such crops plus a reasonable profit—there can be no relief from the present situation in which we find ourselves.

I am wondering if the proposition now before us, by releasing paper that is not otherwise eligible but will be made eligible, will cause the banks to lend any more liberally or freely on real estate or on farm products than they now do.

Mr. VANDENBERG. Mr. President, it is my judgment that this measure has the largest possible assurance in it for a complete reestablishment of confidence not only in the people themselves in respect to the banks but in the banks themselves in respect to their own resources and with respect to their relationship not only to their depositors but also to their borrowers.

I ask not to be further interrupted, Mr. President, for just a few moments, while I conclude what I have to say, for I have occupied the floor far longer than I anticipated.

On the question of inflation, which I was discussing when diverted, I simply want to conclude with this very trite editorial observation from the Iron Age, a very important trade publication of the Nation, of the issue of December 17, 1931:

> Transforming a rout into an orderly retreat can not be called an advance. Checking unbridled deflation to prevent it from leading to economic disaster can not be called inflation. Yet if this be inflation, make the most of it.

I cordially associate myself with that observation and that conclusion. And finally, Mr. President, I also associate myself with the observation of the Secretary of the Treasury, testifying before the House committee recently in connection with this measure, speaking as follows:

> This is the most constructive piece of banking legislation introduced in either House of Congress in many a year.

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD immediately following the very

interesting address of the Senator from Michigan [Mr. VANDENBERG] an address recently delivered by Dr. Arthur B. Adams, who is professor of economics in the University of Oklahoma. He is a recognized authority on this question and has written two works on the subject of business cycles. The address which I ask to have printed in the RECORD is a very thoroughgoing analysis of the causes which have brought about the present depression. He expresses some doubt as to the effectiveness of the pending measure. I think the address ought to be made part of the record so that both sides may be considered. Doctor Adams contends that overtrading, speculation, and overexpansion of credit have characterized every depression we have had in this country; that we have suffered from an overexpansion of credit. He insists that the measure now pending, while it may prove a temporary palliative, may lead to a return and to an aggravation of existing evils in the future. Without expressing any opinion as to the correctness of his conclusions or his remedy, I should like to have his address inserted in the RECORD.

It is a matter of importance that we should not mistake symptoms for causes. It is a matter of even greater importance that we should not treat the symptoms as if they were causes, and it is a matter of the greatest importance that we should not ignorantly, though innocently, intensify the causes of prevailing distress instead of removing or counteracting those causes.

If, indeed, we had been upon an economic debauch or had been the victims of an economic delirium, it might conceivably be, as suggested by Doctor Adams, that an excess of credit might not be the cure for an excess of credit, or for the evils resulting from such an excess or delirium.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The address of Doctor Adams is as follows:

PROBLEMS OF THE DEPRESSION

(Delivered before the American Association of University Women at Shawnee, Okla., by Arthur B. Adams, February 1, 1932)

Barring a war of large magnitude, recovery from this business depression is likely to be so slow that it will be imperceptible from month to month. A big war might temporarily stop the depression but a war which would stop the depression would in no way cure the fundamental economic and business difficulties which underlie the depression. War would only produce an inflational condition which would result in further intensifying the fundamental economic problems which must be solved in order to cure this depression.

In my opinion, the fundamental forces which brought about the present depression in the United States are as follows:

1. The technological progress made by the United States from 1900 to 1929 brought about a rapid increase in mass production, lowered the cost of production, and decreased the number of laborers employed per unit of product produced. This great increase in production was stimulated by the World War and the war was largely responsible for the enormous favorable balance of trade which the United States has had since 1915. However, the war was not the prime cause of our technological development. This development was due to inventions and was an inevitable result of our factory system, our industrial combinations, and our large natural resources. The war, and conditions after the war, only made the technological progress more rapid than it would have been otherwise.

2. The $11,000,000,000 loan of the Federal Government to the allies during and immediately after the war made possible the enormous favorable balance of trade which in turn stimulated our technological progress from 1915 to 1920. The eight to ten billion dollar private loans which have been made through American bankers to foreign governments and foreign citizens has supported our large favorable balance of trade since 1921. This huge favorable balance of trade gave a market for a large part of the surplus goods which Amercia was producing.

3. From 1922 to 1929 a relatively stable price level was maintained in the United States under conditions of a decreasing cost of production and a comparatively stable wage level. This decrease in cost of production, increase in output, and stable prices enormously increased profits during this period. There was a corresponding decrease in the power of consumers to purchase the goods which we were producing. This increase in profits acted to stimulate overproduction in many industries.

4. As a result of the World War we increased our gold supply enormously, and as a result of the passage of the Federal reserve act we developed a strong banking system. After the crisis of 1920 (from 1922 to 1929) credit was quite easy in the United States, and as a result of this situation we used an excessive amount of bank credit in speculating in urban real estate and securities, both domestic and foreign. This brought about the stock-market boom which terminated in 1929.

5. During the period of 1923 to 1929 (the Coolidge boom) American business enterprises produced and sold goods at a total value greatly in excess of the total current money income of the American consumers. At this period of time American consumers purchased large quantities of goods on installment purchases; they also bought many goods with paper profits made on stock-exchange speculation. From 1915 to 1929 we exported in excess of imports about $32,000,000,000 worth of goods. From 1923 to 1929 outstanding installment purchases increased from somewhere around $1,000,000,000 to about $8,000,000,000. There were many billions of dollars of paper profit made and spent as a result of the stock-market boom from 1924 to 1929. The favorable balance of trade, the increase in installment sales, and the expenditure of paper profits took from 15 to 20 per cent of American goods from the market with purchasing power other than the consumers' current money income. Foreign sales, supported by foreign loans, installment sales, and the expenditure of paper profits were highly artificial sources of purchasing power for goods.

In 1929 these artificial props to the market for American goods were destroyed and the Hoover depression of 1929 occurred. At that time the banks had used so much credit on the stock-market boom that the Federal Reserve Board called a halt in the use of further bank credit in speculation. Foreign loans, because of shortage of domestic funds, decreased, our foreign-trade balance fell off, the stock market broke, paper profits were swept away, goods began to accumulate in the market, prices fell, industries were closed down, unemployment increased, and the depression was on. Since that time we have had the financial crisis in Germany, the fall of the gold standard in England, and the spread of the depression to every civilized country in the world.

This depression did not originate in any of the European countries. It was brought about by conditions in Europe only to the extent to which we were unable to make further loans to European countries to support our favorable balance of trade which was built upon unsound loans which we had already made in those countries. The following verse from a current issue of the Saturday Evening Post illustrates the fallacies of our reasoning in reference to international loans and foreign trade:

"INTERNATIONAL FINANCE

"If anybody owes you money
And can not pay, be bright and sunny
And let him borrow more and more
To pay you what he owed before.
Oh, never let base fear betray you!
Unless you lend, how can he pay you?
But if you always lend and lend,
Prosperity will never end.
Because the more you lend a debtor
And help to make his credit better,
The better he can borrow, which
Is wherefore we are all so rich."

We can not continue to make additional large loans to Germany or to any foreign country on the theory that by so doing we will save the loans which we have already made. Neither can we expect to continue to maintain the large foreign-trade balance which we have had for the past 15 years. During this time our trade balance has been supported almost entirely by the loans we have made. The countries to which we have been selling the goods have been unable or unwilling to pay for the goods from their own resources.

America must adjust itself to a balanced trade or to an unfavorable balance of trade. Also, in the future we must not depend upon selling more and more goods to American consumers on installment payments. Certainly in the near future the American consumers will not be able to buy a large quantity of goods from stock-exchange speculation profits. The only basis upon which American business can recover is that the goods which are produced and sold will be purchased by American consumers from their current money incomes. In other words, we must depend upon the home market and see that the American consumers have sufficient current money income with which to purchase the goods which are produced.

In order for the American consumers to keep American industries operating it will be necessary to increase the consumers' money incomes in relation to the goods which are produced. In plain language, real wages must be higher and profits must be lower in the United States if industry is to operate at anything like a normal capacity. This increase in real wages may be brought about by the lowering of prices without a corresponding lowering of wage rates. In a large measure this has been done already, and to this extent a fundamental necessary adjustment has been made. In making the adjustment between consumers' real income and value of goods produced it is going to be necessary to reduce the hours of labor of workers in order to furnish jobs for more workers.

HOOVER RELIEF MEASURES

The Hoover financial relief recommendations, if enacted into law, would not cure any fundamental economic difficulties. It is not likely that the prices of commodities would be raised as a result of their enactment into law, and neither is it likely that the price of securities would be raised materially. The trend of world prices in terms of gold-standard money is downward. The increase of domestic credit will have little influence in this trend.

Prices of securities must depend ultimately upon the earning power of the concerns which issued the securities, and the Hoover relief measures would not, to any considerable extent, increase the earning power of business concerns.

By purchasing the frozen assets of banks the Reconstruction Finance Corporation may give some relief to communities where banks have already failed or to communities where the banks are about to fall. This measure undoubtedly will decrease the blood pressure of a good many bankers, both large and small, who are in financial difficulties. To no considerable extent will it furnish a market for the goods of American industries or increase the money income of American consumers.

The increase in the capitalization of the Federal land banks undoubtedly was necessary to maintain the value of their bonds in the market, and probably a few farmers will get financial relief as a result of this measure.

Thanks to the real statesmanship of Senator CARTER GLASS, the Senate has refused to accept Mr. Hoover's recommendation "to liberalize" the Federal reserve system by making the paper of the Reconstruction Corporation rediscountable at the Federal reserve banks. Such a measure would have greatly weakened the strength of the Federal reserve banks.

Mr. Hoover's policy seems to be to supply more credit to bankers so that they will supply more credit to farmers and business men in order that they in turn may stimulate business. The fundamental difficulty in the United States is not the lack of credit; one of the fundamental difficulties is that too much credit has been used already. The fundamental difficulty is a lack of an adequate market for the goods we are able to produce. This market must come largely from increasing the real income of American consumers. This can be done by writing off capital losses and accepting lower profit margins; to accomplish this we must have lower prices or higher wages.

Mr. THOMAS of Oklahoma obtained the floor.

Mr. GEORGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Georgia?

Mr. THOMAS of Oklahoma. I yield.

Mr. GEORGE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Hull	Reed
Austin	Costigan	Johnson	Robinson, Ark.
Bailey	Couzens	Jones	Robinson, Ind.
Bankhead	Cutting	Kean	Schall
Barbour	Dale	Kendrick	Sheppard
Barkley	Davis	Keyes	Shipstead
Bingham	Dickinson	King	Smith
Black	Dill	La Follette	Smoot
Blaine	Fess	Logan	Steiwer
Borah	Fletcher	McGill	Stephens
Bratton	Frazier	McKellar	Thomas, Idaho
Brookhart	George	McNary	Thomas, Okla.
Broussard	Glass	Morrison	Townsend
Bulkley	Goldsborough	Moses	Trammell
Bulow	Gore	Neely	Vandenberg
Byrnes	Hale	Norbeck	Wagner
Capper	Harrison	Norris	Walcott
Caraway	Hastings	Nye	Walsh, Mass.
Carey	Hatfield	Oddie	Watson
Connally	Hawes	Patterson	Wheeler
Coolidge	Hayden	Pittman	White

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

Mr. THOMAS of Oklahoma. Mr. President, on yesterday I introduced an amendment which was printed and is now upon the table. I call that amendment from the table and ask that it be read.

The PRESIDENT pro tempore. The amendment will be read.

The CHIEF CLERK. The Senator from Oklahoma offers the following amendment:

On page 3, line 15, strike out the following:

for a period of not exceeding one year.

On page 3, line 16, change the first letter to a capital "F."

The PRESIDENT pro tempore. May the Chair state, before the Senator from Oklahoma proceeds, that there are certain committee amendments which must be disposed of first. The Chair understands that the Senator wishes to address the Senate regarding his amendment, and not to offer it now.

Mr. THOMAS of Oklahoma. I desire to address myself to the amendment.

Mr. President, I should like to have the attention of the members of the subcommittee, if I may. I should like to ask the subcommittee, or the Senator who speaks for the subcommittee, whether or not this amendment striking out the limitation for one year can be accepted.

Mr. GLASS. Mr. President, I think I can speak for the subcommittee to the extent of saying that it will not be accepted.

Mr. THOMAS of Oklahoma. Mr. President, it is somewhat embarrassing for me to argue in favor of an amendment that is not agreed to by my distinguished colleague from Virginia. I have always followed his lead in matters of finance.

I well remember when he led the fight in favor of the present financial structure. I was not a Member of the Congress at that time. I happened to be in Washington when the bill was passed, and I saw the measure signed. That measure, the Federal reserve act, in substance at least, will be the law for ages, and so long as it shall last the name of the distinguished Senator from Virginia will be indelibly attached to it.

Of course, in the passage of that act the Senate had an important part; and at that time a distinguished Senator represented Oklahoma in this body. He was then the chairman of the Banking and Currency Committee and in Oklahoma, as in Virginia, we take particular pride in referring to the Federal reserve act as the Glass-Owen bill. Therefore, when the distinguished Senator from Virginia objects to an amendment which I propose, I am loath to proceed.

But, Mr. President, this is a most important proposal—as important and far-reaching as any pending before the Congress. It has to do with banks, money, and credits, and affects directly industry, transportation, agriculture, labor, and more vitally perhaps that great American industry of politics. Because of the transcending importance of the measure and because it contains one provision which should, in my judgment, be eliminated, I have offered an amendment, and my responsibility as a Senator compels me to present my views to the Senate.

As I shall proceed I welcome questions. If I misstate a fact, I want Senators who are cognizant of such misstatement to call my attention to the error. This invitation includes the distinguished junior Senator from Virginia.

I have been taught to believe that the Senator from Virginia would be the last one to sponsor this sort of legislation. On legislative proposals, and especially on financial legislation, the Senator from Virginia is sound. If I might be permitted to criticize him slightly, I would say that he is a little too sound when it comes to the money question. On the basis of a relative comparison a gold dollar beside the distinguished and able Senator would actually appear hollow. On the proposal advanced, when I shall have concluded, I will be content to rest the case upon the judgment of this Senate. I invite the attention of the Senators who represent agricultural constituencies, Senators who represent labor constituencies, and most particularly I invite the attention of the Senators upon this side of the aisle.

Mr. President, the fact that I find myself in opposition to the distinguished junior Senator from Virginia [Mr. GLASS] forces me to state at some length the reasons why I have offered this amendment. Let me suggest a question to my friends upon this side of the aisle. Why has the administration always opposed this legislation until now, on the eve of a national political contest? When the bill becomes a law the administration will flood the country with money, commodity prices will rise, and the stock exchanges will boom. What will be the effect upon the country? If the effect will be favorable, then why limit such a boom to one year?

Mr. President, unless the 1-year limitation is stricken, the bill should not be enacted.

The purpose of the bill as stated in its title is:

To improve the facilities of the Federal Reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

Section 2 proposes to improve such facilities "for a period of not exceeding one year," and it is this limitation that I am seeking to strike from the bill.

Mr. President, I am not a member of the committee. I am not a banker. I do not live in a large city. I do not even

live in a county seat. I do not live on paved, parked streets, among the bright lights. I live 15 miles from the nearest bank. I live at Medicine Park in the midst of one of the mountain ranges in my State. I live at a point where I can look in one direction and see the hills and valleys of the Fort Sill military reservation, and almost daily I can hear the booming of distant cannon. I can look in another direction and see the mountain peaks and valleys of the Wichita National Forest, and on and around those mountains I can see buffalo and elk and deer and turkey. At the base of the tallest peak—Mount Scott—we have a placid, limpid lake filled with fighting bass.

At nighttime I am lulled to sleep by the hoot owl, the whippoorwill, an occasional coyote, and a waterfall. In the morning, if it be in the summer, I am awakened by the robin and the mocking bird. If it be in the winter, I am awakened by the swish of ducks coming in, and the honk of geese passing over.

Mr. President, with such a background it is somewhat presumptuous, I admit, for me to take issue with the distinguished Senator from Virginia.

In brief, this is an inflationary measure. It proposes, if it proposes anything, to put money in circulation. The bill was introduced by the distinguished junior Senator from Virginia [Mr. GLASS]. He likewise reported the bill for passage, and the report states that the measure should not be "used for undue inflation." This would indicate that the author of the bill favors inflation of our currency, and that to such extent he is an inflationist.

On yesterday he made the statement that we have some wild inflationists in the country. Perhaps I am one of those coming within this category; but he being a mild inflationist, and I being a wild inflationist, the difference is only a matter of degrees.

Mr. President, if this bill passes, section 2 will be operative only for a year. I made the statement a while ago that the Senator from Virginia was really against this bill and all its provisions. He always has been against such liberal financial legislation, and he is now yielding only for a year. In a moment I will read from an article that I think will be of interest. I have often heard it said that legislation sometimes contains jokers. Without attaching any offensive meaning to the word "joker," I make the charge now that this bill contains a joker. It may, however, be a political joker.

If this bill means anything, it means that we are to have a vast flood of money placed in circulation shortly. I have been advised that some of the proponents of this legislation asked that it be made a law for 90 days only. "Give us this liberalization for 90 days; then the law can cease to exist." Well, we know how the camel gets under the tent. He gets his nose under first, and eventually the camel is under. The Senator from Virginia knows how slowly the laws operate. He knows that 90 days would be of no practical benefit; and at the instance of those sponsoring this legislation the distinguished Senator from Virginia yielded for a year. In my judgment, the bill should be made permanent law if it is to be enacted.

Mr. President, before I proceed further, I state that I am for the bill provided this limitation is omitted, and it is the burden of my efforts to show why the 1-year limitation should be stricken out.

This bill proposes to put money in circulation. What effect will that have? As money is placed in circulation, money becomes more plentiful; and as money becomes more plentiful, money becomes cheaper; and when money becomes cheaper commodity prices rise. That is what will happen, and I favor such a policy; and favoring the results which the act will bring about, I want the beneficial effects on business for more than a single year.

Senators coming from the interior and away from the great financial centers, in the opinion of some, should not be interested in finance, in money, and in credits. But it must not be forgotten that the great financial institutions and centers of the East live almost entirely off of the interior, southern and western States; and in the enactment of laws the citizens of Oklahoma, the farmers, wage earners, and business men are entitled to the same consideration as those who in the recent past have shaped and controlled the destinies of the Nation and who are responsible for the condition which makes necessary the kind of legislation embraced in the pending measure.

I am not charging that this is a political bill, or that it is being enacted on the eve of a political campaign. It is proposed as a relief measure, and I am wondering why it has been consistently opposed until now when the election is only a few months away. The bill provides for inflation of the currency and consequently higher commodity prices. Inflation, high prices, stimulation of business, the election, and then the law automatically dies and deflation and depression will be with us again.

Now, to the promised syndicated news story. I do not know why this article has apparently escaped the attention of my colleagues upon this side of the aisle. It is a peculiar coincidence that the article to which I refer was printed on February 7. Immediately upon its appearance a conference was called, and on the 11th, four days thereafter, this bill appeared.

The article is by Mark Sullivan, a distinguished writer, one whose productions are as widely read as are those of any publicist of America and perhaps the world. The story, dated February 7, is under the title:

Price level to guide candidates.

I call attention to some of the salient features in the article. I will not read it all. This is what Mr. Sullivan says:

The outcome of this year's presidential election and most of the other major events of this political year will be determined by—dreary phrase, but potent in every aspect of politics and business—the price level.

Before I read further, let me make a prophecy, dangerous as making prophecies is. The price level will be the paramount issue in the campaign to be waged between now and next November.

Further, Mr. Sullivan says:

That is, the price of commodities, wheat, cotton, copper, everything, including wages.

From price level everything in this year's politics starts. Price level will determine the platforms, whether there will be a powerful third party, and which and who will win the Presidency.

Compared to this one dominating influence, price level, all the commotion about candidates—

I omit the names of the candidates. They are not at this time material.

Price level is the primal cause of the political forces and passions of this political year. To understand price level is the A B C lesson of this year's politics.

Then Mr. Sullivan recites the effect upon the farmer of having the price level raised and the effect on the farmer of having the price level lowered.

Further on says Mr. Sullivan:

Relief of debtors by Congress can take one of two forms.

That is what we are trying to do. The Congress is trying to relieve the debtor class of this Nation. That is the issue before the Senate. We have just spent two weeks upon that proposition, and we are not through. We are trying to help the fellow who is in debt. Mr. Sullivan says that that is the issue in the campaign. He says:

Relief of debtors by Congress can take one of two forms:

Either (a) extension of debt or partial forgiveness of debt by legal moratorium or (b) increase in the quantity of currency, which will raise the price level; raise, among other commodities, 50-cent wheat to $1 wheat.

In Congress so far the attempt has been to enact moratoriums. When the bill for increasing the capital of Federal farm loan banks and the bill for the Emergency Reconstruction Corporation were before Congress some 30 attempts were made to add amendments providing for a moratorium on debts. The attempts, the impulse toward relief, came from Senators and Representatives of both parties and from every section and reflecting every business group.

* * * * * * *

That was a direct attempt at statutory relief of debtors by arrest of foreclosure. In the same spirit were some 30 others.

All these attempts failed. They failed, it is true, largely because Congress was in a hurry to enact the principal measures to which these amendments were attached. We may say that for the present Congress has shown a disposition not to relieve debtors in this particular way. But it is abundantly clear that Congress is determined to relieve debtors in some way and is under overwhelming pressure to relieve them.

Now for the other way. Mr. Sullivan says we have tried to relieve the debtor class through a moratorium. It has not been done, and he says it can not be done. Then the only alternative, according to Mr. Sullivan, is this:

The other way to relieve debtors is by raising the price level. The price level can be raised in several ways. The one that Congress is certain to attempt is by circulation—and, therefore, the quantity of credit.

Debtors can be relieved by raising the price level—for example, by raising wheat from 50 cents a bushel to $1 a bushel. The price level can be raised by increasing the quantity of currency in circulation among the people. Increasing the quantity of circulation is commonly called "inflation." In the present situation it ought not to be called "inflation." Accurately, it is rather a case of "stopping deflation." "Inflation" is a word leaving a bad name, because it is properly the term to describe increase of currency and credit at a time when there is already too much. What we have now is an extreme in the other direction—an extreme contraction, extreme deflation. And the purpose now is to arrest extreme deflation by increasing the quantity of currency and credit.

Says Mr. Sullivan:

Increase of currency (and credit) can be achieved by Congress in one of two ways:

(a) Increasing the quantity of currency which Federal reserve banks can pass out in exchange for commercial paper.

(b) Coining silver, in addition to gold and in a certain ratio to gold.

The attempt to increase currency through Federal reserve banks will be made first.

How prophetic!

If that fails, then we shall be face to face with a demand for coinage of silver. The demand for coinage of silver will appear in Congress; if it fails there, will appear in the presidential campaign. Coinage of silver as a political issue can only be forestalled by legislation to increase the quantity of currency through the Federal reserve banks.

I see some of my colleagues smiling. I wonder why. I read further:

To understand this it is necessary to understand, first, how currency is created by Federal reserve banks.

Any business man can take certain types of commercial paper to his bank. His bank, in turn, can take it to a Federal reserve bank and the Federal reserve bank will hand out the currency for it.

The kind of commercial paper that can thus be turned into currency is severely limited. A mortgage won't do. Henry Ford might give a mortgage for $1,000 secured by all the real estate he owns, but the Federal reserve bank under the present law will not give out currency for it.

The attempt in Congress will be to enlarge the kinds of commercial paper which can be exchanged for currency.

When I first read this story, and as I read it again, I can not but reflect on the source of inspiration for the article. I do not happen to have the honor and the pleasure of knowing Mr. Sullivan personally, but I am advised that he is quite intimate with the leaders of the administration. I understand that he knows what is going to be done before it happens. I understand that he is the propagandist for the party in power. I understand that he is the man in charge of the window dressing for legislation, and I submit this article as proof of the statement I am making.

I want to read that last sentence again:

The attempt in Congress will be to enlarge the kinds of commercial paper which can be exchanged for currency, which are, in the legal phrase, "eligible for rediscount privilege." When that attempt is made it will be resisted by some conservatives, though decidedly not all; many conservatives are strongly in favor of increasing currency by this means.

Here is a significant statement, and one which I can not understand:

The leader of the opposition—

That is, to inflation—

The leader of the opposition will probably be Senator CARTER GLASS.

I am quoting from Mr. Sullivan:

Senator GLASS was one of the authors of the Federal reserve system 16 years ago. He regards himself as the defender of his child.

Free silver is a western issue and if it should get into the platform would seem to call for a western candidate. Herein lies the long chance which, one suspects, may be inspiring Gov. "Alfalfa Bill" Murray, of Oklahoma, in his present peregrinations up and down the land.

This article appeared in the papers of the country on February 7, and on February 11 this bill made its appearance, and the bill follows very closely the terms and the tenor of the article coming from the inspired source to which I have alluded.

Mr. President, on one morning we see in the public press that we are to have some inflation of the currency, and we have a bill the following day proposing to inflate the currency, and when that is done stocks on the New York Exchange and on the commodity market begin to mount. Then two days later the papers come out with the statement that we are not to have inflation, and the stocks begin to go back down.

I call attention to some of these newspaper clippings. Just a few days ago the President gave out a White House statement on an antihoarding policy, and in the body of the statement I find this language:

Hoarded currency means that high-powered dollars are idle and that in turn means idle business, idle men, and depreciated prices.

The President tells the country that the lack of money means idleness and low prices, and that if something can be done to bring money out of hiding and restore it to activity, prices will increase. That is all inflation is, getting money from some source and putting it into circulation. So the President in this statement advised the country and the world that the way to help out prices and bring back prosperity was to place more money in circulation. Is not that inflation?

What is inflation? We heard a lucid interpretation a few moments ago by the distinguished junior Senator from Michigan [Mr. VANDENBERG], and I agree with him.

The dictionary says that inflation means to swell, to expand, to puff up. The dictionary refers to a balloon as an example or illustration of what inflation might mean.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Minnesota?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. Does the dictionary explain or give any example of overinflation?

Mr. THOMAS of Oklahoma. I will come to that in a moment if I may have the privilege.

Mr. President, all are familiar with balloons. I thought about getting a small sample to exhibit to the Senate. Then I decided it was not necessary. For a balloon to be efficient, it must have sufficient air or gas to make is serviceable. If it is deflated, it is useless, and if overinflated it explodes and is destroyed.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from South Carolina?

Mr. THOMAS of Oklahoma. I yield.

Mr. SMITH. Would not a more appealing illustration about deflation and inflation be an automobile tire rather than a balloon? Would not a deflated tire and an inflated tire be a better illustration?

Mr. THOMAS of Oklahoma. I thank the distinguished Senator from South Carolina and admit he has suggested a more familiar illustration.

A currency system should be sufficiently broad and sufficiently numerous in its units to permit the business of the country being transacted fully, efficiently, and honestly. If there is not sufficient money in circulation, the currency is deflated. If there is too much currency in circulation, the balloon explodes or the tire "blows out."

The distinguished and able senior Senator from Minnesota [Mr. SHIPSTEAD] suggested that it might be possible to have too much inflation. In recent times this has happened.

Let us take Italy for illustration. Before the World War Italy did not have very much money in circulation. The amount was 499,000,000 lire. Italy got into the war. She had to inflate her currency; she had to expand it; she had to puff up her financial balloon. When the war was over this nation found that it had 16,356,000,000 lire in circulation. Of course that was more money than the country needed. As a result Italy proceeded to cancel part of her money and to revalue the lire and the result was that the circulation was deflated at the same time the value of the unit was materially reduced.

What about France? In 1913 France had only 5,565,000,000 francs in circulation, but France likewise became involved in war. She had to expand her currency. She did not have the gold, so France had to do what the other nations did—expand and inflate her currency. After the war was over and in 1920 France found that she had 38,066,000,000 francs in circulation. In other words, her currency had expanded from 5,000,000,000 to 38,000,000,000 francs. Of course that is a very large expansion, but the inflated balloon did not burst; the tire did not blow out. Before the war the franc was worth 19 cents. France could not redeem some 38,000,000,000 francs based on gold. France had to revalue the franc, and when this was accomplished the French monetary unit was reduced in value from 19 cents to 3.91 cents. To-day the French franc is not worth a nickel. It is not worth even 4 cents, only 3.91 cents. That means that the holders of French securities, the owners of French deposits, and those who had their wealth in fixed investments lost almost four-fifths of their wealth.

Here are two illustrations where the financial balloon was expanded to the limit and yet the balloon did not explode.

Let me next call attention to Germany. When the war began Germany had only 1,999,000,000 marks in circulation. In order to finance her war Germany had to raise money, and inflation was resorted to. When the war was ended the circulation was vastly increased. If I can read the figures, I shall place them in the RECORD. The amount was 496,505,424,771,973,000,000 marks! It takes 21 figures to put on paper the number of marks that were in existence in Germany when the war was over. Of course, the German people could not pay that gigantic sum. There is an illustration where expansion and inflation went the limit. The bubble burst, the balloon exploded, the tire "blew out," and Germany was forced to reform and to reestablish her currency system.

Mr. President, if the 1-year limitation shall remain in this bill, we shall have this summer a gigantic sum of money placed in circulation, and as the value of money comes down and commodity prices go up. If wheat goes up to a dollar or a dollar and a half a bushel, if corn goes up, and cotton goes up, and oil goes up, and labor becomes employed, we will be advised that the depression is a thing of the past, and then during the campaign this fall we will be admonished not to change engineers while in the middle of the stream.

Mr. President, I call attention to some startling statements made yesterday. I can not understand them; perhaps I am not supposed to understand them; but on page 4136 of the RECORD the distingushed author of this bill makes this astounding charge:

> Apparently the officials of the Bank of France have outwitted some of the officials of the Federal reserve system and have them in that rather awkward position.

What does that statement mean? It means that the Federal Reserve Board of America is not able to compete with the financial officials of the nation of France. The Senator from Virginia says that the officials of the Bank of France have gotten the better of our Federal Reserve Board, that they have outwitted some of the officials, and to this moment they have us at a disadvantage.

Then on yesterday, the distinguished Senator from Connecticut [Mr. WALCOTT] made a charge against the Federal reserve system. He said it was not perfect, but if we would just let this bill go through we would get busy very shortly and would amend the Federal reserve law. My distinguished friend from Virginia, I know, did not like that statement, because he does not believe that the Federal reserve law should be overhauled. I note also that the President is in favor of scuttling the Federal reserve system, for in his first message to the Congress on the 8th of December he said:

> The need of a sounder system is plainly shown by the extent of bank failures.

He is talking about banking laws; he is talking about the Federal reserve system; he is talking about a system of finance enacted by a Democratic Congress, and signed by a Democratic President. Under the Democratic administration, the Federal reserve system worked perfectly. Under it we fought and won the war, and while we were fighting and winning that war we were financing numerous allies across the sea. When the law was administered by its friends, it worked most satisfactorily—but now in the hands of its enemies it has all but broken down.

Under the law, managed and executed by its friends, we had a united and a happy people; everybody was employed; wheat sold for from two to three dollars a bushel; cotton sold for 40 cents a pound; corn sold for $1.75 a bushel, and oil sold for $3.50 a barrel. How different to-day—cotton selling for less than 5 cents a pound; oil selling for 75 cents a barrel; wheat selling for 50 cents per bushel; and millions of our people are unemployed. The Federal reserve system, managed by its friends, made America prosperous, and now in the hands of the enemy it has permitted America to become prostrate.

Mr. President, we hear on every hand that the banks now are full of money. This prompts the question: How much money have we in the banks? I pause for an answer. There is no answer. How much money have we on deposit in the banks? Again I have no answer. How much money have the banks of America in their vaults to-night?

I have here the report of the Comptroller of the Currency, which, I presume, is the best authority. The report is dated December 7, 1931. That is two months ago. The statistics are of date June 30, 1931. That is 8 months ago. I want to answer these questions for the benefit of the RECORD. This report shows that on the night of the 30th day of June, 1931, the 22,000 banks of America had on deposit $56,864,744,000.

The President evidently thinks that is money. In one of his messages recently he said that the banks were full of money, but that instead of loaning the money the banks were keeping it hoarded.

Mr. President, do the banks of America have $56,000,000,000 on deposit? "Not now," says a Senator, and he is correct. The deposits have been deflated. Some $10,000,000,000 of deposit money has disappeared. To-night the banks of America have on deposit only some $46,000,000,000. The President thinks that is money. It is not gold, not silver, and not even paper. I will tell you what kind of money it is.

The distinguished Senator from South Carolina [Mr. SMITH], who is doing me the honor to listen to me, has some large farms down in his native State, and such farms produce a vast amount of cotton. This is only for illustration. I hope the Senator will pardon me. Last year he raised thousands of bales of cotton. He had this cotton picked and ginned and compressed.

He had this cotton all ready for export. Cotton in that condition is illustrative of what is termed liquid assets.

For illustration, the Senator went to his bank, a little country crossroads bank away out among his farms, and said, "Mr. Banker, I need $10,000." The banker said, "What security have you?" He said, "I have 1,000 bales of cotton." "All right; you sign this note for $10,000 and pledge your 1,000 bales of cotton." Everyone concedes that such a note so secured would be good. The bank handed the Senator the note, and he signed it. Immediately the credit was created and the sum of $10,000 of credit money was placed on deposit.

The Senator did not need the currency; he needed only the credit. He wanted it so that he could write checks

against it. That night the little crossroads country bank had its deposits increased by the sum of $10,000. The Senator had not placed a penny in the bank, but the moment his note was accepted the credit was created and the deposits in that crossroads bank jumped up $10,000.

The small country bank did not want to carry this $10,000 of credit money, so the next day they sent the note and collateral down to their county seat for rediscount. The note was accepted and a new deposit was made there. Then that night the deposits of the bank at the county seat jumped up $10,000. Not being a banker, if I make a misstatement I hope some of my banking colleagues will correct me.

In turn the note and collateral is sent from bank to bank, until it may reach New York. It may pass through and become a credit deposit in any number of banks. If the note should reach New York it would have passed through perhaps five banks, so that the one note could have created as much as $50,000 credit or deposit money.

The President evidently thinks that $50,000 is money.

Mr. SHIPSTEAD. He is not the only one.

Mr. THOMAS of Oklahoma. Yes; the President must think that is money; but if that is money, it is "Hoover prosperity" money.

Mr. President, with $46,000,000,000 on deposit how much real money have all the banks of America in their vaults to-night? Altogether they have not $1,000,000,000 of real money—gold, silver, and currency—in their vaults to-night. I have not examined the vaults, but I have the record. There has not been a single night in 10 years, so far as I can learn, when all the banks of America had as much as $1,000,000,000 in gold, silver, and paper in their vaults at one time.

Some years ago I was trying to present a case before the Ways and Means Committee of the House of Representatives. I was in favor of paying the soldiers' bonus and of paying it in cash; and I made the statement there that the banks at that time had $55,000,000,000 on deposit, but that that night they had not a billion dollars in their vaults; and a member of the Ways and Means Committee took me to task. He said, "Why, young man"—I was younger then than I am now—"do you mean to tell this committee that the 30,000 banks of America have $55,000,000,000 on deposit and they have not that much money in their vaults?"

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Minnesota?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. As a matter of fact, the banks, instead of being full of money, are full of debts.

Mr. THOMAS of Oklahoma. I thank the Senator. He has coined an epigram that will reverberate through this campaign.

Mr. President, I am supporting the bill; but I do not want it limited to a life of only 12 months.

Why, Senators, you who believe in free silver, if this bill passes as it now stands, next year you will see the same influence upon money that we saw in 1873 when silver was demonetized. At that time silver was good money. Silver was demonitized, deflation was the result, and the most severe panic of the century was brought about.

Mr. President, I hope this 1-year limitation will be stricken from the bill. The Federal Reserve Board will still have full discretion. In the interest of those whom I am trying to represent I favor enacting these provisions into law and then retaining same permanently as a part of our banking legislation.

Mr. President, I have consumed entirely too much time, but I want to refer to one or two other matters before I conclude. I ask some of the financial experts of the Senate how much monetary gold there is in the world.

Mr. KING. Eleven billion dollars.

Mr. THOMAS of Oklahoma. I am advised by our walking encyclopedia, the distinguished junior Senator from Utah [Mr. KING], that there are $11,000,000,000 of monetary gold in the world. He is correct

How large a cube of gold would $11,000,000,000 make? According to the best calculations I can make the $11,000,000,000 of gold, if coined into one square block, would make a cube 31 feet square. If Senators will turn their attention to the other side of the Chamber and imagine that we have cleared out a corner of the Chamber, I will picture the size of that gold cube. Of course, it would disturb matters a good deal over on the other side to clear out the space now, but after the 4th of next March there will be plenty of room over there in which to put this cube of gold. [Laughter.]

Beginning at the northeast corner of this Chamber, 31 feet would bring us to the flag just this side of the door. Beginning at the same corner and running south 31 feet would bring us to the first column to the right of the door. The fourth corner would be at the chair now occupied by the distinguished junior Senator from New Hampshire [Mr. KEYES]. The top of the cube would be far below the ceiling. With all the monetary gold in the world thus placed in that corner of this Chamber there would still be plenty of room left to transact the business of the Senate. Yet this cube of gold, 31 feet square, is the basis of the money, trade, and commerce of the millions of the peoples of the earth.

How many people are there in the world? The estimate is 2,000,000,000. That cube of gold, if divided equally, would give us all only $5.50 per capita.

At this point I want to read from the statement of a very eminent banker. He is George L. Browning, president of the Seaboard National Bank, of Los Angeles. I read just one or two short paragraphs. The article is headed "Foreign Credits," and he says:

> A reserve in gold, sufficient in amount, is impossible.

That is what this distinguished banker says, that it is impossible to have a sufficient reserve in gold. He says further:

> We find only about eleven billions of monetary gold in the world and we now have in this country about $5,000,000,000 of gold, or 45 per cent of the world's supply, and dare not take much more from our foreign neighbors.

As usual, my good friend the Senator from Utah [Mr. KING] was absolutely accurate, according to this authority. This is what Mr. Browning says:

> If we do not have a national reserve of adequate proportions, it is entirely possible for conditions to become so severe that we should have to follow the example of Germany, of France, of Italy, and of other nations—revaluing our currency. The dollar value in gold might find a new level of 50 cents, 60 cents, more or less, instead of 100 cents.
>
> It is very probable that England is now taking steps which ultimately will make it imperative for her to reduce the gold value of the pound sterling from approximately $4.86 per pound to a fraction of the normal value, possibly as low as $2.50 or $3 per pound.

This banking authority says that Great Britain is now debasing her currency through expansion, or through inflation. Already England has gone from the gold standard, and after a while, when the pound sterling has fallen as low as that country thinks it should, no doubt the pound sterling will be revalued and stabilized at around $2 or $2.50 for the pound. Whereupon Great Britain will go back upon the gold standard.

I read further:

> Now England must face credit inflation that she may give to her people wage increases and apparent, if any temporary, prosperity.

How is Great Britain helping her people? By inflation. How is America proposing to help her people? By inflation. That is the only foundation for this bill, it is the only excuse for the bill, and the thing I object to is that it is proposed to permit this inflation to last for only one year. I want it to last longer and indefinitely.

Senators, we can not live at the present price or value of the dollar. It is an absolute impossibility. The United States owes $19,000,000,000. The States owe billions of dollars. The cities owe billions of dollars. The people owe the banks some $35,000,000,000. The corporations owe some fifty billions. Public debts and private debts, when added together, make more than $150,000,000,000 of debt. A hundred and fifty billions of debt is what we owe, and that little block of gold is the basis of it all.

Divide the total of our debts by eleven billion, and you have thirteen. Hence the people of America to-day owe 13 blocks of gold the size of the one I have tried to picture in the corner of the Senate chamber. We can not pay our obligations, our debts, public and private, based upon the present value of the dollar.

Those of our citizens who hold these notes and bonds have one of two alternatives. They can either sacrifice a part of their value by permitting the dollar to come down, or hold to the present high standard of value of the dollar and take the chance of losing all.

I read further from the article by Mr. Browning, still speaking about Great Britain:

> Thus she may guard against the dangers of revolution and political uprisings which otherwise might break up the great British Empire.

Mr. President, we can not pay these debts in America; they are not being paid now. Farmers can not pay their taxes; they can not pay their interest. School districts can not pay their interest. Cities can not pay, counties can not pay, States can not pay, and to-day in this, the richest government on earth, we are borrowing money ourselves to pay the interest on our own Federal obligations.

I am for this bill, but I want this 1-year clause stricken out. Then in the future, if we want to repeal the law, that is for us to determine. All the time loans would be within the discretion of the board.

This will bring about inflation, or that is what I hope it will do, that is what must be done, and those who are seeking to prevent inflation—of course, I mean within reason—in my judgment if they knew the result of their action would at once desist.

Mr. President, I do not know how much money this will place in circulation. I hope it will do some good. I do not think this bill, if it shall be enacted, will solve the situation, but it is a step in the right direction. In my judgment, it will take two more bills to bring about satisfactory results. You can not bring about the return of prosperity by loaning money to the big banks of the country. You can not bring about a return of prosperity by loaning money to the railroads of the country.

At this point I am reminded of the statement made recently by the President to this effect that—

> America can not squander herself into prosperity.

Mr. President, we are proposing to loan ourselves into prosperity, and in order to accomplish this we must borrow, and I submit I am unable to see a difference in the two proposals. The bill may do some good, but until we get some buying power into the hands and pockets of the laborers of the country, in the hands and pockets of the farmers of the country combined, embracing 60,000,000 of our people, we will have only a sham prosperity. If something can be done to get the money into the hands of those 60,000,000 of our citizens, there will be such a rush of spending as this country never saw. They will begin to buy flour, meat, potatoes, overalls, shoes. This will make business for the little store. It will make business for the city store. It will make business for the wholesale houses. The railroads will have to transport the goods back and forth, and so it will make business for the railroads. The busses and trucks will assist in carrying the goods and the people, and all the time the little banks will be getting added business. As fast as the small banks collect a few thousand dollars they send it to a larger bank, and the larger bank sends it to a still larger bank, and eventually the big banks get the business. This understanding of business practices explains the reason why I have been in favor of a program of internal improvement. Unless something like this is developed we can not have a return to prosperity.

Another way to help the situation is to provide for the payment of the balance due on the soldiers' bonus certificates. That will help something like 4,500,000 of our soldiers, placing money in their hands that they need and which is due them. We owe it to them. The moment they get the money they will spend and invest it and thus help every section of the country.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Idaho?

Mr. THOMAS of Oklahoma. I am glad to yield.

Mr. BORAH. I understand the Senator's very interesting argument is that he has arrived at the conclusion that the bill will undoubtedly increase commodity prices.

Mr. THOMAS of Oklahoma. The Senator is correct.

Mr. BORAH. And that it would to a large extent bring national prosperity.

Mr. THOMAS of Oklahoma. I agree with the Senator.

Mr. BORAH. That is the best argument for the bill I have heard. I wish I could feel convinced.

Mr. THOMAS of Oklahoma. That is what I am arguing, that the bill will do what the Senator has indicated by his question he wants it to do. It will do the things that my answer indicates I want it to do. But when money is placed in circulation and becomes plentiful and commodity prices rise, then in a year's time the bill dies automatically. Credits will become cramped, money will become scarce, and commodity prices will fall. A few men in the country who understand the mechanics of money will make money on the commodities going up, and when the end of the year approaches they will make untold fortunes on the fall of commodity prices, and that is the thing to which I object. The striking of the 1-year limitation will prevent the evils I have suggested.

Mr. BORAH. The only provision that expires in a year's time is the provision with reference to borrowing on Government securities, is it not?

Mr. THOMAS of Oklahoma. I think that is in the discretion of the Federal Reserve Board.

Mr. BORAH. I understand that there is no provision of the bill that expires in a year except that one.

Mr. THOMAS of Oklahoma. That is what I am seeking to strike out—the 1-year limitation.

Mr. BORAH. I refer to this provision:

> *Provided, however,* That at any time within 12 months from the date of the approval of this act, should the Federal Reserve Board deem it in the public interest, it may, upon the affirmative vote of not less than a majority of its members, authorize the Federal reserve banks to offer, and the Federal reserve agents to accept, as such collateral security, direct obligations of the United States.

That is the only provision which is limited in time in the bill, is it not?

Mr. THOMAS of Oklahoma. If the Senator's construction is correct—and I think he interprets the provision fairly—we agree at least to the effect of my amendment.

Mr. FLETCHER. The House bill applies the 1-year limitation to the first paragraph.

Mr. BORAH. Yes; I had forgotten the limitation in section 2.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Minnesota?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. In view of the Senator's answer to the question of the Senator from Idaho, I feel it necessary to ask the Senator another question. I could not be on the floor all the time the Senator was addressing the Senate. In view of the fact that he said the bill would raise commodity prices and restore prosperity so long as it is in effect, will the Senator please explain how he expects that to be done under the bill?

Mr. THOMAS of Oklahoma. I can explain how it can be done by the fact that it has already been done. Even the newspaper reports that the bill was to be introduced raised the price of wheat in Chicago and raised the price of commodities and stocks in New York. If the bill passes and becomes a law, I have reason to believe that commodity prices and stock-market prices will rise immediately and materially. But unless something in addition is done to help the masses, the flurry will be only temporary.

Mr. SHIPSTEAD. The Senator will remember the stock market went up after the moratorium was agreed to.

Mr. THOMAS of Oklahoma. On the same theory.

Mr. SHIPSTEAD. And also after the formation of the credit corporation and also after it was announced that the Reconstruction Finance Corporation bill was to be passed, but the stock market came down after the passage of all those bills.

Mr. THOMAS of Oklahoma. Exactly.

Mr. SHIPSTEAD. I would like to have the Senator from Oklahoma or any other Senator explain how the passage of this bill will raise commodity prices.

Mr. THOMAS of Oklahoma. I have stated that in my judgment it will not raise prices like it should. It will raise them some; and if we could get money into the hands of the people of the country, then the bill would raise commodity prices substantially.

Mr. SHIPSTEAD. If the Senator has already explained, I shall not question him further but will read his speech in the RECORD in the morning.

Mr. THOMAS of Oklahoma. Mr. President, I want to exhibit to the Senate a few samples of some antiques.

I have here first what is termed a $10 gold certificate. I want to explain for the RECORD, not for the Senate, because I can not tell Senators anything about these, that a $10 gold certificate is not money. It is nothing more nor less than a receipt for $10 in gold in the Treasury. It passes for money, however. We are always glad to accept it as money. It says "$10," but also it says it is simply a receipt for a $10 gold piece or two $5 gold pieces or $10 worth of gold in the Treasury. That is all a $10 gold certificate is.

I exhibit to the Senate a silver certificate. This is nothing more nor less than a receipt for silver. Some place in our financial system is a silver dollar that the holder of this receipt can get in exchange for his certificate. That silver dollar is not worth a dollar in gold. This dollar is paper, and the silver that is back of it is worth only 29 or 30 cents. Yet this is a dollar and performs the services of a dollar. No one refuses it because it is not redeemable in gold.

Here is another bill. Senators can tell from its size that it is not of recent vintage. It is a Treasury note. I had to get this money from the subcaverns of the Treasury. Most of this money is not in circulation any more. It was once, but not now. That piece of paper is secured by nothing more than a standard silver dollar.

Then, I have another note that came from the isolation of the Treasury Department. It is called a "United States note." That is an antique and out of circulation. This note is secured by a gold reserve of less than 50 per cent of its value. Some place in the Treasury or in the financial system of the Government there is less than 50 cents worth of gold to redeem that $1 bill. That is all that is back of it, yet that dollar is good and we are all glad to have it.

I exhibit to the Senate next a bill called a "Federal reserve note." That is what we have in current circulation. This note is issued by the Federal reserve system. It is secured by 40 per cent gold and by 60 per cent of commercial paper. That note is in current circulation.

I exhibit to the Senate next a Federal reserve bank note. This note is entirely out of circulation. There may be a few scattered around, but I say it is entirely out of circulation because it is theoretically so. As soon as the few outstanding bills can be called in, it will be entirely out of circulation. Upon what is this based? It is not based upon gold. There is not an atom of gold back of it. It is not based upon silver. There is not an atom of silver back of the note. All that is back of the note is another paper note just like it. It is redeemable in "lawful money," and this is all lawful money, so the Federal reserve bank notes are not based upon gold, not based upon silver, not based upon commercial paper, but are based upon lawful money.

Then we have the last of the series, a note called national-bank currency. Here is a bill called a national-bank note. That is not based upon gold; it is not even based upon silver. It is based upon the debts of the country. It is based upon three series of bonds issued about 30 years ago. Those three bond issues have the circulation privilege. They can be secured by a national bank, sent to the Treasury, and the Treasury issues the full value of those bonds in national-bank currency. I exhibit now one of those notes. It is not based upon gold; it is not based upon silver. It is based wholly upon debts evidenced by three series of bonds known as the 2 per cent consols.

Senators, if gold and silver, when coined, are already money; if gold and silver can be made a basis for money; if part gold and part commercial paper can be made a basis for money; if the bonds of the Government and the notes of the people can be made a basis for the issuance of currency, then what excuse is there for not having an ample supply of money, at all times, in this Nation?

The bill proposes a way to increase the amount of money in circulation. Why limit such increase to one year?

Mr. FLETCHER. Mr. President, I do not propose to take very much time in discussing the pending bill. After the able address of the Senator from Virginia [Mr. GLASS], followed by the splended presentation by the Senator from Connecticut [Mr. WALCOTT], it seems to me that nothing more is needed to convince us of the importance and the desirability, if not the absolute necessity, of this measure. The fact is, I am somewhat amazed that the bill was not presented earlier in the session. It seems to be highly commended by the Treasury Department, by the officials of the Government, and by the banking and currency committees of both bodies. It is referred to as a source of great relief for present conditions and as a plan which, if carried out and developed, will make for safety in our banking and currency system and relieve the country generally.

I repeat, I am surprised it was not presented earlier in the session. If it had been presented, probably there would not have been any necessity for the enactment of the Reconstruction Finance Corporation bill. Now we are somewhat engaged in financing the Reconstruction Finance Corporation. Thus far, according to the newspapers, that corporation has made loans to two railroads. Undoubtedly the bill before us is sound, and it is a very important, if not a vital, measure. I will not dwell upon it in detail after the splendid explanations of it which have been made by those who have been engaged in the study and investigation of the question for months and months past, and after the strong indorsement by experts, and, so far as I can see, generally the banking interests themselves recognize that it is a measure which is very much needed at this time.

I am not afraid of any inflation under it. The fact is that I am not adverse to some increase in the circulating medium. I think we really need some. We certainly need to stop the deflation, and that can be accomplished by providing a means of inflation to some extent. I will not discuss that thought, because, in the first place, I rather question that the banks will take full advantage of this measure even after it shall be enacted into law. I doubt if we will find that very many groups of independent banks in the Federal reserve system will apply for the loans provided for in this bill. I hope they will; I want to see them do it; but, in view of the failure in recent times of banks to cooperate and assist each other, and the disposition generally for each bank to look out for itself, I question whether we are going to find many groups of five banks that will join in making application for loans under this bill, should it become law. However, there undoubtedly will be some. Then, provision is made for others in the bill as now presented.

In the next place, I have some doubt whether, if the banks shall avail themselves of the facilities provided by this bill, the funds raised and the loans made to the banks will be distributed as they might be and used as they might be to help along the situation respecting business, trade, industry, and agriculture. The banks, as the Senator from Virginia showed so clearly yesterday, have not been utilizing the eligible paper which is in their portfolios as they might utilize it, and which there was real need for them to utilize.

I can understand the position of some of the banks, perhaps most of them. There has been a general decline in deposits. Banks have had to keep that in mind. There has been a nervousness and apprehension on the part of bank depositors and a disposition now and then to inaugurate raids and runs upon banks. Therefore, the banks had to

keep themselves in a liquid condition so that they could respond immediately to the demands of their depositors. The minute a bank can not pay over to a depositor on demand the amount of money which he placed in the bank, that minute the bank must close its doors. The banks realize that, and so, in order to prepare for emergencies, and in order to preserve their interests as well as the interests of the depositors, as they conceived them to be, they have been extremely cautious and have not been willing to show in their statements bills payable as they would have to show if they borrowed from the Federal reserve system. They apprehended that statements showing bills payable by a bank might weaken the confidence of the depositors to some extent and create groundless apprehension and cause suspicion with reference to the banks. So the bankers have been cautious.

Will they avail themselves of these facilities? Will they utilize the paper which will be available to them for the purpose of rediscount by the Federal reserve system, and get the proceeds of those loans; and if so, will they put that money into their vaults and fail to make loans to their customers and advance the business welfare and the interests of manufacturing enterprises of various kinds and help along the progress and development of the country? Will they do it? I am not so sure whether they will or not. I think we ought to give them the opportunity of doing it, and this bill does provide a means whereby the banks can assure their depositors of their safety and their ability to liquidate at any time and also put themselves in position where they can take greater risks and make loans and accommodate their customers to a greater extent than they have been doing.

As to the question of the time limit, I am inclined to think that the limitation of one year should not militate against the measure. I know that the Secretary of the Treasury, Mr. Mills, advocated before the House committee in the hearings that this measure ought to be made permanent law, and I am inclined to agree to that; but, at the same time, there are some reasons why we might well limit its operations to one year. One is the danger of depleting our gold reserve to such an extent as to jeopardize the gold basis for the operation of our banking and currency system. Another reason is that at the end of one year, if the system is found to be operating successfully and serving the purposes intended, Congress will be in session and it will be perfectly easy to extend the operations of the law. Our action now in this respect does not necessarily mean a finality. We can try it for one year; and if it serves its purpose, as we hope it will, and proves of great benefit to the country and also advances our banking and currency system and places our financial affairs on a proper basis, then it will be easy enough, and it will be the duty of Congress to extend the operation of the law and make it permanent.

There is one situation, too, that may cause us some little disappointment in the operation of this measure. The country is, as the Senator from Oklahoma has well said, in a very bad financial situation. Take, for instance, the National Government. In 1932–33 the estimated receipts will be $2,374,960,502, and the estimated expenditures will be $4,112,909,950, making a deficit of $1,727,949,048 for 1932–33.

The June deficit, as given out at that time, was $903,000,000. So that the Federal Government itself is not in a satisfactory situation as far as finances are concerned.

Then the local governments—States, counties, and municipalities—generally throughout the country are greatly in debt; and the taxation on the people of this country annually now amounts to $21,000,000,000. That is an enormous burden for the people to carry. Property is being sold for taxes; and municipalities, districts, counties, States—counties, especially—are not able to meet their outstanding bonds and obligations. Taxes are increasing everywhere, and people are complaining about the taxes—not only the local taxes can not be reduced but the Federal Government has to increase taxation in order to take care of this deficit and balance its Budget. It seems to me we are fast approaching the point where it will be impossible for the citizen who owns property to provide any safe or adequate collateral for his paper if he wants to borrow money; so that I do not think we are in any danger of any inflation here.

The one question in my mind when I first read the bill was whether we were not jeopardizing our situation as a country on the gold basis. If you will look at the Federal Reserve Bulletin which I have here of January, 1932, regarding the monetary gold stocks and currency and gold reserves, you will see that it is apparent that about $739,212,000 of gold could be freed under this bill. Throughout the hearings before the House committee it was referred to as $750,000,000; but the bulletin will show, when you analyze the statement, that the correct figure really is $739,212,000 of gold. This $739,212,000 of free gold referred to is the net amount after deducting gold which might be withdrawn by foreigners based upon dollar obligations now outstanding.

Our ability to remain on the gold standard under these circumstances will be predicated upon the amount of additional dollar exchange convertible into exportable gold created by, first, the sale of foreign-owned American securities; and, second, collection of dollar drafts by foreigners for imports into the United States from countries which have gold-export embargoes or moratoriums on currency conversion into dollar exchange.

There are no published figures on which the amount of foreign-owned American securities can be accurately determined. On the other hand, present imports are at the rate of about $250,000,000 per month, of which about $100,000,000 per month are from embargo countries.

It would appear, therefore, that the $739,212,000 of excess gold, if utilized for additional currency reserves to the fullest extent, would give us no reserve to provide for these contingencies. We would then be in the position of being forced off the gold standard by the continued selling in our markets of foreign-owned American securities, and by the increasing adverse unfavorable balance-of-trade payments due to our inability to offset exports to a large number of countries against our imports from those countries.

I desire to have inserted here a statement analyzed from the bulletins mentioned showing these countries. For instance, countries having exchange control are Argentina, Austria, Australia, Brazil, Chile, Colombia, Peru, and New Zealand. Countries off the gold standard are Denmark, Ecuador, Great Britain, and Norway.

The PRESIDENT pro tempore. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

(1) Congress appears to be willing to inflate currency to the extent of $2,700,000,000, based upon the following showing by the Federal Reserve Bulletin of January, 1932:

Federal reserve note circulation statement, December 31, 1931

Issued and outstanding	$2,624,471,000
Actual security:	
Gold, 70 per cent	2,130,122,000
Eligible paper, 30 per cent	915,125,000
	3,045,247,000
Legal requirement for security:	
Gold, 40 per cent of notes outstanding	1,049,788,400
Eligible paper, 60 per cent notes outstanding	1,574,682,600
	2,624,471,000
Excess of gold above legal requirement:	
Actually deposited for notes	2,130,122,000
Legal requirement for notes	1,049,788,000
Excess	1,080,334,000

Under proposed new law this excess can be used as basis for new currency on the same 40–60 ratio; that is, $1,080,334,000=40 per cent of $2,700,835,000; 60 per cent of Government securities or eligible paper, $1,620,501,000=60 per cent of $2,700,835,000.

(2) However, whether $1,080,334,000 of gold is actually available to secure currency is to be determined by analyzing the following figures taken from Federal Reserve Bulletin for January, 1932:

Monetary gold stock Dec. 31, 1931		$4,641,000,000
(a) Gold required for currency now outstanding	$2,535,788,000	
(b) Gold required if foreign-owned deposits and acceptances are withdrawn	1,266,000,000	
		3,801,788,000
Net amount of gold freed by Glass-Steagall bill		739,212,000

Currency required October 31, 1931, and per cent and amount of gold required for money in circulation:

(A) GOLD REQUIRED FOR CURRENCY NOW OUTSTANDING

Gold coin, 100 per cent	$368,000,000
Gold certificates, 100 per cent	1,118,000,000
Federal reserve notes, 40 per cent	1,049,788,000
Total gold requirement	2,535,788,000

(B) GOLD REQUIRED IF FOREIGN-OWNED DEPOSITS AND ACCEPTANCES ARE CONVERTED AND WITHDRAWN

Nov. 30, 1931, dollar acceptances for imports	$243,000,000
Nov. 30, 1931, dollar acceptances to finance shipments between foreign countries	544,000,000
All foreign bank deposits in Federal reserve banks Dec. 31, 1931	79,000,000
French bank deposits in member banks	[1] 400,000,000
Total gold-exchange items	1,266,000,000

COUNTRIES HAVING EXCHANGE CONTROL

Argentina, Austria, Australia, Brazil, Chile, Colombia, Peru, and New Zealand.

COUNTRIES OFF THE GOLD STANDARD

Denmark, Ecuador, Great Britain, and Norway.

Mr. FLETCHER. I was a little disturbed about that, and I proposed an amendment better to safeguard our position in that matter; but I am not clear, after having an opportunity to read the House hearings, that it will be desirable to offer that amendment. I want to speed the consideration of this bill as much as possible. I refer to some statements in the House hearings which would seem to reassure us on that question by Mr. Mills, Secretary of the Treasury.

Mr. McFADDEN asked him:

Would you not, for the benefit of the committee, give us the total amount of gold in the United States, and just where it is located, and how it is located?

Secretary MILLS. I will be very glad to; the total amount is about $4,400,000,000, I think, Mr. McFadden, but I would be very pleased to put the figures as to how it is located and such information into the record.

Then he elaborates that statement by placing this in the record:

Of the $4,400,000,000 of gold in the United States, about $3,000,000,000 is held by the reserve banks, the remainder being in the United States Treasury or in circulation. Of the $3,000,000,000 in the reserve banks, $2,000,000,000 must be held, under existing law, as collateral against Federal reserve notes, and an additional $550,000,000 is required as reserves against deposits, leaving about $450,000,000 of gold not required either as collateral or as reserves. This amount is known as "free gold."

That appears on page 25 of the hearings.

On page 26 Mr. McFADDEN says:

In other words, it is indicated a certain amount is on deposit; then, of course, through the sale of foreign-held acceptances they can withdraw gold, and through the sale of securities other than that, just what is indicated at this time, so that we may know?

Mr. Mills then gives this reply:

Secretary MILLS. Mr. McFADDEN, no one can answer that question with any degree of certainty; no one knows the amount of American securities held abroad. All that anyone can answer, and answer with a great deal of confidence, is that we have on hand sufficient gold resources at home to permit us to meet all of the demands that may be made.

That, of course, is very reassuring, and it is a positive statement. It is followed further by this:

Mr. McFADDEN. What I was getting at particularly was the amount of foreign balances here that might be withdrawn. It is indicated France is drawing $125,000,000 now, by the press.

Secretary MILLS. I do not know how much the Bank of France has on deposit in this country; they have a certain amount of gold earmarked with Federal reserve banks; they have a certain amount invested in acceptances, and they have a certain amount on current balances with commercial banks.

[1] Estimated.

Mr. McFADDEN. It is not known to you, then, the amount of possible withdrawals at this time?

Secretary MILLS. By the Bank of France?

Mr. McFADDEN. By foreigners.

Secretary MILLS. I do not see, Mr. McFADDEN, how anyone could know that.

Mr. McFADDEN. Well, it was stated in September that there was a possibility of withdrawal of a very large amount of money.

Secretary MILLS. I did not see them from any responsible source; of course, anyone is entitled to speculate all he wants, but I am here as a responsible Government official, supposed to give you facts, and I will say to you I have no facts which would enable me to determine what the total withdrawals might be from the United States, from all over the world, but I do say to you that I am perfectly confident of our ability to meet all demands that may be made upon us.

Mr. McFADDEN. Without this legislation have you that ability?

Secretary MILLS. This legislation, by making the total amount of our excess gold immediately available, strengthens our position; there is no question about that.

In those circumstances, with those emphatic assurances, I am not sure I will bother to introduce the amendment which I prepared and which is on the desk.

The situation regarding the banks is a matter which has been discussed to some extent. The statement of December 21, 1931, shows that there were 22,071 banks operating in the United States. That number included 6,805 national banks.

Mr. BLAINE. Mr. President, will the Senator yield before leaving the testimony given by Mr. Mills? I should like to call his attention to that testimony.

Mr. FLETCHER. I yield.

Mr. BLAINE. On page 26 of the House hearings Mr. McFADDEN asked this question:

What I was getting at particularly was the amount of foreign balances here that might be withdrawn. It is indicated France is drawing $125,000,000 now by the press.

Secretary MILLS. I do not know how much the Bank of France has on deposit in this country; they have a certain amount of gold earmarked with Federal reserve banks, they have a certain amount invested in acceptances, and they have a certain amount on current balances with commercial banks.

I call the Senator's attention to the fact that Mr. Mills entirely evades the question, and he seizes upon the last paragraph of Mr. McFADDEN's question. That was the amount that France might withdraw; but he does not answer the question as to the amount of foreign balances that might be withdrawn.

Has the Senator any information as to what those foreign balances may aggregate?

Mr. FLETCHER. If the Senator will turn to page 27, he will find that Secretary Mills refers to that further. Mr. McFADDEN says:

Mr. McFADDEN. Well, I recall now that, in a conference at the White House last September or October, it was stated at that conference that a very large amount of gold could be withdrawn; I wondered if the same situation exists now as existed then.

Secretary MILLS. Very considerable withdrawals took place in September; in the month of October and early November we lost some $700,000,000 of gold, as you know, and subsequently there was a return flow of gold, up to the end of the year, since the first of the year—

That is this year, I take it—since the 1st of January—

gold withdrawals have amounted to approximately $50,000,000.

Mr. BLAINE. Yes; but the main question is, What is the amount of foreign balances in America that may be withdrawn? That is a very important proposition; and I was wondering if the Senator has any information as to the approximate aggregate of balances in the banks of the United States held by foreign governments and their subjects.

Mr. FLETCHER. No; I can not answer that question with certainty. I have not the information. I have seen no facts stated that cover that precisely, and I do not know whether that can be stated.

Mr. BLAINE. I do not want to interrupt the Senator longer; but, as I recall, the Annalist, a commercial bulletin, discussed that matter. I am not sure that I have the issue; but, as I recall, that publication asserted—and it seemed to me at the time with justification—that there was in round numbers two billion and a half of deposits in

America held by foreign governments and by the subjects of foreign governments; that of that two billion and a half France had a free balance, that is, outside of its earmarked gold, of about $250,000,000. If that is correct, there is a potential menace to our gold reserve and, as a matter of fact, to our gold standard, under the present world condition. I would like to have the views of the Senator as to that possibility.

Mr. FLETCHER. I think myself there is a possibility of danger there. But, as I have said, this bill would be the law for only a year, and I do not believe it will be possible to decrease our supply of gold reserve within that time, at least under ordinary operations, so as to force us off the gold standard. The bill ought to be helpful, as we hope it will be, in that matter.

Mr. BLAINE. Interrupting further, Mr. President, I was going to suggest to the Senator that I expected to debate that proposition, and I was wondering whether the Senator has some accurate information upon the question.

Mr. FLETCHER. I am sorry I have not inquired about that in particular, and I do not find it discussed in the hearings, therefore I am not able to give the Senator definite information. I shall be glad to hear the Senator deal with it.

I was proceeding to state the situation of the banks. This is a statement of December 21, 1931. Deposits in all banks amounted to $56,864,744,000. In the national banks there were $19,244,347,000.

I would like to insert in the RECORD another statement I have just obtained from the Comptroller of the Currency, showing what protection depositors now have under our law. This statement would indicate that there is no need for this prevailing apprehension or nervousness on the part of depositors. It is a statement of the capital stock of all national banks, the surplus of all national banks, the undivided profits, and the deposits. I ask to have it inserted in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEBRUARY 18, 1932.

Office of the Comptroller of the Currency advised that as of December 31, 1931—

Capital stock of all national banks (6,373)	$1,621,449,000
Surplus	1,381,612,000
Undivided profits	351,597,000
Deposits	19,244,347,000

Mr. FLETCHER. Mr. President, there is one defect in our law, perhaps, and I think we ought to take steps to assure depositors in these banks that their money will be safe. Of course, we have no control over the State banks. We have a little indirect control of State banks which are members of the Federal reserve system through the regulation of the Federal Reserve Board. State banks which are members of the system have certain privileges and get certain benefits out of that association, and certainly to the extent that they are members of the system Congress has some effect over their operations. Outside of that, of course, we can not extend our jurisdiction as to the State banks. If we set an example here as to the national banks, the member banks of the system, the State banks will likely follow along wise and proper lines.

Here is one defect, I think, which we ought to correct. According to the statements which I have seen—and I have every reason to believe they are quite accurate—only about 60 per cent of the double liability of the stockholders of national banks is ever realized. In case of failure, or trouble, or liquidation, the double liability does not protect the depositors as it should. We ought to find some way whereby that entire liability of the stockholders of the national banks shall go to the protection of depositors in those banks. I think that can be done. We can so legislate, I think, as to give that additional protection, and it ought to be adequate protection to the depositors of the national banks.

That is one aim we must strive for, that is, to assure protection to the millions of depositors in the banks, some of them ruined forever, who lost all they have accumulated in their lifetime by reason of failures of banks, in recent years particularly. We ought to find some way to protect those people who trusted the banks and who placed with them their accumulations of a lifetime. I think we can do that. That is another step which I hope the Congress will take before we finish this entire program of legislation with reference to banking.

Mr. President, I wanted to get this much in the RECORD, and, as I have said, I would like to proceed as fast with the bill as possible. I suggest to the Senator from Virginia that if he is ready he should have the bill taken up first for committee amendments and then proceed with it to its final passage.

Mr. KEAN obtained the floor.

RECESS

Mr. McNARY. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 4 o'clock and 50 minutes p. m.) took a recess until to-morrow, Friday, February 19, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 18 (legislative day of February 17), 1932

ASSISTANT SECRETARY OF THE TREASURY

James H. Douglas, jr., of Chicago, Ill., to be Assistant Secretary of the Treasury, to fill an existing vacancy.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO FIELD ARTILLERY

Second Lieut. Walter Edgerton Johns, Cavalry, with rank from June 9, 1928.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 18, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Merciful God, endue us with genuineness, with truth, with humility, with softness of speech, and with love. Bless us with this cluster of flowers from the heavenly garden. Do Thou crown us with high moral moods and quicken our spiritual instincts. Bless us with Thy unfailing guidance and give us the very best conceptions of life and duty. May we be patient under burdens, hopeful under difficulties, and inspire us with that supreme truth that we are the children of God. Bring out of our own natures a greater capacity to understand and a greater willingness to seek the whole truth. Purify our hearts, clarify our intellects so that the essential drift of our daily lives shall be away from sin and toward a higher and a better life. Bless every one of us with good thoughts, happy words, and cheerful hopes. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 81. An act granting the consent of Congress to the Catawissa Railroad Co. to reconstruct, maintain, and operate a railroad bridge across the Susquehanna River at or near Catawissa, Pa.;

H. R. 6304. An act to transfer Lavaca County from the Houston division to the Victoria division of the southern district of Texas;

H. R. 7247. An act authorizing the Rhode Island State Board of Public Roads and the State Highway Department of the State of Connecticut to construct, maintain, and operate a free highway bridge across the Pawcatuck River near the location of the present Broad Street Bridge between Westerly, R. I., and Stonington, Conn.; and

H. J. Res. 271. Joint resolution amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill and a concurrent resolution of the House of the following titles:

H. R. 268. An act to excuse certain persons from residence upon homestead lands during 1929, 1930, and 1931 in the drought-stricken areas; and

H. Con. Res. 19. Concurrent resolution providing wreath to be placed on the grave of the mother of Washington on February 22, 1932.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 487. An act for the relief of Herbert G. Black, owner of the schooner *Oakwoods*, and Clark Coal Co., owner of the cargo of coal on board said schooner;

S. 499. An act authorizing the erection by the National Masonic Memorial Association of a memorial building at Fort Benning, Ga.;

S. 567. An act to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland;

S. 1021. An act for the relief of Joseph J. Baylin;

S. 1567. An act establishing a revolving fund to be administered by the Secretary of Agriculture for agricultural credit purposes;

S. 1690. An act to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes;

S. 1692. An act to amend section 90 of the national defense act, as amended, relative to the employment of caretakers for National Guard organizations;

S. 1768. An act to provide for the opening and closing of roads within the boundaries of the District of Columbia workhouse property at Occoquan, Fairfax County, Va.;

S. 2265. An act to extend the time for repayment of certain loans to farmers for the crop of 1931;

S. 2307. An act to provide for the settlement of damage claims arising from the construction of the Petrolia-Fort Worth gas-pipe line;

S. 2623. An act for the relief of Howard Donovan; and

S. 3282. An act to extend the times for commencing and completing the construction of a bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco by way of Goat Island to Oakland.

BICENTENNIAL OF BIRTH OF GEORGE WASHINGTON

Mr. TILSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point by printing the proclamation issued by the President, inviting the people to organize and join in fittingly commemorating the bicentennial of the birth of George Washington.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The proclamation is as follows:

BICENTENNIAL OF BIRTH OF GEORGE WASHINGTON

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A proclamation

The happy opportunity has come to our generation to demonstrate our gratitude and our obligation to George Washington by fitting celebration of the two hundredth anniversary of his birth.

To contemplate his unselfish devotion to duty, his courage, his patience, his genius, his statesmanship, and his accomplishments for his country and the world refreshes the spirit, the wisdom, and the patriotism of our people.

Therefore, I, Herbert Hoover, President of the United States of America, acting in accord with the purposes of the Congress, do invite all our people to organize themselves through every community and every association to do honor to the memory of Washington during the period from February 22 to Thanksgiving Day.

And I hereby direct that on the anniversary of his birth the flag of the United States be appropriately displayed upon all Government buildings in the United States and all embassies, legations, and offices of the United States abroad.

In witness whereof, I have hereunto set my hand and caused to be affixed the seal of the United States.

Done at the city of Washington this first day of February, in the year of our Lord nineteen hundred and thirty-two, and of the independence of the United States of America the one hundred and fifty-sixth.

HERBERT HOOVER.

By the President:
HENRY L. STIMSON,
Secretary of State.

LOAN OF PICTURES OF GEORGE WASHINGTON

Mr. GILBERT. Mr. Speaker, I call up Senate Concurrent Resolution 14.

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That consent is hereby given to the United States Commission for the Celebration of the Two hundredth Anniversary of the Birth of George Washington, or a duly authorized committee thereof, to remove temporarily to the Corcoran Art Gallery, for exhibition in the bicentennial portrait exhibit to be held as a part of such celebration, any portraits in the Capitol Building (not in the public corridors), including the following:

George Washington, by Rembrandt Peale, in the Vice President's room;

George Washington, by Gilbert Stuart, in the Post Offices and Post Roads Committee room;

John Marshall, by Martin, in the Supreme Court robing room;

Frederick Muhlenberg, copied from a Wright portrait by Samuel B. Waugh, in the Speaker's lobby; and

Oliver Ellsworth, copied from an Earl portrait by Charles Loring Elliot, in the Supreme Court robing room.

The resolution was agreed to.

House Resolution 148 was laid on the table.

SENATE JOINT RESOLUTION 14

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to extend my own remarks on the "lame-duck" resolution.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Speaker, an almost continuous session of my committee prevented my participation in the consideration of the recent so-called "lame-duck constitutional amendment." I voted against the submission of this amendment. About a year ago this matter was before Congress for consideration and, at that time, the House of Representatives added an amendment the purpose of which was to limit the second session of Congress. In that form I voted for a submission of the constitutional amendment. In consideration of the present constitutional amendment the House of Representatives refused to insert a provision limiting the second session, and the resolution as it passed the House placed no limit whatever on the sessions of Congress.

Undoubtedly there are reasons which would seem to justify such an amendment to the Constitution. Generally speaking, those reasons are grouped under two headings. First, that under the present system a Member of Congress does not actually take over his legislative duties for 13 months after his election; and, second, that under the present system there is a session of Congress after a general election and that defeated Members of Congress, or "lame ducks," participate in this legislative session.

There is, undoubtedly, some merit in both of these objections but, in my judgment, the objections are more theoretical than real. In the first place, while a Member of Congress elected in November, in the absence of a special session of Congress, does not actually take the oath of office until a year from the next December or 13 months from his election, yet what actually happens is that the Member takes office on March 4 following his election, is provided office space, a secretarial staff, immediately takes over the business of looking after the interests of his constituents, and utilizes the intervening time in the very necessary routine of contacting the various Government departments and serving what one might call his legislative apprenticeship. In the

event of a special session of Congress, of course, he immediately enters upon his legislative duties.

In my judgment, it is a wholesome thing to have a considerable intervening time from the election of Members of Congress or perhaps the change of a national administration before the time comes for the national legislative body to convene and begin to pass legislation. Political campaigns and especially national campaigns are oftentimes heated and bitter. To come out of such a campaign when, as I have said, there has perhaps been a change of administration, and immediately put new power in the new Congress to work, would indeed be dangerous and perhaps expensive experience. A few months cooling time is, in my judgment, most wholesome and necessary. If the country needs emergency legislation, the present Constitution provides a way in which Congress can be convened at any time the President so elects.

The second objection, that defeated Members of Congress who have been repudiated by their constituents are permitted to vote on legislation after such defeat, is the most serious objection to the present system. Yet when one stops to scrutinize the course of events, it is very hard to find specific instances where this element of Congress has really asserted a decided influence or where, because of their activities as a group or individually, bad legislation has been passed or meritorious legislation defeated. Again, I say that this objection is more theoretical than real.

By far the most serious objection and the deciding influence, so far as I am concerned, is the fact that under the proposed amendment to the Constitution, it will be possible and, in my judgment, altogether probable, that Congress, once it is convened with no limitation upon either of its sessions, will remain in practically continuous session. Nothing, to my mind, could be a greater menace to economic solidarity than the probability or possibility of having the national legislative body in continuous session. It is hard for me to understand how the business interests of the country and many of the leading newspapers can apparently so strongly favor the proposed constitutional amendment when they have almost universally protested against long and continuous sessions of the national legislative body.

I am still of the old-fashioned school who believe that it is a most dangerous experiment to be meddling and tinkering with our National Constitution. Indeed, I have made it a rule not to vote for any constitutional amendment unless, after the most careful deliberation and study, I am firmly convinced that unless such a proposal is embodied in the Constitution that free and representative government is in danger and the peace and prosperity of our citizens threatened. This is a rigid rule, but it seems to me that in the light of past experiences it is justified. I apply this rule to the present constitutional amendment and find myself with the small minority in voting against its submission.

COMMITTEE ON INDIAN AFFAIRS

Mr. HOWARD. Mr. Speaker, I desire to present two unanimous requests. The first is that the Committee on Indian Affairs may have the privilege of sitting during the sessions of the House to-day.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOWARD. Now, Mr. Speaker, the second request is that on Thursday morning next, after disposition of matters on the Speaker's table, I be permitted to address the House for 17 minutes.

The SPEAKER. Is there objection?

Mr. SNELL. I object.

Mr. HOWARD. Mr. Speaker, may I have one moment to make an announcement? I desire to announce that I have dropped in the basket this morning a new piece of legislation differing from anything we have had here yet.

LEAVE OF ABSENCE

Mr. CROSSER. Mr. Speaker, I wish to announce that my colleague, Mr. SWEENEY, is absent on account of illness.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes. And pending that, may I say that I am informed it is the desire on both sides of the aisle that the bill be taken up for consideration under the 5-minute rule on Saturday, and that general debate be arranged accordingly. It is my purpose to make a general statement as to the bill as reported just before we take it under the 5-minute rule, and I will reserve time for that purpose.

Mr. SHREVE. What time does the gentleman suggest for general debate?

Mr. OLIVER of Alabama. General debate may continue until Saturday. There probably will be an agreement to meet at 11 o'clock to-morrow and on Saturday, in order that we may give as much time as possible to those who desire time.

Mr. SHREVE. And general debate will run along until Saturday?

Mr. OLIVER of Alabama. Yes.

Mr. PARSONS. Is it expected that we will have a vote on the bill on Saturday?

Mr. OLIVER of Alabama. No. Mr. Speaker, I ask that the time for general debate be equally divided, the time to be controlled by the gentleman from Pennsylvania and myself.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ARENTZ. I would like to ask the Speaker if it is the purpose to dispense with the Private Calendar to-morrow?

Mr. OLIVER of Alabama. I understand the House will probably agree to a motion which will be made to have this bill kept before the House until it is disposed of. We expect to have general debate to-morrow on the bill.

The SPEAKER. The gentleman from Alabama moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9349.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. MCREYNOLDS in the chair.

The Clerk read the title of the bill.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 15 minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS. Mr. Chairman, I have only a limited time at my disposal. There are some few things I wish to say, and while I desire to be entirely courteous to everyone, I sincerely hope that I shall be permitted to proceed at least for awhile without interruption. If at the conclusion of my remarks I have any time, I shall be more than pleased to yield to any gentleman who wishes me to do so.

Yesterday the President sent to the Congress a message in which he recommended that he be given the power to make consolidations of various governmental agencies and bureaus, which he did not name in his message. Every Member of the House, I believe, is heartily in favor of any consolidation that can properly be made, and there is no Member who has served here for any length of time who does not know that there are duplications in every department of this Government. We are appropriating not thou-

sands, but millions of dollars which could be saved if a wise and proper consolidation of many of the governmental agencies was made and steps were taken to cut out the immense duplication that is now going on and has been going on for years in the past.

I was impressed with the message of the President. It occurred to me, however, that it was somewhat hastily, probably suddenly, prepared. I do not think anyone can read that message, which gave little or no information to Congress, without coming to that conclusion. Speaking for myself, I have wondered whether or not it was not hastily sent, because the House, under the splendid leadership of our distinguished and beloved Speaker and the majority leader, was contemplating upon its own account proceeding to consolidate some of these agencies in the interest of economy and efficiency. I am led to that conclusion by the fact that the President waited until the Committee on Appropriations, where all appropriations originate in the Congress, had actually prepared and either passed through the House or had ready for report to it, every appropriation bill save four, the Army, the Navy, the District of Columbia, and the legislative appropriation bills. Why is it that the House was not given last December the benefit of such suggestions as the President might have to make upon the subject of consolidation in the interest of economy and efficiency, so that they could have been put into effect at this Congress and for the next fiscal year? There was a reference made in the message, which was not necessary in discussing the subject at hand, which leads me to believe that perhaps the message was sent here also to stave off a favorable report upon a bill which I introduced after conference with a number of Members in this House, consolidating the Departments of the Army and the Navy into one great department to be known as the Department of National Defense.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. I would rather not yield at this time.

Mr. BLANTON. The President's Cabinet officers are against that proposal, and both the Secretary of War and the Secretary of the Navy are fighting it, and every one of us who are for consolidation know that during the time since when Mr. Hoover became a Cabinet officer and since he has been in the White House as President there have been more bureaus and expensive commissions created than in any other like period of time in the history of the Government.

Mr. BYRNS. I was coming to that. The bill to which I refer has been pending before the Committee on Expenditures in the Executive Departments for a number of weeks, and during that time there has never been a more powerful lobby, in my judgment, at work here in this Capitol in opposition to it. If permitted to demonstrate it, I think I could show you and the country that if you will enact it into law it will save probably $100,000,000 annually when it gets into full operation and not interfere in the least with the efficiency of our fighting forces either in the Army or the Navy. [Applause.] Yet the President, who says that he is in favor of consolidation, announces in advance in this message that he is not in favor of consolidating these two departments. And the heads of these two departments, as the gentleman from Texas [Mr. BLANTON] said, who hold no commission from the people, who do not represent the people, but who hold their commissions solely from the President, appeared before that committee, presumably with his sanction and in the interest of their own jobs, opposed the bill being reported out of that committee, so that an opportunity could not be given to the House to pass judgment upon it one way or the other. Not only that, but high officers in the Army, and particularly in the Navy, under the command of the President, have left their desks in the departments and have spent their time up here on Capitol Hill in the committee room and elsewhere opposing that bill. They are objecting to its being reported by the committee to the House so that the light of day can be shed upon it and you and I and others who may be for or against it may have an opportunity to express ourselves upon the subject.

If the President really favors consolidation, if he is really interested in economy, I wish to say to him and to the country that he can save infinitely more by the passage of that bill than he can by consolidating every other agency in this Government. [Applause.] Yet those under his command, those who hold commissions from him, are seeking to prevent a committee of this House from reporting that bill out for consideration. Those two suspicions of mine as to the real motive which prompted this message at this time are my justification for rising this morning to discuss for a while this message which has been sent to the Congress.

Mr. GLOVER. Mr. Chairman, will the gentleman be kind enough to give us his estimate of what will be saved by the consolidation referred to?

Mr. BYRNS. I have already done that, but if that bill be reported out—and I hope it will be, and expect it will be—then I expect to ask time of the House, when I shall discuss it at length. Of course, I can not do it in 15 minutes.

I want to make this suggestion while I think of it. There is something for which legislation is not needed when considerable savings can be made. The President was inaugurated three years ago next March 4. He was heralded over the country as the greatest administrator who had ever entered the White House. It is said—and I have never heard anybody contradict it—that he has created more commissions and more independent boards, some of them without legal authority—and I say that advisedly—than any other President in the history of the entire country. [Applause.] I think he could make a good start in the interest of economy, because all these commissions and boards are spending public money, by abolishing them and devolving their duties upon the legally constituted agencies of this Government which are in a position to render the service for which these boards and commissions were appointed.

I wonder if the President has just realized that there is such a thing as an overburdened taxpayer, to whom he refers in this message. I wonder if he has just become aware that it was owing to the reckless extravagance of the administrations of which he has been an important part that the Government has run into a deficit unequaled by many times in the history of this Government in peace times, a deficit of $903,000,000 last year under his administration, a deficit which will be at least $2,100,000,000, and probably more, under his administration on June 30, 1932. If something is not done the taxpayers and consumers of this country will have to dig down into their pockets to the amount of $1,400,000,000 in order to balance the Budget in June, 1933, after his administration has come to a close.

Mr. O'CONNOR. Final close?

Mr. BYRNS. Final close. That is what I meant. That is the record he is going to leave as to a wise administration of the fiscal affairs of our country. And yet all he does now is to make the feeble gesture of sending in a message when he learns that a Democratic House is about to take up the question of consolidation. The people are not going to be so easily fooled.

Now, the President came into the White House, as I have said, three years ago next March. He came in accredited, as I have said, with being a great public administrator, and with the announcement to the Congress and to the country that we must have a consolidation of agencies in this Government in the interest of economy, and particularly of efficiency. Three years have passed. During those first two years of his administration he had a great majority of his own party in both Houses of Congress, and yet nothing was done. No steps have been taken, except to consolidate the Veterans' Bureau and the Pension Bureau, and, in addition to that, not to consolidate but to actually divide the prohibition personnel, placing part of it in the Department of Justice and leaving part of it in the Department of the Treasury, which Mr. Doran says is costing more money than

it did when they were together, and securing no better enforcement.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield the gentleman from Tennessee 10 additional minutes.

Mr. BYRNS. So I repeat. Why should we now, late in February, be confronted with this message?

Do you know what the President of the United States for the past three years has had at his command? He is in command of every executive department of this Government, and he has a right to tell those executive departments and the heads of independent bureaus, from the head down, to do this or to do that and to gather any information he needs for his own convenience. In addition to that, he has the Bureau of the Budget, placed exclusively under his control, which is costing the Government now $200,000 or more.

Let me read to you for a moment just what the law says that the Bureau of the Budget shall do:

SEC. 209. The Bureau of the Budget, when directed by the President, shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what changes, with a view of securing greater economy and efficiency in the conduct of the public service, should be made in (1) the existing organization activities and methods of business of such department or establishment; (2) the appropriations therefor; (3) the assignment of particular activities to particular services or the regrouping of services. The results of such study shall be embodied in a report or reports to the President, who may transmit to Congress such report or reports or any part thereof, with his recommendations on the matters covered thereby.

What was the object of Congress in enacting that particular section of the Budget law? It was to give the President of the United States, through this Bureau of the Budget, for which we have appropriated every dollar he has ever asked, an opportunity to do just what he says now, three years after he became President, he would like to have Congress authorized him to do. He has had authority all along to gather the most complete information, but what definite recommendation has he made to Congress with reference to the consolidation or regrouping of services in our Government?

But that is not all. There is a Bureau of Efficiency, and a very competent and efficient bureau, with a courageous and intelligent man at its head, appointed by the President, for which appropriations of $200,000 or more are made every year, and that bureau was established exclusively for the purpose of investigating various departments of our Government and ascertaining where economies and better efficiency could be put into effect So he has had the Bureau of Efficiency under his control in addition to the Bureau of the Budget.

But that is not all. He has the General Accounting Office, with an appropriation of $4,000,000 every year, which the President could call upon for information and work if he needed it. Then, too, he has had sitting by his side in the Cabinet Hon. Walter F. Brown, the Postmaster General, who was the head of the commission to which I will refer hereafter, and who could have offered him advice by reason of his work on that commission.

Now, think of all that great force under his exclusive control and supervision. Why has he waited three years to come here, not to propose something but to tell you that if you will just pass a law giving him the right to do this regrouping during the closing months of his administration he will be able to promote better efficiency? But I tell you if you read that message as closely as I have you will not see where he has stressed very much the question of economy. The only real recommendation he makes in his message is the creation of eight great high-salaried offices [applause], three or four of them new offices, and the others promotions of a director or commissioner to the position of Assistant Secretary. He says that will cost only $40,000. How does he know? I tell you, Mr. Chairman, and I am talking to men and women who know, that there never was an Assistant Secretary created in this Government that did not require a personnel far beyond anything that might be paid to him or his secretary. Create those eight positions if you will.

But I want to tell you that instead of reducing expenses it would be but a few years before you would be appropriating millions of dollars to take care of the personnel in each of these separate offices. [Applause.]

It is significant that while the President tells us he proposes to create these high places—and you note he wants Congress to approve that at the outset—he does not tell us where he is going to reduce in any way. He does not tell you any particular office he is going to abolish. He does not give you the slightest information along that line.

Why, gentlemen, we have been talking about consolidations for the last 12 years. You will remember that just at the beginning of the war Senator Overman introduced a bill in the Senate, which became known as the Overman Act, which gave President Wilson, for the the duration of the war and no longer, the right to consolidate and to regroup services. But the war was on, and naturally you could not expect any real regrouping of services during that time. Then, nothing having been done, for the reasons I have stated, on December 17, 1920, there was created a Joint Committee on the Reorganization of the Executive Departments. Under the provisions of the law creating it, it was required to report on the second Monday in December, 1922. President Wilson went out of office on March 4, and Mr. Harding became President. After he became President, on May 5, with a majority of his party in each House, a representative of the Executive was authorized to be appointed as a member of the joint committee at $7,500 per annum. The most anomalous situation that ever occurred, so far as I know, in the history of legislative proceedings was a joint commission of the Senate and House with its chairman named by the Executive from the outside and who really became the commission. Members of that commission told me after that was done that they abandoned all hope and all interest in it. The chairman of the commission at that time was the present Postmaster General, Mr. Walter F. Brown, from Ohio, who was appointed by President Harding.

However, they did something. They filed a rather voluminous report. But they secured an extension of time for filing the report to July 1, 1924.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BYRNS. Then, on June 3, 1924, the joint committee filed a report signed by Senators SMOOT and Wadsworth and Representatives MAPES and TEMPLE, and a supplemental report was signed by Senator HARRISON and Representaitve R. Walton Moore. That report has been lying here without action. The party of the President has been in power during all these years. No attempt has been made to act upon it or even to consider, so far as I know, the suggestions made therein for a regrouping of services.

The President was Secretary of Commerce at that time and afterwards appointed Mr. Brown one of his assistants, and yet we heard nothing from him or anyone else with reference to consolidation. Then, as I said, when he came in three years ago he proposed consolidations, but the matter was dropped and nothing done.

I do not want to take up the time of the committee, and I am going to cut short some of the things I wanted to say. There was one thing which struck me as peculiar about this message, and that was that the President wants Congress to pass this bill and leave the matter entirely up to him. Of course, he says that he will make his report and send it to Congress, and that if nothing is done within 60 days, then it shall become the law. Well, Congress is not going to change it if it is required that it shall be done within 60 days, especially when there is opposition to it. I can fancy that if we passed a bill such as the President proposes it would be a very foolish gesture to provide in it that it shall not go into effect until 60 days after its report to Congress, because if there is some opposition to it, particularly at the other end of the Capitol, you and I know

it would never be given final consideration within that time.

I am not personal in this matter. I am speaking from the standpoint of the record which has been made by these public servants in the interest of economy.

I have told you something about the great deficit that has occurred under the administrations of which the present President was an important part. He was Secretary of Commerce, becoming so on March 4, 1921, and he remained as Secretary of Commerce until he became President, on March 4, 1929.

Let us see just how much he has contributed to these reckless expenditures which have been going on during the past year and just what his part has been toward promoting a situation where we find it necessary to take practically everything the taxpayer has in order to balance the Budget. When he became Secretary of Commerce the appropriations for that great department amounted to $24,369,069.15. When he left the department, in 1929, the appropriations for the Department of Commerce, under Mr. Hoover as its Secretary, had increased to $40,049,168.02, an increase of practically 66⅔ per cent.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BYRNS. Under Mr. Hoover as President that great Department of Commerce is now drawing from the Government and expending out of the Treasury the sum of $54,422,230, more than twice the sum that was being appropriated for it only 11 years ago, when Mr. Hoover assumed charge.

Under the law as it exists to-day, the President of the United States has the power to consolidate offices in the Department of Commerce and in the Department of Labor and to regroup those services, and I suggest, in the interest of economy and, I think, better efficiency, our distinguished President—and I speak of him with the greatest respect—might exercise the administrative power he has in cutting down the expenses of that great department over which he once presided.

In 1926, under the influence, it was generally understood, of the then Secretary of Commerce, Mr. Hoover, the President of the United States without asking Congress and without any legislation, because he did not need it, transferred from the Interior Department to the Department of Commerce two great bureaus of this Government. One of them was the Patent Office and the other was the Bureau of Mines. Let us see what happened to the appropriations after those bureaus left the Department of the Interior and went over to this great executive, the Secretary of Commerce. At the time they were transferred the appropriations for the Patent Office, in 1926, amounted to $2,808,800. In 1929, when the President left the Department of Commerce to assume the office of President, they had increased from $2,808,800 to $3,394,415.

Let us take the Bureau of Mines. In 1926 the Bureau of Mines, when in the Interior Department, was expending the sum of $2,101,560. It was transferred to the Department of Commerce and in 1929, the last year when the President was Secretary of Commerce, there was appropriated for it the sum of $2,681,618.

So, my friends, I am justified, I think, in saying that the President has played his part in helping to increase these great appropriations which we are now seeking so hard to reduce, and which the Ways and Means Committee is finding it so difficult to meet in the way of taxes.

Now, I want to say this and then I am going to close. I want to compliment the Members on both sides of the House for the unanimity with which every Member has stood in behalf of economy. There are very few, if any, exceptions I would make if I were called upon to take the roll and go down from top to bottom. I want to compliment you gentlemen upon this side, and those upon my own side, upon the fact we have come here with a determination to hold down appropriations and help, as far as we can, to balance the Budget. I am sure this is going to be the history of this House when it is written at the end of the session.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield the gentleman from Tennessee two more minutes.

Mr. BYRNS. I have just been handed a statement here which I am going to read you. It is along the lines of the statement I have just been making, showing that even since the President entered the White House the appropriations have increased.

Under Mr. Wilson, in 1921, the expenses of the White House were $293,680, while for the present year of 1932, including the police force, they amount to $652,179, a rather substantial increase in itself.

Now, gentlemen, the point of my criticism, let me conclude, is this: The President of the United States, as it was his duty to do under the Constitution, should have used these great agencies of the Government, not this year or last year, but three years ago, when he became President, to ascertain the facts and to recommend to this House and to the Congress a consolidation of these great agencies which he now says can be made with such great economy and efficiency. [Applause.] Having inexcusably waited two years, he could have sent them up last December in the form of an alternative Budget, and let Congress put them into effect at once without having to wait until after the next election to consider them. I am satisfied in my own mind that if he had sent up an alternative Budget based upon the facts, and convinced this Congress that it meant not only economy but better efficiency, there is not a man in this House who would have opposed it, and we would have put it into effect and saved additional money.

In view of his own delay for three years without taking any steps when his own party was in power, it is not singular that at the first opportunity a Democratic House organization should take steps to do that which he has neglected doing for the past three years. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Chairman, I read in the newspapers a short time ago a statement emanating from the Democratic leaders to the effect that the era of cooperation with the administration was over and that the country might now look for an era of politics. Judging from the goings-on here on Capitol Hill during the last few days and the speech of the gentleman from Tennessee, who has just left the floor, I conclude that that statement is correct.

The gentleman from Tennessee said that he spoke as the representative of a party that not only believed in economy but had a record for economy. That statement reminded me of a speech which I distinctly recall having heard made on the floor of this House by a former distinguished Democratic chairman of the Committee on Appropriations, in the Sixty-third Congress—the gentleman from New York, Mr. Fitzgerald—in his endeavor to hold down the appropriations then being made by the Democratic Party and to keep them somewhat in line with his party platform.

Just as an indication of what the record of the Democratic Party is on economy, I would like to quote from this distinguished representative of the party in regard to it. Mr. Fitzgerald, the Democratic chairman of the Committee on Appropriations, in the Sixty-third Congress, said, and I am quoting from the RECORD of April 10, 1914:

> Mr. FITZGERALD. Mr. Chairman, it may seem somewhat strange, but I hope it is not out of place, to remind Members on this side of the House that the Democratic platform pledged us in favor of economy and to the abolishment of useless offices; but it did not declare, Mr. Chairman, that the party favored economy at the expense of Republicans and the abolition of useless offices in territory represented in this House by Republicans while favoring a different doctrine wherever a Democratic Representative would be affected. In a few months I shall be called upon in the discharge of my official duties to review the record that this Democratic House shall have made in its authorization of the expenditure of the public moneys. Whenever I think of the horrible mess that I shall be called upon to present to the country on behalf of the Democratic Party [laughter on the Republican side] I am tempted

to quit my place. I am looking now at Democrats who seem to take amusement in soliciting votes on the floor of this House to overturn the Committee on Appropriations in its efforts to carry out the pledges of the Democratic platform. They seem to take it to be a huge joke not to obey their platform [laughter and applause on the Republican side] and to make ridiculous the efforts of the members of our party who do try to live up to the promises they made to the people. I know that some Members on this side are voting continually for appropriations because they fear the wrath of the public if they do not vote out of the Public Treasury assistance for everything anyone suggests. I have in my hand a letter which is somewhat characteristic of the correspondence which I receive daily.

If I placed my political fortunes above my sworn duty under the law, I would not attempt to carry out the promises of the Democratic platform, but I should place myself at the head of this band of Treasury looters upon every occasion.

This is the record for economy of the Democratic Party, the party which the gentleman from Tennessee now represents in this House.

It is always interesting to see the enthusiasm of new converts to a cause. They frequently deceive themselves into believing that they have originated something new and sometimes, as is the case here, try to take credit for it when others have, as a matter of fact, pioneered in the cause for years. So it is in this case. Not content with announcing the program of the Democratic Party, the gentleman from Tennessee has attempted to attack the record of President Hoover for economy and his stand for the reorganization of executive departments. The Democratic Party undertakes a big job when it undertakes to criticize or attack the record of the present President of the United States on this program of economy and of reorganization of departments. His record is unassailable in that respect.

He has a consistent record in that respect, to my personal knowledge, of more than 12 years. He has advocated, during those years, in season and out of season, a reorganization of the different bureaus and activities of the Government, recommending that some be abolished, others consolidated, and all of them put into a jurisdiction where they would have proper supervision, to the end that waste and duplication in the Government service might be eliminated.

No amount of talk can alter the record. The President's record in that respect, or upon that policy, is consistent from beginning to end. I repeat that he has urged such reorganization in season and out of season. He advocated it in public and in private all the time he was Secretary of Commerce, and he has urged it on Congress in every message that he has sent to this body since he became President of the United States. [Applause.]

The gentleman from Tennessee referred to the Joint Committee on Reorganization of the Executive Departments, appointed in pursuance of a resolution passed in December, 1920. Some of you will remember that that resolution was fathered by a former Member of Congress, Mr. Reavis, of Nebraska. He introduced it, spoke for it, fathered it. The agitation for such reorganization was first started by the American Society of Engineers, of which the President was a distinguished member, and at one time, I believe, its president, and Mr. Reavis voiced the sentiment of that society here in the House.

That committee consisted originally on the House side of the gentleman from Nebraska, Mr. Reavis, the gentleman from Pennsylvania, Doctor TEMPLE, and the gentleman from Virginia, Mr. Moore. From the Senate it consisted of Senator SMOOT, Senator Wadsworth, of New York, and Senator HARRISON, of Mississippi. Some of you know that the resolution provided that the President shall have a personal representative on the commission, to be appointed by him, who should act as chairman, and President Harding appointed Walter F. Brown, of Toledo, the present Postmaster General, to that position.

Mr. Brown made an intensive study of the departments. He endeavored to get the cooperation of the heads of the different departments and of the Cabinet officers. After a year or more of such intensive study and work, he recommended a tentative set-up or plan for consolidation.

I may say in passing that in that set-up he proposed a consolidation of the War and Navy Departments.

I may say here too that in the process of time, the gentleman from Nebraska, Mr. Reavis, retired from Congress, and Mr. Webster, of Washington, was appointed to take his place. Afterwards, when Judge Webster resigned from Congress to accept an appointment to the Federal court, I was appointed to take his place. That was before the hearings before the joint committee were started, so I was a member of the joint committee and present when the hearings were had.

The joint committee held hearings on the tentative set-up proposed by Mr. Brown, starting January 7, 1924. I have a copy of them here. The joint committee heard every member of the President's Cabinet except the Secretary of State. He was not heard because there was no radical change proposed in the set-up of the State Department. All other members of the Cabinet were heard.

After the hearings closed the committee went into the subject exhaustively, in executive session. It finally drafted a bill to carry out its recommendations and drafted its report. Senator SMOOT introduced the bill in the Senate, and I introduced it in the House of Representatives. It came up during the short session of Congress in 1924 and 1925, I believe. Identical bills were introduced and pending in both Houses of Congress. Mr. SMOOT made a motion at one time to make the Senate bill the order of business in the Senate, but the majority of the Senate voted against that motion. Those of you who are interested enough to look at the roll call in the Senate on that motion will see that the most of the men who voted against that motion were Democrats of the Senate, and not Republicans.

After the Senate refused to take it up there was nothing to be gained in taking it up in the House, so it was never considered here.

During the next recess of Congress, in collaboration with the Department of Commerce, with Secretary Hoover at the head—or, to be more accurate, in collaboration with Secretary Hoover and his Assistant Secretary, Mr. Drake—a joint resolution was drafted which provided for the set-up of the joint committee of Congress, consisting of two Members of the Senate and two Members of the House and one man to be appointed by the President, to make a study of the departments and independent bureaus of the Government and report to the President any consolidation or reorganization which it thought best; and if the President approved of the recommendations of that committee, he was by Executive order to put them into effect. What was the experience with that joint resolution? First, let me say that after that resolution was prepared Secretary Hoover, Senator SMOOT, and myself went to the White House to interview President Coolidge to get his approval of the resolution, and we introduced it with administration approval. All along, from first to last, the leading spirit, the leading proponent of this reorganization program, was the present President of the United States—President Hoover. [Applause on the Republican side.] He was then Secretary of Commerce. He went to the White House with us; it was in his department and under his direction that the resolution was drawn.

I introduced it in the House, went before the Rules Committee, asked that a rule be reported out of that committee to make it in order, but the alleged constitutional question was raised to it by some of the Members of the Rules Committee, among them the then Democratic leader, Mr. Garrett, against reporting it, because it was a delegation of too much legislative authority to the President. It was never reported by the Rules Committee, and that attempt at reorganization failed, as had every other attempt of the present President of the United States, to put through some reorganization program and thereby prevent duplication and waste in the Government service.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. BANKHEAD. In other words, we gather from the gentleman's statement that he is undertaking to shift the responsibility from the President for failure to perfect these reorganizations to the Republican Party in Congress, which has been in control for some years?

Mr. MAPES. I am not trying to shift the responsibility from anybody; I am trying to keep the record straight; I am trying to put the responsibility where it belongs. It does not belong upon the shoulders of the present President of the United States, as your chairman of the Committee on Appropriations would lead the country to believe. [Applause on the Republican side.]

I have never made a political speech on this floor.

I make very few of them anywhere. I am not making a political speech now, but I think the RECORD ought to be correct in respect to the people who want economy and who have advocated economy, and the blame should not be laid where it does not belong. Credit should be given to the man who, in season and out of season, has advocated this proposition for so many years. [Applause on the Republican side.]

The gentleman from Tennessee referred to the expansion of the Department of Commerce during the administration of Secretary Hoover of that department. Yes; it did expand, and the gentleman from Tennessee might well have added that it increased in usefulness a hundredfold under Secretary Hoover's administration. In his eagerness to emphasize this new conversion of himself and the Democratic Party to a program of governmental economy, he forgot to give some of the well-known reasons for the expansion of the Department of Commerce under Secretary Hoover. He forgot to say that the Patent Office was transferred from the Department of the Interior to the Department of Commerce during Secretary Hoover's administration, bringing with it 1,228 additional employees to the Department of Commerce. He forgot to say that the Bureau of Mines was also transferred from the Department of the Interior to the Department of Commerce during Secretary Hoover's administration, bringing with it 971 new employees to the Department of Commerce. He forgot to say that during Secretary Hoover's administration of the Department of Commerce, Congress created the Civil Aeronautics Division of that department which now has 538 employees.

Who would attempt to say that this division is unnecessary and should be abolished? He forgot to say that during the administration of Secretary Hoover the department was required to make a census of agriculture and of manufactures, which increased the number of employees in the Bureau of the Census from 1,664 to 2,518, or an increase of 854. He forgot to say that by reason of the enactment of the laws regulating the Alaskan fisheries it was necessary to increase the employees in the Bureau of Fisheries from 462 to 700, or an increase of 238, during Secretary Hoover's administration. During that same time the Bureau of Foreign and Domestic Commerce increased from a personnel of 595 to 1,469, an increase of 874, due to the establishment by Congress of a much more effective organization in the interests of foreign trade. These transfers and additional activities of the department account for an increase of 4,703 employees, all of them due to acts of Congress or the transfer of other functions to the department, as against a total increase in employees of 4,608, or an actual decrease in the Government so far as administrative action could affect it of 95. During this period, of course, the business of the country increased by leaps and bounds, to say nothing of the constant increase in population.

During this same period the office of the Secretary shows a decrease from 183 employees to 144; the Steamboat Inspection Service, a decrease from 366 to 358; the Bureau of Navigation shows a decrease from 230 to 166 employees; the Bureau of Standards a decrease from 968 to 900 employees; the Bureau of Lighthouses, a bureau whose work is constantly expanding, a decrease from 5,909 employees to 5,905.

During the same period and from the time it was taken over by the Department of Commerce, the Bureau of Patents shows a decrease from 1,228 employees to 1,191, or a decrease of 37 employees, although the work was enormously expanded and although the revenue from these increases reverts to the bureau. It is interesting to know that that bureau, as a matter of fact, instead of being a cost to the Government has now become one where the Government makes a surplus.

That the expansion of the Bureau of Foreign and Domestic Commerce as the result of various acts of Congress has more than justified itself is indicated by the fact that the number of inquiries from persons interested in the export business increased, during Secretary Hoover's administration of it, from 661,000 in the year 1923 to 2,770,000 in the year 1928. The cost of organizing and handling these inquiries from the American public was cut from $2.38 per inquiry at the beginning of this period to $1.34 at the end of the period.

The statement has been made that the consolidation of the World War Veterans' Bureau, the soldiers' homes, the civil-service pensions, and the Pension Bureau has resulted in the increase in the number of employees. That is true. They have increased from 31,576 to 36,408, or a net increase of 4,832. But in the meantime, Congress has enacted veterans' legislation which has increased the number of beneficiaries on account of whom payments are being made by the bureau, exclusive of insurance and adjusted-compensation benefits, from 1,079,044 to 1,557,790, or an increase in the number of persons having to be dealt with regularly each month by 478,746.

Furthermore, as the result of the increase in hospitalization by acts of Congress, the number of persons in hospitals has increased from 49,346 to 59,862, or an increase of patients of 10,516. Beyond this, the various acts of Congress passed since that time in connection with adjusted compensation have increased the number of persons with whom it has been necessary to open accounts from 1,378,862 to 3,647,855, or an increase in the number of accounts in this one branch alone of 2,268,993. In other words, while the number of employees in the bureau has increased by about 12½ per cent, yet the number of persons with whom the bureau has been called upon to deal has increased by 2,776,000, or more than 100 per cent.

Who is there here who thinks that there ought to be any material reduction in the office of the Veterans' Administration, which is charged with the responsibility of looking after the disabled veterans of all wars and of the widows and orphans of such veterans?

Nobody needs to take the word of anyone upon the question of the record of President Hoover for economy in the reorganization of Government departments. The record itself is conclusive. For example, on page 349 of the hearings before the Joint Committee on Reorganization of Executive Departments under date of January 22, 1924, Secretary Hoover said:

> No one who has had large experience in large industrial or other organizations will assert for one moment that the Federal Government is not badly in need of administrative reorganization. The fine results of the budgetary system in producing economies have now almost spent themselves unless there can be such a reorganization of Government administrative structure as makes it possible to secure better appropriation policies to eliminate overlaps and unnecessary division of functions. Moreover, whatever these reductions of expenditures may be, they are not, in my mind, as important as the economies to the public in its relations to the Government and in the large ability of Congress to handle certain types of expenditure with better comprehension and long-view policies.
>
> I do not believe that any Government reorganization will ever take place that will meet with agreement among the executive heads of the Government. Cabinet heads necessarily take color from their subordinates and subordinates are, from the nature of things, bound to be in opposition to serious change. If there is to be reorganization, it will have to be carried out by Congress and the President. The men who are at the head of various bureaus and secondary functions of the Government believe honestly and earnestly in the purpose of their service and they are bound to object to any change which seems to them would decrease their activities, reduce their personnel, or require them to take a less important position in some other grouping. They naturally and properly feel that the service which they direct is the most important function of the entire Government and that minimizing it in any direction would be wrong.
>
> Some of them feel so strongly that they feel it right to engage in propaganda in opposition to change. The cumulation of such

activities from many sources is likely to break down every attempt at reorganization as hitherto. No one deserves higher admiration than the permanent officials of the Government, but long years of experience in reorganization of private concerns and some years of experience in the Government have led me to believe that if the overlap and waste in the Federal Government are to be eliminated it must be handed down from on high and not attempted as the result of agreements, for they can never be brought about.

I call attention particularly to the difficulties of our reorganizing the Government departments through legislative action, and I want to show you how consistent the policy of the President has been during all these years ever since he came into the Government service in 1921. On page 352 of those hearings he said:

In view of the accumulation of resistance which will come from Government officials to any grouping, obvious from the hearings before this committee and the propaganda in the country by interested bureaus against such groupings and reorganization, it will be extremely difficult to secure a precise set-up by congressional action. Plausible arguments are made pro and con which can only confuse the Members of Congress who are not able to give the time and attention necessary to get to the bottom of these questions. Furthermore, a complete rearrangement of organization to-day would require amendment again to-morrow. New functions and new activities are constantly under creation by Congress to meet the tides of necessity.

Here is a suggestion he made back in 1924, exactly the same as he made in his message to Congress yesterday:

I would therefore like to make a suggestion as to the method by which this matter could be handled with more certainty of success and assurance of accuracy, not only at the present moment but for the future.

Still the gentleman from Tennessee gets up here and says that this message of the President delivered here yesterday must have been hastily written. It is the result of the convictions of 15 years of active work and observation in the Government service.

Mr. BEEDY. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. BREEDY. The gentleman from Tennessee, I think unintentionally, because he is eminently fair, quoted a section of the Budget, and I think he referred to section 209, in which he said to the Committee of the Whole that the President had always had the power to effectuate the consolidations that he now suggests to Congress and asks for in the special message. Of course, that is not the fact. He has the power under section 209 to direct the Bureau of the Budget to make examinations and report to him, and he, in return, reports and recommends to Congress.

In his special message of yesterday he asks that we delegate to him special power to effect consolidations, himself.

Mr. MAPES. Of course, the gentleman from Maine is right. With a very few exceptions, all the activities of the Government are created and put into the different departments by statutory law, and the President can not remove an activity from one department that has been created and placed there by law, without some authorization by some other law that repeals the existing one. That is self-evident.

[Here the gavel fell.]

Mr. SHREVE. Mr. Chairman, I yield five additional minutes to the gentleman from Michigan.

Mr. MAPES. Of course, the gentleman from Maine is entirely correct.

Now, continuing the President's statement before the Joint Committee on Reorganization of Executive Departments in 1924, page 353, he said:

This suggestion is that Congress should give authority to the President—

Identically the same as he suggested yesterday—

to make such changes within limits of certain defined principles as may be recommended to him by an independent commission to be created by Congress and clothed with these authorities. The broad principle of grouping by major purpose could be laid down by legislation and the major purposes of the departments could be likewise defined. The groups, according to major purpose, could be enumerated by the legislation and groups assigned to departments. Then the details of transfer of individual bureaus and functions to meet those principles could be left to the President upon the recommendation of such a commission.

Let me say to the gentleman from Tennessee [Mr. BYRNS] and to the other Members of the House that those who have had some experience in studying this reorganization problem are convinced that that is the only practical and feasible way, in fact, the only way, that a reorganization of the executive departments that is worth while will ever be accomplished. [Applause.]

With those principles defined and groupings decided—

Secretary Hoover continued—

then I believe that the reorganization should not only take place quickly and on sound lines, but also such a continuing body to make any changes that develop, as necessary, and take cognizance of new legislation in its relationship to administrative provision.

The gentleman from Tennessee [Mr. BYRNS], I repeat, said that the President's message must have been hastily written. He made that suggestion in 1924. What did he say yesterday in this hastily prepared message? This is what he said. I quote from his message, on page 4182 of the RECORD:

There is little hope for success in this task unless it is placed in the hands of some one responsible for it, with authority and direction to act. Moreover, the consummation of a comprehensive reorganization at one moment is not in the best public interest. Such reorganization should be undertaken gradually and systematically, predicated on a sound and definite theory of government and effectuated as the result of study and experience gained in the actual process of reorganization.

If anybody thinks that any effective reorganization program or any program worth while can be worked out overnight here in the House of Representatives, he has another guess coming.

The President said again at another point in his message to Congress of yesterday:

Authority under proper safeguards to be lodged in the President to effect these transfers and consolidations and authority to redistribute executive groups in the 10 executive departments of the Government or in the independent establishments, as the President may determine by Executive order, such Executive order to lie before the Congress for 60 days during sessions thereof before becoming effective, but becoming effective at the end of such period unless the Congress shall request suspension of action.

And still the gentleman from Tennessee would lead the House to believe that this message was hastily written. The haste has been all on the other side. In the consideration of this question of haste it may not be out of place to suggest that this message of the President was written and advance copies of it distributed to members of the press several days before it was read in Congress, to be released for publication when read. Let me ask if this resolution introduced in the House by the gentleman from Tennessee, creating a so-called economy committee was not "hastily written" and introduced after some one learned what was in the President's message?

Now, Mr. Chairman, I happened to be looking over the RECORD this morning of the proceedings of yesterday in another body, and in their order of business was Senate Joint Resolution No. 76, entitled "Reorganization of Executive Departments." The consideration of it was objected to by the Senator from Colorado, Mr. COSTIGAN, a Democrat. It was introduced by Senator GEORGE, another Democrat. Is this position of the President reasonable or unreasonable? Listen to the answer to that question of this distinguished Democratic Senator. Let me read his answer from the RECORD of yesterday.

Senator GEORGE. I want to take this occasion to emphasize the fact, and I believe it to be the fact, that if any progress is ever made in the consideration of consolidation of boards, bureaus, agencies, and services, or in the elimination of unnecessary boards, bureaus, agencies, and services, it must be done by vesting authority in some one who can act. I know of no one who is better qualified to act than the President of the United States at any time.

[Applause.]

That is from one of the leading Democratic Senators. Here is what he said further, after some colloquy, and let me say that after some study of this question his position is, in my judgment, absolutely sound. Nobody who has ever

studied the problem of reorganization of executive departments can get away from it for a moment.

Here is what he said:

If we are going to do anything more than to pay lip service to economy—

Mark his language—

If we are going to do anything more than to pay lip service to economy, so far as it may be effected by consolidation and simplification of government, we must vest the power and authority to act in some one, and who better than the Chief Executive when we are dealing with the executive offices.

[Applause.]

Now, the gentleman from Tennessee says that the President has not submitted a program. It seems ridiculous to take the time of the House to answer that statement in view of his record. I have before me a speech which he made on the reduction of waste in Government by reorganization of executive departments, when he was Secretary of Commerce, before the thirteenth annual meeting of the Chamber of Commerce of the United States, on May 21, 1927.

This is what he said in that speech:

Organization and coordination are essential in business. They are highly essential in government, for the Government is the greatest business undertaking yet submitted to the mind of man. Bad coordination among industries finally comes home to the people as a whole in the form of increased prices. And bad organization in government comes home in many more directions than even the taxes it wastes.

I want to interrupt the reading of that statement long enough to say this before I forget it: The only time the Congress has ever given any President authority to reorganize the executive departments was in time of war, when it gave it to your Democratic President, President Wilson, and he never exercised any power under it at all. [Applause.]

I do not criticize him for that, because it was during a time of great emergency; but when you talk about Presidents not acting, keep in mind that he was the only President who ever had authority to act and he took no action at all. If it was not unconstitutional to give a Democratic President such authority, why is it unconstitutional to give it to President Hoover?

Then the President went on to say, in this speech before the chamber of commerce in 1925:

And this is another of these laborious subjects in which stimulating oratory is about as serviceable as a sermon on high voltage, and it contains about the same proportion of humor and good cheer as a reminder that we have to work when the trout are rising.

Nobody ever made a more truthful statement than that. It is not oratory that is needed to conduct these reorganizations. It is some one with practical common sense who knows where the overlapping is and where the wastes are. Secretary Hoover continued:

Over many years our people have been striving to better the Federal administration. We have succeeded in two major steps.

Repeating the same thought he mentioned before the Committee on the Reorganization of Executive Departments:

We still have a third equally important and perhaps more difficult one to accomplish. The first step was the establishment of Government employment based upon merit; the second was the establishment of adequate control of appropriations through the Budget System. There still remains the third and even more important step to relieve the taxpayer of a greater but more obscure waste—that resulting from faulty organization of administrative functions. And the first two steps will never reach the full realization without the third.

In that speech he goes on to tell about the number of bureaus in the Government, the number of employees and the lack of any system in putting the different activities of the Government into different departments and how much could be saved by a thorough and businesslike reorganization:

Every single department, bureau, and board in the entire Government should be placed upon the operating table.

The gentleman from Tennessee says this message must have been hastily written, yet the present President of the United States said before the Chamber of Commerce in 1925:

Every single department, bureau, and board in the entire Government should be placed upon the operating table and a clean-cut separation established between semijudicial and semilegislative functions on the one hand and of administration on the other.

Then he says in another place:

To illustrate my point, I have made a partial collection of misfits and in so doing I have taken no account of either incidental functions or semilegislative or semijudicial agencies, except so far as they have administrative functions.

He then referred to the construction of public works and the number of bureaus or agencies, doing such work, 14 in all, and pointed out that they are located in 9 different departments. He pointed out at length what he thought ought to be done in that respect.

Mr. YON. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. YON. This recommendation was made in 1925, and since that time the number of boards and bureaus has increased and the appropriations have increased. Why at this late date has nothing been undertaken?

Mr. MAPES. Something has been undertaken, I will say to the gentleman from Florida. Some of us for years have been trying to have something done but we have not been making as much noise as the Democratic Party has been making in the last few days about it. However, we have a real appreciation of the difficulties involved in it, and the present President of the United States certainly has tried in season and out of season to have something done but, as I have said, he has not succeeded in getting Congress to act, but it is no fault of his that Congress has not acted.

Mr. FREAR. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. FREAR. Is not Congress responsible for the situation?

Mr. MAPES. Congress is absolutely responsible. I do not want to take the time to go into this at length, but many gentlemen here know that if you propose to change any activity of the Government the bureau or board affected will have some friend in Congress to oppose it. If we try to make a change some Member of Congress will say, "Well, it is going to affect my friend, I am not very much interested in it, so I guess I will protect him and vote against it." You get an accumulation of those situations in any general reorganization program to such an extent that it is absolutely impossible to put a bill through Congress which provides for a general reorganization of the executive departments. There is no question about that.

Mr. DYER. So the thing to do is to give the President the authority?

Mr. MAPES. Absolutely.

Mr. KETCHAM. If I recall correctly, my colleague who now has the floor served a number of years ago on a commission that went into this matter very exhaustively.

Mr. MAPES. I have called attention to that.

Mr. KETCHAM. I wanted to get the gentleman's judgment upon this proposition. Has the gentleman ever seen a more comprehensive or complete plan for the very thing desired than is comprehended in the series of recommendations now before us from the President of the United States?

Mr. MAPES. Not at all; and the Members of Congress who did the committee the honor to read its report all said it was a very fine report and one that ought to be adopted.

[Here the gavel fell.]

Mr. SHREVE. Mr. Chairman, I yield the gentleman from Michigan five more minutes.

Mr. MAPES. But that joint committee was confronted with the difficulties that everybody knows any committee will be confronted with, and that is the absolute impossibility of getting the average Member of Congress to take enough time or interest to study the situations until he realizes the merits of the proposals enough to resist these campaigns that are made by his friends who are going to be affected.

The President further said in this speech before the Chamber of Commerce in 1925:

Nor will we ever attain reorganization until Congress will give actual authority to the President or some board, if you will, or a

committee of its own Members to do it. It is of no purpose to investigate again and report. We have had years of investigation and every investigation has resulted in some recommended action. Congressional committees have for many sessions, and even so late as the last session, reported out important recommendations. What is needed is the actual delegation of authority to act.

I have said that the President in every message he has made to Congress has recommended this reorganization program.

He started off with his acceptance speech on August 11, 1928. On June 6, 1929, in his message to Congress, he said:

In order to secure the utmost expedition in the reorganization and concentration of responsibility in administration of the Federal bureaus connected with prohibition enforcement, so greatly needed to improve their effectiveness, I recommend that the Congress appoint a joint select committee to make an immediate study of these matters and to formulate recommendations for consideration at the next regular session.

I shall be glad to appoint a committee from the departments to cooperate with such a committee of the Congress.

And in his message to Congress of December 3, 1929, he said—and I am only quoting the conclusion:

With this background of all previous experience I can see no hope for the development of a sound reorganization of the Government unless Congress be willing to delegate its authority over the problem (subject to defined principles) to the Executive, who should act upon approval of a joint committee of Congress or with the reservation of power of revision by Congress within some limited period adequate for its consideration.

In a statement to the press of July 8, 1930, he reiterated the same thought. In an Executive order of July 21, 1930, he made certain consolidations of the activities of the Government with respect to the veterans.

In his message to Congress of December 8, 1931, he said:

I have referred in previous messages to the profound need of further reorganization and consolidation of Federal administrative functions to eliminate overlap and waste, and to enable coordination and definition of Government policies now wholly impossible in scattered and conflicting agencies which deal with parts of the same major function. I shall lay before the Congress further recommendations upon this subject, particularly in relation to the Department of the Interior.

In this message he again recommends that the public building and construction activities be placed under one head, and in a statement to the press of December 29, 1931, he renewed the same thought and then again in his message which was read from the desk here yesterday afternoon he expressed the same purpose.

Oh, how impossible it is to attack the record of President Hoover on his reorganization program. How hard up the Democratic Party must be for an issue if it has got to rely upon its attempt to belittle the record of the present President of the United States in this respect. It can not be done. He has the record and it is not ridiculous as is the record of the Democratic Party on economy. He has a consistent and unimpeachable record of constructive and active recommendation and advocacy of this program for a period of over 12 years. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield five minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Chairman, the gentleman from Tennessee [Mr. BYRNS] has made some rather sweeping charges here to-day, and by inference would have us believe even worse than he has charged directly. The purpose of his remarks seems to be to show that the Republican administration for the last 11 years has been wasteful and that the present President of the United States, both as President and as a Cabinet officer under the two preceding Presidents, has been wasteful as an official and inconsistent in connection with governmental consolidations so far as effecting economies is concerned. The gentleman from Michigan [Mr. MAPES] has effectively and thoroughly answered the gentleman's speech, so that I need refer to but a single point covered by the gentleman's charges.

On account of the President having been Secretary of Commerce for a period of over seven years preceding his election to the Presidency, the Department of Commerce is singled out by the gentleman from Tennessee as a special object of attack. He cites increased appropriations in this department and would have us infer that this means waste or extravagance. He barely mentions the transfer of two important bureaus from the Department of the Interior to the Department of Commerce; namely, the Patent Office and the Bureau of Mines; nor does he even mention the creating by Congress of two additional activities, the Radio Division and the Aeronautics Branch. No reference is made by the gentleman to these and other additional duties that have been imposed by Congress upon this department in response to the demands of business and the people generally for increased service.

The Bureau of Mines and the Patent Office were transferred to the Department of Commerce in 1925 by Executive order, while the Aeronautics Branch was created by law in 1926 and the Radio Division later.

In order to place the matter fairly before the committee, I wish to present a few facts in regard to the Department of Commerce during most of the period in which the present President of the United States was Secretary of Commerce. The figures given by the gentleman from Tennessee as to the total appropriations during these years would appear to confirm what the gentleman attempts to prove, that there had been a considerable increase.

Let us analyze the figures and then see what are the facts. At the beginning of the fiscal year July, 1922, there were 11,255 employees in the Department of Commerce. On July 1, 1929, a year after Mr. Hoover resigned from the Cabinet, there were 16,784 employees. On the face of it, this looks favorable to the gentleman's contention, but let us analyze it.

During this time there had been two large bureaus transferred from the Department of the Interior to the Department of Commerce, and Congress had created two new ones and had added additional duties, so that the total number of employees, instead of being increased by 5,389, as it would appear if proper deductions are made for the additional bureaus, the total personnel was increased by only 1,715, an increase of 15 per cent, or a little over 2 per cent during each year.

Now, take the Secretary's office, which includes the chief clerk's office, and the service divisions under it. In 1922 there were 183 employees. In 1928, when Mr. Hoover went out of office, there were 144 employees, or a reduction of 39 employees in the office immediately under the direction of Mr. Hoover as Secretary. Does this indicate a desire to expand extravagantly?

I have had prepared a table showing the changes in personnel in the various bureaus of this department between 1922 and 1928, as follows:

Office and number of employees

Secretary of Commerce:	
1922	183
1928	144
A decrease of 39 employees.	
Bureau of Census:	
1922	1,664
1928	2,518

An increase of 854 employees due to the regular periodical taking of the census of agriculture and the census of manufactures—agriculture census every five years, manufactures census every two years.

Steamboat Inspection:	
1922	366
1928	358
A decrease of 8 employees.	
Bureau of Navigation:	
1922	230
1928	166
A decrease of 64 employees.	
Bureau of Standards:	
1922	968
1928	900
A decrease of 68 employees.	
Lighthouse Bureau:	
1922	5,909
1928	5,905
A decrease of 4 employees.	
Coast and Geodetic Survey:	
1922	978
1928	991
An increase of 13 employees.	
Bureau of Fisheries:	
1922	462
1928	700
An increase of 238 employees.	

This increase is mainly due to the administration of the White Act of June 6, 1924, providing for protection of the salmon fisheries of Alaska, which were nearing exhaustion; aiding the States in conservation and administration of their fisheries; direct aid to the commercial fisheries in the solution of their problems of handling, preservation, and distribution of fishery products and the saving of the waste products of the fisheries; and organization of the Upper Mississippi Wild Life and Fish Refuge under an act approved June 7, 1924.

Patent Office: The Patent Office was brought into the Department of Commerce in 1925 with a personnel of 1,228; in 1928 it was 1,191, a decrease of 37 employees.

Bureau of Mines: The Bureau of Mines was brought into the Department of Commerce in 1925 with 971 employees; in 1928 there were 983, an increase of 12 employees.

Aeronautics Branch: The Aeronautics Branch was organized in 1926 with 164 employees; in 1928 it had grown to 538, an increase of 374 employees, due to the rapid growth of the industry and the necessity for increased governmental personnel to keep up its greatly expanded regulatory duties.

Bureau of Foreign and Domestic Commerce:	
1922	595
1928	1,469

An increase of 874 employees.

The expansion in this bureau was primarily due to a very large increase in demands made upon the department for information regarding foreign economic conditions affecting American interests. Our stake abroad was greatly extended after the war through private investments which rose from eight billions in 1922 to nearly fourteen billions in 1928. Meantime our exports increased almost as heavily as did also such related lines as shipping, foreign branch factories, and so forth. As a consequence of this, the number of inquiries on such topics received by the department grew from 505,661 in the fiscal year 1921–22 to 2,770,773 in the year 1927–28. Incidentally, the work of meeting this tremendous new burden was so organized that the cost of handling each inquiry was cut from $2.38 in the beginning of the fiscal year 1922 to $1.34 in the fall of 1928. During this same period the number of inquiries handled by each employee of the bureau was increased more than 120 per cent. Perhaps the best evidence of the efficiency of this expansion is revealed in the actual results achieved in the field of trade promotion. Records on that point were begun in the fiscal year 1925–26 when voluntarily reported results of this type (orders secured and savings effected by reporting firms as the result of the department's services) totaled $7,319,323. In 1927–28 the total was $14,506,913. It should be carefully noted that these figures represent only those reported voluntarily by a small number of the firms actually assisted in this manner.

Briefly summarized, the foregoing figures show a total of 11,355 employees on July 1, 1922, and 15,963 on July 1, 1928, an increase of 4,608. Deducting from this figure the increase due to Patent Office, Bureau of Mines, and Aeronautics Branch, 2,712, there is an actual increase in the original bureaus in six years of 1,896 employees, or approximately 2½ per cent per year. The increase in all of the bureaus except Foreign and Domestic Commerce is at the rate of 1½ per cent a year.

There has been criticism that our Government is spending too much money on its foreign-trade-promotion activities, or in other words, on the Bureau of Foreign and Domestic Commerce—an organization built up and made most effective by the President when he was serving as Secretary of Commerce. Do you realize that America's expenditures on her foreign-trade promotion are not as large as those of our principal trade rivals? On a per capita basis our Canadian neighbors spend nearly twice as much as we do on the Bureau of Foreign and Domestic Commerce. On the basis of export figures American expenditures on trade promotion are only about 75 per cent of those of the British Department of Overseas Trade, an organization similar to our Foreign Commerce Bureau. Even Japan is spending more proportionately than the United States.

Although appropriations for the Bureau of Foreign and Domestic Commerce increased from $1,211,010 in the fiscal year 1921–22 to $3,721,957 in the fiscal year 1927–28—the period when Mr. Hoover was Secretary of Commerce—there was an increase of services rendered by that bureau from 505,661 to 2,770,773 as measured by the number of trade inquiries, which is a fair criterion. Likewise, during this period the cost per inquiry dropped from $2.38 in 1921–22, to $1.34 in 1927–28, or a decrease of 43 per cent. I am now informed that the cost per inquiry service during the past fiscal year has been further reduced to $1.28. This is fair evidence of economical administration.

Each year the Bureau of Foreign and Domestic Commerce attempts an evaluation of the results of the services it renders. For many years past this total, which is based on written statements of American firms, has continued to increase. Last year the report showed slightly in excess of $50,000,000. For the fiscal year 1930–31 the foreign trade of the United States shrank approximately 35 per cent in value. In spite of this unfavorable situation, the report for that year shows that American firms, as a result of the bureau's services, have received new business and direct savings to the extent of $57,554,813, a fine tribute to the efficiency of this particular bureau.

The gentleman from Tennessee did not venture to criticize in detail the Bureau of Foreign and Domestic Commerce, though he did so in the aggregate; but the suggestion has been made that in the interests of economy it would be advisable to close some of the foreign offices of the Department of Commerce in view of the decline in the foreign trade of the United States. This would be a shortsighted policy, and such a move would be especially unfortunate at this particular time. It would be analogous to doing away with our military forces in times of peace. The demands being made upon the foreign offices of the Department of Commerce are greater than ever before. There are many American firms which have abolished their foreign offices and who are looking to the Department of Commerce for advice and information which was formerly furnished them through their own branches. If the foreign offices are closed, no one will be available to carry on the trade-promotion work they are doing; no one will keep American firms informed of financial, tariff, and legal developments which take place; and there would be no one to whom American business might turn for advice and assistance in entering foreign markets. British, French, German, and Italian firms would be greatly encouraged by this retreat of American effort in maintaining its foreign commercial position and would lose no time in impressing upon local business men that Americans are only interested in finding markets for surplus stock. All the effectiveness of the Government's foreign-trade service would be nullified at a time when it is most needed.

The Bureau of Foreign and Domestic Commerce maintains the closet cooperation with industry, and all of its activities are the result of the insistent demands which have been made upon it. Many associations are cooperating in a financial way and during the past year industry has contributed over $1,500,000 to carry on some of the work which that bureau is doing. By far the larger part of this amount is in connection with the domestic-commerce activities of the department. We are in a period of readjustment of domestic business in which our business men are trying to find a profit by reducing costs instead of increasing volume. In this field business has found the Department of Commerce most helpful.

Upon a careful analysis of the facts, instead of indicating that there has been a wasteful increase in the Department of Commerce, it appears that the increase has been comparatively small, and that the results have fully justified the increase. [Applause.]

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. MORTON D. HULL. Has there been any decrease in the number of employees of the House since the Democratic Party came into power?

Mr. TILSON. Not that anyone has noticed.

The gentleman from Tennessee complains of the commissions appointed by President Hoover. He, like every other President, has appointed commissions for the study of facts. Most of these are purely temporary in character. He overlooks the fact that during the present administration only 20 such commissions have been appointed by the President and that Congress has created 24; that of the committees appointed by the President 4 have been supported by Federal appropriations and that the others were purely voluntary and cost the Government nothing. During President Wilson's administration a total of 75 commissions of one kind or another were created by the President for similar purposes and as many more were appointed by Congress on its own motion. During the Coolidge administration 44 commissions were created for these purposes by the President and 74 were created by Congress on its own motion.

Under the leave granted to extend my remarks in the RECORD I propose to set out here certain facts relating to the appointment of public commissions in the past, because they are pertinent now in view of much partisan criticism of the present administration.

In a business so vast and complex as that of the Federal Government a large part of the research work necessarily is carried out by special commissions and committees delegated to investigate a given subject and to report to the President or to the Congress. They also act for the coordination of governmental activities, recommend policies, represent the Government abroad or at national functions, and exercise semijudicial or semilegislative powers delegated by the Congress.

A great majority of these commissions are created not by the President but by the Congress upon its own motion. All of the commissions created by the President are for temporary nonadministrative purposes as are also a large number of those created by the Congress.

The number of commissions set up under recent administrations are:

President Roosevelt	107
President Taft	63
President Wilson	150
President Harding	44
President Coolidge	118
President Hoover	44

The commissions, committees, or conferences are of three varieties:

First. Temporary bodies created by the President's order for the purpose of coordination of Government activities, or for the determination of facts and advice as to policies on special subjects. These commissions cost the Government nothing.

Second. Commissions or committees created by Congress upon recommendation of the President. The expenses of such committees are paid by appropriation.

Third. Commissions created by Congress on its own motion. These expenses are always paid by appropriation.

During President Wilson's administration approximately one-half of the total of 150 commissions were created by Congress upon its own motion. Of those created by or upon recommendations of the President, 10 are still in existence.

During the Coolidge administration, 74 commissions out of a total of 118 were created by Congress. Of the 44 created by the President or upon his recommendation, 39 have completed their tasks and have been released.

During President Hoover's administration 24 out of the 44 commissions were created by Congress. Of the 20 created directly by the President, or upon his recommendation, 12 have completed their tasks and have been released, and only 2 are other than temporary. Of the purely presidential commissions, the expenses of 4 have been paid by the Federal Government, while 17 either cost nothing or rely upon public support.

The following are the commissions or committees created under the present administration, classified as those created by Executive order, those created by Congress upon recommendation of the President, and those created by Congress upon its own motion.

COMMISSIONS CREATED BY EXECUTIVE ORDER

First. Committee on Coordination of Veterans' Services: This was an interdepartmental committee and the result of its investigation and report was the consolidation of all veterans' services into the new Veterans' Administration, with the result of an annual saving in expenditures of fully $10,000,000. The committee has completed its work and has been dismissed.

Second. Advisory Shipping Committee: This committee was appointed to advise upon the sale of certain steamship lines by the Government and the reorganization of others. The policies recommended have been followed with success. The committee has completed its work and has been dismissed.

Third. California Water Commission: This commission was created in conjunction with the Governor of California for the coordination of State and Federal activities in water problems of the State of California. It has cost the Federal Government nothing. The commission has completed its work and has been dismissed.

Fourth. National Drought Committee: This committee was appointed to coordinate Federal, State, and other activities in the matter of drought relief and to recommend a national program. The result of its investigation was recommendations which led to the undertaking of relief by the Red Cross and appropriations by Congress for rehabilitation of agriculture from the drought. It represents no expenditure. The committee has completed its work and has been dismissed.

Fifth. San Francisco Bridge Commission: This commission was appointed in conjunction with the Governor of California to settle the conflict between Federal and State authorities in determination of the location of a bridge across San Francisco Bay. The commission settled this question, which had been a matter of public dispute for over 10 years, and preparations are being made for the construction of the bridge. The commission cost the Federal Government nothing. It has completed its work and has been dismissed.

Sixth. Advisory Committee on Veterans' Preference: This committee was set up to determine policies with respect to employment of disabled veterans and the method of preference to be given by Government departments. It made a report, and Executive order has been issued placing the recommendatitons in action. The committee has completed its work and has been dismissed.

Seventh. Advisory Commission on Unemployment Statistics: This commission was appointed to advise the method by which unemployment statistics should be recruited by the Department of Labor under authority of Congress requiring the establishment of such service. The committee has made its recommendations and they have been placed in action and the committee dissolved. The committee has cost the Government nothing.

Eighth. Emergency Unemployment Committee: This committee was created to coordinate Government activities in employment programs in the depression and secure organization of committees throughout the country through adequate organization of local agencies to take care of distress during the depression. It made an effective contribution to the situation.

Ninth. Interdepartmental Mail Contract Committee: This commission was appointed to coordinate the activities of the Department of Commerce, the Shipping Board, the Army, and Navy in respect to marine mail contracts. It has passed upon and negotiated postal and other contracts, which have resulted in agreements for the construction of nearly 500,000 tons of merchant ships. It is still functioning but costs the Government nothing.

Tenth. Research Committee on Social Trends: This committee is engaged in research into various social questions which bear on immigration, hours of labor, and many kindred subjects. Its expenditures are being met by the Rockefeller Foundation.

Eleventh. White House Conference on Child Health and Protection: This committee conducted investigations into child health and protection and directed the White House conference on that subject, and is engaged in follow-up activities throughout the country. Its expenditures have been met by the A. R. A. children's fund and there has been no expense to the Government. It has made a notable contribution to the welfare of children in coordination of National, State, and local activities. The conference has completed its task except publications.

Twelfth. White House Conference on Home Building and Ownership: This committee is engaged in exhaustive investigation of housing conditions, financial and other methods for extension of home building and home ownership. Its expenses are being paid by private subscription and it costs the Government nothing.

Thirteenth. Advisory committee on illiteracy: This committee was created to coordinate the activities of the Federal Government with State governments and private agencies throughout the country in the elimination of illiteracy. It has carried on active campaigns, organized schools for adults, and has greatly contributed to the elimination of illiteracy. It has been supported by private subscription.

Fourteenth. Council of Personnel Administration: This is purely an interdepartmental committee to establish standards in Federal Government employment.

Fifteenth. Advisory Committee on Education: This committee is engaged in exhaustive study of problems of coordinating the different Government activities together with those of the States and municipalities in questions of education. The committee's expenditures are being paid by the Rosenwald Foundation.

Sixteenth. Timber Conservation Board: This committee was created to study and advise on forestry policies with view to coordination of Federal, State, and private activities in conservation. It is supported by private subscription.

Seventeenth. Anti-Hoarding Committee: This committee was created by the President in volunteer cooperation with leading business and civic organizations of the country for the purpose of stopping the hoarding of money during the economic depression. It cost the Federal Government nothing.

Eighteenth. Committee on Abandoned Army Posts: This committee is made up of departmental officials; was appointed to devise means of utilizing Army posts abandoned in the War Department retrenchment program and cost the Federal Government nothing.

Nineteenth. Committee for the Study of Education in Haiti: This committee was appointed by the Secretary of State and consists of prominent educators in the United States. It is making a study with a view to improving the educational system in Haiti.

Twentieth. The President's Unemployment Relief Organization: This commission was set up under Walter S. Gifford as director to cooperate with the States and municipalities in devising ways and means for the relief of unemployment during the winter of 1931–32. It took over the work of the Emergency Unemployment Committee which was set up at the outset of the economic depression and has made a very distinctive contribution in the relief of the whole unemployment situation.

COMMITTEES CREATED BY CONGRESS UPON RECOMMENDATION OF THE PRESIDENT

Twenty-first. London Naval Conference: This commission negotiated and completed a naval treaty for the limitation of navies. It has saved hundreds of millions of dollars to the American taxpayer and secured parity to the American Navy and brought about better international relationship to both Japan and Great Britain.

Twenty-second. Federal Power Commission: This commission is a reorganization of the previous departmental commission in order to secure more expeditious and independent action than hitherto. It requires no additional expenditure except for salaries of commissioners.

Twenty-third. The Haitian Commission: This commission settled the terms of the withdrawal of the United States from Haiti and set up such arrangements within that island as prevented further revolution. This commission has completed its task and has been dismissed.

Twenty-fourth. National Commission on Law Observance and Enforcement: This commission has made exhaustive reports on the whole problem of law enforcement and the reorganization of the law enforcement machinery and the judiciary of the country. The commission in a report said that "Federal participation in enforcement has shown continued improvement since and as a consequence of the act of Congress of 1927 placing prohibition officers under civil service, and the act of 1930 transferring prohibition enforcement from the Treasury to the Department of Justice."

Twenty-fifth. Commission on Conservation and Administration of Public Domain: This commission has made a report on the conservation of western lands and ranges and recommendations for management and disposal of public lands. Its report has been completed and has been submitted to Congress.

Twenty-sixth. The Federal Farm Board: This commission was proposed by both the Republican and Democratic Conventions and was recommended by the President for the relief of agriculture. It is permanent and is designed to aid cooperative organizations of farmers to market their crops.

Twenty-seventh. Reconstruction Finance Corporation: This organization was created by the Congress, upon recommendation of the President, with assets of $2,000,000,000 to assist in the reconstruction of the normal working of the credit fabric of the country with a view to aiding agriculture and industry in obtaining normal conditions. It is temporary in character.

Twenty-eighth. Geneva Arms Limitation Conference: This commission was created by the President, with expenses provided for by the Congress, for American participation in the General Arms Limitation Conference which began in Geneva in February, 1932.

Twenty-ninth. Tariff Commission: This commission is a reorganization of that provided for under the tariff act of 1922. Reorganization both in personnel and methods provided for by the Congress in the tariff act of 1930 was made in order to secure more expeditious action in investigating and increasing or lowering tariff duties to meet changing economic conditions.

PUBLIC COMMISSIONS CREATED BY CONGRESS UPON ITS OWN MOTION

Thirtieth. Interoceanic Canal Board: This board is engaged in a survey of the Nicaraguan Canal.

Thirty-first. Massachusetts Bay Colony Tercentenary Commission: This commission represented the Federal Government in the celebration in Massachusetts. This commission has completed its task and has been dismissed.

Thirty-second. National Memorial Commission: This commission was created by Congress for the erection of a building as tribute to the negro achievements in America.

Thirty-third. Iceland—one thousandth anniversary of the Althing: Commission created by Congress to attend the celebration representing the American Government. The commission has completed its task and has been dismissed.

Thirty-fourth. Yellowstone National Park Boundary Commission: This commission was created to settle the boundaries of Yellowstone National Park. It has completed its work and its report and recommendations sent to the Congress.

Thirty-fifth. Alaska Highway Commission: This commission was created by Congress to make a preliminary survey of the highway from Continental United States to Alaska.

Thirty-sixth. Chicago World's Fair Centennial Celebration: Commission created by Congress to investigate and report with reference to the Federal Government's representation and participation in the celebration. Its report is now before Congress.

Thirty-seventh. Joint Committee to Investigate Pay Readjustment of Army, Navy, Marine Corps, Coast Guard, and Geodetic Survey and Public Health Service.

Thirty-eighth. Universal draft commission: Public Resolution No. 98 (71st Cong.). Commission to study promotion of peace, equalization of burdens of war, and minimization of profits of war.

Thirty-ninth. District of Columbia fiscal relations: This committee to make full investigation of fiscal relations of the District of Columbia and the United States Government and to report its recommendations to the House.

Fortieth. Charleston, S. C., celebration of two hundred and fiftieth anniversary of founding.

Forty-first. Lewis and Clarke expedition celebration.

Forty-second. Joint committee to investigate Northern Pacific grants.

Forty-third. Joint committee to attend sesquicentennial celebration of Battle of Kings Mountain, S. C.

Forty-fourth. United States Battle of the Monongahela commission.

A careful study of this long list of commissions, boards, and committees heretofore appointed to find facts and help to formulate policies, will completely disprove the oft-repeated charge that the present administration has embarked upon a new or untried policy of dealing with great public problems.

Mr. OLIVER of Alabama. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. SHANNON].

Mr. SHANNON. Mr. Chairman, I am in no sense a militarist. However, no matter how much we may hope for peace we can not be blind or deaf to what is going on in the world in the way of preparing for war—hence, the importance of giving heed to the views of those who have in the past rendered services to this country in times of war and who now, although in civil life, give freely of their time from business, without compensation, to prepare for any national emergency that may arise.

I have here a statement prepared by Maj. Robert W. Reed, at the instance of the Kansas City Chapter of the Reserve Officers' Association, which I wish to place in the RECORD. I think it is a convincing statement.

The Kansas City Chapter of the Reserve Officers' Association is made up of the best of the community's citizenry.

KANSAS CITY, MO., *February 15, 1932.*

Hon. JOSEPH B. SHANNON,
Member of Congress, House Office Building,
Washington, D. C.

DEAR MR. SHANNON: The Kansas City Chapter, Reserve Officers' Association, has authorized me, by unanimous vote, to lay before you its views on legislation pertaining to national defense. I do this with the knowledge that you have some understanding of our situation here—the work we are doing and the caliber of the personnel in our chapter. We feel that your visit with us—a most pleasurable one—has given you an insight into what patriotically interested citizens are doing chiefly by voluntary effort. In fact I might add that my own view of it is that the Government should not fail to support such activities if for no other reason than to encourage the joining together of high-minded citizens in unselfish support of the Government itself—men who would not have to but are ready to meet any emergency in which their services may be of some value.

Our organization is not advocating a big army nor any change in the already inaugurated military policy of the United States as arrived at by the Congress and set forth in the national defense act. Our interests—and I speak for more than 300 men here in Kansas City—primarily are those of taxpayers and citizens, not of professional soldiers.

The members of our chapter do believe, however, that in the present unsettled condition of world relations, it would be most unwise to reduce the already slender Military Establishment. Many members of the association have seen for themselves, in cantonment, camp, and field, the cost in human lives that is paid when a nation almost totally uninstructed in defense is suddenly hurled into war. It is our belief that leadership, instructed in time of peace, can save many thousands of lives in time of war. The Regular Army is not large enough to supply all of the required leadership; most of it will have to come from the civilian sources. Moreover, this is perhaps wiser in a democracy such as ours, because it prevents the growth of a powerful military caste.

Officers and enlisted men of the Regular Army are being used in a valuable manner to-day to give instruction to the civilian components. But this assistance, which has mutual advantages, will be wiped out if some of the proposals which have been submitted to the Congress are adopted.

In view of the present situation, therefore, I have been asked to lay before you the following points for your consideration:

1. The Regular Army, in both commissioned and enlisted strength, should be kept at its present figure. If it is reduced, it will mean that no personnel will be available for duty with the civilian components. It is our belief that the sending of men from the Regular Army to the civilian components does more than provide merely military training for the citizens interested; it also brings members of the Regular Army into closer contact with the community at large and the views of the everyday citizen.

2. The reserve officers should receive active duty as often as possible for short periods. This is much more valuable than the study of theories and lessons by the correspondence method. The appropriation set aside in the Budget for this purpose is not too large.

3. With the Regular Army greatly reduced and required to cover so many varying assignments, the National Guard has become virtually the "first line" of land defense. It, too, should continue to be supported with appropriations giving its personnel ample camp and armory drill training opportunities.

4. Those who have seen the citizens' military training camps in operation know that they are doing a valuable work. In this year, when so many young men are coming from the schools and colleges to find no immediate jobs available, the camps should not be abandoned, but perhaps even extended to meet the situation.

5. Likely material for junior officers must be found if the military policy already mentioned is to be successful. The best source for these is in the Reserve Officers' Training Corps units of schools and colleges. We believe that a reduction or suspension of this activity would be unwise.

In addition to the above, it is our feeling that the proposal to unite the Army and Navy in one department will not bring about the desired efficiency, and might lead to serious complications in the event of a great national emergency.

Most sincerely,

ROBERT W. REED,
Major A. G.-Res., President Kansas City
Chapter Reserve Officers' Association.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. HASTINGS].

Mr. HASTINGS. Mr. Chairman, next to agriculture, the oil industry is the principal one in my State of Oklahoma, and we are very much interested in any legislation that will favorably affect it. The oil industry has been in a very depressed condition for the past few years.

It is estimated that there are approximately 330,000 oil wells in the United States and that of these 300,000 produce on an average only 4.7 barrels of oil per day. The danger is that when the industry is demoralized by ruinously low prices the pumping of thousands of small wells may have to be discontinued and the oil that might have been produced from these wells is forever lost.

The price of oil has fluctuated from $1.45 per barrel to as low as 10 cents per barrel during the summer months of 1931. Of course, oil can not be produced at such ruinously low prices. Every effort has been made to assist the industry. Some three years ago we appealed to Congress for a tariff on oil. Members of the House are familiar with the hearings held at that time, both before the Ways and Means Committee of the House and the Finance Committee of the Senate.

The producers of oil, particularly in the areas where the largest amount of oil is produced, have held numerous conferences and entered into various agreements to pinch in their wells and to reduce the production. As a result production of oil has been greatly curtailed throughout the United States.

At the suggestion of the oil producers and with their approval the Governors of Oklahoma and Texas enforced agreements to prorate oil production through martial law. The price of oil has responded, until it is now around 77 cents per barrel, but that is below the cost of production.

Mr. MANLOVE. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. Yes.

Mr. MANLOVE. Is not part of that reduction due, in fact, to the action of the Governor of Oklahoma in closing down the oil wells?

Mr. HASTINGS. I have referred to that and just said that it was done with the approval of the oil people, and that he brought the price up around 77 cents a barrel.

Four of the larger companies are importing oil and refined products into this country. Appeals have been made to them to reduce their importations. The complaint of the oil producers is that these companies have not been reducing their importations in the same proportion as the domestic producers have curtailed the output of their wells.

In 1930 the oil and refined products imported into this country aggregated around 105,510,000 barrels, which was

more than one-eighth of 898,011,000 barrels, the amount of oil produced in the United States.

It was urged before the Ways and Means Committee that the amount of oil and refined products imported into this country approximated about 10 per cent of the total production in this country and that this percentage is not sufficient to unfavorably affect the price of oil and refined products in the domestic market.

The answer to such a contention is that the amount of wheat produced in the United States during the year 1930 was 898,011,000 bushels. The amount imported, upon which a duty was paid, was 21,000 bushels. The duty wheat imported for that year was one-forty-fifth of 1 per cent of the wheat produced.

Let us examine corn. We produced 2,060,185,000 bushels of corn in the United States in 1930. We imported 1,554,971 bushels. This was a very small fractional part of 1 per cent of the amount produced—about one-thirteenth of 1 per cent—a negligible amount.

This negligible percentage, to a measurable degree, applies to many manufactured products imported into this country. However, there was a duty of 42 cents per bushel placed upon wheat and 25 cents per bushel placed on corn imported into this country.

Let me emphasize that there is being imported approximately 10 per cent as much oil and refined products as is produced in this country.

When we were trying to get relief by having a tariff duty placed on oil and refined products during the last session of Congress a resolution was passed directing the Tariff Commission to study the difference between the cost of producing oil in Venezuela and in the United States. The report of the commission shows that it has been found that this difference amounts to $1.03 per barrel.

The Committee on Ways and Means is searching with a financial microscope for every additional source of revenue that can be found. Our expenditures during the last fiscal year exceeded our revenues by $903,000,000. It is estimated that our revenues will fall short of our expenditures by more than $2,000,000,000 during the coming fiscal year, and this committee is trying to raise an additional billion dollars in revenue.

There are certain admitted sources of revenue including a graduation of the income tax in the higher brackets, which everyone favors. The committee is undertaking a most difficult job. Protests are coming into the committee and Members of Congress against increasing our taxes on many subjects.

Here is an industry that is in dire distress. It has been suggested that an excise tax of 2 cents per gallon on imported oil and an excise tax of 4 cents per gallon on imported gasoline and a corresponding tax on other imported refined products would raise approximately $100,000,000. This would relieve the committee of great embarrassment, because it would not have to impose taxes on many other subjects.

On the basis of the amount imported into this country in 1930—crude oil 62,129,000 barrels and refined products 43,489,000—the estimated amount of $100,000,000 levied as an excise tax would have been collected.

It is urged, both before the Ways and Means Committee and through the press of the country, that if an excise tax of 2 cents per gallon on crude petroleum and 4 cents per gallon on gasoline and a corresponding tax on other refined products imported into this country would result in no importations and that no revenue would be collected.

We submit that there are two answers to this argument:

First. The Tariff Commission found that the difference between the cost of producing crude oil in Venezuela and in this country is $1.03 per barrel, and therefore a tax of 84 cents per barrel would not result in greatly reducing the importation of oil and refined products.

The oil area in Venezuela is being rapidly extended and proven, and oil will continue to be produced now that added facilities have been brought to that country at a lower rate than heretofore. It costs more to pipe crude oil from the mid-continent field to the Atlantic seaboard than it does to produce oil in the Venezuela field and ship it to the same points.

Refineries are being enlarged in Venezuela, where great quantities of oil will be refined, and we may expect that much greater quantities of refined products will be imported into the United States.

Second. Conceding that there would be decreased importations of crude oil and refined products which would result in the collection of a reduced amount in revenue, let me invite attention to the fact that the levying of this excise tax would stabilize the oil industry in our own country, and the Government would collect a far greater amount from income and inheritance and other taxes than it would lose because of reduced importations of oil and refined products.

There is no overproduction of oil in the United States if the domestic market is retained to domestic producers. The domestic producers, however, can not produce oil and compete with those companies importing oil from the Venezuelan field. This oil is imported by four of the larger companies—the Dutch Shell Co., the Gulf Oil Corporation, the Standard Oil Co. of New Jersey, and the Standard Oil Co. of Indiana.

Now everyone, in addition to the members of the oil fraternity in my State of Oklahoma, is deeply interested in the protection of the oil industry. It pays to our State a 3 per cent gross-production tax on all oil produced in the State. The proceeds from this tax in a large measure maintain our State government.

In 1926, taxes collected by the State of Oklahoma from this source amounted to $10,483,348.99, and the taxes for the following years, which have been collected by the State, are $11,476,851.40 for the year 1927, $10,063,957.57 for the year 1928, $10,426,263.50 for the year 1929, $8,816,372.76 for the year 1930, and $4,332,123.60 for the year 1931.

This reduction in the amount of taxes collected from this source has had a very serious effect upon the revenues of our State.

Fifty per cent of this tax, including penalties, goes to the general revenue fund of the State, 33⅓ per cent of the tax goes to the counties producing the oil, and 16⅔ per cent goes to the aid of the weak schools of the State.

It will readily be seen, therefore, how the reduction in the price of oil affects the revenues of our State.

During periods of depression in the oil industry there is no new development for oil. When the industry is prosperous, leases are taken in new territory far removed from producing fields. Thousands of additional acres are leased. The farmers are paid rentals for the leasing of their lands that enables them to pay their taxes and other expenses, but during times of depression this new development is discontinued. The farmers are therefore very deeply interested in the welfare of the oil industry.

The depression in the oil industry greatly affects the employment situation in my State of Oklahoma. It is estimated there are now 100,000 men out of employment in Oklahoma.

It is urged, as one of the arguments against legislation levying an import tax against oil and gas and other products, that it will increase the price of gasoline to the ultimate consumer, but I leave it to the experience of every purchaser of gasoline that there has been little difference in the cost of gasoline and other refined products during the past three years, when the price of oil has fluctuated from $1.45 per barrel to as low as 10 cents per barrel. The price of gasoline during all that time has remained practically the same. Its selling price varies in the several States because of the difference in State taxes. In Oklahoma this State tax on gasoline is now 4 cents per gallon. In some States it is 3 cents per gallon, and, I believe, goes as high as 7 cents per gallon in Florida.

During the past three years there has been no appreciable difference in the price of gasoline to the ultimate consumer, and this is also true as to the cost of lubricating oil. The consumer pays around 25 or 30 cents per quart for this kind of oil, whether the price of oil is high or low. The truth is the price of gasoline and other refined products of petroleum

is commercially controlled and has little relation to the price of crude petroleum itself.

The imposition of an excise tax on imported oil and refined products will not only add to the prosperity of the oil industry but to those engaged in mining coal and in other lines of business depending upon the prosperity of those engaged in the production, manufacture, sale, and distribution of oil and its refined products.

When we are searching for every method of taxation let me emphasize to the committee that the levying of an import tax on gasoline and the other refined products of petroleum will not only bring in about $100,000,000 in additional revenue and relieve the committee from taxing other lines of industry, but it will contribute much to the restoration of prosperity to one of the greatest industries in our country, which is in almost a death struggle for existence. The imposition of such an import tax will enable my State of Oklahoma to realize more on account of its gross production tax on oil produced in the State, will lower the local and State taxes to the people, assist the schools of the State, and will encourage leasing of additional territory, and in that way be of benefit to the farmers of the State, and will give employment to thousands of the unemployed in the oil industry and will be a great relief to the people of the country generally.

Mr. SHREVE. I yield 10 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I rise to call attention to a most novel labor situation existing in the Middle West and the Far West. It is the first time in the history of labor that airplane pilots have been locked out. It would present a very interesting situation except for the fact of the tremendous dangers to the public involved. The profession of piloting an airplane, and particularly a passenger plane, requires the highest degree of skill and a great deal of experience. Congress passed a law placing in the Department of Commerce jurisdiction over equipment and personnel.

The Department of Commerce, in the light of experience which we have in this new method of transportation, has promulgated rules and requirements for commercial aviators, and it is working out, with a few exceptions, rather satisfactorily. Naturally, as we gain more experience, the rules and requirements will be changed from time to time. I hope it will not be necessary to change the present system of regulations. The Department of Commerce must realize and always bear in mind that their regulation and enforcement must be for the public interest and not for the convenience of operating companies.

A few days ago there appeared in the Capitol a gentleman—I believe he is the president of the Century Air Lines (Inc.). If I am not mistaken, he had a conference or a hearing with members of the Committee on Appropriations and stated that he would be willing to have his company carry air mails for 50 per cent less than is now being paid to operators having contracts with the Post Office Department. The members of the committee who spoke with him were naturally interested and gave him a courteous hearing, as they always do to any citizen having business with the committee. Then this gentleman—and I refer to a certain Mr. Cord, president of the Century Air Lines (Inc.)—went back to Chicago, called in his pilots, and slashed their wages 40 per cent; and in the course of the negotiations told the pilots he was going "to take the romance out of aviation" and bring down the salary of pilots to $125 a month. Imagine attempting to get licensed, experienced, and trustworthy pilots transporting passengers in the air for less than $30 a week, less than a union truck driver gets in the city of New York.

Then this man announced a lockout, discharged all the pilots, and advertised for new pilots. Many Members of the House have taken an interest in this situation and have communicated with the Department of Commerce, and the Department of Commerce has dispatched their inspectors to Chicago and other points to check on the men employed, as to their qualifications. I am in contact with the Department of Commerce and I think we will be able to prevent attempts of this company in getting Government inspectors to go to out-of-the-way places and secretly check unfit men. A record should be made, kept, and published of who these men are, because you can readily see the danger of putting inexperienced men in charge of passenger planes, not alone for the passengers but for the people on the ground below.

The gentleman who is going to take the "romance out of aviation," I am reliably informed, has placed an armed guard in every plane, right back of the flyer. Just what the purpose is no one knows. Imagine the state of mind of a pilot attempting to operate a plane under such condition. The guards employed are of the usual type and character generally used as strike breakers or scab guards. Now, some will say that such a statement is exaggerated. I will say that the management of this company presents a very low order of citizen, judging from past performances. Permit me to read a letter written last May by this company in the course of preparation for this strike and in the course of the company's competition with other companies. I have in my hand a photostatic copy of a letter, the original of which is in our possession, written by the general manager of Century Air Lines (Inc.), addressed to George H. Pfeuffer, their own terminal manager at Detroit, Mich. It reads:

DEAR SIR: Any number of people, including executives of the Cord Corporation, have advised me that Thompson—

This is a competing line—

is making a practice of telling our passengers who are on the bus with their passengers on the 1.30 schedule that they should ask for refund of their ticket and get out on the first ship, which is Thompson's, and that you have no hesitancy in refunding their money to them so that they can do this.

I can not understand why it should be necessary for anyone to tell you not to permit this, but rather arrange to offset it and, if possible, give Thompson a dose of their own medicine; but it seems that some one must tell everybody just what to do.

Why don't you get some good hard-boiled scrapper and ride him on that bus all day long. If he hears anyone making a suggestion to any passenger about Thompson, have this tough beat him up. It was necessary to do this in the early railroad days and also in the taxicab and bus developments and apparently it is necessary for us to adopt this sort of tactics.

Get after this situation right now and let me hear from you what has been done about it.

Then it is signed W. F. Bliss, their manager.

Mr. MAAS. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. MAAS. This is the same organization that was after the air mail contracts?

Mr. LAGUARDIA. Yes, sir. They reduced their pilots, as I said, 40 per cent, and are attempting to bring down licensed experienced pilots, in charge of human life, to a wage of $125 a month. This is the same company the gentleman from Minnesota [Mr. MAAS] has investigated and has filed complaints against with the Secretary of Commerce.

Now, gentleman, Mr. Cord may have taken the romance out of aviation, but he has put the undertaker in aviation; and now I am sure the gentlemen of the House who have and are taking an active interest in the development of aviation will all agree that such conditions must not exist in commercial aviation and that it is quite proper we should advise the traveling public to stay off Century planes until such time as experienced competent pilots are replaced on their ships. Mr. Cord might as well know that if he is conducting this strike on gangster-thug methods, as indicated in the letter I have just quoted, and if he expects that citizens paying fares are going to be in danger of being beaten up, according to the written instructions in their own letter, and pay pilots less than the prevailing rate of the profession, he may never hope to have a contract as long as this low type of individuals are in charge of the Century Air Lines or any other operating airplane company. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Nebraska [Mr. SHALLENBERGER].

Mr. SHALLENBERGER. Mr. Chairman, the measure under consideration is the appropriation bill of the Department of Commerce. The development of trade and commerce is dependent upon two vital factors—money and credit. The business prosperity of the Nation rests upon the

confidence of the people in our banking system, since the banks are the chief sources of supply of both credit and money.

For this reason the gentleman from New York [Mr. LAGUARDIA], one of the recognized leaders of this House, has introduced a bill to provide for the insurance of bank deposits. I also have introduced a bill along similar lines and for the same general purpose. I trust that the Committee on Banking and Currency is giving this matter very serious consideration. I know of no question in which the people of the country are more concerned than that of the safety and security of their money and the availability of credit.

Something more substantial than a proclamation against hoarding is required to bring the money now in hiding back into the banks and turn it again into the channels of trade.

Congress a short time ago passed a bill creating a $2,000,000,000 financial reconstruction corporation, in an effort to improve the credit of our financial institutions, railroads, industry, and agriculture. The reason given for the legislation was that continued financial and commercial disaster has shattered the confidence of the people. The feeling of fear for the future in the public mind is at the bottom of our business troubles. Until general confidence in our financial institutions is restored, little business improvement can be hoped for and prosperity will continue to be "just around the corner."

The prosperity of the Nation is based upon the full use and movement of the people's money, and that depends upon the confidence of the people in our banking system.

The present debacle in business and banking is not a new thing in the economic history of our country. During the years 1837, 1857, 1873, 1893, and 1907 American banks, business, and commercial institutions went through a similar collapse.

Must we always live in dread of the return of panics? Shall American business and finance continue to face the future with fear, or with the courage born of confidence in the safety of our financial institutions?

Banks are now undergoing a severe test as to their ability to serve as safe reservoirs of money and credit and to meet successfully the business crisis that confronts the country. In the past 10 years more than 7,800 banks in the United States have failed, with deposits of over $2,500,000,000. This is an appalling fact. In the year just ended, 2,290 banks closed their doors, with deposits of over $1,750,000,000. These figures are enough to show the staggering blow that the Nation's business has suffered.

BANKING IN BRITAIN

We borrowed our language and our form of government from Great Britain. We still speak the language of Britain, but our laws are not so well enforced, nor have our banks been as safe for depositors as those of our English-speaking brethren.

A short comparison of our banking history with theirs discloses a decided difference in results. Canada, our neighbor on the north, has had but one bank failure in the past 10 years. During this century England has not had a bank suspend, and Scotland has not known a bank failure in a hundred years.

The tremendous fall in commodity prices since the war is one of the chief causes of our many bank failures. Government taxation also takes too large a toll from our national income, and these two causes breed bank failures and bankruptcy. But Britain and Canada have suffered a deflation and shrinkage in commodity prices even more drastic than our own. The burden of taxation which banking and business must bear is much more severe in Britain than in America. Where a citizen of this Republic must contribute $1,000 in taxes upon his income for the support of his Government, the Englishman pays many times as much into his Nation's treasury.

A study of results from liquidation of failed banks in past years shows the comparative looseness of our banking methods and consequent losses to depositors in banks. A statement to me from the Comptroller of the Currency shows that from 1865 to 1929, 70 per cent of proven claims have been paid to creditors of our failed national banks. The average per cent paid to creditors of national banks fully liquidated, for the years 1930 and 1931, was but 50½ per cent of claims of depositors.

Prior to 1915, eight Canadian banks failed. Six of these banks paid note holders and depositors in full and one is still in liquidation. Only one Canadian bank, which closed in 1908, resulted in loss to its creditors.

Since there have been no bank failures in England or Scotland, there have been no losses to depositors in those countries, no hoarding of money, nor runs on their financial institutions.

DEPOSITORS' INSURANCE NECESSARY

Unless we provide for better protection of bank depositors against loss, we will be forced to go to the British system of a limited number of powerful central banks with a multitude of branches supplying the need for local banking facilities throughout the country.

A Federal insurance law would protect depositors in the banks of the reserve system only. To enjoy the protection and benefits of such a law a State bank would have to become a member of the Federal system. This is a requirement easily fulfilled. A provision for insurance of depositors in member banks was included in the Federal reserve act when it passed the Senate in December, 1913. This provision was included in the Senate bill through the efforts of Senators Hitchcock, of Nebraska; Williams, of Mississippi; Thomas, of Colorado; and others. The insurance section was eliminated while the bill was in conference.

I will read some short extracts from the CONGRESSIONAL RECORD while the reserve bill was under consideration.

Senator Hitchcock, of Nebraska, said:

[From the CONGRESSIONAL RECORD, December 17, 1913]

Mr. President, the provision in either of these bills is similar, although the bill which I have reported is, I think, better, that after the payment of the expense of the member and the reserve banks, after the payment of dividends, after the accumulation each year of a surplus, the remaining profits instead of being given to the stockholders, who are not entitled to them, instead of being paid to the Government of the United States, which is already sufficiently recompensed, shall be paid into an insurance fund for the protection of those depositors of failed banks who would otherwise lose their money.

That is not a tax on the judicious banker; it is not a burden upon the people of the United States. It is simply using some of the profits to pay depositors who, unfortunately, have had their money in banks which for some reason have failed in spite of the legislation of Congress.

Senator Thomas, of Colorado, said:

[From the CONGRESSIONAL RECORD, December 23, 1913, the day the Federal reserve act was adopted]

Mr. President, I have been greatly disappointed that the conference committee struck from the bill that part of section 7 which was designed to create an insurance fund for the benefit of depositors in failed member banks. My disappointment is modified in some degree by the assurances which are given by members of the Senate conference committee that it is the intention of the Banking and Currency Committee of both Houses to present a more mature and better-designed system of depositors' insurance.

Senator Owen said:

[From the CONGRESSIONAL RECORD, December 23, 1913]

The House committee is preparing a special bill on the plan of insuring bank deposits. They have a subcommittee especially charged with that duty.

Former Secretary of the Treasury McAdoo, who advocated the insurance provision in the original Federal reserve act, in his book Crowded Years states:

The bill as reported to the Senate by Senator Owen contained a provision for insuring deposits of member banks. The insurance fund was to be administered under the supervision of the Secretary of the Treasury. Into this fund there was to be paid a certain percentage of net earnings for the benefit of depositors in failed member banks.

It was a mistake, I thought, to eliminate the depositors' insurance feature. One of the greatest reforms, as well as one of the greatest blessings, that could be achieved would be an organization that would save depositors from loss no matter what happens to the bank. It may be argued that the unusual number of bank failures in the past few years condemns insurance of deposits as unsound. I do not agree with this view. If the banks had been members of the reserve system, they would have been more effectively supervised and the number of failures much less.

On this point it is interesting to note that of the 2,290 banks that closed in 1931, 1,772 were nonmember banks.

The depositors' insurance section that was stricken from the Senate bill in conference provided that after 6 per cent interest was paid upon the stock of the reserve banks, one-half of the remaining profit should go into a surplus fund—one-fourth be paid to the United States as a franchise tax and one-fourth be used for the establishment of a depositors' insurance fund.

RECORDS OF PAST LIQUIDATIONS

It is interesting to note what would have resulted had the insurance fund provision remained in the law. Up to and including the year 1930 the total net earnings of the reserve banks was $523,204,165. Of that amount, 6 per cent, or $100,941,058, as required by law, was paid in dividends upon stock, $147,126,000 was paid as a franchise tax to the Government, and $275,136,000 was put into a surplus fund.

It has been impossible for me to learn the total losses to creditors in failed national banks for the years 1930 and 1931, but the Comptroller of the Currency has made a report showing the loss to depositors—from the enactment of national banking law in 1862 down to and including the year 1929. During these years the Nation suffered from the panics of 1873, 1893, 1907, and the deflation of 1921. During these 67 years 1,241 national banks were placed in receivership. They held deposits of $261,205,000 when closed. The sum of $193,279,863 has been paid to creditors on proven claims against these banks, leaving a total loss to depositors in failed national banks in 67 years of $67,925,702.

All proven losses to depositors in failed national banks since 1862 could have been paid from the surplus fund of the Federal reserve system and still leave multiplied millions for any possible emergency. Had the insurance provision been retained in the law our national banking system would stand to-day like a financial Gibraltar against the storm that now shakes our business structure to its very center.

But the Federal reserve bank surplus earnings is not our only lawful source of supply for a depositors' insurance fund. The Nebraska guaranty law, which was twice sustained by our State and Federal supreme courts, required a semi-annual payment of one-twentieth of 1 per cent of their total deposits into a fund to insure depositors against loss. This provision is carried in both Mr. LAGUARDIA's bill and my own. A similar tax levied on the thirty-three billions on deposit in member banks on June 30 last would produce the sum of $33,000,000 annually for the support of a depositors' insurance fund. In 10 years this levy would provide an insurance fund of more than $330,000,000—an amount greater than the determined loss to depositors in national banks up to date.

There is still another source that could be fairly and justly drawn upon to help build a sufficient depositors' insurance fund. On September 29 last there was $10,000,000,000 of time and savings deposits in member banks. The general rate of interest paid on such deposits is 3 per cent per annum. Time depositors might well contribute to the insurance of their funds against loss by bank failures, and I believe they would be glad to do so under fair and reasonable conditions.

FUNDAMENTALS OF BANKING

Insured banks should be allowed to pay only 2¾ per cent on savings and time deposits. The banks holding such deposits should be required to pay one-fourth of 1 per cent upon time and savings deposits into the depositors' insurance fund. This plan would leave the total cost of time and savings accounts to depository banks the same as at present. One-fourth of 1 per cent of the ten billions of time and savings deposits in member banks June 30 last would equal $25,000,000. In 10 years, if that amount were collected upon insured time deposits, it would add two hundred and fifty millions more to the depositors' insurance fund.

Time deposits draw interest and add to the earnings of depositors and insurance will be mutually beneficial to both banks and depositors and would more than compensate for the small cost of contributions to the insurance fund by the insured.

A depositors' insurance fund can be established from these various sources which I have enumerated which will fully insure depositors in member banks against loss even under existing banking laws.

Many State bank insurance laws were faulty in that they did not empower the State to refuse bank charters where charters should not be granted. During the war boom the number of State banks nearly doubled. When deflation set in and bankruptcy became rampant and many banks that should not have been allowed to organize were forced to close the special assessments to take care of these failures became too big a burden for the solvent banks to bear. Competition for loans and deposits led to violations of vital banking laws and sound business rules. In Nebraska we had too many banks and not enough bankers. A sound banking system can only exist when the number of banks is limited to public needs. Banking is a quasi-public business. The public interest should always be the first consideration.

The people have two prime interests in banks. The first is to provide a safe place in which to put their money. The second is to establish a financial reservoir where money and credit may be obtained upon reasonable terms when needed.

Overbanking breeds bad banking, speculation, and bankruptcy. There must be a sufficient profit in any safe business to absorb the losses that occur. No bank fails that is prosperous and really making money. With these principles included, a depositors' insurance law will fully protect both public and private interests.

CONSTITUTIONALITY OF INSURANCE

The constitutionality of a bank deposit insurance law can not be disputed. In the case of Shallenberger against First State Bank of Nebraska and Noble State Bank against Haskell, reported in Two hundred and nineteenth United States Reports, 114, the United States Supreme Court sustained the State's right to require all corporations engaged in banking business to contribute a certain percentage to a fund for the protection of depositors who sustained losses because of the failure of insolvent banks. In the more recent case from Nebraska, Abie State Bank *v.* Weaver (282 U. S. 265), the United States Supreme Court again sustained the Nebraska statute.

Therefore the constitutionality of such a law is no longer open to dispute. The desirability of such protection can not be denied. In fact, the practice of requiring insurance of certain bank deposits is now in force. The United States Government will not deposit funds in a bank unless the Federal Government is insured against loss by the deposit of bonds or other accepted security should the bank fail. States and counties make like requirements. Neither a county, a State, or the Federal Government will trust their funds to a bank unless fully insured against loss.

But the citizen whose money makes possible the profits in the banking business is left to suffer his loss, no matter how severe the blow may be to him.

Prudent management and Government supervision has not proven sufficient security in the past. This fact gives warrant for additional legislation for the safety of the depositor who is entitled to every protection possible under the law. When a citizen deposits his money in a bank chartered and commissioned by his Government he should not suffer the loss of his money because of the bankruptcy of a corporation authorized, supervised, and controlled by the Government which created it.

The Federal reserve act was the product of the leadership and genius of Woodrow Wilson and demonstrated the ability of Congress to give to the Nation a currency system that has proven safe and sound under every condition. Its notes are not guaranteed by the Federal Government but are secured by the mobilized credit of the Nation and the united strength of the 12 great central banks. Ninety per cent of the Nation's commerce is not transacted with money but with bank checks and drafts drawn against the peoples' money deposited in the banks. A depositors' insurance law would

give these instruments of commerce a standing second only to that of the Federal bank note itself and give to the people the same confidence in the safety of their bank deposits that they now have in the security of the bank note. They want assurance that when they put their money in a bank it is in a safe place.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. BLANTON. I hope the gentleman will pass his bill in this session of Congress; and if he and the gentleman from New York [Mr. LAGUARDIA] succeed in doing that, in my judgment they will have rendered the greatest service to the people of the Nation they have had rendered in a long time.

Mr. SHALLENBERGER. I thank the gentleman.

Last year the people drew more than two billions of money out of the banks and hid it away because they were afraid their money was not in a safe place. The fact that over 2,000 banks closed in 1931, with deposits of nearly $2,000,000,000, was the reason and warrant for that fear.

The President, by proclamation and organization of committees all over the country, is doing everything in his power to induce the people to put the money now in hiding back into the banks.

Congress is passing financial reconstruction laws and other banking bills to try to save the bankrupt or near bankrupt. Are we going to do nothing for the solvent citizen who can pay his debts and is the real support of every sound business institution we have left? I insist that if by proclamation or legislation the people are induced to put their hard-earned savings back into the banks, banks chartered and controlled by the Federal Government, they are entitled to every assurance possible under the Constitution that they shall always find they have put their money in a safe place.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON of Georgia. Mr. Chairman, on the 20th of January I announced to the House that in view of the very abnormal economic conditions which now confront us at home and abroad, and in the hope that some substantial results may be achieved at Geneva, the committee, in agreement with the chairman, voted, for the time being, not to report H. R. 8230.

Since that time conditions abroad have materially changed. The spokesman of the French delegation at Geneva has indicated that France demands a security pact in exchange for armament reduction. The American people have definitely repudiated this idea and are unwilling to commit this country to such a course of action. The British delegation has announced its desire for the reduction in the size of battleships and the abolition of the submarine. Our own delegation has indicated a desire to extend the Washington and London naval treaties beyond 1936, a general reduction, provided France and Italy can be brought into agreement, and the abolition of submarines. Japan has indicated her stand as favoring the reduction of the size of battleships and reduction in the size of their guns, reduction of the size of aircraft carriers and the allotted tonnage, the retention of submarines but with limited war uses. Italy has favored the abolition of battleships, of submarines, and of aircraft carriers.

These proposals differ widely, but nothing contained in them affects either cruisers or destroyers, except in so far as a total tonnage reduction is concerned. Some nations favor the total abolition of submarines, others insist upon their retention, and in view of these divergent views it is safe to assume that the abolition of the submarine is far off. Some nations favor a curtailment in the aircraft-carrier category and on cruisers with flying-on decks. No possible agreement can be foreseen which would in any way limit cruisers, destroyers, submarines, or aircraft carriers in such a way as to conflict with the provisions of the naval construction bill, H. R. 8230.

Some agreement may be reached with regard to the size of replacement battleships, but, as the London treaty provides that no such ships shall be laid down prior to 1936, no mention of them is made in the construction bill, and that bill will in no wise conflict with any agreement reached at Geneva.

In the Far East the situation has become more and more alarming.

No Member of this House more devoutly wishes for the preservation of peace than do I, but I believe that a definite pronouncement should be made to all the world of the intention of the United States to build up to the limits permitted under the London treaty. Such action on our part would, I believe, strengthen the hands of our delegates at Geneva and permit agreements which might not otherwise be possible. The efforts which we have made toward securing a reduction of naval armament have been outstanding. The Washington treaty provided for a limitation of the total tonnage that each country might have in battleships and in aircraft carriers and limited the size of guns that might be carried by battleships, aircraft carriers, and cruisers. The tonnages provided for in that treaty were in the ratio of 5 for Great Britain, 5 for the United States, and 3 for Japan, and the ratios so established are generally referred to as the 5–5–3 ratio of naval strength.

At the time of the Washington conference we had under construction a large number of battleships and battle cruisers, which upon completion would have made us the most powerful naval country in the world. But we had no such program for the cruiser types, and while other countries were willing to agree to tonnage limitations and treaty stipulations, which would cause us to scrap these new ships under construction, as well as many of those which we had already built, it was not possible to obtain an agreement that they should make corresponding sacrifices in the cruiser types and thus extend the 5–5–3 ratio. We had a destroyer superiority at the time and naturally were unwilling to sacrifice that unless other nations would sacrifice their superiority in cruisers.

The final result of the Washington conference was that the limitations as to total tonnage applied only to the battleship and aircraft-carrier types. No limitation was applied to the cruiser types other than a limit on the size of the gun which they might carry, and the nations were left free to build cruisers, destroyers, and submarines as they saw fit.

In order to obtain this agreement we not only had to destroy our ships that were building but many of the ships that we had already completed, and, in addition, we were forced to agree not to increase the fortifications at Guam or in the Philippine Islands.

It is particularly significant to note that the treaty was so deftly worded that Great Britain was permitted to construct and develop a great naval base at Singapore, while we were denied the right to construct defenses at either Guam or in the Philippines.

Our statesmen fondly hoped that the altruistic example that we had set to the rest of the world in destroying millions of dollars' worth of completed ships and other millions of dollars' worth of ships that were building would be followed by the other powers and that they would refrain from augmenting their naval strength in the types which were not limited by the treaty. That hope was shortly proved to be vain, for both Great Britain and Japan proceeded to lay down ship after ship of those types which were not limited by the treaty. From the date on which the treaty was signed, February, 1922, to the present time we have laid down, built, or appropriated for but 36 ships, as compared with 96 for Great Britain and 126 for Japan. During the same period France has laid down 152 and Italy 109 ships.

As a result of the Washington conference we destroyed 20 battleships that were completed, of a tonnage of 325,850 tons, which had cost us $117,753,000. In addition we scrapped 11 new battleships or battle cruisers, which were building and which, when completed, would have had a tonnage of 465,800, and which had cost us $94,757,000. In all

31 ships were destroyed, of a total tonnage of 795,650 tons, which had cost $212,510,000. Certainly that was an indication to the world of our desire for armament reduction. But as I previously pointed out, the example that we set of not building ships was not followed by other nations, who proceeded to build up their own navies.

A conference for the further limitation of naval armament met at Geneva in 1927. That conference failed to reach any agreement, chiefly because the demands of the other naval powers were so great that the United States could not subscribe to the high limitations which they desired to fix. With the failure of that conference and when it was seen that the other countries proposed to continue to build up their navies until they had an overwhelming strength in the cruiser type, Congress authorized the 15 cruiser program, in February of 1929. As soon as the powers saw that this country intended to provide cruisers for our Navy, Mr. McDonald hastened across the ocean and soon thereafter a naval conference was called to meet at London. That naval conference agreed to subdivide the cruiser category into two types of cruisers: Those which carry guns of more than 6.1-inch in caliber, and those which carry guns not exceeding 6.1-inch in caliber. The result of that conference was to restrict our country in the construction of the 15 cruisers which Congress had authorized in the year 1929. Only 7 of those could be completed under the terms of the London treaty prior to the year 1936, and but 3 others could be completed at all. One of those 3 could not be laid down prior to the year 1933, one not before the year 1934, and the third not before the year 1935. Total tonnage limitations were established for both categories of cruisers, for destroyers, and for submarines, as indicated in the table below, and agreement was made for the disposal of 3 of the 18 battleships we had been permitted to retain under the terms of the Washington treaty.

Categories	United States	British Commonwealth of Nations	Japan
Cruisers:			
(a) With guns of more than 6.1-inch (155 mm.) caliber	*Tons* 180,000	*Tons* 146,800	*Tons* 108,400
(b) With guns of 6.1-inch (155 mm.) caliber or less	143,500	192,200	100,450
Destroyers	150,000	150,000	105,500
Submarines	52,700	52,700	52,700

Under the terms of the London treaty we disposed of or demilitarized three battleships, of a total of 75,300 tons, which has cost some $29,554,000. Before the expiration of that treaty in 1936 we must further dispose of 1 old 8-inch cruiser of 7,350 tons, which cost $4,312,000; of 128 destroyers of a total tonnage of 122,120 tons, which cost us $207,604,000; of 31 submarines of a tonnage of 17,540 tons, which cost us $26,460,000. In all, as a result of the London treaty, we must dispose of, before the end of the year 1936, 163 ships, of 222,310 tons, which cost $267,930,000.

As a result of the two limitation of armament treaties, the Washington treaty and the London treaty together have necessitated the destruction of 194 ships, totaling 1,013,960 tons, which cost $480,440,000. Certainly if ever a country set an example in limiting armament, the United States has done so. The example that has been set has not been followed by others. Japan, as I have previously indicated, since the signing of the Washington treaty has laid down 126 ships; Great Britain, 96; and the United States but 36.

The Navy of the United States is to-day confronted with a most serious situation. By the year 1934 every destroyer which we have afloat will become over age. We have 11 destroyers that have been appropriated for, but to date the President has seen fit to lay down but 5 of them. Great Britain by 1936, if she lays down not a single new destroyer, will have 47 under-age vessels of that type, and Japan will have 70 vessels of that type. In submarines we will have but 20 that are under age, as compared to 33 for Great Britain and 47 for Japan. In cruisers of the 6-inch category we will have but 10, as compared to 14 for Great Britain and 18 for Japan. In the 8-inch cruiser type we will have 16, as compared to 15 for Great Britain and 12 for Japan; and in the aircraft category we will have 3 carriers, as compared with 6 for Great Britain and 4 for Japan.

The 5–5–3 ratio, which was the basis of the Washington treaty, has become to-day a 5-6-4 ratio, and by the year 1936 will be almost a 5–5–5 ratio unless something is done by this country to maintain the ratios prescribed at Washington and at London. At Geneva the other day Japan was demanding equality for herself. In other words, she was demanding a 5–5–5 ratio. If in the year 1936 we enter another conference, Japan will actually have achieved a 5–5–5 ratio and will be actually stronger than the United States in almost every type except battleships and 8-inch cruisers.

In this connection, it must always be remembered that in order to reach an agreement at Washington we surrendered the right to fortify Guam and the Philippine Islands, and those islands lie at the doorstep of Japan. With a 5–5 ratio, as between the navies of the United States and Japan, we would have little chance of protecting them.

The question simmers down practically to this, Does the United States desire to maintain a navy?

It has been the consistent policy of our Government for over 125 years to maintain a Navy. That Navy has again and again proved its value to our country, a value far exceeding its cost; but the maintenance of a navy that is inadequate for the demands that may be made upon it is one of the worst forms of national extravagance. Real economy is achieved only if an adequate navy is maintained.

The Members of this House have been repeatedly told that 70 per cent of the Federal appropriations go for preparedness and wars, past and future. The annual appropriations for the Navy are about 9 per cent of the Federal appropriations, those for the Army are about 11 per cent, so that a total of about 20 per cent is the actual part of the Federal appropriations that goes for the maintenance of the Army and Navy, or goes for preparedness. The remaining 50 per cent of the sum, which you have been told is for wars, past and future, goes for the reduction of and interest on the public debt, for pensions, for the hospitalization of veterans, and for the relief of those who answered the call of their country in its hour of need. That 50 per cent is in reality the cost that we are to-day paying for our lack of preparedness.

Our Navy is maintained to support the national policies and commerce and to guard the continental and overseas possessions of the United States. There is no word of offense in that policy; there is no thought of offense in that policy. It is all defense—defense of our territory against invasion, defense of our commerce, defense of our national policies, which carries with it defense of our rights and the rights of our citizens.

Great and populous as is our country, we must realize that size and population are in themselves no protection. China, with an area greater than our country and with a population three times as numerous, has been unable to keep Japan from extending her control over Manchuria and over Shanghai; but, unlike China, we have, in addition to our great continental territory, island possessions which lie thousands of miles from the North American Continent, and the Panama Canal, connecting the Atlantic and the Pacific. The foreign commerce of our country is valued at about $8,000,000,000, and the sea-borne coastwise trade at about $6,000,000,000. Much of out intercoastal trade flows through the Panama Canal, but all of it, coastwise and foreign, is of vital importance to our country. President Hoover himself, in October, 1928, said:

> We might survive as a Nation, though on a lower living standard and wages, if we have to suppress the 9 or 10 per cent of our total production now sold abroad. But our whole standard of life would be paralyzed and much of the joy of living destroyed if we were denied sufficient imports. If this happens, we must stagnate and degenerate in civilization. We could not run an automobile, we could not operate a dynamo, or use a telephone were we without imported raw materials from the tropics. To-day we are the largest importers and the second largest exporters of goods in the world. Our total volume of exports translates itself

into employment for 2,400,000 families; and, in addition to this, millions more families find employment in the manufacture of imported raw materials.

An interruption of our sea-borne trade would bring about, in a comparatively short time, an economic situation many times worse than that which now confronts us. We could not export our cotton, wheat, meat products, or manufactured articles of any description, and hence the price of these articles would be greatly depressed, and we would be without storage facilities for those which we could not consume ourselves. Millions of people would be thrown out of work and our planters and farmers would face economic ruin. We would be deprived of such essential raw materials as manganese, tin, shellac, mica, and rubber, without which we could not make steel or manufacture automobiles or machinery, either steam or electric.

We would lack coffee, tea, quinine, and other articles which are so generally and widely used as to be necessary for the comfort and welfare of our people. No nation has a greater interest in keeping the seas free for trade than has the United States.

Some have held that there is a moral obligation upon us to build up to the limits prescribed in the London and Washington treaties so as not to disturb the ratios provided for in those treaties. Whether or not this be so, the material interests of our country require that we should do so. Without such a navy we can not protect our sea borne trade, the Panama Canal, or even assure our country against invasion. This country has ever been prone to protect its national rights and to preserve the rights and properties of those citizens, and for this purpose a navy is absolutely indispensable.

I believe that the welfare and safety of the United States require that our Navy should be built up to the limits and ratios permitted under the London and Washington treaties. Whether we like it or not, the United States is to-day the leader of the world, the leader of civilization, and the nation that is looked to by the rest of the world.

This country does not require a navy of one strength when conditions are prosperous and of another strength when there is an economic depression, for we have the same country, the same people, and the same interests to protect at all times, and we all know that depressions are temporary.

It is in times of depression, however, that more can be purchased for a dollar than at any other time. To-day more and better warships can be purchased for a given sum than at any recent period. The construction of vessels which have been provided for in the naval construction bill would afford employment to many men who otherwise must soon be forced into the ranks of the unemployed, and will furnish work that will prevent some of our great shipbuilding plants from being forced to close their doors and to discharge their employees. Eighty-five per cent of the money spent on the construction of ships flows directly back into the pockets of labor—40 per cent goes directly to labor in the shipyard and something over 45 per cent goes to labor used in preparing the material before it reaches the shipyard. I would not stand here upon this floor and advocate that we build ships which are not needed by our Navy merely to relieve unemployment, but when those ships are needed, when the welfare and interests of our country require their construction, when we can purchase them at a minimum of cost, and when their construction will provide labor for thousands of American citizens who would otherwise be forced into the ranks of the unemployed, I believe that this is the proper time to provide such work for our people.

The bill provides for a definite naval program, laid down in an orderly, conservative fashion, in such manner that excessive expenditures need not be made in any one year. This orderly and systematic construction should materially reduce the cost of construction of the individual vessels. Where two similar ships are built, one following immediately after the other, a very great saving may be expected. In the case of our new airship *Akron* the cost of the initial ship was about $5,000,000, but the cost of the second ship, *Macon*, will be only about $3,000,000. By providing that the second ship should be laid down immediately following the completion of the first, a saving of about $2,000,000 was effected, or a saving of 20 per cent of what the ships would otherwise have cost had they been contracted for separately. The 5-year naval aircraft program approved by Congress in 1926 was estimated to cost $85,078,750. When finished last June the actual cost was $58,771,000. This great saving of nearly $27,000,000 represented 31 per cent of the estimated cost, and was due primarily to the fact that there was an orderly, steady, progressive, continuing program. A spasmodic, irregular program for the construction of the vessels provided for in this bill would very probably result in increasing the cost of those ships, while a steady, orderly, continuing program will very probably result in saving 15 to 20 per cent.

The construction provided for in the naval construction bill in no way conflicts with the so-called 1-year naval holiday. The Secretary of State was requested to furnish the Naval Committee with definite information as to whether any tentative agreement which had been entered into by the State Department or by the President would in any way act to prevent the immediate construction of naval vessels, and whether or not the President was in any way restricted from proceeding with the construction of destroyers which the Congress had appropriated for and which had not as yet been laid down. The Secretary of State, in reply, quoted a letter addressed to the Secretary of the Navy, under date of October 28, 1931, in which he stated his opinion of the effect of the year's armament truce in the following language:

> It permits the completion of ships building or contracted for; it permits replacement building, and it would seem by omission of any provision to the contrary that it permits authorization and appropriation for other vessels provided they are not begun before November 1, 1932.

Not only does the construction provided for in this bill not conflict with the provisions of the so-called 1-year naval holiday, but it in nowise conflicts with the provisions of the Washington treaty of 1922 or the London treaty of 1930. Moreover, the provisions contained therein are such as will in nowise conflict with any agreements that can be reached at Geneva.

We have listened to the siren song of delay for 10 years, while our naval strength has sunk relatively lower and lower. The pacifists, those who believe that complete and total disarmament is the way to eternal peace, would have us continue this delay, but to continue delay means the slow but ultimate destruction of the American Navy. Delay has already reduced us to the point where, unless we lay down new ships, we shall find that by the year 1936 we will have but 11 destroyers that are under age, as compared with 47 for Great Britain and 70 for Japan. We shall have but 20 under-age submarines, as compared with 33 for Great Britain and 47 for Japan. We shall have but 10 of the 6-inch cruisers, as compared to 14 for Great Britain and 18 for Japan. It is high time that the world appreciated that the people of the United States intend to provide and maintain a Navy adequate for the protection of our country, our commerce, and our citizens. This naval construction bill is the first step in that direction. It does not in itself appropriate a single dollar from the Treasury of the United States. It is merely an authorization which is necessary in order that the Congress may make appropriations when in its judgment this would be desirable.

Not only do I feel that this bill should be immediately enacted, but I feel that appropriations for the ships that are provided for in it should be immediately forthcoming. Did the people of this country fully appreciate the naval situation, did they realize how rapidly their Navy is sinking to the position of that of a second-class naval power, I am sure that there would be a most insistent demand for the immediate enactment of this bill and for the construction of the ships provided for under it, and this in spite of the present economic situation.

I believe that the safety and welfare of this country insistently demand the enactment of this naval construction bill at this time.

I believe that no people in the world have a more generous and noble character than the people of the United States.

So long as we remain strong our actions in world affairs will be directed by our own people. If we become weak, our actions will be controlled by a less generous and less noble people.

No Government which fails to provide for its own preservation against the assaults of every probable foe is entitled to the support of its people. The primary duty of government is self-preservation, and no logic can justify it in stripping itself of its means of defense and relying for its preservation upon the mercy, the pity, or the love of other nations. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman, the bill before the committee does not follow out the announced policy of the leaders of the House to reduce expenditures on behalf of the taxpayers. They have declined to reduce in any amount the expenditures heretofore had for the enforcement of the prohibition laws. That is the only branch of the Government where the Committee on Appropriations, so far as I have been able to learn, has not endeavored to reduce expenditures. They have reduced expenditures in connection with other Federal statutes. They have reduced expenditures for running down and capturing counterfeiters, and those who violate the white slave act, and the automobile theft act, and every other penal statute.

A few days ago in the Committee on the Judiciary a vote was had upon reporting out a resolution providing for submitting to the people through conventions the question of whether or not they desired to retain the prohibition law as it is or to amend it. The chairman of the committee, the gentleman from Texas [Mr. SUMNERS], gave out a statement in which he gave the names of those who voted in favor of submitting the resolution to the people and those who were against it. He included his own name among those who voted against giving the House an opportunity to vote on this resolution, and a statement which said, in effect, that this was no time, in his judgment, for the Congress to discuss or to consider prohibition, since we had before us many matters touching the economic recovery of the country. It is my opinion, though, that prohibition is a very vital matter connected with the economic welfare and success of the country and that it has a place in the whole scheme of the rehabilitation of the country and the giving of employment to the people. I was one of those whose name was given out as having voted to give the House an opportunity to vote on the question of whether or not the States might, through conventions called by the people in the various States for that purpose only, consider whether they might, if they desire, do away with prohibition or change it as best suited and desired by the citizens of certain States, but not to interfere with those States that did not desire to make any change in prohibition.

Since all the professional prohibition organizations profess to believe that the overwhelming majority of the American people believe in prohibition, I can not understand why anyone should vigorously object to granting them permission to vote directly on this issue. An overwhelming vote in support of prohibition would prove that the sentiment of the American people was in favor of it and would do more than any other thing to silence the opposition to it.

One of the corner stones of our Republic is that all governments derive their just powers from the consent of the governed. As we know, the American people by referendum vote have never given their consent to the national prohibition law. It is my judgment, after 12 years of observation, as a citizen and as a Member of Congress, that this problem will never be solved until the people have had an opportunity to vote on it directly.

I can not conceive that any person would wish to deprive the American people of the sacred right to determine for themselves whether they wish prohibition or not. They ought to have the right to express their opinion through the ballot box. Voting for delegates to a convention that is to pass upon national prohibition is the best and most direct way this can be done. To deny the people the right to vote thus upon prohibition is to deny them the right to exercise the most sacred principle of our Government.

State legislatures sometimes fail to register the will of the people in the matter of legislation. In November, 1918, the question of the adoption of a prohibition amendment to the Missouri constitution was submitted to the people of that State. With thousands of young men deprived of suffrage by their military service, the people of Missouri rejected the principle of prohibition by a majority of almost 75,000. When the members of the legislature, elected on the day this referendum was taken, met in January they wholly ignored the sentiment of the people as expressed at the polls and ratified the eighteenth amendment.

There is much evidence to support the popular impression that the people of the United States were the victims of a high-powered propaganda campaign conducted by a highly organized minority, which finally resulted in the adoption of the eighteenth amendment. The records of the several States show that in advance of the ratification of the eighteenth amendment the people of 23 States had adopted prohibition by direct vote. In these 23 States only 2,666,408 votes were cast for prohibition and 2,104,906 against it. The population of these States was 33,077,701 in the 1920 census.

The people of 25 States, having a population of 72,272,348, had never adopted prohibition by popular vote. It is therefore apparent that only 2½ per cent of the people of the United States had voted for prohibition prior to its adoption as a national policy.

The records of the Anti-Saloon League, the principal prohibition organization, show that only 20,000 out of more than 150,000 churches in the United States cooperated in the movement to fasten prohibition upon the people. One of the most widely known women prohibition agitators had publicly stated that in the campaign to force prohibition upon 120,000,000 people less than 500,000 people were actively interested. As shown by the records of the Anti-Saloon League, not more than 300,000 people contributed the campaign funds of more than $50,000,000 that was used to finance the propaganda organizations which lobbied prohibition through Congress and the State legislatures.

These facts present compelling reasons why the people should be given an opportunity, even now, to express their will on prohibition in referendum elections. Surely, if we believe in the principles upon which our country was founded, we would not wish by some arbitrary constitutional provision to bind the people forever in the chains of a policy to which they have never assented.

The policy of the country as expressed in the seventeenth and nineteenth amendments is to give the people greater voice in the affairs of the Government. The seventeenth amendment took away from the State legislatures the power to elect United States Senators and vested that power in the people. The nineteenth amendment enfranchised the women and gave them direct voice in government.

If, as it has been so frequently stated by some, the nineteenth amendment came to the rescue of the eighteenth amendment, everyone should welcome an opportunity to demonstrate that fact and permanently settle the prohibition question.

The policy of protesting against a referendum on the prohibition issue seems to indicate a fear to submit the cause to the test of a popular vote. Either that or those opposed to that are not in sympathy with the traditions and policy of our Government.

If any law ever written into the Federal and State Constitutions has had a fair trial, it is the eighteenth amendment and its supporting legislation.

The combined power of the Federal Government and most of the State governments has been invoked to enforce this legislation. This is true of no other Federal amendment or law.

The Federal Government alone, in direct and indirect appropriations, has expended more than $600,000,000 in an attempt to enforce the law. The State governments have spent enormous sums in the same effort. The Federal Government has put the stigma of criminality upon nearly

1,000,000 persons and the State governments upon a million more. The jails, penitentiaries, and prison camps have been filled with the victims of the law. The courts have construed every moot question against the citizens and in favor of the Government in order to make more effective its enforcement.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is not a quorum present.

Mr. DYER. Mr. Chairman, I do not yield for a speech.

Mr. BLANTON. If the gentleman does not want a quorum present, I will withdraw the point of order.

Mr. DYER. I do not yield to the gentleman and, of course, his remarks will not appear.

Mr. BLANTON. Oh, a point of order is always in order.

Mr. DYER. I do not object to the point of order, but I object to the gentleman's speech. I will yield to the gentleman in a few minutes if the gentleman cares to ask a question.

Mr. BLANTON. Will the gentleman yield for a question now?

Mr. DYER. Not now.

I was speaking, when I was interrupted, about the expense of prohibition.

Congress has voted every dollar recommended for the enforcement of the act. It has adopted numerous amendments to make its enforcement more effective. It has appropriated millions of dollars to build penitentiaries to house its victims, and it has enlarged the Federal judiciary and the Federal prosecuting machinery in order that the violators of the law might be more speedily and surely punished. We have created the greatest spy system in the world to harass our people.

If the prohibition law has not had a fair trial, wherein lies the fault? Surely the Congress of the United States, of which I am a Member, has done its duty.

In the quest to determine why the law has failed, may I ask you to examine with me some of the records?

Perhaps you have the biography of Wayne B. Wheeler, the great lobbyist of the Anti-Saloon League, written by his publicity secretary, Justin Steuart. The opening paragraph reads:

> Wayne B. Wheeler controlled six Congresses, dictated to two Presidents of the United States, directed legislation in most of the States of the Union, picked the candidates of the important elective State and Federal offices, held the balance of power in both the Republican and Democratic Parties, distributed more patronage than any dozen other men, supervised a Federal bureau from outside without official authority, and was recognized by friend and foe alike as the most masterful and powerful single individual in the United States.

It is generally believed that Mr. Wheeler, before his death, wrote this description of his extraordinary unofficial usurpation of power over the Government of the people of the United States. It does not appear to be an exaggeration.

The reports which Mr. Wheeler made to the executive committee of the Anti-Saloon League show that, without authority of law, he ran the Prohibition Enforcement Bureau of the United States. He appointed its officers and controlled its patronage. He dictated the appointment of numerous Federal judges, district attorneys, and other officials charged with the enforcement of the law. He was powerful enough to retain a prohibition commissioner in office when a President, on four different occasions, sought to remove him.

The records of the Anti-Saloon League prove beyond dispute that it controlled every function of government charged with the duty of enforcing the prohibition law.

If the prohibition law has not had a fair trial, the blame must be laid upon the shoulders of the professional prohibition organizations which unlawfully and unconstitutionally usurped the legal powers of government and used those powers in an attempt to enforce the law. If, under those circumstances, the law can not be enforced, I do not see how it will ever be possible to enforce it.

Do you think the people of the United States will ever again submit to the unconstitutional usurpation of official authority by propaganda organizations and permit their representatives in Congress to appropriate another $600,000,000 to experiment with the law? Do you think the people will continue to elect Presidents who will permit the Anti-Saloon League to boss them, or Congresses that will bow to the dictation of this professional reform organization? How long do you think the people will continue to suppress their revolutionary impulses while the Anti-Saloon League sets itself up to serve as judge, prosecutor, and jury to tyrannize them and deprive them of their liberties and their property?

The rising tide of indignation against the eighteenth amendment and the tyrannical enforcement act presages a progressive and accumulative resistance to these laws. The people will not much longer submit to being tyrannized by a little handful of professional propagandists whose principal interest in the law is the money they cajole out of the public to sustain them in their easy jobs. Certainly the sentiment at the present time is much more aggressive against the prohibition law than it was in the early part of the 12-year period. It is not likely again to have such a favorable opportunity of enforcement as in the past.

In this senseless and fruitless effort to enforce an unenforceable law the professional dry organizations have cost the people of the United States not only the $600,000,000 appropriated for prohibition but have caused them a loss of more than $6,000,000,000 in Federal revenues. A large part of the revenues lost to the State and Federal Governments has been diverted into the hands of gangsters to finance crime virulent in character and unparalleled in magnitude.

The cost of crime arising out of or associated with prohibition has been estimated from $10,000,000,000 to $15,000,000,000 a year. The damage to our country, as evidenced by disrespect for law and constituted authority, is unmeasurable and irreparable.

In the face of this humiliating record I do not believe that I should use the authority delegated to me by my constituents to deprive the people of the right to vote on whether they wish to continue this destructive, hypocritical, crime-breeding, corrupting, and demoralizing policy or get rid of it. It seems to me that it would be the highest expression of my duty as a citizen and as a Member of Congress to afford the peaople of the United States an opportunity to voice their opinion of prohibition through the secret ballot.

No government is a free government which denies its citizens the right to express themselves freely at the ballot box on any great issue. No government is a just government unless it derives its powers from the consent of the governed as expressed by direct vote. No law can long remain upon the statute books unless it represents the sober, deliberate, and intellectual judgment of the people. Laws enacted during periods of great emotional upheaval, or as the result of high-powered propaganda, ought always, after a cooling-off period, be submitted to the electorate for a test of their sentiment toward them.

More than three-quarters of a century ago the immortal Lincoln voiced a great truth when he said that "no law is stronger than is the sentiment in the community where it is to be enforced." That truth was vigorously and emphatically repeated by the report of the President's Commission on Law Observance and Enforcement.

That body of impartial and eminent investigators, after studying every phase of prohibition for more than 18 months, reported to the President and the Congress that public sentiment did not sustain the prohibition law and that there was no prospect that public sentiment ever would support the law.

Why should we wish to impose this law upon the American people when every sign of the times indicates that the people wish to throw off this yoke of prohibition oppression? Are the professional prohibition organizations greater and wiser than the people?

It was suggested by a distinguished Member of the Senate a few days ago that if Bishop Cannon, master mind of the Anti-Saloon League, and some of his associate professional

prohibition propagandists could be shipped to the North Pole, Congress would, within 24 hours, grant the people of the United States relief from the oppressive and expensive burdens of prohibition. Perhaps Congress might solve the problem by putting them on a life pension, and thus save the people several billions of dollars a year.

The propaganda with which Members of Congress are being flooded, protesting against a vote of the people on prohibition, seems to be ample proof that the dry leaders feel that the people would reject prohibition and that the only way it can be retained is by denying the people the right to vote upon it. I can not believe that at this day it would be a wise thing to discard the principle enunciated in the Declaration of Independence that "governments derive their just powers from the consent of the governed."

In the Wickersham committee's report on the prohibition laws, House Document 722, on page 4, the committee says:

From 1862 until the World War every brewery and distillery in the United States was operated under a Federal license, subject to policing by the Federal Government and required to maintain and file elaborate records. Subject to these provisions the liquor traffic was conducted with the sanction of the Federal Government, which profited from the business to the extent of depending upon it for over one-fourth of the national revenue over a long series of years.

In the same document Judge Anderson, on page 90, says:

The people are being poisoned with bad and unregulated liquor to the permanent detriment of the public health and the ultimate increase of dependency and crime. The illicit producer, the bootlegger, and the speak-easy are reaping a rich harvest of profits and are becoming daily more securely intrenched. The enormous revenues (estimated at from two to three billion dollars per annum) placed in the hands of the lawless and criminal elements of society through this illegal traffic are not only enabling them to carry on this business in defiance of the Government but to organize and develop other lines of criminal activities to an extent which threatens social and economic security. The country is growing restive under these conditions. The situation demands some definite and constructive relief.

The loss to agriculture by reason of prohibition is enormous.

In the hearing on the food control bill before the Senate Committee on Agriculture and Forestry in June, 1918, Gov. Carl E. Milliken, of Maine, read the resolutions on prohibition adopted by the Federal Council of Churches. The following is an extract:

The Federal Council of Churches, officially representing 30 denominations with a communicant membership of more than 80,000,000, in special session assembled, desires to record its conviction that the immediate prohibition of the liquor traffic as a war measure is essential to the conservation of the economic resources and latent powers of the Nation.

Five eminent economists estimate on the basis of the latest positive official figures that 7,000,000,000 pounds of food materials are used in the production of fermented and distilled liquors. Two university professors of physics estimate, after eliminating the amount necessary for denatured alcohol, the food value of the remainder would supply the energy requirements of 7,000,000 men for a year. The Brewers Year Book declares that the toil of 75,000 farmers for six months is required to furnish these foodstuffs.

The following statement was made by Miss Anna Adams Gordon, then president of the Woman's Christian Temperance Union:

In our first command, to conserve food, Mr. Hoover, in a letter to Senator SHEPPARD, dated June 4, 1918, which is found in the CONGRESSIONAL RECORD, page 8034, said:

"The cessation of brewing would affect a saving of approximately 3,150,000 bushels a month from a nutritive point of view. It needs no comment from me, from a food point of view, that I should favor the saving of this amount of grain."

To conserve fuel is the next command, and the Fuel Administrator announces a possible shortage of 75,000,000 tons of coal. We understand the breweries use about 5,000,000 tons annually.

To conserve labor is another command. Three hundred thousand men engaged in the manufacture, sale, and distribution of alcoholic liquor should be released for "win the war work."

Wayne B. Wheeler, then general counsel for the Anti-Saloon League, in the course of a statement on the legal points involved in the proposed legislation said:

This legislation has not only a reasonable relation but a direct bearing on these subjects clearly within the power of Congress—1,000,000 men will be taken from the ranks of the producers, and the food supply short and help lacking, to plant crops. Liquor wastes enough food to maintain 7,000,000 men.

Herbert Hoover, then Food Administrator:

Entirely aside from the ethical questions, my impression is that we could conserve from 50,000,000 to 60,000,000 bushels of grain from the brewing side.

[NOTE.—At the time this statement was made the amount of grain rationed to the brewing industry had been greatly reduced. In the letter referred to by Miss Gordon, Mr. Hoover made his celebrated statement that "it is mighty difficult to get drunk on 2¾ per cent beer, but easy enough if we force a substitution of whisky."]

Dr. E. A. Taylor, professor of physiological chemistry of the University of Pennsylvania:

By these operations of prohibition of manufacture there would be a cessation of the manufacture of beer and complete withdrawal of all beer from the market in a short time. * * * This would save 80,000,000 bushels of grain, 60,000,000 of which is barley.

Dr. Wilbur Crafts, superintendent and treasurer of the International Reform Bureau, said:

I think it is about 110,000,000 bushels, very conservatively speaking, that is wasted in drink—6,000,000,000 pounds is the statement of the Council of National Defense.

Clinton N. Howard, of Rochester, N. Y., lecturer for the International Reform Bureau, said:

What would be the effect on the food conservation of the Nation if the 110,000,000 bushels of grain made into 2,000,000,000 gallons of beer and 140,000,000 gallons of whisky consumed in this country last year had been ground into flour and baked into bread? It would give a loaf of bread every day in the year to 15,000,000 families.

25,000 FARMERS TO GROW 25,000,000 BUSHELS OF GRAIN

In connection with the exchange of 25,000,000 bushels of Federal Farm Board wheat for Brazilian coffee, Mr. George S. Milnor, the $50,000 a year grain expert of the Federal Farm Board and the Farmers' National Grain Corporation, testified before the Senate Committee on Agriculture and Forestry on November 26, 1931; he stated that it would give full-time employment to 25,000 farmers to grow the 25,000,000 bushels of wheat exchanged for Brazilian coffee. That makes it very clear that it would take the full time of 80,000 farmers to produce the 80,000,000 bushels of grain that would be used by the breweries on the preprohibition basis. In 12 prohibition years the farmers, on account of the prohibition of beer, have lost a market for 960,000,000 bushels of grain and 960,000 farmers have lost a year's work and income.

The following appears in a statement submitted to the Senate Committee on Agriculture and Forestry, June 19, 1918, by War Time Prohibition Association, as having been written by Prof. Irving Fisher, of Yale University.

Senator TYDINGS, of Maryland, in a communication to the Baltimore Sun of August 25, 1931, quotes the same statement, saying that it was written by Professor Fisher, and inserted in the CONGRESSIONAL RECORD by Senator Cummins, of Iowa.

The statement follows:

Transportation required by the breweries

	Tons
Raw material, 3,000,000 pounds of foodstuffs	1,500,000
Required coal	3,000,000
Product 60,000,000 barrels	9,000,000
Total on teams and cars	13,500,000

All of which require hauling and over half of which require railroad transportation.

This requires over 200,000 freight cars during the year and uses several hundred locomotives constantly and increases freight congestion.

SUGAR

The breweries use 64,000,000 pounds of sugar, and you are short of sugar.

LABOR SHORTAGE

The breweries of the United States employ 65,000 men, but the total engaged in making, handling, and selling it is over 300,000.

The amount of freight which Professor Fisher says was originated by the breweries would be sufficient to load 675,000 cars with 20 tons of freight. I understand that the average freight-car load in the United States is 18 tons, but I have preferred to be liberal and used 20 tons instead.

On April 23, 1917, Hon. David F. Houston submitted to the Senate Committee on Agriculture a statement of the value of the farm products used in the brewing industry from 1903 to 1916.

The values from 1910 to 1916 follow:

1910	$90,800,000
1911	97,700,000
1912	127,600,000
1913	92,700,000
1914	103,600,000
1915	105,700,000
1916	101,000,000

[From a statement to the Senate Committee on Agriculture and Forestry, June 19, 1918, by Miss Anna Adams Gordon, president of the Woman's Christian Temperance Union]

To conserve fuel is the next command, and the Fuel Administration announces a possible shortage of 75,000,000 tons of coal. We understand the breweries use about 5,000,000 tons yearly.

[From a statement to the same committee on the same day by Deets Pickett, research secretary of the Methods Board of Temperance, Prohibition, and Public Morals]

I want to submit to the committee some testimony which leads us to believe the coal problem could be solved by prohibition. In the United States Census Reports for 1910, volume 8, page 363, the consumption of coal by the brewing industry for the year ending June 30, 1909, was 2,990,357 tons, or three and one-half times as much as the bakers, six times as much as the printers and publishers, nine times as much as the manufacturers of boots and shoes, and twenty-five times as much as the manufacturers of men's clothing.

Mr. Pickett also submitted a statement from L. P. Ross, general manager of the Northern Iron Ore Co., to W. S. Blauvelt, of the United States Fuel Administration at Washington, in which he said:

We estimate that the breweries and saloons consume coal at the rate of approximately 273,328 three-ton carloads per annum. This amount of fuel would produce approximately 8,197,140 tons of pig iron.

We estimate that approximately 700,000 railroad cars are required to transport raw material for the breweries, and the beer produced in the United States per annum, based on all the beer being shipped, but not including the return shipment of empty barrels.

We are reliably informed that approximately 350,000 men are engaged in the liquor traffic.

The only objection to permitting the people to have such a beer, nonintoxicating, is that it will restore saloons. I, too, am opposed to any encouragement of saloons; and if the prohibition law is modified as I propose, this beer will not be distributed through saloons. In fact it will materially aid in getting rid of a lot of saloons, otherwise known as speak-easies, that now exist. These speak-easies sell beer now, which consists of home-brew, alley made or illegally imported from Canada or some other country. When the people can get good brewery-made beer through their grocers or other distributing agencies, they will not patronize speak-easies that sell this mostly unfit beer, highly alcoholic, as well as other intoxicating and poisonous liquors.

Careful investigations indicate that there are now in the United States 220,000 speak-easies, distributed as follows:

Arizona	750
California	15,000
Colorado	1,500
Connecticut	5,000
Delaware	250
District of Columbia	500
Idaho	500
Illinois	40,000
Indiana	2,500
Iowa	3,500
Kansas	1,000
Louisiana	5,000
Maine	1,000
Maryland	5,000
Massachusetts	10,000
Michigan	10,000
Minnesota	2,000
Missouri	3,000
Montana	5,000
Nebraska	1,500
New Hampshire	1,000
New Jersey	10,000
New Mexico	750
New York	42,000
Nevada	500
Two Dakotas	1,000
Ohio	5,000
Oklahoma	2,000
Oregon	3,000
Pennsylvania	20,000
Rhode Island	2,000
Texas	3,500
Utah	750
Vermont	750
Virginia	1,000
Washington	4,000
West Virginia	1,500
Wisconsin	7,500
Wyoming	500
Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Arkansas, and Kentucky	2,500
Total	222,500

In some of the other States, particularly in the South, corn liquor is the popular beverage and is distributed openly by bootleggers, the number of which is estimated at 50,000.

There has also been gathered data to show that illegitimate beer—that of more than one-half of 1 per cent of alcoholic content—is being consumed in the United States to the extent of approximately 4,000,000,000 gallons annually. This is all manufactured illegally and the most of it outside of this country. As a result our farmers do not benefit in the sale of grain and other agricultural products that are used nor do our citizens secure employment in the making of it, and our Government, now sorely pressed for revenue, gets nothing in taxes.

Will the American people long tolerate this condition?

Mr. DYER. Mr. Chairman, I now yield to the gentleman from Texas.

Mr. BLANTON. I want to call my friend's attention to the fact, because the gentleman is the ranking Republican on the Committee on the Judiciary, that in the last election, in 1928, when there was a sharply drawn issue of wet and dry, with Governor Smith posing as the exemplar of the wets and President Hoover as the exemplar of the drys, President Hoover received 6,000,000 more votes as a dry than did the popular wet. How does the gentleman explain that when he speaks of the people expressing their sentiments on this issue?

Mr. DYER. I will say to the gentleman that the votes for Mr. Hoover and Mr. Smith were not altogether upon the wet-and-dry issue. They were for Mr. Hoover largely because the people of the country felt that he could best control and manage the affairs of this Government in the interest of all the people.

Mr. BLANTON. Oh, they had all become disgusted with the Harding-Coolidge-Hoover administrations long before the election, and they accepted a supposed dry, preferring the lesser evil.

Mr. DYER. I will say to the gentleman that Mr. Hoover, of course, is able to take care of himself. He will be the candidate of the Republican Party again in the coming election; and notwithstanding the campaign of slander and tyrannical efforts of the Democratic National Committee to injure and to undermine him with the people, he will again triumph and be elected, because the people of the country want him. A wet-and-dry issue will not defeat him. This Congress controlled by the Democrats is dry and it will do nothing against prohibition, but just the contrary.

Mr. BLANTON. Even my partisan friend from Missouri does not expect him to carry a single pivotal State.

Mr. DYER. Oh, yes, I do; and I predict his reelection. If it was not for the wet Democrats the Democratic Party would not now be in control of the House. The vacancies caused by the death of Republican dry Members have been filled by wet Democrats from Michigan, New Jersey, New Hampshire, and other places, including the fourteenth Texas district.

Mr. BLANTON. Oh, but it was the economic issues that controlled and not the wet-and-dry issue.

Mr. DYER. Oh, they made their fight purely upon the wet-and-dry issue in all of those places where they elected men to fill vacancies, and the result of it is that the House has been organized by Democrats. I am very glad of it.

We have a very able and distinguished Speaker, and the Democrats being in power places them in a position where they must cooperate with our great President and do their part to relieve conditions that now face us from an economic and unemployment standpoint. The Democratic leaders in the House will do this, too, if outside Democratic influences will keep their hands off and let us, Democrats and Republicans, work unitedly for the welfare of our great country. [Applause.]

Mr. BLANTON. But these candidates had the background of a party that has always stood for the people as against a party that has always stood for special interests.

Mr. DYER. The Democrats did not have any party in New Hampshire and New Jersey.

Mr. BLANTON. The gentleman will find out in the coming election this next November that they have a party in those States.

Mr. DYER. It was purely a wet-and-dry issue and nothing else. The gentleman's party is in the majority in this House because wet Democrats were elected in these off elections. [Applause.] Yet it is not possible to do anything against prohibition with the organization of this House as it is; with the Speaker a dry; with the chairman of the great Judiciary Committee, elegant, able, and fine gentleman that he is, a dry; with the chairman of the Appropriations Committee, bringing in $11,000,000 for prohibition, without crossing off a dollar, a dry. The House is dry. It is controlled by the dry Democrats of the South, and you fellows from the North and the East might as well go home and tell your people about it, that you can not do anything about it.

Mr. BLANTON. In New Hampshire and New Jersey the controlling issues were economic ones and not the wet-and-dry issue. We won on economic issues.

Mr. DYER. They tell me they only talked about liquor in all those districts in order to get elected. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Illinois [Mr. KARCH].

Mr. KARCH. Mr. Chairman, in due course this House will be asked to consider measures originating in the Senate calculated to provide for a more efficient supervision of foreign loan transactions. There may be similar bills pending in the House. So far none have come to my notice.

It may not become my lot at the time these measures are being considered in this House to be accorded any of the available time for debate, and I therefore seize this opportunity to express my views on legislation of that character and to go on record as favoring the enactment of these measures to which I have just referred, and to be unalterably opposed to the cancellation, in whole or in part, of what are popularly known as "war debts."

Mr. Chairman, as the parade of international bankers, who have sent into the reaches of the world that flood of gold, has crossed the witness stand before the Finance Committee of the Senate, and as those international bankers have blandly hidden behind the sheerest technicalities in denying the essential information as to how and why they were willing to betray their own people for the Judas price of profits, the countries of Europe, of Central and South America, prepare calmly and grimly to tell us that they will not pay; that they will not repay the flood of gold we so generously sent to aid them in their hour of prostration after the great madness had ended.

They have already told us they would not repay the flood of gold we sent them while the great madness was raging, nor yet the further golden torrent we poured out to them for their political and industrial development.

Every Member of this House knows that we canceled practically the whole of the debt due us from the Allies for money we loaned them during the period of actual hostilities, and also some of the money we loaned them after the armistice.

My time will not permit me to go into the details of the interallied debt-funding agreements under the act of 1926, but it is a well-known and accepted fact that the debts now due our Government from 20 foreign nations, amounting to more than eleven and a half billions, do not represent by any means the sum of the gold we poured into Europe during the war and after the hostilities had ceased.

Those figures do not represent at all the billions in supplies of every character—from railroad locomotives to clothing and from trucks and tractors to medicines—which we sold at the merest fraction of their value to our Allies in whose countries they then were. The sum now due us, of course, does not include the millions piled upon millions of our money given as doles to foreign peoples to feed and clothe them by that greatest of all givers of other people's money—Herbert Hoover.

All these years our people have patiently and painfully borne that burden of debt.

In our own hour of need what do we hear from those countries which called so plaintively to us in their suffering? Why, sir, this is what we hear—and I quote from the Washington Star of the 21st of this month:

> The time for making a clean slate of all reparations and war debts is rapidly approaching its final phase.
>
> Views as to how to approach this question to the best advantage of everybody—

That is, everybody but the people of the United States—

> are being exchanged between the principal European nations. Meanwhile the Department of State, while pleading ignorance of what is going on across the ocean—

Just as it pleaded ignorance of any knowledge of or participation in loans to South American countries until the Peruvian loan with its corruption, the Barco oil concession involved in the Colombian loan, the Cuban loan involving the son-in-law of President Machado, and the Panama loan involving charges of deleted and altered reports were revealed before the Senate Finance Committee recently—and now I continue to quote—

> is informally being told of the progress of the negotiations between Great Britain, France, and Italy either by our representatives abroad or by the representatives of those countries in Washington.
>
> The decision reached to postpone the Lausanne conference, it is said in reliable quarters, was not due exclusively to any precarious situation of the Laval Cabinet or to the desire of postponing the reparations question until after the elections in France and in Germany but mainly to the fact that the principal creditor nations of Germany had become convinced their principal debtor will not or can not pay reparations any longer.

Now, Mr. Chairman, listen to this:

> The conversations between London, Paris, and Rome are reliably reported as not dealing with the fact of whether America's debtors will or will not pay their debts but only with the best methods to stop any further payments to this country.
>
> There are two schools of thought in Europe to-day. One is that each nation should approach the United States individually, and after putting before the administration the financial situation of each country, to ask for a cancellation of the debts. * * *
>
> It is reported that most of the European nations with the exception of France are in favor of such a solution. France finds this humiliating, however. Her leaders do not think it would be dignified for important European nations to present to the American Congress their balance sheets and ask, hat in hand, this country for a reduction or cancellation of debts.
>
> The second theory being discussed between the European chancelleries is that the European nations reach a common agreement and a final decision not to pay a cent of their debts to the United States as long as Germany is not paying reparations. When the unity of action has been agreed upon the United States should be informed and told that from a certain date after July 1 the European powers will no longer be able to pay us any further installments on the war debts. * * *
>
> * * * Much as European governments, such as those of Great Britain or Italy, dislike to be defaulting, there seems to be a popular tendency to tell the Americans where they get off, and to force their respective (European) governments to act in a way they were heretofore disinclined to do.

Now, Mr. Chairman, let us refer to another article, appearing in the Washington Herald of January 21, dealing with the intended default of the international debts. It says:

> The United States is largely responsible for the abandonment of the Lausanne reparations conference, it was admitted in official circles yesterday.
>
> Administration officials were pleased because it removes the major issue of acting on a direct request for extension of the moratorium or the reduction of the war debt from the forthcoming presidential campaign. Officials point out that the next war-debt payment is not due until December 15, and the election will be over.

Mr. Chairman, if that statement is true, those administration officials offered a gross insult to every man, woman, and child in this country. While the President insists that he is against any further debt cancellation—for reductions are merely cancellation on the installment plan, cutting off the dog's tail by inches—his officials chortle in glee that the issue will not come until "the presidential election is over." We are told that we are to be deceived, anesthetized by false promises, until we have voted. We are to be soothed until after we have cast our votes without one chance to register our emphatic disapproval of this course—and then the final act in this scrapping of international honor is to be staged.

We have heard much, Mr. Chairman, in the last few weeks of the private loans to foreign governments by our international bankers, who were draining the gold from every nook and cranny of our own country and giving us in exchange foreign bonds which testimony before the Senate Finance Committee has proved those international bankers must have known and did know were to prove practically worthless, while the State Department stood silently by watching the plundering of our own people.

We have heard of sums amounting to six billions, then eight billions, mentioned as having been secured for Central and South American nations, for the European nations, for nearly every nation on the globe, by means of exchanging worthless bonds for our good dollars. That is not the whole of the story. The sum of private loans and investments fostered by our international bankers and foisted upon our country banks and investors for profit is more than seventeen and one-half billions of dollars, according to outstanding authorities.

That sum added to the amount loaned by this Government to European countries after the war and not including the amounts loaned those countries during hostilities amounts to more than $29,000,000,000. Add to that the one and a half billions of gold loans of last summer forced by the Hoover moratorium, and the total is up to more than thirty and a half billions.

Add to that the debts already canceled, the vast amounts of supplies given foreign countries, and the tremendous sums given for Mr. Hoover's world-feeding projects—one of which is still in operation according to last accounts (Food Relief Administration, with headquarters in New York City, which received $100,000,000 appropriation from Congress, collected another $150,000,000 from private sources, and recently gave a large sum to a Quaker society for relief of miners)—and you have a total exceeding $40,000,000,000 of American gold sent into the nations of the world since 1914 by our Government and our international bankers, or about 10 per cent of our total national wealth in 1929 before the crash.

In 1914, Mr. Chairman, American private foreign loans and investments totaled a little more than two and one-half billions of dollars. In 1929 those private foreign loans and investments totaled more than fifteen and one-half billions. In 1930 they totaled more than sixteen and a half billions, and in 1931 they totaled more than seventeen and a half billions, while at this date they total, including the loans to the Bank of England and the Reichsbank of Germany, made last summer, more than $19,000,000,000.

The figures of the noted economist, Dr. Max Winkler, show that while foreign governments were demanding and securing cancellations of a large part of their debts to our Government, the international bankers were vying with each other to pour into the eager hands of these same governments and private foreign corporations billions of American money, while this country was approaching starvation in credits.

American business men, Mr. Chairman, were being starved for credit, American railroads were being starved for credit, American industry and American agriculture were being starved for credit, while these international bankers for profits were proceeding to drain from this country its supply of credit and pouring it out abroad and then persuading American banks and American investors to accept in place of their gold worthless foreign bonds and stocks.

In the most shameful, the most brazen, the most wanton, and the most dangerous campaign of stock-and-bond flotations ever perpetrated upon any nation in the history of the world, Mr. Chairman, American international bankers were robbing their own country of credits to export those credits abroad, the while aiding and abetting foreign nations to demand cancellation of the remains of the debt they owed the American people who had been urged to "buy Liberty bonds till it hurts"—and it is still hurting, worse than ever.

Conniving with foreign officials, in some cases paying tremendous commissions to sons of foreign Presidents, these bankers had their agents abroad seeking for opportunities to send American gold into foreign countries for profit, while they knowingly foisted upon their own people worthless foreign bonds and stocks, and at the same time agitated, propagandized, and aided foreign nations to refuse payment of the billions owed to the whole people of this Nation who bought Liberty bonds in a spirit of patriotism and charity.

Think of it, Mr. Chairman, in 1929, the year of the great stock-market crash, international bankers sent into other countries American gold credits in the sum of $1,465,958,000, and in 1930, when America was prostrate under the blow caused by the collapse of the speculative orgy, those same bankers sent American gold credits into foreign countries in the sum of $1,550,056,000, or 5.74 per cent more than in 1929. Our banks were failing in this country by the hundreds; factories were closing down; a great cry was going up from our people, "Give us work, give us bread"; and bankers and politicians were answering, "Billions for credits abroad, but not a dollar for doles at home!"

How could the international bankers close their eyes in 1929 and 1930, Mr. Chairman, to the fact that since 1928 the total number of governments in default on their private or public debts increased from 67 to 283?

How could the international bankers peddling those worthless foreign stocks and bonds close their eyes to the fact that the countries of Europe by their aid and encouragement were preparing to do what those countries now say they will do next December "after our presidential election is over"—"tell Americans where to get off," and default the debts without "humiliation" of having to tell us the reason why?

Do these international bankers admit, now that they have been exposed, that they were "unwise" in thus sending into other countries the gold credits they denied their own people? Ah, yes, Mr. Chairman; they have admitted it in the hearings before the Senate Finance Committee—and have sought to apologize and to explain away their guilt in this infamous rape on American prosperity.

Here is what B. C. Forbes says about that in an article published in Washington on the 19th of this month:

> American money will not be sent out of the country as thoughtlessly, shortsightedly, recklessly as before.
>
> I learn that leading bankers handling foreign loans decided some time ago that their methods must be reformed, and that an informal agreement to accomplish this end was reached.

Ah, yes, Mr. Chairman, now that the ruin is wrought, now that Judas is exposed, he begins publicly to reform.

Let us continue to read:

> Crossing the Atlantic with a business getter for a New York financial concern, I got from him three years ago a rather astounding picture of what was then going on. New York had men drumming up loans in foreign countries, each competing with all the others in offering alluring terms to prospective borrowers.
>
> Whenever intimation spread that a country or municipality or a large corporation was receptive to the idea of borrowing money here (in the United States), a swarm of scouts from American underwriters flocked to the spot like bees around honey.

One wonders, Mr. Chairman, why the American country banks and American investors could not have been told this in 1928.

Now listen to further observations of this noted economist and financial writer in the same article:

> This country has had no association or organization charged with any responsibility for seeing to it that American investors

received a square deal when buying foreign securities sponsored by our own bankers.

Why should we need any association or organization to assure American investors a square deal other than the bankers themselves—if they were the right kind of bankers?

Too many institutions and firms, it is now discernible, were governed mainly by an itch to bag commissions. There was not enough thought or study given to the probable outcome of the unrestricted lending to all and sundry in any and every part of the globe. * * * Unfortunately, the move to correct the foreign-financing evil was not made until unconscionable damage had been done. Whether Congress will consider that the wholly unofficial understanding or agreement among the bankers can be counted upon to prevent future abuses remains to be seen.

If restrictive legislation be passed, the bankers will have nobody to blame but themselves.

I for one, Mr. Chairman, say that any group of international bankers who would do to the banks and to the investors and to the people of this country what these international bankers have done are not to be trusted to reform. They are not to be trusted to refrain from again indulging in a reckless, unconscionable, fatal orgy of foreign loans and investments if the rewards of fat profits beckon them. Let us, by all means, have restrictive legislation that will adequately protect the banks and the people of this country from these raids upon our credit.

And now, Mr. Chairman, what of the moratorium? What of the billion and a half of loans made last summer to the Bank of England, to the Reichsbank of Germany?

Why, sir, at the very moment we were going to the rescue of the Allies when they faced defeat at the hands of the central powers they were whispering, "We must never pay these debts."

At the very moment, sir, when we were ministering financially to all the bruised and bleeding countries of Europe after the madness had passed they were whispering among themselves, ally and enemy alike, "We must never pay these debts."

At the palace of Versailles, gathered about the peace table, those nations we succored in their hour of need were scheming and plotting to get as much territory as possible, to get as much damages as possible, and smilling at good old Uncle Sam, whose altruistic principles would not allow him to take 1 cent or 1 foot of territory for his work of rescuing a prostrate Europe, and whispering among themselves, "We must never pay those debts."

In the years following the war, while those same nations were garnering billions of American gold, they were beginning to proclaim in loud chorus, a chorus in which our international bankers joined, "We must never pay those debts!"

And to-day, Mr. Chairman, that cry has reached its crescendo, and all Europe is howling, "Shylock, we will never pay those debts!"

Last summer, according to an article by Garet Garrett in the Saturday Evening Post, at the very moment those same nations were again screaming to us for help to save them from their own insane folly, their ruinous expenditures for armies and armaments with which to wage another war, and at the very moment Mr. Hoover and the international bankers were going to their rescue, the gold honor of the American dollar was being impugned, as it is to-day being impugned in Europe by the very nations we were succoring. Our credit was being impugned by our debtors, and for what reason? Why, says Garrett, because we had been too free with it, precisely for the reason our debtors knew they had borrowed too much on poor security.

We were, he tells us, in the rationally impossible position of debtor nations raiding the gold reserves of a creditor nation while the creditor nation was self-bound under an agreement not to collect its debts from them. That, Mr. Chairman, was the effect of the Hoover moratorium.

We had the strange experience, says this writer further, of being a creditor nation and finding ourselves beholden to one of our principal debtors, that debtor, France, undertaking on grounds of generosity and helpfulness, if you please, to stop raiding the creditor's gold reserves short of the point at which the creditor's gold solvency might seem in jeopardy.

We witnessed the sight, says Garrett, of public ovations in this the creditor country to the premier of one of its principal debtors when he came to tell us that more of Europe's after-war debts must be charged to the American taxpayer in a spirit of international friendship; more public ovations as he departed, saying he had our official promise to consider it.

And while we were laying a burden of $252,566,803 in interest and principal due in 1931 from the debtor countries on the backs of our own overburdened taxpayers, the nationals of England and of Germany were withdrawing that gold as fast as we could send it over. And the moment we stopped sending gold to the Bank of England—England went off the gold standard.

While the Bank of England was passing out to France, to Belgium, to Holland, to Englishmen our gold, did Mr. Edward Charles Grenfell, London partner of Morgan, Grenfell & Co., member of the British Parliament, and a director in the Bank of England, sound any warning to President Hoover and American banks through his firm of J. P. Morgan & Co. of what was being done with the American gold being poured into the Bank of England while we were staggering under hardship and unemployment in this country? He did not.

And did Thomas W. Lamont, when he appeared before the Senate Finance Committee and was asked if any partner of the house of Morgan was connected with any of the foreign banks to whom these loans were made, tell the committee about Mr. Grenfell, member of Parliament and director in the Bank of England? He did not!

And what is happening to-day, Mr. Chairman?

These same European countries are undermining in every possible way the credit of the American dollar.

The Journal of Commerce of January 21 carries the headlines that a new gold outflow to Europe looms, as more than nineteen millions of the yellow metal is shipped to France, Belgium, and England. The article goes on to state that the Bank of France has announced its intention of withdrawing $125,000,000 in earmarked gold it has been carrying for several months in the Federal Reserve Bank of New York. Why? To discredit the American dollar!

That article further makes the startling statement that the short-term European balances remaining in the United States are about $700,000,000 and that they may be withdrawn, while the maximum amount of free gold (not earmarked) left in the Federal reserve banks at present is only $800,000,000.

What is causing this withdrawal? Why, Mr. Chairman, these foreign debtor nations do not like our $2,000,000,000 bank-railroad-insurance company balm bill. They do not like the idea of our Federal reserve system broadening its credit expansion policy, if you please. Owing us more than $30,000,000,000, these debtors of ours are withdrawing their balances because they do not like our loose credit methods. We are too generous, in their eyes, in our loans. We are attempting now to rescue ourselves, therefore it is unsafe for them to keep their gold in our vaults. That is what they say.

The truth of the matter is, Mr. Chairman, they do not want any of this gold we have loaned them in our vaults if next December 15 they default. That is why they are withdrawing their gold, these European nations! They are getting ready to default, therefore this gold must not be where we can reach it.

If and when the European nations tell us flatly and bluntly they are not going to pay any more of their honest debts to our Government, just what do you suppose is going to happen to the private debts of foreign governments and corporations, the securities of which are held in our banks throughout our country and by our American investors in the sum of more than $17,500,000,000?

Why, Mr. Chairman, is there a Member of this august body who believes for an instant that if these governments so far forget their national honor and integrity as to default obligations based upon the most solemn and sacred covenants between nations, that they will hesitate for a moment to default on the greater sum owed by them to American banks and investors who have no one, not even the power of

their own Government, to try to prevent it? Of course not. If and when those foreign nations default their debts to this Government, they will with impunity default the private debts.

I might continue at greater length upon the preparations for this default, but I desire to address myself for a moment to another phase.

Europe is serving notice on us that she does not intend to pay.

Europe is serving notice on us that she will drive us from the gold standard if she can.

Europe is serving notice on us that she, too, can erect tariff bars to keep us out of the markets of the world.

Europe is serving notice on us that she will not disarm, but that she will continue to make stupendous expenditures for armies and armaments in preparation for the next great war—and with whom?

Therefore we are faced with these problems: Either we must grant indefinite moratoriums, which means eventual cancellation, or we must agree to extreme reductions, which is cancellation in part; we must cancel the whole debt or we must force those European countries to stand before the world stripped of false raiment of virtue and integrity and naked in their disregard for their national honor or their international obligations. What are we going to do?

If I believed those nations, when they had forced us to cancel these honest debts due the American people, would then pay their private loans to American banks and investors, that might possibly be another question, although I would still oppose cancellation. But I do not believe that. I do believe that if we canceled those governmental debts to-morrow and threw upon the backs of our already crushed people the burden of that debt those foreign governments would, before six months, default on every private debt they owe our banks and our investors.

Therefore I, for one, am in favor of refusing to cut or to cancel those debts, and if those European nations default—then that will put a stop to our international bankers sending more of our gold into the rest of the world at the expense of our own industries, our own agriculture, our own people.

We may as well meet this issue courageously and with honor, for within ourselves lies the power of our recovery. Our salvation is in self-containment.

Within our own borders lies 93 per cent of our market for our own products.

In the 6-hour day lies our hope of affording employment to our now despairing workless millions.

Redistribution of wealth is another step toward recovery.

Rectification of our credit structure and restoration of credit control to the Congress and its removal from the hands of the international bankers is another necessary step.

We face the future sad but unafraid. This great Nation, this Government of, for, and by the people can not perish from the earth. We can withstand this shock of default by Europe. We can weather the storm. Our people are courageous, they are patient, they are intelligent, and they are worthy of a better fate than the rest of the world would award them. So we will not go down in despair if we will take care of our own, if we will turn our eyes and our efforts to our own welfare, instead of helping all the world and neglecting our own needy ones.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Oklahoma [Mr. McKEOWN].

Mr. McKEOWN. Mr. Chairman, the bill I propose to discuss is an exact copy of a bill introduced by Hon. William H. Murray in the Sixty-third Congress, and discussed by him in this House on October 19, 1914, as shown in the CONGRESSIONAL RECORD, volume 51, Appendix, page 1189.

During and after every big financial crisis in this country and England there has been an endeavor on the part of the lawmakers, at the behest of the bankers to pass legislation to relieve them of the consequences of the depression, which they had themselves oftentimes brought about. A notable example of this was after the great financial crisis in England in 1825. Sir Robert Peel, in a zealous endeavor to straighten out the errors of the banking situation in England was undertaking to foster upon the banks of Scotland the ideas of the English bankers and economists by preventing the issuing of notes less than 5 pounds. This action on his part first brought the Scottish banking system to the attention of the world and showed the amazing fact that although Scotland was the poorest and most barren country in soil, without resources of any character and without gold, had since the establishment of the Scottish bank by Mr. Patterson, founder of the Bank of England, developed tremendously, not only in agriculture, but in fisheries, livestock, and manufacturing, and all this due to the plan and policy pursued by the Scottish bank which issued its notes and extended its credit to the farmers, merchants, manufacturers, and all the various industries. These bank notes were accepted and used throughout Scotland, although not legal tender. They were for use only within the boundaries of Scotland and were preferred by the people of Scotland rather than specie for money.

The English bankers, having discovered this unusual prosperity in Scotland under this banking system, undertook to hamper and get a hold on the Scottish banking system and through the great Robert Peel undertook to abolish all small notes under 5 pounds. This act on the part of the British Parliament was resisted by all the force of the Scottish people, and in the defeat of this plan Sir Walter Scott was a leading figure.

When the next financial crisis arose, brought about by the Jacobine insurrection, the value of gold rose rapidly; and the Scottish banks in order to protect themselves, suspended the payment in specie on the presentment of their notes and issued six-month notes bearing 5 per cent interest, and by this means rode through the crisis, maintaining its currency at par.

The Scottish banking idea is based on the idea of mutual benefits from the community to the bank, and the bank to the community, and consists of a large central bank, but with branches centrally located in communities to afford banking facilities to every 4,000 inhabitants. There was no limitation of liabilities to stockholders in Scottish banks. Not a single penny was exempt against the depositors and note holders in case of failure. The cash-credit system adopted by the Scottish banks was the one that produced prosperity in the country and established public confidence in the integrity of the bank. After all, public confidence in truth is the fundamental principle on which any banking system must rest; and unless you are able to secure this public confidence, no banking system, however wisely designed, would be expected to enjoy permanent success; and although the champions of the Federal reserve banking system of this country declared on all occasions that there could be no monetary panics in these United States, their prophecies were false and at the present moment we are undergoing the greatest financial panic that we have ever had in the history of our country. The Federal reserve banking system was wisely designed and ably constructed and weathered the storms of the Great World War, carrying us safely through those perilous days. But shortly after the return of our victorious Army and America resumed its daily task of rehabilitation, the Federal reserve banking system fell into evil days; and instead of functioning as was the intention of its makers—the Congress of the United States—it became the tool of the gigantic speculative interests of the country, who disregarded all the laws of economics and, forgetful of the true purposes of a great banking system, turned the Federal reserve system into the hands of those who, actuated by avarice and greed, immediately commenced the policy of staying credits to those who produce and to furnish credit to those who speculate. When the flow of credit to the manufacturer is stopped he is forced to discharge his workers, who must find employment and subsistence elsewhere.

When credit is denied the farmer, he undertakes to increase his crop in order to make enough of his products to pay off his obligations, and it is an indisputable fact that in the

history of world banking whenever you curtail the credit and medium of exchange to the manufacturers and farmers of a country that it has been immediately followed by a glut of agricultural products. So it is in the present financial crisis. As a result of the unjustifiable curtailment of credits by the present banking system of the United States, there followed immediately a glut of agricultural products; and you can establish all the boards, cooperative organizations, and curtail the productions of agricultural products that you please, but you will not have touched the cause nor corrected the evil until you bring about a renewal and reexpansion of credits and money. Mr. Patterson, who established the Bank of England, established a great central bank system in the British Empire, suitable to the requirements and needs of that great country. On account of its great commercial trade, its import and export trade, a banking system suitable to the commercial needs of that great country, he was careful that no lenders of money for short terms on commercial paper were allowed to serve on the board of directors. Eight of the directors retire every year. It is customary to choose young men to fill vacancies on the board so that they will still possess good health when advanced on the board of governors. It is a rare thing that a director is made a governor out of his turn, or that he ever served more than two years on the board.

When he came to the establishment of the Scottish bank he found a wholly different situation existing there from that existing in England. Scotland was a rough and rugged country of poor soil and poor people, scattered over rough mountain country with very restricted means of transportation. She had no foreign trade or commerce and no well-established industry. The English system contemplated the expansion of its notes and currency throughout the world, and its great magnet of attraction would be the mother bank of England, where the specie and money of the world would center. The Scottish banking system contemplated that the notes of the Bank of Scotland would circulate only within Scotland and in its various communities, the circulation of which would expand and contract through the various seasons of the year as the commerce would expand through the seasons. Based upon the idea that it would inflate when inflation was needed and deflate when deflation was required.

Since our banking system has resulted in draining the far reaches of the South and West of its coin and circulating medium into the great money centers of the North and East, it naturally follows that now is the time for the Congress of these United States to repeal the 10 per cent tax placed on bank issues in 1875, a scheme that was promulgated by avaricious bankers of the East to get control of the whole banking system of the United States. Now is the time to strike from the board of control of the Federal reserve system every man who is engaged in international banking and lending money to the speculators and gamblers of this country. Such men have no place on such a board, where they are able to control the lifeblood and life commerce of this country. The record discloses the fact that the international bankers of this country have sold the confidence of the great American public for paltry dollars, and for profit they have been willing to sell the depreciated bonds of foreign governments for good American dollars, sending the money abroad, while manufacturing, forestry, livestock raising, and farming industries have been left drained dry and to grovel in the dust of humility and financial distress. Conduct of that kind and character in times like these convert men to the "no-bank" idea, so courageously and vigorously advocated by that great man and Democrat, Andrew Jackson. We had State bank issues prior to 1875. Some of it was wildcat; and although the worshipers of gold throw up their hands in holy terror at the mention of State-bank issue, yet these systems grew and the States in which they existed were able to prosper in spite of the cornering of gold in Wall Street. The gold-standard worshipers are but the competitors of the old goldsmiths of the past.

The two outstanding features of the Scottish bank system are the principle of cash credits and note issue.

The principle of cash credits is somewhat akin to letters of credit or guaranty of credit in vogue years ago in banks of this country. Cash credit simply means that where a person is not possessed of sufficient cash to do business but has the confidence and acquaintance of other persons of good repute, he could have an open account in his name on which he could borrow up to a fixed amount, say, $2,000 or $2,500 over and above the amount which he might be able to pay into his credit. In other words, if a tradesman or farmer should get $2,500 to operate his business upon the indorsement of two or more good sureties the bank would extend him credit. The liabilities of the sureties were limited to the $2,500. In other words, the farmer or tradesman would attain a letter of credit and make his deposits from time to time, and he was not required to pay interest on the total amount of credit at the bank, but only paid interest on the amount due the bank each day, and the bank allowed him interest on his daily balance, so that this arrangement would enable many worthy and honest people to enter trade or business and engage in commerce who otherwise would not have been able to do so on account of lack of finances and under such an arrangement that he would not be overburdened with interest charges. Under the present banking system in this country you are compelled to pay interest on the full amount of the loan of $2,500 and receive no interest on your deposit. Under proper safeguards such as I have put in my resolution State banks would be enabled to issue their notes which would circulate in their communities.

In the early history of the country, under the State laws, there were various forms of notes issued by the banks with all kinds and degrees of success and failure. This was during the earliest development of the country between the Revolutionary and the Civil Wars. America was an undeveloped wilderness, a new country, poor in specie and loanable capital, and therefore was forced by the necessity of her situation to adopt some monetary devices which would not be tolerated under more favorable conditions.

There was the banking system of New England, including the noted case of the Bank of Suffolk, of Massachusetts, which issued its notes against general assets and organized a clearing house for note redemption for banks in New England.

Bankers have always sought special favoritism from the lawmaking bodies. Take the example of the banks of Rhode Island. They were granted by the legislature special facilities for collecting their debts. It was provided that, upon a note or other instrument made payable at the bank, in case of default in payment the president or directors might cause demand to be made, and in case of his failure to make payment, that without suit or judgment against the borrower, these officers could go to the proper officers of the court and have an execution issued or an attachment of real estate levied. Of course, this "bank process" immediately brought great resentment on the part of the public and was finally set aside. Under this special favor the banks of Rhode Island made great progress and gain.

Then we had the New York bank system known as the "free banking system," under Governor Van Buren, and under him the "safety-fund plan" was inaugurated. It was suggested no doubt by the regulation of Chinese merchants who, by grant of the Chinese Government, had the exclusive right of trading with foreigners, but all were made liable in case of failure of any one of them. In other words, this was the first bank guaranty law.

You will note that all banks in New England and New York were banks of issue, the amount of their note issue being safeguarded from time to time by the laws of their several States. Under the "free bank act" of New York all persons were given the right to engage in the issuing of notes, which were obtained from the State comptroller upon depositing with him the bonds of the United States, of the State of New York, or of any other State approved by the comptroller. Notes could also be issued on bonds and mortgages on improved real estate worth double the amount se-

cured by the mortgage, and the notes had to show that they were secured by bonds or mortgages, and by which secured.

In Ohio they had branch banks, each branch bank being required to deposit with the mother bank 10 per cent of the amount of its circulating notes. Each branch was liable for the circulation but not for the other liabilities of the other branches. The State bank of Ohio was eminently successful, as was the State bank of Indiana.

In the State of Michigan the safety fund law was ignored. Wildcat banking followed, and as a result there were a great many bank failures, and by 1844 nearly all of the free banks were in the hands of receivers. In 1851 Illinois passed a banking law permitting the issuing of notes on securities, and this was followed by other States. The restrictions imposed by New York were disregarded in the West, and as a result wildcat notes were issued. A great many banks were created, owned, and managed by the State. Under the Federal Constitution no State was permitted to "emit bills of credit" and it was decided in the case of Craig against the State of Missouri that certificates issued by the State and made receivable for salaries and taxes, even though not full legal tender, were unconstitutional, but in the case of Brisco against the bank of the Commonwealth of Kentucky it was decided by a majority of the court that there was a distinction in a case where the bills were issued by a bank under the control of a president and board of directors and that the notes were not bills of credit within the inhibition of the Constitution, which included only paper issued by the authority of a State on the faith of the State and designed to circulate as money.

A unique political question opened in Kentucky in 1820 by the enactment of the replevin law, which gave debtors two years within which to redeem their goods, unless payment was accepted by creditors in notes of the Bank of the Commonwealth. This led to a fierce political campaign and one of the judges of the district court declared the law unconstitutional, which was upheld upon appeal. An extra session of the legislature was called in an effort to remove the judge, and this was followed by the election in 1824 of a legislature that repealed all the laws concerning the appellate court and created a new court of appeals, and for awhile the State of Kentucky had two systems of courts at the same time. At the next general election they changed their mood and enacted a law repealing the new court.

The Bank of Indiana stands out as a notable example of sound State banking and was able to ride safely through the storm of bank failures which occurred during the time of its existence. The Bank of Indiana had a large note circulation, but it was based on liquid assets. The bank weathered the crisis of 1857 without suspending specie payments and retired its circulation when gold went to a premium in 1862, and went out of business only upon the imposition of the 10 per cent tax. And when it wound up its affairs it had ample assets and unimpaired credit.

[Here the gavel fell.]

Mr. SHREVE. Mr. Chairman, I take great pleasure in yielding 10 minutes to the distinguished gentleman from Oklahoma. [Applause.]

Mr. McKEOWN. I thank the gentleman.

The suspension of specie payments at the outbreak of the Civil War drove gold and silver from circulation and required an expansion of bank-note issues to maintain the volume of the currency. The Suffolk bank system of New England continued in operation at Boston, but the notes failed to flow in as rapidly as before for redemption.

While much prejudice had been engendered in the minds of the people of this country on account of the unhappy memories of some State bank issues, the only really practical defect, taking the country as a whole, was its lack of uniformity.

Those State banks that issued currency against general assets, such as those of New England, Indiana, and Louisiana, compared with banks issuing notes against securities like the banks of Illinois, New York, Wisconsin, and banks established under the charge of States, demonstrate the success of banks issuing notes against general assets as against the failure of banks issuing the circulation based on securities.

The history of State banking systems is the history of the success based on the issue of notes upon general assets as against the failure of the systems based on the depositing of securities, like the national banking system.

Banks in Canada, using a somewhat similar system to that engaged in by the successful State banking systems, have had but few failures, while the bank failures in the United States in the same length of time have amounted into the thousands.

Prior to the Civil War the banks of New Orleans were perhaps the greatest banking institutions of the country, with the possible exception of the banks of New York. The banks of New Orleans were able to hold their notes at par through the panic of 1857 and on through the Civil War, although the Confederate Government fell.

The New Orleans banks were required to divide their loans in two classes—those made from capital and those made from deposits. Loans from capital were permitted to be made on mortgages and other investments beyond 90 days. Deposit loans were restricted to 90-day nonrenewable paper, and the banks were prohibited from speculating or dealing in any products. In addition to this they were required to have 33⅓ per cent reserved against their circulating notes.

For at least 20 years in the State of Iowa there was a great fight against the establishment of State banks.

In the State of Illinois, after the collapse of the banks following the panic of 1837, paper-issue banks ceased to exist between 1843 and 1851.

As early as 1848 agitation was commenced by the recommendation of Millard Fillmore, then Comptroller of the Currency of New York, who recommended that Congress issue notes to be secured by stocks of the United States, to be received for public dues to the National Treasury.

This was followed in 1861 with a revival of the Fillmore suggestion by one Laurent Bonnefoux, with the exception that the security was limited to New York stocks.

In 1861 Silas M. Stilwell took an active part in presenting this proposition to Mr. Salmon P. Chase, Secretary of the Treasury.

When the national-banking system was proposed it was called a monopoly by the economist Henry C. Carey, for placing a limit on bank-note circulation, and the term "Money Trust" was heard long after the limitation was removed.

The fundamental principle of the national-banking system was a note issue secured by a deposit of bonds with the Comptroller of the Currency. This principle was derived from the New York system, and was often imitated by other States. The banker had merely to deposit bonds or other securities which provided a productive investment and at the time protected his notes.

The problem of agricultural credit was never taken into consideration in the establishment of the national banking system and, in my judgment, has never been taken into consideration until the establishment of the Federal land banks and agricultural credit banks. Agricultural credit was amply cared for under the New Orleans banking system, where capital loans were made to make long-time loans, whereas the deposit loans were limited to 90-day nonrenewable paper.

One of the most objectionable features to the bond-secured note issue is its inherent inelasticity. This was disclosed in the experience of the New York system in the fifties when, in a period of rising business cycle, capital was attracted to more productive investment than the purchase of bonds upon which to issue paper money.

My proposal is to repeal the 10 per cent tax on State bank issues with a proviso that would require State banks issue to be properly safeguarded and protected. This tax

was passed for the sole and only purpose of making all the banks in the United States come in under the national banking system, enacted in 1865, and has long since accomplished that purpose; and under the Federal reserve banking system in vogue now it is provided that all national banks shall be members of the Federal reserve system, and there is no further necessity for this obsolete prohibitory statute, which, to my mind, has worked to the great detriment of the financial welfare of the people of the South and West.

The New England States have, since the creation of the Government, been the center of great wealth and the congregation of the money of the country, and will continue to be so, and when the money of the far reaches of the West and South are drained into this portion of America hard times and panics, with financial distress, are inevitable. It is felt first in the places from which the money comes, the West and South, and is reflected in the falling off of the purchase of goods, wares, and merchandise from the manufacturers in the industrial part of the country, and then the closing down of factories follows in the industrial section of the country.

A careful study of the history of financial panics will bring one to the conclusion that a deflation of the circulating medium of exchange in a country is invariably followed by a glutted market for agricultural products. That is true to-day. We have one of the greatest gluts in agricultural products to-day. Instead of wasting our money in ineffective methods of relieving the glut, it is my sober judgment that we should immediately expand the medium of currency by permitting the establishing of safe and sound State banks of issue in the sovereign States.

The act was first passed on the 13th day of July, 1866, at a time when the South had no representation in the Congress, and was not made effective until 1875. The constitutionality of the act was tested in the case of the Veasie Bank, of Maine, *v.* Fenno (8 Wall. 533), and remarkable as it may seem, the Chief Justice of the Supreme Court at that time was Judge Salmon P. Chase, who while Secretary of the Treasury recommended the passage of the bill to Congress. By a majority opinion the court sustained the constitutionality of the act.

In the light of the recent child labor case (257 U. S. 520), in which Chief Justice Taft held that Congress had no power to prohibit child labor through a tax, it would lead the average citizen to the conclusion that either the Supreme Court was right when it decided the Veasie Bank case and wrong in the child labor case, or right in the child labor case and wrong in the Veasie Bank case.

The purpose of a tax in the Veasie case was to destroy State banks of issue, and Chief Justice Taft draws a distinction between the two cases on the ground that Congress has the power to coin money and regulate the value thereof, which involved the incidental power to destroy State banks of issue.

There is no authority vested in Congress by the Constitution to issue notes. There remains no good reason why this act should not be repealed. The repeal of this act was one of the outstanding planks in the Democratic platform of 1892, on which Grover Cleveland was elected, and no doubt would have been in the platform of 1896 but for the silver issue; and if this Congress fails to repeal it, it will no doubt be an issue in 1932.

With the repeal of this act let us see what good occurs: First, the sovereign States wouldhave restored their ancient and undisputed right to have State banks of issue within their borders.

The control of the medium of circulation, which is the lifeblood of commerce throughout the Union, would be taken away from the hands of the few. The passage of the resolution which I have introduced would not bring about a lot of wildcat note issues or shinplasters, because my resolution, in the repeal of the 10 per cent tax, limits the repeal to such State banks or bank associations where their notes do not exceed the capital stock of the bank, and all the assets of the bank are liable for the redemption of such notes, provided that an amount shall be held in reserve for the redemption of such notes equal to $1 to every $3 of such notes so issued, and any State by legislative enactment may authorize such notes for circulation by any person, firm, association, corporation, State bank, or State banking association, upon State, county, township, or municipal bonds or bonds lawfully issued by legally organized drainage or irrigation districts, or associations, not to exceed 75 per cent of the par value of such bonds; provided that 15 per cent in gold of the face value of such notes for circulation shall be held and maintained in reserve at all times for the redemption of such notes; and provided further, that any State may, by legislative enactment, authorize such notes for circulation by any person, firm, association, corporation, State bank, or State banking association upon any staple product of the farm, field, or mine when the same shall have been fully insured against fire or deterioration in value or loss; provided further, that there is held and maintained in reserve at all times 15 per cent in gold of the face value of such notes for redemption of the same, and that such notes as herein authorized shall be exempt from all taxes and penalties otherwise prescribed by the act of February 8, 1875.

It can be readily seen by this action on the part of Congress that States that now suffer from a lack of circulation, such as Oklahoma and Texas and other Southern and Western States, could relieve themselves of their present calamity in business with a currency that would circulate only within the State and business would proceed and the country would soon be rehabilitated. Although I am unwilling to assume the rôle of a prophet and proclaim, as has been said by champions of other banking systems, that we would never have another panic, I am certain that the poor and undeveloped regions of this country under this system would be given a fair and equal opportunity to grow and develop and their people enjoy the share of the prosperity of the Nation to which they are entitled. [Applause.]

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. CELLER]. [Applause.]

Mr. CELLER. Mr. Chairman, undoubtedly our present economic plight and difficulty is traceable, mainly, to the World War, which destroyed the European balance of trade and credit, and transformed us, an erstwhile debtor nation, into a creditor nation. As a debtor nation we enjoyed a very active, lucrative export trade with countries the world over. This trade, resulting as it did in an inflation of real-estate values and commodity prices, caused also an expansion in agriculture and finance. We exported vast quantities of cotton, wheat, lumber, as well as many other commodities, and with these exports we paid the debts we owed abroad.

That is now all passed; we have become a creditor nation, owing no one any money, and with practically all the nations owing us money. These debtor nations do not, however, come to our ports for our surplus cotton, wheat, lumber, and manufactured products, since they have not the wherewithal to pay for same. This state of affairs can be remedied in one of two ways—either by our loaning these nations the money with which to purchase our products or by our taking their goods and articles in exchange for our own.

We have loaned these nations approximately two billions of dollars, and we can not loan them any more. In fact, our people have no more money to invest in foreign securities. On the other hand, Europe is unable to pay us in world goods, since we have put up so high a tariff rate and barrier that it is well-nigh impossible for them to send us their goods.

It is fundamental that to sell abroad you must buy abroad. The Secretary of Commerce, Mr. Lamont, in his annual report shows this most readily by the figures of the American foreign trade, taken for the years 1910-1914; then for

the postwar period, 1922–1926; and then for the period of the depression up to June 30, 1931.

These records indicate that during the pre-war period, when our exports were twice the amount of our exports of the postwar years, our imports during the former period were similarly twice the amount of those during the latter period. Furthermore during the depression period, when our exports fell off about one-third, our imports fell off about one-third. In other words, during these several periods of time our imports practically balanced our exports and our exports practically balanced our imports, all of which gives further proof of the inescapable truth that selling and buying compensate each other. And so I repeat, to export we must import, and to import we must export. Even Mr. Hoover realized this, for in 1921, when he was Secretary of Commerce and when the economic and industrial conditions in this country and abroad were still chaotic as a result of the lack of economic recovery from the war, he made a notable address at the National Shoe and Leather Exposition, and there stated these vital truths about foreign trade:

I may say in passing that our whole standard of living greatly depends upon our imports, and our exports are the great balance wheel for our productions. Exports are vital to the stabilization of our industries, of price levels, of wages, and of employment. While many of the causes of the present depression lie within our own borders, yet there may be no recovery from these hard times for many years to come if we neglect our economic relations abroad.

Those words, my good friends, were uttered in 1921. Mr. Hoover was not then President, and the views of high protectionism had not then had time to have their deadly effect on him. He sang an entirely different tune when he signed the Hawley-Smoot tariff bill, which not only imposed enormous burdens on our consumers but also reduced our trade within 17 months after its passage $5,326,000,000. This was an inevitable result, since with high rates Europe could not ship goods to us and, correspondingly, could not buy from us. Thus in a recent report submitted by the Committee on Ways and Means we find the following:

That this widespread depression has been aggravated by the high and, in many instances, prohibitive rates of the tariff act of 1930 can not be successfully denied. The foreign and domestic trade data furnished by the statistical division of the Department of Commerce on January 7, 1932, recites that for 17 months prior to July 1, 1930, our exports were $6,829,000,000; for the same period our imports were $5,766,000,000; our total exports and imports were $12,595,000,000.

The tariff act of 1930 was approved June 17, 1930.

For 17 months since July 1, 1930, our exports have decreased from $6,829,000,000 to $4,007,000,000. During the same period our imports have decreased from $5,766,000,000 to $3,262,000,000 and our total exports and imports have decreased from $12,595,000,000 to $7,269,000,000, making a total decrease of exports and imports for 17 months after the passage of the tariff act of June 17, 1930, of $5,326,000,000.

This has resulted in the accumulation of huge surpluses of both manufactured articles and agricultural commodities for which there is no market.

It is, indeed, pertinent to ask what Mr. Hoover has done to improve our economic relations abroad; what has he done to increase the amount of goods imported from abroad, to enable the foreign nations to buy more from us? It is pertinent to say, in answer, that he has done his level best to destroy our economic relations abroad and to hamper and hinder the freedom of trade and intercourse with other nations, by his espousal of the Hawley-Smoot tariff bill, and of anything else that calls for the highest kind of protection.

We may further inquire as to what plan, if any, has the administration devised to get rid of our excess products—60 per cent in cotton, 255 per cent in wheat, 535 per cent in rye, 405 per cent in tobacco, 305 per cent in lard, 30 to 35 per cent in petroleum. These surpluses must be sold abroad if business is to revive; yet they simply can not be marketed, because most of the nations are incensed by our extortionist tariff, and have therefore set up their own high tariff barriers.

Thus, our automobile companies, making a half million cars per year for export purposes, our petroleum, leather goods, textile and cotton industries, our electrical-appliances manufacturers, paint, hosiery, and many other industries, looking for wide markets to sell their wares, now find themselves confronted with retaliatory tariffs everywhere. Our tariff walls beget other tariff walls; the channels of trade become blocked; business assets become frozen. Surely some statesman, some national figure—it ought to be Mr. Hoover—should come forward with a plan to open up these channels of trade and thaw out the frozen conditions of world commerce.

About a week ago a very significant article appeared in the metropolitan press. Quoting from that article, we find:

The British Government's imposition of a general tariff, coming within a fortnight, will be followed by a bold and far-reaching attempt to bring down the tariff walls against British goods all over the world.

The Government contemplates not only a tariff of give and take with the Dominions, but will try to win preferential entry for British products into all the so-called "sterling" countries which followed Britain in going off the gold standard.

It will begin with Denmark and Argentina, which are more closely bound to Britain economically than some of the Dominions themselves. Ultimately it is hoped Holland, Sweden, Norway, Egypt, and others will come into the scheme.

A significant hint came to-day from J. H. Thomas, Secretary of State for the Dominions, that the Government would open discussions with foreign countries even before the opening of the Dominions conference at Ottawa in July. Mr. Thomas promised there would be "no negotiations that would prejudice free and unfettered negotiations at Ottawa," but left the door open for immediate talks with the countries outside of the British Empire which come wihin Britain's economic orbit.

In effect, these discussions will mark the beginning of a powerful drive against most-favored-nation treaties everywhere. Under existing commercial treaties the products of the high tariff of the United States are admitted into Argentina and Scandinavia on exactly the same terms as the goods of the low tariff of Britain.

After the new British tariff is imposed, and its imposition by the end of next week is regarded as likely, invitations will be issued to foreign countries to come in under the British tariff wall if they grant corresponding favors to British goods in their own markets.

* * * In the case of Argentina it will be an invitation, backed by a weapon of tariff, to transfer her purchases of manufactured goods from the United States to Britain.

Overtures have thus been made—and they have undoubtedly been made through diplomatic channels—for our country to negotiate some sort of tariff reciprocity with England. But up to this hour we have heard nothing from the White House or from the administration in this regard. And in the meanwhile the new British tariff bears heavier and heavier on our exports. Forty-six per cent of our annual exports will have to pay new duties under the general levy of a 10 per cent increase on practically all American-made goods and commodities, effective March 1, 1932. This 10 per cent increase will be paid by 46 per cent of America's annual sales to England, which in 1930 was equal to $672,-181,000. (Legislative reference service, Library of Congress.)

By a specific provision of Parliament the Dominions of Great Britain are exempt from the application of the new 10 per cent law. At the imperial conference, to be held next July at Ottawa, the question of the preferential treatment of empire-made products, to and from the dominions, will be discussed. Under ordinary conditions, a 10 per cent increase in England on American-made goods might invoke no difficulty; but since England is off the gold standard, the purchasers of American exports in England are required to pay substantially more for American products, in terms of depreciated sterling than they would have been required to pay if England were on the gold standard. Add to this the increase of 10 per cent, the inflated commodity prices caused by debased English currency, and you strike confusion in the hearts of the American exporters to England. Furthermore, a thoroughly chauvinistic policy, going, as it does, hand in hand with our high protective tariff, has intensified the campaign, now rampant in England, of buying only British-made goods.

There is, moreover, another disastrous effect of our high-tariff policy that must not be lost sight of, and that is the veritable flight of American industries to Canada and Europe. In their endeavor to escape the devastating effects of the retaliatory tariffs of England and Canada, American industries have been erecting plants in foreign lands. Nor

can we censor them for this; for they must do business and must have an outlet for their capital, and since we discourage the operation of their plants here, they go abroad.

According to Dr. James Harvey Rogers, of Yale, the expatriation of American industry has been rapid and devastating as the result of our tariffs. By the end of 1929 American investments in factories abroad reached $1,813,000,000. Approximately 45 per cent of this sum was invested in Canada, 35 per cent in Europe, and the rest in Latin America and Asia.

Some 1,500 plants, American except for American pay rolls and American raw materials, now operate in Canada. In Europe there are 453 American branch factories employing European workers, while millions of American workers roam the streets. As pointed out by Doctor Rogers, to escape retaliatory foreign tariffs provoked by the Hawley-Smoot law, our industrialists moved their plants in under the foreign walls.

In this migratory movement, to the stimulus of foreign tariff barriers is apparently added that of our own—

Writes Doctor Rogers in his book, America Weighs Her Gold—

Thus, because of our own tariff walls and because of others largely provoked by our own, the resulting handicaps to our export trade are leading to the export of our industries themselves; and, in general, it is our most progressive industries which are first to find this avenue of escape.

Furthermore, in migrating they are carrying with them not only American machinery, American technique, American executive ability, but what to many appears vastly more important, no uncertain part of American buying of raw materials and supplies and of American wage-paying ability. These are losses that never can be recovered.

As yet, as far as I can discover, no responsible person in the administration has seized upon the handle offered by Great Britain. Her invitation to discuss reciprocal tariff pacts should undoubtedly be accepted; the opportunity to increase our trade, at least with Great Britain, should unquestionably be embraced.

In this connection I wish now to read House Concurrent Resolution 11, which I offered under date of January 18, 1932:

That for the purpose of further readjusting the duties on importations into the United States of article or articles the growth, product, or manufacture of the Dominion of Canada, and of the exportation into the Dominion of Canada of article or articles the growth, product, or manufacture of the United States, the President of the United States is authorized and requested to negotiate trade agreements with the Dominion of Canada wherein mutual concessions are made looking toward freer trade relations and the further reciprocal expansion of trade and commerce: *Provided, however,* That said trade agreements, before becoming operative, shall be submitted to the Congress of the United States for ratification or rejection.

The words of this resolution are identical with the words of a resolution adopted by this very House and sponsored by the late Oscar W. Underwood, a very distinguished Member of this body, who then presided as majority leader. In the passage of this measure he had the whole-hearted support of the people of the United States and of the then President of the United States, Mr. Taft, a firm believer in reciprocity, who exemplified rare statesmanship in crystallizing public opinion in this country in favor of Canadian reciprocity.

At this point I wish to offer a copy of a letter dealing with Canadian-American reciprocity, which I sent to the President under date of October 21, 1931:

OCTOBER 21, 1931.

Hon. HERBERT HOOVER,
President of the United States,
Washington, D. C.

DEAR MR. PRESIDENT: I herewith submit to you certain figures of which you are undoubtedly aware. They indicate the total values of imports and domestic exports of merchandise into and from the United States in its trade with Canada, by monthly periods, from January, 1929, to August, 1931, inclusive.

Imports

	1929	1930	1931
	Dollars	*Dollars*	*Dollars*
January	42,053,279	37,396,672	23,467,872
February	36,981,102	33,289,278	21,304,561
March	39,938,029	38,436,610	24,151,945

Imports—Continued

	1929	1930	1931
	Dollars	*Dollars*	*Dollars*
April	40,394,782	36,364,727	23,781,668
May	44,330,153	37,396,573	24,045,080
June	44,315,288	36,522,094	22,992,434
July	44,101,233	30,341,009	22,348,189
August	43,760,209	29,279,842	20,529,330
September	42,256,553	32,522,475	
October	46,073,000	34,336,077	
November	42,455,621	30,309,575	
December	36,836,997	26,155,348	
Total	503,496,245	402,350,290	

Domestic exports

	1929	1930	1931
	Dollars	*Dollars*	*Dollars*
January	66,531,417	50,721,870	31,966,882
February	66,951,912	54,254,052	33,511,759
March	85,680,408	62,579,353	39,634,381
April	87,446,018	61,060,793	42,980,821
May	93,491,232	66,316,837	39,862,104
June	76,434,730	57,060,631	33,383,502
July	75,863,775	52,898,871	31,449,980
August	73,400,978	52,066,019	29,119,561
September	77,456,825	50,264,773	
October	80,663,078	47,081,498	
November	64,187,050	40,222,599	
December	54,006,621	33,283,891	
Total	902,144,044	627,811,187	

From these figures it is readily discernible that our trade with Canada has suffered a decided and impressive decline, both as to exports and imports. Whatever can be done to improve this situation should not be left undone. Surely increased trade between ourselves and our neighbors to the north, while it would not wholly solve the economic difficulties under which we now labor, nevertheless would appreciably improve conditions. We have unquestionably come to a parting of the ways. We must determine whether high tariff walls shall isolate us permanently from Canadian markets or whether we shall lower these walls and again become good commercial friends.

Your distinguished predecessor, the late William Howard Taft, in his annual message to Congress of December 6, 1910, and also in his special message of January 26, 1911, voiced sentiments and observations relative to reciprocity with Canada which are just as potent to-day as when they were first uttered. In these messages he called the attention of Congress to the important fact that reciprocal trade agreements had been reached between our Secretary of State and the representatives of the Dominion Government, and that congressional action was now necessary. He also stated that the controversies resulting from the uncertainties which attended the partition of British territory on the American continent at the close of the Revolution had been eliminated by arbitration or by contract negotiations. These disputes related to the settlement of boundaries, the definition of rights of navigation, transportation rights on both sides of the border, Atlantic fishing rights, and the interpretation of treaties. He held that a path was thus opened for the improvement of commercial relations, and that to improve the commercial well-being of the two nations it was essential that Congress should approve reciprocal tariff arrangements.

Unfortunately the farseeing efforts of President Taft proved unavailing, and the trade and commercial breach between Canada and the United States has widened ever since. We have built our tariff walls higher and higher, and the Canadians have responded in kind. Thus, we stand behind our high tariff walls with folded arms while Canada stands behind hers and thumbs her nose at us. Meanwhile business comes to a standstill.

Surely, Mr. President, the identity of interests of the American and Canadian markets, linked together as these nations are by race, language, political institutions, close blood relationships, and common sympathies, as well as geographical proximity, requires a reconsideration of this question of Canadian reciprocity! The rigors of the dreadful depression which has settled alike upon Canada and the United States would certainly be somewhat assauged by freer commercial intercourse. Canada touches our borders for 3,000 miles; her natural resources are similar to ours; the conditions of her wage earners are like ours; her farmers suffer as our farmers suffer. There have never been two countries so alike. The difference between the United States and Canada is only the difference that exists between any two of our States. Lowering the tariff barriers between the two countries, as President Taft so ably stated, "is not a violation of the protective principle, as that has been authoritatively announced by those who uphold it, because that principle does not call for a tariff between this country and one whose conditions as to population, production, and wages are so like ours, and when a common boundary line of 3,000 miles must in itself make a radical distinction between our commercial treatment of Canada and of any other country."

May I not, therefore, Mr. President, prevail upon you to open negotiations to the end that there may be adopted between this

country and Canada a sort of zollverein or customs union, so that the reciprocity agitated for so long a period may become finally a reality.

Our citizens are well aware that you are patiently and painstakingly endeavoring to relieve the country of its economic suffering. I personally applaud your desire to have the banks of the nation pool their interests so that the weaker financial institutions may continue to function. I cherish the hope also that the ideal of Canadian reciprocity may likewise be embraced by you and find a place in your program of constructive relief.

Respectfully yours,

EMANUEL CELLER,
Representative Tenth New York District.

No action was, however, taken upon my letter. But in an endeavor to follow it up I addressed another letter to the Premier of Canada, R. B. Bennett, under date of November 5, 1931, dealing with the same subject:

NOVEMBER 5, 1931.

The Hon. R. B. BENNETT,
Premier of the Dominion of Canada,
Ottawa, Canada.

MY DEAR MR. BENNETT: In my capacity as a citizen of the United States, rather than as a Member of the House of Representatives of the United States, I desire to acquaint you with the growing sentiment in the United States for a rapprochement between this country and the Dominion of Canada to the end that there may be readopted what is commonly known as Canadian reciprocity.

As you know, to create closer commercial relations between the two countries a reciprocity treaty was negotiated way back in 1854, and was in actual successful operation from 1855 to March 16, 1866, 11 years. Under that treaty, Canada became second only to Great Britain in foreign trade with the United States. This reciprocal arrangement largely contributed to the very considerable growth of trade in both countries.

Unfortunately, differences arose as a result of our Civil War. In 1864 the American Congress demanded abrogation of the treaty. Two years later, as such period of notice was required under the treaty, the arrangement came to an end.

In 1911, President Taft, despite opposition, was enabled, with the help of a Democratic Congress, to again pass a law providing for reciprocity with Canada. The Canadian Parliament, however, withheld ratification of the treaty embodying the bill. Your distinguished predecessor, Sir Wilfred Laurier, went down to defeat on that issue.

Much water has gone over the dam since then, and I believe that trade relations between the United States and Canada have reached a critical stage. We face two alternatives: Either higher tariffs and less trade, or lower tariffs, by reciprocity or otherwise, and more trade.

There are many in this country who deplored the passage of the Hawley-Smoot tariff bill. They deplored the irritation that it was bound to cause the inhabitants of your fine country. They realized, furthermore, that the high tariff provided for in that bill was bound to cause retaliation. They knew that your people would not offer passive resistance, but, on the contrary, would offer active resistance to this tariff. As extremely important buyers of our American products, you are in a position of strength to bargain for better terms elsewhere if you can not get them from us. Conversely the same holds true for us. You buy from us in large quantities autos, gasoline, farm implements and machinery, cotton, tobacco, iron and steel products, radios, musical instruments, and all kinds of fruit and vegetables. America needs your forest products—nickel, asbestos, zinc, lead, silver, copper, and gold. You need our tourist trade, which yields you over $300,000,000 annually. Reciprocity between the two countries would tremendously increase mutual trade in mutual markets.

Your first reaction against the Hawley-Smoot tariff was the so-called "Dunning Budget," which went into effect May 1, 1930. Mr. C. A. Dunning, Liberal Minister of Finance, put through the most extensive tariff revision in the country, I believe, since 1907. The increases were directly aimed against American goods. As a result of your recent election you, Mr. Bennett, pledged yourself to a revision of tariff upward. On August 26 last your government took action against more American goods. Duties now, for example, on apples, onions, peaches, peas, tomatoes, etc., are wellnigh prohibitive. These increased Canadian duties are bound to have their further repercussions in the United States and may well give rise to further retaliation on our side of the border. Where will it all end?

Canada buys and sells more to the United States than to any other country, and the United States buys and sells more to Canada than to any other country. This trade would admittedly be far greater if there were no tariff barriers or if tariff barriers were reduced. North America is really a complete economic unit: Canada is the northern half, the United States the southern half, with the same language, habits, customs, and culture uniting them. Your radio broadcasts are heard by millions of Americans. Our "talkies" are seen and heard by millions of your people. The same newspapers, magazines, and books freely circulate on both sides of our boundary line. The 3,000 miles of border boasts of no gendarme or soldiering. There never have been two countries so alike. The differences between us are of the same nature as those between any two of our own States. As was pointed out by Alex Skelton in a recent article in The Nation, the following tables show exports of Canadian agricultural products to the United States 10 years ago, when the tariff rates were relatively low, as compared with to-day, when the Hawley-Smoot tariff has reached its pinnacle. You will note the decided loss to your people.

Exports from Canada to United States of principal farm products and United States tariff rates in force for 12 months ended June, 1921, and June, 1931

	Exports value June, 1921	12 months to June, 1931	Tariff rates in force	
			1921	1931
Cattle	$21,240,000	$764,000	Free	Under 700 pounds, 2½ cents per pound; over 700 pounds, 3 cents per pound.
Sheep	1,676,000	244	do	$3 per head.
Wheat	101,997,000	6,580,000	do	42 cents per bushel.
Flour	12,687,000	4,310	do	$1.04 per 100 pounds.
Beef	4,485,000	121,000	do	6 cents per pound.
Mutton	1,500,000	191	do	5 cents per pound (lamb, 7 cents per pound).
Butter	2,294,000	20,000	2½ cents per pound.	14 cents per pound.
Cream	2,087,000	1,348,800	Free	56.6 cents per gallon.
Flaxseed	5,045,000	1,088,000	20 cents per bushel.	65 cents per bushel.
Maple sugar	1,122,000	310,000	3 cents per pound.	8 cents per pound (now 4 cents per pound).
Wool	2,227,000	275,000	Free	24 to 37 cents per pound.

Statesmen in both countries must find the conclusion inescapable that the high tariff between the two countries has undoubtedly been detrimental to mutual trade. The official figures for the imports and exports in the first eight months of this current year as compared with the same period of the two preceding years show a very dangerous trend. The figures are as follows:

Jan. 1 to Aug. 31	Exports	Imports
1931	$293,000,000	$184,400,000
1930	480,500,000	289,000,000
1929	659,000,000	335,800,000

The depression can not be said to be responsible for all of this shrinkage. Indeed high tariff barriers have aggravated the depression which has descended upon Canada and the United States alike.

The floodgates of commerce between the two countries therefore should be opened and the waters of prosperity be permitted again to flow to all corners of Canada and the United States. There should be no vying for commercial supremacy by fomenting the trade disputes and rivalries that only retaliatory tariffs bring.

You have been elected upon a platform pledging you to a protective tariff, but lowering the tariff barriers between our countries, as our late President Taft so ably stated, "is not a violation of the protective principle, as that has been authoritatively announced by those who uphold it, because that principle does not call for a tariff between this country and one whose conditions as to population, production, and wages are so like ours, and when a common boundary line of 3,000 miles must, in itself, make a radical distinction between our commercial treatment of Canada and of any other country."

May I, therefore, cherish the hope, as an humble American citizen, that negotiations may be set afoot to the end that Canadian-American reciprocity will soon become fait accompli?

With assurances of highest esteem, I am, sincerely yours,

EMANUEL CELLER.

HOUSE OFFICE BUILDING,
Washington, D. C., United States of America.

At the present time there certainly is an opportunity for President Hoover to do as his predecessor, Mr. Taft, had done—bring about friendly trade relations with Canada and Great Britain. The President can now show of what metal his statesmanship is made.

Some of you may recall that I offered my House Concurrent Resolution 11 as an amendment to the recently passed H. R. 6662. An attempt was made by the gentleman from Georgia [Mr. CRISP] to strike it out on a point of order; but he quickly realized his mistake, withdrew his objection, and said that the amendment was quite germane to the bill and should be voted on. This proposed amendment came at the very end of the discussion on the tariff bill, H. R. 6662, close to the end of the day, when the Members were fatigued and anxious to wind up their labors. As a consequence, it

was probably lost in the shuffle; sufficient consideration was not given to it, and it failed of passage.

I do, indeed, hope that in the not far-distant future this House Concurrent Resolution 11, having for its purpose the reestablishment of Canadian reciprocity, will find favorable consideration at your hands.

It has been argued that a reciprocal treaty of this character, either with Canada, with Great Britain, or with any other nation, offends the favored-nation clauses of our divers treaties with various other countries. I have grave doubts as to this contention, since in two important decisions—Bartram against Robertson, reported in volume 122 of the United States Reports, at page 116, and Whitney against Robertson, to be found in volume 124 of those reports, page 190, the United States Supreme Court, in effect, has laid down the law that reciprocal trade treaties do not in any respect violate the favored-nation clauses which may be found in most of our commercial treaties.

The headnotes of these two cases I shall now read:

BARTRAM *v.* ROBERTSON

The provisions in the treaty of friendship, commerce, and navigation with the King of Denmark, concluded April 26, 1826, and revived by the convention of April 11, 1857, do not, by their own operation, authorize the importation, duty free, from Danish dominions, of articles made duty free by the convention of January 30, 1875, with the King of the Hawaiian Islands, but otherwise subject to duty by a law of Congress, the King of Denmark not having allowed to the United States the compensation for the concession which was allowed by the King of the Hawaiian Islands.

WHITNEY *v.* ROBERTSON

The treaty of February 8, 1867, with the Dominican Republic (art. 9) provides that "no higher or other duty shall be imposed on the importation into the United States of any article the growth, produce, or manufacture of the Dominican Republic, or of her fisheries, than are or shall be payable on the like articles the growth, produce, or manufacture of any foreign country or of its fisheries." The convention of January 30, 1875 with the King of the Hawaiian Islands provides for the importation into the United States, free of duty, of various articles, the produce and manufacture of those islands (among which were sugars) in consideration of certain concessions made by the King of the Hawaiian Islands to the United States. Held, that this provision in the treaty with the Dominican Republic did not authorize the admission into the United States, duty free, of similar sugars, the growth, produce, or manufacture of that Republic, as a consequence of the agreement made with the King of the Hawaiian Islands, and that there was no distinction in principle between this case and Bartram *v.* Robertson (122 U. S. 116).

Thus, my friends, we must state whether we are to continue or discontinue reciprocal commercial relations with Canada. Must we say that we have come to the parting of the ways, for we are, indeed, well on the road to that point where the ways, so far as Canadian trade is concerned, will, of necessity, part.

The figures which I set forth in my letter to the President indicate such a stupendous loss of exports and imports that we are indeed forced to pause and take heed. We set up a high tariff wall, and with the years that wall has been lifted higher and higher. A retaliatory tariff wall was thus set up by Canada against our products, and with the years that wall, too, has been lifted higher and higher. This so-called trade-protection inevitably breeds contempt; contempt breeds revenge; revenge may breed fear; and fear may breed war. This may sound somewhat far-fetched, but it certainly is within the realm of human possibility.

In any event, it is our duty to take this tariff question by the forelock and not only prevent these walls from going any higher, but, if possible, bring them down to a point where reciprocal relations with Canada will be resumed.

In a lecture recently delivered before the International Relations Study Club at Cornell University, Dr. James E. Boyle, professor of rural economy at that university, speaking on the subject of our trade relations with Canada, said:

Look, for instance, at foreign trade for a moment from Canada's standpoint. Take her 13 best customers in the two years, 1930 and 1931. The notable thing is the decline in the United States share of this trade. The decline is both sudden and violent, amounting as it does to 31 per cent in one year. Stated in the form of a table, the facts are as follows:

Canada's foreign trade with 13 leading customers (12 months ended March, 1930 and 1931)

[In millions of dollars]

	1930		1931	
	Imports	Exports	Imports	Exports
United States	847	515	584	350
United Kingdom	189	282	149	219
Germany	21	26	16	13
France	25	17	19	13
Japan	12	30	9	19
New Zealand	16	19	7	13
Argentina	10	19	7	10
Belgium	13	22	8	15
Netherlands	9	16	7	10
Australia	4	16	5	7
China	3	16	5	9
British India	9	9	8	7
Italy	5	11	5	14
Canada's total foreign trade, all countries	1,248	1,120	907	800

This table shows that for the period covered there was a slump of 28 per cent in Canada's total foreign trade, and a slump of 31 per cent in her trade with the United States. But since the period covered by these statistics ended in March, 1931, these figures do not show a full year of operation under the prohibitions of the Hawley-Smoot tariff of June, 1930. Statistics now available for the first nine months of 1931—January, 1932—show that the decline in United States trade with Canada is larger than 31 per cent. For this 9-month period—January to September, 1931—the decline in our exports to Canada was 39 per cent; our purchases from Canada, 34 per cent.

The flow of goods back and forth across the border, when not interrupted by artificial barriers such as tariffs, reflects the mutually advantageous investments by individuals of one country in the other, and the equally advantageous individual exchange of goods and services. So it came about naturally that citizens of the United States invested some three and a half billion dollars in Canada, while citizens of Canada invested $1,000,000,000 in the United States. It came about naturally that the merchandise trade between Canada and the United States was greater than that between any other two nations on the face of the globe. In normal times the tourists trade is also a big financial item; it is estimated that our visitors to Canada spend annually some $250,000,000 in that country. Visitors from Canada to the United States are supposed to spend in normal years about $100,000,000.

Unfortunately, in the last two years things have been happening, three things, in fact, which poison the relations between these two countries and which elevate to new and preposterous heights the 3,000 miles of tariff wall now separating them. These three malignant growths are the Hawley-Smoot tariff, the King-Dunning budget, and the Bennett tariff. These three measures are deliberate attempts to kill a large part of the commerce between these two neighbors. The philosophy back of these measures, if carried to its logical extreme, would lead to the following absurd conclusion:

1. It is best to keep your money at home—that is, in your own country.
2. It is best to keep your money in your own State (or province).
3. It is best to keep your money in your own town.
4. It is best to keep your money in your own pocket.
5. It is best to do no buying and selling but to draw your own water, hew your own wood, wash your own linen, and raise your own food.

And so, my friends, I maintain that the time has now arrived when this Congress, in cooperation with the President—if this is possible—should lend its efforts toward the establishing of firmer and improved trade conditions between the United States and Canada. This, we can readily see, will be the beginning of similar trade relations with other nations. England, as has been stated, is now making a bid for our trade—for better, freer, and friendlier trade relations with us. Other nations will follow this course.

I therefore do seriously hope that my words will meet with your favorable consideration. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. AYRES].

Mr. AYRES. Mr. Chairman, a tax of 2 and 4 cents per gallon levied upon foreign oil and gasoline imported into this country would not increase the price of such products to the consumer but would produce revenue.

On the first proposition, that it would increase the price of such products to the consumer, it might be well to call attention to the fact that this contention or argument does not by any means hold good in all cases. It can be shown that in many instances a tariff levied on foreign products imported into this country in competition with domestic

products of which this country has an ample supply, has not had the effect of increasing the price of the articles produced in this country. I will give below a few illustrations of this fact.

Commodity	Duty or excise tax levied	1929 price before recent tariff law	1931 average price
Potatoes	75 cents per hundredweight	2.27	1.52
Wool	24 cents per pound	32.7	20.5
Oats	16 cents per bushel	48.6	27.8
Cattle hides	10 per cent ad valorem	[1].118	[1].057

[1] Per pound.

And a striking illustration is wheat. We have had for the past year or so a tariff of 42 cents per bushel on wheat. Those of us from wheat States like Kansas know that this 42-cent tariff has not had the effect of increasing the price of wheat produced in Kansas, or, for that matter, anywhere else in the United States, 42 cents a bushel. The real reason, as has often been stated, is because the competition on wheat within the United States and the oversupply have prevented the price from going up in the amount of the tariff. In this connection I call attention to the statement made by Hon. Wirt Franklin, president of the Independent Petroleum Association of America, to the Ways and Means Committee last month. He said:

> As to the price of oil to the consumer (if this tax is put on in the United States) you can well depend upon the competition of the independent branch of the producing and refining industry to take care of the price and hold it down to reasonable levels. If you allow that independent branch to be destroyed, then you do not have any protection for the American consumer whatever.
>
> If these imported gasolines are a benefit to the consumer, why has not the price on the Atlantic seaboard for gasoline been less than it has been in the interior? They have held the price up to the very limit that it is possible to hold it, and that is well known, and the price has been just a little bit higher on the Atlantic seaboard, where they are buying foreign gasoline, than it has been in the interior.

It is also a well-known fact that notwithstanding the fact a few months ago crude oil was selling as low as 18 and 20 cents a barrel, the price of gasoline remained about the same as when it sold for more than $1 per barrel. And every driver of an automobile knows that the price of lubricating oil was not reduced one cent when the price of crude was reduced from $1.45 to 18 and 20 cents a barrel.

That this tax will produce revenue is shown by the report of the Tariff Commission. Congress created this Tariff Commission with power and authority to investigate, as has been done recently, to ascertain the difference in the cost of production of foreign and domestic petroleum and gasoline. That investigation and report has been made to Congress and shows conclusively that the average cost of production of foreign oil delivered to the Atlantic seaboard of the United States is 87 cents per barrel; that the sale value is $1.90 per barrel. Therefore, it can be seen that if a tax of 2 cents per gallon should be levied, which would amount to 84 cents per barrel, there being 42 gallons to the barrel, it would make the cost $1.71 per barrel. This would still leave a profit of 19 cents per barrel at the present selling price.

This same Tariff Commission report shows that the profit on the domestic crude delivered and refined at the Atlantic seaboard is 11 cents per barrel. Thus it can be seen that by levying a tax of 84 cents per barrel on imported oil we are still giving the foreign competitor of the American independent oil industry the best of it to the extent of 8 cents per barrel profit. To me it seems absurd for anyone who wants to be reasonable and fair to contend that, while the foreign oil importer can undersell the domestic producer at least 8 cents per barrel, that he will not take advantage of that and continue to import as he has heretofore. I can not believe that the Ways and Means Committee, or rather the men who constitute its personnel and who are working day after day searching for something to tax to produce revenue, can be made to believe the claims of those who solely from a selfish viewpoint contend that the proposed tax on foreign imports of oil and gasoline will not produce revenue.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. AYRES. Yes.

Mr. GOSS. In the figures the gentleman has given has he taken into account the difference in the tariff rates in several countries, due to the fact that they have gone off the gold standard?

Mr. AYRES. I have not.

Mr. GOSS. That would make it even greater, would it not?

Mr. AYRES. I should say it would, but I have not considered that question in connection with what I have been discussing.

Mr. GOSS. It would be still farther out of line with those countries that are off the gold standard.

Mr. AYRES. No doubt the gentleman is correct in his statement.

In 1930 there was imported into the United States 62,129,419 barrels of oil of 42 gallons each, or 2,619,435,598 gallons. A 2-cent tax on that oil would have produced revenue of $52,188,711.96. In that same year there was imported 26,080,383 barrels of fuel oil, or 1,095,375,986 gallons. A 2 cents per gallon tax on that oil would have provided a revenue of $21,907,519.72. There was also imported into this country in 1930, 16,926,800 barrels of gasoline or 710,925,600 gallons. A tax of 4 cents per gallon would have provided a revenue of $28,437,024. There was also imported in 1930, 24,782 barrels of lubricating oil or 948,567 gallons. A tax of 4 cents per gallon would have provided revenue of $37,943.04. There are a few more refined products of petroleum imported but I am calling attention to the major items only, which alone would produce a revenue of $102,571,198.72 on the basis of the 1930 importations.

It seems that anyone who wants to be fair would not contend for a moment that a tax as suggested would stop the importation of foreign oil and its refined products, but that there will be just as much imported in the future as has been in the past. And it would seem that this substantial amount of revenue would be advantageous at this particular time.

Even if we should assume that the great oil importers are correct in their utterly undocumented assertion that a tariff or an excise tax would prevent the entrance of foreign oil and therefore not be productive of any revenue from duties, the net result would be the same. The revival of the American petroleum industry would restore lost sources of Federal taxation increasing the receipts from corporation taxes, income taxes, and so forth. At a time when we are seeking for potential sources of revenue we can not afford to ignore the tax-producing possibilities in this restoration of one of our basic industries which formerly paid large sums into the Federal Treasury, but which for the past few years has been the source of practically no revenue or greatly decreased revenue.

The Revenue Department reports show that the Federal Government collected $1,018,911,438 less tax in the fiscal year 1931 than in 1930; and that this decrease is due in the main to a falling off of income taxes, which in amount was $964,932,926.81. In my own State of Kansas there was more than $6,000,000 less income taxes paid last year than in 1927. This is due almost wholly to the fact that the oil producers of that State who have heretofore been heavy contributors to the Federal Government by the payment of income taxes, pay nothing now. What I have said regarding Kansas is true even in a more pronounced degree in other States in the mid-continent oil fields.

The friends of the oil producers of this country have shown the Ways and Means Committee, the members of which committee are striving to the breaking point to balance the Budget, by undisputed evidence a source of revenue of anywhere from $90,000,000 to $100,000,000 without injury to any industry of the United States, and which would at

the same time save from utter destruction the third greatest industry of the Nation. This is far better than to put another tax on gasoline, already overtaxed in many instances by many States and cities; or by putting a tax on every check and theater ticket and many other small revenue-producing nuisance taxes.

No one can claim that the American petroleum industry is asking for an unfair advantage over even its foreign competitors. It is asking less than it should be entitled to receive. It is conceding to its business rivals nearly double the amount of profit which is possible for the American industry to receive, as shown by the recent report of the Tariff Commission.

In spite of this handicap, which the American petroleum industry appears to be very willing to accept, there is every certainty that with even this degree of protection, confidence would be restored in our great oil-producing States, with the employment of hundreds of thousands of men, resulting in the renewed purchasing power of the residents in these States west of the Mississippi, and the consequent effect upon the demand for products from our industrial sections, the increased freight shipments, the reemployment of large numbers of men who are either the recipients of public charity or are approaching the time when they must be candidates for alms, unless some such step as this is taken for the revival of American prosperity. Then why not provide this revenue and at the same time give this protection to an American industry? [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield now to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, a well-organized movement seems to be on foot to bring about a radical change in administration and method of procedure in the improvement of our ports and other navigable waters. For more than 100 years this work has been carried on by the Corps of Engineers of the Army. It is now proposed to create a new department or Government agency of some kind to have supervision over it.

Congress should consider the matter very carefully before taking such a step. It is thought by many that we now have more governmental departments and bureaus than is consistent with the public good. Every agency of this kind, with its salaried officials and army of employees, only adds to the cost of government, already enormous and fast approaching the point of saturation.

Instead of creating additional and expensive governmental agencies, we should be exerting ourselves in an effort to dispense, if possible, with some of those we already have. Certainly no additional bureaus or commissions should be established at this time except possibly such as may be absolutely necessary in the program of relief from financial distress. Agencies for that purpose should be temporary only and should be abolished upon the return of normal conditions.

Aside from adding to the evils of bureaucracy by setting up a new and additional governmental department or commission, it is also a reasonable certainty that such an agency would also prove far less efficient than the system we now have.

A similar proposition was attempted in the construction of the Panama Canal. After Shonts, Wallace, and Stevens, all men of superior qualifications, had given up the job in disgust, Goethals, the Army engineer, was placed in charge. President Roosevelt soon found it necessary to issue an order to protect him from interference by the commission. The result is well known. The work was pushed to completion systematically in less time and at less cost than estimated.

The Board of Engineers, as we now have it, was created by the act of Congress of June 13, 1902. Its principal promoter and author was the late Theodore E. Burton, doubtless our foremost waterway authority. The efficiency of this service has been a monument to Mr. Burton. Prior to the creation of this board there was not sufficient uniformity in waterway improvements. Congress acted upon the report of the district engineer, which was usually transmitted by the Chief of Engineers, but without comment or recommendation. One district engineer might recommend a project, while another district engineer from another section might disapprove a project having more merit than the one recommended. There was no central board or authority to secure uniformity. That object has been accomplished through the board in that it is required to review all proposed improvements.

During the three decades of its operation our ports and inland waters are fast being brought to a standard of perfection unequaled in any other country in the world. Waterway improvements have been divorced from partisan politics and each project is considered scientifically upon its merits. Such measures are no longer referred to as the "pork barrel," but have been placed upon a higher plane, where they have the confidence and approval of the American people.

I include the following from the report on the river and harbor appropriation bill of March 10, 1902, by Theodore E. Burton, chairman of the Committee on Rivers and Harbors at that time:

Section 3 provides for the organization, in the office of the Chief of Engineers, of a board of five Engineer officers, whose duty it shall be to examine the reports upon examinations and surveys ordered by Congress, and submit recommendations thereon. Also to examine, either of their own accord or upon request transmitted to the Chief of Engineers by the Committee on Rivers and Harbors of the House of Representatives, or the Committee on Commerce of the Senate, projects heretofore adopted. The object sought by the creation of this board is to secure greater uniformity in the recommendations and reports relating to various projects in the country, and the examination of existing projects the further prosecution of which is considered questionable.

As already stated, the total estimated cost of river and harbor improvements for which estimates have heretofore been made exceeds $300,000,000. It is evident that the prosecution of many of these improvements must be postponed for a long time or they must be rejected altogether. Under the present system, local engineers make recommendations as to improvements. Some of their reports—namely, those made by officers of a rank lower than that of lieutenant colonel—are submitted to a division engineer, who transmits them to the Chief of Engineers; others are transmitted directly. These engineers are located in different portions of the country, and each acts in making recommendations according to his own standard of the merits of the projects. An examination of their reports shows a marked absence of uniformity. It is thought that the organization of the board provided for will secure greater fairness to all localities and tend to exclude from consideration unworthy projects.

The following is an extract from the speech delivered by Mr. Burton on March 17, 1902, with reference to the above section:

Section 3 provides for a board of engineers, five in number, who shall review all projects examined by the local engineers. This subject was considered at considerable length during the discussions upon the bill last winter. The recommendations upon which items are included in this bill come now directly from those having the rank of lieutenant colonel, or a higher rank, to the Chief of Engineers. Those having a lower rank than that of lieutenant colonel transmit them to the division engineer, who then transmits them to the Chief of Engineers, with his approval or disapproval, then the Secretary of War transmits them to Congress.

The result is just what naturally would be expected. Each engineer has his own standard of the desirability of the work upon which he is called to report, and there comes to Congress and the committee a variety of opinions. It often occurs that an improvement of a certain quality, which will cost, say, $100,000, is recommended. Another report comes from another engineer more conservative in his disposition upon an improvement costing $25,000, which in fact is more beneficial, and yet he gives an adverse report upon it.

It is true that to an extent we can decide upon these reports and recognize the different standards adopted; but it is very desirable that a uniform standard should be adopted by the executive department, and that a board of engineers, five in number, familiar with all the works in the country, should review them before they are sent to Congress. There is also a provision in this section to the effect that the Committee on Commerce of the Senate and the Committee on Rivers and Harbors of the House can call upon this board for a report upon any project already adopted. Occasionally there is a project upon which we are very doubtful and it seems desirable to have an expert opinion upon it.

Following is an editorial from the Duluth (Minn.) Herald of January 22, 1932:

[From the Duluth (Minn.) Herald, January 22, 1932]

KEEP THE ARMY ENGINEERS ON THE JOB

There is a bill before Congress taking river and harbor work out of the control of the Army Engineer Corps and putting it under the newly created Federal Board of Public Works.

* * * * * * *

But there is something in this situation that is stronger than mere logic, and that is the way the Army engineers have handled this work. In all the long history of river and harbor work under the flower of United States Army which is assembled in the Army Engineer Corps with its high standards, its noble traditions, and its freedom from politics, there is not, so far as we know, even the faintest suspicion of the graft and disorder and waste that all too commonly are associated with civilian handling of public works.

Indeed, if all public operations were handled as well as those for which the Army engineers are responsible, the case against Government ownership and operation would be nowhere near so strong as it is now.

In the face of this splendid record, it would be a grave mistake to remove this very important work from the Army and to turn it over to any political agency.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. FIESINGER. Would the gentleman be willing to add this to his speech? It is a statement in a letter from Mr. Malia, secretary of the Great Lakes Harbors Association:

This public works administrator can, if he desires, call on the engineers for terms not exceeding two years. The result of the transfer of all this work to civilians would subject it to political pressure and control.

Now, while the corps may have worn a high hat in the past, and even if they have said "no" to me several times, they have always convinced me of their complete fairness, and I am certain that their system is correct. Any move to change it will result in a fight from me. As I see it, lake cities will stand to take an awful trimming if this work ever gets into the political field. We are bad enough off now, but the new plan would be ruinous.

Mr. MANSFIELD. I am glad to have that included in my remarks.

Waterway legislation now has more safeguards thrown around it than any other class of legislation with which Congress has to deal. I shall not attempt to describe the course of procedure that prevails. For that purpose I yield to one who certainly had no superior as a legislative authority. It was most appropriately described by the late James R. Mann in a speech in the House on January 22, 1917, as follows:

Mr. MANN. Mr. Chairman, I shall not vote for this river and harbor bill, although that decision is entirely apart from the merits of the bill. I shall not vote for it because I think that we could do without an annual river and harbor bill in the present state of the Treasury. I shall take the time, however, to make a very slight statement, which I may not have time to complete, with reference to the formation of a river and harbor bill. There have been a great many suggestions made at different times. Whatever men may think about the merits of particular propositions in a bill, there is no legislation which comes before Congress which is so critically scanned by experts as are the river and harbor bills before they reach the House. In the first place, the War Department itself can not institute any recommendation upon its own motion. It is the only branch of the Government that is not permitted to do so. The Executive can not order the War Department to make a report or an estimate or a recommendation to Congress in reference to a river and harbor improvement. You can not reach the War Department through political influence exercised upon the President or the Secretary of War. A provision in the river and harbor bill begins with an item for a survey, and under the law the engineers can not make a survey until as experts they have made an examination as to the probable economy of the improvement, the use that will be made of it, and the benefit that it will be to the shipping industry and to the public.

The Board of Engineers of the United States Army are selected men from West Point who hold their office for life or for good behavior if they do their work. They are the least subject to political influence of anybody in the United States by reason of their position. They can not go to the political activities which exist in the War Department with reference to promotions, because all of their promotions are automatic except as to the Chief of Engineers. When we determine by reason of the activity of a Member of Congress representing his constituents to ask that board to make an examination, they have to first determine whether it will be a profitable adventure if entered upon, and then they are permitted to make an estimate of the cost and present the project to the House. The House itself can not order them to do this. It could at one time by a resolution. The Senate itself can not order them to do this. It is the only case in the Government service where the House can not by resolution ask Government officers to render a service, or where the Senate can not by a resolution ask Government officers to render a service. After they make their estimate, made by the local engineer aided by a civilian engineer working under him, also permanently employed, they have to go through the form—in many ceases it is a form, though in some cases it is the real thing—of having the report pass through the district engineer and the engineer of the enlarged district, whose title I do not now remember. Then the matter goes before the Board of Engineers. Then it comes before the Chief of Engineers. Then it comes before the Committee on Rivers and Harbors. There are more processes involved and far more expert men, wholly disinterested, unbiased, uncontrolled by politics in reference to a river and harbor item than any other legislation provided by any legislative assembly in the world.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPARKMAN. I yield three minutes more to the gentleman from Illinois.

Mr. MANN. Now, Mr. Chairman, the river and harbor bill comes to the House. We call it a pork-barrel bill. It is in the sense that term is used. It comes to the House as an omnibus bill, with the items bunched together. If we had a thousand hours in the day and a thousand days in the year and could sit here all the time, possibly, but not probably, we might consider those items by themselves. It is never practicable to pass river and harbor items as separate bills, and with some experience in the House I venture to say that if the river and harbor items were introduced as separate bills by Members from their various districts, with those Members pulling and hauling, with the personal influence upon the committee, there would be more bad projects reported by that system than are reported now, because the committee then would say: "Oh, the items come up by themselves; the responsibility is not upon us; the responsibility is upon the House." It is an easy question to cite the Claims Committee of the House, a good committee, which has done excellent work, but which reports more bad bills through personal solicitation than all the other committees of the House combined, because they are separate bills. Pulling and hauling is what gets it. If we should make a lump-sum appropriation to the War Department, it would not benefit things at all, because half the scanning will be taken away. We do not provide for river and harbor bills until they have passed the War Department. Then they have to pass the Committee on Rivers and Harbors, they have to pass the House and Senate, though I do not know that that is very much under the circumstances, and the giving of a lump sum would only make it worse. But to let the Secretary of the Interior, the Secretary of Agriculture, the Secretary of War, and one other Secretary, as provided in this bill, select some chief clerk there or some high-priced clerk, wholly subject to political influence, wholly under the control of a superior officer, holding a tenure of office at the will of the man above him, without training, without expertness, for them to pass upon the methods now in existence of determining these things by the War Department would be to ask an ignorant man to judge of the literary ability of a distinguished scholar. What is the use?

[Applause.]

Mr. SHREVE. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Chairman, I regard it as my public duty not only to this House but to the country to review at this time the facts in the criminal case of the notorious Bishop James Cannon, jr.

Found guilty by the unanimous findings of a Senate investigating committee of violation of the Federal corrupt practices act in the presidential campaign of 1928, as I had charged, and indicted by a Federal grand jury last October, Bishop Cannon, according to the press, apparently will escape confinement at the Federal penitentiary at Atlanta by employing the same methods invoked by notorious gunmen and professional criminals, namely, by making a technical objection to the criminal indictment. The sum total of his objection to the indictment, which was sustained by the court, was that it did not allege as a fact that Miss Burroughs, treasurer of the political committee of which Bishop Cannon was chairman, a former secretary and employee of the bishop, knew that Bishop Cannon had received from E. C. Jameson the funds which were not reported under the Federal corrupt practices act. It is unusual even for gunmen and professional criminals to seek shelter behind a woman.

Bishop Cannon has repeatedly stated that he desired a judicial, not a political, determination of this issue; yet when a judicial determination could have been obtained, he made it impossible by evasion and technical objection.

Bishop Cannon did not dare to submit himself to cross-examination under oath before a jury in relation to the handling of the funds which he received for political purposes during the 1928 presidential campaign.

In November of 1929 I called to the attention of the so-called lobby investigating committee of the Senate headed by the late Senator Caraway the violation of the traditional American principle of the separation of church and state by certain ecclesiastical organizations through political dictation to the executive, legislative, and judicial branches of the Government. Accepting an invitation to appear before the committee, I made charges against the Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church, the Federal Council of the Churches of Christ in America, and the Commission on Prohibition and Social Service of the Methodist Episcopal Church South, of which Bishop Cannon was and is chairman.

During my testimony in relation to the Commission on Prohibition and Social Service and Bishop Cannon I brought to the attention of the committee that in the 1928 presidential campaign Bishop Cannon had organized and had been chairman of a partisan political committee known as the Anti-Smith Democrats, operating in two or more States and therefore subject to the provisions of the Federal corrupt practices act, that this committee had reported to the Clerk of the House of Representatives the receipt from E. C. Jameson of only $17,000, and this report was not made in conformity with the requirements of the Federal corrupt practices act, whereas E. C. Jameson had reported to the Senate special committee investigating presidential campaign expenditures appointed in 1928 that he had given Bishop Cannon $65,300 for the political purposes of the Anti-Smith Democrats.

When I first made my general charges against the ecclesiastical organizations, Bishop Cannon insisted that he be given an opportunity to testify if any of my charges involved him or his organization. Subsequently, early in June of 1930, he did appear before the committee voluntarily, but, once under oath and subject to cross-examination, he refused to answer any questions concerning the contributions received from E. C. Jameson and the failure to report or account for $48,300 of the $65,300 received, and he left the committee room.

In the meantime Mr. Jameson, summoned before the so-called lobby investigating committee, had testified to that committee also that he had given Bishop Cannon $65,300; that this amount was issued in a series of checks, most of which were made payable to "bearer" or to "cash," and which were so drawn, according to Mr. Jameson, at the request of Bishop Cannon. The canceled checks were before the committee.

Bishop Cannon did not dare to submit himself to cross-examination under oath before a senatorial committee in relation to the handling of the funds which he received for political purposes during the 1928 presidential campaign.

On June 17, 1930, after Bishop Cannon's refusal to testify before the Senate so-called lobby investigating committee, I addressed this House, and in detail and categorically, from evidence presented to the committee, I charged Bishop James Cannon, jr., with being a shameless violator of the Federal corrupt practices act in words which Bishop Cannon himself, in his declaration in his libel suit filed against me a year later, interprets as indicating that he had diverted to his own private use the whole or part of the unaccounted contributions received from E. C. Jameson.

Immediately thereupon Bishop Cannon publicly challenged me to make my charges off the floor of the House, divested of my congressional immunity, declaring that otherwise I should prove myself a "blustering, cowardly Congressman."

Summarizing my address to the House and divesting myself of my congressional immunity, on June 21, 1930, I publicly charged Bishop Cannon of being a shameless violator of the Federal corrupt practices act.

On November 15, 1930, I transmitted to the Attorney General of the United States a brief of the facts in the case as brought out by the so-called lobby investigating committee, and I formally and officially demanded that the evidence of the violation of the Federal corrupt practices act by Bishop Cannon be placed before a Federal grand jury. The Department of Justice took no action.

Early in 1931 the Select Committee on Senatorial Campaign Expenditures of the Senate, commonly known as the Nye committee, had its authority extended to investigate the charges against Bishop Cannon.

Bishop Cannon at once challenged the jurisdiction of the committee, and in the midst of the committee's investigations he filed suit in the Supreme Court of the District of Columbia petitioning for a writ of prohibition to prevent the committee from taking further testimony or examining any of the books and papers which had been previously produced in response to lawfully issued subpœnas, and asking further that the testimony already existing, both in written and printed form, be destroyed. The petition was promptly denied by the court.

Again Bishop Cannon did not dare to submit himself to cross-examination under oath before a senatorial committee in relation to the handling of the funds which he received for political purposes during the 1928 presidential campaign.

Notwithstanding the refusal of Bishop Cannon and of other witnesses whom he controlled to testify, the Nye committee unanimously found—

First. That there were "numerous apparent violations of the Federal corrupt practices act, and many unexplained discrepancies between the bank accounts in which political funds were deposited and the reports rendered on behalf of the headquarters committee to the Clerk of the House."

Second. That whereas Miss Ada L. Burroughs, a former employee of Bishop Cannon, was the nominal treasurer of the headquarters committee, anti-Smith Democrats, the funds of that organization were in fact largely handled by the chairman, Bishop James Cannon, jr.

Third. That Bishop Cannon utilized 10 bank accounts to handle the funds of this committee, all of which, with the exception of one, were subject to check or withdrawal by James Cannon, jr., alone, and only one of which was in the name of the anti-Smith Democrats.

Fourth. That there were intricate and inexplicable transfers of money among these accounts which included personal accounts of Bishop Cannon and that frequent entries were also made by Bishop Cannon to a safe-deposit box which Bishop Cannon had in a Richmond bank.

Fifth. That a large amount of money was sent to a certain bank for the account of a company which had been defunct for seven years.

Sixth. That the committee received in excess of $130,000 during the campaign, although only $58,558.62 was accounted for in statements filed with the Clerk of the House of Representatives under the Federal corrupt practices act.

Many other irregular and suspicious transactions were reported by the Nye committee.

This record upon its face makes it clear why Bishop Cannon did not dare to face the two senatorial committees and the Federal jury to be cross-examined under oath in relation to the disposition of the funds which he had received as chairman of the anti-Smith Democrats.

According to the press, Bishop Cannon has stated that upon the disposition of the appeal from the dismissal of his indictment in the Supreme Court of the District of Columbia, he will "present important facts giving such details as may be necessary to explain satisfactorily to every fair-minded person the many misleading statements which have been made before committees and which have appeared in the press" regarding his acts in the campaign against Alfred E. Smith in 1928. Unless Bishop Cannon's statements are made under oath when he is subject to cross-examination, they will be utterly worthless and will merely be a travesty upon the truth.

There is still a way, however, for this House and the country to learn the real and damning facts in this case. On June 3, 1931, almost a whole year after my charges were made public, Bishop Cannon, as I have stated, filed suit against me for libel, for $500,000 in the Supreme Court of the District of Columbia. In his declaration for damages

he made it a question for a jury whether he had honestly administered the funds received from E. C. Jameson during the 1928 presidential campaign.

To his declaration I filed a plea of justification; that is to say, I admitted the publication and stated it was true. I claimed no privilege or immunity which is accorded to Members of Congress by the Constitution of the United States, but I set out in an additional plea that Bishop Cannon, as he himself alleges in his declaration, was during the campaign of 1928 in the position of an active leader and participant in the political campaign, and that he was justly subject at the hands of a Member of Congress, who represents not only his own district but the whole people of the United States, to such criticism, as competent and undisputed evidence already produced before committees of Congress warranted; and I further pleaded that my statement was made at his express invitation and in response to a challenge by him that charged me with being a blustering, cowardly Congressman.

I have not pleaded and will not claim any constitutional or congressional immunity from the consequences of my statement made about him.

It is apparent, therefore, that the simple issue in this case is the truth of the statement I have made and the determination of the question of his honesty which he raises in his declaration for damages, and I challenge him to meet me in the forum, where that truth shall be determined upon his oath as well as upon mine.

In order completely to expose this spurious, self-designated, moral leader and ecclesiastical, whitened sepulcher, I challenge him to try his libel suit against me, and I hereby call upon him through his counsel to arrange with the counsel representing me for an early trial at this term of court before it adjourns at the end of June, that truth under oath shall be developed not only for the benefit of the jury sitting to try this case, but for the information and enlightenment of that larger jury, the American people.

Mr. BLANTON. Will the gentleman yield?

Mr. TINKHAM. I yield.

Mr. BLANTON. The press reports that the gentleman's lawyer did claim immunity for the gentleman from Massachusetts, to wit, that under the Constitution the gentleman from Massachusetts, being a Congressman, did not have the right to waive immunity, and that the court sustained that plea, and that but for that plea there would be a trial on the merits. What about that?

Mr. TINKHAM. The statement in the papers was not correct.

Mr. BLANTON. Then there was no such claim made by the gentleman's attorney, that the gentleman, being a Congressman, had no right to waive immunity?

Mr. TINKHAM. Not that I know of. I was not present.

Mr. BLANTON. The press also reports that the gentleman's attorneys claimed that Bishop Cannon having dared the gentleman from Massachusetts to make the statement and to waive immunity, that the gentleman's accepting the dare did not take away from him the constitutional immunity that surrounds a Congressman and protects him.

Mr. TINKHAM. I think that is not good law, nor do I know that my attorney made any such claim. In any event, no such claim will be made by my attorney or by me, and no claim of constitutional immunity was made by me.

Mr. BLANTON. As I understand it, the only thing that stands in the way of a trial on its merits where the gentleman from Massachusetts will be heard under oath, and the bishop's lawyer can cross-examine the gentleman, and where Bishop Cannon will be heard under oath and the gentleman from Massachusetts and his lawyers can cross-examine him, is the fact that there is some law question raised by the gentleman's lawyer which prevents going to trial. Is that not the fact?

Mr. TINKHAM. No; that is not the fact.

Mr. BLANTON. I have understood that if the gentleman's lawyers will withdraw the law question, there will be a trial on its merits. That is what I have been informed.

Mr. TINKHAM. Well, that is not so. My pleadings have been filed in full. No demand was made, so far as I am concerned, for any immunity or congressional privilege, nor will my attorney make such claim, nor do I nor will I.

Mr. BLANTON. Then the gentleman has not won out on this damage suit, as the press reports?

Mr. TINKHAM. That was not correct either.

Mr. BLANTON. There has been no court ruling on the question at all in the gentleman's favor?

Mr. TINKHAM. Well, I think there has been some ruling.

Mr. BLANTON. What ruling was that? We would like to know about it.

Mr. TINKHAM. Well, I do not have the pleadings before me.

Mr. BLANTON. But what kind of a law question did the gentleman's lawyer raise that the court sustained him on?

Mr. TINKHAM. Bishop Cannon's attorney made a plea to strike out two or three parts of the answer.

Mr. BLANTON. As being scandalous?

Mr. TINKHAM. Not as being scandalous, but as not being in conformity with the practice in this district.

Mr. BLANTON. I am sure that the honorable court must have been wrong about that, because the gentleman from Massachusetts is such a distinguished lawyer and he has shown such ability before our Appropriations Committee in examining the Attorney General of the United States for about three and a half days that I know he would not put anything in his answer that was not proper and not in accordance with the procedure.

Mr. TINKHAM. I do not have the pleadings before me, and, of course, pleadings are somewhat complex. Each district or each State has its own rules as to pleadings.

Mr. BLANTON. The gentleman will understand I hold no brief for Bishop Cannon.

Mr. TINKHAM. I understand that.

Mr. BLANTON. I am just interested in knowing what the real facts are that keep the gentleman and Bishop Cannon from going to bat. I want to go down there and hear his lawyer cross-examine the gentleman and I want to hear the gentleman cross-examine Bishop Cannon.

Mr. TINKHAM. I think I have made a clear statement that I desire to have a trial as soon as possible and that I have waived all congressional immunity in relation to the trial.

Mr. BLANTON. I heard one of the Bishop's friends say the other day that if the gentleman's lawyer will get the law cobwebs out of the way both of you will have a chance to testify on the witness stand.

Mr. TINKHAM. Well, the gentleman must not listen with a too-believing ear to everything he hears. [Applause and laughter.]

Mr. GUYER. Will the gentleman yield?

Mr. TINKHAM. I yield.

Mr. GUYER. Have the courts not decided that there was no violation of any Federal statute because electors are State officers and not national officers?

Mr. TINKHAM. That has not been decided by the court.

Mr. GUYER. It has not been finally decided, perhaps.

Mr. TINKHAM. It has not been decided finally.

Mr. GUYER. But as far as the court has gone it has, has it not?

Mr. TINKHAM. No; it has not. To the criminal indictment against him Bishop Cannon filed a demurrer and in the demurrer he raised the question of the constitutionality of the corrupt practices act, but the judge made no decision upon that, deciding only the point in the demurrer of which I have spoken in my statement.

Mr. GUYER. I understood the newspaper reports to be that the court decided that electors were State officers and not national officers, and therefore there was no violation of the corrupt practices act.

Mr. TINKHAM. As I stated before, the court made no ruling upon that. The decision of the court was on an entirely different question.

Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman, I want to finish my remarks within the 20 minutes allotted me, and as I desire to make a connected statement, until I have finished what I have in mind to say, I will not yield to any of my colleagues; but after I have completed my statement I will be glad to answer any question that may be propounded.

For 35 years, continuously since March 4, 1897, the executive branch of our Government has been under the control of the Republican Party, with the exception of the Woodrow Wilson administration of eight years from March 4, 1913, to March 4, 1921. Since the last-mentioned date, the Republican Party has been in control of both the executive and legislative departments. During that long lease of power the Republican Party has worked its will and enacted legislation embodying its selfish and sordid political philosophy. It has placed on the statute books laws in harmony with its political theories. It has claimed that those laws would insure national tranquillity, economic stability, and universal prosperity.

It has argued that of the two great political parties in America, it alone had mastered the science of statecraft and was capable of piloting the ship of state. It alone could formulate and execute wise public policies. It alone could efficiently administer our domestic and international affairs. It alone could keep the tide of commerce flowing. It alone could keep the machinery in our mills and factories moving. It alone could wisely direct our great transportation systems, manage our exceedingly complicated financial affairs, stabilize business, prevent unemployment, and furnish the American workman with a full dinner pail.

It has argued that it alone could stimulate productive industry, inspire confidence, maintain a high-wage scale, and guaranty to the American farmer a price for his commodities which would insure a handsome profit over and above the cost of production. In short, the high priests of Republicanism, without a modicum of modesty and claiming plenary inspiration, have boldly asserted and plausibly maintained that they were the Lord's annointed, and the instrument by which a divine providence would open the doors of heaven and pour out a flood of prosperity so great that our banks, trust companies, safe-deposit vaults, and storehouses would overflow with our ever-increasing golden treasures.

They inoculated the voters with the baseless belief that the Republican Party had a monopoly upon political wisdom; that the Democratic Party was inept, destitute of constructive ability, and a leaderless mob of hair-brained, wild-eyed incompetents. All this they claimed and much more.

If the heavens sent refreshing showers and auspicious seasons to ripen bumper crops, the spokesmen of the G. O. P. in stentorian tones shouted, "Look what the Republican Party did for you!" If the gardens, orchards, and vineyards each yielded its fruit in season, Republicans claimed the credit. If our foreign markets, captured and built up under the wise and far-seeing administration of Woodrow Wilson, called more and more for the products of the farms, factories, mills, and mines, Republican orators pointed with pride to our rapidly growing international trade, and forthwith proceeded to enact new tariff laws to unconscionably increase the unearned and undeserved bounty of the beneficiaries of special privilege.

If our banks were no longer sufficiently spacious to hold the $133,000,000,000 of new wealth that accrued to the American people in the eight years of Woodrow Wilson's administration, a "holier than thou" provincial Republican President forthwith issued a pronunciamento crediting the Republican Party with everything of value that had accrued to the Nation, copyrighted the terms "economy" and "prosperity," and used them as a screen behind which to practice reckless extravagance, inaugurated a reckless riot of special privilege, and called on the American voters to smite the Democrats hip and thigh for the alleged reasons that Republicans alone were capable of efficiently administering our national affairs, and that Republicans, like Midas, turn everything they touch into gold.

During the eight years of Democratic administration, from 1913 to 1921, all vocational groups enjoyed the greatest prosperity and increase of national wealth in our history. From 1913 to 1921 the wealth of the American people increased from $187,000,000,000 to $330,000,000,000. It is significant that almost as much new wealth was created and acquired in the eight years of Democratic administration as had been accumulated in the preceding 300 years, a record unsurpassed in this or any other nation in all the tide of time. Think of it; $133,000,000,000 was added to the stock of American national wealth during the eight years of the last Democratic administration, while from the colonial period down to 1913 the American people had only accumulated $187,000,000,000 of national wealth.

Before the Republican medicine makers and Republican prosperity fakers seized the reins of government in 1921, the American people were enjoying genuine and generous prosperity. During the Wilson administration each occupational class received its equitable share of the prosperity and new wealth that flowed like a golden river into the pockets of the American people. Under the last Democratic administration we did not have a sectional, lopsided or jug-handled prosperity, but every section, class, and group, shared in the new wealth which annually accrued to the American people. Budgets were balanced, interest paid, taxes met, and every maturing liability found the debtor with money in bank with which to discharge his obligations. Never before or since did such real and abundant prosperity dominate our economic life.

But what an odious and vulnerable record has been written in the last 11 years by the faithless leaders of the Republican Party. What a miserable mess they have made of their opportunities. [Applause.] What a base betrayal of the people. What an inexcusable sacrifice of national interests and national dignity. What a reign of extravagance, graft, and maladministration. Let us glance at this invidious record, this partisan salmagundi. Here is a general inventory of the Harding, Coolidge, and Hoover administrations:

Eleven years of class legislation, special privilege, governmental favoritism, and servile surrender to tariff lords and big business buccaneers. [Applause.] Eleven years of contemptuous indifference to the just demands of the agricultural classes for economic equality with the other vocational groups. Eleven years of decreasing prestige abroad and rapidly growing disfavor among the nations of the earth. Eleven years of economic riot, prostitution of power, empty promises, unfulfilled pledges. Eleven years of economic injustice that has beggared millions. Eleven years of artificial, unnatural, unreasonable, and unnecessary stimulation of industry, resulting in such grossly abnormal production as to make inevitable the industrial collapse which now threatens the economic life of the Nation.

Eight thousand banks, that under Democratic administration had been prosperous and filled to overflowing, closed their doors under the Harding, Coolidge, and Hoover administrations, beggaring their depositors and stockholders, and precipitating business chaos and nation-wide distress.

Railroads, that under Democratic administration had functioned efficiently, borne the terrific strain of the most destructive war in human history, and carried a volume of commerce that staggers human comprehension, began to sicken and languish under the so-called business administrations of the Republican Party. In many instances their income declined, their rolling stock deteriorated, their roadbeds crumbled, their dividends ceased, the market price of their stocks fell to unprecedented low levels, and receiverships became almost as common as under the Roosevelt and Taft administrations; and the stock market, the special pet of the Republican Party, and which typified its worship of Mammon, crashed like the collision of continents and the wreck of spheres.

Farmers who were never so prosperous as under the last Democratic administration, were, under succeeding Republican administrations, unable to balance their budgets, pay

their taxes, and meet maturing interest obligations; and, although they had stirred the soil into generous productivity, Republican high tariff laws and Republican maladministration of our domestic and international affairs provoked other nations to enact retaliatory tariffs, and as a result of these and other shortsighted policies, the markets for farm products were destroyed, and prices fell to the lowest level in history.

Farm lands and farm commodities that under Democratic administration had enriched rural sections and created an independent, self-sustaining, self-respecting agrarian population, became a drug on the market under short-sighted and self-serving Republican policies, and under the clumsy manipulation of the Republican Farm Board. An innumerable host of the American farmers have been swept into bankruptcy, their farms sold on the block at sacrificial prices, dissipating the earnings and accumulations of a lifetime. Under 11 years of Republican rule, what has become of the prosperous, forward-looking, upstanding, hopeful, and self-reliant farmers of America? Millions have been broken on the rock of insolvency. Millions of their fellows have abandoned hope and with aching hearts, crushed spirits, and empty purses, are with their families, marching with unsteady step toward a condition of peasantry comparable with that which prevails in many European states.

Under Republican administration what has become of the small tradesman, the small retail merchant, the small shopkeeper? Echo answers, they are stumbling down the steep path of insolvency to the bottomless pit of financial ruin. Under Republican rule the development of our national resources has been halted. What has happened to the once flourishing irrigation and reclamation districts? Why are large areas of fruitful, reclaimed western lands reverting to desert? Why are the productive, reclaimed swamp and overflowed lands in the Middle West returning to a state of nature and rapidly becoming a wilderness?

Friends, the explanation is found in the fact that the Republican Party, by the selfish and sordid policies of its blind leaders, has impoverished the so-called common people, the wayfaring men and women of the Nation. By burdensome tariffs and other taxes, by extravagance in public expenditures, by special privileges to certain favored groups, by penalizing agriculture for the enrichment of industry, by creating departments, bureaus, and commissions with an army of employees as numerous as the swarms of locusts with which Jehovah afflicted Egypt, the masses of the American people have been bled white, deprived of their substance, and reduced to penury. Under Republican administrations the greatest industrial, financial, and business structures in the world have been undermined and brought dangerously close to destruction.

If the Republican Party has a monopoly on economic and business genius and if it is the master of governmental efficiency, why does unprecedented stagnation clog every avenue of business? Why is insolvency increasing so rapidly? In a period of plenty, why does gaunt famine stalk abroad over the land, touching with his bony fingers millions of underfed and undernourished men, women, and children, who under the last Democratic administration never felt the pangs of hunger or the pinch of penury? [Applause.]

In the greatest industrial nation on earth, why are seven or eight million men idle, walking the streets, seeking employment, begging for bread?

If the Republican Party is the party of prosperity and plenty; if it has a magic wand with which it may touch the slumbering industrial forces of the Nation, quicken them to new life, and create a condition of affluence and contentment; if it is the one and only master of business economics; if it is the divinely anointed and appointed guardian and curator of prosperity, why, in the name of a long-suffering public, does it not function and lift the pall of depression from a sorely afflicted people? If Mr. Hoover and his oligarchy are such miracle-working masters of statecraft, why do these intolerable conditions prevail?

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. LOZIER. Not now.

[Here the gavel fell.]

Mr. OLIVER of Alabama. I yield to the gentleman five minutes more.

Mr. CAMPBELL of Iowa. Will the gentleman reserve enough time to answer a few questions?

Mr. LOZIER. The gentleman knows that I have declined to yield until I have finished my statement, after which I will yield to him if I have any time remaining.

The plain truth of the matter is that the Republican Party is stewing in its own juice. Its present leaders obtained and are now holding control of our Government by false pretences and false promises. Their ruthless exercise of embezzled power has impoverished the Nation. The Republican leaders have used the agencies and instrumentalities of the Government in such a prodigal and reckless manner as to nearly destroy our economic, industrial, agricultural, and business structures. Instead of the present leaders of the Republican Party being miracle-working masters of statecraft, experience has demonstrated that they are richly caparisoned economic mountebanks, blowing partisan tin whistles, granting special privileges, making false prophesies, exploiting the masses, and industriously carrying on the ancient and none too honorable game of fooling the people.

Please do not misunderstand me; I acquit the rank and file of the Republican Party of responsibility for the shortsighted and pernicious policies and egregious blunders of the Republican leaders. The individual Republicans are not to blame for the colossal failures of the men who are now in control of the Republican Party. These self-constituted leaders have ignored the wishes and been indifferent to the welfare of both Republicans and Democrats.

The Republican Party has been in control and made the laws which it claimed would usher in an economic millennium, but which have brought the American people to the brink of disaster. After aggravating economic and industrial forces that create unemployment, the Republican Party has done nothing to remedy our present unhappy economic conditions. By the reckless enactment of special privilege legislation, the Republican Party has reduced the masses of the American people to a tragic state of economic vassalage. It has babied, petted, and toadied big business at the expense of the unorganized millions.

In a spirit of unbridled arrogance, the present faithless leaders of the Republican Party have oppressed the American people with a man-destroying, hope-wrecking, heart-breaking, poverty-producing administration of our public affairs. They have ravished our national interests, flouted social justice, been indifferent to our national welfare, and in supreme wantonness of power have wrecked or grievously burdened practically every home in America.

To paraphrase the language of Don Quixote, "in voting the Republican Party into power the American people went out for wool, and came home shorn themselves." Instead of a song of joy, the Republican Party has given us only grief and pain as a perpetual reminder of the ignoble failure of the present occupant of the White House and his party associates. Generous in promises but scant in fulfillment, 11 years of Republican administration have produced only a harvest of barren regrets, "like Dead Sea fruit that tempt the eye but turn to ashes on the lips."

As half-starved spiders prey on half-starved flies, so under the administration of the great engineer, half-insolvent bankers prey on half-bankrupt bankers. What a grotesque image Uncle Sam presents when he sees himself in the warped mirror of Hoover prosperity.

What Heraclitus would not laugh at or what Democritus would not weep over the political and social condition to which Republican maladministration of our national affairs has brought the American people? Under the stupid manipulation of the Farm Board, sharp misery has worn the American farmer to the bones, and practically every allied industry to destruction. Under the administration of the miracle-working engineer in the White House industrial chaos, commercial stagnation, transportation inertia, agricultural disaster, and business calamity now sit in the seat of the mighty and hold high carnival, while a great Nation stands helpless and sees its matchless economic structure wrecked.

Try as it may, the Republican Party can not evade responsibility for present deplorable economic conditions. During its long control of our Government, it has legislated for the classes, discriminated against the masses, exploited and unduly burdened the common people, made a football of agriculture, cluttered our statutes with class legislation, taxed the many for the enrichment of the few, and supinely turned over our executive and legislative departments to certain favored groups, and allowed them to exploit the people and use the agencies and instrumentalities of the Government to accomplish their selfish, sordid, and sinister purposes.

The policies of the Republican Party have brought our Nation dangerously close to an economic abyss.

The great trouble is that by a system of class legislation, the Harding, Coolidge, and Hoover administrations have unjustly distributed the burdens and benefits of government, and have destroyed the buying power of the common people.

Until and unless the buying power of the people is restored, until the farmer can sell his commodities at prices that will not only return the cost of production, but afford a substantial profit, until there is a radical narrowing of the spread between what the farmer pays for his supplies and what he gets for his commodities, all the legislation you enact will be disappointing and ineffective. Before there can be any worthwhile economic rehabilitation you must restore the buying power of the common people. [Applause.]

If you start your mills and factories to-morrow morning it would be a question of only a few days or weeks until you would be compelled to shut them down for you could not find a market for the products of those mills and factories, because the people have only a limited, and in most cases no, purchasing power.

All the legislation this Congress enacts, all the legislation any Congress can enact, will be palliative only and will not result in a rehabilitation of industrial and commercial activities unless some way is devised to restore the buying power of the so-called common people and middle classes.

There are in the United States 30,000,000 people who either directly or indirectly depend upon agriculture for a livelihood. The policies of the Republicans for the last 11 years have driven these 30,000,000 people dangerously close to penury, peasantry, and pauperism.

Until you can restore the buying power of those 30,000,000 people, until all vocational groups are placed on the basis of economic equality, until we abandon the present much-overworked system of privilege and class legislation, there can be no rehabilitation of any of our great vocational groups. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield now to the gentleman from Oklahoma [Mr. SWANK].

Mr. SWANK. Mr. Chairman, the World War was officially ended by resolution of Congress July 2, 1921, although the armistice was signed November 11, 1918. Since the war was ended there has been much agitation—and rightfully so—for legislation to take the profits out of war, for the American people do not want another war. The horribleness of the World War is still fresh in the memory of the American people, and especially of the mothers who reared the boys that did the fighting. All Americans are ready and willing to fight in the necessary self-defense of their country against all foes, but in such a war we do not want the profiteers with us even when absolutely necessary to fight. We should at all times have an Army and Navy adequate for all purposes of defense in the protection of our people, but that does not mean that we need the greatest Army and Navy in the world. We are far away from other countries and those near us are our friends, and if not, can be made so by proper and just treatment. America—and what American does not thrill at the word—wants none of the possessions of any other country in all the world. We want to live in peace with them. Another war might destroy all living things in the world. Before the great World War no person would have thought, or even imagined, the horrors of that war. No citizen knew of the wicked liquid fire, poisonous gas, and other instruments of death used in that war. No one could have believed that civilized and Christian nations would have resorted to the use of such weapons for the purpose of taking human life. June 27, 1930, a joint resolution by the Senate and House of Representatives was approved creating a commission to consider legislation to take the profits out of war. Following is the resolution:

[PUBLIC RESOLUTION NO. 98, SEVENTY-FIRST CONGRESS]

[H. J. Res. 251]

Joint resolution to promote peace and to equalize the burdens and to minimize the profits of war

Resolved, etc., That a commission is hereby created to study and consider amending the Constitution of the United States to provide that private property may be taken by Congress for public use during war and methods of equalizing the burdens and to remove the profits of war, together with a study of policies to be pursued in event of war. The commission shall report definite recommendations to the President of the United States to be by him transmitted to the Congress not later than the first Monday in December, 1931, together with copies of its proceedings and hearings and to report if, in their opinion, any constitutional amendment be necessary to accomplish the purposes desired: *Provided*, That said commission shall not consider and shall not report upon the conscription of labor.

SEC. 2. That said commission shall be composed of four Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, and four Members of the Senate, to be appointed by the President of the Senate, the Secretary of War, Secretary of the Navy, Secretary of Agriculture, Secretary of Commerce, Secretary of Labor, and the Attorney General.

SEC. 3. The said members to be appointed by the Speaker of the House of Representatives and the President of the Senate shall meet as soon as possible after the enactment of this resolution in the city of Washington, D. C. The Secretary of War shall supply from the War Department all necessary office and clerical assistance.

SEC. 4. When said commission shall meet it shall organize by electing one of its number as chairman, and another as vice chairman, and shall appoint a secretary.

SEC. 5. That no compensation shall be paid any member of said commission, and no expenses shall be incurred by them except the actual expenses of sustenance and travel for the members of the commission, and printing and clerical assistance that can not be reasonably provided by the War Department.

Approved June 27, 1930.

Under that resolution, the commission was to report the different recommendations to the President of the United States, to be by him transmitted to Congress not later than the first Monday in December, 1931. That time has been extended, and we hope when the recommendations are made they will contain proper suggestions and steps to be taken for this necessary legislation. If such a law can be enacted, it will do more to discourage wars in the future than all the peace conferences combined. Congress should give notice now to those who profit by war that there will be no profit if we are ever engulfed in another war. Makers and traders in war material during the last war made unreasonable and outrageous profits, while the boys who did the fighting received the sum of $1 per day. They left their homes and their positions on the farms, in every hamlet, village, and city in this country. They left their families and loved ones, in many instances never to see them again. I favor legislation in conformity with this resolution, but let not Congress and this administration now in power delay longer with this important legislation. Some plan can be devised by this commission in its extensive study of this question.

Mr. Chairman, another good and effective method to take the profits out of war is to take the profits out of the last war. This can be done by providing proper, effective, and adequate allowance and treatment for the veterans of that war and providing compensation for their wives and children when the soldier husband and father has left them. No soldier should be permitted to suffer and neither should his family. Taxes should be increased on the higher incomes and an effective levy should be made on estates, inheritances, and gifts, to help defray these expenses. No person in this country should escape these taxes. The great and powerful corporations made their billions of dollars in the World War, and now let them pay. When they know that Congress means business, they will then realize that there will be no money made out of another war.

The Committee on Pensions has favorably reported a bill to Congress for its consideration granting pensions and allowances to the widows of all war veterans alike. This bill, if enacted into law, as it should be, will grant pensions to these widows at the rate of from $20 per month to $50 per month, and additional allowances for minor children under 16 years of age. Those persons and corporations who made so much money in the last war will oppose these bills, but when these measures come before Congress we will enact them into law. I have always favored such a bill and shall exert every effort to have it passed.

Another bill that these same individuals and corporations oppose at this time is a bill providing for immediate cash payment to veterans of the World War of the face value of their adjusted-service certificates, and the elimination of interest on these certificates. This one bill will cause to be placed in circulation the sum of $2,000,000,000, and our veterans never needed that money more than they need it now. It will also revive and stimulate business. This can be paid by issuing Treasury notes in small denominations that will circulate as other money, without interest and without increasing taxes. Enact these two bills and you will do a lot to take the profits out of war.

When the French debt to the United States was funded more than $2,000,000,000 of that debt was canceled, and when the Italian debt was funded $1,500,000,000 of that debt was likewise canceled. Then a few days ago, when the Reconstruction Finance Corporation act was passed, it provided for raising $2,000,000,000 more. If this can be done for these foreign countries that owe us and an act can be passed for the benefit of big business, it can also be done for these boys who so valiantly fought and won the greatest war in all history.

If a soldier can carry a gun for $1 per day, then a man can manage those institutions that profited so much in making war material for the same price per day. Why should one man be permitted to make billions manufacturing war material to destroy human lives, and a soldier march and lie out in the rain and mud for $1 per day? No one would even attempt to answer—no one can answer. A soldier can manage those manufacturing establishments just as well as he can carry a gun and fight, and why not do it for the same pay? It can and should be done.

The money cost of the World War to the United States June 30, 1930, amounted to the enormous sum of $51,546,619,000. The obligations of foreign governments to the United States December 31, 1930, amounted to $11,678,093,000. Payments on these debts on June 31, 1930, amounted to the sum of $2,515,013,000. The gross debt of the United States June 30, 1931, amounted to $16,801,281,000. These figures show the enormous cost of the war in money, but that is not as important as the cost in human life.

Every American likes to hear and read of the heroic achievements of our soldiers on the fields of battle. Every heart is thrilled by the courageous deeds of American soldiers on a thousand battlefields. America must keep her promise and continue to do everything possible to care for her soldiers, their wives, and children, and we shall continue to rejoice at their wonderful and heroic achievements.

Let us cheer for those boys to the ends of the earth,
From the mountain's heights to the sea,
In the land where freedom had its birth.
Where manhood still is the highest worth
In the hearts of the noble free.

Let us drink to those boys who march no more
To the call of the drum and the fife,
Who sail the seas with the soundless shore,
Far out from the harbor of life.

Across the sea they bore our flag;
Across the sea they brought it back;
Nor did its shining stars e'er drag,
From sea to sea, from crag to crag,
Along war's grim and gory track.

But, Mr. Chairman, when we think of the 34,249 American boys killed in France during the World War, the 224,089 wounded soldiers, many of whom afterwards died, and the 75,212 little white crosses marking the silent and sleeping dust of American soldiers in a foreign land, it is a different story. We think of the many anxious American mothers still looking for their boys who will never return to them. It is then that we hope there will never be another war. We all suffer in war, but those who suffer the most are the mothers of these soldier boys.

Oh, the bravest battle that ever was fought;
Shall I tell you where and when?
On the map of the world you will find it not;
'Twas fought by the mothers of men.
'Twas not with cannon or battle shot,
With sword or noble pen;
'Twas not with eloquent word or thought,
From lips of wonderful men;
But deep in a welled-up woman's heart;
A woman who would not yield,
But bravely, silently bore her part—
Lo, there is that battlefield.

American lives should not be sacrificed to protect property in foreign lands. Human life is more sacred than any property rights. In China now there are about 9,000 Americans, in addition to the soldiers we have there. American investments in China amount to $250,000,000 in stocks, bonds, and other property. In October, 1929, the administration sent 24 officers and 295 enlisted men to Nicaragua. There are now in Nicaragua 110 officers and 880 enlisted men of the Marine Corps. The first contingent of the marines landed there January 10, 1927. They were sent there to protect interests of certain wealthy Americans who own property in Nicaragua to the amount of $15,000,000. The Government should recall them, that no more of our boys shall be killed in foreign lands.

Mr. Chairman, let us do our utmost to promote the principles of peace and brotherhood throughout the world, and return to the gentle and Christian teachings of the Saviour of Mankind. It is time to act and not delay this legislation longer. I hope Congress does not adjourn until a law is enacted to take the profits out of war. We should never permit ourselves and our Nation to be placed in such a position as to embarrass our country by foreign investments, and the best way to avoid this is to have proper national leadership. Let us remember the enormous profits made during the World War by these cowardly and unscrupulous profiteers who profited on the blood of American boys and upon the sadness and tears of American mothers and fathers, and enact legislation that will forever put an end to such profiteering. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield to the gentleman from Texas [Mr. PATMAN].

WHY THE ADJUSTED-SERVICE CERTIFICATES SHOULD BE PAID IN CASH NOW

Mr. PATMAN. Mr. Chairman, I have been informed today by Mr. John Arthur Shaw, Director of the Veterans' Employment Service, Department of Labor, that there are 750,000 able-bodied World War veterans unemployed, 75,000 veterans with disabilities unemployed, and 800,000 veterans who are working part time from one to four days a week and in most cases at greatly reduced wages. This statement by Mr. Shaw, which is the very best information obtainable on the subject, discloses that at least 1,600,000 veterans need their money at this time.

Under leave to extend my remarks, the following is inserted:

Three million six hundred thousand adjusted-service certificates are held by that number of veterans of the World War. These veterans reside in every nook and corner of America. The average value of the certificates is $1,000. The certificates do not represent a bonus; they represent an honest debt that has been confessed by Congress for services rendered. Each holder of a certificate was really due an amount equal to the face or maturity value of his certificate October 1, 1931. Two billion two hundred million dollars will pay this debt in full.

The average veteran has borrowed 50 per cent of his certificate, the limit allowed by law. He is paying compound interest on this loan to a bank or to the Government—the one holding his certificate as collateral security for the 50

per cent loan. If the remaining 50 per cent is not paid to the veteran now, it will practically be consumed by compound interest. The veterans and their families need the money much worse than the banks or the Government need it in compound interest. If it is paid now, the entire Nation will be benefited by the additional purchasing power being placed into the hands of so many consumers who will put it into circulation. It will not be hoarded.

At least 2,500,000 of these veterans need their money to purchase comforts and necessities of life or to pay debts which they owe and on which they are paying as high as 10 per cent interest. More than 720,000 of these veterans were unemployed when they obtained their 50 per cent loans, so an investigation made by the Veterans' Administration disclosed.

We have sufficient idle gold in the Treasury of the United States to authorize the issuance of Treasury notes—legal-tender currency—to pay this debt in full. Experts tell us that our country needs a moderate expansion of the currency. In this way the debt can be paid without a bond issue, without increasing taxes, and without additional interest payments. The debt must be paid some time. Everybody will be helped if it is paid now.

The Government will be saved tens of millions of dollars annually in administration expenses if the certificates are paid now.

Through the cooperation of the Veterans of Foreign Wars a statement has been prepared which shows the amount of money that will be paid to the veterans in each county in each State in the United States if H. R. 1, the full-payment bill, becomes a law. This statement shows the amount due after deducting prior loans and interest on these loans. You may examine the statement and determine for yourself the question—which will promote the general welfare of the people of this Nation to the greatest extent, to pay this money now or permit the banks and the Government to consume it by compound interest?

The following table, compiled from information obtained from the Veterans' Administration, is self-explanatory:

Column 1: Names of counties, except in Louisiana, where the names of the parishes are given.

Column 2: The approximate amount that will be paid to holders of adjusted-service certificates in each county if H. R. 1 becomes a law.

Counties and amount to be paid to holders of adjusted-service certificates if H. R. 1 becomes a law

ALABAMA

Autauga	$222,345.26	Jackson	$416,386.49
Baldwin	319,382.81	Jefferson	4,871,555.97
Barbour	366,078.25	Lamar	203,231.29
Bibb	234,606.20	Lauderdale	464,357.70
Blount	316,345.80	Lawrence	304,175.18
Bullock	225,980.64	Lee	407,151.27
Butler	340,901.55	Limestone	413,541.41
Calhoun	627,848.19	Lowndes	258,292.62
Chambers	443,843.77	Macon	305,992.87
Cherokee	228,272.51	Madison	729,593.67
Chilton	277,496.91	Marengo	411,249.54
Choctaw	231,591.77	Marion	293,167.43
Clarke	293,720.64	Marshall	449,364.58
Clay	200,600.72	Mobile	1,336,318.27
Cleburne	145,381.33	Monroe	339,490.30
Coffee	367,557.24	Montgomery	1,113,995.59
Colbert	337,119.40	Morgan	521,327.04
Conecuh	287,093.41	Perry	297,886.65
Coosa	140,673.40	Pickens	281,143.58
Covington	466,909.24	Pike	363,989.60
Crenshaw	267,076.24	Randolph	303,260.69
Cullman	463,465.79	Russell	309,086.33
Dale	261,645.75	St. Clair	276,717.90
Dallas	622,011.26	Shelby	311,333.04
De Kalb	452,774.16	Sumter	304,028.41
Elmore	387,021.20	Talladega	510,770.89
Escambia	315,702.27	Tallapoosa	352,112.52
Etowah	715,774.71	Tuscaloosa	724,287.37
Fayette	208,221.47	Walker	671,134.05
Franklin	286,449.88	Washington	184,760.85
Geneva	339,874.16	Wilcox	280,895.20
Greene	222,921.05	Winston	176,078.84
Hale	296,531.85		
Henry	257,637.80	Total	29,876,139.92
Houston	518,606.15		

ARIZONA

Apache	$302,182.65	Navajo	$360,646.02
Cochise	697,375.98	Pima	947,048.76
Coconino	239,228.64	Pinal	375,597.81
Gila	527,582.16	Santa Cruz	164,724.84
Graham	176,444.73	Yavapai	484,274.70
Greenlee	168,160.86	Yuma	303,050.16
Maricopa	2,567,999.70		
Mohave	94,779.72	Total	7,409,096.73

ARKANSAS

Arkansas	305,064.00	Lincoln	277,020.00
Ashley	344,065.68	Little River	212,245.20
Baxter	130,219.92	Logan	329,824.80
Benton	482,261.04	Lonoke	461,823.12
Boone	204,338.16	Madison	182,409.12
Bradley	239,317.92	Marion	121,423.68
Calhoun	133,407.36	Miller	418,416.48
Carroll	216,417.60	Mississippi	947,873.52
Chicot	309,797.28	Monroe	282,505.68
Clark	341,069.76	Montgomery	147,306.24
Clay	373,163.04	Nevada	279,167.76
Cleburne	155,582.64	Newton	144,515.52
Cleveland	174,337.92	Ouachita	408,895.20
Columbia	373,737.60	Perry	105,267.60
Conway	300,262.32	Phillips	556,543.44
Craighead	612,043.20	Pike	161,314.56
Crawford	308,470.32	Poinsett	406,227.60
Crittenden	543,328.56	Polk	203,243.76
Cross	351,890.64	Pope	363,162.96
Dallas	200,699.28	Prairie	207,758.16
Desha	298,415.52	Pulaski	1,884,105.36
Drew	272,615.04	Randolph	230,795.28
Faulkner	388,252.08	St. Francis	456,829.92
Franklin	215,624.16	Saline	214,228.80
Fulton	148,209.12	Scott	161,465.04
Garland	492,904.08	Searcy	151,246.08
Grant	134,529.12	Sebastian	744,547.68
Greene	357,417.36	Sevier	223,859.52
Hempstead	421,986.96	Sharp	146,581.20
Hot Spring	247,676.40	Stone	109,344.24
Howard	239,249.52	Union	763,344.00
Independence	331,398.00	Van Buren	163,640.16
Izard	176,088.96	Washington	537,008.40
Jackson	382,260.24	White	523,519.92
Jefferson	877,626.72	Woodruff	310,289.76
Johnson	263,873.52	Yell	291,561.84
Lafayette	231,657.12		
Lawrence	296,349.84	Total	25,369,313.76
Lee	364,394.16		

CALIFORNIA

Alameda	11,416,187.32	Placer	588,210.72
Alpine	5,793.64	Plumas	190,228.52
Amador	204,195.76	Riverside	1,947,816.96
Butte	819,595.72	Sacramento	3,413,655.96
Calaveras	144,432.32	San Benito	271,916.44
Colusa	246,602.32	San Bernardino	3,218,956.00
Contra Costa	1,889,736.32	San Diego	5,040,202.36
Del Norte	113,925.56	San Francisco	15,250,831.76
Eldorado	200,133.00	San Joaquin	2,474,677.60
Fresno	3,470,871.16	San Luis Obispo	711,896.52
Glenn	262,877.40	San Mateo	1,860,816.20
Humboldt	1,039,321.32	Santa Barbara	1,566,614.68
Imperial	1,464,108.12	Santa Clara	3,488,636.72
Inyo	157,582.20	Santa Cruz	899,889.32
Kern	1,984,982.80	Shasta	334,805.08
Kings	610,255.40	Sierra	58,224.88
Lake	172,270.64	Siskiyou	612,539.20
Lassen	302,639.56	Solano	981,649.36
Los Angeles	53,092,147.68	Sonoma	1,495,816.88
Madera	412,622.56	Stanislaus	1,361,649.64
Marin	1,001,217.92	Sutter	351,416.72
Mariposa	77,721.32	Tehama	333,338.64
Mendocino	565,060.20	Trinity	67,528.36
Merced	883,421.92	Tulare	1,861,705.68
Modoc	193,233.52	Tuolumne	222,874.84
Mono	32,694.40	Ventura	1,321,623.04
Monterey	1,291,068.20	Yolo	568,401.76
Napa	550,443.88	Yuba	272,397.24
Nevada	254,727.84		
Orange	2,852,922.96	Total	136,481,114.04

COLORADO

Adams	420,488.65	Crowley	123,249.18
Alamosa	178,663.54	Custer	44,115.48
Arapahoe	470,378.19	Delta	295,017.08
Archuleta	66,547.08	Denver	5,978,872.97
Baca	219,538.90	Dolores	29,327.24
Bent	189,713.18	Douglas	72,653.46
Boulder	674,111.12	Eagle	81,501.48
Chaffee	168,777.02	Elbert	136,666.60
Cheyenne	77,326.71	El Paso	1,029,568.90
Clear Creek	44,759.35	Fremont	392,469.92
Conejos	203,608.31	Garfield	207,180.75
Costilla	120,029.83	Gilpin	25,173.24

COLORADO—continued

Grand	$43,783.16	Ouray	37,053.68
Gunnison	114,795.79	Park	42,620.04
Hinsdale	9,325.73	Phillips	120,403.69
Huerfano	354,377.74	Pitkin	36,762.90
Jackson	28,787.22	Prowers	306,606.74
Jefferson	452,993.70	Pueblo	1,371,609.26
Kiowa	78,635.22	Rio Blanco	61,894.60
Kit Carson	201,983.25	Rio Grande	206,723.81
Lake	101,752.23	Routt	194,241.04
La Plata	269,490.75	Saguache	129,812.50
Larimer	688,255.49	San Juan	40,189.95
Las Animas	747,886.16	San Miguel	45,361.68
Lincoln	163,044.50	Sedgwick	115,896.60
Logan	414,278.42	Summit	20,499.99
Mesa	538,109.16	Teller	86,008.57
Mineral	13,292.80	Washington	199,205.07
Moffat	100,962.97	Weld	1,352,064.69
Montezuma	161,964.46	Yuma	282,742.01
Montrose	243,881.34		
Morgan	379,758.68	Total	21,513,379.07
Otero	506,580.30		

CONNECTICUT

Fairfield	7,196,524.22	New London	2,213,957.26
Hartford	7,836,615.17	Tolland	533,343.99
Litchfield	1,536,367.16	Windham	1,006,540.46
Middlesex	956,330.68		
New Haven	8,624,785.89	Total	29,904,464.83

DELAWARE

Kent	523,466.04	Sussex	748,135.08
New Castle	2,647,366.08		
		Total	3,918,967.20

DISTRICT OF COLUMBIA

Total	18,198,685.00

FLORIDA

Alachua	570,115.35	Lee	248,684.10
Baker	104,069.07	Leon	389,466.84
Bay	200,589.69	Levy	206,645.04
Bradford	156,028.95	Liberty	67,471.53
Brevard	220,364.97	Madison	259,036.26
Broward	333,359.46	Manatee	373,308.18
Calhoun	121,073.82	Marion	490,699.02
Charlotte	66,575.67	Martin	84,791.49
Citrus	91,510.44	Monroe	226,022.16
Clay	113,790.81	Nassau	155,531.25
Collier	47,828.97	Okaloosa	164,191.23
Columbia	242,844.42	Okeechobee	68,500.11
Dade	2,371,623.45	Orange	825,136.83
De Soto	128,489.55	Osceola	177,496.41
Dixie	106,491.21	Palm Beach	859,046.79
Duval	2,579,794.77	Pasco	175,422.66
Escambia	889,124.46	Pinellas	1,031,051.91
Flagler	40,910.94	Polk	1,199,307.69
Franklin	104,234.97	Putnam	300,212.64
Gadsden	495,875.10	St. Johns	309,834.84
Gilchrist	68,632.83	St. Lucie	117,075.63
Glades	45,821.58	Santa Rosa	233,636.97
Gulf	52,789.38	Sarasota	206,379.60
Hamilton	156,841.86	Seminole	310,813.65
Hardee	171,673.32	Sumter	176,583.96
Hendry	57,932.28	Suwannee	260,977.29
Hernando	82,087.32	Taylor	217,926.24
Highlands	152,495.28	Union	123,230.52
Hillsborough	2,546,880.21	Volusia	709,338.63
Holmes	214,409.16	Wakulla	90,714.12
Indian River	111,551.16	Walton	241,815.84
Jackson	530,365.71	Washington	202,066.20
Jefferson	222,438.72		
Lafayette	72,348.99	Total	24,357,620.49
Lake	384,240.99		

GEORGIA

Appling	161,099.40	Candler	108,791.10
Atkinson	83,417.40	Carroll	414,691.20
Bacon	85,365.50	Catoosa	113,994.10
Baker	94,597.80	Charlton	53,010.10
Baldwin	276,823.80	Chatham	1,275,715.10
Banks	117,406.30	Chattahoochee	107,617.40
Barrow	150,052.10	Chattooga	186,424.70
Bartow	306,904.40	Cherokee	242,036.30
Ben Hill	157,868.70	Clarke	309,917.30
Berrien	177,216.60	Clay	84,010.30
Bibb	932,208.20	Clayton	124,146.00
Bleckley	110,509.30	Clinch	84,881.50
Brantley	83,426.50	Cobb	428,436.80
Brooks	258,093.00	Coffee	238,841.90
Bryan	72,019.20	Colquitt	370,526.20
Bulloch	320,758.90	Columbia	106,395.30
Burke	353,610.40	Cook	136,863.10
Butts	113,074.50	Coweta	304,036.70
Calhoun	127,969.60	Crawford	84,942.00
Camden	76,689.80	Crisp	209,850.30
Campbell	119,826.30	Dade	50,166.60
Dawson	$42,374.20	Monroe	$140,432.60
Decatur	285,826.20	Montgomery	121,242.00
De Kalb	850,363.80	Morgan	111,501.50
Dodge	261,347.90	Murray	696,451.80
Dooly	218,102.50	Muscogee	209,209.00
Dougherty	269,902.60	Newton	151,104.80
Douglas	114,478.10	Oconee	97,792.20
Early	221,103.30	Oglethorpe	156,416.70
Echols	33,202.40	Paulding	149,156.70
Effingham	122,984.40	Peach	124,242.80
Elbert	223,668.50	Pickens	117,212.70
Emanuel	291,622.10	Pierce	151,516.20
Evans	85,934.20	Pike	131,321.30
Fannin	156,924.90	Polk	304,206.10
Fayette	104,846.50	Pulaski	108,960.50
Floyd	588,870.70	Putnam	101,240.70
Forsyth	128,550.40	Quitman	46,222.00
Franklin	192,414.20	Rabun	76,605.10
Fulton	3,854,902.70	Randolph	207,805.40
Gilmer	88,862.40	Richmond	883,179.00
Glascock	53,094.80	Rockdale	87,688.70
Glynn	234,740.00	Schley	64,698.70
Gordon	203,836.60	Screven	248,086.30
Grady	232,320.00	Seminole	89,406.90
Greene	152,653.60	Spalding	284,289.50
Gwinnett	337,021.30	Stephens	142,054.00
Habersham	154,250.80	Stewart	134,479.40
Hall	366,787.30	Sumter	324,280.00
Hancock	158,147.00	Talbot	102,341.80
Haralson	158,147.00	Taliaferro	74,681.20
Harris	134,794.00	Tattnall	186,473.10
Hart	183,605.40	Taylor	128,465.70
Heard	110,134.20	Telfair	181,463.70
Henry	192,680.40	Terrell	221,309.00
Houston	136,488.00	Thomas	394,605.20
Irwin	147,607.90	Tift	194,422.80
Jackson	261,468.90	Toombs	207,696.50
Jasper	103,987.40	Towns	52,586.60
Jeff Davis	98,227.80	Treutlen	90,604.80
Jefferson	250,796.70	Troup	444,699.20
Jenkins	156,186.80	Turner	135,471.60
Johnson	153,440.10	Twiggs	101,301.20
Jones	108,803.20	Union	76,714.00
Lamar	117,914.50	Upson	236,058.90
Lanier	62,799.00	Walker	317,092.60
Laurens	395,585.30	Walton	255,527.80
Lee	100,768.80	Ware	321,351.80
Liberty	98,651.30	Warren	135,290.10
Lincoln	94,948.70	Washington	302,863.00
Long	50,578.00	Wayne	153,028.70
Lowndes	362,927.40	Webster	60,387.20
Lumpkin	59,616.70	Wheeler	110,702.90
McDuffie	109,069.40	White	73,277.60
McIntosh	69,732.30	Whitfield	251,776.80
Macon	201,380.30	Wilcox	162,611.90
Madison	180,544.10	Wilkes	192,922.40
Marion	84,312.80	Wilkinson	131,212.40
Meriwether	271,487.70	Worth	255,237.40
Miller	109,819.60		
Milton	81,433.00		35,192,922.60
Mitchell	285,802.00		

IDAHO

Ada	702,750.25	Idaho	187,282.71
Adams	53,125.51	Jefferson	169,938.63
Bannock	579,358.98	Jerome	154,873.74
Bear Lake	145,868.16	Kootenai	360,760.57
Benewah	118,054.63	Latah	329,796.94
Bingham	343,935.33	Lemhi	86,034.79
Blaine	69,821.04	Lewis	97,060.16
Boise	34,224.91	Lincoln	60,074.26
Bonner	243,706.56	Madison	154,095.48
Bonneville	364,373.92	Minidoka	155,707.59
Boundary	84,404.15	Nez Perce	325,961.23
Butte	35,837.02	Oneida	103,771.10
Camas	26,145.83	Owyhee	76,028.59
Canyon	573,132.90	Payette	135,602.54
Caribou	39,302.13	Power	82,588.21
Cassia	243,039.48	Shoshone	353,181.80
Clark	20,790.66	Teton	66,207.69
Clearwater	122,279.45	Twin Falls	552,712.84
Custer	58,591.86	Valley	64,632.64
Elmore	83,218.23	Washington	147,535.86
Franklin	173,792.87	Yellowstone National Park	18.53
Fremont	183,891.72		
Gem	137,474.07	Total	8,246,442.96
Gooding	140,457.40		

ILLINOIS

Adams	1,293,350.40	Carroll	379,719.80
Alexander	464,365.20	Cass	340,622.20
Bond	296,763.60	Champaign	1,324,023.80
Boone	310,606.80	Christian	773,282.80
Brown	162,575.20	Clark	368,163.20
Bureau	800,207.00	Clay	332,793.00
Calhoun	165,500.40	Clinton	440,201.40

ILLINOIS—continued

Coles	$768,689.00	Marion	$734,081.00
Cook	82,031,733.80	Marshall	268,273.80
Crawford	434,351.00	Mason	311,369.00
Cumberland	214,631.40	Massac	290,068.60
De Kalb	672,466.40	Menard	217,845.00
De Witt	383,118.80	Mercer	342,804.60
Douglas	369,028.40	Monroe	254,801.40
De Page	1,895,158.80	Montgomery	726,726.80
Edgar	514,299.60	Morgan	705,344.00
Edwards	171,041.80	Moultrie	272,888.20
Effingham	391,667.80	Ogle	579,230.80
Fayette	483,832.20	Peoria	2,911,686.40
Ford	319,073.40	Perry	469,000.20
Franklin	1,224,505.20	Piatt	321,112.80
Fulton	906,049.80	Pike	501,754.20
Gallatin	207,874.60	Pope	164,717.60
Greene	420,590.20	Pulaski	305,580.40
Grundy	384,766.80	Putnam	107,841.00
Hamilton	267,697.00	Randolph	603,847.80
Hancock	544,252.00	Richland	289,491.80
Hardin	143,273.00	Rock Island	2,022,734.60
Henderson	180,826.80	St. Clair	3,250,165.00
Henry	903,330.60	Saline	764,260.00
Iroquois	678,007.80	Sangamon	2,301,699.80
Jackson	735,008.00	Schuyler	240,525.60
Jasper	263,865.40	Scott	175,903.40
Jefferson	639,300.40	Shelby	524,702.60
Jersey	258,653.60	Stark	189,190.40
Jo Daviess	416,841.00	Stephenson	825,318.40
Johnson	210,181.80	Tazewell	949,289.20
Kane	2,581,736.20	Union	409,589.80
Kankakee	1,031,957.00	Vermilion	1,840,383.40
Kendall	217,433.00	Wabash	271,858.20
Knox	1,057,521.60	Warren	447,947.00
Lake	2,150,372.20	Washington	335,491.60
La Salle	2,012,517.00	Wayne	394,078.00
Lawrence	450,831.00	White	373,869.40
Lee	665,977.40	Whiteside	803,791.40
Livingston	805,295.20	Will	2,281,079.20
Logan	594,577.80	Williamson	1,109,928.00
McDonough	562,977.40	Winnebago	2,417,883.80
McHenry	722,627.40	Woodford	387,115.20
McLean	1,506,210.20		
Macon	1,683,658.60	Total	157,191,472.40
Macoupin	1,003,281.80		
Madison	2,962,898.00		

INDIANA

Adams	365,013.53	Madison	1,516,021.52
Allen	2,683,929.47	Marion	7,730,561.14
Bartholomew	454,762.56	Marshall	458,658.33
Benton	217,394.94	Martin	184,783.87
Blackford	249,054.93	Miami	530,995.28
Boone	407,684.10	Monroe	657,964.46
Brown	94,522.72	Montgomery	493,464.20
Carroll	275,246.21	Morgan	355,264.96
Cass	631,334.22	Newton	179,991.89
Clark	562,673.56	Noble	409,769.16
Clay	484,300.91	Ohio	68,532.63
Clinton	499,847.41	Orange	319,325.11
Crawford	185,826.40	Owen	207,609.79
Daviess	472,467.28	Parke	302,900.69
Dearborn	385,114.24	Perry	304,071.25
Decatur	316,563.32	Pike	299,242.69
De Kalb	455,622.19	Porter	417,396.09
Delaware	1,230,368.30	Posey	326,531.37
Dubois	375,914.37	Pulaski	204,756.55
Elkhart	1,259,723.75	Putnam	373,993.92
Fayette	351,954.47	Randolph	454,671.11
Floyd	633,839.95	Ripley	330,646.62
Fountain	328,689.59	Rush	355,045.48
Franklin	265,168.42	St. Joseph	2,927,003.57
Fulton	275,045.02	Scott	121,884.56
Gibson	534,104.58	Shelby	485,636.08
Grant	933,997.14	Spencer	305,680.77
Greene	575,787.49	Starke	194,239.80
Hamilton	428,790.76	Steuben	244,829.94
Hancock	303,705.45	Sullivan	514,552.57
Harrison	315,575.66	Switzerland	154,221.28
Hendricks	360,770.25	Tippecanoe	869,415.15
Henry	644,503.02	Tipton	278,154.32
Howard	854,069.84	Union	107,545.20
Huntington	531,745.17	Vanderburg	2,072,622.80
Jackson	434,039.99	Vermillion	425,023.02
Jasper	244,866.52	Vigo	1,808,167.69
Jay	381,273.34	Wabash	460,359.30
Jefferson	350,838.78	Warren	167,664.43
Jennings	215,822.00	Warrick	333,426.70
Johnson	397,002.74	Washington	297,852.65
Knox	801,339.77	Wayne	1,002,456.61
Kosciusko	502,755.52	Wells	336,737.19
Lagrange	252,036.20	White	289,548.99
Lake	4,779,359.90	Whiteley	291,377.99
La Porte	1,106,362.10		
Lawrence	650,813.07	Total	59,232,219.87

IOWA

Adair	$261,845.35	Johnson	$570,702.60
Adams	196,737.45	Jones	362,033.10
Allamakee	307,782.80	Keokuk	360,939.80
Appanoose	468,139.75	Kossuth	479,770.20
Audubon	231,176.40	Lee	777,901.80
Benton	430,741.35	Linn	1,552,033.60
Black Hawk	1,303,402.10	Louisa	218,188.75
Boone	551,758.35	Lucas	284,898.90
Bremer	321,317.10	Lyon	288,273.05
Buchanan	368,517.50	Madison	270,139.35
Buena Vista	351,872.95	Mahaska	486,405.40
Butler	332,080.45	Marion	484,953.95
Calhoun	331,854.25	Marshall	635,753.95
Carroll	420,845.10	Mills	299,074.10
Cass	366,104.70	Mitchell	265,125.25
Cedar	315,926.00	Monona	343,315.05
Cerro Gordo	725,272.60	Monroe	282,938.50
Cherokee	353,192.45	Montgomery	315,775.20
Chickasaw	275,907.45	Muscatine	553,907.25
Clarke	195,738.40	O'Brien	347,009.65
Clay	303,616.95	Osceola	191,930.70
Clayton	462,937.15	Page	488,290.40
Clinton	836,506.45	Palo Alto	290,252.30
Crawford	396,377.80	Plymouth	455,397.15
Dallas	480,543.05	Pocahontas	295,699.95
Davis	210,177.50	Polk	3,257,977.45
Decatur	280,921.55	Pottawattamie	1,317,388.80
Delaware	341,599.70	Poweshiek	353,003.95
Des Moines	719,353.70	Ringgold	225,559.10
Dickinson	207,010.70	Sac	332,532.85
Dubuque	153,883.90	Scott	1,457,708.20
Emmet	242,335.60	Shelby	322,919.35
Fayette	549,383.25	Sioux	505,293.10
Floyd	368,027.40	Story	587,007.85
Franklin	308,800.70	Tama	414,454.95
Fremont	292,797.05	Taylor	280,092.15
Greene	311,552.80	Union	328,649.75
Grundy	266,407.05	Van Buren	237,566.55
Guthrie	326,557.40	Wapello	763,048.00
Hamilton	395,435.30	Warren	333,645.00
Hancock	279,017.70	Washington	373,644.70
Hardin	432,550.95	Wayne	259,834.95
Harrison	469,308.45	Webster	762,011.25
Henry	332,891.00	Winnebago	247,745.55
Howard	246,595.70	Winneshiek	407,725.50
Humboldt	248,857.70	Woodbury	1,916,460.65
Ida	224,937.05	Worth	210,441.40
Iowa	326,708.20	Wright	381,071.60
Jackson	348,366.85		
Jasper	620,843.60	Total	46,577,200.15
Jefferson	306,142.85		

KANSAS

Allen	397,230.87	Jackson	274,390.32
Anderson	248,002.35	Jefferson	262,375.53
Atchison	444,658.65	Jewell	268,559.34
Barber	189,005.46	Johnson	504,714.03
Barton	367,240.32	Kearny	59,349.72
Bourbon	415,708.02	Kingman	216,786.18
Brown	381,669.21	Kiowa	112,069.95
Butler	666,737.28	Labette	582,095.22
Chase	129,098.64	Lane	62,618.04
Chautauqua	192,236.64	Leavenworth	792,437.61
Cherokee	584,156.49	Lincoln	180,258.99
Cheyenne	129,024.36	Linn	251,326.38
Clark	89,061.72	Logan	76,972.65
Clay	270,304.92	Lyon	542,986.80
Cloud	334,371.42	McPherson	438,029.16
Coffey	253,536.21	Marion	385,123.23
Comanche	97,269.66	Marshall	428,149.92
Cowley	759,568.71	Meade	127,353.06
Crawford	916,039.53	Miami	394,482.51
Decatur	164,641.62	Mitchell	237,213.18
Dickinson	480,405.90	Montgomery	954,702.27
Doniphan	261,149.91	Morris	220,221.63
Douglas	466,905.51	Morton	75,988.44
Edwards	135,468.15	Nemaha	340,610.94
Elk	171,029.70	Neosha	420,889.05
Ellis	295,392.99	Ness	155,208.06
Ellsworth	188,151.24	Norton	217,287.57
Finney	204,529.98	Osage	325,680.66
Ford	333,414.79	Osborne	214,817.76
Franklin	408,985.68	Ottawa	182,338.83
Geary	266,776.62	Pawnee	195,170.70
Gove	104,790.51	Phillips	225,792.63
Graham	144,326.04	Pottawatomie	294,557.34
Grant	57,418.44	Pratt	247,203.84
Gray	115,338.27	Rawlins	136,712.34
Greeley	31,791.84	Reno	887,367.45
Greenwood	357,193.95	Republic	273,814.65
Hamilton	61,800.96	Rice	256,266.00
Harper	238,123.11	Riley	369,208.74
Harvey	410,768.40	Rooks	177,046.38
Haskell	52,088.85	Rush	168,857.01
Hodgeman	77,195.49	Russell	205,105.65

KANSAS—continued

Saline	$544,788.09	Thomas	$136,192.38
Scott	73,834.32	Trego	120,147.90
Sedgwick	2,531,648.10	Wabaunsee	201,113.10
Seward	149,952.75	Wallace	53,518.74
Shawnee	1,582,164.00	Washington	317,769.84
Sheridan	112,125.66	Wichita	47,892.03
Sherman	137,418.00	Wilson	346,256.22
Smith	251,530.65	Woodson	158,327.82
Stafford	194,242.20	Wyandotte	2,622,288.27
Stanton	39,962.64		
Stevens	86,443.35	Total	34,930,151.43
Sumner	537,787.20		

KENTUCKY

Adair	238,798.56	Larue	132,394.08
Allen	221,020.80	Laurel	307,347.04
Anderson	123,672.64	Lawrence	243,341.28
Ballard	144,289.60	Lee	141,654.24
Barren	376,288.64	Leslie	156,738.40
Bath	161,252.00	Letcher	519,821.12
Bell	564,156.32	Lewis	208,426.40
Boone	139,703.20	Lincoln	257,522.72
Bourbon	262,953.60	Livingston	125,332.48
Boyd	638,441.44	Logan	318,500.00
Boyle	237,065.92	Lyon	124,196.80
Bracken	140,008.96	McCracken	673,705.76
Breathitt	307,842.08	McCreary	212,969.12
Breckinridge	252,878.08	McLean	161,208.32
Bullitt	129,118.08	Madison	402,161.76
Butler	183,747.20	Magoffin	228,868.64
Caldwell	200,651.36	Marion	225,665.44
Calloway	257,158.72	Marshall	187,663.84
Campbell	1,068,572.96	Martin	124,983.04
Carlisle	107,205.28	Mason	274,630.72
Carroll	118,736.80	Meade	117,091.52
Carter	347,095.84	Menifee	72,188.48
Casey	243,836.32	Mercer	210,697.76
Christian	499,160.48	Metcalfe	136,470.88
Clark	256,838.40	Monroe	190,401.12
Clay	269,738.56	Montgomery	169,769.60
Clinton	131,098.24	Morgan	220,292.80
Crittenden	173,715.36	Muhlenberg	550,135.04
Cumberland	148,570.24	Nelson	240,982.56
Daviess	637,422.24	Nicholas	124,793.76
Edmondson	167,076.00	Ohio	356,268.64
Elliott	110,233.76	Oldham	107,773.12
Estill	248,670.24	Owen	155,937.60
Fayette	997,936.08	Owsley	105,166.88
Fleming	188,275.36	Pendleton	153,354.56
Floyd	610,675.52	Perry	614,228.16
Franklin	306,691.84	Pike	921,167.52
Fulton	217,337.12	Powell	84,448.00
Gallatin	64,602.72	Pulaski	518,918.40
Garrard	168,342.72	Robertson	48,688.64
Grant	143,794.56	Rockcastle	220,569.44
Graves	448,127.68	Rowan	158,602.08
Grayson	248,320.80	Russell	173,700.80
Green	165,998.56	Scott	209,664.00
Greenup	357,506.24	Shelby	257,406.24
Hancock	89,500.32	Simpson	165,052.16
Hardin	304,493.28	Spencer	96,183.36
Harlan	939,949.92	Taylor	175,404.32
Harrison	216,347.04	Todd	196,851.20
Hart	235,420.64	Trigg	182,451.36
Henderson	382,855.20	Trimble	77,866.88
Henry	182,931.84	Union	248,291.68
Hickman	127,036.00	Warren	490,322.56
Hopkins	545,257.44	Washington	183,790.88
Jackson	152,399.52	Wayne	230,746.88
Jefferson	5,173,896.00	Webster	298,975.04
Jessamine	180,995.36	Whitley	432,868.80
Johnson	334,414.08	Wolfe	122,668.00
Kenton	1,361,855.04	Woodford	159,883.36
Knott	221,748.80		
Knox	382,432.96	Total	38,068,415.84

LOUISIANA

Acadia	583,204.58	Evangeline	377,912.89
Allen	226,320.63	Franklin	452,759.90
Ascension	273,435.54	Grant	232,964.47
Assumption	237,131.70	Iberia	418,087.36
Avoyelles	517,952.58	Iberville	365,381.54
Beauregard	216,058.27	Jackson	204,772.64
Bienville	352,790.87	Jefferson	593,674.56
Bossier	420,994.04	Jefferson Davis	293,114.95
Caddo	1,848,856.10	Lafayette	575,804.41
Calcasieu	622,311.29	La Fourche	480,773.77
Caldwell	154,676.90	La Salle	173,036.44
Cameron	89,780.82	Lincoln	338,450.26
Catahoula	184,648.33	Livingston	269,994.98
Claiborne	478,786.55	Madison	219,914.07
Concordia	189,497.74	Morehouse	351,307.87
De Soto	459,967.28	Natchitoches	570,613.91
East Baton Rouge	1,011,524.64	Orleans	6,803,440.46
East Carroll	234,536.45	Ouachita	805,817.71
East Feliciana	258,768.67	Plaquemines	142,486.64
		Pointe Coupee	311,533.81

LOUISIANA—continued

Rapides	$970,697.65	Tensas	$223,873.68
Red River	238,436.74	Terrebonne	442,171.28
Richland	391,126.42	Union	307,440.73
Sabine	357,551.30	Vermilion	499,533.72
St. Bernard	96,572.96	Vernon	297,297.01
St. Charles	179,606.13	Washington	443,476.32
St. Helena	125,936.36	Webster	436,862.14
St. James	227,462.54	West Baton Rouge	144,088.28
St. John the Baptist	208,776.74	West Carroll	206,062.85
St. Landry	890,897.42	West Feliciana	162,002.92
St. Martin	322,804.61	Winn	218,979.78
St. Mary	435,957.51		
St. Tammany	310,377.07	Total	31,166,624.19
Tangipahoa	685,546.41		

MAINE

Androscoggin	1,202,804.46	Penobscot	1,560,281.31
Aroostook	1,483,668.27	Piscataquis	307,921.59
Cumberland	2,274,154.05	Sagadahoc	285,897.03
Franklin	336,803.49	Somerset	660,584.79
Hancock	518,877.69	Waldo	342,630.54
Kennebec	1,193,970.99	Washington	638,881.14
Knox	467,734.77	York	1,231,855.26
Lincoln	261,761.22		
Oxford	700,647.87	Total	13,468,474.47

MARYLAND

Allegany	1,509,980.82	Howard	308,666.21
Anne Arundel	1,053,138.03	Kent	271,879.78
Baltimore	2,377,945.85	Montgomery	939,342.54
Baltimore City	15,365,044.66	Prince Georges	1,147,213.55
Calvert	181,389.52	Queen Annes	278,160.39
Caroline	331,917.83	St. Marys	289,958.01
Carroll	686,820.02	Somerset	446,362.38
Cecil	493,037.43	Talbot	354,749.47
Charles	308,608.94	Washington	1,257,687.38
Dorchester	511,860.17	Wicomico	596,161.61
Frederick	1,039,259.60	Worcester	412,802.16
Garrett	380,043.72		
Harford	603,301.27	Total	31,145,831.34

MASSACHUSETTS

Barnstable	702,310.70	Middlesex	20,325,247.76
Berkshire	2,624,018.00	Nantucket	79,959.72
Bristol	7,926,186.60	Norfolk	6,509,521.24
Dukes	107,678.22	Plymouth	3,528,641.14
Essex	10,827,389.60	Suffolk	19,121,112.64
Franklin	1,078,564.88	Worcester	10,679,601.08
Hampden	7,293,683.04		
Hampshire	1,582,693.74	Total	92,386,608.36

MICHIGAN

Alcona	88,005.96	Lapeer	500,058.72
Alger	164,528.28	Leelanau	144,753.84
Allegan	687,501.36	Lenawee	879,336.36
Alpena	327,645.36	Livingston	339,993.36
Antrim	176,029.56	Luce	115,153.92
Arenac	141,243.48	Mackinac	154,932.12
Baraga	161,723.52	Macomb	1,360,855.44
Barry	369,169.92	Manistee	307,094.76
Bay	1,225,521.36	Marquette	777,500.64
Benzie	116,194.68	Mason	330,855.84
Berrien	1,430,004.24	Mecosta	277,618.32
Branch	422,478.00	Menominee	417,221.28
Calhoun	1,535,438.52	Midland	337,806.00
Cass	368,464.32	Missaukee	123,338.88
Charlevoix	211,344.84	Monroe	925,835.40
Cheboygan	202,895.28	Montcalm	484,588.44
Chippewa	441,829.08	Montmorency	49,638.96
Clare	124,044.48	Muskegon	1,492,873.20
Clinton	426,429.36	Newaygo	300,391.56
Crawford	54,631.08	Oakland	3,726,467.64
Delta	569,419.20	Oceana	243,520.20
Dickinson	528,159.24	Ogemaw	116,335.80
Eaton	559,681.92	Ontonagon	196,050.96
Emmet	266,522.76	Osceola	225,897.84
Genesee	3,733,347.24	Oscoda	30,481.92
Gladwin	130,959.36	Otsego	97,972.56
Gogebic	557,018.28	Ottawa	967,695.12
Grand Traverse	352,994.04	Presque Isle	199,861.20
Gratiot	533,645.28	Roscommon	36,250.20
Hillsdale	483,635.88	Saginaw	2,129,447.88
Houghton	932,291.64	St. Clair	1,191,811.32
Huron	549,168.48	St. Joseph	540,101.52
Ingham	2,056,594.68	Sanilac	489,527.64
Ionia	619,040.52	Schoolcraft	149,075.64
Iosco	132,599.88	Shiawassee	697,079.88
Iron	367,000.20	Tuscola	580,955.76
Isabella	372,662.64	Van Buren	575,716.68
Jackson	1,628,242.56	Washtenaw	1,155,949.20
Kalamazoo	1,611,731.52	Wayne	33,321,007.44
Kalkaska	67,014.36	Wexford	296,828.28
Kent	4,242,614.04		
Keweenaw	89,540.64	Total	85,418,613.00
Lake	71,724.24		

MINNESOTA

Aitkin	$310,836.39	Marshall	$352,132.13
Anoka	381,374.65	Martin	463,924.71
Becker	466,037.13	Meeker	370,998.94
Beltrami	428,841.97	Mille Lacs	291,513.96
Benton	311,809.76	Morrison	526,903.82
Big Stone	203,744.98	Mower	581,226.15
Blue Earth	700,971.37	Murray	287,910.42
Brown	485,193.88	Nicollet	342,750.50
Carlton	439,714.72	Nobles	385,578.78
Carver	350,744.56	Norman	291,203.31
Cass	322,889.61	Olmsted	733,672.46
Chippewa	326,431.02	Otter Tail	1,056,334.26
Chisago	273,144.19	Pennington	217,185.77
Clay	478,815.20	Pine	419,667.44
Clearwater	197,697.66	Pipestone	253,448.98
Cook	50,428.85	Polk	745,953.49
Cottonwood	306,135.22	Pope	270,990.35
Crow Wing	530,735.17	Ramsey	5,937,991.91
Dakota	716,400.32	Red Lake	142,629.77
Dodge	251,150.17	Redwood	427,040.20
Douglas	389,617.23	Renville	489,687.95
Faribault	448,205.82	Rice	620,761.54
Fillmore	512,531.08	Rock	227,023.02
Freeborn	595,226.11	Roseau	261,380.91
Goodhue	648,575.07	St. Louis	4,237,183.16
Grant	197,946.18	Scott	292,342.36
Hennepin	10,723,327.35	Sherburne	201,073.39
Houston	286,729.95	Sibley	328,564.15
Hubbard	198,733.16	Stearns	1,286,525.91
Isanti	250,197.51	Steele	382,617.25
Itasca	563,809.04	Stevens	210,931.35
Jackson	328,522.73	Swift	305,161.85
Kanabec	177,236.18	Todd	541,980.70
Kandiyohi	488,217.54	Traverse	164,395.98
Kittson	200,638.48	Wabasha	364,765.23
Koochiching	291,555.38	Wadena	227,602.90
Lac qui Parle	318,892.58	Waseca	298,472.52
Lake	146,378.28	Washington	512,634.63
Lake of the Woods	86,857.74	Watonwan	265,129.42
Le Sueur	372,572.90	Wilkin	202,771.61
Lincoln	234,085.13	Winona	727,832.24
Lyon	400,241.46	Wright	561,634.49
McLeod	425,010.62	Yellow Medicine	344,303.75
Mahnomen	127,428.63	Total	53,099,466.63

MISSISSIPPI

Adams	251,663.52	Lincoln	281,492.76
Alcorn	252,614.04	Lowndes	320,261.16
Amite	210,524.16	Madison	382,301.28
Attala	278,053.80	Marion	212,777.64
Benton	104,802.84	Marshall	265,600.92
Bolivar	758,824.68	Monroe	385,985.88
Calhoun	193,094.40	Montgomery	160,296.12
Carroll	211,090.20	Neshoba	285,059.88
Chickasaw	222,517.80	Newton	244,678.80
Choctaw	131,780.52	Noxubee	272,980.80
Claiborne	129,783.36	Oktibbeha	204,190.92
Clarke	210,171.72	Panola	305,960.64
Clay	191,503.08	Pearl River	207,245.40
Coahoma	494,772.36	Perry	87,543.96
Copiah	337,637.52	Pike	343,906.68
Covington	160,499.04	Pontotoc	235,323.12
De Soto	271,677.84	Prentiss	205,750.20
Forrest	321,628.20	Quitman	270,246.72
Franklin	131,022.24	Rankin	217,370.04
George	80,345.64	Scott	223,361.52
Greene	113,677.92	Sharkey	148,206.36
Grenada	179,445.36	Simpson	223,179.96
Hancock	121,912.20	Smith	196,565.40
Harrison	471,447.24	Stone	60,918.72
Hinds	909,060.24	Sunflower	708,767.52
Holmes	411,543.12	Tallahatchie	379,866.24
Humphreys	264,105.72	Tate	188,726.28
Issaquena	61,239.12	Tippah	199,267.44
Itawamba	194,643.00	Tishomingo	175,269.48
Jackson	170,591.64	Tunica	226,768.44
Jasper	199,011.12	Union	227,142.24
Jefferson	152,627.88	Walthall	148,142.28
Jefferson Davis	152,521.08	Warren	382,183.80
Jones	443,134.56	Washington	580,030.80
Kemper	233,689.08	Wayne	163,350.60
Lafayette	213,365.04	Webster	129,527.04
Lamar	137,216.64	Wilkinson	149,060.76
Lauderdale	563,348.64	Winston	226,832.52
Lawrence	133,190.28	Yalobusha	189,570.00
Leake	232,856.04	Yazoo	397,958.16
Lee	377,142.84		
Leflore	571,444.08	Total	21,464,888.28

MISSOURI

Adair	361,898.32	Barry	424,591.86
Andrew	250,792.78	Barton	271,107.20
Atchison	249,899.02	Bates	410,906.16
Audrain	411,073.74	Benton	218,002.96

MISSOURI—continued

Bollinger	$228,448.78	Marion	$623,639.66
Boone	577,126.90	Mercer	174,097.00
Buchanan	1,836,546.46	Miller	311,475.36
Butler	441,238.14	Mississippi	293,488.44
Caldwell	232,917.58	Moniteau	226,661.26
Callaway	370,966.26	Monroe	250,736.92
Camden	170,224.04	Montgomery	242,264.82
Cape Girardeau	618,239.86	Morgan	204,224.16
Carroll	371,282.80	New Madrid	563,478.44
Carter	102,465.86	Newton	501,976.58
Cass	390,312.44	Nodaway	491,028.02
Cedar	207,352.32	Oregon	227,536.40
Chariton	364,728.56	Osage	232,042.44
Christian	245,206.78	Ozark	177,578.94
Clark	190,929.48	Pemiscot	694,228.08
Clay	499,220.82	Perry	255,224.34
Clinton	251,463.10	Pettis	645,443.68
Cole	574,389.76	Phelps	285,034.96
Cooper	363,499.64	Pike	335,178.62
Crawford	210,163.94	Platte	257,309.78
Dade	219,045.68	Polk	331,491.86
Dallas	196,273.42	Pulaski	200,258.10
Daviess	268,574.88	Putnam	214,185.86
De Kalb	191,227.40	Ralls	199,308.48
Dent	204,335.88	Randolph	492,145.22
Douglas	259,916.58	Ray	369,532.52
Dunklin	666,577.38	Reynolds	166,146.26
Franklin	568,263.78	Ripley	208,097.12
Gasconade	226,642.64	St. Charles	453,471.48
Gentry	267,159.76	St. Clair	247,441.18
Greene	1,544,137.93	St. Francois	667,191.84
Grundy	300,433.70	St. Louis	3,939,861.66
Harrison	320,878.46	St. Louis City	15,304,895.20
Henry	426,975.22	Ste. Genevieve	188,006.14
Hickory	119,726.60	Saline	569,734.76
Holt	236,846.40	Schuyler	129,427.62
Howard	251,183.80	Scotland	164,842.86
Howell	366,292.64	Scott	463,880.06
Iron	179,534.04	Shannon	202,846.28
Jackson	8,759,853.48	Shelby	223,123.46
Jasper	1,374,342.20	Stoddard	511,156.24
Jefferson	513,223.06	Stone	216,252.68
Johnson	417,330.06	Sullivan	283,247.44
Knox	179,831.96	Taney	165,103.54
Laclede	303,878.40	Texas	345,959.60
Lafayette	544,802.58	Vernon	466,077.22
Lawrence	442,671.88	Warren	150,486.84
Lewis	225,171.66	Washington	269,059.00
Lincoln	259,357.98	Wayne	227,964.66
Linn	434,572.18	Webster	300,675.76
Livingston	346,611.30	Worth	121,681.70
McDonald	259,488.32	Wright	311,717.42
Macon	429,563.40		
Madison	175,363.16	Total	67,578,813.54
Maries	155,812.16		

MONTANA

Beaverhead	141,397.50	Mineral	34,552.50
Big Horn	181,538.75	Missoula	462,867.50
Blaine	191,377.50	Musselshell	153,892.50
Broadwater	58,182.50	Park	232,092.50
Carbon	267,133.75	Petroleum	43,456.25
Carter	87,890.00	Phillips	174,420.00
Cascade	874,352.50	Pondera	147,985.00
Chouteau	183,493.75	Powder River	83,066.25
Custer	238,892.50	Powell	131,792.50
Daniels	118,001.25	Prairie	83,746.25
Dawson	209,971.25	Ravalli	219,193.75
Deer Lodge	346,226.25	Richland	204,701.25
Fallon	97,070.00	Roosevelt	226,780.00
Fergus	351,283.75	Rosebud	156,123.75
Flathead	408,000.00	Sanders	120,955.00
Gallatin	342,635.00	Sheridan	209,716.25
Garfield	90,355.00	Silver Bow	1,210,591.25
Glacier	112,561.25	Stillwater	132,876.25
Golden Valley	45,177.50	Sweet Grass	83,810.00
Granite	64,026.25	Teton	128,945.00
Hill	292,718.75	Toole	142,672.50
Jefferson	87,826.25	Treasure	35,296.25
Judith Basin	111,307.50	Valley	237,596.25
Lake	202,746.25	Wheatland	79,708.75
Lewis and Clark	387,260.00	Wibaux	58,798.75
Liberty	46,707.50	Yellowstone	654,181.25
Lincoln	150,641.25	Yellowstone National Park	1,105.00
McCone	101,787.50		
Madison	134,363.75		
Meagher	48,280.00	Total	11,424,127.50

NEBRASKA

Adams	461,914.50	Box Butte	208,516.38
Antelope	267,321.48	Boyd	126,031.02
Arthur	23,627.52	Brown	101,471.76
Banner	29,464.08	Buffalo	427,862.04
Blaine	27,846.72	Burt	229,629.96
Boone	259,094.04	Butler	253,327.80

NEBRASKA—continued

Cass	$310,884.72	Lancaster	$1,763,695.92
Cedar	288,786.66	Lincoln	450,522.66
Chase	96,408.72	Logan	35,406.12
Cherry	191,586.84	Loup	31,960.44
Cheyenne	179,087.46	McPherson	23,873.64
Clay	238,578.18	Madison	457,730.46
Colfax	201,009.72	Merrick	186,682.02
Cuming	251,868.66	Morrill	174,921.00
Custer	460,402.62	Nance	153,262.44
Dakota	167,097.90	Nemaha	217,218.48
Dawes	202,046.94	Nuckolls	222,017.82
Dawson	314,242.50	Otoe	349,859.58
Deuel	70,179.36	Pawnee	165,656.34
Dixon	203,681.88	Perkins	102,561.72
Dodge	444,299.34	Phelps	162,808.38
Douglas	4,095,823.56	Pierce	194,786.40
Dundy	98,623.80	Platte	372,361.98
Fillmore	228,030.18	Polk	177,417.36
Franklin	159,872.52	Redwillow	243,641.22
Frontier	142,644.12	Richardson	348,541.08
Furnas	213,421.20	Rock	59,174.28
Gage	531,654.36	Saline	287,538.48
Garden	89,640.42	Sarpy	182,867.16
Garfield	56,379.06	Saunders	354,535.86
Gosper	75,365.46	Scotts Bluff	503,561.52
Grant	25,086.66	Seward	280,190.04
Greeley	148,410.36	Sheridan	189,740.94
Hall	476,716.86	Sherman	160,364.76
Hamilton	213,755.22	Sioux	82,045.86
Harlan	157,464.06	Stanton	137,282.22
Hayes	63,340.74	Thayer	240,564.72
Hitchcock	127,789.02	Thomas	26,545.80
Holt	290,228.22	Thurston	183,921.96
Hooker	20,744.40	Valley	167,590.14
Howard	176,151.60	Washington	212,630.10
Jefferson	288,470.22	Wayne	185,750.28
Johnson	160,980.06	Webster	179,491.80
Kearney	142,292.52	Wheeler	41,049.30
Keith	118,155.18	York	303,061.62
Keyapaha	56,308.74		
Kimball	82,186.50	Total	24,224,589.54
Knox	335,953.80		

NEVADA

Churchill	110,838.00	Mineral	40,687.92
Clark	186,338.88	Nye	87,119.76
Douglas	40,185.60	Ormsby	48,506.64
Elko	217,526.40	Pershing	37,919.68
Esmeralda	23,521.68	Storey	14,567.28
Eureka	29,112.72	Washoe	593,130.72
Humboldt	82,832.80	White Pine	257,078.64
Lander	37,433.76		
Lincoln	78,645.84	Total	1,988,706.72
Lyon	83,210.40		

NEW HAMPSHIRE

Belknap	393,187.74	Merrimack	975,921.76
Carroll	248,134.26	Rockingham	934,175.00
Cheshire	585,445.30	Strafford	670,520.40
Coos	677,107.42	Sullivan	422,090.68
Grafton	744,142.08		
Hillsborough	2,436,067.70	Total	8,086,792.34

NEW JERSEY

Atlantic	2,387,863.99	Monmouth	2,816,108.17
Bergen	6,982,010.01	Morris	2,112,812.85
Burlington	1,789,439.33	Ocean	632,609.97
Camden	4,826,728.56	Passaic	5,779,727.77
Cape May	564,067.18	Salem	704,634.42
Cumberland	1,337,091.35	Somerset	1,245,975.16
Essex	15,945,103.69	Sussex	532,387.90
Gloucester	1,354,442.26	Union	5,838,648.17
Hudson	13,213,664.90	Warren	943,472.47
Hunterdon	664,346.64		
Mercer	3,580,045.59	Total	77,310,719.42
Middlesex	4,059,539.04		

NEW MEXICO

Bernalillo	671,455.40	Otero	144,533.62
Catron	48,507.96	Quay	160,037.84
Chaves	288,934.22	Rio Arriba	316,011.18
Colfax	233,140.46	Roosevelt	164,191.02
Curry	233,657.02	Sandoval	164,708.32
De Baca	42,758.54	San Juan	217,280.78
Dona Ana	405,784.90	San Miguel	349,340.08
Eddy	234,144.76	Santa Fe	289,200.26
Grant	281,559.00	Sierra	76,619.52
Guadalupe	103,859.06	Socorro	142,050.58
Harding	65,342.38	Taos	212,743.32
Hidalgo	74,239.94	Torrance	136,995.82
Lea	90,808.32	Union	163,112.08
Lincoln	106,386.44	Valencia	239,229.08
Luna	92,330.66		
McKinley	505,103.54	Total	6,256,625.26
Mora	152,559.16		

NEW YORK

Albany	$4,141,561.62	Oneida	$3,883,829.02
Allegany	743,008.50	Onondaga	5,697,981.24
Bronx	24,723,141.32	Ontario	1,060,553.04
Broome	2,872,809.88	Orange	2,547,683.82
Cattaraugus	1,414,656.92	Orleans	562,654.30
Cayuga	1,265,234.54	Oswego	1,360,863.30
Chautauqua	2,470,969.78	Otsego	912,713.40
Chemung	1,459,247.20	Putnam	268,557.76
Chenang	677,354.10	Queens	21,086,180.66
Clinton	912,263.98	Rensselaer	2,340,520.74
Columbia	813,196.18	Richmond	3,094,080.84
Cortland	619,593.86	Rockland	1,164,564.46
Delaware	804,325.02	St. Lawrence	1,777,358.40
Dutchess	2,060,727.48	Saratoga	1,237,155.56
Erie	14,897,452.32	Schenectady	2,442,910.34
Essex	663,558.86	Schoharie	384,293.18
Franklin	892,860.76	Schuyler	252,241.86
Fulton	909,782.40	Seneca	488,167.82
Genesee	868,904.72	Steuben	1,615,391.34
Greene	504,288.32	Suffolk	3,147,014.70
Hamilton	76,772.66	Sullivan	689,214.88
Herkimer	1,250,677.24	Tioga	497,879.20
Jefferson	1,633,035.96	Tompkins	810,714.60
Kings	50,030,235.54	Ulster	1,566,228.70
Lewis	458,154.38	Warren	667,759.96
Livingston	733,922.40	Washington	908,258.28
Madison	777,496.60	Wayne	976,902.30
Monroe	8,282,634.74	Westchester	10,179,304.38
Montgomery	1,173,885.04	Wyoming	562,048.56
Nassau	5,921,655.62	Yates	329,209.92
New York	36,487,276.48		
Niagara	2,917,888.66	Total	245,970,809.64

NORTH CAROLINA

Alamance	515,793.60	Jones	127,638.72
Alexander	158,165.28	Lee	208,031.04
Alleghany	87,956.64	Lenoir	437,163.84
Anson	359,231.76	Lincoln	279,953.28
Ashe	257,272.56	McDowell	248,912.64
Avery	144,468.72	Macon	167,345.28
Beaufort	428,718.24	Madison	248,545.44
Bertie	316,330.56	Martin	286,416.00
Bladen	274,041.36	Mecklenburg	1,566,365.04
Brunswick	193,612.32	Mitchell	170,894.88
Buncombe	1,198,748.88	Montgomery	198,508.32
Burke	359,978.40	Moore	345,351.60
Cabarrus	542,611.44	Nash	646,051.68
Caldwell	342,915.84	New Hanover	526,442.40
Camden	66,842.64	Northampton	332,450.64
Carteret	206,856.00	Onslow	187,137.36
Caswell	222,939.36	Orange	259,133.04
Catawba	538,449.84	Pamlico	113,819.76
Chatham	295,926.48	Pasquotank	234,310.32
Cherokee	197,688.24	Pender	191,996.64
Chowan	138,091.68	Perquimans	130,576.32
Clay	66,512.16	Person	269,757.36
Cleveland	635,427.36	Pitt	666,663.84
Columbus	461,692.80	Polk	125,043.84
Craven	375,339.60	Randolph	443,810.16
Cumberland	553,480.56	Richmond	416,355.84
Currituck	82,130.40	Robeson	814,106.88
Dare	63,672.48	Rockingham	625,255.92
Davidson	585,867.60	Rowan	693,579.60
Davie	176,084.64	Rutherford	495,132.48
Duplin	429,660.72	Sampson	490,603.68
Durham	822,479.04	Scotland	246,929.76
Edgecombe	586,222.56	Stanly	369,843.84
Forsyth	1,366,975.44	Stokes	272,829.60
Franklin	360,541.44	Surry	486,527.76
Gaston	955,858.32	Swain	141,592.32
Gates	129,144.24	Transylvania	117,369.36
Graham	71,493.84	Tyrrell	63,207.36
Granville	351,569.52	Union	501,582.96
Greene	228,349.44	Vance	334,078.56
Guilford	1,628,042.40	Wake	1,159,825.68
Halifax	651,731.04	Warren	285,975.36
Harnett	464,030.64	Washington	142,020.72
Haywood	346,061.52	Watauga	185,619.60
Henderson	286,464.96	Wayne	648,879.12
Hertford	214,714.08	Wilkes	442,622.88
Hoke	174,346.56	Wilson	549,747.36
Hyde	104,652.00	Yadkin	220,442.40
Iredell	571,522.32	Yancey	177,308.64
Jackson	214,432.56		
Johnston	705,281.04	Total	38,804,178.24

NORTH DAKOTA

Adams	90,704.90	Cass	696,910.50
Barnes	268,897.20	Cavalier	208,122.20
Benson	190,576.10	Dickey	155,541.10
Billings	44,902.00	Divide	137,794.80
Bottineau	212,397.90	Dunn	136,793.80
Bowman	73,201.70	Eddy	90,747.80
Burke	142,971.40	Emmons	178,278.10
Burleigh	282,696.70	Foster	90,847.90

NORTH DAKOTA—continued

Golden Valley	$58,944.60	Ransom	$157,056.90
Grand Forks	456,970.80	Renville	103,860.90
Grant	144,916.20	Richland	300,414.40
Griggs	98,512.70	Rolette	153,868.00
Hettinger	125,782.80	Sargent	132,961.40
Kidder	114,843.30	Sheridan	105,433.90
La Moure	164,693.10	Sioux	67,024.10
Logan	115,672.70	Slope	59,345.00
McHenry	220,777.70	Stark	219,362.00
McIntosh	137,580.30	Steele	99,699.60
McKenzie	138,838.70	Stutsman	373,230.00
McLean	257,271.30	Towner	120,019.90
Mercer	136,078.80	Traill	180,180.00
Morton	280,952.10	Walsh	286,672.10
Mountrail	193,679.20	Ward	480,437.10
Nelson	145,902.90	Wells	189,975.50
Oliver	60,946.60	Williams	279,607.90
Pembina	211,025.10		
Pierce	129,758.20	Total	9,736,033.50
Ramsey	232,403.60		

OHIO

Adams	361,355.13	Logan	513,833.13
Allen	1,230,798.87	Lorain	1,936,222.38
Ashland	476,351.91	Lucas	6,164,880.57
Ashtabula	1,212,040.53	Madison	359,085.69
Athens	783,222.75	Mahoning	4,186,797.66
Auglaize	497,042.82	Marion	805,296.60
Belmont	1,679,367.87	Medina	526,173.21
Brown	357,224.04	Meigs	424,828.53
Butler	2,022,709.32	Mercer	444,952.08
Carroll	284,690.61	Miami	909,566.73
Champaign	427,346.19	Monroe	326,692.98
Clark	1,612,295.28	Montgomery	4,848,818.13
Clermont	528,105.78	Morgan	240,826.59
Clinton	382,028.31	Morrow	256,889.97
Columbiana	1,533,361.32	Muskingum	1,194,966.54
Coshocton	513,744.48	Noble	265,258.53
Crawford	626,666.85	Ottawa	427,452.57
Cuyahoga	21,301,797.15	Paulding	271,286.73
Darke	673,899.57	Perry	557,519.85
Defiance	402,719.22	Pickaway	482,929.74
Delaware	461,263.68	Pike	246,021.48
Erie	747,018.09	Portage	756,751.86
Fairfield	780,297.30	Preble	398,127.15
Fayette	367,986.15	Putnam	444,552.02
Franklin	6,401,505.15	Richland	1,168,442.46
Fulton	416,247.21	Ross	801,059.13
Gallia	408,676.50	Sandusky	704,430.63
Geauga	273,290.22	Sioto	1,440,048.33
Greene	589,682.07	Seneca	849,993.93
Guernsey	735,546.78	Shelby	441,902.52
Hamilton	10,449,281.88	Stark	3,932,230.32
Hancock	716,362.92	Summit	6,101,442.63
Hardin	439,968.55	Trumbull	2,181,906.99
Harrison	334,104.12	Tuscarawas	1,209,061.89
Henry	399,350.52	Union	340,274.16
Highland	450,625.68	Van Wert	465,820.29
Hocking	361,816.11	Vinton	162,388.51
Holmes	296,551.93	Warren	484,880.04
Huron	597,501.00	Washington	752,408.01
Jackson	443,959.20	Wayne	833,735.52
Jefferson	1,565,683.11	Williams	431,122.68
Knox	520,162.74	Wood	892,173.60
Lake	738,880.02	Wyandot	337,508.28
Lawrence	789,711.93		
Licking	1,063,126.26	Total	117,845,937.81

OKLAHOMA

Adair	245,244.72	Harmon	229,921.08
Alfalfa	253,089.36	Harper	128,987.82
Atoka	241,538.46	Haskell	269,509.92
Beaver	190,332.24	Hughes	504,151.08
Beckham	481,830.42	Jackson	480,484.20
Blaine	339,912.24	Jefferson	289,055.04
Bryan	536,443.74	Johnston	217,422.84
Caddo	843,946.98	Kay	834,091.32
Canadian	467,271.30	Kingfisher	265,255.20
Carter	688,383.78	Kiowa	492,450.60
Cherokee	290,351.40	Latimer	185,878.08
Choctaw	401,240.04	Le Flore	712,931.52
Cimarron	89,880.96	Lincoln	560,725.56
Cleveland	414,635.76	Logan	461,387.82
Coal	191,479.02	Love	160,200.18
Comanche	570,348.54	McClain	358,576.50
Cotton	256,646.04	McCurtain	577,694.58
Craig	300,024.24	McIntosh	414,236.88
Creek	1,065,591.30	Major	202,863.72
Custer	457,332.54	Marshall	183,252.12
Delaware	255,449.40	Mayes	297,215.46
Dewey	220,215.00	Murray	206,254.20
Ellis	175,191.42	Muskogee	1,103,966.88
Garfield	757,672.56	Noble	251,610.18
Garvin	521,884.62	Nowata	226,214.82
Grady	791,743.56	Okfuskee	482,245.92
Grant	235,173.00	Oklahoma	3,685,285.56
Greer	337,086.84	Okmulgee	939,993.96

OKLAHOMA—continued

Osage	$786,691.08	Stephens	$549,606.78
Ottawa	640,568.04	Texas	234,342.00
Pawnee	330,438.84	Tillman	405,361.80
Payne	613,361.10	Tulsa	3,117,479.88
Pittsburg	843,930.36	Wagoner	372,753.36
Pontotoc	539,634.78	Washington	461,653.74
Pottawatomie	1,106,426.64	Washita	489,209.70
Pushmataha	245,045.28	Woods	282,623.10
Roger Mills	235,405.68	Woodward	263,327.28
Rogers	315,048.72		
Seminole	1,323,301.02	Total	39,822,184.80
Sequoyah	324,173.10		

OREGON

Baker	403,603.86	Lane	1,312,736.37
Benton	398,809.95	Lincoln	238,563.27
Clackamas	1,113,078.45	Linn	595,023.00
Clatsop	508,877.16	Malheur	271,470.21
Columbia	482,932.23	Marion	1,458,432.69
Coos	683,505.57	Morrow	119,028.69
Crook	80,364.24	Multnomah	8,148,225.69
Curry	78,461.13	Polk	406,109.22
Deschutes	355,303.41	Sherman	71,740.02
Douglas	529,136.85	Tillamook	284,840.16
Gilliam	83,520.03	Umatilla	587,771.91
Grant	143,094.60	Union	421,382.28
Harney	142,612.80	Wallowa	188,239.26
Hood River	215,316.42	Wasco	304,642.14
Jackson	792,994.62	Washington	729,324.75
Jefferson	55,190.19	Wheeler	67,427.91
Josephine	276,986.82	Yamhill	530,847.24
Klamath	780,684.63		
Lake	116,426.97	Total	22,976,704.74

PENNSYLVANIA

Adams	666,447.60	Lancaster	3,534,031.90
Allegheny	24,670,659.50	Lawrence	1,745,781.10
Armstrong	1,423,399.10	Lebanon	1,204,498.85
Beaver	2,675,662.90	Lehigh	3,103,429.35
Bedford	669,696.55	Luzerne	7,989,706.55
Berks	4,159,320.15	Lycoming	1,676,906.95
Blair	2,510,128.00	McKean	990,247.65
Bradford	880,250.05	Mercer	1,781,465.70
Bucks	1,736,249.65	Mifflin	724,013.25
Butler	1,444,616.00	Monroe	507,733.70
Cambria	3,646,470.70	Montgomery	4,771,181.80
Cameron	95,260.65	Montour	260,580.15
Carbon	1,137,671.00	Northampton	3,039,006.80
Centre	830,977.30	Northumberland	2,306,646.80
Chester	2,272,990.55	Perry	390,304.80
Clarion	619,831.45	Philadelphia	35,019,749.95
Clearfield	1,556,749.65	Pike	134,319.85
Clinton	580,126.05	Potter	313,927.55
Columbia	876,013.85	Schuylkill	4,227,314.75
Crawford	1,130,491.00	Snyder	338,106.20
Cumberland	1,224,836.20	Somerset	1,449,713.80
Dauphin	2,965,896.45	Sullivan	134,607.05
Delaware	5,030,738.80	Susquehanna	606,817.70
Elk	600,086.45	Tioga	572,084.45
Erie	3,146,222.15	Union	313,550.60
Fayette	3,563,828.90	Venango	1,134,906.70
Forest	92,981.00	Warren	744,081.35
Franklin	1,166,929.50	Washington	3,676,195.90
Fulton	165,696.45	Wayne	510,139.00
Greene	749,717.65	Westmoreland	5,295,160.25
Huntingdon	700,426.95	Wyoming	278,530.15
Indiana	1,353,340.25	York	3,000,073.25
Jefferson	935,446.30		
Juniata	257,133.75	Total	172,882,732.50
Lackawanna	5,571,626.15		

RHODE ISLAND

Bristol	501,027.33	Washington	585,799.98
Kent	1,026,258.30		
Newport	832,109.96	Total	13,729,315.09
Providence	10,784,119.52		

SOUTH CAROLINA

Abbeville	286,406.44	Edgefield	237,323.28
Aiken	582,108.84	Fairfield	285,964.36
Allendale	163,250.32	Florence	749,411.56
Anderson	994,053.72	Georgetown	266,942.64
Bamberg	238,354.80	Greenville	1,436,870.52
Barnwell	260,593.88	Greenwood	443,037.84
Beaufort	267,888.20	Hampton	211,744.04
Berkeley	273,058.08	Horry	483,537.28
Calhoun	205,161.96	Jasper	122,652.64
Charleston	1,240,894.00	Kershaw	393,819.60
Cherokee	395,428.28	Lancaster	343,594.40
Chester	390,540.84	Laurens	516,914.32
Chesterfield	421,621.52	Lee	295,898.88
Clarendon	368,842.08	Lexington	448,146.32
Colleton	317,081.88	McCormick	140,863.88
Darlington	508,723.56	Marion	334,273.88
Dillon	316,001.24	Marlboro	388,465.52
Dorchester	232,779.68	Newberry	425,882.68

SOUTH CAROLINA—continued

Oconee	$409,759.04	Sumter	$563,676.56
Orangeburg	784,249.92	Union	379,697.60
Pickens	413,946.52	Williamsburg	428,743.92
Richland	1,076,550.76	York	655,973.04
Saluda	222,857.44		
Spartanburg	1,428,446.44	Total	21,352,034.20

SOUTH DAKOTA

Armstrong	1,509.60	Jerauld	109,747.92
Aurora	134,712.93	Jones	59,949.99
Beadle	432,443.79	Kingsbury	241,630.35
Bennett	86,613.30	Lake	233,591.73
Bon Homme	221,477.19	Lawrence	262,670.40
Brookings	317,902.89	Lincoln	262,632.66
Brown	593,612.46	Lyman	119,541.45
Brule	139,939.92	McCook	194,662.92
Buffalo	36,437.97	McPherson	165,565.38
Butte	162,074.43	Marshall	180,019.80
Campbell	106,219.23	Meade	216,665.34
Charles Mix	315,185.61	Mellette	99,878.91
Clark	207,985.14	Miner	158,055.12
Clay	190,360.56	Minnehaha	959,954.64
Codington	329,413.59	Moody	181,208.61
Corson	179,925.45	Pennington	378,890.73
Custer	101,011.11	Perkins	164,489.79
Davison	317,412.27	Potter	108,728.94
Day	275,615.22	Roberts	297,806.34
Deuel	164,772.84	Sanborn	138,241.62
Dewey	122,202.12	Shannon	76,574.46
Douglas	136,543.32	Spink	288,786.48
Edmunds	164,395.44	Stanley	44,929.47
Fall River	164,942.67	Sully	72,687.24
Faulk	130,108.65	Todd	111,295.26
Grant	202,456.23	Tripp	239,875.44
Gregory	215,495.40	Turner	280,993.17
Haakon	68,292.73	Union	216,627.60
Hamlin	156,602.18	Walworth	165,886.17
Hand	178,981.95	Washabaugh	46,684.38
Hanson	115,691.97	Washington	34,475.49
Harding	67,724.43	Yankton	313,034.43
Hughes	132,259.83	Ziebach	76,215.93
Hutchinson	262,368.48		
Hyde	69,630.30		13,074,060.63
Jackson	49,741.32		

TENNESSEE

Anderson	272,163.60	Lawrence	369,508.80
Bedford	290,862.60	Lewis	72,560.40
Benton	155,070.60	Lincoln	350,823.60
Bledsoe	98,366.40	Loudon	245,709.00
Blount	469,048.20	McMinn	400,462.20
Bradley	315,606.00	McNairy	274,633.80
Campbell	370,212.60	Macon	191,433.60
Cannon	123,303.00	Madison	704,614.20
Carroll	360,621.60	Marion	242,176.20
Carter	403,277.40	Marshall	214,921.20
Cheatham	124,545.00	Maury	469,420.80
Chester	146,321.40	Meigs	84,552.60
Claiborne	335,519.40	Monroe	295,002.60
Clay	132,162.60	Montgomery	426,171.60
Cocke	300,495.00	Moore	55,710.60
Coffee	231,853.80	Morgan	187,721.40
Crockett	239,554.20	Obion	401,386.80
Cumberland	157,872.00	Overton	249,490.20
Davidson	3,075,385.20	Perry	98,628.60
Decatur	139,462.80	Pickett	77,487.00
De Kalb	196,139.40	Polk	216,466.80
Dickson	255,175.80	Putman	327,874.20
Dyer	433,389.00	Rhea	191,419.80
Fayette	398,695.80	Roane	337,782.60
Fentress	152,296.80	Robertson	389,035.80
Franklin	300,784.80	Rutherford	445,546.80
Gibson	642,086.40	Scott	194,304.00
Giles	386,620.80	Sequatchie	55,848.60
Grainger	175,770.60	Sevier	282,624.00
Greene	484,642.20	Shelby	4,229,451.60
Grundy	134,094.60	Smith	213,527.40
Hamblen	229,300.80	Stewart	183,236.40
Hamilton	2,201,058.60	Sullivan	705,000.60
Hancock	133,487.40	Sumner	394,983.60
Hardeman	306,263.40	Tipton	379,472.40
Hardin	223,739.40	Trousdale	77,680.20
Hawkins	332,814.60	Unicoi	174,956.40
Haywood	359,669.40	Union	156,919.80
Henderson	243,639.00	Van Buren	48,520.80
Henry	364,761.60	Warren	278,884.20
Hickman	187,859.40	Washington	632,109.00
Houston	76,659.00	Wayne	167,449.20
Humphreys	166,138.20	Weakley	403,815.60
Jackson	187,528.20	White	214,493.40
Jefferson	247,213.20	Williamson	315,261.00
Johnson	168,484.20	Wilson	330,220.20
Knox	2,151,447.60		
Lake	144,706.80	Total	36,108,472.80
Lauderdale	323,002.80		

TEXAS

Anderson	$568,838.06	Hall	$278,581.72
Andrews	12,035.12	Hamilton	222,047.66
Angelina	456,525.26	Hansford	58,258.16
Aransas	36,435.98	Hardeman	238,615.44
Archer	159,011.28	Hardin	228,829.12
Armstrong	54,662.18	Harris	5,900,165.76
Atascosa	257,038.68	Harrison	803,545.54
Austin	309,681.20	Hartley	35,877.70
Bailey	85,154.12	Haskell	273,704.98
Bandera	62,133.28	Hays	244,904.30
Bastrop	392,240.96	Hemphill	76,139.54
Baylor	121,803.56	Henderson	502,172.86
Bee	258,138.82	Hidalgo	1,264,405.68
Bell	821,492.60	Hill	706,651.12
Bexar	4,803,391.86	Hockley	152,673.16
Blanco	63,085.64	Hood	111,311.18
Borden	24,712.10	Hopkins	482,912.20
Bosque	258,615.00	Houston	492,879.14
Bowie	797,404.46	Howard	375,820.96
Brazoria	378,546.68	Hudspeth	61,213.76
Brazos	358,530.70	Hunt	804,842.72
Brewster	108,766.08	Hutchinson	243,804.16
Briscoe	91,787.80	Irion	33,644.58
Brooks	96,894.42	Jack	148,535.32
Brown	433,192.44	Jackson	180,291.60
Burleson	325,904.16	Jasper	280,190.88
Burnet	170,029.10	Jeff Davis	29,556.00
Caldwell	515,538.74	Jefferson	2,190,280.22
Calhoun	88,421.70	Jim Hogg	80,769.93
Callahan	209,929.70	Jim Wells	220,947.52
Cameron	1,273,206.80	Johnson	547,065.14
Camp	165,234.46	Jones	397,905.86
Carson	127,172.90	Karnes	382,843.72
Cass	493,092.60	Kaufman	671,660.10
Castro	77,502.40	Kendall	81,607.40
Chambers	93,758.20	Kenedy	11,510.42
Cherokee	709,015.60	Kent	63,233.42
Childress	263,442.48	Kerr	166,679.42
Clay	238,828.90	Kimble	67,633.98
Cochran	32,232.46	King	19,589.06
Coke	86,254.26	Kinney	65,351.60
Coleman	388,644.98	Kleberg	204,445.42
Collin	758,275.60	Knox	186,662.56
Collingsworth	237,449.62	Lamar	796,846.18
Colorado	314,098.18	Lamb	286,561.84
Comal	196,777.28	Lampasas	142,476.34
Comanche	302,620.60	La Salle	135,103.76
Concho	125,530.90	Lavaca	452,371.00
Cooke	396,313.12	Lee	219,863.80
Coryell	328,383.58	Leon	326,725.16
Cottle	154,265.90	Liberty	326,232.56
Crane	36,468.82	Limestone	648,540.74
Crockett	42,527.80	Lipscomb	74,087.04
Crosby	180,997.66	Live Oak	147,057.52
Culberson	20,163.76	Llano	90,933.96
Dallam	128,568.60	Loving	3,201.90
Dallas	5,347,846.22	Lubbock	642,087.68
Dawson	222,868.66	Lynn	203,148.24
Deaf Smith	98,175.18	McCulloch	227,958.86
Delta	215,725.96	McLennan	1,620,358.44
Denton	538,937.24	McMullen	22,183.42
De Witt	450,581.22	Madison	200,767.34
Dickens	141,228.42	Marion	170,291.82
Dimmit	144,955.76	Martin	94,989.70
Donley	168,502.04	Mason	90,490.62
Duval	200,176.22	Matagorda	290,272.76
Eastland	560,841.52	Maverick	100,490.40
Ector	64,990.36	Medina	229,699.38
Edwards	45,384.68	Menard	73,019.74
Ellis	885,629.12	Midland	131,442.10
El Paso	2,160,822.74	Milam	622,564.30
Erath	341,601.68	Mills	136,171.06
Falls	686,619.82	Mitchell	232,884.86
Fannin	675,896.46	Montague	314,590.78
Fayette	504,225.36	Montgomery	239,534.96
Fisher	222,704.46	Moore	25,533.10
Floyd	203,755.78	Morris	164,659.76
Foard	103,692.30	Motley	111,853.04
Fort Bend	487,969.56	Nacogdoches	497,361.80
Franklin	139,471.48	Navarro	993,524.94
Freestone	870,911.38	Newton	205,644.08
Frio	154,528.62	Nolan	317,283.66
Gaines	45,976.00	Nueces	850,211.18
Galveston	1,057,464.42	Ochiltree	85,778.08
Garza	91,722.12	Oldham	23,053.68
Gillespie	180,948.40	Orange	248,746.58
Glasscock	20,738.46	Palo Pinto	288,597.92
Goliad	165,727.06	Panola	395,114.46
Gonzales	465,293.54	Parker	308,022.78
Gray	362,717.80	Parmer	96,368.98
Grayson	1,081,142.06	Pecos	123,273.04
Gregg	259,074.76	Polk	288,253.10
Grimes	371,781.64	Potter	756,633.60
Guadalupe	474,948.50	Presidio	166,728.68
Hale	331,503.38	Rains	116,811.88
		Randall	116,105.82

TEXAS—continued

Reagan	$49,719.76	Titus	$262,769.26
Real	36,074.74	Tom Green	591,661.86
Red River	507,755.66	Travis	1,277,098.34
Reeves	105,202.94	Trinity	223,919.54
Refugio	126,286.22	Tyler	187,976.16
Roberts	23,923.94	Upshur	366,116.74
Robertson	447,280.80	Upton	97,994.56
Rockwall	125,744.36	Uvalde	212,556.90
Runnels	358,300.82	Val Verde	245,052.08
Rusk	533,387.28	Van Zandt	530,612.30
Sabine	197,007.16	Victoria	329,188.16
San Augustine	204,773.82	Walker	304,229.76
San Jacinto	159,454.62	Waller	164,429.88
San Patricio	391,387.12	Ward	75,515.58
San Saba	168,682.66	Washington	416,969.48
Schleicher	51,985.72	Webb	691,741.76
Scurry	200,126.96	Wharton	487,362.02
Schackelford	109,931.90	Wheeler	255,413.10
Shelby	470,055.34	Wichita	1,221,910.72
Sherman	37,995.88	Wilbarger	403,587.18
Smith	872,279.66	Willacy	172,393.58
Somervell	49,522.72	Williamson	724,877.32
Starr	187,335.78	Wilson	289,090.52
Stephens	271,915.20	Winkler	111,393.28
Sterling	23,497.02	Wise	314,902.76
Stonewall	93,052.14	Wood	397,084.86
Sutton	46,090.94	Yoakum	20,738.46
Swisher	120,572.06	Young	330,501.76
Tarrant	3,243,820.26	Zapata	47,076.14
Taylor	673,597.66	Zavala	169,930.58
Terrell	43,677.20		
Terry	145,858.86	Total	95,641,820.30
Throckmorton	86,254.26		

UTAH

Beaver	90,290.88	Rich	32,927.34
Box Elder	313,099.80	Salt Lake	3,412,313.16
Cache	482,113.92	San Juan	61,459.68
Carbon	312,888.84	Sanpete	281,666.76
Daggett	7,225.38	Sevier	196,878.42
Davis	246,489.18	Summit	167,484.66
Duchesne	145,263.54	Tooele	165,480.54
Emery	123,798.36	Uintah	158,835.30
Garfield	81,606.36	Utah	861,789.18
Grand	31,872.54	Wasatch	99,080.88
Iron	127,050.66	Washington	130,443.60
Juab	151,275.90	Wayne	36,337.86
Kane	39,291.30	Weber	917,183.76
Millard	174,833.10		
Morgan	44,582.38	Total	8,927,950.26
Piute	34,386.48		

VERMONT

Addison	279,692.16	Orange	260,092.52
Bennington	337,384.90	Orleans	358,900.88
Caledonia	424,601.74	Rutland	754,897.74
Chittenden	739,598.18	Washington	650,200.14
Essex	110,103.86	Windham	405,313.70
Franklin	467,010.50	Windsor	582,941.28
Grand Isle	61,447.52		
Lamoille	170,554.26	Total	5,602,739.38

VIRGINIA

Accomac	607,008.22	Dinwiddie	313,069.56
Albermarle	456,788.33	Petersburg city	483,588.52
Charlottesville city	258,097.85	Elizabeth City	335,806.55
Alleghany	341,782.84	Hampton city	108,047.26
Clifton Forge City	115,784.27	Essex	118,103.68
Amelia	152,014.47	Fairfax	427,719.52
Amherst	322,008.60	Fauquier	356,732.03
Appomattox	142,245.86	Floyd	198,047.14
Arlington	450,591.95	Fluvanna	126,399.38
Alexandria city	408,842.57	Franklin	412,025.41
Augusta	646,099.59	Frederick	222,917.31
Staunton city	202,990.70	Winchester city	183,775.15
Bath	137,759.41	Giles	216,771.72
Bedford	492,510.63	Gloucester	186,551.67
Bland	102,104.83	Goochland	134,644.29
Botetourt	261,687.01	Grayson	338,887.81
Brunswick	346,827.98	Greene	101,241.40
Buchanan	283,408.20	Greensville	226,653.84
Buckingham	225,422.95	Halifax	698,921.19
Campbell	387,443.05	Hanover	287,962.37
Lynchburg city	688,390.72	Henrico	513,148.30
Caroline	258,402.59	Richmond city	3,096,987.97
Carroll	374,847.13	Henry	340,089.84
Charles City	82,635.33	Martinsville city	130,445.65
Charlotte	271,912.73	Highland	76,608.25
Chesterfield	441,009.57	Isle of Wight	227,014.37
Clarke	121,337.31	James City	65,671.47
Craig	60,304.66	Williamsburg city	63,961.54
Culpeper	225,270.58	King and Queen	128,972.74
Cumberland	127,567.55	King George	89,678.21
Dickenson	273,639.59	King William	134,237.97

VIRGINIA—continued

Lancaster	$150,609.28	Pulaski	$348,182.38
Lee	514,993.67	Rappahannock	130,648.81
Loudon	336,094.36	Richmond	116,444.54
Louisa	242,251.37	Roanoke	597,442.77
Lunenburg	238,001.94	Roanoke city	1,171,657.58
Madison	151,557.36	Rockbridge	353,870.86
Mathews	133,476.12	Buena Vista city	67,753.86
Mecklenburg	552,290.46	Middlesex	123,131.89
Montgomery	331,912.65	Harrisonburg city	502,973.37
Radford city	105,423.11	Russell	122,437.76
Nansemond	381,432.90	Scott	439,452.01
Suffolk city	173,888.03	Shenandoah	409,384.33
Nelson	276,720.85	Smyth	349,689.15
New Kent	72,799.00	Southampton	425,366.25
Norfolk	509,288.26	Spotsylvania	454,909.10
South Norfolk city	133,019.01	Fredericksburg city	170,248.08
Norfolk city	2,195,990.30	Stafford	115,445.67
Portsmouth city	773,768.72	Surry	136,286.50
Northampton	314,305.45	Sussex	120,135.28
Northumberland	187,601.33	Tazewell	204,853.00
Nottoway	251,681.38	Warren	549,835.61
Orange	204,345.10	Warwick	141,196.20
Page	251,444.36	Newport News	149,474.97
Patrick	267,273.91	Washington	582,679.81
Pittsylvania	1,039,908.32	Bristol city	573,080.50
Danville city	376,641.71	Westmoreland	149,661.20
Powhatan	104,000.99	Wise	143,854.21
Prince Edward	245,823.60	Wythe	866,257.31
Prince George	174,565.23	York	350,518.72
Hopewell city	191,766.11		128,921.95
Prince William	236,190.43		
Princess Anne	275,654.26	Total	41,001,937.43

WASHINGTON

Adams	186,954.18	Lincoln	287,636.72
Asotin	197,053.92	Mason	243,653.20
Benton	265,257.44	Okanogan	448,530.18
Chelan	766,175.48	Pacific	362,573.40
Clallam	495,274.78	Pend Oreille	173,294.10
Clark	976,453.52	Pierce	3,968,253.24
Columbia	128,971.50	San Juan	75,009.34
Cowlitz	772,763.32	Skagit	851,139.24
Douglas	183,127.42	Skamania	70,020.02
Ferry	103,952.24	Snohomish	1,910,013.42
Franklin	148,638.14	Spokane	3,644,552.94
Garfield	88,693.64	Stevens	449,281.00
Grant	137,230.52	Thurston	759,321.22
Grays Harbor	1,452,764.04	Wahkiakum	93,537.64
Island	130,037.18	Walla Walla	688,841.02
Jefferson	202,140.12	Whatcom	1,432,080.16
King	11,226,381.74	Whitman	678,499.08
Kitsap	745,394.72	Yakima	1,874,676.44
Kittitas	439,689.83		
Klickitat	237,961.50	Total	37,865,451.12
Lewis	969,623.48		

WEST VIRGINIA

Barbour	279,792.56	Mingo	575,551.38
Berkeley	421,010.60	Monongalia	752,246.66
Boone	369,281.72	Monroe	179,473.98
Braxton	339,136.58	Morgan	126,258.12
Brooke	370,438.26	Nicholas	310,703.72
Cabell	1,363,605.72	Ohio	1,082,596.54
Calhoun	163,207.32	Pendleton	145,093.20
Clay	197,137.50	Pleasants	98,305.90
Doddridge	157,529.76	Pocahontas	218,616.10
Fayette	1,082,191.00	Preston	436,225.86
Gilmer	159,827.82	Putnam	251,389.74
Grant	126,783.82	Raleigh	1,022,441.44
Greenbrier	538,887.56	Randolph	376,235.98
Hampshire	177,776.72	Ritchie	234,221.88
Hancock	428,235.22	Roane	292,559.56
Hardy	147,436.32	Summers	307,429.36
Harrison	1,180,076.34	Taylor	287,092.28
Jackson	242,182.48	Tucker	200,877.48
Jefferson	237,015.60	Tyler	192,030.70
Kanawah	2,368,158.34	Upshur	269,518.88
Lewis	327,345.88	Wayne	468,714.12
Lincoln	287,723.12	Webster	213,524.32
Logan	879,180.68	Wetzel	335,456.68
McDowell	1,358,994.58	Wirt	95,497.16
Marion	1,001,158.10	Wood	848,945.42
Marshall	598,261.62	Wyoming	314,308.52
Mason	312,235.76		
Mercer	921,071.46	Total	25,972,659.10
Mineral	301,661.68		

WISCONSIN

Adams	142,773.52	Burnett	182,556.72
Ashland	375,603.36	Calumet	300,568.32
Barron	611,929.84	Chippewa	666,181.28
Bayfield	267,707.04	Clark	609,503.60
Brown	1,253,242.16	Columbia	544,173.52
Buffalo	273,487.20	Crawford	299,373.04

WISCONSIN—continued

Dane	$2,011,228.08	Outagamie	$1,120,173.60
Dodge	929,321.28	Ozaukee	310,308.96
Door	324,366.88	Pepin	132,908.00
Douglas	831,040.72	Pierce	375,407.12
Dunn	482,340.08	Polk	473,955.28
Eau Claire	732,992.08	Portage	603,473.68
Florence	67,221.12	Price	308,346.56
Fond du Lac	1,068,312.72	Racine	1,609,471.28
Forest	198,345.12	Richland	348,326.00
Grant	686,286.96	Rock	1,323,835.04
Green	390,160.80	Rusk	286,885.04
Green Lake	248,207.92	St. Croix	454,117.20
Iowa	357,495.76	Sauk	571,415.20
Iron	177,204.72	Sawyer	158,383.52
Jackson	293,789.12	Shawano	597,925.44
Jefferson	656,244.40	Sheboygan	1,270,832.40
Juneau	307,989.76	Taylor	315,500.40
Kenosha	1,128,861.68	Trempealeau	426,554.40
Kewaunee	286,100.08	Vernon	509,100.08
La Crosse	971,477.20	Vilas	130,124.96
Lafayette	332,698.16	Walworth	554,074.72
Langlade	384,344.96	Washburn	198,077.52
Lincoln	375,924.48	Washington	473,669.84
Manitowoc	1,046,744.16	Waukesha	934,066.72
Marathon	1,260,021.36	Waupaca	597,871.92
Marinette	598,175.20	Waushara	257,377.68
Marquette	167,481.92	Winnebago	1,366,936.48
Milwaukee	12,938,691.92	Wood	675,511.60
Monroe	512,703.76		
Oconto	470,726.24	Total	52,431,867.04
Oneida	283,638.16		

WYOMING

Albany	376,040.43	Park	256,304.61
Big Horn	350,463.06	Platte	302,774.85
Campbell	209,865.60	Sheridan	527,006.25
Carbon	355,740.93	Sublette	60,711.12
Converse	223,138.35	Sweetwater	567,292.95
Crook	166,549.59	Teton	62,553.69
Fremont	327,602.70	Uinta	205,243.56
Goshen	367,077.42	Washakie	128,324.07
Hot Springs	171,015.45	Weston	145,937.79
Johnson	150,403.68	Yellowstone National Park (part)	6,246.00
Laramie	838,369.35		
Lincoln	340,219.62		
Natrona	758,014.56		
Niobrara	147,499.29	Total	7,044,394.95

Mr. OLIVER of Alabama. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9349 and had come to no resolution thereon.

HORACIO DE JESUS CASTILLO (H. DOC. NO. 256)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State recommending the enactment of legislation authorizing an appropriation in the sum of $1,000, in settlement of the claim presented against the Government of the United States on behalf of Horacio de Jesus Castillo, a citizen of Nicaragua, as compensation for personal injuries sustained by him as the result of an assault alleged to have been committed upon him by a member of the United States Marine Corps, at Matagalpa, Nicaragua, on February 24, 1931.

I recommend that the Congress enact legislation authorizing an appropriation in the amount mentioned in accordance with the recommendation of the Secretary of State.

HERBERT HOOVER.

THE WHITE HOUSE, *February 18, 1932.*

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DREWRY, for an indefinite period, on account of illness.

WREATH ON THE GRAVE OF THE MOTHER OF WASHINGTON

The SPEAKER laid before the House, House Concurrent Resolution 19, providing wreath to be placed on the grave of the mother of Washington, on February 22, 1932, with a Senate amendment thereto.

The Clerk read the Senate amendment.

The Senate amendment was agreed to.

ORDER OF BUSINESS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day, it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman tell us the program for the next two days, and the first part of the next week?

Mr. RAINEY. We expect to convene at 11 o'clock to-morrow morning and at 11 o'clock on Saturday morning, and at the present time we expect to hold a session on Monday, commencing at 1 o'clock, but that is subject to amendment. We will announce the program definitely to-morrow.

Mr. SNELL. I apprehend that the exercises will take only a very short time on Monday.

Mr. RAINEY. The exercises will commence at 11.30 o'clock a. m. and end at 12.30 p. m. We could hold a session at 1 o'clock in the afternoon, unless there is too much objection to it. I shall make that announcement to-morrow.

Mr. SNELL. Does the gentleman know what will come up the first part of next week?

Mr. RAINEY. We expect to go ahead with this present bill and to pass it by Tuesday night. Wednesday will be Calendar Wednesday, and on Thursday we will take up the Treasury Department appropriation bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 81. An act granting the consent of Congress to the Catawissa Railroad Co. to reconstruct, maintain, and operate a railroad bridge across the Susquehanna River at or near Catawissa, Pa.;

H. R. 6304. An act to transfer Lavaca County from the Houston division to the Victoria division of the southern judicial district of Texas;

H. R. 7247. An act authorizing the Rhode Island State Board of Public Roads and the State Highway Department of the State of Connecticut to construct, maintain, and operate a free highway bridge across the Pawcatuck River near the location of the present Broad Street Bridge between Westerly, Rhode Island, and Stonington, Conn.; and

H. J. Res. 271. Joint resolution amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis.

ADJOURNMENT

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 13 minutes p. m.), in accordance with the order heretofore made, the House adjourned to meet to-morrow, Friday, February 19, 1932. at 11 o'clock a. m.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Friday, February 19, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON THE LIBRARY

(10.30 a. m.)

To fill vacancies in the Board of Regents of the Smithsonian Institution (S. J. Res. 37).

Legislative Reference Service (H. J. Res. 131).

Accepting the statue of John Sevier of Tennessee (H. Con. Res. 14).

Accepting writings of George Washington for the bicentennial (S. 1851).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Railroad holding companies (H. R. 9059).

COMMITTEE ON IRRIGATION AND RECLAMATION

(10.30 a. m.)

Protection of Palo Verde Valley, State of California (H. R. 7415).

COMMITTEE ON THE JUDICIARY

(10 a. m.)

Relating to short selling (H. R. 4, 4604, 4638, 4639).

COMMITTEE ON NAVAL AFFAIRS (SUBCOMMITTEE ON PRIVATE BILLS)

(10.30 a. m.)

Private bills.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CHAVEZ: Committee on the Public Lands. H. R. 6679. A bill granting certain public lands to the State of New Mexico for the use and benefit of the Eastern New Mexico Normal School, and for other purposes; without amendment (Rep. No. 544). Referred to the Committee of the Whole House on the state of the Union.

Mr. KNIFFIN: Committee on Naval Affairs. H. R. 5329. A bill to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929; without amendment (Rept. No. 545). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUTPHIN: Committee on Naval Affairs. H. R. 6599. A bill to amend the act entitled "An act to authorize the construction and procurement of aircraft and aircraft equipment in the Navy and Marine Corps, and to adjust and define the status of the operating personnel in connection therewith," approved June 24, 1926, with reference to the number of enlisted pilots in the Navy; with amendment (Rept. No. 546). Referred to the House Calendar.

Mr. COYLE: Committee on Naval Affairs. H. R. 5344. A bill to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes; without amendment (Rept. No. 548). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAINES: Committee on the Post Office and Post Roads. H. R. 5612. A bill to limit the purchases of the Post Office Department, so far as possible, to articles of the growth, production, or manufacture of the United States; with an amendment (Rept. No. 549). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEST: Committee on Foreign Affairs. H. R. 7119. A bill to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes; without amendment (Rept. No. 550). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MAY: Committee on Military Affairs. H. R. 5450. A bill for the relief of Seth B. Simmons; without amendment (Rept. No. 547). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARLAN: A bill (H. R. 9485) to authorize an appropriation for the construction of one barracks building at the Veterans' Administration home at Dayton, Ohio; to the Committee on Military Affairs.

By Mr. BYRNS: A bill (H. R. 9486) to authorize the purchase of tobacco from funds heretofore or hereafter appropriated for the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. YATES: A bill (H. R. 9487) to provide for the construction of a post-office building at Pittsfield, Ill.; to the Committee on the Post Office and Post Roads.

By Mr. HOWARD: A bill (H. R. 9488) to reduce existing tariff duties upon table, household, kitchen, and hospital utensils, and hollow and flat ware; to the Committee on Ways and Means.

By Mr. HALL of Mississippi: A bill (H. R. 9489) for temporary relief of water users on irrigation projects constructed and operated under the reclamation law; to the Committee on Irrigation and Reclamation.

By Mr. MILLER: A bill (H. R. 9490) to provide that the United States shall aid the States in the construction and maintenance of rural post roads, and for other purposes; to the Committee on Roads.

By Mr. SCHNEIDER: A bill (H. R. 9491) to confer jurisdiction upon the Court of Claims to hear claims of the Stockbridge and Munsee Tribe of Indians; to the Committee on Indian Affairs.

By Mr. DALLINGER: A bill (H. R. 9492) to authorize the President of the United States to reorganize the executive departments of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. MALONEY: A bill (H. R. 9493) to amend the interstate commerce act, as amended; to the committee on Interstate and Foreign Commerce.

By Mr. FERNANDEZ: A bill (H. R. 9494) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 9495) to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota; to the Committee on Indian Affairs.

By Mr. HOWARD: A bill (H. R. 9496) to provide for the leasing of the segregated coal and asphalt deposits of the Choctaw and Chickasaw Indian Tribes, Oklahoma, and for an extension of time within which purchasers of such deposits may complete payments; to the Committee on Indian Affairs.

By Mr. GAVAGAN: A bill (H. R. 9497) to authorize the Secretary of War to prosecute the work of improvement of the New York State Barge Canal, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. DICKSTEIN: A bill (H. R. 9498) to reduce certain naturalization fees; to the Committee on Immigration and Naturalization.

By Mr. BLACK: Resolution (H. Res. 149) authorizing the investigation of the sale of real-estate mortgage bonds; to the Committee on Rules.

By Mr. PEAVEY: Joint resolution (H. J. Res. 299) to request the President and the Secretary of State to complete negotiations for a treaty that will permit the early completion of the St. Lawrence waterway; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9499) granting an increase of pension to Elizabeth Andrews; to the Committee on Invalid Pensions.

By Mr. AYRES: A bill (H. R. 9500) for the relief of Lewis H. Miller; to the Committee on Military Affairs.

By Mr. BRAND of Ohio: A bill (H. R. 9501) granting a pension to Mary E. Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9502) granting an increase of pension to Emma J. Rairden; to the Committee on Invalid Pensions.

By Mr. BYRNS: A bill (H. R. 9503) for the relief of Maj. W. P. Scobey; to the Committee on War Claims.

Also, a bill (H. R. 9504) for the relief of William Utly; to the Committee on War Claims.

By Mr. CARLEY: A bill (H. R. 9505) for the relief of Fred C. Van Duyne; to the Committee on Claims.

By Mr. CHINDBLOM: A bill (H. R. 9506) granting a pension to Anna Bryant; to the Committee on Invalid Pensions.

By Mr. CLARKE of New York: A bill (H. R. 9507) granting a pension to Annie L. C. Murray; to the Committee on Invalid Pensions.

By Mr. CLARK of North Carolina: A bill (H. R. 9508) for the relief of Richard L. Meares, administrator of Armand D. Young, deceased; to the Committee on War Claims.

By Mr. COOKE: A bill (H. R. 9509) granting a pension to Mary Boltz; to the Committee on Invalid Pensions.

By Mr. CROWE: A bill (H. R. 9510) granting a pension to John Crutchfield; to the Committee on Pensions.

Also, a bill (H. R. 9511) granting an increase of pension to Ellen Moffatt; to the Committee on Invalid Pensions.

By Mr. DOMINICK: A bill (H. R. 9512) granting a pension to Etta Whitehead; to the Committee on Pensions.

By Mr. GUYER: A bill (H. R. 9513) granting a pension to Frank C. Tyson; to the Committee on Pensions.

By Mr. HALL of Mississippi: A bill (H. R. 9514) for the relief of Walter W. Johnston; to the Committee on War Claims.

Also, a bill (H. R. 9515) providing for the sale of Ship Island Reservation in Mississippi; to the Committee on Military Affairs.

By Mr. HANCOCK of New York: A bill (H. R. 9516) granting a pension to Nettie J. Brown; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 9517) granting an increase of pension to Sarah A. Cooley; to the Committee on Invalid Pensions.

By Mr. HOGG of West Virginia: A bill (H. R. 9518) granting an increase of pension to Rhoda A. Hedge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9519) granting an increase of pension to Mary A. Curtis; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 9520) granting a pension to Elizabeth E. Franks; to the Committee on Invalid Pensions.

By Mr. McFADDEN: A bill (H. R. 9521) granting an increase of pension to Phoebe B. Bunt; to the Committee on Invalid Pensions.

By Mr. McMILLAN: A bill (H. R. 9522) for the relief of C. O. Crosby, to the Committee on Claims.

By Mr. NELSON of Maine: A bill (H. R. 9523) granting an increase of pension to Harriet M. Chamberlin; to the Committee on Invalid Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 9524) granting an increase of pension to Martha Sabins; to the Committee on Invalid Pensions.

By Mrs. OWEN: A bill (H. R. 9525) granting a pension to Shelton Pridgeon; to the Committee on Pensions.

By Mr. PARTRIDGE: A bill (H. R. 9526) granting a pension to Georgie S. Bates; to the Committee on Invalid Pensions.

By Mr. PEAVEY: A bill (H. R. 9527) granting an increase of pension to Olive Dupree; to the Committee on Invalid Pensions.

By Mr. SCHAFER: A bill (H. R. 9528) granting a pension to Paul A. Parent; to the Committee on Pensions.

By Mr. SOMERS of New York: A bill (H. R. 9529) for the relief of James Dillon; to the Committee on Military Affairs.

By Mr. TABER: A bill (H. R. 9530) granting a pension to Anna L. Rumsey; to the Committee on Invalid Pensions.

By Mr. TUCKER: A bill (H. R. 9531) granting a pension to Ida B. Cutright; to the Committee on Invalid Pensions.

By Mr. VINSON of Georgia: A bill (H. R. 9532) for the relief of the heirs at law of J. R. Welch; to the Committee on War Claims.

By Mr. WARREN: A bill (H. R. 9533) granting a pension to Susie A. Harmon; to the Committee on Pensions.

By Mr. WELCH of California: A bill (H. R. 9534) extending the benefits of the emergency officers' retirement act to Thomas Joseph McHugh; to the Committee on World War Veterans' Legislation.

By Mr. WOOD of Indiana: A bill (H. R. 9535) granting an increase of pension to Elizabeth Hershey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9536) granting a pension to Lilly Shipley; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2283. By Mr. ANDREWS of New York: Petition of 92 citizens of the fortieth congressional district in Niagara Falls, N. Y., supporting the Beck-Linthicum resolution; to the Committee on the Judiciary.

2284. Also, resolution adopted by 256 members of the Wilson Methodist Episcopal Church of Wilson, N. Y.; 125 members of the Women's Association of St. James Methodist Episcopal Church of Niagara Falls, N. Y.; and 500 members of the First Methodist Episcopal Church Sunday schools of Buffalo, N. Y.; supporting the prohibition law; to the Committee on the Judiciary.

2285. Also, petition of 113 members of the fortieth congressional district, supporting the prohibition law; to the Committee on the Judiciary.

2286. Also, resolution adopted by Chamber of Commerce of the Tonawandas (Tonawanda and North Tonawanda), N. Y., supporting House bill 5090; to the Committee on Banking and Currency.

2287. Also, petition of Hill Mortgage Corporation, Buffalo, N. Y., urging opposition to the House bill 7620; to the Committee on Banking and Currency.

2288. By Mr. BURDICK: Petition of the Senate of the State of Rhode Island, adopted unanimously, urging passage of House Joint Resolutions 208 and 209, which provide for amendment of the Constitution of the United States for the purpose of enabling the various States to provide for the regulation of manufacture, transportation, sale, and use of intoxicating liquors for beverage purposes; to the Committee on the Judiciary.

2289. Also, petition of the House of Representatives of the State of Rhode Island, urging passage of House Joint Resolutions 208 and 209, which provide for amendment of the Constitution of the United States for the purpose of enabling the various States to provide for the regulation of manufacture, transportation, sale, and use of intoxicating liquors for beverage purposes; to the Committee on the Judiciary.

2290. By Mr. CAMPBELL of Iowa: Petition of 40 voters of Sac County, Iowa, urging the passage of House bill 1 providing for the payment of the adjusted-compensation certificates; to the Committee on World War Veterans' Legislation.

2291. By Mr. CHINDBLOM: Resolution of the Woman's Society of the First Baptist Church of Evanston, Ill., representing 284 people, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

2292. Also, resolution of the Niles Center Woman's Christian Temperance Union of Niles Center, Ill., representing 10 people, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

2293. By Mr. CLAGUE: Petition of A. J. Webber, of Sherburn, Minn., and others, protesting against the passage of House bill 8092 compelling barbers to observe Sunday in the District of Columbia; to the Committee on the District of Columbia.

2294. Also, petition of J. B. Dietz, of Wabasso, Minn., and others, asking for passage of the Frazier-Sinclair bill; to the Committee on Agriculture.

2295. By Mr. CLARKE of New York: Petition of 44 residents of Oneonta, N. Y., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2296. Also, petition of C. S. Coon and 61 residents of De Ruyter, N. Y., opposing the passage of Senate bill 1202 or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

2297. Also, petition of C. K. Beaman and eight residents of Otego, N. Y., opposing the passage of Senate bill 1202 or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

2298. By Mr. CONDON: Petition of William E. Bradley and 76 other citizens of Rhode Island, requesting the Government to bring the United States Navy up to the treaty maximum strength; to the Committee on Naval Affairs.

2299. By Mr. CRAIL: Petition of Emma V. Yoder and several hundred other citizens from Los Angeles County, Calif. protesting against any legislation which would resubmit, revise, repeal, or nullify the eighteenth amendment; to the Committee on the Judiciary.

2300. By Mr. GARBER: Petition of the thirty-second regular convention of the United Mine Workers of America at Indianapolis, urging favorable legislation for bills introduced by Senators LA FOLLETTE and COSTIGAN; to the Committee on Appropriations.

2301. Also, petition of citizens and carriers opposing star-route plan; to the Committee on the Post Office and Post Roads.

2302. By Mr. GIBSON: Petition of the Exchange Club of Rutland, Vt.; to the Committee on Appropriations.

2303. Also, petition of the Woman's Christian Temperance Union of Coventry, Vt.; to the Committee on the Judiicary.

2304. Also, petition of American Legion Post, No. 67, of Chester, Vt.; to the Committee on Appropriations.

2305. By Mr. GILLEN: Petition of Krietenstein Post, American Legion Auxiliary 104, Terre Haute, on World War veterans' legislation; to the Committee on World War Veterans' Legislation.

2306. Also, petition of James H. Stitzle and others, of Brazil, Ind., protesting against increase in taxes on motor vehicles, etc.; to the Committee on Ways and Means.

2307. By Mr. HOPE: Petition of Olive M. Powell and 24 others, of Kingsdown, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2308. Also, petition of J. W. Barron and 86 others, of Sterling, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2309. Also, petition of Mrs. Fred C. Ferguson and 63 others, of Attica, Kans., favoring prohibition and its enforcement, and protesting against modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2310. By Mr. JOHNSON of Texas: Petition of Thorndale Auto Co., of Thorndale, Tex., opposing a Federal sales tax on automobiles; to the Committee on Ways and Means.

2311. Also, petition of post-office clerks of Hearne, Tex., indorsing House bill 6305; to the Committee on the Post Office and Post Roads.

2312. Also, petition of Will S. Knight, chief of police of Corsicana, Tex., indorsing House bill 4537; to the Committee on the Post Office and Post Roads.

2313. By Mr. KELLER: Petition of Gertrude Ward and others, of Carterville, Ill., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

2314. Also, petition of Local Union No. 1421, United Mine Workers of America, Buckner, Ill., urging the erection of a veterans' hospital for southern Illinois; to the Committee on World War Veterans' Legislation.

2315. Also, petition of members of Local Union No. 789 United Mine Workers of America, at Frankfort Heights, Ill., urging the erection of a veterans' hospital in southern Illinois; to the Committee on World War Veterans' Legislation.

2316. By Mr. KINZER: Petition of Virginia Grosh and 304 other voters, of Lititz, Pa., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this petition be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

2317. Also, petition of Rev. Edward W. White and 27 members of the Landenberg Methodist Episcopal Church, Landenberg, Pa., favoring prohibition and its enforcement, and protesting against modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2318. Also, petition of 37 citizens, of Chester County, Pa., protesting against the modification, resubmission, or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2319. By Mr. LAMBERTSON: Petition of Mrs. L. A. Eddy and 36 other persons, of Topeka, Kans., urging the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2320. Also, petition of D. M. Dill and 21 other citizens, of Winchester, Kans., opposing the proposed increase in postal rates; to the Committee on the Judiciary.

2321. Also, petition of 329 members of the Kansas Grocers League of Kansas, favoring the proposed legislation on radio broadcasting to prevent its use for direct sales of commodities, and favoring Senate bills 2626, 2627, and 2628, by Senator NYE, the purpose of which is to check secret price discriminations and allowances, destructive competition, and similar unfair trade practices, which tend to wipe out individual, independent business concerns in this country; to the Committee on the Judiciary.

2322. By Mr. MURPHY: Resolution of Local Union 186, of the Carpenters and Joiners of Steubenville, Ohio, condemning the position taken by the American Federation of Labor, and demanding a system of Government insurance for unemployed to be administered without discrimination; to the Committee on Ways and Means.

2323. By Mr. PRATT: Petition of 27 members of Canaan Grange, of Canaan, Columbia County, N. Y., praying for maintenance of the prohibition laws, and opposing repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2324. By Mr. RUDD: Petition of the Linnaean Society of New York, favoring the establishment of the Everglades national park in Florida; to the Committee on the Public Lands.

2325. Also, petition of C. J. Tagliabue Manufacturing Co., Brooklyn, N. Y., favoring a tariff on crude oil; to the Committee on Ways and Means.

2326. Also, petition of the American Agricultural Chemical Co., New York, favoring a balanced Budget at the earliest possible moment; to the Committee on Appropriations.

2327. By Mr. SANDERS of New York: Petition of Nellie Luce and other citizens of Rochester, and sent in by Mrs. S. Cook, of Rochester, N. Y., supporting the prohibition law and its enforcement, and against modification, resubmission, or repeal; to the Committee on the Judiciary.

2328. By Mr. SELVIG: Petition of Hillview Cooperative Creamery, of Sebeka, Minn., urging that Congress take immediate action in giving Philippine Islands their freedom, and also to levy duty on oils imported from the Philippines which go into competition with products of American farms; to the Committee on Insular Affairs.

2329. Also, petition of George H. Miller, of Otter Tail; Henry Glodback, of Richville; and 31 other citizens of Otter Tail County, all of the State of Minnesota, urging prompt enactment of Frazier bill, S. 1197, without amendment; to the Committee on Agriculture.

2330. Also, petition of Oak Valley Cooperative Creamery Association, Deer Creek, Minn., urging Congress to grant Philippine Islands their independence, thereby removing unfair competition to American farmers caused by duty-free imports of oils produced in these islands; to the Committee on Insular Affairs.

2331. Also, petition of Minnesota Telephone Association, opposing the imposition of a tax on telephone-toll messages; to the Committee on Ways and Means.

2332. Also, petition of Farmers Union, Arco, Minn., Lincoln County unit, urging enactment of House bill 7797 and Senate bills 1197 and 2487, regarding refinancing, remonetization, and marketing, to make possible for citizens to retain their homes; to the Committee on Agriculture.

2333. By Mr. SUTPHIN: Petition of the State Highway Commission of the State of New Jersey, requesting special appropriation of $125,000,000 for Federal aid in road construction; to the Committee on Appropriations.

2334. By Mr. SWICK: Petition of Sons of the American Revolution, New Castle, Lawrence County, Pa., W. O. Rugh, president, urging the approval by Congress of the War Department appropriations as recommended by the Budget; to the Committee on Appropriations.

2335. By Mr. SWING: Petition of 177 residents of La Verne, Calif., supporting the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2336. By Mr. TEMPLE: Petition of Chartiers United Presbyterian Church, Canonsburg, Pa., supporting the eighteenth amendment, and protesting against the submission of an amendment to the States repealing the eighteenth amendment; to the Committee on the Judiciary.

2337. By Mr. VINSON of Kentucky: Resolution offered by railroad and business men of Ashland, Ky., signed by W. F. Watson, E. Hall, L. C. DeHart, C. L. Jones, Charles Keith, H. M. Greene, Arthur Tackett, E. Littleton, H. W. Hall, Virgil Goodman, and others, favoring a 5-day week and 6-hour day; to the Committee on Interstate and Foreign Commerce.

2338. By Mr. WELCH of California: Petition of the Southern Civic Clubs of California, favoring restriction of migration of Filipinos and Mexicans to the United States; to the Committee on Immigration and Naturalization.

2339. By Mr. WOOD of Indiana: Petition of members of Tippecanoe County Woman's Christian Temperance Union, supporting the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2340. By Mr. WYANT: Petition of the congregation of the First Church of God, Arnold, Westmoreland County, Pa., opposing a modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2341. Also, petition of members of the First Baptist Church of Jeannette, Westmoreland County, Pa., with membership of about 460, standing solidly for the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

2342. Also, petition of officers and members of the Allegheny United Presbyterian Church, opposing modification of the Volstead Act and enforcement of the eighteenth amendment; to the Committee on the Judiciary.

2343. Also, petition of Temperance and Reform Section, Women's Missionary Society, opposing the Beck-Linthicum resolution or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2344. Also, petition of members of the Charlotte V. Fleming Sunday School Class of the First Presbyterian Church of West Newton, Pa., opposing modification of the Volstead Act; to the Committee on the Judiciary.

2345. Also, petition of Westmoreland County Christian Endeavor Union, urging support and enforcement of the eighteenth amendment; to the Committee on the Judiciary.

2346. Also, petition of members of the Brotherhood Sunday School Class of the First Presbyterian Church of West Newton, Pa., opposing modification of the Volstead Act; to the Committee on the Judiciary.

2347. Also, petition of members of the First Lutheran Church, Westmoreland County, New Kensington, Pa., requesting the enforcement of the present prohibition laws; to the Committee on the Judiciary.

2348. Also, petition of the Woman's Christian Temperance Union of Westmoreland City, Westmoreland County, Pa., opposing any change in eighteenth amendment and Volstead Act; to the Committee on the Judiciary.

2349. Also, petition of United Presbyterian Church of Ligonier, Westmoreland County, Pa., representing membership of 258 persons, protesting against any change or interference with present prohibition laws, and opposing resubmission of question of repeal of eighteenth amendment to States; to the Committee on the Judiciary.

2350. Also, petition of United Presbyterian Church of Trafford, Westmoreland County, Pa., opposing resubmission of eighteenth amendment to be ratified by State conventions or by State legislatures, and urging Representatives in Congress and Senators to vote against such resolutions and to vote for law enforcement and for education in law observance; to the Committee on the Judiciary.

2351. Also, petition of Puckety United Presbyterian Church, New Kensington, Pa., opposing repeal of the eighteenth amendment; to the Committee on the Judiciary.

2352. Also, petition of George R. Ankeny, of Manor, Westmoreland County, Pa., protesting against any change in present prohibition laws; to the Committee on the Judiciary.

2353. Also, petition of Helen B. Ankeny and 11 other citizens, of Manor, Westmoreland County, Pa., opposing any change in present prohibition laws; to the Committee on the Judiciary.

2354. Also, petition of Pucketos Men's Alliance, representing men of the rural churches in Allegheny, Lower Burrell, Upper Burrell, Washington, Bell, and Franklin townships, in Westmoreland County, opposing modification or repeal of the present Volstead Act and the eighteenth amendment; to the Committee on the Judiciary.

2355. Also, petition of officers of the First Presbyterian Sabbath School of Vandergrift, Pa., representing more than 700 members, urging support of the eighteenth amendment, Volstead Act, and other enforcement measures; to the Committee on the Judiciary.

2356. Also, petition of members of the Methodist Episcopal Church of Ligonier, Pa., representing 475 members, opposing modification of the eighteenth amendment; to the Committee on the Judiciary.

2357. Also, petition of the congregation of the United Presbyterian Church of New Alexandria, Pa., opposing resubmission of the eighteenth amendment to be ratified by State conventions or State legislatures, and urging Representatives in Congress and Senators to vote against such resolutions and for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2358. Also, petition of officers and members of the First United Presbyterian Bible school of Vandergrift, Pa., opposing modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2359. Also, petition of officers and members of the Sunday school of the First Presbyterian Church of Avonmore, Pa., opposing repeal of the eighteenth amendment; to the Committee on the Judiciary.

2360. Also, petition of the Woman's Christian Temperance Union of Greensburg, representing 1,500 people, opposing resubmission of the eighteenth amendment to be ratified by State conventions or State legislatures, and urging Representatives in Congress and Senators to vote against such resolutions and for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2361. Also, petition of the sixth Sunday-school district of Westmoreland County Sunday School Association, representing 21 schools and over 3,000 scholars, opposing modi-

fication of the eighteenth amendment; to the Committee on the Judiciary.

2362. Also, petition of the Woman's Christian Temperance Unions of Ruffsdale and Tarr, Westmoreland County, Pa., opposing resubmission of the eighteenth amendment to be ratified by State conventions or State legislatures, and urging Representative in Congress and Senators to vote against such resolutions, and for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2363. By the SPEAKER: Petition of Korean National Organization, urging the United States Government to continue its efforts to induce, by truce or international arbitration, an immediate cessation of hostilities in Manchuria and Shanghai; to the Committee on Foreign Affairs.

SENATE

FRIDAY, FEBRUARY 19, 1932

(Legislative day of Wednesday, February 17, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 19) providing a wreath to be placed on the grave of the mother of Washington on February 22, 1932.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 81. An act granting the consent of Congress to the Catawissa Railroad Co. to reconstruct, maintain, and operate a railroad bridge across the Susquehanna River at or near Catawissa, Pa.;

H. R. 6304. An act to transfer Lavaca County from the Houston division to the Victoria division of the southern judicial district of Texas;

H. R. 7247. An act authorizing the Rhode Island State Board of Public Roads and the State Highway Department of the State of Connecticut to construct, maintain, and operate a free highway bridge across the Pawcatuck River near the location of the present Broad Street Bridge between Westerly, R. I., and Stonington, Conn.; and

H. J. Res. 271. Joint resolution amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis.

CALL OF THE ROLL

The PRESIDENT pro tempore. The Senator from New Jersey [Mr. KEAN] has the floor on Senate bill 3616, the unfinished business.

Mr. FESS. Mr. President, will the Senator from New Jersey yield to me to enable me to suggest the absence of a quorum?

The PRESIDENT pro tempore. Does the Senator from New Jersey yield for that purpose?

Mr. KEAN. I yield.

Mr. FESS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Black	Bulow	Copeland
Austin	Blaine	Byrnes	Costigan
Bailey	Borah	Capper	Couzens
Bankhead	Bratton	Caraway	Cutting
Barbour	Brookhart	Carey	Dale
Barkley	Broussard	Connally	Davis
Bingham	Bulkley	Coolidge	Dickinson
Dill	Johnson	Norris	Stephens
Fess	Jones	Nye	Thomas, Idaho
Fletcher	Kean	Oddie	Thomas, Okla.
Frazier	Keyes	Patterson	Townsend
George	King	Pittman	Trammell
Glass	Logan	Reed	Tydings
Goldsborough	McGill	Robinson, Ark.	Vandenberg
Gore	McKellar	Robinson, Ind.	Wagner
Hale	McNary	Schall	Walcott
Harrison	Metcalf	Sheppard	Walsh, Mass.
Hatfield	Morrison	Shipstead	Watson
Hawes	Moses	Smith	Wheeler
Hayden	Neely	Smoot	White
Hull	Norbeck	Steiwer	

Mr. FESS. I desire to announce that the junior Senator from California [Mr. SHORTRIDGE] is still detained from the Senate by illness. I ask that this announcement may stand for the day.

Mr. GEORGE. My colleague the senior Senator from Georgia [Mr. HARRIS] is detained from the Senate by continued illness. I request that this announcement may stand for the day.

Mr. TOWNSEND. My colleague the senior Senator from Delaware [Mr. HASTINGS] is unavoidably detained from the Senate. I will let this announcement stand for the day.

Mr. BLAINE. I wish to announce that my colleague the senior Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably absent, and I shall let this announcement stand for the day.

Mr. SHEPPARD. I wish to announce that the senior Senator from Wyoming [Mr. KENDRICK] is necessarily detained from the Senate by illness.

I also wish to announce that the junior Senator from Illinois [Mr. LEWIS] is necessarily absent on public business.

The PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

PLACING OF WREATH ON GRAVE OF MOTHER OF WASHINGTON

The PRESIDENT pro tempore. The Chair, in accordance with the provisions of House Concurrent Resolution No. 19, appoints the Senator from Virginia [Mr. GLASS] to place on behalf of the Senate a wreath on the grave of Mary, the mother of Washington, at Fredericksburg, Va., on February 22, 1932.

ADDITIONAL AWARDS TO PUEBLO INDIANS, NEW MEXICO

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, together with an accompanying letter from the Director of the Bureau of the Budget, transmitting, pursuant to law, a supplemental estimate of appropriation for the Department of the Interior for the fiscal year ending June 30, 1933, amounting to $55,502.02, required for the payment of additional awards in favor of the Pueblo Indians in New Mexico, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS FROM EXPLOSIONS AT AMMUNITION DEPOT, LAKE DENMARK, N. J.

The PRESIDENT pro tempore laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of a reinvestigation of certain personal injury and property-damage claims received from the explosions at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926, together with his recommendations thereon, which, with the accompanying report, was referred to the Committee on Claims.

THE MOTION-PICTURE INDUSTRY

Mr. BROOKHART. Mr. President, I desire to give notice that on Tuesday, when the unfinished business is reached at the end of the morning hour, I shall address the Senate on the subject of the moving-picture industry.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following concurrent resolution of the Legislature of South Carolina, which was referred to the Committee on Finance:

A concurrent resolution relating to a preferential excise tax on tobacco products manufactured from tobacco purchased from the farmers of South Carolina

Whereas the Secretary of the Treasury has recommended a material increase in the excise taxes on manufactured tobacco

products and hearings on these recommendations are now being conducted by the Ways and Means Committee of the House of Representatives; and

Whereas even the present excise taxes on tobacco products are considerably higher than the price paid for tobacco as it leaves the farm, as illustrated by the facts that the present tax on manufactured tobacco (in which form 70 per cent of the entire South Carolina tobacco crop is consumed) is 18 cents per pound, equivalent to 10.8 cents on the unmanufactured tobacco as it leaves the farm, while the average price realized by the farmers of South Carolina in the last 10 years has been but 9 cents per pound; and

Whereas an increase in the excise taxes will render this disparity even greater and will very probably operate to further reduce the return to the grower, it being proposed to increase the excise tax on manufactured tobacco to 21 cents, which is equivalent to 12.6 cents on the raw material as it leaves the farm, while the price realized by the tobacco growers of this State on their 1931 crop is less than 7 cents per pound, making the proposed tax 180 per cent of the return received by the grower; and

Whereas both the Federal and State Governments are committed to the policy of aiding the farmers to the end that farmers may secure a better price for their products; and

Whereas this policy can best be given practical application as far as the tobacco growers are concerned through a provision in the Federal excise tax laws allowing a reduction equivalent to 4 cents per pound on the unmanufactured tobacco in the tax payable on tobacco products manufactured from tobacco purchased from the farmers; and

Whereas this is a practical measure of farm relief for a large group of farmers in this country who are in a very serious situation: Therefore be it

Resolved by the house of representatives (the senate concurring), That the Legislature of South Carolina hereby respectfully memorializes the Congress of the United States not to increase the excise tax on manufactured tobacco unless this is absolutely necessary in balancing the Federal Budget, and in any event to allow a reduction equivalent to 4 cents per pound on the unmanufactured tobacco in the excise taxes payable on all tobacco products manufactured from tobacco purchased from or through the farmers of America; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of Congress of the United States, to the Ways and Means Committee of the House of Representatives, the Finance Committee of the United States Senate, the Committee on Agriculture of the House of Representatives, the Federal Farm Board, and to each of the United States Senators from South Carolina and each South Carolina Member of the House of Representatives.

IN THE HOUSE OF REPRESENTATIVES,
Columbia, S. C., February 17, 1932.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the house of representatives and concurred in by the senate.

[SEAL.]

J. WILSON GIBBES,
Clerk of the House.

Mr. WATSON presented memorials numerously signed by sundry citizens of the State of Indiana, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. WALSH of Massachusetts presented memorials of sundry citizens of the State of Massachusetts, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. KEAN presented a resolution adopted by Group No. 1728 of the Polish National Alliance of Sayreville, N. J., favoring the passage of legislation requesting the President to proclaim October 11 of each year as General Pulaski's Memorial Day, which was referred to the Committee on the Judiciary.

Mr. SHEPPARD presented a memorial in the form of a resolution of the Woman's Christian Temperance Union of Edinburg, Tex. (representing 35 signatures), remonstrating against the resubmission of the eighteenth amendment of the Constitution, and favoring the making of adequate appropriations for law enforcement, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented petitions of members of the local chapter of the Woman's Christian Temperance Union of Oakley; members of the congregation of the Methodist Episcopal Church of Sterling, and sundry citizens of Attica, Harper, and Plevna, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Men's Bible Class, of Attica; the West Glendale monthly meeting of the Society of Friends, of Plains; the First and Blue Mound Methodist Episcopal Churches, of Baxter Springs; the local chapter of the Woman's Christian Temperance Union of Plevna, and the Chalitso Club, of Topeka, all in the State of Kansas, favoring the maintenance of the prohibition law and its enforcement, and protesting against any measure looking toward its modification, resubmission to the States, or repeal, which were referred to the Committee on the Judiciary.

Mr. WAGNER presented resolutions adopted by the Rotary Club of Pleasantville, N. Y., favoring the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolutions on World Court

Whereas modern warfare involves not merely armies and navies but entire peoples; and

Whereas war, because of its insatiable demands for human life, for accumulated wealth, and for the peace-time bondage of entire peoples who must labor to fulfill its requirements in reparations, debts, armaments, and pensions, threatens the very structure of our present economic and political organization; and

Whereas the scale on which modern warfare is conducted makes it impossible to predict its outcomes or control, and limit its effects; and

Whereas approximately 60 nations in recognition of these truths have signed the Kellogg-Briand peace pact, pledging themselves to renounce war as an instrument of national policy; and

Whereas there is provided in the World Court a means for the pacific settlement of international disputes; and

Whereas the 60 nations who are members of the World Court have accepted the Root formula for meeting the reservations of the Senate of the United States; and

Whereas a resolution providing for the adherence of the United States to the World Court is now in the custody of the Committee on Foreign Relations: Therefore be it

Resolved, That the Rotary Club of Pleasantville, N. Y., record itself as strongly favoring the early submission of the resolution for adherence to the World Court to the Senate and its passage by that body during the present session of the Seventy-second Congress; and be it further

Resolved, That copies of these resolutions be sent to the Senators from New York, to the chairman of the Senate Committee on Foreign Relations, to Rotary International, and to the other Rotary Clubs of the twenty-ninth district.

Mr. WAGNER also presented a letter embodying resolutions adopted at a meeting of the Somerset Woman's Christian Temperance Union, at Albany, N. Y., favoring prohibition enforcement, which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

ALBANY, N. Y., *February 17, 1932.*

Hon. ROBERT F. WAGNER,
Senate, Washington, D. C.

MY DEAR SENATOR: The following resolution was passed on February 16, 1932, at a meeting of Somerset Union, Woman's Christian Temperance Union, consisting of a membership of 130.

A movement for the resubmission of the eighteenth amendment would greatly augment the present agitation, would cause great expense to the people, would hinder enforcement of the law, and, no matter what the outcome, would not result in any cessation of the hostility of the enemies of prohibition. Prohibition is entitled to a fair chance.

"*Resolved*, That we are opposed to resubmission of national prohibition to the States by a resolution to submit a repeal amendment either to State conventions or to State legislatures for ratification.

"*Resolved*, That we request our Congressmen to vote 'No' on any resubmission resolution that may be presented in Congress."

Very truly yours,

CHARLOTTE B. REESE,
Recording Secretary.

Mr. WAGNER also presented a resolution adopted by the Woman's Christian Temperance Union of Eden, N. Y., favoring prohibition enforcement, which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

To the Senate:

Whereas the eighteenth amendment was adopted by the orderly processes of government and has been sustained by no less than 48 decisions of the United States Supreme Court; and

Whereas its opponents are now asking Congress to resubmit the question of prohibition through a repeal amendment to be ratified by State conventions called for that purpose; and

Whereas we have no reason to believe that those opponents who have not counseled obedience to the eighteenth amendment and its enforcement act and those who have openly advocated disobedience and disregard of same, which is selective anarchy, would change their attitude and accept the vote of the majority of the States should the repeal amendment fail of ratification; and

Whereas we are confident that resubmission would not take prohibition out of politics but would intensify it as a State issue: Therefore be it

Resolved, That we are opposed to the resubmission of the eighteenth amendment to be ratified by the State conventions or by State legislatures, and that we ask our Congressman from this district and our United States Senators to vote against such a resolution and to vote for adequate appropriations for law enforcement and for education in law observance.

Adopted by the Woman's Christian Temperance Union of Eden, N. Y.

HELEN A. CASTULINE, *Acting President.*
(Representing 40 persons.)

EDEN, N. Y., *February 17, 1932.*

Mr. WAGNER also presented a resolution adopted by the Home Missionary Society of the Methodist Episcopal Church of Canajoharie, N. Y., identical with the above printed resolution favoring prohibition enforcement, which was referred to the Committee on the Judiciary.

He also presented a petition signed by Mrs. M. Van Derzell and sundry other citizens of Penfield and East Rochester, N. Y., favoring prohibition enforcement which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD without the signatures, as follows:

Hon. ROBERT F. WAGNER,
United States Senator:

In view of the many bills that have been submitted to Congress by the opponents of prohibition, we the undersigned urge that you use your influence and cast your vote in support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this petition be printed in the CONGRESSIONAL RECORD.

Mr. WAGNER also presented a petition signed by Josephine Unverzagt and sundry other citizens of Ellenville, N. Y., identical with the above printed petition, favoring prohibition enforcement, which was referred to the Committee on the Judiciary.

REDUCTION OF GOVERNMENTAL EXPENDITURES

Mr. BARBOUR presented a letter from J. L. K. Snyder, of Phillipsburg, N. J., relative to governmental expenditures and the balancing of the Budget, which was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

PHILLIPSBURG, N. J., *February 17, 1932.*

Hon. WARREN BARBOUR,
United States Senate, Washington, D. C.

DEAR SENATOR BARBOUR: Both personally and in business many of us have had to reduce expenditures very greatly during the last year or two in order to keep within our incomes. I believe that this has been a sounder policy than to borrow the funds necessary to maintain our establishments on a predepression basis.

In view of this belief and this experience, I have viewed with grave concern the large deficit which the Federal Government has incurred during the years 1931 and 1932 and will incur during 1933, even if the appropriations are reduced as recommended by the administration and if new and increased taxes yield the additional revenue which is anticipated.

The experiences of Australia, Great Britain, and many countries on the continent of Europe are vivid, and the mounting deficits in our National Budget can not but make us wonder how long we can continue to follow in their footsteps without seriously undermining confidence in our national solvency. The deficit figures, coupled with the estimates of revenue and expenditure for recent fiscal year, speak for themselves:

	1930	1931	1932	1933
Income	$3,846,010,000	$2,317,233,000	$2,359,469,000	$2,695,960,000
Expenditure	3,846,605,000	3,219,950,000	4,482,153,000	4,112,909,000
Deficit	−595,000	−902,716,000	−2,122,683,000	−1,416,949,000

During the present year the deficit of the Federal Government is almost as large as its entire income, and for 7 out of 12 months expenditure has been made on this basis. Few business concerns or individuals would even dare to consider the adoption of such a program. If the position is to be remedied, there is no time to be lost. Congress appears to be beginning to see the necessity for action, but I do not believe it is possible to overemphasize the urgency of the matter.

I have before me the balance of ordinary receipts and expenditures, year by year since 1791, and I think it is not too much to say that except in time of war the national finances have never been in such an unsatisfactory state since the founding of the Republic. For nearly 30 years after the Civil War, during that most difficult reconstruction period, our Budget was balanced every year. Now it is proposed in the three years 1931–1933 to accumulate a deficit equal to over half our estimated income and increase our national debt by approximately 20 per cent.

The taxpayers are ready to do their part. They will not do so with good will, however, unless they are convinced that our Government is prepared to follow the lead given them by corporations and individuals and drastically reduce Federal expenditure. The people of this country are of the opinion that the Government is too much in business and that many of the offices and bureaus created during the past few years should be drastically reduced or entirely eliminated.

The ordinary expenditure of the Federal Government (that is, excluding debt payment) during recent years is nearly five times as great as that during the decade preceding the World War. Such expenditure in 1932 is more than 50 per cent greater than in 1925. During these seven years the cost of our national defense has gone up 20 per cent, over $100,000,000. I do not know of any menace to our Nation sufficient to justify such an additional outlay. Our veterans should be suitably provided for, but an annual expenditure for this purpose of over $1,000,000,000, or not far from one-half of the income of the Federal Government this year, seems excessive. This is equal to $500 for every man in our uniform who went overseas during the war period 15 years ago.

The expenditure of the Department of Agriculture and the Department of Commerce is now nearly two and one-half times greater than in 1924. It occurs to me that much of the work of the former might be done more appropriately by State and county organizations and that with the present tendency toward higher and higher customs tariffs in all countries large expenditures on the development of export trade may not be warranted.

The number of "independent establishments," exclusive of the Veterans' Administration, has increased of late. It is estimated that they will cost $52,000,000 in 1933. Of this total approximately $10,000,000 is for the Federal Board for Vocational Education, $9,000,000 for the Interstate Commerce Commission, $2,000,000 for the Federal Farm Board, $1,000,000 for the Federal Trade Commission, and $1,000,000 for the Tariff Commission. The work done by these and many other Federal offices is no doubt of interest and value to many of our citizens. Whether they are all worth their cost under present conditions is another matter. Some of them could perhaps be combined usefully with regular Government departments in order that economies might be effected.

Citizens like myself who are fully occupied with our own affairs can not attempt to indicate exactly where savings can be effected. We expect our Representatives in Congress and in other Government or party circles to take the necessary action.

I believe, however, that you may wish to know from time to time how we feel on matters of such importance—and I have no hesitation in saying that in my opinion Congress can do no more useful service to the country at the present time than that of balancing the National Budget through drastic reduction in Federal expenditures. I believe, too, that, although efforts in this direction may create opposition and discontent in quarters affected directly, they will appeal to the general public and that they will win the support of the business men of your constituency.

A budget balanced without large borrowing would do more than anything else to restore and sustain confidence in the credit of the Federal Government. No platform or policy would in my opinion win such genuine and widespread support as that of early and radical reduction in Federal expenditure. Every man or woman knows, in many cases from sad experience, the necessity of balancing the family budget. I believe that the party which goes to the country at the next election with a record of definite effort or achievement in Congress along these lines and with a program for future economy and deflation of the Federal Government will have a very strong position.

I have no doubt that this matter is also on your mind, and I should appreciate it very much, indeed, if you would be good enough to let me know if there is any prospect that action will be taken along these lines.

Yours very truly, J. L. K. SNYDER.

THE PURCHASE OF MUNICIPAL WARRANTS BY FEDERAL RESERVE BANKS

Mr. WALSH of Massachusetts. Mr. President, in view of the difficulties that the cities and towns in various parts of the country have experienced from being unable to borrow money in anticipation of taxes I appealed to the governor of the Federal Reserve Board to aid these cities and towns by requesting the Federal reserve banks to purchase certain classes of municipal warrants.

I ask that this correspondence be printed in the RECORD, and I particularly call attention to the fact that the board of directors of each regional reserve bank has discretion in

the purchase of municipal warrants; and I hope this discretion will be exercised to relieve the economic stress in the borrowing opportunities of our cities.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letters are as follows:

FEBRUARY 11, 1932.

Hon. EUGENE MEYER,
Governor Federal Reserve Board, Washington, D. C.

MY DEAR GOVERNOR MEYER: There is an acute credit situation in Massachusetts cities and towns.

It has been the custom in these cities and towns in January of each year to borrow money in anticipation of taxes that will be received in September and October. This year the banks are refusing to make these loans to the cities and towns, because they allege they must keep 60 per cent liquid and do not dare tie up their funds, since they can not rediscount these notes with Federal reserve banks.

Some of the newspapers have discussed the situation, and there seems to be a general feeling that the Federal reserve banks should rediscount this paper. As I understand the Federal reserve act, it states:

"Every Federal reserve bank shall have power to buy and sell * * * warrants with a maturity from date of purchase of not exceeding six months, issued in anticipation of the collection of taxes or in anticipation of the receipt of assured revenues by any State, county, district, political subdivision, or municipality in the continental United States * * *."

As I understand the situation, the Federal reserve bank in Boston can buy these tax notes, but it does not. It has left that business, usually a very attractive one, to the private banks. I have been urged to call to your attention the importance of the Federal reserve bank exercising this function, now that the private banks are contracting their functions.

May I have the views of the members of your board on this important subject, particularly as it is requested by a prominent Boston newspaper which has made a study of this situation and has been publishing a series of articles concerning the same.

Very truly yours,

DAVID I. WALSH.

FEDERAL RESERVE BOARD,
Washington, February 18, 1932.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: Because of the numerous other matters which, as you know, have required my attention, I regret that I have not been able to make an earlier reply to your letter of February 11 regarding the purchase of municipal warrants by Federal reserve banks.

As you indicate, the law and the regulations of the board authorize the Federal reserve banks to purchase certain classes of municipal warrants. However, as you know, under the law municipal warrants can not be used by Federal reserve banks as collateral for the issuance of Federal reserve notes. Therefore, the question whether and to what extent a Federal reserve bank may purchase such warrants, in view of its other responsibilities, is one primarily for the exercise of the discretion of the board of directors of that bank, and the question you raise has been brought to the attention of the Federal Reserve Bank of Boston for its consideration.

Very truly yours,

EUGENE MEYER, *Governor.*

REPORTS OF COMMITTEES

Mr. REED, from the Committee on Military Affairs, to which was referred the bill (S. 3547) to authorize the Secretary of War to acquire, exchange, transfer, and sell certain tracts of real estate, and for other purposes, reported it with amendments and submitted a report (No. 267) thereon.

Mr. REED also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1855. An act to provide for the care and maintenance of the Guilford Courthouse National Military Park (Rept. No. 268);

S. 3443. An act to authorize the Secretary of War to grant a right of way to the Alameda Belt Line across the Benton Field Military Reservation, Alameda, Calif. (Rept. No. 269); and

S. 3514. An act regulating the use of appropriations for the military and nonmilitary activities of the War Department (Rept. No. 270).

Mr. FRAZIER, from the Committee on Indian Affairs, to which was referred the bill (S. 3110) authorizing the Secretary of the Interior to arrange with States for the education, medical attention, and relief of distress of Indians, and for other purposes, reported it without amendment and submitted a report (No. 271) thereon.

Mr. CAREY, from the Committee on Military Affairs, to which was referred the bill (S. 207) to correct the military record of James L. Pate, reported it with amendments and submitted a report (No. 272) thereon.

ENROLLED BILLS PRESENTED

Mr. VANDENBERG (for Mr. WATERMAN), from the Committee on Enrolled Bills, reported that on the 18th instant that committee presented to the President of the United States the following enrolled bills:

S. 457. An act authorizing an addition to the Cache National Forest, Idaho;

S. 1588. An act to authorize the Secretary of the Interior to issue patents for lands held under color of title;

S. 2286. An act authorizing the William Robert Smith Memorial Association of El Paso, Tex., to construct a memorial in honor of William Robert Smith, former Member of Congress from the sixteenth district of Texas; and

S. 2639. An act to extend the time for the construction of a bridge across the Missouri River at or near Poplar, Mont.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FESS:

A bill (S. 3725) granting an increase of pension to Elizabeth Reyff (with accompanying papers); to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 3726) granting an increase of pension to Rachel Fitzgerald; to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 3727) for the relief of B. E. Dyson, former United States marshal, southern district of Florida; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 3728) for the relief of Thomas I. Dickson (with accompanying papers); to the Committee on Claims.

By Mr. HAWES:

A bill (S. 3729) for the relief of Bruce Bros. Grain Co.; to the Committee on Claims.

A bill (S. 3730) granting a pension to Retta Tunnell (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 3731) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California," approved May 18, 1928, as amended; to the Committee on Indian Affairs.

By Mr. BINGHAM:

A bill (S. 3732) for the relief of Stanley Harrison; to the Committee on Naval Affairs.

By Mr. TOWNSEND (for Mr. HASTINGS):

A bill (S. 3733) for the relief of John A. Cranston, of Wilmington, Del., and the former stockholders of the F. K. Wills Construction Co.; to the Committee on Claims.

By Mr. JOHNSON:

A bill (S. 3734) granting a pension to Marion W. Cavenaugh; to the Committee on Pensions.

By Mr. JOHNSON (for Mr. SHORTRIDGE):

A bill (S. 3735) granting a pension to Carlos J. Anderson; to the Committee on Pensions.

By Mr. ROBINSON of Indiana:

A bill (S. 3736) granting a pension to Mary C. Heck (with accompanying papers); and

A bill (S. 3737) granting an increase of pension to Rebecca E. Clark (with accompanying papers); to the Committee on Pensions.

By Mr. PATTERSON:

A bill (S. 3738) for the relief of Charles P. Shipley Saddlery & Mercantile Co.; to the Committee on Claims.

A bill (S. 3739) granting a pension to Lottie Hawken (with accompanying papers); to the Committee on Pensions.

By Mr. MOSES:

A bill (S. 3740) granting a pension to William H. Cook (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 3741) authorizing the Secretary of War to award a congressional medal of honor to Ralph W. Bottriell; to the Committee on Military Affairs.

A bill (S. 3742) granting a pension to Edmund W. King; to the Committee on Pensions.

By Mr. JONES:

A bill (S. 3743) to authorize the adjustment of the boundaries of the Colville National Forest, in the State of Washington, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. ODDIE:

A bill (S. 3744) for the construction of a reservoir in the Little Truckee River, Calif., and for such dams and other improvements as may be necessary to impound the waters of Webber, Independence, and Donner Lakes, and for the further development of the water resources of the Truckee River; to the Committee on Irrigation and Reclamation.

By Mr. CONNALLY:

A bill (S. 3745) to promote improvement in the spinning quality of cotton grown in the United States, to secure the correlation and the most economical conduct of cotton and other resources, and for other purposes; and

A bill (S. 3746) to authorize the Secretary of Agriculture to make surveys of representative farm areas each year in each State for the purpose of obtaining and publishing information upon the economic condition of agriculture throughout the United States, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 3747) to establish in the Department of the Interior a national reclamation control service to provide aid to the States and their political subdivisions in the construction of improvements for the purpose of flood prevention, drainage, and irrigation, and for other purposes; to the Committee on Commerce.

A bill (S. 3748) to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including Roger P. Ames among those honored by said act; to the Committee on Military Affairs.

A bill (S. 3749) for the relief of Mary Elizabeth Fox;

A bill (S. 3750) for the relief of the First National Bank of Brenham, Tex.; and

A bill (S. 3751) for the relief of the Farmers State Bank of Georgetown, Tex.; to the Committee on Claims.

By Mr. HAYDEN:

A joint resolution (S. J. Res. 109) authorizing an appropriation for the construction and equipment of Government Indian boarding or day schools within the State of Arizona, and for other purposes; to the Committee on Indian Affairs.

AMENDMENT TO AGRICULTURAL APPROPRIATION BILL

Mr. BLACK submitted an amendment intended to be proposed by him to House bill 7912, the Agricultural Department appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 66, strike out all of lines 5 to 9, inclusive, except the words "relief of the State of Alabama" in line 3, and insert the following:

"That the balance of the appropriation of $1,660,000 now unpaid to the State of Alabama, appropriated for the relief of the State of Alabama as a reimbursement or contribution in aid induced by extraordinary floods, shall be paid to the authorities of that State without the requirement that the State match said expenditure except in the manner provided herein."

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. FRAZIER submitted an amendment intended to be proposed by him to House bill 8397, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the top of page 6, to strike out the following:

EXPENSES OF INDIAN COMMISSIONERS

For expenses of the Board of Indian Commissioners, $14,100, of which amount not to exceed $9,000 may be expended for personal services in the District of Columbia.

Mr. ODDIE submitted an amendment intended to be proposed by him to House bill 8397, the Interior Department appropriation bill, in connection with the item for the Boulder Canyon project, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 73, line 14, before the period insert a colon and the following: "*Provided further*, That of this fund not to exceed $50,000 shall be available for the construction, operation, and maintenance at Boulder City, Nev., of a swimming pool, together with suitable bathhouses and other facilities, for the use of the residents of such community."

PREFERENCE BY PURCHASING OFFICERS TO DOMESTIC ARTICLES

Mr. BINGHAM submitted an amendment intended to be proposed by him to the bill (S. 3349) authorizing the purchasing officers of the Government to give preference to domestic articles, which, with the accompanying paper, was referred to the Committee on Expenditures in the Executive Departments and ordered to be printed.

SPIRITUOUS LIQUORS FOR NONBEVERAGE USES

Mr. COPELAND. I ask that the Committee on Appropriations be discharged from the further consideration of the amendment which I submitted to the appropriation bill for the Treasury and Post Office Departments on the 1st instant, and that the amendment be referred to the Committee on Finance, together with the favorable report of the Treasury Department, and that they be printed in the RECORD.

There being no objection, the Committee on Appropriations was discharged from the further consideration of the amendment, which, with the accompanying letter from the Secretary of the Treasury, was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. COPELAND to the bill (H. R. ——) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, viz: At the proper place insert the following:

"That hereafter permits for the importation or manufacture for nonbeverage purposes of spirituous liquors of a particular kind or quality may be issued upon a finding by the Commissioner of Industrial Alcohol that the supply of any such kind or quality of liquors in distilleries or bonded warehouses in the United States is insufficient to meet the current need therefor for all nonbeverage uses."

TREASURY DEPARTMENT,
Washington, February 17, 1932.

DEAR MR. CHAIRMAN: I have the honor to acknowledge the receipt of a copy of an amendment to be proposed by Senator COPELAND to the House bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933.

Concerning this proposal I beg to state that section 2 of the act supplemental to the national prohibition act (42 Stat. 222), approved November 23, 1921, provides, in part, that:

"* * * No spirituous liquor shall be imported into the United States, nor shall any permit be granted authorizing the manufacture of any spirituous liquor, save alcohol, until the amount of such liquor now in distilleries or other bonded warehouses shall have been reduced to a quantity that, in the opinion of the commissioner, will, with liquor that may hereafter be manufactured and imported, be sufficient to supply the current need thereafter for all nonbeverage uses * * *."

The proposed amendment, if enacted, would modify the provisions of this act, which was construed by the Attorney General (34 Op. Atty. Gen. 103) as forbidding the importation of brandy and other spirits, and wine with certain exceptions, which opinion was adhered to by Assistant Attorney General Youngquist in a letter addressed to Mr. Edward M. Langley, 603 Boylston Street, Boston, Mass., on February 2, 1932.

In view of the fact that the importation of limited quantities of wine for medicinal and sacramental purposes is now permitted under the opinion cited, and that there appears to be a legitimate demand for certain foreign brandies for medicinal use, which brandies are regarded by many physicians as having medicinal virtues superior to domestic spirits, the enactment of the proposed legislation is recommended.

Very truly yours,

OGDEN L. MILLS,
Secretary of the Treasury.

Hon. WESLEY L. JONES,
Chairman Committee on Appropriations,
United States Senate, Washington, D. C.

PROPOSED MEDITERRANEAN FRUIT-FLY BOARD

Mr. TRAMMELL. Mr. President, I send to the desk a motion to suspend the rules. I desire to have it presented to-day, so that it may be operative to-morrow, if we should have a session to-morrow.

The PRESIDENT pro tempore. The motion will be read.

The Chief Clerk read as follows:

NOTICE OF MOTION TO SUSPEND RULES

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraphs 1 and 4 of Rule XVI for the purpose of proposing to the bill (H. R. 7912) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1933, and for other purposes, the following amendment, viz: On page 94, after line 2, insert a new section, as follows:

SEC. 3. That a board is hereby created, to be known as the Mediterranean Fruit-Fly Board, to be composed of 5 persons, to be appointed by the Secretary of Agriculture, 2 of whom shall be representatives of the Department of Agriculture (1 to be chairman of the board), 2 citizens of the State of Florida, and 1 man at large. Any vacancy occurring in the board shall be filled in the same manner as the original appointment. Each member of the board, other than members holding office under the Federal Government, shall receive compensation at the rate of $10 per day while actually employed on the business of the board. The board shall cease to exist upon transmitting its report as herein provided.

The board is authorized and directed to (1) conduct a complete investigation and survey of actual losses sustained by growers and farmers in the State of Florida resulting directly from the campaign to eradicate the Mediterranean fruit fly in such State; (2) receive claims for actual losses sustained by such persons in the State of Florida by reason of direct damage resulting from such campaign, supported by such proof as the board by regulation may prescribe; (3) report the facts and make findings upon such claims as to the amount of actual loss sustained; and (4) transmit to the Secretary of Agriculture not later than 90 days after the approval of this act a report of the survey and its findings in respect of claims for such losses: *Provided*, That such report and finding shall serve as information only for consideration and not be binding on the Secretary of Agriculture or Congress. The Secretary of Agriculture shall, within 30 days after receiving such report, or if Congress is not in session, then at the beginning of the December, 1932, session of Congress, transmit such report of survey to Congress, together with such recommendations as he may, in his judgment, deem advisable.

The regular employees of the Department of Agriculture shall be used as far as possible, but the board may, with the approval of the Secretary of Agriculture, appoint in addition thereto and fix the compensation (without regard to the civil service laws and regulations or to the classification act of 1923, as amended) of such other employees as may be necessary, and may, with the approval of the Secretary of Agriculture, make such expenditures, including expenditures for travel and subsistence expenses, for personal services at the seat of government and elsewhere, and for printing and binding as are necessary for the efficient execution of its functions under this section. All expenses of the board shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairman of the board and the Secretary of Agriculture.

That there is hereby appropriated the sum of $25,000, or so much thereof as may be necessary, for the purpose of carrying out the provisions of this section.

The PRESIDENT pro tempore. The amendment will lie on the table and be printed.

HEARINGS BEFORE THE COMMITTEE ON MINES AND MINING

Mr. PATTERSON submitted the following resolution (S. Res. 169), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Mines and Mining, or any subcommittee thereof, hereby is authorized during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on February 18, 1932, the President approved and signed the act (S. 366) for the relief of Dr. Luis H. DeBayle.

THE PHILIPPINES QUESTION

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written to Members of Congress by Mr. William Wallace McConel, who for six years was a school-teacher in the Philippine Islands. He obtained so much historical data and so much of information pertaining to the Philippines question that I think it would be well to have his letter made a matter of record. I also ask that the letter may be referred to the Committee on Territories and Insular Affairs.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The letter will be referred to the Committee on Territories and Insular Affairs and printed in the RECORD.

The letter is as follows:

AN OPEN LETTER TO MEMBERS OF THE UNITED STATES CONGRESS

PORTAGE, PA., *February 11, 1932.*

HONORABLE SIRS: While the Philippines question is up for discussion allow me to add the view held by an American citizen who has spent six years in the islands, where I have had an opportunity to get first-hand information regarding the situation as it exists there. With your indulgence, I shall endeavor to show briefly why the present Congress should grant Philippine independence: First, from an economic angle; second, from a social angle; and, third, from a political angle.

ECONOMIC

From the time the United States took control of the islands there has been, I am informed, an average expenditure of about $1,000,000 a month to pay salaries and upkeep of our soldiery in the islands. Thirty years of such expense totals $360,000,000. Add to this the initial "purchase" price of $20,000,000 and you have a total of $380,000,000. Again, add to this the cost of transporting soldiers to and from Manila, the expense of American "missions" that were sent out there for one purpose or another, add the salaries of American officials in the islands, add the salaries of Filipino representatives in the United States Congress, add the cost of fortifications, add what other incidentals you care to look up in the War Department, and you will find that through this rat hole there has been draining during these thirty-odd years a sum that runs into many hundred millions of dollars * * * a sum that would have gone a long way toward eliminating illiteracy in some of our backward States; to help perfect a system of national highways; to combat disease or farm pests; or to irrigate the arid regions of the Southwest.

And what has America gained from this expenditure? Outside of the fact that we have strengthened our friendship somewhat in the Orient, we have accomplished but little economically. We have built up something of a Philippine trade * * * but at what price? We have opened our doors for free entry of Philippine goods and Filipino immigrants, to the detriment of America herself. Philippine vegetable oils enter the American market under the guise of butter and lard substitutes and compete with the real article produced by the American taxpayer. Filipino laborers enter the west coast almost without restriction and compete with American labor, thus reducing the standard of living among the laboring class of Americans in that region.

Does the profit on American exports to the Philippines warrant all this outlay of cash and this open-door policy toward Philippine products and Filipino labor? A glance at the figures available in Washington will surely show you that it does not. Moreover, is the United States justified in pouring the American taxpayers' money into the islands at the rate of $12,000,000 annually and thus pensioning the islands to that extent while the natives farm only a small percentage of the available agricultural land which ought to be under cultivation to support the insular government? So long as America pours huge sums into the islands for the salaries and upkeep of both native and American soldiery and so long as the bars are down to Filipino immigration to Hawaii and the United States * * * just so long will the Filipino be led along by an economic mirage instead of settling down to make Philippine industry meet Philippine obligations. America has done much to bring about new standards in roads, schools, sanitation, courts, etc., but to continue such a program would be but to coddle and pamper a people who ought to be solving their own problems in their own way.

So much for the dollars-and-cents side of Philippine independence.

SOCIAL

Regardless of the merits or demerits of any race, there are certain social barriers which make it both difficult and at present undesirable for Americans to marry into another race. Americans are not good mixers in that sense. That is a pretty generally recognized fact even where the difference is only lingual and national as that which exists between Americans and Europeans. How much greater is this social barrier between Americans and orientals! This barrier, as I have pointed out above, does not rest upon the merits or demerits of either race, but rather upon a complexity of details such as linguistic difficulties, moral standards, authority in the home, religious views, dress, and styles of cooking. With such differences it is hard to see how any satisfactory blending of the two races could be effected. And so long as there is no racial blending of these races the Filipino will be a "native" and the American will be a "foreigner," each with his own standards and views, each pulling in his own direction.

Even after more than 30 years of American occupation the average Americans feel like "fish out of water" when in a gathering

where Filipinos predominate. Filipinos feel the same when thrown into a gathering of Americans. Individually, they may find admirable qualities in each other and be close friends, but try to mix them in a social way and you are trying to mix oil and water. Put Americans in the provinces where they are thrown entirely among Filipinos and they will be shown the finest courtesies by the natives and may finally get to a point where they feel somewhat satisfied with the social life. But let these Americans then come into the city where there are many other Americans, and the provincial American will gravitate at once toward his countrymen and lose interest in association with the Filipino. American women sometimes dance with the native men in the provinces and then strictly refuse to do so when American and native teachers meet at Teachers' Camp in Baguio, where there are American men to choose from. So long as there is no racial blending, no homogeneity, there will be a diversity of opinion that is not conducive of progress under what the Filipino considers a mandatory system. Much more harmony could be created in joint undertakings if Filipinos were free to seek advice rather than have it handed out to them dogmatically by American officials appointed to their positions.

POLITICAL

From the time that Magellan met death in a quarrel with natives of these islands, the Filipinos have consistently objected to foreign aggression and control. Apparently, the only reason that they received the Americans with open arms at the time of Dewey's victory in Manila Bay was because they thought that America was in accord with their plan to establish an independent republic. Proof of this lies in the fighting which followed between Filipinos and Americans when the Filipino learned that America intended to stay as a sovereign power.

Promises of independence at that time, and more definite promises either spoken or written since that day, have kept the patient Filipino waiting from year to year to see his country set free. If the Philippines were a large and thickly populated country, the inhabitants may have tried more pronounced methods of gaining independence. But they know that they can not match the military and naval strength of a country like America, so they have been compelled to confine their activities to pleading where a stronger nation would have resorted to punching.

During all these years the higher government positions have been filled by American appointees, while Filipino officers of lower rank have acted as buffers between the American officials and the people. This division of authority has often resulted in an old game known as "passing the buck." Only when all officials of the country are responsible to the people of that country can these officials be expected to act to the interests of the people. The great distance between the islands and the United States has resulted in each being pretty generally ignorant of the other's aims, ideals, and customs. This difference makes any American Governor General more or less an unwelcome member of the governing body. Opponents of Philippine freedom may point to some very harmonious periods of cooperation between the American Governor General and the native officials; but were these smoothest periods not the very periods when Filipinos enjoyed the greatest hope of independence? Since that is true, can we go on harmoniously when the Filipino sees his longed-for independence postponed from year to year, first with one excuse and then with another? American control of the government is undesirable to the native, and Filipino control of an American territory would be dangerous to America's international relations. The solution is Philippine independence.

The report is frequently spread in America that Filipinos do not want independence. That is probably the biggest lie that has ever been told about these people. Between 1921 and 1930 I taught hundreds of young men and women in the high schools of the islands and have since kept in touch with many of them while they went through the university and took up some profession. And I have found them almost unanimous in their desire and plea and urge for independence. There are a few who say that they are satisfied to let the present status continue for some time, but they are so few in number and their voice is so weak that they are completely drowned out by the multitude who ask that they be allowed to govern themselves as other self-respecting people do.

Among Americans who oppose independence most strongly are those who have fed on the American pap so long that they don't see how they could get along without it. Another group is composed of those who took a gambler's chance on investing money out there with the expectation that they could secure larger earnings from investment there than they could in the States. They want the American Government and the American Army and Navy to guard their investment, while the American taxpayer foots the bill at $12,000,000 annually.

To summarize the points that I have endeavored to make clear in the above statements, let me repeat that—

Economically, the United States is losing instead of gaining so long as we hold the Philippine Islands.

Socially, there can be no hope for absorption of Filipinos by Americans or Americans by Filipinos so as to bring about a homogeneity of aims, ideals, and customs.

Politically, the islands would be a burden instead of a help to the United States in time of war; Americans and Filipinos are constantly misunderstanding each other; and the doctrine of self-determination should be practiced as well as preached.

My personal dealings with Filipinos since 1921 has convinced me that the Filipino looks upon individual Americans as friends and will endeavor to treat fairly all Americans who deal fairly with the Filipinos under an independent government. If you, as an American, were subject to a foreign power as the Filipino is subject to America, what would be your aspirations? May we ask you to consider the Filipino in the same light, and to cast your vote on the side for Philippine freedom when the opportunity presents itself in connection with pending legislation?

Respectfully yours,

WILLIAM WALLACE MCCONEL,
Formerly with the Bureau of Education.

EMERGENCY CREDIT EXPANSION

The Senate resumed the consideration of the bill (S. 3616) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

Mr. KEAN. Mr. President, I was much impressed by the statement of the senior Senator from Arkansas [Mr. ROBINSON] as to the origin of what we are trying to do here to broaden the basis of the Federal reserve act. He pointed out that several prominent Democrats introduced bills and had thought of the proposition. The Senator from Michigan [Mr. VANDENBERG] pointed out that he had introduced bills and had tried through those bills to get something done along this line. I myself have visited the Federal Reserve Board months and years ago and tried to get something done that would be of some benefit to the country banks.

Mr. President, I am for the Glass bill, S. 3616. Credit in the United States has practically stopped. To start this credit again we must in some way broaden the base of discounts of the Federal reserve banks. What has happened to the banks is that they have held bonds of the United States, bonds of municipalities, bonds of the railroads, and bonds of the industrial corporations of the country; and these bonds, which they held as a secondary reserve in the case of a large number of people demanding their money, have so far gone down in value that the amount of secondary reserve is out of proportion to their other securities. In order to rectify this condition the pending bill broadens to a small extent and in a very conservative way paper that can be discounted by the Federal reserve banks. The member banks are anxious at the present time, and so far as I know have never refused, to buy paper that was discountable at the Federal reserve banks; but, on the other hand, conditions being such as they are they have been obliged to refuse accommodations to the ordinary borrower.

Before the establishment of the Federal reserve bank every country bank kept an account in the central cities, such as Chicago, New York, and Philadelphia, to which they sent their out-of-town collections. The difference in time between the day on which the out-of-town bank was credited for its out-of-town collections and the day they were received by the metropolitan banks furnished the metropolitan banks with a very substantial portion of their deposits. In case of trouble the metropolitan banks would rediscount for the country banks almost any security that the country banks were satisfied with, so that the country banks were dependent upon their correspondents in time of trouble, and their correspondents lost practically no money in taking care of their country depositors.

Many years ago the New York banks and, later, banks in other cities formed clearing houses. The working of the clearing houses is about as follows: A clerk from a bank belonging to the clearing house goes to the clearing house at 9 o'clock in the morning, and by 10 o'clock the checks of the various members of the clearing house are sorted so that each bank knows whether it has a debit or a credit at the clearing house, differences being settled in cash by 10 or 11 o'clock each morning. In times of panic it was found impossible for the clearing-house banks always to settle their differences in cash, so that the custom grew up of issuing clearing-house certificates bearing 6 per cent interest, and these were used by the banks in settling their differences when, owing to the financial strain, they did not feel they could settle in cash.

When the Federal reserve banks were started it was supposed that they would be able at all times to take care of the credit requirements of both the metropolitan and the country banks, but the requirements and rules of the Fed-

eral reserve banks for eligibility of discount are such that the majority of country banks have little or no paper which can be rediscounted at a Federal reserve bank. This condition has been intensified of late years. During the boom times many corporations, whose stocks were listed on the exchanges, found their common stocks selling at such prices that the management thought it wise to sell an increased amount of their common stocks, thereby giving them a cash position and making it unnecessary to borrow on their paper. This reduced the paper eligible for discount in the Federal reserve banks and has made a large contraction in the amount of paper acceptable for rediscount. The country banks were urged to buy the bonds of these corporations as a secondary reserve. Many of the country banks did so, and the market has so declined for these and other bonds that they are unsalable at the present time. On the other hand, they are obliged to keep a large proportion of their deposits with the Federal reserve banks, for which they are getting no interest. Formerly the national banks always allowed them interest on their deposits.

The metropolitan banks, wishing to keep themselves as liquid as possible, and as the country banks do not keep anything like the deposits with them that they used to keep, refuse to rediscount for the country banks notes that are not eligible for rediscount at the Federal reserve banks.

According to the Federal Reserve Bulletin of January, 1932, page 14, up to September 30, 1931, member banks had on deposit $29,469,000,000. This being so, a fairly conservative bank ought to have, first 15 per cent in cash at least, second 35 per cent of the $29,469,000,000 in some form of secondary reserve, on which they can obtain money. Thirty-five per cent of that amount would be $9,150,000,000, and, according to the distinguished Senator from Virginia, the banks have only $8,561,000,000 of unused paper rediscountable at the Federal reserve bank. They can not loan to ordinary customers except on paper rediscountable at the Federal reserve bank, certainly until they get their secondary reserve up above 35 per cent, and the figures show that they are more than a billion short of the necessary 35 per cent.

According to the report of the Comptroller of the Currency issued a day or so ago, deposits in the member banks had decreased during 1931, $4,137,398,000, and since September such deposits had decreased $1,083,778,000—a tremendous drop.

Mr. President, in considering this subject, some mention of the policy of the Federal reserve system regarding the control of reserve credit in 1927 and 1928 must be made. It will be remembered that during 1927 the Federal Reserve Board inaugurated an easy money policy and, at the end of that year, discount rates throughout the system were at 3½ per cent, or one-half per cent lower than at the close of 1926. These rates remained in effect until the early part of 1928, when it was evident that increasingly large amounts of banking and other credit were being employed in the stock market for speculative purposes. As a result, the Federal Reserve Board moved to restrict the use of reserve credit in the stock market and, during the year, the buying rates for acceptances were raised, while discount rates of the reserve banks were successively increased until on December 31, 1928, the rate stood at 5 per cent for all of the banks, with the exception of those at Minneapolis, Kansas City, Dallas, and San Francisco, in which centers it remained at 4½ per cent until the early months of 1929. Furthermore, considerable sales of the system's holdings of Government securities were made, reducing the amount held on January 4, of $423,159,000 to $75,592,000 on December 29, of $347,567,000. Reflecting this tightening of reserve credit and the growing demand for speculative funds, the renewal rate for call loans mounted steadily during the year and the average rate for the week ended December 29 stood at 10 per cent, the high point of the year, as against the low for the year of 3.70 per cent, the average for the week of January 28. In addition to these efforts, the Federal Reserve Board issued warnings against unwise use of credit in speculative channels.

THE YEAR 1929

At the beginning of 1929 the Federal Reserve Board found itself in a particularly difficult position. On the one hand, it had made definite efforts to control the use of its funds for speculative purposes, but found that such attempts had been of little value, inasmuch as brokers' loans had continued to mount through the medium of loans to brokers placed by banks for the account of corporations, individuals, and foreign lenders; and stock values had continued in general to move upward, reflecting the widespread optimism throughout the country, which arose from prosperous business conditions. On the other hand, business at the start of the year was active and gave promise of continued improvement with the coming of spring and summer. Consequently further increases in Federal-reserve discount rates, buying rates on acceptances, and restriction of reserve credit through open-market operations, while perhaps effective as brakes to speculative sentiment, might have resulted in being decided handicaps to business throughout the country. Therefore the Federal Reserve Board, at its meeting in Washington on February 6, 1929, decided to issue a statement against further unwise use of banking credit for speculation, but voted not to increase discount rates.

FEDERAL RESERVE STATEMENT OF FEBRUARY 6

Pertinent and trenchant portions of the Reserve Board's statement included such remarks as the following:

> The extraordinary absorption of funds in speculative loans which has characterized the credit movement during the past year or more deserves particular attention lest it become a decisive factor working toward still further firming of money rates, to the prejudice of the country's commercial interests.

That the board was fully alive to the dangers inherent in the situation was forcefully expressed by the words:

> The matter is one that concerns every section of the country and every business interest, as an aggravation of these conditions may be expected to have detrimental effects on business and may impair its future.

Then, addressing itself directly to its member banks, the board said:

> The Federal reserve act does not, in the opinion of the Federal Reserve Board, contemplate the use of the resources of the Federal reserve banks for the creation or extension of speculative credit. A member bank is not within its reasonable claims for rediscounting facilities at the Federal reserve bank when it borrows either for the purpose of making speculative loans or for the purpose of maintaining speculative loans.

And, further outlining its own responsibility in this connection, it stated:

> The board has a grave responsibility whenever there is evidence that member banks are maintaining speculative security loans with the aid of Federal reserve credit * * * when such is the case, the Federal reserve bank becomes either a contributing or sustaining factor in the current volume of speculative security credit * * * this is not in harmony with the intent of the Federal reserve act, nor is it conducive to the wholesome operation of the banking and credit system of the country.

That the Federal reserve system had not failed and did not fail to discharge its responsibility in these respects is clearly apparent by the system's actions throughout 1928 and in 1929 until the stock market collapsed later in the year. Concrete evidence in support of this assertion, as applying to 1928, has been given. As to the measures taken by the reserve system during the period from January 1, 1929, to the time of the publication of the foregoing remarks, it is very significant that the Federal reserve system curtailed its buying of bills in the open market from $484,358,000 to $410,742,000, a decrease of $73,616,000, and restricted its buying of Government securities by $43,864,000. Furthermore, the loans by New York member banks to brokers were cut down from $1,516,049,000 on January 2 to $1,116,000,000 on February 6, a substantial reduction of $400,049,000. However, within the same period, according to the New York Federal Reserve Bank's weekly statement, loans to brokers for the account of others rose from $2,166,066,000 on January 2 to $2,612,000,000 on February 6, an increase of $445,934,000. Thus it is plain that despite the restriction in reserve credit loans for speculative purposes were augmented from outside sources. As a result of the

tightening of Federal reserve credit, call-loan rates, after easing in the last week of January, showed a gradual and, with minor exceptions, a steady increase until the end of March, when the average renewal rate for the week ended March 30 stood at 12.75 per cent. In addition, buying rates on 60 to 90 day acceptances were raised from 5 per cent to 5⅛ per cent.

EVENTS BETWEEN FEBRUARY 6 AND MARCH 30

Shortly after the Federal Reserve Board's warning of February 6 the Senate adopted a resolution requesting the board to give it any information and suggestions which might be helpful in securing legislation to correct the evil complained of. This suggestion was not acted upon by the Federal Reserve Board, inasmuch as on February 27 it expressed confidence in its own powers to meet the demands of the situation without outside assistance—an assertion warranted by the fact that total brokers' loans reported by the Federal reserve banks of New York declined from $5,669,000,000 on February 6 to $5,477,000,000 on February 20, although an increase to $5,507,000,000 occurred on February 27. Furthermore, on February 6 loans to brokers for the New York reserve banks for their own account stood at $1,116,000,000, but dropped to $1,090,000,000 on the 27th day of February, while the system's buying of bills declined from $410,742,000 for the week ended February 6 to $334,075,000 for the week ended February 27, purchases of Governments decreased from $200,089,000 on the former date to $166,400,000 on the latter, and holdings of the latter declined from $75,592,000 to $43,500,000 on February 27. In addition, the stock market had been weak from the 6th of February to the 16th of February, when a rising trend in values began, reaching a peak about the 1st of March and culminating with a sharp decline on the 26th of March.

The next events of importance occurred at the end of March, when extreme stringency in the money market developed because of a substantial increase in brokers' loans to $5,649,000,000 on March 27, according to the statement of the Federal reserve banks of New York, or to $6,804,000,000 on March 31, as reported by New York Stock Exchange, and the necessity of preparing for interest and dividend payments of about $500,000,000 on April 1. As a result of these factors, and due to nervousness over the possibility of higher discount rates, the stock market collapsed on Tuesday, March 26, and the call-loan rate touched 20 per cent. That the Federal reserve banks played no part in extending further loans to brokers, and thus encouraged further speculation, may be seen from the fact that such loans by the member banks in New York remained relatively stable and amounted to $1,071,000,000 on March 27, as compared with $1,090,000,000 on February 27, while holdings of Government securities revealed a slight decline during the period, and the purchase of bills and Governments in the open market was further curtailed. Contrary to expectations, no change in the discount rates at important centers was made during the last two weeks in March, and great pressure was brought to bear on the banks to force them from additional borrowing at the Federal reserve bank.

A summary of these data on the Federal reserve open-market policy, and a statement of weekly brokers' loans from reserve board reports, as well as the average weekly rate of call-money rates, follow.

I ask to have this table printed in the RECORD without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Summary of data on the Federal reserve open-market policy, statement of weekly brokers' loans, and average weekly call-money rates

1929	Federal reserve banks—weekly statement			Loans by banks to brokers—New York Federal Reserve Bank weekly statement of brokers' loans			Call money renewal rate, weekly average
	Bills bought	United States Governments		Own account	Account of others	Date	
		Bought	Held				
						1929	*Per cent*
Jan. 2	$484,358,000	$243,953,000	$75,592,000	$1,516,000,000	$2,166,000,000	Jan. 5	10.50
Jan. 9	477,100,000	239,242,000	75,592,000	1,163,000,000	2,356,000,000	Jan. 12	6.60
Jan. 16	481,239,000	238,343,000	75,592,000	1,073,000,000	2,452,000,000	Jan. 19	7.20
Jan. 23	454,218,000	202,034,000	75,592,000	1,010,000,000	2,579,000,000	Jan. 26	6.00
Jan. 30	435,609,000	201,771,000	75,592,000	1,091,000,000	2,615,000,000	Feb. 2	6.60
Feb. 6	410,742,000	200,089,000	75,592,000	1,116,000,000	2,612,000,000	Feb. 9	6.60
Feb. 13	391,058,000	177,170,000	53,926,000	1,097,000,000	2,612,000,000	Feb. 16	7.13
Feb. 20	355,636,000	172,589,000	49,426,000	1,023,000,000	2,668,000,000	Feb. 23	7.00
Feb. 27	334,075,000	166,400,000	43,500,000	1,090,000,000	2,724,000,000	Mar. 2	7.70
Mar. 6	304,644,000	162,964,000	40,000,000	1,117,000,000	2,863,000,000	Mar. 9	8.80
Mar. 13	283,101,000	165,297,000	40,000,000	1,004,000,000	2,862,000,000	Mar. 16	7.40
Mar. 20	236,838,000	185,351,000	40,000,000	1,091,000,000	2,934,000,000	Mar. 23	8.40
Mar. 27	208,427,000	170,310,000	40,000,000	1,071,000,000	2,898,000,000	Mar. 30	12.75

EVENTS BETWEEN MAY 17 AND AUGUST 9

Mr. KEAN. Further significant developments occurred about the middle and latter parts of May. Steadily following its policy of strict control of credit, the system continued to restrict its purchases of bills and Government securities. For the week ended April 3 bills bought totaled $174,703,000, but for the week of May 22 about $137,980,000 were purchased, while the United States Government's purchase dropped from $169,058,000 to $153,287,000 on the respective dates. Within the same period loans to brokers by New York member banks were cut from $1,021,000,000 to $827,000,000, or $194,000,000, and total brokers' loans, as reported by the reserve banks on May 22 were about $42,000,000 below those on April 3, after having shown a sizable decline of about $137,000,000 in the interim. Money rates remained in general firm, buying rates for acceptances having ruled at 5½ per cent and the average weekly renewal rates for call loans mounted from 7.90 per cent for the week of April 20 to 12.40 per cent for the week of May 11, later declining to 6.60 per cent for the week closed May 25.

Despite these measures and their results, the stock markets had shown more strength than weakness, and during the middle of the first week in May attained about the best levels of the year to that time. As an expression of growing concern over the continued rise in speculative sentiment, on Friday, May 17, it was reported that the reserve banks at Chicago and New York applied for permission to raise their discount rates above 5 per cent, a request which was not granted by the board. Four days later the Federal Reserve Advisory Council likewise recommended the granting of such requests, but again the Federal Reserve Board took no action. However, apprehension of the possibility of an increase in the discount rates led to a severe reaction in the stock markets, and prices followed a downward trend to the end of May.

At this point the reserve board may be criticized, in the light of later events, for not having granted the requests of the Chicago and New York banks and the recommendation of the advisory council, thus emphasizing more clearly to the general public its serious and unquestioned intention to curb speculation. The plain facts are that the Federal reserve system had employed to this end every available and drastic means in its power; and while the reserve board and banks realized the need for further strong remedies, their policy had of necessity to be shaped not only by the growing emergency arising from excessive speculation but also by the

requirements for reasonable credit on the part of commerce and trade, which, up to that time, had continued to flourish even under the disadvantage of already high costs of money.

Statistics on the operations of the Federal reserve system during the period under discussion, and the course of average weekly renewal rates for call money, are presented in the table following.

I ask that this table may be printed without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

1929	Federa lreserve banks—weekly statement			Loans by banks to brokers—New York Federal Reserve Bank weekly statement of brokers' loans			Call money renewal rate, weekly average
	Bills bought	United States Governments		Own account	Account of others	Date	
		Bought	Held				
						1929	*Per cent*
Apr. 3	$174,703,000	$169,058,000	$49,500,000	$1,021,000,000	$2,889,000,000	Apr. 6	10.00
Apr. 10	157,317,000	166,089,000	49,500,000	915,000,000	2,882,000,000	Apr. 13	8.00
Apr. 17	141,027,000	161,429,000	39,500,000	877,000,000	2,886,000,000	Apr. 20	7.90
Apr. 24	141,175,000	149,782,000	27,000,000	924,000,000	2,916,000,000	Apr. 27	8.00
May 1	170,421,000	150,730,000	23,500,000	979,000,000	2,817,000,000	May 4	11.40
May 8	157,181,000	149,488,000	20,500,000	864,000,000	2,953,000,000	May 11	12.40
May 15	146,107,000	155,826,000	20,500,000	860,000,000	2,979,000,000	May 18	9.20
May 22	137,986,000	153,287,000	20,500,000	827,000,000	3,042,000,000	May 25	6.60
May 29	117,979,000	144,572,000	20,500,000	773,000,000	2,975,000,000	June 1	6.00

Mr. KEAN. The interval from the 1st of June to August 9, when the New York reserve banks' discount rate was raised from 5 per cent to 6 per cent, was characterized by rising values for stocks, mounting loans to brokers by the New York member banks and for the account of other banking lenders, and firm rates for call loans and bankers' acceptances. Again, however, the reserve system contributed nothing to encourage speculative sentiment. Significant features of the operations of the member banks at New York within the period under review were that their loans to brokers, after falling to $773,000,000 on May 29, showed gradual increases of $1,205,000,000 on July 31, or a growth of $432,000,000, due principally to the large volume of rights issued to holders of securities, which were financed mainly by banks, and not to a direct absorption of banking funds for speculative purposes. Loans to brokers for the account of others rose from $2,975,000,000 on the former date to $3,058,000,000 on the latter date, or $83,000,000. The tremendous increase of borrowing for speculation is very forcibly illustrated by the growth in brokers' loans shown by the New York Stock Exchange reports, which revealed a rise from $6,665,000,000 at the end of May to $7,474,000,000 on July 31, an increase of $809,000,000, which played an important part in the decision of the reserve board to allow the increase in the discount rate at New York. Endeavors of the reserve banks to constrict still further the use of its credit resulted in a decline in the system's buying of bills from $117,979,000 for the week of May 29 to $65,956,000 for the week of July 10, after which there was an increase to $74,567,000 for the seven days ending with the 31st of July. For the week of May 29, governments bought stood at $144,572,000, and $147,283,000 for the week of July 31, having receded to $136,144,000 for the period of July 10. Meanwhile, governments held in the special investment account totaled $20,500,000 on May 29 and dropped to $17,500,000 on July 31. Reflecting these changes, the average weekly renewal rates on call loans remained firm, having touched a low of 6 per cent for the week of June 1 and a high of 11 per cent for the week ended July 6. The buying rate on bankers' acceptances held at 5½ per cent until July 12, when it was reduced by one-fourth of 1 per cent to 5¼ per cent.

An abstract of the foregoing data is as follows:

1929	Federal reserve banks—weekly statement			Loans by banks to brokers—New York Federal Reserve Bank weekly statement of brokers' loans			Call money renewal rate, weekly average
	Bills bought	United States Governments		Own account	Account of others	Date	
		Bought	Held				
						1929	*Per cent*
June 5	$112,747,000	$147,328,000	$32,500,000	$837,000,000	$2,934,000,000	June 8	6.80
June 12	114,117,000	169,873,000	24,500,000	821,000,000	2,911,000,000	June 15	7.60
June 19	87,032,000	139,458,000	22,500,000	883,000,000	2,945,000,000	June 22	7.00
June 26	82,839,000	149,527,000	17,500,000	1,038,000,000	2,969,000,000	June 29	9.40
July 3	73,922,000	141,382,000	17,500,000	1,255,000,000	2,934,000,000	July 6	11.00
July 10	65,976,000	136,144,000	17,500,000	1,201,000,000	2,930,000,000	July 13	8.60
July 17	67,638,000	153,115,000	17,500,000	1,136,000,000	3,002,000,000	July 20	9.80
July 24	68,842,000	145,700,000	17,500,000	1,193,000,000	3,034,000,000	July 27	7.60
July 31	74,567,000	147,283,000	17,500,000	1,205,000,000	3,058,000,000	Aug. 3	9.80
Aug. 7	79,158,000	157,600,000	17,500,000	1,089,000,000	3,143,000,000	Aug. 10	9.60

EVENTS BETWEEN AUGUST 10 AND OCTOBER 29

Following the announcement of the new discount rate of 6 per cent at New York, stock prices reacted for a short time, then regained their losses, and continued upward until September 7, when the standard statistics index for 90 stocks attained the highest levels for the year, after which the trend of values fluctuated uncertainly, but with a downward movement, until the crash on October 29.

Coincident with this action on the discount rate of the New York bank, the Reserve Board lowered the buying rate for bankers' acceptances from 5¼ per cent to 4⅛ per cent in an effort to offset an unfavorable reaction on business which had revealed a definite slackening tendency about the turn of the half year. With the exception of an emergency expansion in reserve credit after the stock market crash on the 29th of October, any growth in reserve bank credit from this time onward until the end of the year should be regarded as being the result of an increased demand therefor on the part of legitimate business. No deviation in its policy of diverting its own credit from the stock market was allowed by the reserve banks. For example, from August 14 to October 23 loans to brokers by the member banks in New York showed an actual increase of about $112,000,000 to $1,077,000,000 on the latter date, but brokers' loans for the account of others rose by the substantial sum of $645,000,000 to $3,823,000,000. Brokers' loans, as reported by the New

York Stock Exchange, revealed an increase of $667,000,000 from August 31 to September 30.

A direct comparison with the reserve bank figures is not possible on account of the fact that the New York Stock Exchange includes in its tabulation of brokers' loans nonmember bank and foreign loans. Bills bought by the reserve banks during the week of August 14 amounted to $117,885,000, and increased to $379,383,000 for the week of October 23, an increase of $261,448,000. Evidence that this increment was to a large extent seasonal and occasioned by the requirements of trade may be seen from the fact that in the corresponding period of 1927 an increase of $102,000,000 was revealed and in 1928 about $205,000,000. In addition lower rates on bills influenced holders to sell to the reserve banks, thus helping to swell further the amounts bought by the system. However, purchases of Government securities decreased from $154,303,000 to $135,704,000, or $18,599,000, on the respective dates. Furthermore, Government securities held at the end of the week of August 14 amounted to $31,125,000, but declined to $22,500,000 on October 23, or $8,625,000. Throughout this period renewal rates for call loans showed great firmness until about the 12th of October, after which a gradual easing was noticeable.

A brief statement of the foregoing data follows:

1929	Federal reserve banks—weekly statement			Loans by banks to brokers—New York Federal Reserve Bank weekly statement of brokers' loans			Call money renewal rate, weekly average
	Bills bought	United States Governments		Own account	Account of others	Date	
		Bought	Held				
						1929	*Per cent*
Aug. 14	$117,885,000	$154,303,000	$31,125,000	$965,000,000	$3,178,000,000	Aug. 17	7.40
Aug. 21	132,137,000	148,667,000	36,125,000	926,000,000	3,372,000,000	Aug. 24	7.00
Aug. 28	156,514,000	145,321,000	36,125,000	992,000,000	3,468,000,000	Aug. 31	8.20
Sept. 4	182,916,000	148,980,000	36,125,000	1,103,000,000	3,467,000,000	Sept. 7	9.00
Sept. 11	222,229,000	159,017,000	36,125,000	1,017,000,000	3,616,000,000	Sept. 14	8.20
Sept. 18	241,103,000	177,609,000	36,125,000	1,046,000,000	3,626,000,000	Sept. 21	8.40
Sept. 25	263,934,000	152,059,000	31,125,000	1,024,000,000	3,860,000,000	Sept. 28	8.40
Oct. 2	322,818,000	145,752,000	31,125,000	1,071,000,000	3,907,000,000	Oct. 5	8.20
Oct. 9	333,151,000	140,758,000	22,500,000	973,000,000	3,941,000,000	Oct. 12	6.20
Oct. 16	360,110,000	137,628,000	22,500,000	1,095,000,000	3,875,000,000	Oct. 19	6.40
Oct. 23	379,383,000	135,704,000	22,500,000	1,077,000,000	3,823,000,000	Oct. 26	6.00
Oct. 30	339,885,000	292,688,000	47,500,000	2,069,000,000	2,443,000,000	Nov. 2	5.80

Mr. President, I have tried to show the history of the Federal reserve banks from 1927 up to and after the panic. I have shown, I think, that as to the country banks, since 1927 they have not been able to obtain bills that were open to rediscount by the Federal reserve banks, and this bill broadens to a small extent the basis on which the country banks can get securities which will enable them to build up their secondary reserve. When they get that built up, then they will be able to accommodate their customers in other lines.

The PRESIDENT pro tempore. The clerk will state the first amendment of the Committee on Banking and Currency.

The LEGISLATIVE CLERK. The committee proposes, on page 2, line 3, after the word "notes" and the comma, to strike out the word "the" and to insert the words "provided such banks have no adequate amounts of eligible and acceptable assets to obtain sufficient accommodation through rediscounting at the Federal reserve bank."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Johnson	Robinson, Ind.
Austin	Costigan	Jones	Schall
Bailey	Couzens	Kean	Sheppard
Bankhead	Cutting	Keyes	Shipstead
Barbour	Dale	King	Smith
Barkley	Davis	Logan	Smoot
Bingham	Dickinson	McGill	Steiwer
Black	Dill	McKellar	Stephens
Blaine	Fess	McNary	Thomas, Idaho
Borah	Fletcher	Metcalf	Thomas, Okla.
Bratton	Frazier	Morrison	Townsend
Brookhart	George	Moses	Trammell
Broussard	Glass	Neely	Tydings
Bulkley	Goldsborough	Norbeck	Vandenberg
Bulow	Gore	Norris	Wagner
Byrnes	Hale	Nye	Walcott
Capper	Harrison	Oddie	Walsh, Mass.
Caraway	Hatfield	Patterson	Watson
Carey	Hawes	Pittman	Wheeler
Connally	Hayden	Reed	White
Coolidge	Hull	Robinson, Ark.	

The PRESIDENT pro tempore. Eighty-three Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment proposed by the committee.

Mr. FLETCHER. May we have the amendment stated again?

The PRESIDENT pro tempore. The amendment will be again stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, line 3, the committee proposes to strike out the word "the" and to insert the words "provided such banks have no adequate amounts of eligible and acceptable assets to obtain sufficient accommodation through rediscounting at the Federal reserve banks. The," so as to read:

SEC. 10. (a) Upon receiving the consent of not less than six members of the Federal Reserve Board, any Federal reserve bank may make advances, in such amount as the board of directors of such Federal reserve bank may determine, to groups of five or more independently owned and controlled member banks within its district upon their time or demand promissory notes, provided such banks have no adequate amounts of eligible and acceptable assets to obtain sufficient accommodation through rediscounting at the Federal reserve bank. The liability of the individual—

And so forth.

Mr. FLETCHER. Mr. President, I do not understand that is the amendment proposed by the Senator from Connecticut [Mr. WALCOTT]. I understood that he offered a substitute for, or an amendment to, the committee amendment which should first be considered.

Mr. GLASS. The Senator from Connecticut sent to the desk a proposed substitute for that committee amendment.

The PRESIDENT pro tempore. Is it offered in behalf of the committee?

Mr. GLASS. No.

Mr. FLETCHER. I do not want to have the committee amendment considered before the substitute is placed before the Senate.

The PRESIDENT pro tempore. The Senator from Connecticut offers an amendment to the amendment proposed by the committee, which will be stated for the information of the Senate.

The LEGISLATIVE CLERK. In lieu of the matter proposed to be inserted by the committee on page 2, in lines 3 to 6, inclusive, insert the following: "provided the bank or banks which receive the proceeds of such advances as herein provided have no adequate amounts of eligible or acceptable assets available to enable such bank or banks to obtain

sufficient credit accommodations from the Federal reserve bank through rediscounts or advances other than as provided in section 10 (b). The."

Mr. GLASS. I am authorized by the committee to accept the amendment.

Mr. KING. I would like to have the Senator from Virginia or the Senator from Connecticut explain the purpose of the amendment to the committee amendment.

Mr. GLASS. It simply clarifies the intent of the language placed in the bill by the committee. It does not permit any one bank in the group which has failed to use its eligible paper to receive advantage of the rediscounts.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the Senator from Connecticut, accepted by the committee, to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. May the Chair announce that there are numerous amendments which have been printed and are lying on the table. They will not come up automatically, and the authors of the amendments should be on guard in order to offer the amendments.

Mr. BLAINE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BLAINE. The amendments proposed by Members of the Senate will not come up until the committee amendments are disposed of?

The PRESIDENT pro tempore. That is correct. The next amendment of the committee will be stated.

The LEGISLATIVE CLERK. On page 2, line 7, the committee proposes to strike out the word "to" and insert the word "must," so as to read:

The liability of the individual banks in each group must be limited to such proportion of the total amount advanced to such group as the deposit liability of the respective banks bear to the aggregate deposit liability of all banks in such group, but such advances may be made to a lesser number of such member banks if the aggregate amount of their deposit liability constitutes at least 10 per cent of the entire deposit liability of the member banks within such district.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment of the committee will be stated.

The LEGISLATIVE CLERK. On page 3 the committee proposes to strike out lines 7, 8, 9, and 10, in the following words:

National banking associations are authorized and empowered to indorse or guarantee notes of other member banks evidencing advances made pursuant to the provisions of this section.

And to insert in lieu thereof:

Member banks are authorized to obligate themselves in accordance with the provisions of this section.

Mr. FLETCHER. Mr. President, may I inquire of the Senator from Virginia whether the committee has any proposition with reference to the provision on page 2, line 17, where the House changed the word "request" to "require"?

Mr. GLASS. I think that might be done in conference.

Mr. FLETCHER. I hope that the committee will not contest that amendment.

Mr. GLASS. It was merely a misprint. On page 2, line 17, the word "request" ought to be "require."

Mr. FLETCHER. I move that that amendment be made now.

The PRESIDENT pro tempore. The amendment will be made without objection, and the question is on the amendment proposed by the committee on page 3, lines 7 to 10, which has been stated.

Mr. FLETCHER. Has the committee considered, in line 22, page 2, adding the words "or discount" after the word "interest"? That was done in the House at the urgent request, as the hearings show, of the Governor of the Federal Reserve Board. It seems to me to improve the bill, if the committee will propose it.

Mr. GLASS. I suggest to the Senator that when the bill goes to conference those minor alterations may be considered.

Mr. FLETCHER. It is quite material, it seems to me. I shall offer that amendment when the appropriate time comes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee, on page 3, striking out lines 7 to 10, and inserting the words which have been read.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment of the committee will be stated.

The LEGISLATIVE CLERK. On page 3, line 18, after the word "bank," the committee proposes to insert "having a capital of $500,000 or less," so as to read:

SEC. 10. (b) For a period of not exceeding one year from the date of the approval of this act, and in exceptional and exigent circumstances, and when any member bank, having a capital of $500,000 or less, has no further eligible and acceptable assets available to enable it to obtain adequate credit accommodations through rediscounting at the Federal reserve bank or any other method provided by this act other than that provided by section 10 (a)—

And so forth.

Mr. TOWNSEND. Mr. President, I move to amend the amendment of the committee by striking out "$500,000" and inserting in lieu thereof "$2,000,000."

Mr. GLASS. I accept the amendment to the amendment.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Delaware to the amendment of the committee.

Mr. KING. Mr. President, I would like to have the Senator from Virginia explain the purpose of the amendment, though perhaps he made the explanation the other day. At any rate, I should like to ask the Senator the reason for the change. My understanding is that originally the proposition was to make the limitation $300,000; but the Senator from Virginia accepted, as I thought and understood, a compromise of $500,000, and now the proposal is to raise that to $2,000,000. Does the Senator's knowledge of this question enable him to enlighten some of us who do not have the information?

Mr. GLASS. The Senator from Virginia suggested $500,000, but upon further consultation and conference it was concluded that that would exclude a good many banks which ought to be comprehended in this provision of the bill, and we finally determined to make it $2,000,000.

Mr. NORRIS. Mr. President, as I understand it, this is to define a country bank to be any bank that has a capital of $2,000,000 or less.

Mr. GLASS. It comprises banks all the way from a minimum capital of $25,000 to $2,000,000.

Mr. NORRIS. Yes. The object of it is, as I understand, to help the small banks and to prevent the larger banks from getting all the money. I understood the Senator from Virginia to say that he agreed to this very reluctantly. It seems to me that $500,000 is too large an amount if we want to give the smaller banks a chance. Now, if we are to increase it to $2,000,000, to my mind we might as well take off the limit. How many banks in the Federal reserve system, if the Senator can tell me, have a capital of $2,000,000 or more?

Mr. GLASS. There are 136 having a capital in excess of $2,000,000.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. Certainly.

Mr. ROBINSON of Arkansas. May I say to the Senator from Nebraska that within my own knowledge there are a number of banks in communities which are in a measure isolated that have in excess of $500,000 capital? I know of two or three that have, say, $600,000 or $750,000 capital. Any limitation that is made is, of course, more or less arbitrary.

Mr. NORRIS. I realize that it must be arbitrary.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. NORRIS. Certainly.

Mr. GLASS. I endeavored to state the situation the other day. It is briefly to the effect that there are a great many banks of larger capital than $500,000 so detached from the larger communities as that it would make it extremely inconvenient and in some instances literally impossible for them to avail themselves of this group provision of the bill, either to organize or get into a group. This alteration was intended to meet that situation.

Mr. NORRIS. Mr. President, assuming that to be true, we still have a limitation on the so-called country banks of $2,000,000 capital or less. Most of the country banks I know of would have to borrow a whole lot of money from the Federal Government to increase their capital in order to come up to the maximum amount at least. But laying that aside, in the one case the right to get this money or to apply for it lasts only one year, while the other is indefinite as to the time. If we take off the limit entirely, then it seems to me there is no earthly use whatever for section 2 of the bill.

Mr. GLASS. The first section of the bill relating to group banks was embodied in the so-called Glass bill, which is intended to be a permanent measure, and therefore there is no limitation upon that section. The reason for that is that we are proposing in the so-called Glass bill to adopt a measure that will effectively avert a repetition, as we think, of this dreadful state of depression and financial disturbance.

Mr. NORRIS. I am not attempting to controvert the proposition, but it does seem to me if there is reason for making the provision permanent, especially when we raise the limit this way, that the proposition of limiting it to one year should be made permanent, as is done in section 3. But why not take that limitation off?

Mr. GLASS. I think it would be a very dangerous thing to do.

Mr. NORRIS. Then, if we ought to have a limitation on banks of $2,000,000 capital it ought to be limited to a year.

Mr. GLASS. It is.

Mr. NORRIS. I understand. If that is necessary, then it seems to me it would logically follow that the same reasons which would impel that kind of limitation upon banks of $2,000,000 capital or less would apply with equal force to all banks in the system. I can not understand the logic of limiting it to one class of banks and leaving it unlimited as to time as to another class of banks.

Mr. GLASS. Because this is supposed to be an emergency measure.

Mr. NORRIS. All right.

Mr. GLASS. But the first section of it embodied in the so-called Glass bill is intended to be a permanent law.

Mr. NORRIS. Exactly.

Mr. COUZENS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. NORRIS. I yield.

Mr. COUZENS. The point the Senator makes seems to overlook the fact that under the first provision of the bill the banks must group themselves. The limitation is only applied where an individual bank makes application for a loan.

Mr. NORRIS. Yes; but the excuse given for putting it in here at all is that these banks are located where they can not group themselves with other banks, and therefore we let them come in.

Mr. COUZENS. That is true.

Mr. NORRIS. Very well. If that is the reason for it, it will apply the year after next just as well as it applies now. If we permit the banks that are so situated that they can form themselves into groups to come in, and it is desired to help the banks that are not so located that they can form groups and let them in because they are thus isolated, there is not any reason why we should impose a limitation of one year in one case and provide no limit in the other case.

Mr. COUZENS. The reason the Senator from Virginia offers for that—and I have discussed it with him—is that he wants to have enacted a permanent bill which will take care of this situation, and that this is only a temporary measure.

Mr. NORRIS. Very well. I am not finding fault with that in any way. Although not entirely convinced, I am assuming, for the purpose of the argument, that the provision in the first section is necessary and proper. Let us take that for granted. Then it may be said, "Here are some banks that can not take advantage of that provision because they are isolated and they can not group themselves together; therefore we will let them come in singly if they have a capital of $2,000,000 or less." I can not see any logical reason for limiting the capital at all, but assume again, for the purpose of the argument, that that is necessary and we put it in the bill because certain banks can not form a group, then why limit the provision of the bill as it affects them to one year, when, although the fundamental condition that applies to banks that can group themselves together is different entirely, they have the permanent right to proceed under the provisions of section 1?

Mr. GLASS. Mr. President, the reasons were various, and I think each one satisfactory. In the first place, we propose to take care of individual banks in permanent legislation, carefully considered and better safeguarded than this provision. In the second place, this was urged as an emergency measure, to be quickly passed in order to meet an existing situation. It was not regarded as psychologically desirable or sound for Congress to assume that the present situation is going to extend over a longer period than one year.

Mr. NORRIS. Very well, Mr. President; if that be true, then why not limit section 1 as well as section 2? In other words, if the logic of the situation would seem to require a limitation under section 2 of one year in the case of individual banks that are so located that they can not group themselves, then it seems to me there ought to be a similar limitation in the case of banks that are better located and that can group themselves together. It is desired to put the banks to which section 2 applies, which can not otherwise come in on account of geographical location, on an equality with other banks, so we put them on an equality, but that equality only lasts one year, and then they lose the advantage, while all other banks which can group themselves may have the advantage indefinitely.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. NORRIS. Yes; I yield to the Senator from Kentucky.

Mr. BARKLEY. Regardless of the size of the bank as measured by its capital stock, under the language of the bill in another place they can only take advantage of the provisions of this bill where they have no rediscountable paper. Under present conditions that would apply to only 91 banks in the United States, according to the statement of the Senator from Virginia. Of course, that is a flexible number; it may go up or it may go down as conditions improve or as they grow worse, which I hope they will not do; but if we are to assume that the condition of these banks as disclosed the other day by the able address of the Senator from Virginia should remain somewhat in the same proportion as it is at this time, regardless of the size of the banks, there would be approximately only a hundred banks which would take advantage of this provision and obtain this credit.

Mr. NORRIS. I do not care how many can take advantage of it. It may be right to give an advantage to some banks because they are located so that they can group themselves together, and to exclude some as to which nothing is said; but here it is proposed to relieve other banks that can not form groups, and the relief only extends for a year, while in the case of the group banks it is permanent law and extends indefinitely.

Mr. GLASS. I should say to the Senator that there are some of us who did not see any necessity for it at all. It

is simply in the nature of a present assurance to these banks that if they use their eligible paper they may obtain what I do not think is a necessary accommodation, but which others do.

Mr. NORRIS. I think I agree with the Senator; it is probably unnecessary, and, as I look at it, the whole bill is unnecessary; but it seems to me we ought, if we are going to pass this bill, to build it on a perfectly logical basis, and, as I see it, and as I can reason it out, that has not been done.

Mr. GLASS. If the Senator please, he may offer an amendment to the first section of the bill and put a time limit there.

Mr. NORRIS. I realize I could offer an amendment, but I realize also that there is more psychology in the passing of this bill than there is in the bill itself, in my judgment, and that it is cut and dried, it is going through, and that no amendment that I might offer will cut any figure.

Mr. SMITH. Mr. President, if I may interrupt the Senator from Nebraska, following out the arguments that he used in reference to this section, why would it not cover the case to provide that where it is impossible for banks to group themselves together, where the geographical location and exigencies or the circumstances are such that they are not in a position to group themselves, without reference to their capital, they may be put in a class where they can benefit by this proposed legislation even though they can not take advantage of section 1?

Mr. GLASS. For the simple reason that there is not any member bank of the system in the United States with $2,000,000 of capital which is not in a position to use the bill.

Mr. SMITH. If a line can be drawn as to the amount of capital which would determine whether or not they were within the possibilities of grouping, then such a line ought to be drawn. If the committee is in possession of the knowledge that there are banks with as much as $2,000,000 of capital that are geographically located where they can not avail themselves of grouping, that is all right; but it does seem to me if we are putting it upon the basis that the bill will apply to those that can not group themselves, it would be proper to leave out any limitation as to the amount of capital and merely provide that those that can not avail themselves of the grouping privileges may take advantage of the other provision.

Mr. GLASS. Mr. President, it was the conclusion of the committee——

Mr. NORRIS. Mr. President, I think there is a good deal——

The PRESIDENT pro tempore. The Senator from Nebraska has the floor.

Mr. NORRIS. That is what I thought, and that is the reason I was speaking, Mr. President.

I think there is a good deal of logic in the suggestion made by the Senator from South Carolina and, so far as I am able to see, I would not care about any limitation in there at all, either as to time or as to capitalization. Let it apply so as to meet the needs of those banks that are so situated geographically that they can not take advantage of the provision that permits them to group. That is, assuming all the time that the grouping provision is necessary, a thing that I myself have never understood, and I do not believe now that it is necessary, because when they group and get the money they are not jointly liable to the Federal reserve bank where they get the money.

Mr. ROBINSON of Arkansas. Oh, yes, Mr. President; they are. I think the Senator is wrong about that.

Mr. NORRIS. I wonder if I am?

Mr. ROBINSON of Arkansas. They are liable both severally and jointly. There is a limitation on their liability to this effect——

Mr. NORRIS. Let me read the provision, Mr. President. I may be wrong about it, and I should be glad to be corrected if I am.

Mr. ROBINSON of Arkansas. Before the Senator reads the provision, if I may add to the statement I made, the group arrangement provides for very much stronger paper to the Government than is to be expected under section 3, for the very reason that there is a joint and several liability where the banks avail themselves of the group arrangement. The only limitation on their liability is found commencing in line 6:

> The liability of the individual banks in each group must be limited to such proportion of the total amount advanced to such group as the deposit liability of the respective banks bears to the aggregate deposit liability of all banks in such group.

From that language there can be no doubt that there is a limited joint and several liability; and the assumption, of course, is when five banks sign a promissory note to secure an advance to one bank that the note is a better piece of paper than would be obtained by taking the note of a single bank that is in extremity. In other words, there is an element of accommodation contemplated in the group arrangement. It means cooperation; it may mean the clearing house, for instance, of a given city, will, in a measure, get behind a bank that is needing assistance.

I have in mind now a city in the United States, a comparatively small city, where what was generally regarded as the strongest and most solvent banking institution in the city was threatened with a run because of the failure of a large stockholder who resided in another city. That run continued. The clearing-house association at first issued a statement that the bank was perfectly solvent; that there was no danger to the depositors; but the run continued. The officers of the bank did not use the certificate of the clearing-house association; the clearing-house association withdrew it; the bank went into liquidation; and there was thus created a very distressing situation. If the other banks in that town had gotten behind and remained behind the bank in difficulty, there would have been, probably, no bank failures in the city and numerous related institutions would have continued their operations.

I did not mean to take so much of the Senator's time, and I thank him for being good enough to yield.

Mr. NORRIS. That is all right. Mr. President, if the liability of the group banks is joint and several, then the language certainly ought to be changed; we ought to say so; and it can be done in four or five words. Let me read what I started to read when the Senator from Arkansas interrupted me. He read a portion of the section which I was going to read:

> The liability of the individual banks in each group must be limited to such proportion of the total amount advanced to such group as the deposit liability of the respective banks bears to the aggregate deposit liability of all banks in such group, but such advances may be made to a lesser number of such member banks if the aggregate amount of their deposit liability constitutes at least 10 per cent of the entire deposit liability of the member banks within such district.

I suppose that means the Federal reserve district.

> Such banks shall be authorized to distribute the proceeds of such loans to such of their number and in such amount as they may agree upon, but before so doing they shall request such recipient banks to deposit with a suitable trustee, representing the entire group, their individual notes made in favor of the group protected by such collateral security as may be agreed upon.

And then it goes on and prescribes what rate of interest the Federal reserve bank shall charge, and so forth.

I think that is rather a complicated liability and does not mean what I understand the Senator from Arkansas thinks it means—that the liability to the Federal reserve bank of the group of banks is joint and several; I do not think it means that by any means.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator pardon me?

Mr. NORRIS. Yes; I yield to the Senator.

Mr. ROBINSON of Arkansas. I am convinced that it does mean a joint and several liability, with the limitation that the liability is in proportion to the deposits that each bank has compared with the aggregate deposits.

Mr. NORRIS. That limits the liability of each one of the group.

Mr. ROBINSON of Arkansas. What that language means, as I construe it, is that if I sign the Senator's paper there is a limit on my liability. I agree to join in his note; but he can give me security against any loss that I might experience by reason of having joined in his obligation.

Mr. GLASS. Mr. President, if the Senator will permit an interruption——

Mr. NORRIS. Yes.

Mr. GLASS. It seems to me the liability to the Federal reserve bank is the group liability. The liability of the group is the individual liability of the several banks in proportion to their deposits.

Mr. ROBINSON of Arkansas. That is right.

Mr. NORRIS. I do not believe the language means that. I do not know that we are doing any good by discussing this point; but it seems to me clearly that that is not what it means.

If the Senator has that in mind, then he ought to say:

The liability of the group banks shall be joint and several.

And that would end it all. But what does it say?—

The liability of the individual banks in each group must be limited to such proportion of the total amount advanced to such group—

And so forth. I take it that it is referring there, not to the liability to the group of one of the individuals of the group but to the liability to the Federal reserve bank. If we make this joint and several, I doubt very much whether we are not requiring something that would result in never saving a weak bank. The strong banks would unite and leave out the weak ones.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator permit me to interrupt him?

Mr. NORRIS. Yes.

Mr. ROBINSON of Arkansas. It is my impression that this paper to be issued by the groups is in the nature of clearing-house certificates.

Mr. NORRIS. The Senator spoke of clearing houses before. A clearing house, it seems to me, clearly would not be able to get any money as a clearing house.

Mr. ROBINSON of Arkansas. No.

Mr. NORRIS. Those same banks might unite into a group, it is true.

Mr. ROBINSON of Arkansas. I concede that. I said "in the nature" of a clearing house.

Mr. NORRIS. Yes. It is something in the nature of a clearing house, I think.

Mr. President, I have taken up more time than I wanted to take. I still think, regardless of how great the emergency may be, that if section 2 is based on good financial economic theories, then section 1 ought to have the limitation both as to time and as to banks taken out of it, or we ought to say that where a bank is so located that it is geographically impossible to group it with other banks it should be entitled to so-and-so.

Mr. BLAINE. Mr. President, I do not want to be mistaken in the interpretation that the Senator from Virginia has given, and I do not want to misunderstand what he has suggested respecting individual and independent banks. I desire to inquire of the Senator from Virginia whether or not there is any provision in the Glass bill—the bill designed to be permanent, substantive law—which contemplates advancements to independent or individual banks such as are provided for in section 2 of the bill now before us.

Mr. GLASS. Mr. President, I will say to the Senator that the subcommittee had practically agreed upon the draft of some such provision in the Glass bill, but had not finished consideration of it. They had not embodied in the proposed provision entirely such safeguards as some members of the committee thought should be applied.

Mr. BLAINE. I thank the Senator. I could not find anything of the kind in the bill as it is offered by the Senator from Virginia.

Mr. GLASS. There was nothing except as to the first section.

Mr. BLAINE. The second section, that to which the Senator now makes reference, respecting independent banks, is just in incubation before a subcommittee of the Committee on Banking and Currency?

Mr. GLASS. That is true; and that particular provision would not have been in this bill except that this is an emergency measure, designed to take care of the alleged immediate necessities of some individual banks.

Mr. BLAINE. My observation on that proposition is that the bill before us proposes to write permanent, substantive law respecting the opportunity of group banking to obtain certain advances.

Mr. GLASS. That is a proposed permanent provision of the so-called Glass bill.

Mr. BLAINE. In the present bill?

Mr. GLASS. Yes.

Mr. BLAINE. Then why not extend the same privileges to the independent or individual bank along the lines that the subcommittee expects to propose as a part of the original Glass bill?

Mr. GLASS. I have tried to indicate to the Senator that is what we have in contemplation and in prospect; but we were hurried into this emergency measure, and we put the limitation there accordingly in order to enable us in an orderly and deliberate way to frame such a provision; and, being an emergency measure, we did not want the Congress to be responsible for the psychology that would ensue from saying that this immediate necessity would be prolonged over a period of more than one year.

Mr. BLAINE. Of course, the purposes of the Senator from Virginia are very laudable.

Mr. GLASS. As a matter of fact, I may add that if we prepare a permanent bill, which is now before the Banking and Currency Committee under a special order, the subcommittee does not apprehend that there will ever be another necessity for legislation of this kind.

Mr. BLAINE. There is no doubt about the laudable purposes in the mind of the Senator from Virginia. I know that he has in a way been driven by force of circumstances, representations, and bed-time bear stories, and all that sort of thing into the position in which we now find ourselves; and I place no responsibility whatever upon the shoulders of the Senator from Virginia.

Mr. GLASS. The Senator from Virginia takes his part of the responsibility.

Mr. BLAINE. I think the Senator from Virginia has acted in a manner for which he need make no apology whatever; but if the Senate had the information and the knowledge that is now in the hands of the subcommittee of the Committee on Banking and Currency respecting their proposal to aid independent or individual banks, we might then, in this bill, treat those banks identically the same as we propose to treat group banking. The Senate, however, has not that information; and on account of the technicalities involved in all of the ramifications of banking, I do not know that any amendment can be proposed by any Senator that would extend indefinitely the permanency or the life of the proposal under section 2 with the proper restrictions that ought to be thrown about it.

Mr. GLASS. I think that is true, Mr. President; and, if attempted here, meanwhile some of these banks in a perilous situation may fail.

Mr. BLAINE. I have not any doubt but that some restrictions ought to be thrown about this proposal. The only restriction of any consequence in this bill is the 1-year limitation. If we would treat the group banks as it is proposed to treat the individual and independent banks we would limit the authority to one year and then legislate substantive law of a permanent character along the lines which have been proposed by the Senator from Virginia; and it would seem to me that that might to a large degree relieve the feeling, the fear of many of the independent and individual banks that may never hope to receive any protection or any aid under section 2 of this bill. I think the situation we are in is a very unfortunate one.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. BLAINE. I do.

Mr. KING. The Senator from Virginia made a statement a moment ago; and, if it does not disturb the Senator from Wisconsin, for information I should like to see whether I properly interpreted what he said.

I understood the Senator from Virginia to say that the bill which is now in process of construction would deal with certain provisions—notably, section 3—of this bill. I was wondering if the Senator's statement went far enough to create the impression, as it did in my mind, that the bill under consideration would also deal with section 1 of this bill.

Mr. GLASS. Section 1 is taken literally from the bill, from the previous attempt.

Mr. KING. I was wondering if there was any intention in that bill to reenact the provisions of section 1 here, or to broaden it or narrow it.

Mr. GLASS. We propose no particular alteration in it. That section of the bill was lifted literally from the permanent bill, with some modifications. The section as contained in the permanent bill had a progressive rate of interest, beginning at 1 per cent, in the rediscount rate for advances; and it has been so modified in this bill as to retain the initial 1 per cent and relegate the banks to the approval of the board for any increase in the rate that might thereafter be desired.

Mr. BLAINE. Mr. President, the point I want to emphasize is this: That the pending measure is designed as a relief measure, the assumption being that there are certain emergencies existing respecting banking or the failure of certain banks to function. I need not go into the reason.

By reason of their geographical convenience or commercial convenience in the transaction of business in certain areas, it is advantageous for certain banks to join into groups to obtain the benefits under section 1 of the pending measure. We have no assurance whatever that after those groups have succeeded in protecting themselves permanently and indefinitely the same rights are to be conferred upon the independent and individual banks which may be in the most urgent need in any permanent legislation enacted at this session of the Congress.

I do not impute to anyone any motive. I do not think any Member of the Senate is responsible for it. I am sure the Senator from Virginia has stated over and over again his views concerning the matter, but with this pending measure those banks which will have the opportunity to organize in groups resort to a sort of trick in legislation to obtain those benefits, and that is what this amounts to.

I did not intend to discuss the bill, as I want to discuss an amendment which I shall propose when the proper time comes, but while I am on my feet I want to make the observation that I do not know whether we are doing good or harm in the manner in which these emergency measures have been handled. There is a strange situation prevailing in Washington, and that which is occurring here is, of course, flashed over the wires, published in the daily press in every section of the country, and I express now the thought that if I were 2,000 miles away from Washington and had followed the news coming from Washington I would hesitate a long time, if I had any funds, before depositing those funds in any bank.

We hear talk about individuals hoarding money, and there is a great campaign now in progress—I do not know how great it is, but it is described as a great campaign by those who are promoting it—to drag from the teakettles, out of the mattresses, and out of the safety-deposit vaults money that is alleged to be hoarded. While that campaign is going on, if it is of any consequence at all, it is being neutralized by the actions which have been taken by the administration in promulgating and promoting these so-called emergency relief measures.

We can lack all imagination, and get down to the realities, and what sort of demonstrations have we had? Unfortunately, it is quite impossible to debate these emergency measures from the standpoint of facts, because there are no facts of record that have been disclosed to the Congress, or that have been disclosed to the public. Therefore I think Members of the Congress and citizens of the United States have a right to indulge certain conjectures. That right arises from the conduct of those who are in the responsible positions respecting our banking and other financial institutions, and the direction of those institutions. If ever there was a design to create fear, it could have been accomplished in no better way than that which has been followed here in Washington, and arising in the executive departments of our Government.

That is the situation in which we find ourselves, and what does Mr. Ordinary Citizen think about it? How is he influenced by it? If Mr. Ordinary Citizen has followed the press reports, he will entertain a belief, and honestly so, because he has not been given the facts, that our whole financial structure in this country is nothing but a shell. All the information that has gone out to the country would lead to no other conclusion in the mind of the ordinary citizen. Then he is to be condemned and pilloried and abused and denounced as unpatriotic and disloyal when he undertakes, in the face of this information or lack of information, to call to his help a law that is higher than any statutory law, the law of self-preservation, and in self-preservation those who have saved a few hundred or a few thousand dollars to serve them in acquiring the necessities of life during the twilight of their existence upon this earth are perfectly justified in laying away in secure places that which will provide for their wants when they are no longer able, through their mental or physical efforts, to acquire a competency.

Citizens of a government have a right to protect themselves against want and privation and the poorhouse, and I would have little respect for the man who lacked the red blood, the ability, and the demand to conserve his savings in the present circumstances.

That is the attitude of Mr. Ordinary Citizen. The whole atmosphere emanating from the executive department is to the effect that " the gobble-uns'll git you ef you don't watch out."

So that Congress is to be turned into a nursery. The people are to be told bedtime stories, be given some bear tales. The Congress is deluged with nursery rhymes, when the lights are turned low, to put the Congress to fright and in fear. It takes a strong man, under those circumstances and under that psychology, to refrain from whistling as he passed by graveyards.

It is not even sufficient on the part of the executive departments—and I include in those executive departments the responsible Cabinet officers—to parade before the Congress and the citizens of this country the most exaggerated tales but also to create imaginary antediluvian ichthyosauria. It is stated as a fact that some terrible, hairy-breasted, horned biped of some character, with teeth like tusks, is proceeding out of the deep sea.

It was just the other day that the Senator from Connecticut [Mr. WALCOTT] dragged one of these animals up to the sandy shores of that narrow strip of land of his State which touches the Atlantic Ocean, dragged that ugly, horrible thing across the swamps and through the mires and cranberry marshes, dragged it into the Senate of the United States, where the Senator became an instructor in Grecian mythology. But I do not blame the Senator from Connecticut. The psychology of the executive department was transmitted to the Senator, and so he attributed the existence of the present emergency to the mythical god Pan. He described him as an ugly creature.

Mr. President, I digress for just a moment. Pan! Not Peter Pan, but Pan! In my boyhood days I understood that Pan wandered through the forests. Pan was the patron of husbandry, of all good fishermen, of all huntsmen.

The Senator from Connecticut shattered the Pan pipes, those fragile reeds that every boy who has had the oppor-

tunity to which he is entitled, created out of this romping, roaming, mischievous god of the forest, this hairy, horned, ugly thing Pan, that he might attribute to it this psychology of fear which had been nurtured and fed out of the front door of the White House and other executive departments. I am not concerned about this after nearly 50 years have passed, since for me Pan roamed the forests, but I am concerned with the downright silliness and foolishness of appealing to these ancient mythical gods that the Congress and the people of the United States may be filled with fear.

We passed the Reconstruction Finance Corporation act. Its whole and almost single support is upon the basis of fear. It was going to drive back into the sea this ugly, horned, hairy-breasted miserable Grecian god.

A few weeks went on and "Hell 'n' Maria" came to Washington. He went before the Committee on Banking and Currency of the House of Representatives. If we are to believe stories that came out of that room—and we have a perfect right to believe them in the absence of disclosure through a record of the hearings—"Hell 'n' Maria" beat the table and tore to shreds and pieces the stenographic notes. Not being satisfied to cast them into the waste-basket, he promptly submerged them in a spittoon. I do not mean to be facetious, Mr. President, I mean to be realistic. Terrible things were going to happen. Some bank was in distress. I do not know whether it was his bank or not, but you have a right to draw any implication you may desire from that comment of mine. Some other bank or banks were in distress. The $2,000,000,000 of the Reconstruction Finance Corporation was only a drop in the bucket and, therefore, could not come to the rescue of those financial institutions.

This psychology was spread all over the country. The press representatives did the best they could. They could report only the facts that were disclosed. Do not blame the newspapers for suppressing the facts. Blame those in responsible positions for their failure to disclose the facts. If we are in the situation that those in responsible positions have described, my own opinion is that the people of the country, if they knew the facts, have a broad vision, a deep patriotism, and a high composite intelligence which enable them to give their hands and their minds to the solution of these problems. They are quite willing, if they are given the opportunity, to cooperate with those in high places and in authority who are presumed to represent intelligence, and yet those in authority must create a mystery.

Creating that mystery, they create a psychology. Every conjecture becomes a fact, every rumor finds its justification in fact. Thus we find a lack of confidence on the part of the people in the ability of our bankers to control their affairs or the financial affairs of this country. So, in order to perpetuate and to heighten that same psychology of fear, to increase that lack of confidence in our banking and financial institutions, the same individuals in the executive departments come to Congress with another funeral, but with the same diligence, with the same persistency, they decline to let Congress or the people in on anything except their bedtime stories and their bear stories, their ugly Grecian gods, their mysteries, and the rumors they spread. I presume when we shall have concluded with this bill and a few weeks elapse the next exhibit to be placed before the Congress and the people will be Pandora and her box.

I say, Mr. President, and I say advisedly, that the methods that have been used in promoting these so-called relief measures, the vagueness of the stories that have come out of the executive departments, the dragging out of ancient imaginative creatures have had the tendency to produce and have produced the psychology of fear. Whatever psychology of fear is abroad in the land to-day can be traced to those who have had in their keeping the direction and the protection of our fiscal banking and financial institutions. In view of that conduct and all the circumstances I have described I say advisedly that Mr. Ordinary Citizen has the right to put his life savings where he may deem them safe.

Mr. President, the most exaggerated statements have been made, statements that have been woven into yarns, statements that have grown out of circumstances either misunderstood or deliberately misrepresented, until to-day the security of the American citizen lies in the protection of that citizen by himself.

What are some of those exaggerations? Mr. Ordinary Citizen has been accused of hoarding money, and when they pronounce or breathe the word "hoarding" they impute almost a criminal act. I assert, however, sir, that if there has been any appreciable hoarding it finds for its justification the conduct of those in the administration of our affairs. Mr. Ordinary Citizens has been accused of hoarding various sums, the amount depending upon the deluded brain of the individual who states the amount—a billion dollars, a billion and a quarter, a billion and a half. Mr. President, Mr. Ordinary Citizen has a perfect right to have some money in hand; he has a perfect right to have some money in pocket. If we are to believe the stories that have come out of the executive departments that money will find circulation far more rapidly than if it had been deposited in banks.

Not being satisfied with the nursery rhymes, the bed-time stories, the ancient tales of mythology, not being satisfied with exaggeration and the unjustifiable charges made against the citizenry of our country, not being satisfied with all those methods to produce fear, the Administration now undertakes to advise individual Senators of another bogy man. So they bring out this last power of destruction, the deposits of foreign gold and foreign credit in our banks. They parade before us the threat that France is going to make a raid upon our gold reserve, and therefore we must release hypothecated gold in the Federal reserve banks to meet the expected withdrawals, but the ultimate result will be that those banks may issue against that gold additional Federal reserve notes backed by 40 per cent gold and 60 per cent Federal obligations, or increase loans to member banks and offer this freed gold as reserve.

They undertake to scare and frighten the Congress and the people into the enactment of a measure that provides that at least 60 per cent of the currency to be issued under the last section of the pending bill shall have no other standing, no other backing, than would scrip or greenbacks or printed money. It is admitted that that is the fact to the extent of 60 per cent. Then our Government and our people are called upon to pay upon those Government obligations, those Government bonds, as high as 4¼ per cent interest per annum. So the American people will pay 4¼ per cent interest on 60 per cent of the volume of the currency issues provided by this bill for the privilege of granting to the Federal reserve banks the right to issue 100 cents on the dollar and pass it on to member banks who will receive interest all the way from 6 to 20 per cent in the turnover of that currency—interest coming from commercial and industrial interests and interest coming from the call market! But should the freed gold be used as a reserve back of Federal reserve credit extended member banks under the preceding sections of this bill, those member banks as a system can multiply those loans and interest sums by tenfold.

Why, Mr. President, every single dollar of expansion in credit provided by the first two sections of this bill is potentially credit for the stock exchanges—every dollar of it. There is no protection thrown about the issue of that money or thrown about the extension of that credit; not a single line that affords any guaranty whatever but that every dollar of the expanded credit will find its way into the stock exchanges.

Mr. President, the demonstrations in the last few days ought to be convincing to us that those who desire to gamble in stocks and bonds are reacting to the possibilities of additional billions of dollars in credit, that it may be used to inflate securities offered for sale through the stock exchanges. That means the beginning of another period of inflation in stocks and bonds. It seems to me we have had sufficient and most painful experiences in the last few years to cause

us to hesitate and to consider that there is a duty somewhere to protect the people of the United States against another debacle in stocks and bonds; and yet there is not a single line, there is not a single word, looking to the protection of the interests of the people of this country—not one word or line. Not only is that true in the extension of credit, but in the expansion of the currency as well it is demanded of our Government that we pay the bankers as high as 4¼ per cent for the privilege of permitting the bankers to extend their bank issues, all of which, so far as this bill is concerned, can find its way into the inflation of stocks and bonds once again upon the stock market; and then we are assured that that is the beginning of the return of prosperity! Prosperity for whom? For the same men, the same bankers, who to a large extent are responsible for the present crisis.

Mr. President, I can not go along with a proposition of that kind. For that reason I shall propose an amendment designed to prevent the use of credit extended under this bill in the stock markets of the United States. In drafting that measure, I have practically lifted the language out of the Glass bill, which is still before the Committee on Banking and Currency. That bill may never pass this Congress. That bill may be so mutilated and made ineffective that it ought not to pass this Congress.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Virginia?

Mr. BLAINE. I yield.

Mr. GLASS. Will the Senator permit me at least to assure him that it will pass if I can induce Congress to pass it. Congress will have an opportunity to pass it.

Mr. BLAINE. Mr. President, there is no doubt about the intention of the able Senator from Virginia. I know the determination he has to bring out that bill and to pass it before this session adjourns; but he knows, and I know that there are certain powerful influences in this country which propose to mutilate and destroy the purposes designed by the Senator from Virginia. I do not want to trust to the future on this proposition. Under this bill there is a possibility of an expansion of credit and an expansion of currency running into the billions of dollars. The mouths of the operators on the stock exchanges are watering. They see here a great, large, fully matured melon. They see here a well with an inexhaustible supply from which can be pumped additional credits and additional currency so that they may again reach the point of October, 1929, and America again reach a worse crisis than we now have upon us.

So, Mr. President, the time to lock the door is now. It may be too late. I can not be optimistic enough to conceive that this protection ever will be written into a law designed as an amendment to the present reserve system, and as substantive law. Write into this bill the protective measure designed by the Glass bill, and we will then at least have some security that whatever expansion of credit may come out of this bill will go into the avenues of productive industry and commerce and agriculture; and, whatever expanded currency comes from this bill, that it also will go into productive industry, commerce, and agriculture. With that protection thrown about this bill I can sacrifice some of my scruples, some of my principles, and support the bill as a temporary measure.

I can follow the Senator from Virginia and assert my position in the language used by him on the floor last Wednesday. But without this protection, without a guaranty that this bill is something more than in the interest of stock jobbers, something more than in the interest of those who want to gamble with the very life of our banking and financial institutions, I can not give it my support.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee. The Chair understands the committee to have accepted the modification proposed by the Senator from Delaware [Mr. TOWNSEND]. The question is therefore on the amendment as modified.

Mr. BLAINE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Johnson	Robinson, Ind.
Austin	Costigan	Jones	Schall
Bailey	Couzens	Kean	Sheppard
Bankhead	Cutting	Keyes	Shipstead
Barbour	Dale	King	Smith
Barkley	Davis	Logan	Smoot
Bingham	Dickinson	McGill	Steiwer
Black	Dill	McKellar	Stephens
Blaine	Fess	McNary	Thomas, Idaho
Borah	Fletcher	Metcalf	Thomas, Okla.
Bratton	Frazier	Morrison	Townsend
Brookhart	George	Moses	Trammell
Broussard	Glass	Neely	Tydings
Bulkley	Goldsborough	Norbeck	Vandenberg
Bulow	Gore	Norris	Wagner
Byrnes	Hale	Nye	Walcott
Capper	Harrison	Oddie	Walsh, Mass.
Caraway	Hatfield	Patterson	Watson
Carey	Hawes	Pittman	Wheeler
Connally	Hayden	Reed	White
Coolidge	Hull	Robinson, Ark.	

The PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment proposed by the committee as modified.

Mr. GEORGE. Let the amendment be stated.

The PRESIDENT pro tempore. The amendment will be stated for the information of the committee.

The CHIEF CLERK. On page 3, line 18, after the word "bank" and the comma, the committee proposes to insert the words "having a capital of $2,000,000 or less," so that it will read:

> For a period of not exceeding one year from the date of the approval of this act, and in exceptional and exigent circumstances, and when any member bank, having a capital of $2,000,000 or less, has no further eligible and acceptable assets available—

And so forth.

The amendment was agreed to.

The next amendment of the committee was, on page 3, line 25, after the word "board," to strike out the words "holding office at the time."

The amendment was agreed to.

The next amendment of the committee was, on page 5, line 11, after the word "members," to strike out the words "holding office at the time."

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments. The bill is open to amendment.

Mr. GLASS. Mr. President, without consultation with my colleagues of the committee, I want to suggest an amendment for clarification, on page 1, beginning with line 8, and extending to line 2 on page 2, where it provides that "any Federal reserve bank may make advances, in such amount as the board of directors of such Federal reserve bank may determine, to groups of five or more independently owned and controlled member banks within its district."

The purpose of that provision was to prevent holding companies from forming exclusive groups of their own members. Therefore, I take occasion to suggest this amendment, to strike out the words "independently owned and controlled" where they occur, and in line 2, page 2, after the words "member banks," to insert the words "a majority of them independently owned and controlled."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Virginia.

The amendment was agreed to.

Mr. GLASS. Mr. President, on page 3, line 15, where we limit the operation of the provision to one year, it has been suggested that the words "one year from the date of the approval of this act" may have reference to the Federal reserve act, when it is really intended to refer only to this emergency measure. Therefore I move to strike out the words "For a period of not exceeding one year from the date

of the approval of this act" and make it specific by saying "until March 3, 1933."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Virginia.

The amendment was agreed to.

Mr. GLASS. Mr. President, pursuing the same purpose, on page 5, beginning with line 7 and extending down to line 9, where it says, "That, at any time within 12 months from the date of the approval of this act," I move to strike out the words "at any time within 12 months from the date of the approval of this act" and insert the words "until March 3, 1933," so that it will read, "That, until March 3, 1933," and so forth.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

Mr. REED. Mr. President, will the Senator from Virginia permit a question?

Mr. GLASS. Certainly.

Mr. REED. I am familiar with the amendment which has already been adopted on page 2, line 3. As I recall, it reads, "provided such banks have no adequate amounts of eligible and acceptable assets." It occurs to me that there may be some doubt as to the construction of those words. As a matter of fact all five banks in the group first receive the proceeds, and then they turn the proceeds over to certain banks called recipient banks, after they get them.

Mr. GLASS. Under certain restrictions, certain limitations.

Mr. REED. Certainly, with collateral, and all that. I am sure I agree with the intention of the Senator in the amendment which has been agreed to, but it occurs to me that the words "the banks which receive the proceeds" might be held to mean the five banks and not the recipient banks, which are the recipients in the second process of distribution.

I believe the intent might be made a little more clear if we were to strike out the words "the banks which receive the proceeds" and insert the words "the recipient banks hereinafter mentioned." They are called "recipient banks" later on in the section.

Mr. GLASS. I perhaps would share the Senator's apprehension that there may be that interpretation of those words, but I would say for his benefit that we intrusted to the Treasury experts the matter of making that alteration. It was made in that precise language and I think it covers the case.

Mr. REED. Very good. I grant they are experts on Treasury matters, but they might not be experts in the use of language.

Mr. GLASS. I find that nobody is when it gets into the hands of lawyers. [Laughter.]

Mr. REED. Of course newspaper publishers are much more practiced in the use of language.

Mr. GLASS. I modestly admit that! [Laughter.]

Mr. REED. They use so much more of it that they ought to be very much better skilled in it. In any event no harm will have been done by the exchange of views and it is possible if that doubt ever arose it would be interesting to have the expressed view of the Senator from Virginia that what is meant in the amendment is the "recipient banks" mentioned later on in the section.

Mr. GLASS. That is precisely what the Senator has stated, and I will say to the Senator that in conference we will take up his suggestion in order that it may be more deliberately considered.

Mr. REED. I do not think the Senator can do so because I understand the language of the House bill is the same.

Mr. GLASS. Oh, no!

Mr. REED. In that case then it will be in conference.

Mr. GLASS. Yes.

Mr. BLAINE. Mr. President, I desire to suggest an amendment to overcome an ambiguity. I presume the Senator from Virginia will make the same comment respecting what I shall propose as he did respecting what the Senator from Pennsylvania proposed. On page 5 I think there is an obvious ambiguity in language. Possibly the Treasury experts drafted the matter from the standpoint of the Treasury Department, but from the standpoint of clear language I have grave doubts about it.

I invite the attention of the Senator to the fact that in copying the paragraph of section 16 of the Federal reserve act, that paragraph is copied beginning on page 4 and down to the word "certificate" on page 5, line 7, exactly as it is in the present law. Then the proviso is made which is a new proviso. In that new proviso in line 13, the Senator will observe the words "as such collateral security." Evidently the antecedent of "as such collateral security" is the collateral security now provided by law; but when we come to line 19 the language is "such collateral security." That "collateral security" has as its antecedent "obligations of the United States." Therein lies the ambiguity. I would suggest that after the word "security" in line 19, page 5, we use the same language as is now used in the Federal reserve act, namely, "whether gold, gold certificates, or eligible paper." That will remove the ambiguity.

Mr. GLASS. I confess myself unable to see any ambiguity in the matter. The word "collateral" has been so variously and broadly interpreted that we used the word "security," at least the Treasury experts did, and it seems to me it covers the case completely.

Mr. BLAINE. It seems to me there is an obvious ambiguity in that the language refers to the antecedent "such obligations of the United States." It has no reference to the security that is mentioned in section 16.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. BLAINE. Certainly.

Mr. BORAH. What I am to understand the Senator to claim is referred to by the words "collateral security" in line 13? What is the antecedent of those words?

Mr. BLAINE. That refers to "collateral security" as now provided by law, "whether gold, gold certificates, or eligible paper."

Mr. GLASS. That is security put up with the Federal reserve agents for the notes applied for.

Mr. BLAINE. In line 13 the words "collateral security" refer to the language of the present law.

Mr. GLASS. This refers to language in the present law and, in addition to that, it refers to United States securities the use of which we are now proposing.

Mr. BLAINE. Perhaps I can make myself clear in this way. After copying the present law there is then sandwiched in a proviso, and following that proviso is a limitation of one year. Then it must have occurred to whoever drafted the law that there must be some restriction, and so he took the language of the present law, reading as follows:

> In no event shall such collateral security be less than the amount of the Federal reserve notes applied for.

Mr. GLASS. That comprehends all of the collateral security behind the Federal reserve notes, whether it be the provisions of section 16, whether it be gold or gold certificates, or whether it be United States obligations which we are now proposing to authorize.

Mr. BLAINE. I think the ambiguity is obvious, and if I am correct then we will require not only the 40 per cent gold, but the 100 per cent collateral security, making 140 per cent back of the Federal reserve notes. Of course, I have no objection to that.

Mr. GLASS. I could wish that that might be, but I do not think it will be.

Mr. BLAINE. I have no objection to it, and I was merely suggesting to take out of the language that which is, in my opinion, obviously ambiguous.

Mr. GLASS. I do not think the Federal Reserve Board or banks would so interpret the language as to require 140 per cent reserve. They would be glad to interpret it to mean simply 40 per cent.

Mr. BLAINE. Of course I appreciate the Federal Reserve Board has the decision in this matter and that the court would not decide it. But I think in the interest of clarity of language the reference to securities should include the words "whether gold, gold certificates, or eligible paper," because that is what we mean. I think the present language extremely awkward and obviously ambiguous. I have no interest in it especially, and if the Senator does not care to adopt my suggestion, I am willing to drop it. I did not, with my understanding of the matter, want to let it go by without calling attention to it.

Mr. GLASS. Frankly, I do not think it necessary, and still, with the utmost frankness, I do not feel myself able to contest legal refinements with the Senator from Wisconsin or any other Senator who is a lawyer. However, I do not think there is any necessity for the change.

Mr. BLAINE. If the Senator is perfectly satisfied with the present language, I have no desire to amend it. I thought I had a duty to suggest the ambiguity which to me appears here.

Mr. GLASS. I thank the Senator for his suggestion.

Mr. COUZENS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Michigan?

Mr. BLAINE. Certainly.

Mr. COUZENS. I draw the attention of the Senator from Virginia to the word "such" in line 13. I think what the Senator from Wisconsin was driving at would be cured by striking out the word "such." It would then refer back to both groups of collateral.

Mr. GLASS. That may be. I have no objection to striking out the word "such."

The PRESIDENT pro tempore. May the Chair understand the parliamentary situation? Does the Senator from Wisconsin withdraw the amendment which he previously proposed?

Mr. BLAINE. Yes.

Mr. GLASS. And I now move to strike out the word "such," on page 5, line 13.

Mr. BLAINE. I think we are making a mistake when we do that, because the language "as such collateral security," in line 13, refers back to the security that is enumerated in prior paragraphs of section 16, so that "as such collateral security" in line 13 should remain there and the word "such" in line 19 should be stricken out. That then would have as its antecedent any collateral security.

Mr. GLASS. It all relates to the requirements of law that certain collateral security in a certain amount shall be behind Federal reserve notes. I think the provision is all right as it is.

Mr. BLAINE. I have no desire to pursue the matter further. I am not sufficiently interested in the section myself, but I thought I should invite the attention of the Senator to it.

The PRESIDENT pro tempore. Is the Chair to understand that the Senator from Virginia also withdraws his amendment?

Mr. GLASS. Yes.

The PRESIDENT pro tempore. The bill is open to further amendment.

Mr. BLAINE. I desire to offer the amendment which I now send to the desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Wisconsin will be stated.

The CHIEF CLERK. At the end of the bill add a new section, to read as follows:

SEC. 4. The Federal reserve act, as amended, is further amended by adding a new section reading as follows:

"(a) If any member bank to which a Federal reserve bank has made or may in the future make advances shall, immediately preceding or during the life or continuance of such advance, increase its outstanding loans made to any borrower upon collateral security, or made to the members of any organized stock exchange, investment house, or dealer in securities, upon any obligation, note, or bill, secured or unsecured, for the purpose of purchasing and/or carrying any investment security (except obligations of the United States) such advance shall be immediately due and payable, and such member bank shall be ineligible for a period of 90 days as a borrower at any reserve bank upon any and all paper: *Provided, however,* That the Federal Reserve Board shall have power from time to time in its discretion by unanimous vote of its members to suspend the provisions of this section in whole or in part, whenever in its opinion the public interest shall call for such action. Each such suspension shall be for a period not exceeding 90 days and may be renewed for one additional period not exceeding 90 days during the same calendar year upon unanimous vote of the members of the board: *Provided, further,* That 90 days shall elapse between any periods of suspension in consecutive calendar years.

"(b) No member bank shall carry any deposit account with any corporation, association, partnership, or individual, other than banks incorporated under the laws of a State or of the United States."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Wisconsin [Mr. BLAINE].

Mr. BLAINE. Mr. President, in the absence of a number of the Senators, I discussed the purposes of this amendment. I will not undertake any lengthy explanation of it at this time, but I call attention to the fact that the bill now pending does not contain a line or sentence or suggestion that any of the credit provided for in the bill or any of the currency provided for in the bill shall not be used in speculative stock transactions. I think there is a well-grounded fear, and I think there is a well-grounded rumor as well, that a veritable stock-gambling orgy will grow out of this bill. I credit the thought, the purpose, and practically the language of the amendment which I suggest to the Senator from Virginia [Mr. GLASS], as it is largely taken from a provision in the bill known as Senate bill 3215, introduced by the Senator from Virginia. Beginning on page 27, section 13, of that bill there will be found the provision to which I refer. I have not used exactly the same language, but I have used language to accomplish the same purposes designed by the Senator from Virginia in his original bill, which is now before the Committee on Banking and Currency.

It seems to me, if we are going to protect our commerce and industry and agriculture in their necessities, it becomes necessary to prevent the expanded credit and expanded currency from going into stock-gambling channels. I have already discussed this question somewhat at length, and will make only a brief statement at this time. If later on we shall pass the bill introduced by the Senator from Virginia, the time to provide against the evil may have passed, the injury may have been accomplished, and we may have another "October, 1929," and the beginning of another crisis even worse than the present.

The purpose of this amendment is to provide that the expanded credit and expanded currency to be brought about by the pending bill shall go into the channels of industry, commerce, and agriculture, as originally designed by the authors of the Federal reserve system. I should like to have a record vote upon the amendment.

Mr. KING. Mr. President, will the Senator from Wisconsin yield to me?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. BLAINE. I yield.

Mr. KING. I am in entire sympathy with the amendment, as I understand it, and, if it is as I understand it, I intend to vote for it; but I should like to ask the Senator by what means the board or a member bank may determine that the money is being diverted from legitimate purposes to illegitimate purposes, to wit, gambling upon the stock exchange, so that they may deny further loans or may call the loans which have been made?

Mr. BLAINE. The means for determining that question can not be set up in law. It is like any other administrative proposition. In my opinion, the penalty that is provided will restrict member banks in their operations. They will fear to violate it, because the time will come when they will be found out, and then, of course, the consequences would be very great. The responsibility, of course, is placed upon our banking institutions to observe the law as passed by Congress. Furthermore, the Federal Reserve Board has considerable authority, and the Comptroller of the Currency makes regular inspection of all the banks that belong to

the system, though, of course, not of State banks. We have the Federal Reserve Board with authority to require reports from member banks requesting loans, and, as a matter of fact, in my opinion, it would not require very many sleuths or any sleuths to ascertain whether or not a bank was violating either the letter or the spirit of the proposal.

Mr. KING. As I understand, the Senator has in view the fact that in September, 1929, for instance, there were outstanding $8,167,000,000 of loans made to brokers, as recorded by the New York Stock Exchange; and the presumption is—indeed, I suppose it is the fact—that a large part of that enormous sum was derived from loans through the Federal banks which were thus utilizing the power of the Federal reserve act for the purpose of loaning large sums of money for stock gambling. Does the Senator from Wisconsin think that his amendment, if adopted, would tend to prevent such loans under this bill?

Mr. BLAINE. My own opinion is that it would accomplish the purpose designed; and I think that was in the mind of the Senator from Virginia when he wrote the original proposition in his bill. I have not modified the provision which he wrote so far as the purpose is concerned, but it has been necessary to modify the language. However, I do not recall whether the provision drafted by the Senator from Virginia provided the penalty denying eligibility, but in the amendment which I have offered I have taken into consideration that section 3 is to be in effect for only one year. If our optimists are correct and prosperity is just around the corner, and we are going to have an upturn in business affairs within a reasonable time or within the year, the Federal Reserve Board ought to have the right to suspend this section for the reason that new industry, new undertakings may want to place their stocks upon the market, and, if there is any productive industry that has faith enough in business recovery and revival to be willing to take the risk, we ought to have some elastic provision whereby such new issues of stocks may be cared for. So I have added that to the provision originally designed by the Senator from Virginia.

Mr. GLASS. Mr. President, I think it would be most unfortunate to incorporate this very sound provision of the so-called Glass bill, with the modifications suggested by the Senator from Wisconsin, in this emergency bill. Otherwise I should feel greatly embarrassed in going on record against the proposition presented by the Senator from Wisconsin.

In existing law there is a textual provision, inserted deliberately and with purpose, against the use of Federal reserve facilities for speculative purposes. It has been utterly disregarded by the administrators of the law and by the stock-exchange banks, and it has been done with impunity because there is no penalty attached under existing law. We relied exclusively upon the sane judgment and proper intent of the administrators of the act; but in the provision of the so-called Glass bill—which, however, is not the Glass bill, but is a composite bill to the provisions of which other members of the subcommittee have largely contributed—there is provided a penalty, and at a suitable time, when we shall not be embarrassed by hurried and emergency appeals, we will present that measure before long and endeavor to have it passed. I think it would be most unfortunate to attach such a proposition to this bill necessitating very likely long discussion and delay both on this side of the Capitol and on the other, and I hope the Senate will not do it.

Mr. SHIPSTEAD. Mr. President, I wish to call the attention of the Senate, in view of the statements that have been made here during the last few days in regard to inflation, to the fact that people who have heretofore looked with holy horror upon any mention of a policy of inflation of the currency are now supporting that policy in a limited degree so far as the currency is concerned, for the purpose of making it possible to revive the paralyzed credit system which they failed to inflate during the last year, during which time they have made such noble efforts to revive a policy of inflation, evidently intended to repeat what was started in 1924 and ended in the blowing up of the bubble in 1929. Inflation of the credit system again seems to be considered very respectable and economically sound by some people.

I have not been able to see the difference between inflation of the credit system and inflation of the currency system. The immediate results of either one of the two species of inflation are similar and the ultimate result is always the same. We are on a credit economy instead of a money economy and our financial system and our medium of exchange are based upon credit. I believe the statement can not be controverted that the inflation of the currency in Germany after the war did not destroy any more property, did not deprive more people of their holdings, and did not ruin more people than did the inflation of the credit system, the banking system, in the United States, from 1924 to 1929.

We all know that after the bubble burst there were people who said, "Well, money should not have been loaned for speculation." I say we had inflation of the credit system because what I understand by inflation is a process by which the production of credit increases far in excess of the curve of production. The difference in the rise of the production curve and the rise in the credit or currency curve to take care of production constitutes inflation.

Lest history should repeat itself, let us be warned now when we hear talk of inflation as we certainly were warned in 1924 and 1925, when the banking system of the United States disregarded that warning and brought about the situation that has broken the confidence of the American people in our banking system.

I said that efforts had been made to start the inflation of the credit system during the last year, when Federal reserve discount rates were cut a year ago. It failed to work this time. Now this fetish is brought in, in the hope that it will restore confidence, and so make the credit system work in such a way that inflation can be started.

Why was the effort to inflate the credit system unsuccessful the past year?

There are two things necessary to inflate the credit system. On the one hand, we have to have bankers to lend. On the other hand, we have to have borrowers willing to borrow. But on the descending price level that we have had we have not had borrowers who could borrow. If they had any sense they would not borrow. They could not borrow to-day and start production, because they could not afford to buy raw material to-day. They could buy it cheaper next week; and while the bankers have been accused of hoarding money, I think in this discussion we have overlooked the fact that the borrowers have had a great deal of experience in the last 10 years. They are not so anxious to borrow now. They can not afford to borrow on a descending price level.

A very distinguished banker yesterday told me that the trouble was not with the fact that they did not want to loan, but he said, "We can not find borrowers."

To show how the bankers were put upon notice while they were inaugurating that very destructive credit policy in 1924 and succeeding years, when not only banking credits were inflated but when they underwrote and peddled out to investors in the United States over $70,000,000,000 of new capital issues in 10 years from 1920 to 1930—a sum of new mortgages equal to $700 for every man, woman, and child within the territorial area of the United States, not counting our Territories and dependencies—when the foundation was laid for the blowing up of that bubble, as a foundation may be laid now for the blowing up of another bubble, financial journals in the United States and others called attention to what was going on.

For instance, the Annalist, of New York, on December 15, 1924, said:

> Unlike Shakespeare's mercy, which fell gently from heaven, to-day's flow of business "confidence" suggests the action of powerful pumps.

The Commercial and Financial Chronicle discussed the stock inflation that was just beginning under the editorial caption "Imperfect Working of the Federal Reserve System."

It found that the stock inflation was not justified by increased values and earnings and was artificially due to a "money glut," and that the glut of cheap money for stock speculation was due largely to Federal reserve activities in forcing into the market cash that ought to have been kept in the vault.

During the same month the New York Journal of Commerce, under the editorial head Belated Anxiety, discussed the dangers of stock-market inflation as marking the "unsatisfactory quality of the leadership at Washington as regards banking." It editorially charged the administration with an "investment policy which has beaten down the rate of interest and been more than hazardous for the country at large."

Again the Annalist warned the country and the bankers, and said that we had—

> A cheap money, cheap credit boom.
> Will the racing stock market become a Juggernaut?
> Uneasy business holds the Federal reserve responsible for an inflationary course, which, it begins to fear, may end in a collapse like 1920–21.

"Inflation coming!" was the headline placed over an article by George E. Roberts, vice president of the National City Bank, published in the Financial World.

The market letter of Hayden, Stone & Co. at that time closed with the sentence:

> We feel that the market has entered a zone of decided danger.

Mr. H. Parker Willis, writing in the Annalist, charged that the Federal Reserve Board at that time had pushed into the market $1,100,000,000 by purchase of securities, and that besides this "open-market work" the Federal reserve banks, "under instructions of the Treasury," had forced into circulation as much of the gold coin in their possession as the market could absorb. He stated:

> The reserve banks have not only lowered rates to correspond with the market but have done everything they could to force down rates in the market before they lowered their own charges.

All of the financial authorities that have been cited agree, as expressed in the Annalist, that at that time there were practically unlimited funds with which to speculate in the stock market.

These quotations I have read from an excerpt from the CONGRESSIONAL RECORD containing some matters that I called to the attention of the Senate on January 21, 1925. Needless to say, the warnings of the financial journals of the country and others had no effect in curbing the wild orgy of credit inflation that was conducted and put into effect by the banking interests of the country, who, as custodians and controllers of the credit system, have shown that they are as worthy of controlling the credit system of the country as a horse thief would be to be put in charge of a bunch of bronchos out on the prairie that are worth $50 apiece.

Here is an amendment—the amendment of the Senator from Wisconsin [Mr. BLAINE]—that has for its purpose the prevention of another orgy of speculation, of another program of debauchery of the credit system that is the property of the people of the United States, intrusted to banks to administer as trust funds, to prevent their being used to blow another bubble to wreak its effects upon the business interests of the country, to permit people to be swindled out of their earnings by those who are in control of the credit system, and who, instead of conducting their affairs in a legitimate way as legitimate banking ought to be conducted, have shown themselves to be stock and bond racketeers; and certainly no one with sense can blame the people of the United States for having lost confidence in the banking system.

I do not believe we are going to be able to restore the confidence of the people in the banking system until we get better banking methods. I realize that we can not make a man a good banker by law; but we can by law prevent him from conducting his business in such a manner that instead of that business, created by law, being beneficial to business and to the general welfare, corporations created by the Government have become more powerful than their creator; and if they are not curbed in their policies, if they are allowed to continue, they may destroy their very creator.

I think the amendment of the Senator from Wisconsin ought to be adopted.

This is said to be an emergency measure.

Mr. MORRISON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from North Carolina?

Mr. SHIPSTEAD. In a moment.

The correction of bad practices in a banking system is always an emergency matter, and I believe that this amendment is an emergency measure.

I now yield to the Senator from North Carolina.

Mr. MORRISON. I desire to ask the Senator if he will state that any bank ever did get any money from a Federal reserve bank for the purpose of speculation. If so, how did the bank get it?

As I understand the law, the purposes for which the regional banks issue notes or loan money are distinctly specified and are almost altogether embraced in discounting notes arising out of commercial transactions and for commercial purposes and business in process. I understand that no bank could get any note discounted for any other purpose, as none has ever done so; and, as to these particular funds, they certainly did not get them for the purpose of speculating on the stock exchange.

Mr. SHIPSTEAD. I will say to the Senator that this amendment applies, as I understand, to section 3, under which money can be raised on Government bonds, and there is no limitation as to the purposes for which the money can be used. Of course, when eligible paper is discounted at the Federal reserve banks, it releases other money that can be loaned for speculation. It is an indirect process, but no one will deny that the conduct of the Federal reserve banks during that period of years facilitated the loaning of funds and the use of funds for speculative purposes.

Mr. MORRISON. I agree with the Senator that there must have been great abuse, particularly just preceding the collapse; but I submit that that was out of other funds of the banks, and did not come from the Federal reserve system, because they could not have obtained the funds for any purposes except those therein specifically enumerated, and that the money with which they speculated was other funds. It is true they might not have needed the discounts if they had used the funds with which they speculated for the purposes of keeping business in process and alive; but I do not think the Federal reserve system ever discounted any note for any such purpose as there seems to be some impression that they did do.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from Virginia?

Mr. SHIPSTEAD. I yield.

Mr. GLASS. On the contrary, when stock speculation was at its peak, and the Federal Reserve Board in Washington undertook to admonish against the use of Federal reserve facilities for stock speculative purposes, a director of a certain Federal reserve bank gave defiance to the Federal Reserve Board, and publicly and purposely announced through the press that the very next day he intended to rediscount to the extent of $25,000,000 and loan it on the stock exchange, and that in his conception of the matter his obligation was first to the stock market and secondarily to the Federal reserve system.

Mr. MORRISON. Mr. President, if I may ask the Senator from Virginia a question, the discounts would necessarily have been a paper of the character which the law provided the Federal reserve bank might discount, would they not?

Mr. GLASS. The discounts would have been under the 15-day provision, and United States bonds would have been used for the purpose. But in the last analysis the avowed purpose of the discount was to use the funds on the stock exchange, and they were so used.

Mr. SHIPSTEAD. Mr. President, I thank the Senator from Virginia. I remember the incident. The bank was a

New York bank, and the Senator is correct. I believe that took place in 1929. The damage, of course, had been done long before that, when the Federal reserve bank cut their discount rate three times, I believe, in April, again in June, and again in August, 1924. The damage was done during 1924, 1925, 1926, 1927, and 1928, because that was when the inflation was going on, and disciplinary measures of the Federal Reserve Board did not start until after the damage was done. Whether they amounted to more than talk or not I do not know. They did start to raise rates in 1929. The floodgates of credit inflation had been opened, and the country was told by the economists of the country and the bankers and statesmen in Washington that it was prosperity instead of a bubble, and that financial leadership of this country cost the American people at least sixty-five to seventy billion dollars. That leadership is still the financial leadership of the country.

In view of that fact it is the duty of the Government to scrutinize every proposal made by these people who have been guilty of wrecking the finances of this country, who are still looked upon as the leaders of the financial system, and the Government should put up every bar possible to prevent them from committing the same almost criminal mistakes again that they have made during the last seven or eight years.

We have heard a great deal about the banking system of England. It is said there are no bank failures there, because they have a system of branch banks. As a matter of fact, the banks of England do not buy bonds and stocks, as our banks are permitted to do. They have not these affiliates through which they gamble with the depositors' funds and then go out and peddle stocks around to the poor investors of the country and rob them of their savings. They confine their commercial business to legitimate commercial dealings, lending money upon collateral.

I do not believe we are going to be able to restore the confidence of the American people in the banking system until we take our banks out of the bond and stock "racket" and drive them back to a legitimate banking business.

We do not see in the papers of London headlines to the effect that "the banks of London are out to-day to support the market," as we see in the New York papers.

I do not know whether this amendment will be as effective as it is hoped it will be, but I think it ought to be adopted.

Mr. CONNALLY obtained the floor.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me?

Mr. CONNALLY. I yield.

Mr. WALSH of Massachusetts. I thank the Senator, as I must leave the Chamber at once.

In connection with this debate I ask that some correspondence I have had on the subject of the measure before the Senate, together with a bill and amendment submitted by me, be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

A bill (S. 2675) providing for an emergency circulation fund, and for other purposes

Be it enacted, etc., That the Secretary of the Treasury is hereby directed to have printed and to keep on hand United States Treasury notes under a special account to be called the "emergency circulation fund." Such notes shall be in the same denominations as the Treasury notes issued to the Federal reserve agents. Any bank, corporation, or citizen of the United States shall have the right to deposit United States bonds in the amount of $1,000, or multiples thereof, under rules and regulations to be prescribed by the Secretary of the Treasury, and to receive from such fund 90 per cent of the face value of such bonds in United States Treasury notes, and shall have the right at any time within 12 months to redeem such bonds by repaying in United States currency the amount so received by him on account of such bonds, with interest at the rate of 5 per cent per annum on such amount. Failure to redeem such bonds within the limit of 12 months shall operate as a forfeiture of such bonds to the United States. Any moneys received from such sale may be exchanged with other moneys in the Treasury so that this fund shall consist alone of such Treasury notes. The principal of all sums so advanced when repaid shall be returned to the "emergency circulation fund," and all interest and profits upon such advances shall be passed to the credit of the Treasury under miscellaneous receipts. The actual amount of notes held in the "emergency circulation fund" shall never be less than $100,000,000 in excess of any outstanding advances. Said fund shall neither be increased nor diminished except in the manner provided.

Amendment intended to be proposed by Mr. WALSH of Massachusetts to the bill (S. 2675) providing for an emergency circulation fund, and for other purposes, viz:

On page 1, line 8, preceding the word "Any," insert a new clause, as follows: "Whenever and as long as the average wholesale price of commodities in the United States, as indicated by the revised index of the Bureau of Labor Statistics, stands below the level indicated by the figure 95.00 in said index,"

WASHINGTON, D. C., *January 25, 1932.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: I thank you for the opportunity of reading the volume of correspondence which you have received relative to S. 2675, proposing an emergency currency.

I think your amendment proposing to limit the operation of this proposed act and cause it to cease whenever the general commodity index reaches 95.00 is a special safeguard that would make it impossible for anyone to contend that such an act would unduly expand the currency.

I was very pleased to find so large a number of bankers and business men of the highest standing approving the principle and purpose of your bill. It may be of some interest to you to have my comments on the objections which were made, or rather suggested, by some of those who replied.

First, it was suggested that it might inflate the currency. It is the intention to expand the currency, but not to inflate the currency, because the word "inflate" means to expand unduly and without sufficient reason.

The manner in which your bill is drawn makes it impossible to expand the currency unreasonably, for the right to obtain currency under the bill would cease before commodity values were restored to normal. Under the amendment which you have drawn, the right to obtain money under this bill would cease when the commodity index reached 95.00. This is an automatic check against possible inflation.

It should be observed that people who have bonds will not go to the trouble and expense of borrowing on them at 5 per cent, with a 10 per cent forfeit, unless they really need the currency to meet a serious need under the present depression. To this extent they are entitled to relief, and it is to the benefit of the Government to extend it, as it would cause the Government bonds to go to par and would enable the Government, in new issues of bonds, to get a cheaper rate.

A second objection was suggested, that your bill would be ineffective and useless because banks can get all the money they want at 3½ per cent from the Federal reserve banks, with United States bonds as security, and therefore would not use the plan you proposed.

One of the letters from a very distinguished man suggested that the reserve banks would issue reserve notes against United States bonds at 3½ per cent, and that this would be cheaper than money at 5 per cent. This is a serious error. Reserve banks do not issue reserve notes against Government bonds. They may issue reserve-bank notes against 2 per cent bonds with the circulating privilege, but these bonds are not available and no relief can come from that source.

The reserve banks can lend money to member banks on their notes, secured by Government bonds, but they do this only on terms of 15 days and then from day to day, and do not issue new currency against them. So that there is no available new currency to be issued from that source except against eligible bills. These bills are largely held in the reserve cities and the banks in the reserve cities are not employing these bills to any substantial extent because they are hoarding credit as well as currency, so that the relief from this source is not adequate.

Moreover, the suggestion that credit can be obtained from the reserve banks by the member banks has no point, for the reason that it does not provide additional currency for circulation but merely provides credit against circulation already existing. The point is, the country needs currency in circulation to make good the vacuum produced by hoarding. It needs a means of quick currency to mitigate the fear which has produced hoarding, and the extension of credit to member banks is not sufficient, for it does not put new money in circulation.

The psychological effect of your bill is of very great importance, because when you tell the people of the country that the Treasury will issue currency against bonds on as large a scale as is necessary the fear should abate, and with the issuance of currency for circulation commodity values would begin to rise, and in that way stimulate production and consumption by stimulating additional employment. Moreover, the immediate rise of the United States bonds through this bill would stimulate confidence throughout the country and help to abate the fear upon which the depression is based. It would greatly serve the banks by giving new courage to their depositors and putting an end to the withdrawal of money for hoarding.

It will be observed that the objection that your bill would be ineffective and useless because not used is a flat contradiction of the first objection, that it would create great inflation.

The third objection suggested was that the banks could get currency on 2 per cent bonds more cheaply than through your plan for emergency currency. The answer to this is that all of these bonds are hypothecated in the Treasury to safeguard the national-bank currency.

The fourth objection suggested is that bond-secured currency is unsound because it is "money based on debt." The answer to this is that all national-bank notes are based on Government bonds; that all Federal reserve bank notes are based on Government bonds; that the Federal reserve notes are based 100 per cent on debts in the form of eligible bills, safeguarded by an additional 40 per cent minimum gold reserve. In fact, all of the money we employ is merely a promise to pay of the Government.

It is a debt of the Government in part secured by bonds, in part secured by gold and silver. There is no force whatever to this objection. The objection itself shows a grave misconception of what the law is and of what money is. The objection that an emergency currency would be based on debts seems unintelligent and without merit.

A fifth objection was made by one of your correspondents, that he saw no difference between this plan and the way Germany inflated and depreciated the mark in 1923. This objection is based on ignorance of the facts and is without merit. In 1923 the German Government deposited its own bonds in the Reichsbank and the Reichsbank issued marks against the bonds, and then the Government paid out the marks for current expenses. In your bill the Government does not receive any of the money, it does not spend any of the money, and does not put up its bonds. The bonds are put up by the citizen. The citizen receives the money on the bonds and returns it in due time. The Government earns 5 per cent on the loan, and if the bonds are not redeemed the Government retires its own bonds in lieu of the currency loaned, and on selling such bonds the currency would be withdrawn from circulation into the Treasury again.

A sixth objection suggested is that under your bill speculators could buy United States bonds at 82 and sell them at 90. Clearly this suggestion is without merit, because if your bill should pass the people who hold the bonds would not part with them at 82 nor at 90, for these bonds would go to par with this privilege provided by law. This would be useful to the United States and enable the Government to sell any new issues of bonds at a much better price than at present.

A seventh objection was made that the threat of "inflation" would alarm and shock the financiers and business men and lead to a hoarding of gold and silver certificates, of Federal reserve notes, and national bank notes. The threat of abundant money would "shock" the financiers and business men with delight and make their hoarding of money unnecessary and unintelligent. The only financiers who would perhaps be annoyed might be the ones who desired to take advantage of the distress of other men by obtaining their securities beneath their value.

An eighth objection was that the threat of "inflation" would alarm Europeans, who have deposits in American banks, and that they would withdraw a billion or more in gold. The answer to this whispered objection is that it is a false alarm. No "inflation" can ensue under your bill. A justified expansion to check the most dangerous deflation in American history is not "inflation," and would meet the approval of people with common sense in Europe.

But even if Europeans should withdraw their deposits in gold, it would be serviceable both to the United States and Europe, for we are making an uneconomical use of gold and we could spare a billion of gold without harm, and a billion of gold transferred to Europe would cause rising values in Europe to the advantage both of Europe and the United States, as a stimulus and reaction against the present depression and unemployment. We have a billion of gold certificates floating now, which could be sequestered at will by the reserve banks if it were desired.

The threat that Europe would deprive us of gold is peculiarly absurd, since Europe owes us $20,000,000,000, and is calling on us annually for large additional loans.

I have observed one objection, which is somewhat obscurely put, and that is that your bill is undesirable because it would mean rising prices of labor and commodities, and the country will be better off to deflate labor and establish the cost of living on the present basis of the purchasing power of the dollar. This is the view of the ultraconservative who thinks alone in terms of acquisition, and whose sympathies are not excited by the present distress of the people and the unemployment of millions of our innocent fellow citizens who are the victims of this national financial tragedy. The deflation of labor and the lowering of the standards of living, which we enjoyed previous to this depression, can not be approved and will not be approved by the American people nor openly defended by those who oppose your bill.

Before this depression took place our annual income was ninety billions. It is now sixty billions, and due to this, the huge deficit in our national revenue has taken place. This national loss of revenues should be corrected as speedily as possible by restoring prices to normal and deflating the present purchasing power of money.

The best means with which to end the present deficit is not high taxes but the restoring of the value of commodities, the restoring of prosperity, the restoring of employment, and of the productive energies of the Nation, and the restoring of our national income. To this objective we should bend our energies regardless of the opposition of the disciples of acquisition.

Already the concentration of wealth in a few hands has gone to an extremely dangerous point, which jeopardizes the national welfare and jeopardizes the interests of the few who hold the concentrated wealth of the Nation.

Yours respectfully,

ROBERT L. OWEN.

WASHINGTON, D. C., *February 17, 1932.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: In answer to your request for my comments on the letter of February 10, of Hon. Eugene Meyer, Governor of the Federal Reserve Board, I respectfully comply.

Mr. Meyer criticizes your bill, S. 2675, and states, first: "Apparently the Treasury notes to be printed under this bill would not be redeemable, and the legislation would be of a permanent character." Mr. Meyer apparently overlooks the fact that under the laws of the United States such money would be interchangeable with gold certificates by the United States Treasury on demand.

In the next place, the same identical principle of bond-secured currency appears in the Glass-Steagall bill 3616, and Mr. Ogden Mills, present Secretary of the United States Treasury and ex officio Governor of the Federal Reserve Board, expressed the opinion before the Banking and Currency Committee of the House that this legislation would preferably be permanent, so that this principle of your bill is not without support from the present head of the Federal Reserve Board, Mr. Ogden Mills.

Your bill, S. 2675, was permanent but provided for emergency circulation under a penalty of 5 per cent interest and a 10 per cent forfeiture, with the proviso that it should be inoperative when the commodity index reached 95. This automatically would preclude the possibility of excess expansion, or the possibility, therefore, of inflation.

Your bill made this remedy available directly, without the intermediary of a member bank or of a Federal reserve bank or the Federal Reserve Board, by a simple authorization that any bank, corporation, or persons could get the benefit of it under the safeguards provided.

The present Glass-Steagall bill, which apparently meets Mr. Meyer's approval (S. 3616) simply amends in section 3 of said bill the second paragraph of section 16 of the Federal reserve act by adding to the collateral security required of the reserve banks, as a basis of currency issue, the words "direct obligations of the United States" (p. 5); in other words, it authorizes the reserve banks to request, and the reserve agents to deliver, Federal notes against United States bonds as collateral security to the extent that there is available in the reserve banks 40 per cent gold cover. This automatically restricts the issue of such notes and prevents undue expansion or inflation, just as your bill prevents inflation by other means above cited.

Mr. Meyer intimates that the advantages of your proposal would be only to holders of bonds having a market value of less than 90. The objection is unsound for the reason that authorizing loans of money against such bonds of the Treasury would cause such bonds to go to par immediately, and already United States bonds have reacted to the promise of the passage of such bill, but even 2 per cent bonds with the circulation privilege are at par.

Mr. Meyer says, "In addition, the introduction into the currency system of the country of a new issue of the character contemplated by this bill, would be confusing and would create uncertainty as to its exact relation to the other currency obligations of the United States." This criticism is not valid for the reason that under the law of 1891 and the Federal reserve act, such notes being freely interchangeable, as required of the Treasury Department by a statute law, would create no uncertainty whatever.

Moreover, such currency would not be issued except where seriously needed and the parties were willing to pay substantially for the privilege of borrowing currency.

The currency issued under your bill is safeguarded, first, by a 10 per cent forfeiture, if not returned to the Treasury within 12 months; a 5 per cent interest charge paid to the United States Treasury adding to its income. It is secured by United States bonds 11 per cent in excess of the amount of money loaned.

The Glass-Steagall bill, which meets my approval, is secured by Government bonds and 40 per cent gold, which, in my opinion, adds nothing to the value of the security, but only operates to prevent inflation, and is not as well safeguarded as your bill because your bill penalizes the loan currency by an interest charge of 5 per cent, while the loan of currency to the reserve banks is made without this restraint or payment to the Government.

The operation of your bill automatically ceases when the commodity index rises to 95. The pending measure, which even the administration now approves, is only operative when, if, and as the Federal Reserve Board may "deem it in the public interest," and may, "upon the affirmative vote of not less than a majority of its members holding office at the time, authorize the Federal reserve banks to offer—and the Federal reserve agents to accept as such collateral security—direct obligations of the United States." This possible relief expires at the end of one year in any event, or sooner, should the Federal Reserve Board so decide. In other words, the relief offered by the pending bill is not only temporary and transitory but may be at any time vetoed by the Federal Reserve Board.

Your bill is permanent and functions in any case of emergency or depression, where the commodity index goes below 95. It is impossible to inflate the currency under your bill. The bill was

drawn to prevent inflation and to automatically overcome the present exaggerated deflation of credit and currency.

Mr. Meyer says (p. 3): "It should also be borne in mind that there is no shortage of currency in this country; on the contrary, there has been for a considerable period of time a practically continuous increase in the amount of currency outstanding." The implication of this sentence is that there is abundant currency in circulation and circulating which, of course, is contradicted by Mr. Meyer in the next sentence, for he recognizes the fact that the available currency of the country is locked up by hoarding.

He says in conclusion of his argument against bond-secured emergency currency, that "in the circumstances, the new facilities which would be set up for obtaining currency, might be expected to promote hoarding, and, in this respect, the existing situation might be made worse, rather than better. That offering the country all the currency it requires, under a reasonable charge, to overcome hoarding, would itself promote hoarding, is so obviously contrary to sound reasoning that it answers itself. If such an objection were valid, it would apply with equal force against the pending measure, S. 3616."

The opposition of Mr. Meyer is in accord with the opposition of Mr. Mellon, who has recently expressed himself against bond-secured currency.

Mr. Ogden Mills a short time ago was opposed to bond-secured currency, but has yielded on this point and thinks it should be a permanent part of the system for emergency purposes.

He made an excellent statement to that effect before the Banking and Currency Committee of the House in support of the pending measure, and the administration is now supporting it. Mr. Meyer's letter has merely reflected the current opinion of the administration, which was opposed to bond-secured currency, even for an emergency. The exigencies of the case and the needs of the country are so great that the administration has finally yielded this much relief and is supporting the pending measure. Mr. Meyer, in concluding his letter, says: "For the considerations above cited, the board feels that such legislation would be inadvisable." So he spoke for the board.

The letter of Mr. Silas H. Strawn, president of the Chamber of Commerce of the United States of America, of January 13, in which he says he "does not approve of an increase in bond-secured currency," and that he "fears the method proposed of increasing the currency supplied would result in less rather than more confidence," was another expression of the opinion which dominated the administration until within the last few days.

I congratulate you upon having promoted the principle of emergency circulation of Treasury notes, based on Government bonds, safeguarded against inflation. Under the pending measure, I believe the country will get a great measure of relief, and that confidence will be gradually restored. Let us be thankful for the immediate promised relief.

But, Senator, our great Republic has a dire need for a complete study of what has occurred to this country, causing the present depression. It is my profound conviction that such panics can be absolutely prevented, and that there are remedies available, if they are diligently sought for, and this matter given the intelligent consideration which the representatives of the people in the Senate and the House might give under the leadership which is now available in both Houses.

Yours respectfully,

ROBERT L. OWEN.

FEDERAL RESERVE BOARD,
Washington, February 10, 1932.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: Reference is made to your letter of January 9, 1932, in which you requested the views of the board in regard to Senate bill No. 2675, entitled "A bill providing for an emergency circulation, and for other purposes."

The bill would direct the Secretary of the Treasury to print and keep on hand United States Treasury notes which any holder of United States bonds would have the right to obtain to the extent of 90 per cent of the face value of any such bonds when deposited by him in the amount of $1,000 or multiples thereof. It also provides that such holder shall have the right to redeem such bonds at any time within 12 months by repaying in United States currency the amount received by him on account of such bonds, with interest at the rate of 5 per cent per annum thereon. It further provides that failure to redeem such bonds within 12 months shall operate as a forfeiture of the bonds to the United States. Apparently the Treasury notes to be printed under this bill would not be redeemable and the legislation would be of a permanent character.

It appears from this résumé that the bill would enable holders of United States bonds to obtain Treasury notes of the special issue provided for, to the extent of 90 per cent of the par value of the bonds, even though their market value might be less than 90. Stated differently, holders of such bonds could sell them to the United States at any time at 90 and have them carried by the United States for a year, with the privilege of repurchase upon payment of 5 per cent interest. The bill imposes no obligation upon the holder of the bonds to redeem them or to pay the prescribed rate of interest in case of failure to do so, and whether such bonds could be resold by the Treasury or whether they must be retired at the end of the year is not made clear, notwithstanding that they may have maturities far into the future.

In view of the fact that holders of United States bonds can, in the great majority of cases, obtain loans from banks on the basis of these bonds as collateral, the advantages, if any, that the proposal would afford would be to holders of bonds having a market value of less than 90 or to holders who, by reason of exceptional local banking conditions, may not be able to obtain credit on the basis of any collateral. It is unlikely that cases of the latter class are numerous or representative.

In addition, the introduction into the currency system of the country of a new issue of the character contemplated by this bill would be confusing and would create uncertainty as to its exact relation to the other currency obligations of the United States.

It should also be borne in mind that there is no currency shortage in this country, but that, on the contrary, there has been for a considerable period of time a practically continuous increase in the amount of currency outstanding. For the year ending February 3, 1932, this increase has amounted altogether to $1,055,000,000. Since it is obvious that the volume of currency required to carry on the business of the country has diminished very materially, it is apparent that the increase of currency outstanding has been due to other factors, the most important of which has been a growth in the habit of hoarding. In the circumstances the new facilities which would be set up for obtaining currency might be expected to promote hoarding, and in this respect the existing situation might be made worse rather than better.

There are, of course, other considerations involved in an analysis of this bill which, however, would lead to the same general conclusion, and in the circumstances the board feels that such legislation would be inadvisable.

Very truly yours,

EUGENE MEYER, *Governor.*

AMERICAN WRITING PAPER CO. (INC.),
Holyoke, Mass., January 19, 1932.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Referring to your communication of January 11, attached to which is a copy of the bill introduced by you providing for an emergency circulation fund, I heartily agree with the views expressed by you as to the benefits to be derived from the use of such a fund.

The letter of Senator Owen is one of the clearest detailed statements regarding causes of the depression and its continuance that I have had the privilege of reading, and as his views obviously express your own and they have been made the basis of your bill, I feel your efforts to create this emergency fund should receive very generous support.

Yours very truly,

AMERICAN WRITING PAPER CO. (INC.),
S. L. WILLSON.

NATIONAL STEEL CORPORATION,
Pittsburgh, Pa., January 18, 1932.

Hon. DAVID I. WALSH,
Committee on Finance, United States Senate,
Washington, D. C.

MY DEAR SENATOR: I duly received your favor of the 11th instant, and have read with very much interest copy of the bill which you submitted to the Senate providing for an emergency circulation fund.

Let me say I am entirely in sympathy with your proposal and believe that under existing conditions a move that will provide for an increase in circulation for the limited period stated can not help but be of immediate benefit. We are suffering in this country from a state of fear on the part of banks and individuals which has prompted hoarding to an extent that is severely handicapping business. Passage of your bill would certainly have the effect of aiding in the removal of this hindrance to normal business.

Very truly yours.

E. T. WEIR.

CENTRAL NATIONAL BANK & TRUST CO.,
Des Moines, Iowa, January 19, 1932.

The Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SIR: Referring to your letter of January 11, I have read hurriedly the proposed circulation bill, and from what I know from reading the same it seems to me it would be helpful, and I should be in favor of it.

Yours very truly,

GRANT MCPHERRIN, *President.*

HAMILTON NATIONAL BANK,
Chattanooga, Tenn., January 18, 1932.

Senator DAVID I. WALSH,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: I have yours of the 11th, inclosing copy of a bill providing for an emergency circulation fund, and for other purposes.

If such a measure is used only for emergency purposes and in a limited way, I think it would do great good. Am of the opinion that if such a measure had been a law a year ago the deflation in some sections of the country would have been less severe.

Yours very truly,

T. R. PRESTON, *President.*

THE GOODYEAR TIRE & RUBBER CO.,
Akron, Ohio, January 15, 1932.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Have your letter of January 11 inclosing copy of your bill proposing an emergency circulation fund.

Think this is a mighty fine proposition to be put up at this time and that it will be one of the things that will help to solve our present lack of confidence in financial circles, and it is necessary if we are going to stop this terrible depression and turn our country again toward prosperity.

I sincerely hope that we get the benefits from this bill in a very few days.

Yours very truly,

C. SLUSSER,
Vice President and Factory Manager.

MEMORANDUM ON POSSIBLE CREDIT UNDER PENDING BILL

In the bulletin of February 3, 1932, of the Federal Reserve Board, giving the resources and liabilities of the 12 Federal reserve banks (in millions) it appears—

That there was in the possession of the reserve banks in gold $2,970,000,000;

That the reserve notes in circulation were $2,664,000,000.

This would require a gold reserve of 40 per cent, or $1,065,000,000 on $2,664,000,000 of reserve notes.

The member bank deposits as reserves were $1,937,000,000, which would require, at 35 per cent, $467,000,000 in gold.

The total gold required, therefore, against Federal reserve notes, and the member banks' deposits would be $1,531,000,000, leaving a balance of gold above the legal reserve requirement of $1,449,000,000.

This would support two and one-half times its volume in Federal reserve notes, or $3,622,000,000 of new money (on 40 per cent basis) which might be issued against "direct obligations of the United States," in section 3 of the pending bill. Or, on the other hand, it would support loans to member banks (on 35 per cent basis) which they could use as reserve deposits equal to $4,140,000,000.

The loans of the Federal reserve banks to member banks, of $4,140,000,000 would support a credit structure of eleven times that amount, if the credits were used to the maximum capacity of the legal reserve requirements of the member banks, as disclosed by their present actual practice.

For example:

The legal requirements of member banks not in reserve cities are 7 per cent on demand deposits and 3 per cent on time deposits; in reserve cities, 10 per cent on demand deposits and 3 per cent on time deposits; in central reserve cities, 13 per cent on demand deposits and 3 per cent on time deposits.

On February 10, 1932, the bulletin of the Federal Reserve Board on the condition of weekly reporting member banks in leading cities (not including member banks with smaller reserve requirements and not in leading cities) shows these banks to have total loans of $16,814,000,000, with reserves of $1,442,000,000, or an average of less than 9 per cent of reserves, with a lending power actually exercised of eleven times the reserves.

If the Federal reserve banks should use the full powers of lending on United States bonds, under this bill, they could (as a matter of possibility) create reserves for member banks up to an increase of $4,140,000,000, and on such conceivable reserves the member banks could lend eleven times as much; that is, $45,540,000,000 in excess of their present loans.

The present total loans of all member banks are $19,000,000,000.

Demand deposits are $15,000,000,000.

Time deposits are $11,000,000,000.

Obviously, under this bill, the loans of the member banks could be extended very many times beyond any possible requirements. The needs of the country are much less in times of depression, except in cases where distressed borrowers require accommodation to prevent forced liquidation at a time when their assets might be sacrificed by a forced sale when there are no available buyers.

It does no harm to give these additional facilities to the banks, and they will not be employed except to a small extent, and then only where really necessary.

It should be remembered that member banks, in making loans, can require adequate security which, even if not immediately salable, would have an assured value more than sufficient to protect such loans.

Under these conditions of available credit it should be obvious that the banks of the United States have no sound reason to deny credit to the industries and commerce of the country, since credit is readily available under this bill.

Moreover, it should be apparent that the banks of the country should recognize their duty to the American people of helping as speedily as possible to overcome the unreasoning fear which has been excited by the recent depression.

The gold above referred to does not include "earmarked" gold of European powers deposited for safekeeping in the reserve banks.

Moreover, there are in circulation $877,000,000 of gold certificates which could be easily absorbed by the Federal reserve banks within a few weeks by simply exchanging Federal reserve notes for such gold certificates as they pass over the counters of the Federal reserve banks.

Mr. BORAH. Mr. President, will the Senator from Texas yield to me while I ask the Senator from Virginia a question?

Mr. CONNALLY. I yield.

Mr. BORAH. I wanted to ask the Senator what the probabilities are that the principal measure involved in this amendment will be reported out? I understand it is now being considered by a committee.

Mr. GLASS. It will be considered by the general Committee on Banking and Currency and has precedence of all other measures on the calendar of that committee. It is a continuous order of the Banking and Currency Committee. I hope to have it on the floor of the Senate within 10 days or 2 weeks, if not earlier.

Mr. SHIPSTEAD. Mr. President, if the Senator from Texas will yield to me, I do not care whether this amendment is adopted as an amendment to the pending bill or to a bill that is to come in later; but there is one thing we are sure of, that the pending bill will pass and that there is a great deal of opposition to the other bill from the bankers of the country, and I doubt very much whether it has any chance of passing. For that reason I thought this amendment ought to ride through on the pending bill, because the banking interests of the country are for this bill.

Mr. GLASS. Mr. President, will the Senator from Texas yield to me?

Mr. CONNALLY. I yield.

Mr. GLASS. I will remind the Senator from Minnesota that there was a good deal of opposition on the part of the bankers to the original Federal reserve act, but it did pass. I am not willing to assume that the Congress of the United States is going to permit certain bankers of the country to draft legislation for it.

Mr. BORAH. Mr. President, I desire to say to the Senator from Minnesota that it occurs to me the amendment is more likely to go through as an amendment to the principal bill than as an amendment on the pending bill.

Mr. SHIPSTEAD. Mr. President, if I may have just one more minute——

Mr. CONNALLY. I hope the Senator will be brief.

Mr. SHIPSTEAD. I remember when the sponsors of the McNary-Haugen bill and the sponsors of the McFadden banking bill made a deal by which one group was to support the contentions of the other. That deal did not include the signing of the two bills by the President. The McFadden banking bill was signed, and the McNary-Haugen bill, the farm bill, was beaten.

Mr. CONNALLY. Mr. President, with respect to the amendment offered by the Senator from Wisconsin [Mr. BLAINE] and the remarks of the Senator from Minnesota [Mr. SHIPSTEAD], it seems to me that the Senator from Virginia [Mr. GLASS] and the Senator from Idaho [Mr. BORAH] have expressed the view which the Senate ought to adopt; that is, that within a very short time the proposition involved in the Senator's amendment will be brought before the Senate in a permanent piece of legislation. It will then have come here with the approval of the committee which has been considering the subject for a long time, it will be matured, and will be the result of real consideration.

We are in no frame of mind at the present moment to go beyond what is contained in the pending bill. Frankly, it is an emergency measure, it is intended to meet a temporary emergency in the business and financial affairs of the country, and I hope that the Senator from Wisconsin and the Senator from Minnesota will not delay the passage of this legislation by seeking to engraft upon it these provisions, which will be brought in, under the assurance of the Senator from Virginia, within a very short time and will be considered by the Senate.

Mr. BLAINE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BLAINE. I just wanted to call the Senator's attention to an inaccuracy in statement, which, of course, the Senator did not mean. The first section of the pending bill, and perhaps the most important section of the bill, which will furnish most of the extensions of credit, is a perma-

nent feature, and will be a continuing law. So that the emergency part of this bill is very inconsequential as compared with the permanent feature of the bill.

Mr. CONNALLY. I am aware of what the Senator suggests, that the first portion of the bill is going to be included in the permanent legislation proposed by the Senator from Virginia; but I do not see that that changes the situation.

Mr. President, I believe this bill offers more hope for the financial recovery of the country than any measure which has been considered by the Senate at this session, and it ought to be passed as speedily as is consistent with proper consideration by this body.

I want to suggest that the thanks of the country are due to the Senator from Virginia [Mr. GLASS] for his authorship of this measure and for his lucid and forceful exposition of its provisions before the Senate. No man in the country has a broader or more fundamental grasp of financial legislation than the distinguished and able Senator from Virginia. The Senate understands the measure now before it. Senators know what it provides. I want to urge that we enact it before we conclude our deliberations to-night.

Mr. President, it is said that the bill will provide inflation. That is one of the reasons why I favor it. In no true sense are we presented with inflation when we are undertaking to secure restoration from a deflation. We have had deflation throughout the United States, deflation not alone of money in circulation but deflation of credits. It would be more proper to say that the bill provides an antidote for the deflation under which we have been suffering. Frankly, that is one of the reasons why I favor the bill before the Senate. According to my view, the effect of the legislation, if properly availed of by the banks, will have a tendency to and will no doubt result in increasing commodity prices. These are results which I am sure all of us are anxious to see accomplished.

In the course of the debate it has been said that the banks have been guilty of hoarding. That statement is no doubt true, and yet it need not necessarily follow that the banks have been wilful or that they have acted through improper motives in hoarding their resources. All of us know that the banks have been suffering from panic. They have been shell shocked, as it were, by fear, fear of their depositors withdrawing their balances, fear that if they loaned their available resources in the form of cash they would not be able to replenish those resources of cash from the Federal reserve bank. They have been tight even with their eligible paper for fear they would need it at some future time and would not have it readily at hand.

So, Mr. President, what has happened has been that not only individuals have withdrawn their money from the banks, but the banks themselves in all parts of the country have enforced collections, have enforced distressed collections when they should not have been enforced. They have refused to make loans when they should have made loans. They have refused to avail themselves of the facilities of the Federal reserve banks when those banks have had the resources with which they could have responded by the issuance of additional currency in the form of Federal reserve notes.

We have been told by the Senator from Virginia that at the present time there is in the banks of the United States $8,500,000,000 in eligible commercial paper and that only a very small portion of that amount has been hypothecated at the Federal reserve banks and loans made thereon. The Senator from Virginia told us that it will be possible under the provisions of this bill to increase the actual circulation of currency—not credit, but money—to the extent of $1,500,000,000.

Mr. President, we have already expanded credit through the Reconstruction Finance Corporation, but more important than the expansion of credit is the expansion of the volume of money in circulation. All of us know that the volume of money in circulation is the barometer which measures the prices of commodities. All of us know that to-day that money is too high, gold is too dear, and the result is that commerce and business are suffering from the fact that the country is not supplied with even a normal amount of currency.

What have the banks been doing? I read from a letter received yesterday from a prominent citizen of my State who is a student of these matters:

> I learned of one country bank this morning which has $20,000 more cash and Liberty bonds than its entire deposits. I learned of another in the same town that lacks only $20,000 of having enough cash and Liberty Bonds to retire its deposits. At the same time in that same town a man was forced to sell some eight head of cattle in order to pay a $75 loan from one of these banks. I know of another case where a banker, who has probably 70 per cent of his deposits in cash, is unduly frightened by reason of the failure of some banks in that same county.
>
> A great many small banks have from 50 to 100 per cent cash or its equivalent to take care of their depositors and these banks will not loan a dollar to anybody.

We can not blame entirely the banks for this condition. Some of them were not as conservative as they probably ought to have been. I have in mind one in which I was a stockholder. It is now closed, and, of course, the holdings of the stockholders have been wiped out. A run forced it to the wall. Every other bank in that whole section of the country, alarmed by the run on the bank which failed and closed, tightened up its vaults, tightened up its credit facilities, and refused to extend loans even where they were able to do so.

In the section from which I come, I believe I am safe in saying that the banks as a whole are to-day in a more liquid condition than they have been for years. One banker told me, "I have in my own vaults within $20,000 of sufficient cash to pay all of my deposits." He is a very conservative and very safe banker. Why did he hold this much cash? Because he was afraid that unless he had that cash in his vaults he would not be able to carry on his normal banking business.

Mr. President, we have also been told by the distinguished Senator from Virginia [Mr. GLASS] that through the third section of the bill what is known as free gold in the Federal reserve banks will be utilized, if it is necessary to utilize it, so that there will be no danger from any prospective withdrawals of gold by foreign governments, and that that gold will then be utilized as the reserve required by law against issues of Federal reserve notes.

This bill, in my view, will accomplish more toward restoration of economic conditions than any single measure or, indeed, all of the measures along this line which Congress has passed. The Reconstruction Finance Corporation loans will probably go largely to the great railroads, the great insurance companies, and a few large banks; but under this measure facilities are provided whereby any bank anywhere in a solvent condition, with sound paper, even though it may not be eligible for rediscount under the existing law, may secure enlarged credit and if necessary a greater volume of currency or cash. It will relieve the banks of the country of the fear from which they have been suffering. It will make it possible for every small business man, small tradesman, anyone who is entitled to credit and who has any assets of real value, to secure the necessary credit with which to transact his normal business and to conduct his normal operations.

Mr. President, in conclusion I again express my gratitude to the Senator from Virginia [Mr. GLASS] for bringing forth this legislation at this time. It is intended to provide for an emergency. The emergency is here in all of its depressing effect. I trust that Senators will not urge amendments which could more properly be considered on the bill which the Senator from Virginia will shortly report to the Senate for permanent operation. I trust that we may give the country this real constructive piece of legislation without further delay. It is really the only true ray of hopeful light that I have seen in all the legislation which has heretofore been considered by the Senate at this session.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Wisconsin [Mr. BLAINE].

Mr. BLAINE. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. JONES (when his name was called). The senior Senator from Virginia [Mr. SWANSON] is necessarily absent. I have a pair with him, but I understand that if present he would vote as I shall vote, so I feel free to vote. I vote "nay."

Mr. BLAINE (when Mr. LA FOLLETTE's name was called). My colleague the senior Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably absent. I have been unable to obtain a pair for him. I am authorized to announce that if he were present and voting he would vote "yea."

Mr. THOMAS of Oklahoma (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. GLENN]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. BROOKHART (after having voted in the affirmative). I have a pair with the Senator from Montana [Mr. WALSH]. I transfer that pair to the Senator from Wisconsin [Mr. LA FOLLETTE], and will let my vote stand.

Mr. LOGAN (after having voted in the affirmative). I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent, and therefore I withdraw my vote.

Mr. KING (after having voted in the affirmative). I heretofore have voted, voting in the affirmative. I am now advised that I am paired for the day with the senior Senator from Delaware [Mr. HASTINGS]. I understand that if he were present he would vote "nay." I am therefore compelled to withdraw my vote.

Mr. THOMAS of Idaho (after having voted in the negative). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. I inquire if that Senator has voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. THOMAS of Idaho. Not knowing how he would vote, I withdraw my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from California [Mr. SHORTRIDGE] with the Senator fom Louisiana [Mr. LONG];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from New Mexico [Mr. BRATTON];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Kentucky [Mr. BARKLEY];

The Senator from Nebraska [Mr. HOWELL] with the Senator from Georgia [Mr. HARRIS];

The Senator from South Dakota [Mr. NORBECK] with the Senator from Massachusetts [Mr. WALSH]; and

The Senator from Maine [Mr. WHITE] with the Senator from Nevada [Mr. PITTMAN].

Mr. HARRISON. I wish to announce that my colleague the junior Senator from Mississippi [Mr. STEPHENS] is necessarily out of the city. If present, he would vote "nay."

Mr. SHEPPARD. I have been requested to announce that the Senator from Nevada [Mr. PITTMAN] and the Senator from Massachusetts [Mr. WALSH] are necessarily out of the city.

I also wish to announce that the senior Senator from Wyoming [Mr. KENDRICK] is detained by illness, and that the senior Senator from New Mexico [Mr. BRATTON] is necessarily detained from the Senate on official business.

The result was announced—yeas 18, nays 52, as follows:

YEAS—18

Black	Cutting	Johnson	Nye
Blaine	Dill	McGill	Sheppard
Brookhart	Fletcher	McKellar	Shipstead
Bulow	Frazier	Neely	
Costigan	George	Norris	

NAYS—52

Ashurst	Borah	Carey	Dickinson
Austin	Broussard	Connally	Fess
Bailey	Bulkley	Coolidge	Glass
Bankhead	Byrnes	Copeland	Goldsborough
Barbour	Capper	Couzens	Gore
Bingham	Caraway	Dale	Hale
Harrison	Keyes	Reed	Townsend
Hatfield	McNary	Robinson, Ark.	Trammell
Hawes	Metcalf	Robinson, Ind.	Tydings
Hayden	Morrison	Schall	Vandenberg
Hull	Moses	Smith	Wagner
Jones	Oddie	Smoot	Walcott
Kean	Patterson	Steiwer	Watson

NOT VOTING—26

Barkley	Howell	Norbeck	Walsh, Mass.
Bratton	Kendrick	Pittman	Walsh, Mont.
Davis	King	Shortridge	Waterman
Glenn	La Follette	Stephens	Wheeler
Harris	Lewis	Swanson	White
Hastings	Logan	Thomas, Idaho	
Hebert	Long	Thomas, Okla.	

So Mr. BLAINE's amendment was rejected.

Mr. BARKLEY subsequently said: I wish to say that at the time of the roll call on the amendment of the Senator from Wisconsin [Mr. BLAINE] I was called from the Chamber temporarily and was unable to make an announcement. I have a general pair with the senior Senator from Colorado [Mr. WATERMAN]. If at the time the roll was called on that amendment I had been present and permitted to vote, I should have voted "nay."

Mr. MORRISON. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 4, line 2, after the word "bank," it is proposed to insert the following proviso:

Provided, That advances so made to a member bank having a capital of over $2,000,000 shall not exceed 5 per cent of its total deposits.

And on page 4, line 3, after the word "*Provided*," to insert the word "*further*."

Mr. MORRISON. Mr. President, the purpose of the amendment is this: Under the bill reported by the committee as amended on the floor there will be some banks with a capital of over $2,000,000 which will not be able to enjoy the full provisions of the bill. I do not think that, however large or however small, any member bank of the Federal reserve system ought to be excluded from its provisions, and yet in the case of the large banks it seems to me there should be some limitation. Therefore this amendment seeks to provide that banks with over $2,000,000 capital may enjoy the provisions of this proposed law to the extent of 5 per cent of their total deposits.

It seems to me that this amendment ought to be adopted, because I do not think it is right to exclude the larger banks from the benefits of the proposed act merely on account of their size on any assumption that they might abuse it; and yet I think the limitation will guard against the fear that they might, on account of their size, abuse its provisions. Therefore it seems to me to adopt the amendment with the limitation suggested would be just and fair to the large banks.

Mr. GLASS. Mr. President, I merely desire to say, in a word, that the amendment would enable some of the banks of the country to borrow as much as $65,000,000 from the Federal reserve banks; and if the provision of the bill to which the amendment applies was intended for the small banks, it would be disastrous to adopt this particular amendment. When we shall have gotten the bill into conference, if the $2,000,000 provision needs to be liberalized, there we may do it.

Mr. KEAN. Mr. President, it seems to me that the amendment offered by the Senator from North Carolina should be adopted, because all it does is to provide that banks may obtain some of the money which they have already deposited with the Federal reserve banks. It seems to me if one gentleman deposits $70 with another it is reasonable that he should at least receive $50 back. If the Senator from Virginia had some gold and would deposit that gold with me, I would be very glad to give him back $50 for every $70 he deposited. The member banks deposit 7 per cent of their deposits with the Federal reserve banks, which is the basis on which the Federal reserve banks live. It is a reasonable proposition, it seems, that they should be able to borrow at least 5 per cent of the amount so deposited.

Mr. GLASS. Mr. President, bankers of the description indicated can very easily get in under the group provision of this bill and not appropriate all the assets afforded to the smaller banks under the second provision of the bill. I hope the amendment will not be agreed to.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from North Carolina. [Putting the question.]

Mr. MORRISON. I ask for a division.

On a division, the amendment was rejected.

The PRESIDENT pro tempore. The bill is before the Senate on its second reading and open to further amendment.

Mr. SHIPSTEAD. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following as a new section:

Sec. 4. The seventh paragraph of section 13 of the Federal reserve act, as amended, is amended to read as follows:

"Any Federal reserve bank may make advances to its member banks on their promissory notes for a period not exceeding 15 days at rates to be established by such Federal reserve banks, subject to the review and determination of the Federal Reserve Board, provided such promissory notes are secured by such first liens upon improved real estate, including improved farm lands, as are provided for in section 24 of this act, or by such notes, drafts, bills of exchange, or bankers' acceptances as are eligible for rediscount or for purchase by Federal reserve banks under the provisions of this act or by the deposit or pledge of bonds or notes of the United States."

Mr. SHIPSTEAD. Mr. President, let me in a few words explain the effect of the amendment. When the Federal reserve banking act was passed provision was made for national banks to make loans unon first liens on real estate including farm-land property. At that time I did not believe, and I do not now believe, that banks should tie up depositors' funds in long-term paper, but under the provisions of the law they have done so. The effect of this amendment will be to give that paper the privilege of being eligible for rediscount under the 15-day provision of the Federal reserve act. I think it would be helpful to a great many small banks in the various parts of the country which have taken advantage, if there is advantage, of loaning money on improved farm-land property and which now hold such paper, but in case of emergency can not use it with which to obtain money in the event there is a run upon the bank. Certainly such paper is as good as 90 per cent of the paper that is held by the banks of the country. Adoption of the amendment will give such farm paper the status for rediscount that it was given under the Federal reserve banking act, and would give it this eligible status along with other paper having the same privilege. I ask for the yeas and nays on the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Minnesota on which the yeas and nays are demanded. Is there a second?

The yeas and nays were not ordered.

The amendment was rejected.

The PRESIDENT pro tempore. The bill is before the Senate and open to amendment.

Mr. GLASS. Mr. President, in making amendments as to the time limit I overlooked one provision of the bill.

On page 5, line 14, beginning with the word "At," I move to strike out through the word "Act," in line 15, and insert "On March 3, 1933."

That is just in line with a few other amendments.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Virginia.

Mr. THOMAS of Oklahoma. Mr. President, on yesterday I offered an amendment striking out the 1-year limitation. Instead of calling up that amendment later, I now move to amend the amendment of the Senator from Virginia by striking out the figures "1933" and inserting the figures "1934," which will have the effect of extending the limitation to two years instead of to one year.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Oklahoma to the amendment proposed by the Senator from Virginia.

Mr. THOMAS of Oklahoma. On that question I should like to have a record vote.

The PRESIDENT pro tempore. On that question the yeas and nays are demanded. Is the demand seconded?

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROOKHART (when his name was called). I have a pair with the senior Senator from Montana [Mr. WALSH]. Not knowing how he would vote, I withhold my vote. If I were at liberty to vote, I should vote "yea."

Mr. JONES (when his name was called). Announcing my pair as heretofore, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. KING (when his name was called). I have a general pair with the senior Senator from Delaware [Mr. HASTINGS]. I understand that if he were present he would vote as I intend to vote. I therefore feel at liberty to vote and vote "nay."

Mr. ROBINSON of Arkansas. Mr. President, may I be pardoned for interrupting the roll call to say that I understand there is a misunderstanding about the amendment that is being voted upon.

The PRESIDENT pro tempore. The Chair will state that the question is on agreeing to the amendment offered by the Senator from Oklahoma to the amendment of the Senator from Virginia. The Senator from Virginia moved to insert the 3d of March, 1933, as the time of expiration of the operation of this section; and the Senator from Oklahoma moved to amend that amendment by making it the 3d of March, 1934. That is the question that is being voted on.

Mr. ROBINSON of Arkansas. The question, then, is on the amendment of the Senator from Oklahoma?

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Oklahoma to the amendment proposed by the Senator from Virginia.

The Chief Clerk resumed the calling of the roll.

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS]. I am advised, however, that if he were present he would vote as I intend to vote. I therefore am at liberty to vote and vote "yea."

Mr. ODDIE (when his name was called). On this question I have a pair with my colleague [Mr. PITTMAN]. If he were present I understand that he would vote "nay." If I were at liberty to vote, I should vote "yea."

Mr. THOMAS of Idaho (when his name was called). On this question I have a pair with the junior Senator from Montana [Mr. WHEELER]. Not knowing how he would vote, I withhold my vote. If I were at liberty to vote, I should vote "yea."

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a general pair with the senior Senator from Illinois [Mr. GLENN]. Not knowing how he would vote, I shall have to withhold my vote. If at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. BARKLEY. I have a general pair with the senior Senator from Colorado [Mr. WATERMAN]. I do not know how he would vote if present, and therefore I am compelled to withhold my vote. If at liberty to vote, I should vote "yea."

Mr. SHEPPARD. I wish to announce that the senior Senator from New Mexico [Mr. BRATTON] is necessarily detained from the Senate on official business. I wish also to announce that the senior Senator from Alabama [Mr. BLACK] is necessarily detained from the Senate on official business.

Mr. FESS. I desire to announce the following general pairs:

The Senator from California [Mr. SHORTRIDGE] with the Senator from Louisiana [Mr. LONG];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from New Mexico [Mr. BRATTON];

The Senator from Nebraska [Mr. HOWELL] with the Senator from Georgia [Mr. HARRIS]; and

The Senator from South Dakota [Mr. NORBECK] with the Senator from Massachusetts [Mr. WALSH].

The result was announced—yeas 46, nays 18, as follows:

YEAS—46

Austin	Costigan	Hayden	Robinson, Ind.
Bankhead	Couzens	Kean	Schall
Barbour	Dale	Logan	Sheppard
Bingham	Dickinson	McGill	Smith
Borah	Dill	McNary	Smoot
Broussard	Fess	Metcalf	Steiwer
Bulow	Frazier	Morrison	Trammell
Capper	George	Neely	Vandenberg
Caraway	Goldsborough	Norris	Wagner
Carey	Hale	Nye	White
Connally	Hatfield	Patterson	
Copeland	Hawes	Reed	

NAYS—18

Bailey	Cutting	Keyes	Townsend
Blaine	Fletcher	King	Tydings
Bulkley	Glass	McKellar	Walcott
Byrnes	Gore	Moses	
Coolidge	Hull	Robinson, Ark.	

NOT VOTING—32

Ashurst	Harrison	Lewis	Swanson
Barkley	Hastings	Long	Thomas, Idaho
Black	Hebert	Norbeck	Thomas, Okla.
Bratton	Howell	Oddie	Walsh, Mass.
Brookhart	Johnson	Pittman	Walsh, Mont.
Davis	Jones	Shipstead	Waterman
Glenn	Kendrick	Shortridge	Watson
Harris	La Follette	Stephens	Wheeler

So the amendment of Mr. THOMAS of Oklahoma to Mr. GLASS's amendment was agreed to.

The PRESIDENT pro tempore. The question now is on agreeing to the amendment of the Senator from Virginia [Mr. GLASS], as amended.

The amendment, as amended, was agreed to.

Mr. GLASS. Mr. President, I do not know whether I should felicitate the Senate on the fact that it has adopted the psychology of the distinguished Secretary of the Treasury, who thinks that this emergency is going to continue for two years rather than one.

The PRESIDENT pro tempore. The question is, Shall the bill be engrossed and read a third time?

Mr. HATFIELD. Mr. President, from the tone of the letters I have received in my office I am convinced that no piece of legislation we have considered at this session will do more good and be more satisfying to the banking institutions of this country than this one, but I especially have in mind those located in the State of West Virginia.

Mr. President, I send to the desk a little memorandum which I ask unanimous consent to have incorporated in my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BLAINE. Mr. President, whose remarks are they?

Mr. HATFIELD. Mine. They are simply a description of the bill.

Mr. BLAINE. Mr. President, I understand that it has been the universal rule——

Mr. HATFIELD. I shall be very glad to read them into the RECORD.

Mr. BLAINE. I do not like to object, but I think it would be a bad practice to change the rule that has heretofore existed.

Mr. HATFIELD. As I say, I shall be very pleased to read them into the RECORD.

Mr. ROBINSON of Arkansas. Please spare us that. Let them go into the RECORD.

Mr. REED. Mr. President, I ask unanimous consent that there may be embodied in the RECORD at this point the remarks of the Senator from West Virginia.

Mr. HATFIELD. They are not remarks. They are simply a description of the bill, portraying what it will accomplish; that is all.

Mr. REED. That is what I mean.

The PRESIDENT pro tempore. The Chair understood the original request of the Senator from West Virginia to have been substantially that which is made in the course of the delivery of any speech during debate. That is to say, coming to a certain set of tables which a Senator has prepared, or coming to a synopsis of some article, or to some measure which the Senator himself has prepared, he asks to have it inserted in his remarks without reading. Under that situation, the Chair is of the opinion that it is quite in order for the request of the Senator from West Virginia to be granted.

Mr. BLAINE. Mr. President, I have no desire to make myself a nuisance; but I would rather be a nuisance than to create a situation and set a precedent under which Members of the Senate may make up a statement or argument as to the reasons why something should or should not be done and have it inserted in the RECORD.

Mr. HATFIELD. This is only a few pages, Mr. President.

Mr. BLAINE. If I may complete my statement, that is equivalent to making a speech. I think we ought to have the speech delivered in person. I know that I have enjoyed very much the remarks heretofore made by the Senator.

The PRESIDENT pro tempore. The Senator from West Virginia will proceed.

Mr. REED. Mr. President, what happened to my request?

Mr. ROBINSON of Arkansas. Mr. President, what is the regular order?

The PRESIDENT pro tempore. It is in order for the Senator from West Virginia to proceed, as the Senator from Wisconsin has objected to the unanimous-consent request.

Mr. ROBINSON of Arkansas. The Senator from Wisconsin objected because of the unwritten rule of the Senate that no Senator shall extend his remarks in the RECORD.

The Senator from Pennsylvania asks unanimous consent for the printing of the statement, and it is in order to submit that request.

The PRESIDENT pro tempore. The Chair understood the Senator from Wisconsin to have objected to that.

Mr. ROBINSON of Arkansas. I think not.

Mr. BLAINE. Mr. President, I assumed the request of the Senator from Pennsylvania was analogous to the request of the Senator from West Virginia.

Mr. ROBINSON of Arkansas. May I say to the Senator from Wisconsin that the rule never has been construed as extending to a request by one Senator for the incorporation of the remarks of another Senator? Every day that is done under the practice prevailing in the Senate.

Mr. HATFIELD. This is not a speech.

Mr. ROBINSON of Arkansas. The Senator could have read his remarks, however, within the time that has been taken in discussing the objection.

Mr. BLAINE. Mr. President, I am not going to object unless I am clearly within the general rule. If the speech the Senator has is one which he has heretofore delivered——

Mr. HATFIELD. It is not a speech.

Mr. BLAINE. I have no objection to the request of the Senator from Pennsylvania.

The PRESIDENT pro tempore. Does the Chair understand the Senator from Wisconsin to have withdrawn his objection?

Mr. BLAINE. I simply want my objection entered to the proposition that there may be an extension of remarks.

Mr. HATFIELD. It is not an extension of remarks.

Mr. REED. May the request be stated?

The PRESIDENT pro tempore. The Senator from Pennsylvania asks unanimous consent that the analysis of the bill prepared by the Senator from West Virginia shall be incorporated in the RECORD in connection with the remarks which the Senator from West Virginia has already made. Is there objection?

Mr. DILL. I object.

Mr. HATFIELD. Mr. President, what are the conditions under which a bank may obtain an advance or credit from the Federal reserve bank of its district under the Glass bill?

The following conditions must be met by a bank in order to obtain a loan under this bill:

First. It must be a member of the Federal reserve system.

Second. It must have no eligible or acceptable assets which could be rediscounted at the Federal reserve bank unless they become members of a group.

Third. It must associate itself with four other banks.

Fourth. The other banks must agree to be liable for the loan in proportion as their deposits bear to the aggregate deposits of the group.

Fifth. A suitable trustee must be appointed for the entire group.

Sixth. Each bank in the group must give its individual note to the trustee.

Seventh. An amount of collateral security must be tendered to adequately secure the note.

Eighth. Approval of six members of the Federal Reserve Board of Washington must be obtained.

Ninth. The board of directors of the Federal reserve bank district must also agree upon the amount of the loan.

Tenth. The note must be in the form of a time or demand promissory note.

Eleventh. The five banks in the group must be independently owned and independently controlled banks.

Twelfth. The banks securing the loan must pay interest of at least 1 per cent above the discount rate of the Federal reserve district.

Thirteenth. No obligations of any foreign government, individual, partnership, association, or corporation organized under the laws thereof shall be eligible as collateral security for advances under this section.

Fourteenth. A promissory note given by the group of five banks for a loan can not be used as collateral security for Federal reserve notes.

The second feature of the Glass bill is somewhat similar in its provisions to the first, but it deals with smaller banks.

It provides that any member bank having a capital of $2,000,000 or less may obtain credit from the Federal reserve bank of its district, providing it has no eligible assets, under present regulations.

The promissory note of the bank will be taken providing it has an adequate security, and the note shall bear interest at least 1 per cent above the discount rate in effect in the district.

It appears that a small bank, no matter how small its capital may be, can borrow under provisions of this section if it has some assets which are acceptable to the Federal Reserve Board for this emergency period of one year. From the language of this section this extension of credit to small banks will continue until March 3, 1933, after the approval of the act.

The third big feature of the act is to permit the acceptance by the Federal Reserve Board of obligations of the United States, such as all forms of loan and bond issues sold by the Treasury, and of course, coming under this classification is the large number of Liberty loan bonds issued during the war, although some of them have been replaced by other forms of bonds at a lower rate of interest than the original bonds carried, and thus free a corresponding supply of gold which then becomes free gold.

In other words, the obligations of the United States are accepted in an indirect manner by the Federal reserve system. For example: A customer of a bank may obtain a loan of $10,000 by offering as security the same amount in Liberty loan bonds to a member bank with which he deals, and this member bank may present the note, providing it is prime commercial paper, to the Federal reserve bank of the district and obtain credit.

In the present bill an individual holding Government bonds can negotiate a loan through the Federal reserve system by securing credit at one of the member banks. Under section 3, however, the customer's bank may present the obligation of the United States directly to the Federal reserve bank of the district and obtain credit or cash, or use these obligations with 40 per cent in gold for an issue of Federal reserve currency.

Heretofore Federal reserve notes were based upon short time commercial paper (three months) and agricultural paper (nine months) and 40 per cent of the amount was in gold. Due to the absence of prime commercial paper during this depression, the member banks, instead of bringing to the Federal reserve bank 60 per cent in paper and 40 per cent in gold, have been bringing about 25 per cent in commercial paper and 75 per cent in gold. This, of course, ties up a large amount of the gold of the country, and it is to release this excess, sometimes called "free gold," that the last provision of the act is drawn.

In other words, the banks will then be able to bring to the Federal reserve bank, as security for an issue of Federal reserve notes, 40 per cent in gold and the balance, 60 per cent, to be a mixture, if they so desire, of commercial paper and obligations of the United States.

Never have the obligations of the United States been used as security for the issuance of Federal reserve notes. And while it may result in a mild inflation, its principal object is to release all of the gold over the 40 per cent for the issuance of the Federal reserve notes.

This released gold will in turn serve as credit or as an additional basis for another issue of Federal reserve notes if required.

France has approximately $450,000,000 in gold earmarked and $200,000,000 not earmarked in the New York banks. It is conjectured in some quarters that France is using this as a whip to affect the attitude of this Nation with respect to reparations and her indebtedness to the United States.

So to free ourselves of this gold without inconveniencing the credit system in New York, it is proposed to substitute for France's gold a large amount of the gold in the Federal reserve banks, and when this gold is withdrawn from the Federal reserve banks, there will in turn be substituted direct obligations of the United States.

In other words, there is more gold in the Federal reserve vaults as security for the currency issued by them than is necessary, and if for some of this gold we could substitute the obligations of the United States we would release this "free gold," thereby increase the credits and stabilize by our own credit and make ourselves independent of French gold in the banking system of the country.

I am very sorry, Mr. President, to have detained the Senate so long, but knowing the situation that exists in my State and in other sections of the country with which I am familiar, I am quite sure that each and every banker would like to know and to have at least a superficial interpretation of the bill that is soon to pass.

The PRESIDENT pro tempore. The question is, Shall the bill be engrossed and read a third time?

Mr. THOMAS of Oklahoma. Mr. President, a few moments ago an amendment was adopted at one particular point changing the year from 1933 to 1934. I understood that the original amendment proposed to change each designation through the bill. If that is not true, I desire to ask unanimous consent that where the year 1933 is mentioned it be changed, in conformity with the amendment, to 1934.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request?

Mr. GLASS. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. THOMAS of Oklahoma. Then, Mr. President, I desire to offer an amendment.

Mr. GLASS. To save time, I withdraw my objection.

Mr. BORAH. Mr. President, I have no intention of delaying the Senate. I should like to say, however, before I cast my vote, that I should be very glad to vote for this bill if it were confined to section 1 of the bill. I am unable to bring myself to believe that I should vote for sections 2 and 3, particularly section 3. I had intended to state at length my objection, particularly to the proviso in section 3, but it would serve no good purpose at this time to do so. I regard the proviso in section 3 as unnecessary and unsound. In addition it is a badge of fright, a sorry confession of weakness which this Government and this Nation ought not to make. It will be so interpreted abroad and

do more harm than good. Had I time I would submit my views more at length.

The PRESIDENT pro tempore. The question is, Shall the bill be engrossed and read a third time?

The bill was ordered to be engrossed and to be read a third time. The bill was read the third time.

The PRESIDENT pro tempore. This bill having been read three several times, the question is, Shall the bill pass?

Mr. FRAZIER. Mr. President, I want to explain my stand on the pending bill.

This is a bankers' bill. It is to give more power to the Federal Reserve Board. I am frank to say that, in my opinion, the Federal Reserve Board as it now functions, and as it has functioned for the last 10 or 12 years, has too much power under the present law.

Some of the proponents of the pending bill have stated that the bill is not for inflation; other proponents of the bill have stated that it means inflation. Some are going to vote for it because it does not mean inflation; some are going to vote for it because it means inflation. It is evident that the bill is going to pass, because Senators are going to vote for it regardless of what it means.

Mr. President, I think it is generally conceded that the Federal Reserve Board, under the present law, was responsible for the inflation of the currency during war time. That inflation was probably necessary. I believe it is also conceded that the Federal Reserve Board was responsible for the deflation which took place starting in 1920, which resulted in the breaking of literally hundreds of thousands of farmers throughout the United States.

I believe, too, that it is generally conceded that the Federal Reserve Board was responsible for the so-called stock and bond inflation, which culminated in 1929, which broke a great many more people. There is no question in my mind, and I do not think there is a question in the mind of any Senator on this floor, but that the Federal Reserve Board could have stopped that inflation on the stock and bond market in New York at any time; but they did not do it, and now in this bill we are asked to give the Federal Reserve Board more power, more power to a board, Mr. President, which has been more largely responsible for the present depressed conditions than all other factors put together.

In my estimation, this inflation starts at the wrong end entirely. Something must be done to restore the purchasing power of the farmer. Something must be done to restore the purchasing power of those who are unemployed by the millions to-day. That is what is going to bring about better times and not a bill of this kind, which will bring about an inflation of stocks and bonds.

Mr. President, when this bill was first mentioned in the newspapers a few days ago what was the result? Stocks and bonds on the New York market advanced immediately. It was conservatively estimated that the advance amounted to $5,000,000,000 within two or three days. Then they dropped back a little; why? Evidently some one here in Washington, or possibly in New York, gave out the word that they had better keep quiet a little while and not go quite so fast, but wait until the bill was passed before they boosted the stocks. The banks that have been talked about in the last few days are all loaded with stocks and bonds. They are carrying them at their purchase value instead of the real market value. If the bill is passed it will boost those stocks so that the banks can get out from under and unload those stocks and bonds at better prices and not lose so much money. Yes, Mr. President; it is a banker's bill. If that is what Senators want they should vote for it, of course, but in my estimation it will do the farmers no good. It will not prevent another orgy of stock gambling such as we have had during the past few years.

I have a bill pending before the Committee on Agriculture and Forestry, Senate bill 1197, which will provide for putting into circulation a great deal of money through the medium of making loans to the farmers on real estate to enable them to liquidate their debts. I believe that bill is much more important than the one now before us, because it would bring more currency into circulation, starting with the farmers who need the money. It would accomplish more in that respect than the pending bill will. In fact, from the amendments which have been rejected here, it seems to me very doubtful whether or not this bill will be of any benefit to the farmers. It will not be of benefit to the rank and file of the people of the United States. I agree it will probably be of benefit to some of the big bankers.

Mr. GLASS. I move that the Senate proceed to the consideration of the bill (H. R. 9203) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. GLASS. I move to strike out all after the enacting clause of the House bill now pending and to insert the text of Senate bill 3616, as amended by the Senate.

The motion was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. GLASS. Mr. President, I move that the Senate insist upon its amendment, ask for a conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed as conferees on the part of the Senate Mr. WALCOTT, Mr. TOWNSEND, and Mr. GLASS.

EXERCISES ON WASHINGTON'S BIRTHDAY

Mr. WATSON. Mr. President, Monday being Washington's birthday, according to previous arrangements the Members of the Senate and the Members of the House are to meet in the Hall of the House of Representatives at 11.45 o'clock a. m. for the purpose of hearing an address by the President of the United States and such other exercises as may take place. Therefore, it is desirable that the Senate shall adjourn until Monday at 11.15 a. m. to proceed from here to the Hall of the House of Representatives. After the exercises shall have been concluded in the House the Senate will not return to its own Chamber, but may go home from the House of Representatives. The Farewell Address of George Washington is to be read in the Senate Tuesday at noon by the senior Senator from Montana [Mr. WALSH.] It is to be hoped that all Senators will be present Monday morning for the purpose of attending in a body the exercises in the Hall of the House of Representatives.

Mr. REED. Mr. President, may I inquire of the Senator from Indiana what will be our status after the exercises on Monday?

The PRESIDENT pro tempore. The Chair has understood that unanimous consent is to be requested that when the Senate concludes its business to-day it adjourn until Monday at 11.15 o'clock a. m., and that at the conclusion of the joint session in the Hall of the House of Representatives on Monday the Senate will stand in adjournment until 12 o'clock on Tuesday.

Mr. McNARY. I now submit the unanimous consent agreement just stated by the Chair.

The PRESIDENT pro tempore. Is there objection to the unanimous consent agreement proposed by the Senator from Oregon? The Chair hears none, and it is so ordered.

SAFEGUARDING DEPOSITORS IN THE BANKING SYSTEM

Mr. FLETCHER. Mr. President, for some time I have been devoting considerable effort and study to the question of securing and safeguarding depositors in the banks of the country. I have prepared a rough draft of a bill looking to the protection of depositors in banks, restoring confidence, and giving all security. I referred that rough draft to the Hon. Robert L. Owen, formerly a Senator from the State of Oklahoma, for his opinion, because I know that he has kept in touch with public affairs, although he retired from the Senate voluntarily some years ago. At that time he was chairman of the Committee on Banking and Currency. He

is well informed on this subject. He has replied by letter to me, and I ask that his reply may be inserted in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

WASHINGTON, D. C., *February 18, 1932.*

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I thank you for a copy of your proposed bill for the safeguarding of the depositors in our banking system.

It will give me great pleasure to carefully examine the proposed measure and to make such suggestions as may occur to me as of interest.

The effect of this present collapse could have been and would have been obviated in large measure if there had been a nation-wide adequate insurance or guaranty of bank deposits.

The lack of this protection explains the withdrawal of money from the banks for hoarding, which is estimated at a minimum of $1,500,000,000. It probably is much larger, for out of our total of cash—$5,500,000,000—the member banks hold in the vaults less than $1,000,000,000, while everybody knows that currency is being hoarded on a colossal scale. I believe that more than half of the money in the hands of the people is hoarded; that is to say, over $2,000,000,000.

This is due to the fear of depositors of the safety of the bank deposits. There is further evidence of this in the nearly $400,000,000 of increase in the postal savings and over $1,000,000,000 increase in the deposits of mutual savings banks where the deposits are believed safe during 1930 and 1931.

The withdrawal of money for hoarding has alarmed the banks of the country, for they have less than $1,000,000,000 of cash in their vaults; and while there are liquid resources, so called, in the form of reserves in the reserve banks, United States bonds, and other quick assets, amounting to a huge sum, the banks, nevertheless, are, themselves, hoarding currency and refusing credit which normally they would be glad to furnish.

There are probably 35,000,000 depositors who need protection, who are entitled to protection, and whose protection by the banking system would be serviceable not only to the depositors and to the banks but, if adequately insured or guaranteed, would be a guaranty of stability to the business of the country. It would be a guaranty of stability to both the producer and consumer, and it would establish and maintain at a stable level the productive energies of the Nation. It would safeguard the manufacturers, the merchants, the railroads, the utilities, and every line of human endeavor down to the daily laborer. It would establish and maintain prosperity and a high standard of living.

PRINCIPLES OF INSURANCE

We insure human life on the basis of risk, based upon reports of actuaries, and the life-insurance companies have grown to gigantic figures of enormous value to the American people.

The same thing is true of fire insurance.

The actual loss of the national banks as registered by the Comptroller of the Currency (p. 35, last annual report) shows that only $55,000,000 have been lost to the depositors of the banks which have been liquidated up to this time, and the national banks have handled over four hundred billions of deposits during 66 years. The ascertained or estimated loss is less than one-sixtieth part of 1 per cent of annual average deposits. The banks could tax themselves a fraction of 1 per cent and absolutely safeguard every bank deposit.

I remind you, Senator, that the Federal reserve banks have paid the United States $167,000,000 franchise tax. They have paid their stockholders about $100,000,000. They have added to their reserves in profits over $250,000,000. Over $500,000,000 of profits, a fraction of these earnings, would be sufficient to make a dependable guaranty of every bank deposit.

The great number of bank failures during the last two years show that 86½ per cent are small banks, and even these bank failures are really all due directly or indirectly to the stock-market crash, which ought never to have occurred.

Assuredly, in the future this country can be protected against a repetition of the experience of 1929, just as foreign countries protect themselves against such experiences.

I set this matter up quite fully on February 25, 1908, in the Senate, and there I advocated making the guaranty bank deposits a part of the banking system and the credit destabilization due to stock-market gambling to which I respectfully call your attention.

The objection you will meet to the guaranty of bank deposits will be the unfounded theory that it would be too expensive.

My answer is it would be greatly profitable, would add billions to the deposits and to the earnings of the banks.

The Federal reserve banks should be required to guarantee the deposits of member banks, and the Government of the United States should underwrite this guaranty so as to convince the people beyond the possibility of a doubt that their money is safe in the banks and will be paid to them on demand.

Here are the foundation stones upon which the banking system should rest.

At present under the national bank act there is a partial guaranty of bank deposits to the extent of:

1. The capital of the bank.
2. The surplus of the bank.
3. The undivided profits of the bank. (The present capital, surplus, and profits of the national banks are $3,354,000,000, or security against about $19,000,000,000 of deposits.)
4. The stock of the bank in the reserve banks.
5. The reserves in the reserve banks.
6. The assets of the bank.
7. The safeguards provided by law requiring the banks to observe sound banking practice.
8. The safeguards provided by the rules of the Comptroller of the Currency and the examinations made by the bank examiners of the Comptroller; the examinations made by the examiners of the Federal reserve banks; the examinations made by examiners of the clearing houses in the various cities.
9. The fact that the president of the bank, his directors, and his officials would be discredited if the bank should fail under their management.

A life-insurance company requires an examination of the individual to see that he is in good health and of good character and of good habits.

The fire-insurance companies require examination of the house insured to see that it is a safe risk.

In the same way, under a system of insuring bank deposits, the reserve banks should be given power to safeguard adequately their insurance of a bank and to impose conditions under which the insurance shall apply, and thus more completely safeguard the insurer as well as the depositors of the bank by adding to the security of the banks through an adequate administration of such bank.

It should be remembered that while this proposed reform applies to nearly 40,000,000 people, who are the backbone of this country and who have $56,000,000,000 of deposits, the guaranty bank deposit means much more than protecting of the depositors of the bank.

It means protecting the national industrial life, stability of business, stabilizing commodity values, stabilizing employment and wages, stabilizing the business of manufacturers, merchants, railroads, public utilities, professional men, labor unions, the farmers and stock raisers, and every line of human endeavor. It means stabilizing incomes of individuals, of corporations, and even of the National Government. It means bringing our national income back to normal. It was $90,000,000,000 in 1928 and 1929. It is $60,000,000,000 now. Surely an increase of $30,000,000,000 of national income is worth fighting for.

It means keeping the industrial energies of America uniformly employed at maximum efficiency. It means protecting and advancing high standards of living, the health, the wealth, and the happiness of the American people.

I rejoice to see that you have determined to present this reform of our banking system to the American people, and I only regret that I did not have the capacity to make more effective the arguments which I presented in 1908 when I first entered the Senate.

You will meet with the plea that this system would encourage reckless banking.

Properly written, the law, with its safeguards, would guarantee the opposite.

You will meet with the charge that the system of guaranty bank deposits failed in Oklahoma, Nebraska, and other places.

The answer to this is these systems were inherently weak, based on a guaranty fund, not administered by the banks themselves but by transitory political appointees and in which the banks were divided in opinion. The banks that were well conducted were taxed unfairly by banks that had no capital adequate to meet their overhead or to protect their depositors when any unusual occurrence took place.

Properly analyzed, you will find that these objections are not sufficient to justify an argument against a sound system properly administered.

There is a great interest in this matter, but it will be necessary to build up public opinion in order that representatives in Congress may realize that the country itself will approve, and that it desires, a sound system that will make the bank deposits absolutely safe.

I shall take pleasure in cooperating to the extent of my limited opportunities.

Yours respectfully, ROBERT L. OWEN.

AGRICULTURAL CREDIT CORPORATIONS

Mr. GEORGE. Mr. President, I ask the Chair to lay before the Senate House Joint Resolution 292.

The PRESIDENT pro tempore. The Chair lays before the Senate a joint resolution from the House of Representatives, which will be read.

The joint resolution (H. J. Res. 292) to authorize the Secretary of Agriculture to aid in the establishment of agricultural-credit corporations, and for other purposes, was read the first time by title and the second time at length, as follows:

Resolved, etc., That the Secretary of Agriculture is hereby authorized to make advances or loans to individuals, under such regulations as he may prescribe, for the purpose of assisting in forming local agricultural-credit corporations, livestock-loan companies, or like organizations, or of increasing the capital stock of such corporations, companies, or organizations qualified to do business with Federal intermediate credit banks or to which such privileges may be extended.

SEC. 2. (a) No loans shall be made to individual stockholders on the capital stock of, or to create or increase the capital stock of, such corporation, company, or organization in an amount in excess of 75 per cent of the par value of the capital stock of such corporation, company, or organization owned by or proposed to be subscribed to by such individual, nor unless such individual shall submit a credit statement (in such form as the Secretary of Agriculture may prescribe) which shall be verified by the investigation of the Secretary of Agriculture and shall show that such individual is not indebted in an amount in excess of one-half of the fair market value of his assets and that the value of such assets above such indebtedness shall be at least twice the value of the loan applied for; nor shall any loan be made to any individual on the capital stock of, or to create or to increase the capital stock of, any corporation devoted mainly to the financing and/or sale of special products to farmers.

(b) No loan shall be made upon the capital stock of any corporation until the Secretary of Agriculture shall find that the financial structure of such corporation is sound and unimpaired and by him approved, nor shall any loan be made upon the capital stock of such corporation until the management of such company shall be made known to and approved by the Secretary, and the Secretary shall have the right at any time to declare the indebtedness to the Government that may be created hereunder due whenever in his judgment the financial structure of the corporation shall become so impaired or the management become so unsatisfactory as to jeopardize the interests of the Government.

SEC. 3. No loan or advance shall be made to any individual upon the capital stock or, or to create or increase the capital stock of, any corporation, unless the paid-in capital stock of such corporation shall be at least $10,000.

SEC. 4. To carry out the provisions of this resolution, including all expenses incurred thereunder, there are authorized to be appropriated, out of the unexpended balances of appropriations made to carry out the provisions of Public Resolution No. 112, Seventy-first Congress (46 Stat. 1032), as amended by the Interior Department appropriation act for the fiscal year ending June 30, 1932, and as amended by Public Resolution No. 120 (46 Stat. 1167), and out of the collections from loans made under Public Resolution No. 112, as so amended, a sum not exceeding $10,000,000, which sum shall be paid into a revolving fund. Not to exceed 2 per cent of such funds may be used for expenses of administration. All moneys received from time to time upon the repayment of any advance or loan made pursuant to this act, together with the interest, shall be paid into the revolving fund and shall thereafter be available for the purposes and in the manner hereinbefore provided.

Mr. GEORGE. Mr. President, last calendar the Senate considered the subject matter covered by the House joint resolution and dealt with the same subject matter. It passed the bill (S. 1567) establishing a revolving fund, to be administered by the Secretary of Agriculture, for agricultural-credit purposes, a bill varying only in certain minor particulars from the House joint resolution. The Senate bill has gone to the House. The House on the same day acted and sent this joint resolution to the Senate. I move that the Senate proceed to its consideration.

The motion was agreed to.

Mr. GEORGE. I move that all after the resolving clause in the House joint resolution be stricken out and that the text of the Senate bill, S. 1567, the bill passed by the Senate on Wednesday of this week, be substituted in lieu thereof.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the Senator from Georgia.

The motion was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000,000, to be immediately available and to constitute a revolving fund, to be administered by the Secretary of Agriculture, and to be known as the agricultural credit fund, for the purpose of making advances or loans to individuals for forming such local agricultural credit corporations, livestock loan companies, or like organizations as are now or may hereafter be qualified to do business with Federal intermediate credit banks and of increasing the capital stock of such corporations, companies, or organizations, and, in the discretion of the Secretary of Agriculture, of making advances or loans direct to such corporations, companies, or organizations, upon such security as he may deem adequate. The advances and loans from the revolving fund shall be made upon such terms and conditions as the Secretary of Agriculture may prescribe; except that the advances and loans to any such corporation, company, or organization outstanding at any time shall not exceed 50 per cent of the capital stock thereof. All amounts received upon the repayment of any advance or loan made pursuant to this act shall be paid into the revolving fund and shall become a part thereof until July 1, 1934.

Mr. GEORGE. I now move that the Senate insist upon its amendment and ask a conference with the House of Representatives and the Chair appoint conferees on the part of the Senate.

Mr. JONES. Mr. President, may I ask what is the subject matter of the bill?

Mr. GEORGE. It is a bill setting up a fund to aid in the formation of credit corporations, the bill which the Senate passed on Wednesday last.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to; and the President pro tempore appointed as conferees on the part of the Senate Mr. McNARY, Mr. NORRIS, and Mr. SMITH.

ISABELLE FREEMAN BELL

Mr. SMITH. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 148, submitted by me on January 27.

There being no objection, the resolution was read, considered, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Isabelle Freeman Bell, widow of Samuel A. Bell, late a skilled laborer of the Senate under supervision of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

EXECUTIVE SESSION

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate several messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

REPORTS OF COMMITTEES

The PRESIDENT pro tempore. Reports of committees are in order.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters.

Mr. SCHALL, from the Committee on the Judiciary, reported favorably the nomination of Gregory H. Frederick, of Michigan, to be United States attorney, eastern district of Michigan.

Mr. REED, from the Committee on Military Affairs, reported favorably the nomination of Second Lieut. Walter Edgerton Johns, Cavalry, for appointment, by transfer, to the Field Artillery.

The PRESIDENT pro tempore. The nominations will be placed on the calendar.

THE CALENDAR—TREATIES

The Chief Clerk proceeded to read Calendar No. 5, Executive KK (70th Cong., 2d sess.), a treaty of friendship, commerce, and consular rights between the United States and Norway, signed at Washington on June 5, 1928, and an additional article thereto signed at Washington on February 25, 1929.

Mr. BORAH. Mr. President, this treaty and the next one on the calendar may be postponed at the request of the Senator from Montana [Mr. WALSH].

The PRESIDENT pro tempore. Calendars Nos. 5 and 7, at the request of the Senator from Montana, will be postponed.

EXTRADITION TREATY WITH GREECE

The Chief Clerk proceeded to read Calendar No. 8, Executive D (72d Cong., 1st sess.), a treaty between the United States and Greece for the extradition of fugitives from jus-

tice, signed at Athens on May 6, 1931, which was considered as in Committee of the Whole and is as follows:

To the Senate of the United States:

To the end that I may receive the advice and consent of the Senate for ratification, I transmit herewith a treaty between the United States and Greece for the extradition of fugitives from justice, signed at Athens on May 6, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *February 5, 1932.*

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate, to receive the advice and consent of that body to ratification, if his judgment approve thereof, a treaty for the extradition of fugitives from justice, signed by the plenipotentiaries of the United States and Greece at Athens on May 6, 1931.

Respectfully submitted.

HENRY L. STIMSON.

DEPARTMENT OF STATE,
Washington, February 4, 1932.

TREATY OF EXTRADITION BETWEEN THE UNITED STATES OF AMERICA AND THE HELLENIC REPUBLIC

The United States of America and Greece, desiring to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice between the two countries and have appointed for that purpose the following Plenipotentiaries:

The President of the United States of America: Mr. Robert Peet Skinner, Envoy Extraordinary and Minister Plenipotentiary of the United States of America at Athens; and

The President of the Hellenic Republic: Mr. Andreas Michalakopoulos, Vice President of the Government, Minister for Foreign Affairs;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

It is agreed that the Government of the United States and the Government of Greece shall, upon requisition duly made as herein provided, deliver up to justice any person, who may be charged with, or may have been convicted of, any of the crimes or offenses specified in Article II of the Present Treaty committed within the jurisdiction of one of the High Contracting Parties, and who shall seek an asylum or shall be found within the territories of the other; provided that such surrender shall take place only upon such evidence of criminality, as according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Persons shall be delivered up according to the provisions of the present Treaty, who shall have been charged with or convicted of any of the following crimes or offenses:

1. Murder (including crimes designated by the terms parricide, poisoning, infanticide, manslaughter, when voluntary).

2. Malicious wounding or inflicting grievous bodily harm with premeditation.

3. Rape, abortion, carnal knowledge of children under the age of 15 years.

4. Abduction or detention of women or girls for immoral purposes.

5. Bigamy.

6. Arson.

7. Willful and unlawful destruction or obstruction of railroads, which endangers human life.

8. Crimes committed at sea:

(a) Piracy, as commonly known and defined by the law of nations, or by statutes:

(b) Wrongfully sinking or destroying a vessel at sea or attempting to do so;

(c) Mutiny or conspiracy by two or more members of the crew or other persons on board of a vessel on the high seas, for the purpose of rebelling against the authority of the Captain or Commander of such vessel, or by fraud or violence taking possession of such vessel;

(d) Assault on board ship upon the high seas with intent to do bodily harm.

9. Burglary.

10. The act of breaking into and entering the offices of the Government and public authorities, or the offices of banks, banking houses, savings banks, trust companies, or other buildings not dwellings with intent to commit a felony therein.

11. Robbery.

12. Forgery or the utterance of forged papers.

13. The forgery or falsification of the official acts of the Government or public authority, including Courts of Justice, or the uttering or fraudulent use of any of the same.

14. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, created by National, State, Provincial, Territorial, Local or Municipal Governments, bank notes or other instruments of public credit, counterfeit seals, stamps, dies and marks of State or public administrations, and the utterance, circulation or fraudulent use of the above mentioned objects.

15. Embezzlement or criminal malversation committed within the jurisdiction of one or the other party by public officers or depositaries, where the amount embezzled exceeds two hundred dollars or Greek equivalent.

16. Embezzlement by any person hired, salaried, or employed, to the detriment of their employers or principals, when the crime or offense is punishable by imprisonment or other corporal punishment by the laws of both countries, and where the amount embezzled exceeds two hundred dollars or Greek equivalent.

17. Kidnapping of minors or adults, defined to be the abduction or detention of a person or persons, in order to exact money from them, their families or any other person or persons, or for any other unlawful end.

18. Larceny, defined to be the theft of effects, personal property, or money, of the value of twenty-five dollars or more, or Greek equivalent.

19. Obtaining money, valuable securities or other property by false pretenses, or receiving any money, valuable securities or other property knowing the same to have been unlawfully obtained, where the amount of money or the value of the property so obtained or received exceeds two hundred dollars or Greek equivalent.

20. Perjury.

21. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, executor, administrator, guardian, director or officer of any company or corporation, or by any one in any fiduciary position, where the amount of money or the value of the property misappropriated exceeds two hundred dollars or Greek equivalent.

22. Crimes and offenses against the laws of both countries for the suppression of slavery and slave trading.

23. Wilful desertion or wilful non-support of minor or dependent children, or of other dependent persons, provided that the crime or offense is punishable by the laws of both countries.

24. Bribery.

25. Crimes or offenses against the bankruptcy laws.

26. Crimes or offenses against the laws for the suppression of traffic in narcotics.

27. Extradition shall also take place for participation in any of the crimes or offenses before mentioned as an accessory before or after the fact, or in any attempt to commit any of the aforesaid crimes or offenses. However, extradition for participation or attempt will be accorded in the case of a suspected person only if the maximum of the possible punishment is two years or more, and, in the case of one condemned, only if the sentence pronounced by the jurisdiction of the demanding State is six months or more.

ARTICLE III

The provisions of the present Treaty shall not import a claim of extradition for any crime or offense of a political character, nor for acts connected with such crimes or offenses; and no person surrendered by or to either of the High Contracting Parties in virtue of this Treaty shall be tried or punished for a political crime or offense committed before his extradition. The State applied to, or courts of such State, shall decide whether the crime or offense is of a political character. When the offense charged comprises the act either of murder or assassination or of poisoning, either consummated or attempted, the fact that the offense was committed or attempted against the life of the Sovereign or Head of a foreign State, or against the life of any member of his family, shall not be deemed sufficient to sustain that such crime or offense was of a political character; or was an act connected with crimes or offenses of a political character.

ARTICLE IV

No person shall be tried for any crime or offense, committed prior to his extradition, other than that for which he was surrendered, unless he has been at liberty for one month after having been tried, to leave the country, or, in case of conviction, for one month after having suffered his punishment or having been pardoned.

ARTICLE V

A fugitive criminal shall not be surrendered under the provisions hereof, when, from lapse of time or other lawful cause, according to the laws of either of the surrendering or the demanding country, the criminal is exempt from prosecution or punishment for the offense for which the surrender is asked.

ARTICLE VI

If a fugitive criminal whose surrender may be claimed pursuant to the stipulations hereof, be actually under prosecution, out on bail or in custody, for a crime or offense committed in the country where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be determined, and until he shall have been set at liberty in due course of law.

ARTICLE VII

If a fugitive criminal claimed by one of the two parties hereto, shall be also claimed by one or more powers pursuant to treaty provisions, on account of crimes or offenses committed within their jurisdiction, such criminal shall be delivered to that State whose demand is first received unless the demand is waived.

This article shall not affect such treaties as have previously been concluded by one of the contracting parties with other States.

ARTICLE VIII

Under the stipulations of this Treaty, neither of the High Contracting Parties shall be bound to deliver up its own citizens, except in cases where such citizenship has been obtained after the perpetration of the crime for which extradition is sought. The State appealed to shall decide whether the person claimed is its own citizen.

ARTICLE IX

The expense of transportation of the fugitive shall be borne by the government which has preferred the demand for extradition. The appropriate legal officers of the country where the proceedings of extradition are had, shall assist the officers of the government demanding the extradition before the respective judges and magistrates, by every legal means within their power; and no claim other than for the board and lodging of a fugitive prior to his surrender, arising out of the arrest, detention, examination and surrender of fugitives under this treaty, shall be made against the government demanding the extradition; provided, however, that any officer or officers of the surrendering government giving assistance, who shall, in the usual course of their duty receive no salary or compensation other than specific fees for services performed, shall be entitled to receive from the government demanding the extradition the customary fees for the acts or services performed by them in the same manner and to the same amount as though such acts or services had been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE X

Everything found in the possession of the fugitive criminal at the time of his arrest, whether being the proceeds of the crime or offense, or which may be material as evidence in making proof of the crime, shall so far as practicable, according to the laws of either of the High Contracting Parties, be delivered up with his person at the time of surrender. Nevertheless, the rights of a third party with regard to the articles referred to, shall be duly respected.

ARTICLE XI

The stipulations of the present Treaty shall be applicable to all territory wherever situated, belonging to either of the High Contracting Parties or in the occupancy and under the control of either of them, during such occupancy or control.

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the High Contracting Parties. In the event of the absence of such agents from the country or where extradition is sought from territory included in the preceding paragraphs, other than the United States or Greece, requisitions may be made by superior consular officers.

The arrest of the fugitive shall be brought about in accordance with the laws of the respective countries, and if, after an examination, it shall be decided, according to the law and the evidence, that extradition is due pursuant to this treaty, the fugitive shall be surrendered in conformity to the forms of law prescribed in such cases.

The person provisionally arrested, shall be released, unless within two months from the date of arrest in Greece, or from the date of commitment in the United States, the formal requisition for surrender with the documentary proofs hereinafter prescribed be made as aforesaid by the diplomatic agent of the demanding Government, or, in his absence, by a consular officer thereof.

If the fugitive criminal shall have been convicted of the crime or offense for which his surrender is asked, a copy of the sentence of the court before which such conviction took place, duly authenticated, shall be produced. If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed, and of the depositions upon which such warrant may have been issued, shall be produced, with such other evidence or proof as may be deemed competent in the case.

ARTICLE XII

The present Treaty, of which the English and Greek texts are equally authentic, shall be ratified by the High Contracting Parties in accordance with their respective constitutional methods, and shall take effect on the date of the exchange of ratifications which shall take place at Washington as soon as possible.

ARTICLE XIII

The present Treaty shall remain in force for a period of five years, and in case neither of the High Contracting Parties shall have given notice one year before the expiration of that period of its intention to terminate the Treaty, it shall continue in force until the expiration of one year from the date on which such notice of termination shall be given by either of the High Contracting Parties.

In witness whereof the above named Plenipotentiaries have signed the present Treaty and have hereunto affixed their seals.

Done in duplicate at Athens this sixth day of May, nineteen hundred and thirty-one.

[SEAL.] ROBERT P. SKINNER.

[SEAL.] ANDREAS MICHALAKOPOULOS.

Mr. BORAH. Mr. President, this and the subsequent treaty with Great Britain are extradition treaties and are in the usual terms of our extradition treaties, covering practically the same, and I think entirely the same, list of crimes. Political refugees are excepted from the operation

of the treaty. In view of the many treaties of a similar import and like terms it seems unnecessary to go into details.

The treaty was reported to the Senate without amendment, and the resolution of ratification was read, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive D, Seventy-second Congress, first session, a treaty between the United States and Greece for the extradition of fugitives from justice, signed at Athens on May 6, 1931.

The resolution was agreed to, two-thirds of the Senators present voting in the affirmative.

EXTRADITION TREATY WITH GREAT BRITAIN

The Chief Clerk proceeded to read Calendar No. 8, Executive E (72d Cong., 1st sess.), a treaty for the extradition of fugitives from justice, signed by the plenipotentiaries of the United States and His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, at London, on December 22, 1931, and agreements by two exchanges of notes to make the treaty applicable also to Palestine and Transjordan, respectively, which was considered as in Committee of the Whole and is as follows:

To the Senate of the United States:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a treaty for the extradition of fugitives from justice, signed by the plenipotentiaries of the United States and His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, at London, on December 22, 1931, and agreements by two exchanges of notes to make the treaty applicable also to Palestine and Transjordan, respectively.

Accompanying the treaty is a report by the Secretary of State, to which the attention of the Senate is invited.

HERBERT HOOVER.

THE WHITE HOUSE, *February 5, 1932.*

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a treaty signed at London on December 22, 1931, by the plenipotentiaries of the United States of America and His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, for the extradition of persons accused or convicted of any of the crimes or offenses enumerated therein committed within the jurisdiction of the United States or Great Britain, who shall be found within the territory of the other party.

The treaty is open to subsequent adherence on the part of the several self-governing dominions of His Britannic Majesty and India.

As between the United States and the territory of His Britannic Majesty to which the present treaty is made applicable, the provisions of article 10 of the treaty of August 9, 1842, the extradition convention of July 12, 1889, the supplementary extradition convention of December 13, 1900, and the supplementary extradition convention of April 12, 1905, between the two Governments shall cease to have effect on the coming into force of the present treaty. These conventions, however, remain in force in respect of the self-governing dominions and India until they shall have adhered to the present treaty or entered into other treaty arrangements with the United States concerning extradition.

There are also submitted copies of two exchanges of notes by which it is agreed that on the coming into force of this convention its provisions shall be applicable to Palestine and Transjordan, respectively.

Respectfully submitted.

HENRY L. STIMSON.

DEPARTMENT OF STATE,
Washington, February 4, 1932.

THE President of the United States of America.

And His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India;

Desiring to make more adequate provision for the reciprocal extradition of criminals,

Have resolved to conclude a Treaty for that purpose, and to that end have appointed as their plenipotentiaries:

The President of the United States of America:

General Charles G. Dawes, Ambassador Extraordinary and Plenipotentiary of the United States of America at the Court of St. James;

And His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India;

for Great Britain and Northern Ireland:

The Right Honourable Sir John Simon, G.C.S.I., M.P., His Principal Secretary of State for Foreign Affairs:

who, having communicated their full powers, found in good and due form, have agreed as follows:

ARTICLE 1

The High Contracting Parties engage to deliver up to each other, under certain circumstances and conditions stated in the present Treaty, those persons who, being accused or convicted of any of the crimes or offences enumerated in Article 3, committed within the jurisdiction of the one Party, shall be found within the territory of the other Party.

ARTICLE 2

For the purposes of the present Treaty the territory of His Britannic Majesty shall be deemed to be Great Britain and Northern Ireland, the Channel Islands and the Isle of Man, and all parts of His Britannic Majesty's dominions overseas other than those enumerated in Article 14, together with the territories enumerated in Article 16 and any territories to which it may be extended under Article 17. It is understood that in respect of all territory of His Britannic Majesty as above defined other than Great Britain and Northern Ireland, the Channel Islands, and the Isle of Man, the present Treaty shall be applied so far as the laws permit.

For the purposes of the present Treaty the territory of the United States shall be deemed to be all territory wherever situated belonging to the United States, including its dependencies and all other territories under its exclusive administration or control.

ARTICLE 3

Extradition shall be reciprocally granted for the following crimes or offenses:

1. Murder (including assassination, parricide, infanticide, poisoning), or attempt or conspiracy to murder.
2. Manslaughter.
3. Administering drugs or using instruments with intent to procure the miscarriage of women.
4. Rape.
5. Unlawful carnal knowledge, or any attempt to have unlawful carnal knowledge, of a girl under 16 years of age.
6. Indecent assault if such crime or offence be indictable in the place where the accused or convicted person is apprehended.
7. Kidnapping or false imprisonment.
8. Child stealing, including abandoning, exposing or unlawfully detaining.
9. Abduction.
10. Procuration: that is to say the procuring or transporting of a woman or girl under age, even with her consent, for immoral purposes, or of a woman or girl over age, by fraud, threats, or compulsion, for such purposes with a view in either case to gratifying the passions of another person provided that such crime or offence is punishable by imprisonment for at least one year or by more severe punishment.
11. Bigamy.
12. Maliciously wounding or inflicting grievous bodily harm.
13. Threats, by letter or otherwise, with intent to extort money or other things of value.
14. Perjury, or subornation of perjury.
15. Arson.

16. Burglary or housebreaking, robbery with violence, larceny or embezzlement.

17. Fraud by a bailee, banker, agent, factor, trustee, director, member, or public officer of any company, or fraudulent conversion.

18. Obtaining money, valuable security, or goods, by false pretences receiving any money, valuable security, or other property, knowing the same to have been stolen or unlawfully obtained.

19. (*a*) Counterfeiting or altering money, or bringing into circulation counterfeited or altered money. (*b*) Knowingly and without lawful authority making or having in possession any instrument, tool, or engine adapted and intended for the counterfeiting of coin.

20. Forgery, or uttering what is forged.

21. Crimes or offences against bankruptcy law.

22. Bribery, defined to be the offering, giving or receiving of bribes.

23. Any malicious act done with intent to endanger the safety of any persons travelling or being upon a railway.

24. Crimes or offences or attempted crimes or offences in connection with the traffic in dangerous drugs.

25. Malicious injury to property, if such crime or offence be indictable.

26. (*a*) Piracy by the law of nations. (*b*) Revolt, or conspiracy to revolt, by two or more persons on board a ship on the high seas against the authority of the master; wrongfully sinking or destroying a vessel at sea, or attempting to do so; assaults on board a ship on the high seas, with intent to do grievous bodily harm.

27. Dealing in slaves.

Extradition is also to be granted for participation in any of the aforesaid crimes or offences, provided that such participation be punishable by the laws of both High Contracting Parties.

ARTICLE 4

The extradition shall not take place if the person claimed has already been tried and discharged or punished, or is still under trial in the territories of the High Contracting Party applied to, for the crime or offence for which his extradition is demanded.

If the person claimed should be under examination or under punishment in the territories of the High Contracting Party applied to for any other crime or offence, his extradition shall be deferred until the conclusion of the trial and the full execution of any punishment awarded to him.

ARTICLE 5

The extradition shall not take place if, subsequently to the commission of the crime or offence or the institution of the penal prosecution or the conviction thereon, exemption from prosecution or punishment has been acquired by lapse of time, according to the laws of the High Contracting Party applying or applied to.

ARTICLE 6

A fugitive criminal shall not be surrendered if the crime or offence in respect of which his surrender is demanded is one of a political character, or if he proves that the requisition for his surrender has, in fact, been made with a view to try or punish him for a crime or offence of a political character.

ARTICLE 7

A person surrendered can in no case be kept in custody or be brought to trial in the territories of the High Contracting Party to whom the surrender has been made for any other crime or offence, or on account of any other matters, than those for which the extradition shall have taken place, until he has been restored, or has had an opportunity of returning, to the territories of the High Contracting Party by whom he has been surrendered.

This stipulation does not apply to crimes or offences committed after the extradition.

ARTICLE 8

The extradition of fugitive criminals under the provisions of this Treaty shall be carried out in the United States and in the territory of His Britannic Majesty respectively, in conformity with the laws regulating extradition for the time being in force in the territory from which the surrender of the fugitive criminal is claimed.

ARTICLE 9

The extradition shall take place only if the evidence be found sufficient, according to the laws of the High Contracting Party applied to, either to justify the committal of the prisoner for trial, in case the crime or offence had been committed in the territory of such High Contracting Party, or to prove that the prisoner is the identical person convicted by the courts of the High Contracting Party who makes the requisition, and that the crime or offence of which he has been convicted is one in respect of which extradition could, at the time of such conviction, have been granted by the High Contracting Party applied to.

ARTICLE 10

If the individual claimed by one of the High Contracting Parties in pursuance of the present Treaty should be also claimed by one or several other Powers on account of other crimes or offences committed within their respective jurisdictions, his extradition shall be granted to the Power whose claim is earliest in date, unless such claim is waived.

ARTICLE 11

If sufficient evidence for the extradition be not produced within two months from the date of the apprehension of the fugitive, or within such further time as the High Contracting Party applied to, or the proper tribunal of such High Contracting Party, shall direct, the fugitive shall be set at liberty.

ARTICLE 12

All articles seized which were in the possession of the person to be surrendered at the time of his apprehension, and any articles that may serve as a proof of the crime or offence shall be given up when the extradition takes place, in so far as this may be permitted by the law of the High Contracting Party granting the extradition.

ARTICLE 13

All expenses connected with the extradition shall be borne by the High Contracting Party making the application.

ARTICLE 14

His Britannic Majesty may accede to the present Treaty on behalf of any of his Dominions hereafter named—that is to say, the Dominion of Canada, the Commonwealth of Australia (including for this purpose Papua and Norfolk Island), the Dominion of New Zealand, the Union of South Africa, the Irish Free State, and Newfoundland—and India. Such accession shall be effected by a notice to that effect given by the appropriate diplomatic representative of His Majesty at Washington which shall specify the authority to which the requisition for the surrender of a fugitive criminal who has taken refuge in the Dominion concerned, or India, as the case may be, shall be addressed. From the date when such notice comes into effect the territory of the Dominion concerned or of India shall be deemed to be territory of His Britannic Majesty for the purposes of the present Treaty.

The requisition for the surrender of a fugitive criminal who has taken refuge in any of the above-mentioned Dominions or India, on behalf of which His Britannic Majesty has acceded, shall be made by the appropriate diplomatic or consular officer of the United States of America.

Either High Contracting Party may terminate this Treaty separately in respect of any of the above-mentioned Dominions or India. Such termination shall be effected by a notice given in accordance with the provisions of Article 18.

Any notice given under the first paragraph of this Article in respect of one of His Britannic Majesty's Dominions may include any territory in respect of which a mandate on behalf of the League of Nations has been accepted by His Britannic Majesty, and which is being administered by the Government of the Dominion concerned; such territory shall, if so included, be deemed to be territory of His Britannic Majesty for the purposes of the present Treaty. Any notice given under the third paragraph of this Article shall be applicable to such mandated territory.

ARTICLE 15

The requisition for the surrender of a fugitive criminal who has taken refuge in any territory of His Britannic Majesty other than Great Britain and Northern Ireland, the Channel Islands, or the Isle of Man, or the Dominions or India mentioned in Article 14, shall be made to the Governor, or chief authority, of such territory by the appropriate consular officer of the United States of America.

Such requisition shall be dealt with by the competent authorities of such territory: provided, nevertheless, that if an order for the committal of the fugitive criminal to prison to await surrender shall be made, the said Governor or chief authority may, instead of issuing a warrant for the surrender of such fugitive, refer the matter to His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland.

ARTICLE 16

This Treaty shall apply in the same manner as if they were Possessions of His Britannic Majesty to the following British Protectorates, that is to say, the Bechuanaland Protectorate, Gambia Protectorate, Kenya Protectorate, Nigeria Protectorate, Northern Rhodesia, Northern Territories of the Gold Coast, Nyasaland, Sierra Leone Protectorate, Solomon Islands Protectorate, Somaliland Protectorate, Swaziland, Uganda Protectorate and Zanzibar, and to the following territories in respect of which a mandate on behalf of the League of Nations has been accepted by His Britannic Majesty, that is to say, Cameroons under British mandate, Togoland under British mandate, and the Tanganyika Territory.

ARTICLE 17

If after the signature of the present Treaty it is considered advisable to extend its provisions to any British Protectorates other than those mentioned in the preceding Article or to any British-protected State, or to any territory in respect of which a mandate on behalf of the League of Nations has been accepted by His Britannic Majesty, other than those mandated territories mentioned in Articles 14 and 16, the stipulations of Articles 14 and 15 shall be deemed to apply to such Protectorates or States or mandated territories from the date and in the manner prescribed in the notes to be exchanged for the purpose of effecting such extension.

ARTICLE 18

The present Treaty shall come into force ten days after its publication, in conformity with the forms prescribed by the laws of the High Contracting Parties. It may be terminated by either of the High Contracting Parties by a notice not exceeding one year and not less than six months.

In the absence of an express provision to that effect, a notice given under the first paragraph of this Article shall not affect the operation of the Treaty as between the United States of America and any territory in respect of which notice of accession has been given under Article 14.

The present Treaty shall be ratified, and the ratifications shall be exchanged at London as soon as possible.

On the coming into force of the present treaty the provisions of Article 10 of the treaty of the 9th August, 1842, of the Convention of the 12th July, 1889, of the supplementary Convention of the 13th December, 1900, and of the supplementary Convention of the 12th April, 1905, relative to extradition, shall cease to have effect, save that in the case of each of the Dominions and India, mentioned in Article 14, those provisions shall remain in force until such Dominion or India shall have acceded to the present treaty in accordance with Article 14 or until replaced by other treaty arrangements.

In faith whereof the above-named plenipotentiaries have signed the present Treaty and have affixed thereto their seals.

Done in duplicate at London this twenty-second day of December, 1931.

[SEAL.] CHARLES G. DAWES
[SEAL.] JOHN SIMON.

EXCHANGES OF NOTES

FOREIGN OFFICE, SW. 1,
22nd December, 1931.

YOUR EXCELLENCY,

With reference to Article 17 of the Extradition Treaty between His Majesty The King of Great Britain, Ireland and the British Dominions beyond the Seas and the President of the United States of America, signed this day at London, I have the honour to inform Your Excellency that His Majesty's Government in the United Kingdom desire that the provisions of the above mentioned Treaty shall, as from the date of its entry into force, be applicable to Palestine (excluding Transjordan).

2. I have accordingly the honour to enquire whether the United States Government agree with this proposal. In this event the present note and Your Excellency's reply to that effect will be regarded as placing on record the agreement arrived at in the matter.

I have the honour to be, with the highest consideration,
Your Excellency's obedient Servant,

JOHN SIMON

His Excellency
General CHARLES G. DAWES, C. B.,
etc., etc., etc.

No. 1582. LONDON, *December 22, 1931.*

SIR: With reference to Article 17 of the Extradition Treaty between the President of the United States of America and His Majesty The King of Great Britain, Ireland and the British Dominions beyond the Seas, signed this day at London, I have the honor to inform you that the Government of the United States of America is agreeable to the proposal of His Majesty's Government in the United Kingdom that the provisions of the above mentioned Treaty shall, as from the date of its entry into force, be applicable to Palestine (excluding Transjordan).

I have the honor to be, with the highest consideration, sir,
Your most obedient humble Servant,

CHARLES G. DAWES.

The Right Honorable
Sir JOHN SIMON, G. C. S. I., etc., etc., etc.,
Foreign Office, SW. 1.

FOREIGN OFFICE, SW. 1,
22nd December, 1931.

YOUR EXCELLENCY,

With reference to Article 17 of the Extradition Treaty between His Majesty The King of Great Britain, Ireland and the British Dominions beyond the Seas and the President of the United States of America, signed this day at London, I have the honour to inform Your Excellency that His Majesty's Government in the United Kingdom desire that the provisions of the above mentioned Treaty shall, as from the date of its entry into force, be applicable to Transjordan.

2. I have accordingly the honour to enquire whether the United States Government agree with this proposal. In this event the present note and Your Excellency's reply to that effect will be regarded as placing on record the agreement arrived at in the matter.

I have the honour to be, with the highest consideration,
Your Excellency's obedient servant,

JOHN SIMON.

His Excellency
General CHARLES G. DAWES, C. B., etc., etc., etc.

No. 1583. DECEMBER 22, 1931.

SIR: With reference to Article 17 of the Extradition Treaty between the President of the United States of America and His Majesty The King of Great Britain, Ireland and the British Dominions beyond the Seas, signed this day at London, I have the honor to inform you that the Government of the United States of America is agreeable to the proposal of His Majesty's Government in the United Kingdom that the

provisions of the above mentioned Treaty shall, as from the date of its entry into force, be applicable to Transjordan.

I have the honor to be, with the highest consideration, sir,

Your most obedient, humble servant,

CHARLES G. DAWES.

The Right Honorable
Sir JOHN SIMON, G. C. S. I., etc., etc., etc.,
Foreign Office, SW. 1.

The treaty was reported to the Senate without amendment, and the resolution of ratification was read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive E, Seventy-second Congress, first session, an extradition treaty with Great Britain signed at London on December 22, 1931.

The resolution was agreed to, two-thirds of the Senators present voting in the affirmative.

FEDERAL FARM BOARD

The Chief Clerk read the nomination of Frank Evans, of Utah, to be a member of the Federal Farm Board.

Mr. McNARY. Mr. President, agreeable to and understanding with the senior Senator from South Dakota [Mr. NORBECK] nominations for the Federal Farm Board may be passed over.

The PRESIDENT pro tempore. The nominations will be passed over.

CUSTOMS SERVICE

The Chief Clerk read the nomination of Fred A. Bradley to be collector, customs collection district No. 9, Buffalo, N. Y.

Mr. COPELAND. Mr. President, I ask that that nomination may go over.

The PRESIDENT pro tempore. On objection the nomination will go over.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Joseph C. Grew, of New Hampshire, to be ambassador extraordinary and plenipotentiary to Japan.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Wilbur Keblinger to be consul general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John W. Carrigen to be Foreign Service officer, unclassified, vice consul of career, and secretary in the Diplomatic Service.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of George W. Renchard to be Foreign Service officer, unclassified, vice consul of career, and secretary in the Diplomatic Service.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Andrew G. Lynch to be secretary in the Diplomatic Service.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Leland B. Morris to be secretary in the Diplomatic Service.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Robert B. Streeper to be secretary in the Diplomatic Service.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE JUDICIARY

The Chief Clerk read the nomination of Leonard E. Wales to be United States attorney, district of Delaware.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Oliver D. Burden to be United States attorney, northern district of New York.

The PRESIDENT pro tempore. Without objection the nomination is confirmed.

The Chief Clerk read the nomination of Dwayne D. Maddox to be United States attorney, western district of Tennessee.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Frederick L. Esola to be United States marshal, northern district of California.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Reese Q. Lillard to be United States marshal, middle district of Tennessee.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. ODDIE. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

The Senate resumed legislative session.

ADJOURNMENT UNTIL MONDAY

Mr. McNARY. The unanimous-consent agreement has been previously entered into that when the Senate concludes its business to-day it adjourn until Monday next at 11.15 o'clock a. m.; that when the business of the joint session on that day is concluded the Senate shall stand in adjournment until 12 o'clock Tuesday, and that on Tuesday, under a previous order of the Senate, Washington's Farewell Address shall be read.

I move that the Senate carry out the unanimous-consent agreement.

The motion was agreed to; and the Senate (at 5 o'clock and 15 minutes p. m.), under the order previously entered, adjourned until Monday, February 22, 1932, at 11.15 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate February 19 (legislative day of February 17), 1932

UNITED STATES ATTORNEY

John R. McCrary, of North Carolina, to be United States attorney, middle district of North Carolina, to succeed Edwin L. Gavin, whose term expired January 11, 1932.

UNITED STATES MARSHALS

B. B. Montgomery, of Mississippi, to be United States marshal, northern district of Mississippi, to succeed Charles R. Ligon, whose term expired May 5, 1930.

Douglas Smith, of Alabama, to be United States marshal, middle district of Alabama. He is now serving in this position under an appointment which expires March 1, 1932.

PROMOTIONS IN THE NAVY

Commander George H. Bowdey to be a captain in the Navy from the 1st day of January, 1932.

Commander Garret L. Schuyler to be a captain in the Navy from the 1st day of February, 1932.

The following-named lieutenants to be lieutenant commanders in the Navy from the 30th day of June, 1931:

John B. Barrett.

William M. Fellers.

Lieut. (Junior Grade) Louis A. Drexler, jr., to be a lieutenant in the Navy, from the 1st day of November, 1931.

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 4th day of June, 1931:

Murrey L. Royar.	Maurice T. Scanlan.
Joseph A. Rebentisch.	Joseph Simon.

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 30th day of June, 1931:

Richard D. Micou.	William B. Young.
Miles R. Finley.	Robert A. Shotwell.

Electrician Delmar H. Barnes to be a chief electrician in the Navy, to rank with but after ensign, from the 2d day of December, 1931.

The following-named machinists to be chief machinists in the Navy, to rank with but after ensign, from the 23d day of November, 1931:

Albert B. Clapp.
Harry N. Glickson.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 19 (legislative day of February 17), 1932

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY TO JAPAN

Joseph C. Grew to be ambassador extraordinary and plenipotentiary to Japan.

CONSUL GENERAL

Wilbur Keblinger to be consul general.

FOREIGN SERVICE OFFICER, UNCLASSIFIED, VICE CONSUL OF CAREER, AND SECRETARY IN THE DIPLOMATIC SERVICE

John W. Carrigen to be Foreign Service officer, unclassified, vice consul of career, and secretary in the Diplomatic Service.

George W. Renchard to be Foreign Service officer, unclassified, vice consul of career, and secretary in the Diplomatic Service.

SECRETARIES IN THE DIPLOMATIC SERVICE

Andrew G. Lynch to be secretary in the Diplomatic Service.

Leland B. Morris to be secretary in the Diplomatic Service.

Robert B. Streeper to be secretary in the Diplomatic Service.

UNITED STATES ATTORNEYS

Leonard E. Wales to be United States attorney, district of Delaware.

Oliver D. Burden to be United States attorney, northern district of New York.

Dwayne D. Maddox to be United States attorney, western district of Tennessee.

UNITED STATES MARSHALS

Frederick L. Esola to be United States marshal, northern district of California.

Reese Q. Lillard to be United States marshal, middle district of Tennessee.

POSTMASTERS

ALASKA

Brigham Y. Grant, Wrangell.

HAWAII

Bert D. Chilson, Hilo.

IOWA

Herbert B. Arnold, Blakesburg.
Sigvart T. Kittlesby, Calmar.
Sue G. Cross, Chelsea.
Freddie Baldwin, Chester.
George F. Mitchell, Coin.
Wilbur C. Patterson, Cresco.
Wilbur F. Busby, Creston.
William Linnevold, Decorah.
Madge H. Fell, Fremont.
Edwin S. Watts, Harvey.
Arthur F. Ogren, Kingsley.
Thomas A. Sanders, Malcom.
Arthur E. Granger, Marion.
James F. Albert, Moravia.
John M. Garrett, Moulton.
Herbert E. Hadley, Nevada.
Keith Gray, Postville.
Lucie A. Lloyd, Remsen.
Nellie Hyde, Rowan.
George M. Wright, Russell.
Chester C. Yelland, Sheffield.
Willis W. Overholser, Sibley.
Mary J. Morse, Steamboat Rock.
Gabriel Pederson, Waterville.
Carl F. Grawe, Waverly.

KANSAS

Ella M. Greason, Atwood.
Joseph A. McDowell, Jetmore.
Frank A. Moore, Tribune.
Russell R. Bechtelheimer, Ulysses.

MASSACHUSETTS

William R. Farrington, Middleboro.
Palmer J. Lord, Petersham.

NEW JERSEY

Annie E. Hoffman, Allenhurst.
William T. Birkhead, Beverly.
Horace Ricker, Bloomingdale.
John T. Boyd, Greystone Park.
Walter F. Hoagland, Kenilworth.
Frieda M. Arthur, Pequannock.
John A. Smith, Wrightstown.

NORTH CAROLINA

John F. Barlow, Banners Elk.
James J. Hathaway, Battleboro.
Armand T. Daniel, Mocksville.
Genevieve Murray, Nazareth.
James W. Smith, Pembroke.
Sudie M. Morgan, Spindale.

PENNSYLVANIA

William Brice, jr., Bedford.
Carrie Saar, Waverly.

PORTO RICO

Antonio Miro, Jayuya.

SOUTH DAKOTA

Charles H. Hornbeck, Centerville.

TEXAS

Alice S. Cummings, Balmorhea.
Neeley R. Vaught, Burkburnett.
John C. Flanagan, Crystal City.
Clifford C. Burrows, Iowa Park.
George C. Hoffman, Kingsville.
Maude W. Hoople, Lorenzo.
Allen T. Baggett, jr., Midlothian.
Grover C. Stephens, Sierra Blanca.

VERMONT

Frank E. Robinson, Barre.
Margaret H. Walsh, Concord.
Alfred C. Hooker, Hardwick.

WASHINGTON

William G. Powell, Aberdeen.
William W. Woodward, Darrington.
Robert B. Henry, Lakeside.
Andrew H. Byram, Millwood.
George W. Edgerton, Puyallup.

WEST VIRGINIA

Stark A. Willhide, Durbin.
Paul J. Davis, Keyser.

HOUSE OF REPRESENTATIVES

FRIDAY, FEBRUARY 19, 1932

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou hast said, Heavenly Father, not a sparrow falls to the ground unnoticed. We thank Thee that not a trouble enters any breast that the eye of the Lord dost not behold. We praise Thee that it is the nature of greatness not to despise littleness; that it is the nature of strength to be drawn toward weakness and that purity never seems so sublime as when it stoops to impurity. So we come, Blessed Lord, with our conscious smallness and insufficiency, and

we are comforted in the truth that we are guarded and sheltered in the folds of divine care. O Thou who art the Master of the morning and evening, may we never live for the pride of the eye, for the lusts of the flesh, nor for the pomp and vanity of this age-old world. Help us to cling to that which is beyond their touch and find treasures that moth can not corrupt. Through calm and storm pour upon our pathway the balm of Thy holy presence as on we go. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE TRAFFIC SITUATION IN THE DISTRICT OF COLUMBIA

Mr. LONERGAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD by inserting a report given to me by the director of traffic of the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. LONERGAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following report furnished to me by the director of traffic of the District of Columbia:

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
DEPARTMENT OF VEHICLES AND TRAFFIC,
February 16, 1932.

Hon. AUGUSTINE LONERGAN,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN LONERGAN: Some time ago you requested this office to supply you with a schedule of proposed traffic lights.

We have not yet completed our survey of the District, but we have picked out some of the most important places where traffic lights are obviously desired. Traffic counts have been made at these intersections. The results are shown on the tabulation attached hereto.

This list does not, by any means, include the total list of all of the intersections in Washington where traffic lights are justified. We are now making an official traffic survey and we hope within the next few months to complete studies at all of the most important intersections in the District. After this is done we shall be glad to supply you with a digest of these studies.

You also requested the number of police in the different cities the size of Washington. There is attached hereto a report issued by the Bureau of Investigation, United States Department of Justice, including a list of large cities and giving the number of police employees per thousand population.

You also asked us to supply you with the number of traffic lights in the various cities the size of Washington. Attached hereto is a list of traffic lights in four cities—Chicago, Philadelphia, Baltimore, and Washington. These are all of the cities we have information on at this time.

If I can supply you with any additional information please let me know.

Very truly yours,
W. A. VAN DUZER,
Director of Vehicles and Traffic.

Department of vehicles and traffic, Washington, D. C., intersection counts and studies, July to December, 1931

	How controlled				Counts			Average-hour count		Peak-hour count		Accidents		Recommendations
	Signals	Officer: Part	Officer: Full	None	Average hour	Peak hour	Hour	Main street	Side street	Main street	Side street	Fatal	Non-fatal	
APPROVED FOR NEW SIGNALS OR CHANGE IN SYSTEM														
Peace Monument				√	2,334	3,173							12	Flexible progress.
Pennsylvania Avenue and Seventh Street NW			√		2,739	3,143		2,108	622	2,451	692		32	Do.
Pennsylvania Avenue and Ninth Street NW			√		2,358	3,475		2,045	313	3,005	470		31	Do.
Pennsylvania Avenue and Tenth Street NW		√			2,567	3,852		2,291	275	3,280	572	1	11	Do.
Pennsylvania Avenue and Twelfth Street NW			√		3,239	3,972		2,759	480	3,262	710		31	Do.
Pennsylvania Avenue and Thirteenth Street NW			√		3,250	4,256		2,625	625	3,379	877		51	Do.
Connecticut Avenue and L Street NW		√			2,601	3,166		2,081	520	2,464	702		21	Do.
Connecticut Avenue and Macomb Street NW		√				1,559	9–10			1,462	97		6	Demand.
Fifth and H Streets NW				√		1,338	10–11			767	571		5	Individual.
Eleventh and H Streets NW				√		1,766	8–9			925	841		13	Do.
Twelfth and H Streets NW				√	1,790	2,240		1,027	763	1,238	1,002		22	Do.
Thirteenth Street and Columbia Road NW				√	1,389	2,175		1,143	237	1,777	398		2	Do.
Thirteenth and Harvard Streets NW				√		827	12–1			643	184		2	Do.
Fourteenth and L Streets NW				√		1,513	12–1			1,109	424		7	Do.
Fourteenth and Eye Streets NW		√				2,054	8–9			1,489	565		18	Do.
Fifteenth and Eye Streets NW				√		1,627	9–10			826	801		13	Do.
Seventeenth and Eye Streets NW		√				2,190	8–9			1,658	540		10	Do.
Nineteenth and M Streets NW				√	1,209	1,714		875	344	1,158	556		10	Do.
Twentieth and M Streets NW				√	1,304	1,818		787	517	1,060	758		11	Do.
Thirty-first and M Streets NW		√			2,156	2,785		2,043	113	2,611	174		15	Do.
Florida Avenue and West Virginia Avenue				√	1,514	2,143		1,187	327	1,708	435		4	Do.
Florida Avenue and Fifth Street NE				√		2,613	12–1			1,798	815	1	4	Do.
Florida Avenue and First Street NW						1,449	8–9			778	671		8	Do.
Florida Avenue and Fourteenth Street NW				√	1,863	2,458		1,364	499	1,764	694		1	Do.
New York Avenue and First Street NW				√		1,034	9–10			644	390		5	Do.
New York Avenue, L, and Fifth Streets NW				√		2,100	11–12			1,025	719		5	Do.
Rhode Island Avenue and Twelfth Street NE	√					1,162	8–9			842	320	1	4	Demand.
Rhode Island Avenue and Twentieth Street NE				√		886	9–10			831	55		1	Do.
Rhode Island Avenue and Twenty-second Street NE				√		1,009	8–9			970	39		0	Do.
Rhode Island Avenue and Mills Avenue NE				√	693	947		666	33	911	36		0	Do.
Rhode Island and South Dakota Avenues NE	√													Change to demand.
Sherman Avenue and Columbia Road				√	1,204	1,949		1,008	196	1,708	241		8	Individual.
North Capitol and R Streets				√	1,063	1,263		770	293	894	365	1	11	Flexible progress
Connecticut Avenue and Porter Street NW		√				1,060	12–1			1,002	58		7	Demand.
RECOMMEND SIGNALS BE REMOVED														
K and First Streets NE	√				429	697		317	113	518	179		7	
K and Third Streets NE	√				375	568		276	101	437	131		5	
K and Fourth Streets NE	√				524	841		270	254	440	401		4	
K and Sixth Streets NE	√				499	756		274	225	419	156		5	
K and Seventh Streets NE	√				394	626		253	141	433	193		8	
K and Ninth Streets NE	√				353	605		214	144	377	228	1	1	
K and Tenth Streets NE	√				285	512		198	87	378	134		1	
Florida Avenue and Thirteenth Street NE	√				913	1,311		845	68	1,215	96		3	
Florida Avenue and Fourteenth Street NE	√				799	1,105		660	139	861	244		2	

TABLE A.—*Tabulation of police-department employees*

1. CITIES OVER 250,000 POPULATION

	Population, 1930	Average number of employees per month	Number per 1,000 population
Akron, Ohio	255,040	196	0.8
Baltimore, Md	804,874	1,896	2.3
Birmingham, Ala	259,678	260	1.0
Boston, Mass	781,188	2,579	3.3
Buffalo, N. Y	573,076	1,284	2.2

TABLE A.—*Tabulation of police-department employees—Continued*

1. CITIES OVER 250,000 POPULATION

	Population, 1930	Average number of employees per month	Number per 1,000 population
Chicago, Ill	3,376,438	6,742	2.0
Cincinnati, Ohio	451,160	657	1.5
Cleveland, Ohio	900,429	1,558	1.7
Columbus, Ohio	290,564	355	1.2
Dallas, Tex	260,475	288	1.1

TABLE A.—*Tabulation of police-department employees*—Continued

1. CITIES OVER 250,000 POPULATION

	Population, 1930	Average number of employees per month	Number per 1,000 population
Denver, Colo	287,861	423	1.5
Detroit, Mich	1,568,662	4,078	2.6
Houston, Tex	292,352	352	1.2
Indianapolis, Ind	364,161	567	1.6
Jersey City, N. J	316,715	1,154	3.6
Kansas City, Mo	399,746	668	1.7
Louisville, Ky	307,745	500	1.6
Milwaukee, Wis	578,249	1,140	2.0
Minneapolis, Minn	464,356	541	1.2
Newark, N. J	442,337	1,383	3.1
New Orleans, La	458,762	856	1.9
Oakland, Calif	284,063	406	1.4
Philadelphia, Pa	1,950,961	5,568	2.8
Portland, Oreg	301,815	464	1.5
Providence, R. I	252,981	601	2.4
Rochester, N. Y	328,132	533	1.6
St. Louis, Mo	821,960	2,324	2.8
St. Paul, Minn	271,606	345	1.3
San Francisco, Calif	634,394	1,373	2.2
Seattle, Wash	365,583	684	1.9
Toledo, Ohio	290,718	441	1.5
Washington, D. C	486,869	1,410	2.9

Signal lights, 1931

City	Population, 1930 census	Auto registrations	Intersections controlled by automatic signal lights	Ratio of intersections controlled to—	
				1,000 population	1,000 auto registrations
Chicago	3,376,000	[1] 402,000	[2] 641	0.19	1.59
Philadelphia	1,951,000	[3] 294,000	500	.26	1.70
Baltimore	805,000	187,000	292	.36	1.56
Washington	487,000	163,000	[4] 246	.51	1.51

[1] Includes private automobiles only.
[2] 55 more under construction.
[3] Includes commercial vehicles, motor cycles, busses, etc.
[4] After deducting 3 eliminated in August.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the State and Justice Departments, judiciary, and Commerce and Labor Departments appropriation bill, with Mr. MCREYNOLDS in the chair.

The Clerk read the title of the bill.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, ever since I came to Congress in April, 1917, I have been making an earnest, consistent fight for economy and for the abolishment of useless and unnecessary bureaus and expensive commissions which in recent years have been formed and created so frequently. In my judgment half of the bureaus here could be abolished.

I have served here during the times when many distinguished men of the Nation have been chairmen of the Committee on Appropriations: Hon. John J. Fitzgerald, of New York; Hon. Swagar Shirley, of Kentucky; Hon. James W. Good, of Iowa; Hon. Martin B. Madden, of Illinois, than whom I have always thought there has never been a more valuable man to the country; Hon. Dan Anthony, of Kansas, whom we all loved; and our good friend, Hon. WILL WOOD, of Indiana, whom we all greatly respect and who for years made an earnest fight here for economy.

I have duly appreciated the efforts of all of them; but, in my judgment, the peer of the entire group of distinguished economists and splendid representatives of the people is the now chairman of our Committee on Appropriations, Hon. JOSEPH W. BYRNS, of Tennessee. [Applause.] The gentleman from Tennessee has a wonderful knowledge of and insight into governmental affairs and budgetary expenses, and he is doing most valuable work.

I have served here for 15 years with our friend, the gentleman from Alabama [Mr. OLIVER]. I have worked with him, followed him, and fought side by side with him here on the floor on many occasions, but I have never really known him until the last two months, because I did not have the opportunity of seeing him in real action. I wish every citizen of the United States could know just what the gentleman from Pennsylvania [Mr. SHREVE] and I know, for instance, about the qualifications of the gentleman from Alabama, and his earnest, patient, and hard-working efforts to save the people of this country useless expense, and to help balance a budget that an unusually depleted treasury calls for.

Mr. COLE of Iowa. Will the gentleman yield for a suggestion?

Mr. BLANTON. Certainly.

Mr. COLE of Iowa. As a Member on this side of the aisle I want to indorse every statement that the gentleman from Texas has made about the gentleman from Alabama. I have been watching him for 10 or 12 years. I have unbounded admiration for him and faith in his transaction of business.

Mr. BLANTON. I am sure we all appreciate the distinguished gentleman from Alabama. Mr. Chairman, I see that I am going to need additional time, and my friend, the gentleman from Pennsylvania, has promised to yield me 10 additional minutes. I wonder if he would grant me that time now?

Mr. SHREVE. I am very happy, indeed, to yield to my friend, the gentleman from Texas, 10 additional minutes.

The CHAIRMAN. The gentleman from Texas is recognized for 40 instead of 30 minutes.

Mr. BLANTON. The gentleman from Alabama [Mr. OLIVER] knows more about the intimate business details of every bureau that appears before him than the bureau chief himself knows about it. That is the reason he is able to hold them in line, and that is the reason that when they come and ask for something they are not entitled to, he turns them down, and is able to give them a good reason for it. I want to commend our distinguished friend, the gentleman from Pennsylvania [Mr. SHREVE], for the able assistance he has at all times given Chairman OLIVER on that committee. He, too, knows about this business, and it has been the greatest honor and privilege and pleasure that I have ever had in my life to have been able to work with and serve under those two distinguished gentlemen. [Applause.]

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. HOWARD. It seems to me the country ought to know that which the gentleman from Texas is speaking about now. It ought to be very valuable to the country to know that type of our fellows who are trying to perform this wonderful service in behalf of the people, and I think more people really ought to hear this address by the gentleman from Texas.

Mr. BLANTON. I will say to my good friend from Nebraska [Mr. HOWARD] that the people both in Alabama and Pennsylvania will know about what I am now saying, even if they can not hear me. My remarks are going into this RECORD. This RECORD goes daily into every village in the United States, and people read the RECORD. Fun is made of it, but it is one of the most valuable publications now that goes to the people of the United States, because they get the exact proceedings that happen here on the floor of the House, unwarped by friendly or unfriendly newspapers. Sixty copies of the daily CONGRESSIONAL RECORD go into every one of the 435 districts of the United States every day. And it is a great protection to the Members who serve here in this House.

Mr. HOWARD. I am glad to hear the gentleman make that statement, and now I am moved to ask the gentleman if he will not use his best influence to help me pass a reso-

lution which I have been introducing for the past 10 years, to require the Government to send a daily copy of the RECORD to every public and parochial high school in America.

Mr. BLANTON. I will vote for the gentleman's bill if he will get it before the House. It would be of great benefit to the classes on government in every high school in the land.

Mr. HOWARD. Well, if the gentleman would help me get it out of committee.

Mr. CLARKE of New York. Mr. Chairman, I object to lobbying on the floor of the House. [Laughter.]

Mr. BLANTON. I thank the gentleman. The kind of lobbying our good friend from Nebraska will ever do here will never do any harm to the people in the United States.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. I will gladly yield to my friend in a few minutes. I want to tell you something more about the distinguished gentleman from Alabama [Mr. OLIVER].

Mr. UNDERHILL. We all know that.

Mr. BLANTON. There has been such a turnover in membership here that many of our new colleagues may not be personally acquainted with the gentleman from Alabama and his splendid work on committees. He is one of the most patient men I have ever known. He is one of the most courteous gentlemen I have ever met. While careful at all times to observe the rights and privileges of others, and to accord to them their full deserts, he is firm in all decisions and as brave as a lion. He is as dependable as the Rock of Gibraltar. The gentleman from New York [Mr. GRIFFIN], the gentleman from Pennsylvania [Mr. SHREVE], the gentleman from Missouri [Mr. CANNON], the gentleman from Massachusetts [Mr. TINKHAM], and myself have, with Chairman OLIVER, been the subcommittee that has held the hearings and framed the appropriation bills for the Department of Justice, the Department of State, the Department of Commerce, and the Department of Labor.

The country has the benefit of having, as chairman of the subcommittee handling this present bill, one of the most important supply bills of the Congress, one of the ablest and most distinguished lawyers of the United States, Mr. OLIVER. He is a graduate of the University of Alabama. He has a degree from the college of arts and sciences there. He has also his law degree from it. He has the honorary degree of doctor of laws from his own university and from a law university here in Washington. He has been a distinguished prosecutor in his State, a solicitor general. I want to say this to you, which you might not know: In all the cases he has tried as prosecutor for the people, counting those which have been nolle prossed, he has a record of 97 per cent of convictions. Is not that a wonderful record? [Applause.]

It might be interesting to know that at college he received the Phi Beta Kappa key, something which not all of us get. He was dean of the law school of the University of Alabama when he was elected to Congress. He was that kind of a man, and you have that kind of a man to hold most important hearings and help frame your supply bills. He has, with one exception, been supported 100 per cent, and had the help of his committee all the way down the line—and you are going to be interested in the speech he makes about this most important supply bill.

I could not begin the speech I am now going to make without some reference to the splendid work of the committee clerk who has helped us in the handling of this big appropriation bill, Bob Nagle, of Kansas. He came here with Dan Anthony, and that ought to be recommendation enough for him. If Dan Anthony would bring him here, he is all right. He has been of great help to the committee. He is a man of unusual ability, and it has been a pleasure to work with him.

Now, I want to answer yesterday's speech of my colleague on this committee, the gentleman from Massachusetts [Mr. TINKHAM]. The spirit of fair play is the only thing that actuates me. From my boyhood days I have stood for fair play. I believe in fair play for everybody. I have never liked to see anyone take an unfair advantage of another. My subject is Fair Play.

Let me tell you that this is not a mere fight between our friend Mr. TINKHAM and Bishop Cannon. He is leveling his fight against the whole dry cause of this Nation; against every good woman who believes in prohibition and every good man who believes in it. He singles out Bishop Cannon at whom to shoot his big guns, but I can not let him get away with it, as a friend of the cause which I have been following for some years myself.

I asked the gentleman from Massachusetts [Mr. TINKHAM] some questions yesterday when he was making his speech; these, with his answers, I now quote from the RECORD:

Mr. BLANTON. Then there was no such claim made by the gentleman's attorney, that the gentleman, being a Congressman, had no right to waive immunity?

Mr. TINKHAM. Not that I know of. I was not present.

Mr. BLANTON. The press also reports that the gentleman's attorneys claimed that Bishop Cannon having dared the gentleman from Massachusetts to make the statement and to waive immunity, that the gentleman's accepting the dare did not take away from him the constitutional immunity that surrounds a Congressman and protects him.

Mr. TINKHAM. I think that is not good law, nor do I know that my attorney made any such claim. In any event, no such claim will be made by my attorney or by me, and no claim of constitutional immunity was made by me.

And when I pressed the gentleman from Massachusetts further for a definite answer he stated:

No demand was made, so far as I am concerned, for any immunity or congressional privilege, nor will my attorney make such claim, nor do I nor will I.

Mr. BLANTON. Then the gentleman has not won out on this damage suit, as the press reports?

Mr. TINKHAM. That was not correct either.

Mr. BLANTON. There has been no court ruling on the question at all in the gentleman's favor?

Mr. TINKHAM. Well, I think there has been some ruling.

Mr. BLANTON. What ruling was that? We would like to know about it.

Mr. TINKHAM. Well, I do not have the pleadings before me.

Mr. BLANTON. But what kind of a law question did the gentleman's lawyer raise that the court sustained him on?

Mr. TINKHAM. Bishop Cannon's attorney made a plea to strike out two or three parts of the answer.

Mr. BLANTON. As being scandalous?

Mr. TINKHAM. Not as being scandalous, but as not being in conformity with the practice in this district.

And I quote from the RECORD my further colloquy:

Mr. BLANTON. The gentleman will understand I hold no brief for Bishop Cannon.

Mr. TINKHAM. I understand that.

Mr. BLANTON. I am just interested in knowing what the real facts are that keep the gentleman and Bishop Cannon from going to bat. I want to go down there and hear his lawyer cross-examine the gentleman, and I want to hear the gentleman cross-examine Bishop Cannon.

Mr. TINKHAM. I think I have made a clear statement that I desire to have a trial as soon as possible and that I have waived all congressional immunity in relation to the trial.

Having read recently in the daily press a very contrary statement of facts, and being interested to know just what the court situation was, I procured this morning from the official legal documents that are filed in the District Supreme Court the real facts, and in the interest of fair play I want to read you some excerpts from the pleadings in this case.

Here is the declaration of Bishop Cannon, filed in cause at Law No. 79715 in the Supreme Court of the District of Columbia, where he sues our friend from Massachusetts for libel. Here is the plea of our friend from Massachusetts [Mr. TINKHAM], filed December 29, 1931. You will note it is not signed by any lawyer for him—it is signed by himself, and in his own behalf—so, of course, he has knowledge of it. It is signed "GEORGE HOLDEN TINKHAM, pro se," so he must have knowledge of its contents. Listen to what he says:

Now comes the defendant, and for pleas in the above cause says:
(1) That he is a Member of Congress of the United States from the State of Massachusetts and that he has been a Member of Congress since March 4, 1915.

And then, after referring to his statement, he pleads in subdivision (3):

It was a privileged statement. He says over his own signature that such statement was a privileged statement, and it is signed GEORGE HOLDEN TINKHAM.

Well, now, he ought to think back and remember the kind of special pleas he files before he comes on the floor of the House and makes this attack. This plea was filed by him on December 29, 1931.

I hold no brief for Bishop Cannon. You know, I did not like it much when Bishop Cannon deserted the Democratic party and helped to elect Hoover. Bishop Cannon was born in Maryland but, ever since he was a boy, has been a Virginian. My father was born in Cumberland County, Va., and I have always taken some pride in the fact that my father was a Virginian. Bishop Cannon, raised in Virginia, having spent all of his life there since he was a boy, was a Democrat, and he had voted the Democratic ticket ever since he reached his majority.

But because he did not like somebody on the 1928 Democratic ticket, he got out and made a fight for a Republican. And he made a winning fight. I did not like that much. He helped to carry some old, rock-ribbed Democratic States for a Republican. But he had plenty of help. He was assisted by Methodists, Baptists, Presbyterians, Christians, Episcopalians, and Catholics. I know a number of prominent Catholics who voted against the wet candidate. And he thus helped to carry old, rock-ribbed Democratic States for a Republican who, in my judgment, is just as wet as the other candidate was, not by declaration but in fact, because, as Chief Executive of the Nation, with the burden upon his shoulders of enforcing the law, he permits such a wet Washington to exist that even men like our friends LAGUARDIA, BECK, LINTHICUM, O'CONNOR, and all these others are broadcasting the Crusaders map of Washington with so many speak-easy points marked on it that you can hardly recognize the map for the number of speak-easies appearing on it.

Mr. UNDERHILL. The gentleman, of course, wants to be fair.

Mr. BLANTON. Certainly.

Mr. UNDERHILL. And he does not hold the President of the United States responsible for the alleged number of speak-easies there are in Washington?

Mr. BLANTON. He could close them up before midnight if he wanted to.

Mr. UNDERHILL. Oh, he could not.

Mr. BLANTON. If he were an Andrew Jackson, he would do it. Andrew Jackson would close them up and keep them closed. He would close them up here in Washington before night. President Hoover, if he were a dry, would close them up; and that is the reason I am making my statement that he is a wet.

Now, I did not like it at all when Bishop Cannon helped to carry my district Republican by 11,000 when it was Democratic overwhelmingly. It was something unheard of. It kind of went against my grain.

Mr. CLARKE of New York. Where were you?

Mr. BLANTON. I was fighting for my party.

Mr. CLARKE of New York. Why did you not stop it?

Mr. BLANTON. There were too many good women and preachers campaigning. It went against the wet issue, because my district is Democratic.

Now, I want to say this. The Anti-Saloon League has never spent one 5-cent piece in my district for me. It has never donated a nickel in any campaign for me in my life. It has never indorsed me in a single campaign that I have ever made. It does not indorse candidates down in my State. I have served the cause loyally, and I have helped to dry up as many counties in Texas from the saloon traffic as any man in Texas, and yet it has never indorsed me. If a man were to run against me in this campaign and he claimed to be a dry, the Anti-Saloon League would not say one word in my favor. It would let us run out our own campaign. So my speech will not help me politically. I hold no brief for the Anti-Saloon League. I am a friend to it and I have been contributing to the cause it advocates ever since I was a young man, because I have always believed in it. But it is not the only dry organization. There are numerous ones, and the Anti-Saloon League could go out of existence to-morrow and yet the dry cause would be upheld and carried on in the United States just the same.

But, getting back to this other matter, my subject of "fair play," here is what Bishop Cannon did when the gentleman from Massachusetts filed that plea of privilege. He made the following motion to strike it out:

> Now comes the plaintiff and moves to strike the following from the defendant's plea, that part of defendant's plea that reads that it was a privileged statement.

Bishop Cannon further pleaded:

> That the plea of privilege is not available to the defendant inasmuch as the alleged libelous statement contains a waiver of defendant's privilege as a Member of Congress.

And in support of that motion, Bishop Cannon submitted this to the court:

> While any statement made on the floor of the Houses of Congress is absolutely privileged under Cochrane *v.* Couzens (59 Appeals D. C. 374), it does not follow that a Member of Congress may not repeat that statement on the outside of the halls of Congress and be held in damages for libel if the article is proven to be libelous.

Thus Bishop Cannon asked that the plea of privilege be stricken from the answer of our friend from Massachusetts.

In opposition to Bishop Cannon's motion to strike out his plea of privilege, the gentleman from Massachusetts [Mr. TINKHAM] then filed the following plea on January 25, 1932, from which I quote:

> The court will observe that the plea herein by defendant was filed by him in his proper person and without the aid of local counsel.

Then the defendant, Mr. TINKHAM, the gentleman from Massachusetts, through his lawyer, on January 25, 1932, further pleaded:

> The privilege of congressional immunity has not been conferred upon Members of Congress for their individual benefit, but as a matter of public concern, and so that representatives of the people shall not be in fear of being subjected to personal liability or otherwise hampered in the performance of their national duties. As this privilege was in no sense conferred or created for the benefit of the individual, but for the public and national benefit, it can not be waived by the individual.

The gentleman from Massachusetts [Mr. TINKHAM] sets up in court that he has no authority to waive any immunity, just exactly the point I raised here yesterday afternoon in questioning him, because you will remember I asked Mr. TINKHAM this question:

> Mr. BLANTON. The press also reports that the gentleman's attorneys claimed that Bishop Cannon having dared the gentleman from Massachusetts to make the statement and to waive immunity, that the gentleman's accepting the dare did not take away from him the constitutional immunity that surrounds a Congressman and protects him.
>
> Mr. TINKHAM. I think that is not good law, nor do I know that my attorney made any such claim. In any event, no such claim will be made by my attorney or by me, and no claim of constitutional immunity was made by me. * * *
>
> * * * No demand was made, so far as I am concerned, for any immunity or congressional privilege, nor will my attorney make such claim, nor do I, nor will I.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. CLARKE of New York. Does not the gentleman think that both sides were guilty of stooping to technicalities when the people of the United States are entitled to have the full facts?

Mr. BLANTON. I will show the gentleman later that they are going to get them, because there will be a trial on its merits. Here is what the court held on that plea of privilege. Here is the order of the court filed February 2, 1932:

> The motion of the plaintiff is granted [that is, of Bishop Cannon] as to that part of the defendant's plea reading, "And that is a privileged statement."

The court thus held that that plea of Mr. TINKHAM's that it was privileged should be stricken from his answer, and the court ordered that to be done on February 2, 1932, and granted the gentleman from Massachusetts [Mr. TINKHAM] 10 days in which to replead.

And the judge who thus ordered that the plea of privilege of the gentleman from Massachusetts [Mr. TINKHAM] be

stricken from his answer, is Justice Gordon, a life-long pronounced "wet" who would under no circumstances show any favoritism to Bishop Cannon.

It was this unfairness on the part of our friend from Massachusetts [Mr. TINKHAM], who yesterday from this floor, where with the immunity which protects all Congressmen and without his legal opponent being present or having any knowledge of his speech, accused Bishop Cannon of hiding behind the skirts of a woman, when he himself had claimed in court a privilege which he had waived, that caused me to get the records on the matter.

And then, after the court struck out his plea of privilege, the gentleman from Massachusetts [Mr. TINKHAM] on February 10, 1932, came into court with this plea that even though it was not privileged, that he, having been dared to do it, he had the right to do it.

I asked him yesterday about that, and he said he did not know anything about it.

And yet here is his plea he filed on February 10 in his answer:

Leave of court first having been obtained, the defendant, GEORGE H. TINKHAM, by his counsel, files herein his additional plea to the declaration and says the alleged libelous article was so published by the defendant at the instance and the request of the plaintiff, and in response to his public invitation that the defendant make publication thereof by giving the same to the public press, and defendant says that such publication was so invited and requested by plaintiff—

And so forth.

And for a second additional plea, the defendant, GEORGE H. TINKHAM, by leave of court, further says that he is and at the time of the alleged libelous publication in the declaration was a Member of Congress of the United States and, in his official character as such Member of Congress, he made an investigation into the conduct of the plaintiff during the political campaign for the election of the President and Vice President of the United States and Members of the Congress of the United States; that, by reason of the investigation so made by the defendant as a Member of Congress as aforesaid, he—

And so forth.

Mr. CLARKE of New York. Will the gentleman yield? I would like to know upon what basis or what assurance the gentleman has that Bishop Cannon will give us all the facts regarding the solicitation and distribution of the funds and where they originated.

Mr. BLANTON. I am coming to that. When our friend from Massachusetts [Mr. TINKHAM] set up that new plea that it was privileged because he had been dared to do it, Bishop Cannon's lawyer came into court and filed this "joinder of issue." The great Solicitor General from Pennsylvania [Mr. BECK] knows what that means. [Laughter.]

Mr. CLARKE of New York. Does the gentleman mean to say that the rest of us do not?

Mr. BLANTON. Well, I picked the gentleman from Pennsylvania out because he is the brains of the wet cause. [Laughter.] On February 17, 1932, Bishop Cannon's lawyer came into court and filed this "joinder of issue."

The plaintiff joins issue on the pleas of the defendant filed herein.

That brings the case up where it is to be set for trial and tried on its merits. [Applause.]

They will have Bishop Cannon there with his attorney, and the gentleman from Massachusetts [Mr. TINKHAM] can question him if he wants to. They will have Mr. GEORGE HOLDEN TINKHAM there, and the bishop's lawyers will question him. But if I were an attorney for Bishop Cannon, I would never let the libel case be tried until the criminal case is disposed of finally.

Now, I am surprised that so good a lawyer as my friend from Massachusetts [Mr. TINKHAM] should come here and make the speech he made yesterday, and deny that he tried to hide behind his immunity. It is proof that he does have malice against the bishop, for in his main speech yesterday he said:

I have not pleaded and will not claim any constitutional or congressional immunity.

Now, I hold no brief for Bishop Cannon. He and his attorneys can properly defend him in court. But he ought to be proud of the fact that the gentleman from Massachusetts is after him. The gentleman from Massachusetts is a big-game hunter. [Laughter.] He does not hunt little game. The game that he hunts is no smaller than elephants. [Laughter.] I have seen a kodak of him and one of his dead elephants. He is sure that when his gun goes off it hits something, because the game he aims toward is always big. I would be proud if he were shooting at me, because I would know that he thought I was big enough to shoot at. [Laughter.]

Mr. BOYLAN. The gentleman says that the gentleman from Massachusetts is a big-game hunter; is he a big-doe hunter?

Mr. BLANTON. I do not know. The libel case, I imagine, involves some dough. But let me get back to my subject, Fair Play. The distinguished gentleman from Massachusetts [Mr. TINKHAM] in his speech yesterday called attention to the fact that Bishop Cannon had been indicted by a Federal grand jury here in Washington last October, and said:

Bishop Cannon, according to the press, apparently will escape confinement at the Federal penitentiary at Atlanta by employing the same methods invoked by notorious gunmen and professional criminals, namely, by making a technical objection to the criminal indictment. The sum total of his objection to the indictment, which was sustained by the court, was that it did not allege as a fact that Miss Burroughs, treasurer of the political committee of which Bishop Cannon was chairman, a former secretary and employee of the bishop, knew that Bishop Cannon had received from E. C. Jameson the funds which were not reported under the Federal corrupt practices act. It is unusual even for gunmen and professional criminals to seek shelter behind a woman.

Bishop Cannon has repeatedly stated that he desired a judicial, not a political, determination of this issue; yet when a judicial determination could have been obtained, he made it impossible by evasion and technical objection.

Is this statement of our friend from Massachusetts [Mr. TINKHAM] altogether fair? Is it giving Bishop Cannon fair play? Was it Bishop Cannon who was "making a trial impossible by evasion and technical objection? Was Bishop Cannon pleading immunity? Was Bishop Cannon pleading privilege? Was Bishop Cannon seeking shelter behind a woman? Who was seeking shelter behind 'immunity'? Who was seeking shelter behind 'privilege'?"

Should not our friend from Massachusetts [Mr. TINKHAM], to be fair, have told whether or not he influenced the indictment to be found against the bishop? Should he not tell us just what efforts he made to get the indictment, if he made any? Should he not have told the readers of the RECORD that as an influential member of the great Committee on Appropriations he has great power with all departments in the District of Columbia, and that he is a member of the subcommittee of six that makes appropriations for all judges and district attorneys in Washington, and that he interrogates all officials of the Department of Justice, including the Attorney General of the United States, when they come before him while hearings are going on. Here is what he did say:

In November of 1929 I called to the attention of the so-called lobby-investigating committee of the Senate headed by the late Senator Caraway the violation of the traditional American principle of the separation of church and state by certain ecclesiastical organizations through political dictation to the executive, legislative, and judicial branches of the Government. Accepting an invitation to appear before the committee, I made charges against the Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church, the Federal Council of the Churches of Christ in America, and the Commission on Prohibition and Social Service of the Methodist Episcopal Church South, of which Bishop Cannon was and is chairman.

Now, if the gentleman from Massachusetts [Mr. TINKHAM] would go to all of that trouble before the Senate committee, I wonder just how much trouble he went to in influencing the indictment. But he should have been fair enough to give all of the facts about the indictment and told you that the court held that it did not state an offense. I copy the following from the court's opinion, rendered on February 12, 1932, by Justice James M. Proctor, of the Supreme Court of the District of Columbia, to wit:

Several counts of the indictment accuse the defendants, Ada L. Burroughs, treasurer of a political committee to influence election

of presidential and vice presidential electors, and James Cannon, jr., as her accomplice, with violating the corrupt practices act by failing to file statements of certain contributions made for the committee. Other counts accuse the defendants with conspiracy to commit the offenses described in the counts mentioned above.

Every count is grounded upon an alleged failure to report contributions made by one Jameson for the committee, rather than directly to it. There is no allegation as to whom any contribution was actually delivered by Jameson or that the recipient made any report or accounting to Burroughs, the treasurer, nor is it shown that she had knowledge thereof.

The defendants, by demurrer, challenge the constitutionality of those provisions of the corrupt practices act which relate to presidential and vice presidential electors, also the sufficiency of the indictment as a pleading. Among the latter objections it is contended that no offense has been stated because of the failure to allege as a fact that the Jameson contributions were reported and accounted for to Burroughs, treasurer, or that she had knowledge thereof.

It is insisted that such an allegation is necessary because the true meaning and intention of section 244 of the act requires the treasurer of a political committee to report only such contributions as are received directly by him and those received by others which have been duly reported and accounted for to him; and further at all events the indictment should show that the treasurer had knowledge of indirect contributions before being chargeable with a failure to include them in the statements which he must file under the law.

In my opinion these objections are well taken. A consideration of section 244 in the light of all other related provisions of the act leads fairly to the conclusion that the legislative intention is to require the treasurer of a political committee to report only contributions received by him and those duly reported to or accounted for to him. Certainly it was not intended to hold one criminally responsible for failure to report a contribution of which he had no knowledge.

This is a proposition advanced by the Government to which I can not consent. It calls for an unreasonable and harsh construction which is neither warranted by the nature of the act, its language, nor its intent. Given such a meaning, a treasurer who has filed a statement honestly and correctly, revealing every contribution known to him, would nevertheless be liable to prosecution because of an inevitable omission of a contribution made for the committee to another of which he had no knowledge. No such unjust purpose can be attributed to this legislation.

Nor am I to accept the alternative contention that those counts which charge a willful failure by Burroughs to report contributions made for the committee impute to her knowledge of contributions received by another. The term 'willful' as used in these counts is merely an adoption of the word employed in section 252 to differentiate in the penalties between a purposed and intentional violation of the act and one occurring thoughtlessly or accidentally through inadvertence or mistake. The reasoning and authorities in support of these theories are, I think, based upon fundamental misconceptions.

In my judgment, for the reasons mentioned, all counts in the indictment as drawn fail to allege facts essential to constitute any criminal offense. The demurrer must, therefore, be sustained as to each count. An order will be entered accordingly.

Now, I am wondering, Mr. Chairman, just what power and influence has caused the district attorney to take an appeal from the above very clear decision of the court in favor of Bishop Cannon. The court held clearly that the indictment did not charge an offense. The court quashed the indictment. This ought to settle the case. But the district attorney stated that he would appeal from such decision. Why? Who wants him to appeal? Is there any other person in the United States except our friend from Massachusetts [Mr. TINKHAM] who wants to further prosecute the matter?

Just why did the gentleman make his speech yesterday? Why did he wind it up—that is, his specially prepared part before I began to question him—with the following assault—may I say vicious assault—upon Bishop Cannon, to wit:

In order completely to expose this spurious, self-designated moral leader and ecclesiastical whitened sepulcher, I challenge him to try his libel suit against me, and I hereby call upon him through his counsel to arrange with the counsel representing me for an early trial at this term of court before it adjourns at the end of June, that truth under oath shall be developed not only for the benefit of the jury sitting to try this case but for the information and enlightenment of that larger jury, the American people.

Is there any malice in that statement? It appears to me to be teeming with malice. If you were Bishop Cannon would you try your civil case until the district attorney had finished his appeal from the judgment of the court quashing said criminal indictment? If you were Bishop Cannon's lawyer, would you not wait until this district attorney had his appeal settled? But let me quote the last page of the gentleman's special new plea in this libel suit, which is as follows:

Said statements theretofore reported by the public press as made by defendant on the floor of the House of Representatives; and plaintiff further stated, in substance and effect, in the publication so made and caused to be made by him as aforesaid, that defendant was immune from prosecution for false, libelous statements so made by him upon the floor of the House of Representatives, and that unless and until the defendant should comply with the challenge and request of the plaintiff to publish the statements aforesaid in the public press and over the signature of this defendant and unless defendant waived his congressional immunity with reference to such statements, defendant could not command the respect of honorable men and that failure on the part of defendant to make such publication would brand him as a coward. And defendant, because of the said challenge and invitation of the plaintiff aforesaid and of the statements made therein concerning the conduct and character of the defendant, and in order to defend his character and conduct in the premises from the attack made thereon by the plaintiff, as hereinbefore set forth, and for the purpose of refuting the charge that defendant was a coward as charged by plaintiff, and without malice toward the plaintiff, caused to be published the alleged libelous article in the declaration set forth, as he might lawfully do, the premises considered.

WHITEFORD, MARSHALL & HART,
Attorneys for Defendant.
By ROBERT J. WHITEFORD.

Now, being interested in "fair play," I got the original manuscript of his speech that the gentleman from Massachusetts [Mr. TINKHAM] sent to the Printing Office last night and examined it. I found that it was a mimeographed or manifold copy, and at the top of it were these words, "For release upon delivery," showing that he had had made a lot of copies for the press. It showed that he was giving it out to the press, and they could not use it until he "delivered it." I happen to know that he arranged to make that speech yesterday at 1.30 o'clock.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. RANKIN. Suppose the press had given it out and he had failed to get recognition, then would he have been entitled to congressional immunity?

Mr. BLANTON. He would have been in a terrible fix.

Mr. COCHRAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COCHRAN of Missouri. I understand that the plaintiff in the case is in the courtroom, so to speak. Does the gentleman not think it would be proper that the defendant should be here?

Mr. BLANTON. I am not responsible. I imagine that if somebody were up here on this floor condemning me I would be around here somewhere looking after my interests. I imagine that my friend would also. If my integrity were being attacked somewhere, I would be there to see about it; and I admire a man who will look after his side of a controversy. [Applause.]

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I am not going to be distracted from my subject of "fair play" by my wet friends. But I will yield to them later.

Mr. MARTIN of Massachusetts. Let me ask the gentleman——

Mr. BLANTON. I do not want to yield yet; I will in a moment. Then I shall yield to every wet on the floor, and I think that at least two-thirds of all of the wets in the House are here now. [Laughter.]

As I started to say when I was interrupted, I happen to know that the gentleman from Massachusetts [Mr. TINKHAM] made arrangements yesterday to be recognized and to use his time at 1.30 p. m. He was told by me that I would answer him, as I had understood that he would then make his prepared attack on the prohibition enforcement unit in the Department of Justice. For if you will examine the hearings, you will see that for about three and one-half days he kept the Attorney General of the United States, General Mitchell, and Colonel Woodcock on the witness

stand cross-examining them, and that he thus consumed the hearings from pages 143 to 259.

But the gentleman put off his speech from time to time, and finally advised that he would not take the floor until after 4 o'clock, and this meant that there could be no answer before to-day. And it was about 4.20 p. m. when he took the floor.

I believe also that he waited so that he could get a better "covering" from the newspapers, as it was too late for the afternoon papers and he thought the morning papers would give much of the text of his speech.

Do you know that the gentleman even wrote the heading for his speech in large capitals? The manuscript shows this. And, being a mimeograph copy, it shows that the heading was on all of the copies he had handed out to the press. He was not willing to have the newspaper boys put their own interpretation to it and put their own headlines on it. He had to write the headlines for it himself. His heading is:

Congressman TINKHAM renews his charges against Bishop Cannon, jr., and challenges Bishop Cannon to try his libel suit against him.

And I notice that some of the newspapers to-day followed that word for word. But that is not all.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. That is not all. The last closing words he uttered here yesterday afternoon in his speech were these, because I have the record of his speech. These are what the reporter took down:

Permit me to say that we can not always believe everything we see in the newspapers.

But he sent it to the Printing Office last night; he struck that out; he did not print that, because he knew that after he had given this speech out to the press, if that sentence went down at the bottom it would make all of the press boys mad, and they would not print it, so he struck that out.

I want the people of the United States to get these facts that I put in from the court records, and compare them with Mr. TINKHAM'S speech, and I think they must conclude that Mr. TINKHAM as a Congressman is not giving this bishop a square, fair fight for his money in the court. Why does he not wait until this case is tried; why does he want to fight it out here, where every word he utters is immune?

The bishop can not speak here. The bishop is not immune. Why does he not give the bishop a fair chance? Why do not you Republicans see that he does that? A Republican President is in the White House because of what this bishop and other preachers did for him. Did you know that it was this bishop's efforts that helped to defeat your great Senator Wadsworth from New York because he was a wet? That is the kind of influence that he exerted. I am advised that William Randolph Hearst's office wired the examiner's office in San Francisco and said, in effect, "Bishop Cannon is becoming too powerful. You want to find out something on his children." Is that fair?

My God! How could they attack a man's children when they want to ruin him? Is that fair? I appeal to every honest man on this floor—and my service with you makes me believe that you are for a fair, square deal—I appeal to you to wait until this case is decided in the court before we hear any further from Mr. TINKHAM on the question. Then we will know both sides.

Mr. BOYLAN. Will the gentleman yield?

Mr. BLANTON. I yield to both of my wet friends who have risen. I yield to the gentleman from New York first.

Mr. BOYLAN. The gentleman made a very interesting statement, saying that his client, whom he is so ably representing this morning——

Mr. BLANTON. No. The gentleman is wrong. I did not say "client." I have never seen Bishop Cannon but twice in my whole life. He did not know yesterday that I would ask questions of the gentleman from Massachusetts.

Mr. BOYLAN. Well, the gentleman's friend, then——

Mr. BLANTON. I can not say that. He may not be my friend, but I say he is fighting for a cause to which I am friendly; a cause that my mother fought for; a cause that the gentleman's mother probably fought for, and I uphold on the floor of this House of Representatives that cause because I am under oath to uphold it. [Applause.]

Mr. BOYLAN. Exactly. Now, I want to ask the gentleman about a very interesting statement he made. The statement was that the present estimable gentleman who occupies the White House was put there, in part, by the worthy bishop.

Mr. BLANTON. I think he helped do it; he and a hundred thousand other good ministers of the gospel.

Mr. BOYLAN. In that connection, I would like to ask the gentleman whether or not the bishop carried the gentleman's district for the gentleman in the White House?

Mr. BLANTON. He helped do it.

Mr. BOYLAN. And he carried it?

Mr. BLANTON. Yes; he and other preachers helped do it, and they helped to keep me out of the United States Senate, because I came out for Governor Smith after he was naminated in the national convention at Houston, where I was born.

Mr. BOYLAN. And the gentleman is a friend of his and he kept the gentleman out of the United States Senate? I am appalled. I am astonished.

Mr. BLANTON. Oh, I am a friend to the dry cause. Bishop Cannon is a mere incident to it, but I want a fair deal for him. I believe in fair play. I have been for the underdog all of my life. [Applause.] I do not want somebody to take advantage of somebody else. If Bishop Cannon is guilty of wrongdoing, I am not for him. But if he is innocent, I am for him. And in any event, he is entitled to a fair, square deal, and a fair, square trial.

Mr. BOYLAN. But I do not think the gentleman ought to be for a man who kept him out of the United States Senate. I would not be for him. [Laughter.]

Mr. BLANTON. I believe in giving a fair deal to everyone.

Mr. IGOE. Will the gentleman yield?

Mr. BLANTON. I now yield to my friend the gentleman from Illinois.

Mr. IGOE. The gentleman said he wanted a fair, square deal for Bishop Cannon.

Mr. BLANTON. Yes. I ask the gentleman if he is for Bishop Cannon or for Mr. TINKHAM getting fair treatment? I am for both getting a fair deal.

Mr. IGOE. Now, if the gentleman will wait a minute. The gentleman asked for a fair, square deal for the bishop.

Mr. BLANTON. Yes.

Mr. IGOE. Will the bishop give the wet cause a fair, square deal before the country?

Mr. BLANTON. If he is going to give the wet cause what I am going to give it, he is going to give it hell. [Laughter and applause.] That is what I will give the liquor traffic as long as I am able to make public speeches.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. That is what the liquor traffic deserves, I will say to my good friend the gentleman from Wisconsin, to whom I now yield.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SCHAFER. Is the gentleman from Texas giving the wet cause hell by placing in nomination for the Presidency the gentleman from his State who voted against submitting the eighteenth amendment to the various States?

Mr. BLANTON. Is the gentleman from Wisconsin wet or dry? Let me pause and ask again, Is the gentleman from Wisconsin wet or dry? If he is wet——

Mr. SCHAFER. I am opposed to the eighteenth amendment and the sumptuary prohibition laws enacted thereunder, which have changed the American Constitution from a charter of rights and liberties into a criminal statute book.

Mr. BLANTON. Now, I do not yield further. I am going to answer the gentleman's question. The gentleman from Wisconsin has been posing here as a wet ever since he came to Congress. He has been trying to be a wet leader.

He has been frothing beer at the mouth ever since he has been on this floor, and yet he tries to undertake to say that

he would object to my nominating a man who had voted against the eighteenth amendment. If I had nominated such a man, the gentleman from Wisconsin ought to be supporting him. If he is a real wet, he ought to do it.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. No; I regret that I can not yield further. I am going to answer the gentleman. The man I nominated for President knows more about Government business than any other man in the United States, without any exception. [Applause.] He has been for the common people all of his life. He has been fighting the battles of the common people ever since he was born. He is one of the common people himself. He knows what their problems are. He knows the kind of obstacles that stand in the way of making a proper living in life according to American standards of living. He has been for them during his nearly 30 years of able service here.

Prohibition has been a mere incident in his life. A great statesman of his magnitude always concerns himself about more than one question. He has concerned himself about every issue that in any way affects the lives of families all over the country. And he has sound judgment. The gentleman from Wisconsin has no right to say that he is a "wet." And I have no right to say that he is a "dry." But, whatever he is, he suits me, and I believe that he suits the people of the United States.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield five additional minutes to the gentleman from Texas.

Mr. BLANTON. The distinguished statesman I nominated has been for the big things that help the American people, and he has got the confidence of every single person who wants economical government for the people in the United States. Just see how they came out for him this morning as reported in the press.

By the way, Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to place in the RECORD two indorsements which appeared in the paper this morning and some other excerpts that I have here in connection with my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SCHAFER. Mr. Chairman, reserving the right to object, will the gentleman yield for a question before he makes that request?

Mr. BLANTON. Yes; I yield.

Mr. SCHAFER. After a further study of the record of the gentleman's candidate for the Democratic nomination for President and his vote against the submission of the eighteenth amendment, I have found that he follows Bishop Cannon and the gentleman from Texas [Mr. BLANTON], because the RECORD shows he voted for the Volstead Act, and also that he voted for the nefarious Jones law which will put a man in jail for five years for transporting a pint of liquor or a bottle of good beer. So, consequently I can now realize why Senator SHEPPARD, the father of the eighteenth amendment, and Mr. McAdoo, the stepfather of the eighteenth amendment, come out in support of the gentleman's candidate.

Mr. BLANTON. I can not just understand why the gentleman from Wisconsin, who now is one of the floor leaders for the Republican Party, concerns himself so continually about my nominee for the Presidency. The subject is continually in his mind. The great trouble is that none of us have yet been able to get the permission of our Speaker of the House to announce his candidacy. His job of running this House is a stupendous one, and we can not turn him one way or another from his duties. He is confining all of his thought and devoting all of his great abilities to running this House. He and all of us here on this side of the aisle are friends of Governor Franklin D. Roosevelt. And the Speaker is allowing none of us to throw any obstacle in the way of his friend. Naturally we Texans are for JOHN GARNER, but we are doing nothing against Governor Roosevelt. Now I will ask the Chair to put the unanimous-consent request I made.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. I want to say to my friend from Wisconsin that if he will keep a record of it he will find that the man I nominated will get every vote in the gentleman's Wisconsin district except one, because every progressive he represents is going to vote for him.

Mr. SCHAFER. I want to say to the gentleman that his candidate, who has been condemning the delay in the reorganization of and extravagance in the executive departments, also voted for $24,000,000 to be given to the Executive, without restriction, for the purpose of dry enforcement in addition to the regular appropriation.

Mr. BLANTON. That ought to offset the other vote objected to. I want to call the attention of the country to this, that William Randolph Hearst, a notorious wet, indorses the man I nominate, and this morning one of the greatest drys in the United States, William G. McAdoo, indorsed him. And then another wet, Col. R. R. McCormick, indorsed him. So you see he has the indorsement of the wets and drys.

The people of this country believe there is something here besides the liquor question. It is the economic question. If you will get the history of the New Hampshire campaign you will find that our friend ROGERS ran on an economic platform. If you will get the issues up in New Jersey, you will see that our friend STEWART ran on an economic platform, a platform for economy in government, a platform for the Government to act in the interest of the people.

Mr. STEWART. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. STEWART. May I also say that I ran on the proposition of repealing the eighteenth amendment?

Mr. BLANTON. Oh, incidentally; yes.

Mr. STEWART. And for an amendment of the Volstead Act.

Mr. BLANTON. Incidentally; but they did not pay any attention to that. They knew the gentleman had been indorsed by the great Democratic Party, which stands for equal opportunity for everybody, and they elected him because he was a Democrat. They will always do it if they get a fair, square chance at the polls.

Mr. SCHAFER. I interrupted the gentleman when he was asking unanimous consent to insert certain data in the RECORD. I trust the gentleman will not forget to ask unanimous consent to put in the RECORD the indorsement of the father of the eighteenth amendment, Mr. SHEPPARD, and the stepfather of the eighteenth amendment, Mr. McAdoo.

Mr. BLANTON. I am going to do that, and I am going to put in the indorsement of some of the wettest men in the United States, even wetter than the gentleman from Wisconsin.

INDORSEMENT FROM WILLIAM RANDOLPH HEARST—WHO WILL BE THE NEXT PRESIDENT?

In 1912 Champ Clark, a distinguished and a genuine Democrat, came before the Democratic convention at Baltimore with the support of a popular majority and the indorsement of States of the Union which represented a majority of the Electoral College.

Champ Clark was a true Democrat and a tried one.

He had been leader of his Democratic associates in the House of Representatives for three terms.

Under his sound and sincere Democratic leadership a Republican majority of 57 in the House in 1907 had been transformed into a Democratic majority of 65 in 1911.

JOHN N. GARNER, Speaker of the House of Representatives, a position universally pronounced next in importance to the Presidency in this Republic of ours, is a loyal American citizen, a plain man of the plain people, a sound and sincere Democrat; in fact, another Champ Clark.

His heart is with his own people. His interest is in his own country.

God guide us to choose wisely, so that this year of grace 1932 may be a happy new year for us all.

WILLIAM RANDOLPH HEARST.

McADOO BOOMS SPEAKER GARNER FOR PRESIDENT—HAILS TEXAN AS IDEAL LEADER OF PARTY—ALL FACTIONS CAN UNITE BEHIND HIM, AVERS WILSON'S SECRETARY OF TREASURY

LOS ANGELES, February 18.—William Gibbs McAdoo to-day in a formal statement unqualifiedly indorsed Speaker JOHN N. GARNER for the Democratic nomination for President. He said:

"Under GARNER all elements of the party should be able to unite. In that case his election would be certain."

The declaration of Woodrow Wilson's wartime Secretary of the Treasury takes its place at once as the day's most sensational piece of political news, one far-reaching in its influence, nation-wide in its furtherance of the popular demand for GARNER'S nomination.

GREAT FOLLOWING

With a loyal following that extends into every State, McAdoo's declaration for GARNER doubtless will bring into the Texan's camp prominent members of the party all over the country. Many of the Democratic leaders in California are with McAdoo in enthusiastic support of GARNER.

Following is the McAdoo statement:

"I have received so many inquiries as to my attitude toward the forthcoming Democratic presidential nomination that I take this method of answering them.

"I favor JOHN N. GARNER, Speaker of the House of Representatives.

KNOWS HIS ABILITY

"During the six years that I was Secretary of the Treasury, I had, of necessity, close official relations with the Ways and Means Committee of the House, of which Mr. GARNER was a leading member. I came, therefore, to know him intimately and to have the opportunity to judge, under the severe test of complicated problems, the quality of his mind and the measure of his ability.

"I was greatly impressed by his sound argument, by his broad comprehension of political, social, and economic problems, by his integrity—moral and intellectual—and by his high character and practical ideas. His elevation to the Speakership was not a matter of chance but a recognition of 29 years of able and distinguished service in the House of Representatives.

WELL EQUIPPED

"Mr. GARNER has universal knowledge, acquired by hard work and experience, of the problems of Government. He would bring to the Presidency just the equipment that is sorely needed to direct the affairs of the people of the United States in these extraordinary times.

"Moreover, Mr. GARNER is not involved in any party schisms that threaten success on election day. He is beyond the reach of those sinister and subtle influences which work unceasingly against the interests of the masses of the people. He appeals to those elements in our national life which need a leader who understands their problems, whose sympathies are with them because he does understand them, and who, because of heredity and environment, is one of the people himself.

"He will know how to use the Executive power to promote the common good and to suppress favoritism and extravagance and the flagrant forces of privilege and corruption which have brought the country to its present unfortunate condition.

"Under GARNER all elements of the party should be able to unite. In that case his election would be certain."

GARNER BACKED BY MCCORMICK

CHICAGO, February 19.—Support of JOHN N. GARNER, Democratic Speaker of the House, was urged to-day by Col. R. R. McCormick, publisher of the Chicago Tribune, a Republican newspaper.

His indorsement of GARNER'S economy program came in a speech before the Chicago Assembly. He declared GARNER had advocated real measures of economy and that they deserved support of Americans. He also praised Senator GLENN, of Illinois, for his advocacy of economy, and added:

"It is up to the people to support the retrenchment programs advocated by both Speaker GARNER and Senator GLENN. If we rally to their support, we will rescue our country from bankruptcy. We must go to the rescue as fast and as vigorously as possible or it will be too late."

Mr. CLARKE of New York. May I suggest that the gentleman put John's picture in along with his own?

Mr. BLANTON. I think John from Wisconsin will vote for the other John when the time comes.

Now, in conclusion, I want to say this: We are supposed to put in the first deficiency bill just what the President's Budget recommended. They estimated and recommended appropriating $141,031,184, while our Byrns committee appropriated only $126,250,333.

[Here the gavel fell.]

Mr. SHREVE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BLANTON. I thank my friend, the gentleman from Pennsylvania, very much. You know, I am for Mr. SHREVE even if he is a Republican. He is a most valuable man in this Congress. Mr. SHREVE, Mr. BYRNS, Mr. OLIVER, and my committee, the Appropriations Committee, saved $14,780,850 on that one bill below the estimates of the President's Budget. [Applause.]

The next bill was the agricultural bill. The President's Budget, which is supposed not to propose a cent which the President does not approve, sent in estimates asking us to appropriate $186,243,405. The Appropriations Committee appropriated only $175,443,814. Our good colleague, Judge BUCHANAN, was the able chairman of that subcommittee. He is the man who did the hard work on that bill, and we should give him credit for it. He saved $10,799,000 on that bill. Then there was the Interior bill, which our good friend from Colorado [Mr. TAYLOR] has just passed through the House. He did splendid work on it as chairman of the subcommittee. The President's Budget recommended that we appropriate $56,705,352. Our committee appropriated only $50,431,432 and thus saved the country $6,273,920.

You take the present bill, which our good friend Mr. OLIVER has now brought to you on the floor after a couple of months of hard work, and upon which Mr. SHREVE has done such valuable work. The President's Budget recommended that we appropriate $129,784,136, yet the bill carries only $124,439,318, a saving below the President's Budget of $5,382,818. Thus far on these four bills your Appropriations Committee, under the guidance of the splendid chairman, Mr. BYRNS, of Tennessee, and the chairmen of the various subcommittees, has saved $37,237,179 below the President's Budget estimates.

That is splendid work. That is constructive accomplishment for the people of this country by the present session of the Seventy-second Congress.

Mr. MICHENER and Mr. SCHAFER rose.

Mr. BLANTON. I yield first to my friend from Michigan and then to my friend from Wisconsin.

Mr. MICHENER. I want to congratulate the Committee on Appropriations, but I want to call also the gentleman's attention to the fact that ever since we have had a Budget in the House, if I am not mistaken, and the gentleman will know if I am mistaken, there has never been an appropriation bill reported but what the Congress has cut the Budget as submitted by the President. So, as a matter of fact, the saving was nothing new.

Mr. BLANTON. I want to say that that is the worst condemnation of the Republican Presidents I have ever heard—every Congress reducing the appropriations below their Budget estimates, and yet during the last 10 years the Budget has grown under the Harding-Coolidge-Hoover triumvirate administration until we have a deficit of $1,200,000,000. This is because of the Budget. The President's Budget has been too big. The President's Budget does not look after the people's interests. The President's Budget is asking for extravagance and is not asking for economy. That is a condemnation of the Budget of the gentleman's Republican Presidents.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SCHAFER. We would have had a greater deficit in the Treasury if the plan had prevailed which was advanced by those economy pushers—the gentleman from Texas, Mr. GARNER, the gentleman from Texas, Mr. BLANTON, and the Gentleman from Tennessee, Mr. BYRNS—to foist $24,000,000 additional on the President for prohibition enforcement in the second session of the Seventieth Congress, which amount he had not asked for.

Mr. BLANTON. That is about as unfounded as all the beer statements that the gentleman makes.

Mr. SCHAFER. That is the fact, and the gentleman knows it.

Mr. BLANTON. And the people do not pay any attention to those assertions at all. [Applause.]

I thank my colleagues for their patient hearing.

Mr. SHREVE. Mr. Chairman, I yield 20 minutes to the gentleman from Indiana, the former chairman of the committee, Mr. WOOD.

Mr. WOOD of Indiana. Mr. Chairman, I have been listening to the gentleman from Texas [Mr. BLANTON] laying claim to the extraordinary saving that has been made upon the bills of the Appropriations Committee thus far considered below the Budget estimates and I wish to say that since the Budget was adopted there never has been an appropriation bill submitted to this Congress by any of the various subcommittees of the Committee on Appropriations but

what, without a single exception, reduced the recommendations of the Budget. [Applause.]

I want to say further, in justice to the President of the United States, and in justice to the splendid chairman that we now have of the Committee on Appropriations, that soon after the organization of this House and after the selection of the gentleman from Tennessee [Mr. BYRNS] as chairman of the Appropriations Committee, he went down and called upon the President and told him that it was his purpose to stand by him and help him in reducing expenditures. The President thanked him for it and for the splendid cooperation offered, and which he has been practicing, and said to him, then and there, "I want you to cut wherever you think you can cut, and you need not mind the Budget. Cut it wherever you can." [Applause.]

The gentleman from Tennessee [Mr. BYRNS] came upon this floor and told you exactly the conversation he had with the President in this regard, and I want to say to you that no matter how deeply you cut, you will be favoring the President and you will meet with no opposition from him by reason of such cuts.

Mr. ADKINS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. ADKINS. After the recommendations of the Budget have been taken care of, does not this Congress, as well as other Congresses in the past, have under consideration large appropriations, some of which are passed, that are not contemplated by the Budget at all?

Mr. WOOD of Indiana. The House has never increased the Budget recommendations. The committee has increased certain items, but taking the whole bills, from start to finish, you will find a reduction in every one of them. We are not responsible for what happens at the other end of the Capitol.

It seems to be a general pastime——

Mr. KETCHAM. Will the gentleman yield for a brief question right at that point?

Mr. WOOD of Indiana. Yes.

Mr. KETCHAM. Considering the action taken by the House in reducing the estimates of the Budget, has the gentleman at his hand the reduction made by the Budget in its recommendations in comparison with the expenditures of last year, and if the gentleman does not have the figures, will he set out later an exact comparison showing the reduction recommended by the Budget as compared with the accomplishments in the House?

Mr. WOOD of Indiana. The total Budget estimates for 1932 were $3,993,922,554.31. The total appropriations were $3,964,554,298.95. The appropriations therefore were $29,368,255.36 less than the Budget estimates.

I was about to say that it seems to be a favorite pastime for some gentlemen to criticize the President. If there was ever a time in the House when the President of the United States should have the support of all its Members, it is now. A number of parallels have been drawn by different individuals to existing conditions, comparing the administration of Abraham Lincoln and that of Mr. Hoover. I want to say to you that the trials through which Mr. Hoover has gone and is going are greater, so far as the world is concerned and so far as the United States is concerned in many respects, than the trials through which the immortal Lincoln went. [Applause.]

Lincoln had something to cheer him from time to time when a battle was won for the Union cause. There have been no successful battles thus far of consequence in the battle that this administration is making against the worst depression that the world has ever known. But not only has this administration had to contend with our depression but it has had to contend with the depression all over the world, and three-fourths of the depression we have to-day is caused by the backwash of the depression of the other countries of the world.

At relatively this same time in 1864 Abraham Lincoln was a defeated man as his own successor, and he felt it and said to his friends, "I do not wish to stand for renomination or reelection. I feel that my administration has been a failure. Perhaps, it would be better to place it in other hands where success may be achieved."

He advised, however, that we should not trade horses while crossing the stream. We elected that great and good man to carry on the work that it was ordained that he should finish. I believe that if the American people are wise in this day and generation, they will not trade horses while crossing this stream [applause], and that they will retain this man, who I have no hesitancy in declaring is as eminently fit to be President of the United States as any man who has filled that position. [Applause.]

Now, I wish to correct some statements that were made here yesterday on the floor. It is an easy matter to make an assertion. My good friend from Tennessee [Mr. BYRNS] stated in the speech that he made yesterday that President Hoover had appointed more bureaus and commissions than any man that had been President of the United States, and that was echoed by the gentleman from Texas [Mr. BLANTON].

I have had collected for me the facts in reference to the appointment of these commissions, and I wish to call your attention to the fact that in any business so complex as that of the Federal Government much of the research work is carried out by means of commissions.

Mr. BLANTON. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. Has the gentleman from Indiana changed his mind about Mr. Hoover since January 13, 1919, when from this floor he then said that Mr. Hoover was the most expensive luxury that was ever fastened upon this country?

Mr. WOOD of Indiana. I wish to say to the gentleman that at the time I made that criticism the gentleman from Illinois [Mr. RAINEY] was extolling Mr. Hoover as an almost superman.

Mr. BLANTON. But he has since found him out. We have since found him out. And the people have since found him out.

Mr. WOOD of Indiana. And I have since found him out. And had I known him then as I do now, I never would have made it. [Applause.] At that time he was being extolled by the Democrats all over the country as a prospective candidate for President of the United States. The gentleman from Illinois was then lauding and praising this great man, but he has changed his attitude, as evidenced by his interview of yesterday in criticism of the message sent down by the President. The gentleman from Illinois said that the President had made this specific recommendation asking for additional offices to give him more power. The gentleman from Illinois has changed his opinion. Then Mr. Hoover was the greatest man existing, and now he is simply nothing in the eyes of the gentleman from Illinois.

What has transpired to make this man a lesser man, a man of less ability, of less genius, than he was then? He is more capable of doing the business of this country to-day in these trying times than any man, in my opinion, that has ever been President.

In a business so vast and complex as that of the Federal Government, a large part of the research work necessarily is carried out by special commissions and committees, delegated to investigate a given subject and to report to the President, or to Congress. They also act for the coordination of Government activities, recommend policies, represent the Government abroad, or at national functions, and exercise semijudicial or semilegislative powers delegated by the Congress.

Let me repeat what I have said heretofore, that rather than condemn the President of the United States for appointing these commissions, we would better be condemning ourselves, because not one out of a dozen or twenty-five have been appointed by the President, in comparison with those appointed by the Congress of the United States, and the expensive ones are those that have been created by the Congress of the United States.

A great majority of these commissions are created not by the President but by the Congress upon its own motion. All

of the commissions created by the President are for temporary nonadministrative purposes as are also a large number of those created by the Congress.

The number of commissions set up under recent administrations are:

President Roosevelt	107
President Taft	63
President Wilson	150
President Harding	44
President Coolidge	118
President Hoover	44

The commissions, committees, or conferences are of three varieties:

First. Temporary bodies created by the President's order for the purpose of coordination of Government activities, or for the determination of facts and advice as to policies on special subjects. These commissions cost the Government nothing.

Second. Commissions or committees created by Congress upon recommendation of the President. The expenses of such committees are paid by appropriation.

Third. Commissions created by Congress on its own motion. These expenses are always paid by appropriation.

During President Wilson's administration approximately one-half of the total of 150 commissions were created by Congress upon its own motion. Of those created by or upon recommendations of the President, 10 are still in existence.

During the Coolidge administration, 74 commissions out of a total of 118 were created by Congress. Of the 44 created by the President or upon his recommendation, 39 have completed their task and have been released.

During President Hoover's administration 24 out of the 44 commissions were created by Congress. Of the 20 created directly by the President, or upon his recommendation, 12 have completed their tasks and have been released, and only 2 are other than temporary. Of the purely presidential commissions, the expenses of 4 have been paid by the Federal Government, while 17 either cost nothing or rely upon public support.

The following are the commissions or committees created under the present administration, classified as those created by Executive order, those created by Congress upon recommendation of the President, and those created by Congress upon its own motion.

COMMISSIONS CREATED BY EXECUTIVE ORDER

1. Committee on Coordination of Veterans' Services: This was an interdepartmental committee and the result of its investigation and report was the consolidation of all veterans' services into the new Veterans' Administration, with the result of an annual saving in expenditures of fully $10,000,000 a year. The committee has completed its work and has been dismissed.

2. Advisory Shipping Committee: This committee was appointed to advise upon the sale of certain steamship lines by the Government and the reorganization of others. The policies recommended have been followed with success. The committee has completed its work and has been dismissed.

3. California Water Commission: This commission was created in conjunction with the Governor of California for the coordination of State and Federal activities in water problems of the State of California. It has cost the Federal Government nothing. The commission has completed its work and has been dismissed.

4. National Drought Committee: This committee was appointed to coordinate Federal, State, and other activities in the matter of drought relief and to recommend a national program. The result of its investigation was recommendations which led to the undertaking of relief by the Red Cross and appropriations by Congress for rehabilitation of agriculture from the drought. It represents no expenditure. The committee has completed its work and has been dismissed.

5. San Francisco Bridge Commission: This commission was appointed in conjunction with the Governor of California to settle the conflict between Federal and State authorities in determination of the location of a bridge across San Francisco Bay. The commission settled this question, which had been a matter of public dispute for over 10 years, and preparations are being made for the construction of the bridge. The commission cost the Federal Government nothing. It has completed its work and has been dismissed.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. PARSONS. The number of commissions appointed to date by the President is 44. Compared with the 150 appointed during the eight years of Mr. Wilson, on the basis of comparison of time, if the same percentage keeps up until the eight years expire in Mr. Hoover's terms, he will have appointed 144. Then we must consider that Mr. Wilson was in during four years of war, when it was necessary to appoint a large number of boards and commissions, so that what the gentleman says could not be taken as a fair comparison.

Mr. WOOD of Indiana. We are in a worse condition economically to-day than we were then, and there is perhaps more necessity for appointment of commissions and committees. However, I am glad that the gentleman concedes that Mr. Hoover will have ample time in eight years in the President's office to catch up with the record of Mr. Wilson.

6. Advisory Committee on Veterans' Preference: This committee was set up to determine policies with respect to employment of disabled veterans and the method of preference to be given by Government departments. It made a report and Executive order has been issued placing the recommendations in action. The committee has completed its work and has been dismissed.

7. Advisory Commission on Unemployment Statistics: This commission was appointed to advise the method by which unemployment statistics should be recruited by the Department of Labor under authority of Congress requiring the establishment of such service. The committee has made its recommendations, and they have been placed in action and the committee dissolved. The committee has cost the Government nothing.

8. Emergency Unemployment Committee: This committee was created to coordinate Government activities in employment programs in the depression and secure organization of committees throughout the country through adequate organization of local agencies to take care of distress during the depression. It made an effective contribution to the situation.

9. Interdepartmental Mail Contract Committee: This commission was appointed to coordinate the activities of the Department of Commerce, the Shipping Board, the Army, and Navy in respect to marine mail contracts. It has passed upon and negotiated postal and other contracts which have resulted in agreements for the construction of nearly 500,000 tons of merchant ships. It is still functioning but costs the Government nothing.

10. Research Committee on Social Trends: This commission is engaged in research into various social questions which bear on immigration, hours of labor, and many kindred subjects. Its expenditures are being met by the Rockefeller Foundation.

11. White House Conference on Child Health and Protection: This committee conducted investigations into child health and protection and directed the White House conference on that subject and is engaged in follow-up activities throughout the country. Its expenditures have been met by the A. R. A. children's fund and there has been no expense to the Government. It has made a notable contribution to the welfare of children in coordination of national, State, and local activities. The conference has completed its task except publications.

12. White House Conference on Home Building and Ownership: This committee is engaged in exhaustive investigation of housing conditions, financial and other methods for extension of home building and home ownership. Its expenses are being paid by private subscription and it costs the Government nothing.

13. Advisory Committee on Illiteracy: This committee was created to coordinate the activities of the Federal Government with State governments and private agencies throughout the country in the elimination of illiteracy. It has carried on active campaigns, organized schools for adults, and has greatly contributed to the elimination of illiteracy. It has been supported by private subscription.

14. Council of Personnel Administration: This is purely an interdepartmental committee to establish standards in Federal Government employment.

15. Advisory Committee on Education: This committee is engaged in exhaustive study of problems of coordinating the different Government activities together with those of the States and municipalities in questions of education. The committee's expenditures are being paid by the Rosenwald Foundation.

16. Timber Conservation Board: This committee was created to study and advise on forestry policies, with view to coordination of Federal, State, and private activities in conservation. It is supported by private subscription.

17. Antihoarding Committee: This committee was created by the President in volunteer cooperation with leading business and civic organizations of the country for the purpose of stopping the hoarding of money during the economic depression. It cost the Federal Government nothing.

18. Committee on Abandoned Army Posts: This committee is made up of departmental officials; was appointed to devise means of utilizing Army posts abandoned in the War Department retrenchment program and cost the Federal Government nothing.

19. Committee for the Study of Education in Haiti: This committee was appointed by the Secretary of State and consists of prominent educators in the United States. It is making a study with a view to improving the educational system in Haiti.

20. The President's Unemployment Relief Organization: This commission was set up under Walter S. Gifford as director to cooperate with the States and municipalities in devising ways and means for the relief of unemployment during the winter of 1931–32. It took over the work of the Emergency Unemployment Committee, which was set up at the outset of the economic depression, and has made a very distinctive contribution in the relief of the whole unemployment situation.

COMMISSIONS CREATED BY CONGRESS UPON RECOMMENDATION OF THE PRESIDENT

21. London Naval Conference: This commission negotiated and completed a naval treaty for the limitation of navies. It has saved hundreds of millions of dollars to the American taxpayer and secured parity to the American Navy and brought about better international relationship to both Japan and Great Britain.

22. Federal Power Commission: This commission is a reorganization of the previous departmental commission in order to secure more expeditious and independent action than hitherto. It requires no additional expenditure except for salaries of commissioners.

23. The Haitian Commission: This commission settled the terms of the withdrawal of the United States from Haiti and set up such arrangements within that island as prevented further revolution. This commission has completed its task and has been dismissed.

24. National Commission on Law Observance and Enforcement: This commission has made exhaustive reports on the whole problem of law enforcement and the reorganization of the law-enforcement machinery and the judiciary of the country. The commission in a report said that "Federal participation in enforcement has shown continued improvement since and as a consequence of the act of Congress of 1927 placing prohibition officers under civil service and the act of 1930 transferring prohibition enforcement from the Treasury to the Department of Justice."

25. Commission on Conservation and Administration of Public Domain: This commission has made a report on the conservation of western lands and ranges and recommendations for management and disposal of public lands. Its report has been completed and has been submitted to Congress.

26. The Federal Farm Board: This commission was proposed by both the Republican and Democratic conventions and was recommended by the President for the relief of agriculture. It is permanent and is designed to aid cooperative organizations of farmers to market their crops.

27. Reconstruction Finance Corporation: This organization was created by the Congress, upon recommendation of the President, with assets of $2,000,000,000 to assist in the reconstruction of the normal working of the credit fabric of the country with a view to aiding agriculture and industry in obtaining normal conditions. It is temporary in character.

28. Geneva Arms Limitation Conference: This commission was created by the President, with expenses provided for by the Congress for American participation in the General Arms Limitation Conference which began in Geneva in February, 1932.

29. Tariff Commission: This commission is a reorganization of that provided for under the tariff act of 1922. Reorganization, both in personnel and methods provided for by the Congress in the tariff act of 1930, was made in order to secure more expeditious action in investigating and increasing or lowering tariff duties to meet changing economic conditions.

PUBLIC COMMISSIONS CREATED BY CONGRESS UPON ITS OWN MOTION

30. Interoceanic Canal Board: This board is engaged in a survey of the Nicaraguan Canal.

31. Massachusetts Bay Colony Tercentenary Commission: This commission represented the Federal Government in the celebration in Massachusetts. It has completed its task and has been dismissed.

32. National Memorial Commission: This commission was created by Congress for the erection of a building as tribute to the Negro achievements in America.

33. Iceland—one thousandth anniversary of the Althing: Commission created by Congress to attend the celebration representing the American Government. The commission has completed its task and has been dismissed.

34. Yellowstone National Park Boundary Commission: This commission was created to settle the boundaries of Yellowstone National Park. It has completed its work and its report and recommendations sent to the Congress.

35. Alaska Highway Commission: This commission was created by Congress to make a preliminary survey of the highway from Continental United States to Alaska.

36. Chicago World's Fair Centennial Celebration: Commission created by Congress to investigate and report with reference to the Federal Government's representation and participation in the celebration. Its report is now before Congress.

37. Joint Committee to Investigate Pay Readjustment of Army, Navy, Marine Corps, Coast Guard, Geodetic Survey, and Public Health Service.

38. Universal Draft Commission: Public Resolution 98 (Seventy-first Congress). Commission to study promotion of peace, equalization of burdens of war, and minimization of profits of war.

39. District of Columbia Fiscal Relations: This committee to make full investigation of fiscal relations of the District of Columbia and the United States Government and to report its recommendations to the House.

40. Charleston (S. C.) celebration of two hundred and fiftieth anniversary of founding.

41. Lewis and Clark Expedition celebration.

42. Joint committee to investigate Northern Pacific land grants.

43. Joint committee to attend sesquicentennial celebration of Battle of Kings Mountain, S. C.

44. United States Battle of the Monongahela Commission.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. We can get down to one point upon which we can agree. The President is solely responsible for

the White House. The White House for 1921 under President Wilson cost $293,680. For this year, 1932, the White House under President Hoover costs $652,179. What does the gentleman say about that, with 48 policemen paid for by the Government to guard the White House in peace times?

Mr. WOOD of Indiana. Oh, there was the same number of policemen during the administration of Mr. Wilson, but they were paid for out of another appropriation.

Mr. BLANTON. Not the park policemen.

Mr. WOOD of Indiana. Yes; they were.

Mr. BLANTON. The park policemen are not paid by the District but by the Government, and the District has no control over them, and all the White House policemen are park policemen.

Mr. WOOD of Indiana. They were paid out of another appropriation. They were not charged up at that time as an expense against the White House at all.

Mr. BLANTON. The White House policemen are Government policemen. The fact remains that the White House expenses under President Hoover for this year are $358,499 greater than they were in 1921 under President Wilson. Does the gentleman, who has been the chairman of the Committee on Appropriations, claim that the park policemen are paid for out of the District appropriation? All of the White House policemen are chosen from the park policemen.

Mr. WOOD of Indiana. The gentleman has asked the question and I have answered it.

Mr. BLANTON. I do not think the record will bear out the gentleman's statement.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. PARSONS. The gentleman is making an interesting statement. I think it will be illuminating for the RECORD. Will the gentleman place in the RECORD the amount of salaries paid and the costs of these various boards during the past three years, as compared with the cost of boards in other years?

Mr. WOOD of Indiana. If I had the time, I would be very glad to do that, and I do not know what the comparison would show, but I do not have the time. I have been inveighing against bureaus and commissions as loudly perhaps as anybody, and I am in favor of abolishing them as rapidly as possible. I am in favor of the resolution which has been introduced here for the purpose of studying the matter and having the Congress do something that will do that work.

It never will be done until some affirmative action is taken by Congress. Two or three Presidents have appointed commissions for the purpose of studying the manner of getting rid of this overlapping, and the abolishing of various commissions. One of the first things that President Harding did was to appoint such a commission, and the present Postmaster General Brown was the head of that commission. They worked for months and months and finally agreed on a plan, but they could not get two of the Cabinet officers to agree upon it.

Mr. BLANTON. Mr. Chairman, will the gentleman yield for one other question?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. When, on March 4, 1921, President Hoover became Secretary of the Department of Commerce, the annual expenses of his department were then $24,369,069. When he left the Department of Commerce on March 4, 1929, the expenses of the Department of Commerce were $40,049,168, and this year the annual expenses of such department are $54,422,230, which is an increase of $30,000,000 per annum over when Mr. Hoover took charge.

Mr. WOOD of Indiana. Yes; and I wish to say in answer to the gentleman, that he should have heard Mr. TILSON yesterday; he gave a complete answer to that; and the gentleman from Texas no doubt is largely responsible for that increased expenditure. We have given the Department of Commerce an army of foreign attachés.

Mr. BLANTON. Oh, I was with the gentleman against that. I heard Mr. TILSON's attempted excuses, but I could not agree to them. I fought against all of these increased expenses President Hoover got over for the Department of Commerce.

Mr. WOOD of Indiana. I am glad to know that, but Congress created them, so that Congress is responsible for that increase in the expenditures in the Department of Commerce, yet here we are blaming Hoover for it.

Mr. BLANTON. Why, he advocated it, and it was at his instance that it was done.

Mr. WOOD of Indiana. But we did not have to follow his advocacy.

Mr. BLANTON. I have not been following him. But the House and Senate are following him now every day, on $250,000,000 moratoriums, and on $2,000,000,000 reconstruction finance bills, which will not benefit the real people very much.

Mr. WOOD of Indiana. I say to the gentleman he will do well to follow the program as laid down by Mr. Hoover. [Applause.] I wish to say in answer to the gentleman from Illinois [Mr. RAINEY], when he said the President had offered nothing, had made no suggestion for these things, that the President is the only one who has offered anything practical and constructive. [Applause.] If he has not, what have you upon the majority side been doing? You are charged with the responsibility of legislation; and if you do not care to adopt the recommendations of the President, give us something yourselves. I think you have wisely acted thus far in going along with the President, and it bespeaks well for the patriotism that ought to actuate every Congressman, whether Democrat or Republican. Let us get out of this mire and on to solid ground, and then it will be time to make our political fights.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. FULBRIGHT. The gentleman asks why this side of the House has not done something constructive. From the very beginning the Republicans have said that if the Democrats undertook to do anything it would be considered political and unpatriotic; that we ought to accept the suggestions of the President and follow in his tracks.

Mr. WOOD of Indiana. Oh, I do not think such a threat as that would scare you into inaction.

[Here the gavel fell.]

Mr. SHREVE. Mr. Chairman, I yield to the gentleman from Indiana three additional minutes.

Mr. WOOD of Indiana. I wish to say to the gentleman who has just propounded the question that there has been nothing that has come from this side in criticism of anything, nor would there be any criticism of anything that might be offered from that side of the House along lines that have been proposed for the purpose of getting us out of this slough of distress.

Mr. FULBRIGHT. Then why does the gentleman ask why something has not been proposed by this side of the House?

Mr. WOOD of Indiana. You have the power. Why do you not even make a suggestion?

Mr. FULBRIGHT. For the very reason that you on that side of the House have undertaken to say that anything that has been done on this side would be unpatriotic and for political purposes.

Mr. WOOD of Indiana. I say to you I never before heard such timidity proclaimed for the Democratic Party.

Mr. LINTHICUM. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. LINTHICUM. I am very glad to hear the gentleman say he was opposed to these commercial attachés. I fought that vigorously, but did not succeed. But does the gentleman not remember that it came from the Department of Commerce, and it was Mr. Hoover who recommended it?

Mr. WOOD of Indiana. I expect it did, and I expect you gentlemen who voted for it——

Mr. LINTHICUM. Oh, I did not vote for it.

Mr. WOOD of Indiana. Well, there was a majority who did. It is just like trying to find somebody to-day who ever offered any criticism of Lincoln. It is impossible to

find that man living, and it has been impossible to find him in the last 25 years. Yet he was demeaned, denounced, and calumniated worse than any man who ever was President until the time of President Hoover.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. WOOD of Indiana. No; I do not yield further to the gentleman from Missouri.

I thank you. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Mississippi [Mr. COLLINS].

CHEMICAL WARFARE

Mr. COLLINS. Mr. Chairman, the releasing of gas for the purpose of bringing about casualties in war is a recent innovation. The objections to chemical warfare come from two groups of people—the pacifists and the militarists. The pacifists, and a few people who do not call themselves pacifists, object to the slaughter that takes place in war. They are fundamentally opposed to war as such, and therefore protest against chemical warfare. The militarist objects to the use of gas for another reason. When the Spartan, Archidamus, saw a dart fired from a war machine just brought from Sicily, he exclaimed: "Oh, Hercules, the valor of man is at an end!" The modern militarist, in agreement with the Spartan, does not relish the introduction of new methods of warfare. He can not become as enthusiastic over mustard blisters as over the long-recognized and often obsolete methods of warfare that simulate the military doings of knights of old. The truth is that every new weapon has been anathema until it became familiar. Moreover, no weapon has been abandoned once its superior effectiveness to the old has been proven. Based on experience, we may say that chemical warfare has been permanently established as a recognized method of warfare in spite of all attempts by its envious opponents to dislodge it.

Within the last few days there has been considerable discussion here and abroad regarding the advantages and disadvantages of this war weapon. Its abolition has been suggested not merely for the sake of argument but has been, and is now, being seriously considered by technical experts, by those deeply interested in prettier methods of warfare, and by those who favor the total abolition of war. The responsibility now confronts us whether the United States should abandon all hope of protecting its shores by scientific means and agree to repulse all invaders as humanely as possible. In other words, should we agree with those who pretend to humanize war, by eliminating the unpleasant features or by discarding the most effective weapons?

The advantages of chemical warfare in the defense of the United States should not be overlooked.

This is just another incidence of the age-old struggle of the obsolete against progress.

ECONOMIC

The economic effect of the use of chemical warfare is highly important. Up to the present time the loss of material property has been enormous. Devastated areas are not the least of the evils of war. With the development of modern weapons the destruction from war is on the increase. The development of air bombardment and engines of destruction promises to increase the destruction of factories, dwellings, and communications. Modern artillery destroys everything in its path, and high explosives destroy the economic foundations of the area subjected to them. The destruction and devastation in the invaded territory of Belgium, France, Russia, Poland, Rumania, Serbia, Italy, and parts of Austria are probably incapable of exact determination, and it may well be doubted if the exact losses will ever be known.

This property loss on the field of battle and by air raids in the World War was estimated as follows:

Belgium	$7,000,000,000
France	10,000,000,000
Russia	1,250,000,000
Poland	1,500,000,000
Serbia, Montenegro, Albania	2,000,000,000
East Prussia, Austria, Ukraine	1,000,000,000
Italy	$2,710,000,000
Rumania	1,000,000,000
British Empire	1,750,000,000
Germany	1,750,000,000
Total	29,960,000,000

(Bogart, E. L., Direct and Indirect Costs of the Great World War, p. 287.)

Chemical warfare does not bring about material damage. Gas is spread throughout the area, which during the existence of such gas is uninhabitable. But after a comparatively short period, normal economic life may continue at the point where it ceased previous to the conflict.

During the World War not only destruction of property but the dislocation of means of communication and transportation crippled and prolonged the return to a peace basis. Chemical warfare would merely interrupt these channels of communication without the destruction witnessed in the past. Thus, national and international financial, economic, and industrial machinery would resume its peace-time activities, and the distressing reconstruction period, through which we are still passing, would be shortened and less severe. The following clearly expresses the situation:

> Self-interest, as well as humane reasons, demands that warring nations should endeavor to attain their end * * * with the infliction of the least possible permanent injury to life and industry, for the enemy of to-day is the customer of to-morrow. (Hart-Paris.)

Chemical warfare permits the subduing of an enemy without crippling a prospective customer. In this postwar period, when we are suffering from the destruction and dislocation of the last war, we should be in a position to appreciate and welcome any device that would ease conditions should another war be permitted to take place. I do not deny that destruction is inherent in the war system, but I believe that chemical warfare will prevent the ruination of areas over which a battle may be fought.

Chemical warfare is economical in the positive as well as the negative sense. The more efficient the chemical branch of the defense service the less expenditure is required for some other branches. The more thoroughly a country is equipped with adequate chemical defense the less need is there for heavy expenditures on other equipment. This is noticeably true in the case of man power. The mass formations of the past war have gone forever. No longer in the face of modern methods of warfare and the mechanized army can mere troops take any, except a very dependent part, in any future conflict. This country would do well to decrease its personnel, not merely so as to eliminate its military-minded groups but in the interest of efficiency. An increase in the chemical warfare branch would permit this advanced readjustment not only without a loss but, on the contrary, with a positive gain to the national military defense of this country.

(2) If the canal is ever attacked, it will be from either the Atlantic or the Pacific side, from the air, or from the north or south. The three of these could be amply protected with chemicals. An artificial fog could be generated to protect the locks and spillway, and it is estimated that only about 400 tons of mustard gas could completely neutralize the north and south approaches, and at a cost not to exceed $300,000.

Mr. GOSS. Will the gentleman yield?

Mr. COLLINS. I prefer not to yield.

The carrying on our pay rolls of a hugh number of men prevents the Congress from appropriating sufficient funds for modern implements of war. Not only can not the two be secured and maintained within Budget limitations but one naturally displaces the other. The mere paying, uniforming, and titling of a huge personnel is not in the interest of military preparedness and military efficiency, but actually prevents both. Such preparedness is the preparedness of the backward nations. China has perhaps the world's largest army, but it is not equipped with effective machines, and hence is relatively impotent. Mere numbers, without adequate tanks, airplanes, gas, smoke, machine guns, and other modern effective machines, is a suicidal policy. The

two can not be supported and maintained, and the antiquated system must yield to the newer and more effective. Personnel, therefore, must diminish in favor of material.

Second. Chemical warfare is extremely effective from the military point of view. It neutralizes large and important areas and thus prevents occupancy by hostile forces. This is a most valuable asset from the standpoint of defense. Our long coast line, indented by many gulfs and bays, could easily be rendered inaccessible by the proper use of gas. Mustard gas in sufficient quantities put down in advance of an invasion would give us almost complete protection as far as that particular spot was concerned, leaving our mobile forces free to repel an enemy where gas could not be used. Even the operations of a hostile fleet approaching our shores could be materially handicapped by certain kinds of gas released from airplanes by pilots trained in this type of warfare. Although it is presumed that the Chemical Warfare Service would cooperate with the other branches of the defense forces whenever necessary, the value of this branch of the national defense, both as a dependent agency and as an essential defense weapon, can not be overestimated. In addition to the casualty producing agents, smoke has introduced an entirely new factor into the art of war. The development of smoke promises to influence tactics to a very great degree. By means of fast-flying airplanes a curtain of smoke can be laid over wide areas, thereby blotting out visibility of those within the cloud. By means of smoke the firing efficiency of riflemen is cut down to one-twelfth of what it is when vision is clear. Means have been devised also for the purpose of blinding the enemy or concealing the operations of friendly troops or as a smoke screen during naval operations.

Nor can the psychological effect on the invading forces be ignored. An attacking force is effective in direct proportion to the morale of the troops. The constant dread of a gas attack, necessitating as it often does the wearing of masks, and the helplessness, not merely of a few but of whole divisions, paralyzes the attacking troops. No attacking force can possibly gain its objective under such adverse psychological conditions. Chemical warfare is extremely damaging to the morale of the attackers.

HUMANITARIAN

Those who argued that gas was inhumane have long since been driven from that position; the facts carefully and laboriously worked out are now available to anyone who cares to look into the matter.

Chemical warfare has more in its favor than any other weapon used in modern warfare. The object of a war is not the killing of the opposing forces, but merely the subjugation of the hostile will to resist. By the exploitation of mustard gas, as used in the last war, it would be possible to immobilize an army. By the use of the gases developed since the war, it would be possible to render the opposing forces helpless for many hours during which period they could be rounded up.

The Allied armies first came in contact with gas at Ypres on April 22, 1915. On that day, to the men nearer the front, came the "smell of a devilish incense." (Hart, The Real War. 191.) "Soon officers behind the British front and near the canal bridges were startled to see a torrent of terrified humanity pouring backward. The Africans, nearest the British, were coughing and pointing to their throats as they fled; mingled with them soon came horse teams and wagons. The French guns were still firing, but at 7 p. m. these suddenly and ominously became silent." As a result, "the fugitives left behind them a gap in the front over 4 miles wide" * * * and "the two French divisions had almost completely disappeared." "With the aid of gas, the Germans had removed the defenders on the north flank of the salient as deftly as if extracting the back teeth from one side of the jaw." (P. 193.)

Even taking into consideration the fact that the Germans were prepared for this type of warfare and the Allies were not, the effect of gas on the unprepared troops presented an extremely awkward situation, but one which does not appear serious if statistics of the World War are considered.

It appears from a German prospectus, as quoted by Doctor Gilbert in World War Casualties from Gas, that the number of gas casualties was very low, especially during the early years of gas warfare. During the second year of the war there were 6,178 cases admitted to the hospitals, or 1.5 per thousand. During the third year these figures increased to 19,164 admissions, or 3.8 per thousand. In the fourth year, during which mustard gas was used, these figures jumped to 53,321, or 10.6 per thousand. The mortality from gas was 2,280, or 2.9 per cent.

According to the most reliable French figures, there were in the French Army 190,000 men hospitalized from gas, with a mortality of 8,000, or about 4.2 per cent.

The British reported that there were 3,190,235 war casualties in the British and Imperial forces during the war. Of this number, 908,371, or 30 per cent, were killed in battle or died from wounds. There were 1,911,652 listed as missing, many of whom were no doubt killed or died later. Of the total number of casualties, 180,983 became casualties from enemy gas. Of this number, 6,080 died. The above figures show that deaths from gas were but 3.35 per cent as against 31.4 per cent from causes other than gas, or a still larger percentage if we should assume that a liberal share of those missing were killed or died of wounds. In other words, in the British Army shells, bullets, and high explosives caused ten times as many deaths per thousand as gas caused.

A study of the casualties suffered by the American Expeditionary Forces may be made by examining the official report of the Surgeon General of the Army for the year 1920. According to this report, 258,338 men were wounded by war weapons. Of this number, 34,249, or 13.3 per cent, were killed outright or died on the field before they could be removed. The remainder, 224,089 wounded men, were removed to hospitals for treatment. Of the 70,552 gas casualties, only 1,221, or 1.73 per cent, died. Of the 153,537 admitted to the hospitals suffering from bullet wounds, shell wounds, and all other methods of warfare except gas, 12,470, or 8.12 per cent, died. Taking those that died from gas on the field of battle, estimated at possibly 200, and adding the 1,221 who died in the hospitals, there were 1,441 deaths in France from the effects of gas, which, considering the 70,552 hospital casualties produced by gas, shows that barely 2 per cent of the gassed cases died.

Of the remaining casualties, 187,586 who suffered from wounds other than gas, 46,519, or 24.8 per cent died, thus showing that the men who were injured by gas alone on the field of battle had in the American Army twelve times as many chances of recovery as the man wounded with bullets, and so forth. This figure for our Army is slightly better than the British, due, no doubt, to the fact that the British Army experienced the gas attacks before devices for gas protection were constructed.

A further and more detailed comparison of the deaths from war weapons may be seen from the following table:

War chart showing hospitalized casualties during the war, causative agents, etc.

Weapons	Hospitalized casualties		Deaths
	Number	Per cent	
War gas	70,552	31.4	1,221
Gun, miscellaneous	74,883	33.4	7,474
Shrapnel	33,787	15.0	1,985
Shells	17,439	7.8	1,703
Sabers	12		3
Grenades	880	.4	56
Bayonets	235	.1	4
Falling bodies	3,148	1.7	83
Rifle balls	20,430	9.1	961
Pistol balls	242	.1	13
Unknown	2,491	1.2	188
Total	224,089		13,691

But those people who maintain that gas is inhumane, when presented with the actual figures of war deaths from gas, emphasize the postwar period. It is stated that the after effects of gas are more serious and less humane than the

actual effects on the field of battle. This is to an extent disproven by the table just given which was prepared from data assembled in 1928.

It behooves us, however, to investigate these charges. According to those most violently opposed to the use of chemical warfare, gassed men suffer from blindness, tuberculosis, and throat infections, due directly or indirectly to gas. The facts as presented by the experts on the subject, those men who have spent their time and energy since the World War investigating and caring for these cases, should be considered.

Eyesight impairment

Nature of disability	Kind of gas		
	Unknown	Mustard	Total
Loss of right eye	2	2	4
Loss of sight of right eye	7	5	12
Loss of sight of left eye	8	2	10
Loss of sight of both eyes	3	1	4
Loss of sight one eye, unknown	2		2
Loss of eye, side unknown		1	1
Total	22	11	33

Blindness due to weapons other than gas

Nature of disability	Weapon						
	Rifle	Shell	Shrapnel	Hand grenade	Gunshot, miscellaneous	Others	Total
Loss of right eye	13	40	89	6	64	6	218
Loss of sight of right eye	10	24	17	5	23	10	89
Loss of left eye	19	43	72	7	77	5	223
Loss of sight of left eye	6	14	27		17	2	66
Loss of both eyes	3	6	4	1			14
Loss of sight of both eyes	1	16	6	1	4	2	30
Loss of eye, side unknown	1	12	8		7		28
Loss of sight, side unknown	3	9	10		8	1	31
Loss of sight due to other conditions	5	22	21	6	19	7	80
Total	61	186	254	26	219	33	779

Blindness due to gas (4 per cent)	33
Blindness due to weapons other than gas (96 per cent)	779
Total cases of blindness	812

From the above table it may be seen that 33 men, or 4 per cent, suffered the loss of the sight, partially or wholly, from gas; whereas 779, or 96 per cent suffered as a result of weapons other than gas. And bear in mind that nearly one-third of our casualties was due to gas.

ARMS AND LEGS

In the Military Surgeon for November, 1925, General Gilchrist, basing his figures on the report of the Surgeon General of the Army for the year 1920, has pointed out that concerning casualties other than those attributed to gas, it appears that 4,428 soldiers lost one or more legs or arms, 4,719 had the flexibility of one or more joints totally or partially destroyed, thus leaving them cripples for the remainder of their lives. No such mutilations were caused by gas.

LUNGS

Recent medical literature has devoted a great deal of space to the aftereffects of the various gases on the human system. One of the most noted studies is by Dr. Robert S. Berghoff who based his data on the observations made of about 2,000 cases which he studied in his capacity as review examiner on the medical examining board at Camp Grant, Ill. The cases were not merely studied from the records but the individuals were encouraged to supply the necessary details, and thus the medical examiners felt reasonably certain of the correctness and authenticity of the classification actually established.

Doctor Berghoff describes the gas attacks as follows:

Gassing occurred in one of two distinctly different ways. The first, which was most common in the early days of the war, was through the medium of gas attack—laying down of a barrage, followed by a "gas cloud." This gas cloud or "drift gas," as it was originally known, consisted of chlorin or chlorin plus a synthetic compound. As the war progressed drift attacks for diverse reasons were modified and to a more or less degree replaced by high-explosive shells. In our observation of 2,000 cases we encountered 240 men who sustained their gas poisoning through cloud or drift gassing, the remainder through high explosives. The gases of the high-explosive shells were of several varieties.

GROUP 1. GAS SUSTAINED IN CLOUD OR DRIFT ATTACK

Number	Chlorin	Mustard	Phosgene	Chloropicrin	Mixed	Time in hospital	Cough	Finding
							Per cent	*Per cent*
240	240					4 months	60	8

GROUP 2. GAS SUSTAINED THROUGH HIGH-EXPLOSIVE SHELLS

280	280					3 months	25	3
741		741				11 weeks	20	4
186			186			9 weeks	28	3.5
38				38		5 weeks	17	1.5
515					515	10 weeks	23	3

We have prepared a table for the comparative study of these gases and have divided the table into two distinct groups. Group 1 includes those men who sustained their poisoning through cloud or drift attacks, the type of gas being chlorin. Group 2 includes the remainder, all those subjected to high-explosive gassing. The latter group includes mustard gas as the most important numerically, chlorin as equally important because of its severity and toxicity, phosgene, chloropicrin, and a mixed gas. Our table offers not only a list of gases encountered, with the number of cases in each list, but offers also a comparative study of the severity of each type, the symptoms complained of, the length of hospitalization of the individuals. The more important gases will be gone into in detail, chlorin being given the greatest attention, because of its frequency and severity. The table shows unmistakably that cases of chlorin gas poisoning in Group 1, the men subjected to cloud attack, were more severe, called for longer hospitalization, showed more extensive physical findings, and threatened a more protracted convalescence than did the chlorin cases of Group 2, the men subjected to chlorin through high-explosive shells.

In a lecture on gas poisoning Mr. Hill states that—

There seems no reason why recovery of the lungs should be any less perfect after chlorin poisoning than it is after broncho-pneumonia.

Mr. Hill based his study on the cases under observation one to four days after the attack. Based on observations three and four months later, Doctor Berghoff stated:

We, too, feel that there is no apparent reason why these subjects should not regain normal respiratory function and rid themselves of their gradually disappearing symptoms.

The 2,000 cases at Camp Grant were divided into three groups: Normal, bronchitis, and emphysema. However, even in the normal group, Doctor Berghoff states:

There is oftentimes a complaint of cough, shortness of breath on exertion, all of which presents a disconcerting problem. With the complaint of respiratory distress and without definite physical findings, and no apparent pathology, we have no guide toward a logical prognosis.

In considering the prognosis of a disease or condition in which marked subjective symptoms are contracted with meager or entirely absent physical findings, Doctor Berghoff remarks that—

We are seriously handicapped, and our conclusions must be more or less conjecture. This is especially so if we are denied the help of past experience. In our review of 2,000 gas cases we are confronted with just this difficulty. Nevertheless, we have, after careful individual and group examination and comparison, arrived at conclusions:

(1) That gas victims, irrespective of type of gas and severity of attack sustained, show no marked predisposition toward active pulmonary tuberculosis or toward the reactivation of a healed or quiescent pulmonary lesion.

(2) That gas victims present little evidence of material destruction of lung tissue.

(3) That gas victims with emphysema findings have a more protracted convalescence than have those of the bronchitic group.

It is a common belief on the part of the public that tuberculosis is a necessary consequence of gas poisoning. This matter came before a select committee of the Senate on

investigation of the United States Veterans' Bureau in 1924. Dr. A. P. Franchine, whose testimony can not be ignored, was, previous to the war, associate professor of medicine at the University of Pennsylvania, where he taught largely on tuberculosis wards and from tuberculosis cases. For 15 years he was visiting physician to the department of tuberculosis of the Philadelphia hospital and on the staff of the Phipps Institute for the Study and Treatment of Tuberculosis, and chief of the State tuberculosis clinic in Philadelphia from its foundation in 1907.

Doctor Franchine went to France as division tuberculosis specialist at first, attached to the Twenty-seventh Division, and later as consultant in gas to the Fourth Army Corps, where he was not only in touch with the administrative and executive work in gas but was assigned as chief of the staff at a gas hospital, a 1,000-bed hospital. Doctor Franchine, before the Senate committee, stated:

The percentage of death from gas was less than 2 per cent. And I went to the post-mortem room every day and examined the lungs. I was not so interested in the effects of gas elsewhere, after I once knew it, but I examined the lungs to see whether there were latent tuberculosis lesions; that is, lesions that do not give symptoms, such as any of us here may have, and whether there was any evidence of these lesions, pathologically, having been lit up by this more or less intensive inflammation. I do not mean at the time of the gassing but I mean following gassing, when one would expect it. While we were being rushed—and too rushed—to keep records, I suppose I can say that I saw then 100 to 125 posts. In a number of these cases it was perfectly and palpably evident to a man of pathological training that there were healed, nonactive lesions, which is not an uncommon occurrence, as you know. It is considered that probably 60 to 90 per cent of people have at one time or another had a tuberculosis infection. But these palpable latent lesions showed no evidence of activity, or reactivation, from 4 to 6 to 10 weeks after the acute inflammation which is supposed to give rise to tuberculosis.

Not only did this specialist on warfare gas and tuberculosis positively state that gas did not produce tuberculosis but he went even farther by testifying that gassing may have the effect of preventing tuberculosis. Thus he states:

I believe that so far from producing tuberculosis—anybody might indeed think so on account of the local irritation in the lungs and bronchi—gas may tend to prevent tuberculosis; its primary action is to produce congestion of the lungs. In fatal cases it causes severe inflammation followed by congestion and edema and prevents the aeration of the blood and quickly smothers, so to speak, the patient. He can not get air into his lungs or blood. When the man drowns or smothers, he is suffering primarily from that inflammation caused not by a germ but a chemical. We know that a nonbacterial congestion or hyperemia is a favorable factor in tuberculosis. In other words, if we could produce locally in the lungs a congestion, we could go far toward curing tuberculosis. People with heart disease, that type of heart disease known as mitrol stenosis, where there is an increase of the blood in the lungs, do not suffer from tuberculosis. When I say that I mean not generally; I mean it is exceptional.

Based on his experience in the hospitals in Philadelphia, he expressed his opinion that gas tended to prevent tuberculosis, and then he continued:

Further, it has been claimed clinically that men who have tuberculosis and have been gassed run a more favorable, slower more indolent course, are better off over the same period of time, improve more than the same type of cases having tuberculosis but who have not been gassed.

Major General O'Ryan at this Senate committee hearing gave the result of 200 personal letters to medical officers requesting that they express their views regarding the relationship existing between tuberculosis and warfare gassing. Forty-one per cent did not reply; 47 per cent were of the opinion that, as a rule, there was little or no connection between the two; 12 per cent stated that a relationship existed.

Of the replies received from 30 medical officers associated with Government hospitals where ex-soldiers were being treated for tuberculosis, 25 stated that with few exceptions there was no connection between gassing and tuberculosis. This statement was based on 16,575 cases. Five medical officers, basing their statement on 2,030 cases, were of the opinion that there was a relationship between tuberculosis and gassing.

In reply to a questionnaire sent to medical associations in the United States, 84 per cent were of the opinion that there was no relationship existing and 16 per cent were of the opposite view.

It is evident that although there is a difference of opinion on the subject, even among medical men who have been in touch with the World War cases, the accepted and preponderant opinion is that there exists no connection between gassing and tuberculosis.

It is believed that in gas cases where tuberculosis was found the disease existed prior thereto and that the physicians who formerly believed a connection between the two existed failed to note the prior existence of tuberculosis.

It is commonly thought that a connection exists between throat trouble and gassing. The testimony of Doctor Franchine on this subject is as follows:

The throat clears up very quickly, just as the eyes do. I mean that men are burned and almost blinded by gas but that clears up; that leaves no scars at all. That is true of the throat, too. When you bring up the question as to whether inflammation does not reduce the normal vitality of the tissues and render them more subject to infection, I should answer yes, subject always to very definite exceptions. And, as I have been able to hint here, I would put down tuberculosis as one of those exceptions. I do not believe gassing, acute or chronic (in industry), does render more susceptible to tuberculosis. But one would have to admit that the pathological and physiological principle holds good, that when any tissue is injured its resistance is reduced, and therefore is more liable to infection. But, of course, there are exceptions, and particularly in an ultimate sense.

Doctor Franchine stated that gassing in some cases would lead to chronic bronchitis which might presumably last three or four years but which would improve slowly. This chronic bronchitis he described as something like a catarrhal condition. It is a thickening or alteration of the mucous membrane, with, as a rule, increased congestion and secretion.

He further emphasized the fact that even in the cases where the patient developed tuberculosis that he did not develop tuberculosis of the throat as readily if gassed as the ungassed patients. This conclusion has been reached also by Dr. H. H. Cole, as set forth in the June number, 1923, of the American Review of Tuberculosis.

Doctor Franchine firmly maintained that there was no direct connection between tuberculosis and gassing, but that gas might so impair a person's resistance and reduce his health that he would be subject to tuberculosis. According to this authority most service men who contracted tuberculosis assume that gas was the cause of their condition, and public opinion has thus been misinformed on this subject without knowing the facts.

Gen. H. L. Gilchrist, the very efficient chief of the Chemical Warfare Service, stated the following conclusions after 2,000 cases had been examined by the board of medical officers:

(1) That gas victims, irrespective of the type of gas and severity sustained, showed no marked predisposition toward active pulmonary tuberculosis or toward the reactivation of a healed or quiescent pulmonary lesion.

(2) That gas victims presented little evidence of material destruction of lung tissue. General Gilchrist stated also the conclusions reached by the Chemical Warfare Service after a thorough investigation, during which records in the different governmental services and 1,200 records filed in the Veterans' Bureau were scrutinized and thousands of letters from medical men, physicists, and chemical manufactures, both in this country and in Europe, were examined.

The conclusions were as follows:

(1) That a large number of individuals were undoubtedly substandard in the beginning and would quite probably have broken down under any stress or strain.

(2) That the generally unknown effect of warfare gases has furnished many individuals a peg upon which to hand all manner of symptoms.

(3) As to the incidence of pulmonary tuberculosis resulting from exposure to gas, it would seem that it is far from convincing that gas played any particular rôle in this connection, and it is doubtful if the incidence of lung tuberculosis among ex-service men is much greater by reason of the part that gas played.

General Gilchrist stated that—

It is generally accepted by the leading practitioners of the world that there is absolutely no connection between the actions of warfare gases and tuberculosis. I believe we are prepared to go a step farther and make the statement that instead of these

gases being responsible for tuberculosis, they do, to a certain extent prevent it, which statement is based on developments following the war and on laboratory findings.

Obviously, if the real purpose in a war is the production of casualties, it should be done by the most humane, and at the same time the most effective method. In the same way as gas guns and an extensive use of gas is now employed as the most humane and advanced method of handling criminals and disorders within a country, it is most probable that the gas method of warfare will be used to protect our own shores.

On this humanitarian phase of chemical warfare Capt. Liddell Hart, the most outstanding authority to-day on modern warfare, who saw service in the last war, states:

To inflict widespread death and destruction is to damage one's own future prosperity, and, by sowing the seeds of revenge, to jeopardize one's future security. Chemical science has provided mankind with a weapon which reduces the necessity for killing and achieves decisive effects with far less permanent injury than in the case of explosives. Gas may well prove the salvation of civilization from * * * collapse in case of another world war. (Paris, or the Future of War.)

I do not want to be misunderstood in this matter. I have no desire to portray a playful war. I do maintain, however, that gas is not any more horrible, in fact, not as horrible, as older and more cherished weapons and modes of warfare. That gas in the last war killed people, produced casualties and invalids, and finally, in some cases, a lingering death, I do not deny. But that gas produced as many deaths, or invalids, as the other hoary and beloved weapons I positively do deny. Gas has been grossly libeled. Objections to its use will continue to come from those in military establishments who are too old to modernize themselves or have become stagnated by studying war methods now listed as antiquated; by civilian militarists, the world's worst jingoes, who fancifully follow the disciples of a dead past; by those well-intentioned but misinformed persons, who still believe that future wars will be fought by the same methods as the last; and, finally, by a great many upright men and women who have been led to believe that chemical warfare is more to be dreaded than the plagues of the past and more terrible in its consequences than any of the devilish devices that man's brain has invented to bring on human suffering and destroy human life. Most people object to the use of gas when they really should object to the institution of war. If war must come—war which never settled any question, but has created many new ones, if this mass murder is to continue—let us use the most efficient, most humane, and most economical weapon in carrying on the struggle.

We call ourselves a peaceful Nation, interested in all that pertains to peace. All nations, including ourselves, have renounced war as an instrument of national policy, and we possess an added advantage in not having an enemy in existence. Yet all nations have retained their armaments. As long as the world is in this condition we are entitled to maintain armaments for the defense of our shores in the most economical and most efficient method possible. This would involve a system whereby we would have adequate defense with the minimum of dislocation in our national life. It would involve the elimination of the weapons of a bygone age and personnel and the substitution, slowly but surely, of modern weapons and modern methods of warfare. We should, therefore, agree to budgetary limitation in the sense now understood by all nations, not a comparison of costs between nations, but that a nation's budget for a future period would bear a definite ratio to the budget for the past few years. This system of limitation would decrease the possibility of a nation's fear of its neighbor and lead to a more settled world in which peaceful pursuits could be followed. To this system, if unanimously agreed to by the nations, we should agree, but we must retain the right of deciding how this budget will be apportioned so as to secure the most effective and economical expenditure for national defense.

It is difficult to see how those interested in our national defense would want to rule out effective means of defense, the elimination of which would be to the detriment of our scientific and industrial people.

Our war power must depend primarily on our economic, industrial, and scientific capacity. To throw this overboard would be an extremely backward step as long as the institution of war exists.

The objections on the part of some governments are based on the belief that geographically they are exposed to unscrupulous nations and industrially unfitted to compete with their neighbors in the manufacture of gas. The United States, as a member of the community of nations, is, as usual, desirous of cooperating with the other nations, not only in eliminating the seeds of war but of the most barbarous features of war, should a conflict, in spite of peace machinery and the will to peace, actually take place. But although not contemplating future conflict, I feel that national defense can be most effectively and economically maintained by the development of our chemical-warfare service. This service is capable of forging a defense weapon by which the people of this Nation may feel secure and may follow their peaceful pursuits without any fear of a fantastic enemy. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. NOLAN].

Mr. NOLAN. Mr. Chairman, I desire to make a few observations on a subject that has been more or less under discussion, and that is how to reduce the cost of Government so as to relieve the burden of the taxpayer. It must be obvious to everyone that no government can function successfully that fails to balance its budget.

It is one of the important problems that faces this Congress, not only to find sufficient revenues to meet the Treasury deficit but so to arrange the fiscal affairs of the Government that in the future the outgo will not exceed the income. I have sympathy for the Ways and Means Committee in its effort to find additional revenue and at the same time meet the strenuous opposition that is put forth against any new methods of taxation.

No one ever willingly or cheerfully pays taxes. Even in prosperous times there is grumbling and opposition to taxes. In times of stress such as we are now experiencing this opposition becomes more pronounced and articulate. There is no doubt that we have gone through a period of wild spending and extravagance in both private and public expenditures. The Government has only been keeping pace with what everyone was doing. From the township to the Nation we were all infected with the same virus.

New governmental activities were created and existing ones were widely if not sensibly expanded, and we now realize the wisdom of the old adage that he who dances must pay the fiddler, and the time has come to pay. And the business man, the farmer, and everyone who sees his resources depleted and his income reduced to the vanishing point must furnish the money to pay with, for the Government can find the money in only one way, and that is through taxation.

There is a decided resentment on the part of the people who have to pay. They are giving more attention to their Government than ever before, and wondering whether the return is worth the price. The opposition to high taxes amounts to almost a revolution. In Minnesota the taxpayers have been storming the courthouses by the thousands and demanding a reduction in the cost of the Government. Business men are holding meetings and passing resolutions insisting that governmental expenses be reduced and all unnecessary activities be eliminated.

I presume every Member of this House has been deluged with letters and resolutions along this line. I know my mail has been decidedly increased because of it.

There has been much agitation and propaganda that has contributed to this state of mind. A great deal of misinformation about the Government has been circulated. The shortcomings of the Government have been exaggerated and in many instances a distorted and unfair presentation of alleged facts has gone out to inflame public resentment.

In spite of this, anyone who has made any careful study of government, local, State, and national, knows there are sufficient grounds for resentment. I know that Congress has tried to meet this situation, that the House has made drastic cuts in appropriations, but this has not always been done with full knowledge of the facts. And I say this in no spirit of criticism. The members of the Appropriations Committee are as hard working and earnest a group as there is in the House, but they have no means of getting to the facts. Those who appear before the committee are those who advocate increased appropriations or want to hold on to existing appropriations. Department and bureau chiefs have only the highest praise for their respective activities, and any one of them will modestly admit that his department or bureau is the most important and should be the last to be cut.

If there has been any carefully considered program, it has not been in evidence, and whatever has been saved has been more than absorbed by the additional expenditures made necessary by the program of reconstruction and relief.

Some of the criticism, both in and outside of Congress, has been directed to the publication of bulletins by the various departments and distributed throughout the country under the frank. The contention is that some of these publications are unnecessary and even actually foolish, that they perform no public service and only tend to discredit the serious purpose of the Federal Government. That there is ground for this criticism can be easily shown by reading some of these bulletins. I do not believe they were written with any intention of being funny. The chances are that they were written by some one who has no sense of humor and who believes that the average intelligence of the American people is not above the kindergarten age.

I might suggest that some of these critics occasionally look over the CONGRESSIONAL RECORD. They will probably find that that publication is filled with extraneous matter; that the actual speeches or statements of Members are buried under a mass of junk which has no place in such a publication. It reflects upon the good sense and intelligence of the bodies which permit it. I know that each body is a law unto itself when determining what shall go into the RECORD. Unfortunately, one body can not control the actions of the other in this respect.

This, however, does not get to the real issue. Eliminating these unnecessary publications will not materially reduce expenditures.

There has been much talk of reorganizing the Government in the interest of efficiency and economy. This is a subject that has been agitated and discussed for many years. We know that a few years ago Congress created a joint committee to make a survey along this line; that that committee made a very comprehensive report, to which Congress gave no serious consideration.

President Hoover has been an outstanding advocate of reorganization, and in his recent message to Congress again reiterated his position on this subject and emphasized the need of such reorganization in the interest of efficiency and economy. I was surprised at the criticism of the message coming from the Democratic side of the House. This is not a party question and should not be. It is a common-sense business proposition that should be handled without injecting party politics into its consideration.

There are bound to be differences over methods or details; but it would seem, in view of the disinterested partiotic spirit so far shown by the membership of the House in considering important legislation, we should continue in that same spirit to solve this, one of our most difficult problems.

I believe the most important proposal that the President has made is that he be clothed with sufficient authority to reorganize these departments within themselves—to clean house and throw out a lot of unused and outworn furniture.

The mere reassembling of governmental activities does not get at the situation at all. It may make for greater efficiency, but there is nothing based upon past experience to indicate that it will make for greater economy. Trimming and pruning here and there may help but will not cure the situation. We must go to the very roots and dig up and destroy superfluous and unnecessary activities.

Congress can do a great deal on its own accord by consolidating departments and by investigations, but I submit that if anything worth while is to be accomplished, you will have to follow some such plan as recommended by the President. If you follow his suggestions, you will impose upon him a tremendous task, a job worthy of a Hercules.

When it comes to the power of resistance, there is nothing that equals the resistance of an officeholder who is in danger of losing a soft job. The screams that will go up will be long, loud, and heart-rending.

Nothing can be accomplished in actual reduction of expenditures without separating a number of people from the pay roll. I might suggest some things that could be considered in connection with this problem.

I understand, for instance, that practically every department maintains a statistical department. It would seem reasonable that one statistical department could handle this work.

The departments could help by establishing economies within themselves, which, apparently, they will not do for fear it may result in reduction of their appropriations. Several instances have been called to my attention wherein the Government might save money in the construction and maintenance of its public buildings, but those in authority usually turn a deaf ear to any such proposals.

This Congress has had before it several proposals to investigate the Federal Farm Board; and I submit that if there is any governmental activity that should be investigated, it is the Federal Farm Board. I have been unable to obtain from its reports any information regarding its operating that means anything. Generalities and a mass of figures do not tell the story. I believe that if we should abolish the board, it would give greater relief to agriculture than has ever been obtained under its operations.

The time has come for action. I do not believe the public that is aroused on this subject will be satisfied unless something concrete and definite is done. One realizes the magnitude of the task when one surveys the bureaucratic monster that has grown up in our midst, and the thought of attacking it becomes appalling. Bureaucracy is all powerful, its ramifications reach everywhere, its beneficiaries are legion, and it even at times overshadows and overpowers Congress.

This is a subject, as I said before, that has been under general discussion, but it has now become a good deal like the weather about which Mark Twain said everybody talks about it, but nobody does anything about it. I respectfully suggest to the majority of the House, who control the legislation that will come before the House, to bring out something along the line suggested that we may have an opportunity to act upon some constructive legislation that will help to reorganize the Government, eliminate its unnecessary activities, and thereby help the taxpayer. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield three minutes to the gentleman from California [Mr. SWING].

Mr. SWING. Mr. Chairman, the next big problem which must be taken up by Congress is the finding of new sources of revenue to meet the present deficit in the Public Treasury.

The Ways and Means Committee has before it the earnest proposal of the domestic-oil industry to place a tax on imported oils and by-products. The proposal, if adopted, will make a substantial contribution in revenue to the amount necessary to meet the annual Government expenses and at the same time give relief to a basic American industry which is now being ruined by a flood of cheaply produced foreign oil.

The prosperity of 11 and more States is vitally affected by the disaster which has overtaken this industry.

Something must be done, and done quickly, if the American oil industry is to be saved. I hope the proposal for a tax on foreign oil will be favorably acted upon. [Applause.]

I wonder if some of us have not forgotten that one of the original principles of the Federal Government, as expressed

in the Constitution, "to promote the general welfare." We have been so busy cultivating an international viewpoint and have been so concerned about the possible opinions which might be held concerning this Nation by other countries and have placed so much emphasis upon the need of reconstructing the industrial situation in foreign lands that I fear many of us have forgotten that the principal and one of the original purposes for which we established our Federal Union was "to promote the general welfare," not of some foreign land or of some foreign people but of the people of our country.

At this time in our national life when we are all thinking about the career, the achievements, and the wise utterances of George Washington, it may not be amiss to call attention to the warning he uttered in the dawning days of the Republic against foreign entanglements. We are to-day so entangled financially, as well as diplomatically, with other lands that we are probably placing the accent upon international responsibilities rather than upon domestic duties.

For a long time we placed our emphasis upon foreign trade. Our industry rather felt that it was imperative that we should develop to the very farthest possible degree the markets of the world. We assumed that our own home markets would be ours without any especial attention. We spent large sums of money in research and in study of the possibilities of foreign markets, and advertised widely in other lands in order that these countries might take the surplus of American goods. To-day those foreign markets have either vanished or are fast vanishing. Every nation in the world is passing through a period in which it places prime importance upon the purchase and consumption of home products. American goods no longer flow in a steady stream to all the ports in the world. When we do enter those ports we are confronted with local conditions and local psychology which amount almost to an embargo. In many cases nations have adopted ratios requiring the use of certain proportions of home products with the smaller end of the ratio allotted to goods produced outside their own country. This has affected many American manufacturers.

At the very time when American products are the victims of deliberate discrimination by so many other nations, we find the unusual situation of groups of American manufacturers opposing the reconstruction of an American industry, which involves the retention of the purchasing power of about 20,000,000 American people, on the ground that they prefer present conditions to continue in order that they may strive for foreign markets rather than strengthen and stimulate the home markets for their goods. It seems almost incredible that this should be true. It is true, however. I would like to call the attention of Congress to a letter published in the People's Forum of the Boston Traveler for Saturday, February 6, 1932. This letter was, as is stated, written in appreciation of an editorial in the same paper.

The editorial assumed that, because the mid-continent section of the country, especially the oil-producing States with their population of one-fifth of the total population of the country, were no longer purchasing New England goods in the same quantity as in former years, this situation was due to a deliberate boycott because of New England's attitude upon the proposed oil tariff. Actually the loss of these western markets has been due to the impoverishment of the people residing in these oil-producing States and relying, as they were forced to do, upon the principal industry, which was the production of petroleum, now prostrated. Because of the influx of cheap foreign oil admitted duty free, about 20,000,000 people, who had formerly been among the very best customers for the products of our industrial States, have so reduced their purchases, because of their own lack of employment, that eastern factories have either closed or have been forced to curtail their operation. There is no boycott in this. Many a hungry man keeps out of a restaurant because he has no money, but we do not call that a boycott. Neither is there a boycott when the conditions fostered by the admission of cheap foreign oil have practically ruined the western market for New England's goods.

There are those who do not understand this situation. The writer of this letter does not see in the loss of the western market anything but an assault upon the manufacturers he represents. Therefore he writes the following:

PEOPLE'S EDITOR: I trust you will pardon me for not having written you sooner in appreciation of the splendid editorial which appeared in Tuesday night's Boston Traveler, entitled "Boycotting New England."

Of course, we are not at all frightened by the threat of a boycott on New England goods. Even if it should prove effective, as, of course, it will not, we feel very strongly that the Latin-American market, to which there were shipped in 1931 between $700,000,000 and $800,000,000 worth of products manufactured in the Nation, is worthy of greater consideration than the rather limited market represented by the States of Oklahoma, Texas, Louisiana, and New Mexico, where this threatened boycott had its origin.

Of course, we are deeply concerned regarding the continuance of the good will which has hitherto existed in trade relationships between our manufacturers and consumers in Latin America. The people of the latter countries feel very keenly this new assault on the principal resource in those nations. We gave them a slap in the face when the Hawley-Smoot tariff bill was enacted, and if we now deliver a blow in the solar plexus, I do not know what will become of some of our manufacturers, who it is apparent must rely on the Latin American outlet for a large percentage of their production.

Tariff barriers to the European countries have materially curtailed foreign shipments and it seems as if it was the opinion of some men in Congress that we ought to dry up the outlets to the countries south of us. If they succeed in their purpose, they will simply add to the length of the period of depression.

O. L. STONE,
General Manager Associated Industries of Massachusetts.
BOSTON.

The vital point in this letter is not the misconception concerning the disappearance of the western market for New England's goods, nor the suggestion that only the four States mentioned are oil-producing States in which the effect of the prostration of the American oil industry has been felt. It is the rather naïve theory that it is more important for manufacturers to promote trade with Latin America than with 20,000,000 people in our own country.

Either Mr. Stone errs or else the Department of Commerce errs in the estimate made of shipments of manufactured products to Latin America. The full data for 1931 are not available. The following figures are available for 1930 and are probably in excess of those for 1931:

The United States Department of Commerce gives $44,406,000 as the total value of semimanufactured goods and $257,436,000 as the total of American products shipped to South America, while Mexico imported from the United States $42,829,000 worth of semimanufactures and $216,143,000 worth of manufactured goods in 1930, the figures for 1931, so far as obtainable, being even lower. Venezuela, the source of so much of the foreign oil brought into this country, imported in 1930, $2,314,000 worth of semimanufactures and $25,130,000 worth of finished manufactures. The trade is hardly to be weighed in the balance against the home market of the oil-producing States west of the Mississippi.

Even if it were true, as it is not, that Latin America offers a larger market than over 20,000,000 people in the midcontinent area of the United States, surely we have some duties and obligations to our own people. If we are going to reduce to pauperism one-fifth of the Nation in order that the manufacturing interests along the eastern seaboard shall prosper, then we must be prepared for economic and political upheavals such as have never yet occurred in this Nation, although they have occurred elsewhere in the world. There is a certain implication in Mr. Stone's letter which we may assume is typical of some of these tariff beneficiaries who do not want others to profit by the only tariff which can protect their interests. Mr. Stone is concerned about the good will between his manufacturing group and Latin-American consumers. He says:

The people of the latter countries feel very keenly this new assault on the principal resources in those nations.

He developed the same point still further in a letter which he wrote to another organization of the Associated Industries, in which he says:

It is a matter of fact and record that the main source of taxation in the Latin-American countries comes from the development of the oil fields in these localities, and should the supply of petroleum and refined products be automatically shut off by the

United States Government placing a tariff or an embargo on these raw materials, it certainly would very vitally affect the exports of Atlantic seaboard manufacturers to Latin-American countries.

At the very time that these tariff beneficiaries are sympathizing with the possible loss of tax revenue in Latin America, our oil-producing States have been suffering from loss of such revenue derived from the petroleum industry. Venezuela is not the only nation in which petroleum products furnish a principal source of taxation. Many of our Western States have made this the major element in their budget. The prostration of this industry is causing these States to propose greatly increased ad valorem taxes in the attempt to adjust budgets upset by failure in the expected returns of gross production taxes on petroleum. For instance, Texas imposes a rate of 2 cents on the gross petroleum production. For the fiscal year ending September 30, 1927, it received from such a tax $5,656,664.49. In the fiscal year ending September 30, 1931, it received only $3,346,145.50, in spite of the output of the new east Texas field. Oklahoma, imposing 3 per cent gross production tax, received $12,102,426.28 in the fiscal year ending June 30, 1927, and only $6,566,006.96 in the fiscal year ending June 30, 1931. In the last half of 1931 Oklahoma received only $1,854,766.02. Arkansas received, in 1927, $1,237,007.79, which dropped in 1931 to $204,406.73.

While this gentleman is bewailing the possible hard luck which may fall upon the tax collector in Venezuela many of the sovereign States of this Nation are in serious financial difficulties because American money is going into Venezuela paying for Venezuelan products produced by Venezuelan labor and sold in American markets to the demoralization of an American industry and to the ruin of American labor.

It is no wonder that as was stated in behalf of labor organizations of the country, representing five and a half million members, practically all of whom were said, at the hearing before the House Ways and Means Committee, to be citizens and voters, the unpatriotic attitude taken by tariff beneficiaries who oppose the oil tariff is being capitalized by anti-American interests. Mr. Harvey C. Fremming, international president of the Oil Field Gas Well and Refining Workers of America, in which the following, officially representing the organizations named, joined: Edward J. McGrady, legislative representative, American Federation of Labor; M. J. Flynn, America's Wage Earners Protective Conference; D. C. Cone, Brotherhood of Signalmen; A. S. Stout, Brotherhood of Maintenance of Way; A. J. Lovell, Brotherhood of Firemen and Enginemen; George Laughlin, Brotherhood of Locomotive Engineers; W. D. Johnson, Order of Railroad Conductors; J. A. Farquharson, Brotherhood of Railroad Trainmen, made this statement:

American patriotism is silenced in many of the oil-producing communities where workers are listening with active interest to the doctrines of Bolshevism and communism, while clever and unscrupulous agitators emphasize to them the iniquities of an economic system which dooms to starvation armies of American workers while a few great oil-importing concerns or their subsidiaries are paying hundreds of millions of dollars yearly in dividends, whose rates sometimes reach as high as 400 per cent per year. These men are faced by a condition which no arguments can minimize. They know that their communities would be prosperous, that they would be earning American wages, maintaining their families under normal American standards, if the industry in which they labor was not utterly demoralized by the imported products of cheap labor to the fabulous enrichment of a few wealthy corporations.

There is still another angle to this question of Americanism and patriotism as contrasted to the greed of those who ignore any responsibility to the people of this country. This point was also brought out by Mr. Fremming, who, speaking for labor, told the House Committee on Ways and Means of the attempt made to capitalize the love of America and concern for American prosperity by the very forces which were promoting foreign production and employing foreign labor to the ruin of American industry. Mr. Fremming said:

Every nation in the world is urging consumption of home products. Practically every nation is requiring that foreign products shall be labeled so that patriotic consumers may discriminate. For an illustration, American capital has large interests in Czechoslovakia. Under the theory advanced by the pleader for the oil importers that capital has the prior right to American markets. Actually, however, when we buy any Czechoslovakian product, whether it be jewelry, textiles, shoes, or other commodities, we find upon that product in clear, legible letters the legend "Made in Czechoslovakia." The same rule applies to Germany, France, Japan, and many other countries. When the consumer of gasoline or other products of petroleum makes his purchase there is no way in which he can favor the American product against its foreign competitor. Sometimes he makes ludicrous errors. For instance, the autoist may drive into a station and find the name of the American Oil Co., which has a ringing, patriotic sound. He may fill his tank with Amoco, the well-known popular brand of gasoline, under the impression that he is patronizing home industries and purchasing a product produced by American labor. That may be his intention. What he is actually doing is purchasing a South American product, produced by cheap South American labor, whose importation has had a destructive effect upon American labor and American industry and which, if one were enabled to pursue the economic effects to their ultimate end, has decreased his own earning power and purchasing power alike, while it has only enriched an oil-importing corporation.

In the current number of the Saturday Evening Post, dated February 20, put on sale before that date, there is an article by Dorothy Thompson, in which is set forth the movement in other countries of the world for protection of their own home industries and the development of the sense of nationalism. Miss Thompson writes:

The pendulum swings back. The slogans of the moment are: Buy British; invest British. Buy German; invest German. Buy French; invest French. Back to the home soil and up with the fences, powerful though invisible. * * *

On the political side the movement means, of course, a tendency away from the parties which have political links with other countries—even away from those which preach free trade. Hence, in England, the Labor Party was defeated catastrophically at the polls in October. * * *

It is a generally accepted policy of all parties in England that "you can't let the people starve." The issue is not whether there shall be public bread for the unemployed but whether there shall be margarine as well, and in what quantities both shall be provided. The defeat of labor was instinctive rather than rational, and it came about through the realization that Great Britain was in a serious crisis and through the fear that the Labor Party was considering the world first and Britain second, rather than the other way around. Down to defeat with labor goes free-trade liberalism.

Miss Tompson continues:

The tendency toward nationalistic revival has been developing generally since 1928, accelerated by the world crisis. But not until 1931 did this zenophobia—this gray-squirrel complex—express itself fully in economic life.

The outstanding characteristic of Europe's economic life to-day is the movement everywhere, from England to Turkey, toward what the Germans call Autarkie—the constituting of self-sufficient bodies, where possible, inside the geographic boundaries of the national unit, or inside a complex of associated states—which try to the greatest possible extent to be the consumers only of their own commodities, while exporting the surplus or exchanging it by barter.

In England, Germany, France, and all the smaller nations, including those where economic self-sufficiency appears entirely out of the question, such as Hungary, all the forces of organized publicity are being brought to bear upon the populations to favor the goods produced at home at the expense of imports, and the publicity campaign is supported by tariffs, prohibition of imports, and measures to restrain the flight of capital, all of which together work to make the buying of foreign goods difficult, if not impossible.

In England, department stores display goods conspicuously marked British or Empire made, and such imports as are for sale are marked foreign. Gordon Selfridge has stated that the campaign has been successful and that increasing numbers of buyers are demanding home products and refusing everything else. The press screams about dumping, and to read the papers one would think that the importation of butter and other food products into Britain is criminal, although some one has estimated that if England were to supply her own dairy products she would need to have three cows for every acre of the British Isles.

One might quote at still greater length from this carefully written article showing the development of this sense of nationalism in nation after nation. Enough has been cited, however, to show what is the present tendency throughout the world. We are the notable exception. We are promoting, apparently, foreign interests at the cost of American prosperity and welfare.

Is it not time for a rebirth of American patriotism? Do we have responsibilities for our own citizens? Are American markets to be made available for all the world except our

own people? Are American dollars to be paid anybody and everybody except American workers? Are we to pay the debts of all the world while denying to our own nationals the opportunity to earn wages with which to meet their own obligations? Are we to ignore George Washington's classic warning against foreign entanglements, or are we to throw to the winds every lesson which history has ever taught us and wreck the welfare of our people to the enrichment of a few and the impoverishment of the multitude? I have just received a letter whose very superscription as well as the letter itself indicates the spontaneous character of the message it contains. It was addressed to "Mr. Wirt Franklin, in charge of committee working for tariff on oil, Washington, D. C." The Post Office Department had difficulty in finding this gentleman. The postal stamp upon the envelope read "Not in Directory." Another "Not United States Senate." A third "Try Senate Commerce." In some way the post office did locate Mr. Franklin and delivered it. It contained the following missive, in which I have omitted nothing except the name of the stock mentioned by the writer. It is sufficient to say that this stock is not one of the great oil importing corporations who are paying 400 per cent dividends and distributing a quarter of a billion dollars annually to their stockholders.

WINSTON-SALEM, N. C., *February 5, 1932.*

Mr. WIRT FRANKLIN,
Washington, D. C.

DEAR MR. FRANKLIN: Not only in every city but in every town and much of the rural country, there are holders of oil-stock investors, for nearly every family uses gas and they feel that by buying oil stock they get back a part of the amount spent for gas.

Take my case—I am a man of no wealth, but there are four children that have all finished college during the last few years, and went to work at small salaries. Two of them teaching, and you know the kind of salaries paid for that.

Well, I advised them to buy through Morris plan bank, paying every cent each month that they could spare, and the stock kept coming down, and they kept hunting indorsers for their notes, so that they could buy a few more shares to average down the total cost, but it kept coming down until to-day they are paying on notes with collateral worth less than the balance due.

The stock is worth $35 per share and selling at $4.50. Not on account of the stock, but on account of the company's earnings. Now, my point in writing to you is this: If you succeed in getting a tariff on oil immediately the oil companies will begin to show a reasonable profit on their investment, which will reflect in a higher market for their securities, and even if the oil stocks only go to one-half their book value, it would in many instances be three to four times the amount at which they are now selling; which, in turn, would mean that you could take the stock to the bank for a loan for twice the amount that you would get if you sold them outright at present prices, and you could take that money and buy a new "auto" or start a new home, or in some way put the money to work to help business again to "hum."

Figure for yourself the amount of money that would start moving in the business world if oil stocks were selling at book values and everyone could borrow on that basis half their value and put the money into circulation buying homes, furniture, automobiles, farms, etc. If you can use either this idea or this letter to any advantage do so.

Yours very truly,

JAMES B. STEPHENSON.

P. S.—I will make oath that this letter was neither requested nor suggested, and that neither you nor anyone else interested in an oil tariff know that any such person as J. P. Stephenson existed.

The proper protection of the American petroleum industry concerns the common people of this Nation. It involves directly the well-being of over 20,000,000 people in the oil-producing States west of the Mississippi. Indirectly, it also involves the prosperity of the very ones who are opposed to this bill, the tariff-protected industries of New England. In spite of their misconception, the market of one-fifth of the American people is worth more to our American manufacturers than all of Latin America. When we restore the market in the oil-producing States we will hasten the restoration of the prosperity and employment in New England. This measure involves the well-being of our merchant marine, which would be used in transportation of American oil produced by American labor to American ports, for consumption by American factories where American workers labor. It would involve the welfare of our railroads who miss the great freight movements of the manufactured goods of our industrial States carried westward to the vanishing markets of the oil States of the Union. It would aid the farmer. In fact, it is difficult to see who would not be benefited by this return to American principles, to the protection of an essential American industry, the third in importance of the Nation, with the sole exception of a handful of great oil importing corporations who are profiting now through the ruin of millions of American people.

Surely America has some rights. If we are going to be true to the fundamental principles for which this Government was established, the promotion of the general welfare of the people, we must recognize its rights; and, while we may look with friendliness and sympathy upon the misfortunes of the rest of the world and do all that is legitimate to remedy the evils of other nations, we must first put our own house in order and care for our own people and promote our own industries. I know no better method by which all of this may be accomplished than through reviving the distressed petroleum industry of the United States by protecting its rights in the American market.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Mississippi [Mr. BUSBY].

Mr. BUSBY. Mr. Chairman, it had been the hope of a number of gentlemen who are interested in what we believe is a subject that would be far-reaching as a remedy for our present financial situation to have some extended discussion on the floor of this House. I want to frankly say that I do not understand the method of management of time and speaking that has been inaugurated and put into effect for the last several weeks.

General debate, at all times on appropriation bills where you apply to a member of the committee and are controlled absolutely in the amount of time that you are given, not by the House but by some member of the committee, is not always satisfactory. It is not satisfactory for the simple reason that we have come to believe that speeches made by permission and in time extended by the chairman from some committee are made for home consumption, and as a result the membership of the House is conspicuously absent because they have no knowledge of what subjects will be discussed, and they have no knowledge as to what Members may go on the floor to take part in the discussion.

I do not know that anybody additional would be present if it had been announced 10 days ago that I was going to speak on the floor of the House, but at least it would have given some of you who are present an opportunity to have purposely absented yourselves, and I think you ought to have had that opportunity. [Laughter.]

There seems to be a policy under the present management of time that nobody shall speak by permission of the House but rather by permission of the chairman of some committee. I do not like this. I am not one of the managers though. I do think, Mr. Chairman, if we can not have some say in the type of legislation to be brought before the House for consideration, we are at least entitled to the floor of the House to discuss the ideas that, according to our notions, should go into legislation. We are entitled to speak for the people in our several districts, and if we can not speak on the bill, we can speak on the floor of the House and let the country know our attitude with regard to pending legislation or legislation that should be proposed.

We have passed the reconstruction finance act which provides $2,000,000,000 to be loaned under the provisions of that act.

We have passed in the House the Glass-Steagall bill, that is to broaden the basis for our currency, and we might term it an emergency currency bill.

One of these bills provides for $2,000,000,000, and perhaps the other will make four or five billion dollars of paper eligible for loans by the Federal reserve banks not now eligible.

But they do not strike at the right point, for the reason that extending credit to a man already in debt puts him further in debt.

I do not know whether you have stopped to consider the subject, but all the financial legislation that has been enacted in this country has been legislation to provide credit. There seems to be a notion that if a man owes a thousand

dollars, and you extend him credit for another thousand dollars on property he has and enable him to owe $2,000, somehow or other he will be able to pay both thousand dollars, when you do not provide any plan or scheme for him to do it.

The Constitution says that "Congress shall have the power to coin money" and "regulate the value thereof."

The framers of the Constitution had in mind that Congress should "regulate" the value of money in relation to what? What things in business and trade have true value? The Bureau of Labor Statistics determines every week in the year the value of the 784 commodities used in commerce in this country. These commodities possess true values. The wholesale commodity index price is the center of gravity in the commerce of the country. Should not we relate our determination to that when we fix the value of the currency?

Look at the ridiculous situation. You wheat growers are getting 50 cents a bushel for wheat. A short time ago your wheat was worth $2 a bushel. You can not pay your debts, because Congress has not regulated the value of money in relation to the true values, which are the commodities that are consumable and which we strive to obtain.

Now, I have not much time to discuss this, but there has been no program put forward by the President or the leaders in either House of Congress proposing anything to bring relief to the millions of people who are laboring to produce commodities or manufacture goods. When they produce them they can get nothing for them comparable to the obligations incurred. It is not going to do any good for the man who owes a thousand dollars to lend him a thousand dollars more and get him further into debt.

What we need is the stabilization of the purchasing power of money.

When the Secretary of the Treasury was before us a few days ago I asked him if he had any plan or suggestion that if put into effect would relieve the people and give them hope to escape these cycles of depression hereafter. He said, "I suppose I would be the greatest man in the world if I had some plan to offer that would save the people from being wiped out in property holdings every 10 or 12 years," or words practically to that effect.

Why, the credit machinery of this country, the Federal reserve banks, and our Federal-created credit institutions are turned over to the professional bankers. The professional bankers are not men looking at the economics involved; they do not care much about the common mass of the people. They are looking for the credit investors, men who can buy credit accommodations and pay well for the accommodation extended to them.

What are the leaders handling the legislation at the present time proposing to bring relief to the farmers and the people back in the communities?

Not one thing, except these palliatives which propose to further involve the national credit and make a charge against it, and then make an appropriation of public funds to salve over the situation. Our present financial trouble is like having your yardstick 3 feet at the present time and 12 or 15 feet two or three years from now. That is a good illustration of the situation. If you were a merchant, under such conditions you could not stay in business very long. If you have debts to pay, contracted at a time when commodities were four times the price of what they are now, you could not pay them. That is the situation all over the country. We are told that there are 8,300,000 who are jobless, that 12,000,000 people need help and assistance to-day, and that there are 40,000,000 people in the country who are living below the normal scale of living, so much so that their health is endangered. All of these things we are doing here to provide funds for the relief of banks, railroads, insurance companies are not putting any earning power into the masses of the people who are destitute, in want, losing their homes, losing their farms, and all of their other commodities, who are being turned out into the world with nothing. Legislation we are enacting is not reaching them. You ask me how we could reach them. I would simply put into law the plan that Professor Fisher, Mr. Babson, Vice President Marshall, and others have recommended to this country, to make the dollar the servant of trade instead of the master of the people. The gentleman from Maryland [Mr. GOLDSBOROUGH] had some correspondence with Mr. Roger W. Babson, some 10 years ago, and I want to read to you what he said about the type of legislation that we are advocating to stabilize the buying power of the dollar. But before I do that let me ask whether you gentlemen realize what is in the way of our enacting this legislation into law? The reason is that Members of Congress do not understand the proposals. They do not give time to the study of it so that they will understand it. The next thing is that this is a presidential election year, and nobody who is responsible politically, who is looking for some preferment, possibly in the next election, is willing to step out and advocate any sort of sound monetary reform, because the bankers of the country might ridicule him and call his legislative proposals unsound. That is my opinion and conviction about one trouble we face. The bankers are a great crowd. They ridicule everything that is not in their favor, nonsensical ridicule it is true, and consequently Congress comes along and says that it is dangerous to tamper with the money question. We do not put sufficient time to the study of money reform proposals. How many of us have studied the proposals that Professor Fisher has made? How many have studied the proposals that we are asking to have enacted into law? We must study them or we will not understand them.

Mr. GARBER. Mr. Chairman, will the gentleman yield?

Mr. BUSBY. Yes.

Mr. GARBER. I assume, and I think I am perfectly justified in doing it, that there is not any question but that the membership of this House is in favor of a stabilized currency, a stabilized dollar. If the gentleman can show us concretely in a legislative form how we can accomplish that, I am satisfied the gentleman will present a piece of legislation that will receive the favorable report and approval of this House and the other body.

Mr. BUSBY. I thank you. I am glad to have that interruption, because we have sought to have hearings begin before the Banking and Currency Committee of the House on the 29th of this month. What I am saying here to-day is not in criticism of the House of Representatives or anyone else, but to arouse some interest in the subject, so that we will realize its importance enough for us to put our time and attention to it, in order to study it and try to solve it, because it is a very unsatisfactory condition for us to recur to every 10 or 12 years. Most of the people are financially wiped out periodically, and there is no remedy that has been offered for that. I am glad to have the interruption from the gentleman. I feel he is speaking the true sentiment of the House, that every individual in the House wants to do something to remedy permanently the distressing situation in which we are now engulfed. I read now from the letter of Mr. Roger W. Babson to the gentleman from Maryland, Mr. GOLDSBOROUGH, written 10 years ago:

> If you do not succeed in your first attempt I hope you will keep everlastingly at it. Depend upon it, some day the dollar will be stabilized.
>
> It is the growing consciousness of the need of stabilization which has led not only to Professor Fisher's plan, which your bill embodies, but to the less-worked-out plans of Edison, Ford, Senator Ladd, etc.
>
> Business men and bankers have expressed alarm over some of these proposals on the ground that they may produce inflation. Any proposal the effect of which would be inflationistic ought to be nipped in the bud. What we want is something to prevent both, and that is the object and effect of the bill which you have introduced. The common idea that we must, on principle, oppose any plan to change our currency system is simply sitting on the safety valve. If something is not done to give us a scientific and stable currency some unscientific and unstable currency will be enacted. The only way to head off further instability is to make greater stability. The conservative man who is afraid of a change ought to support your bill, because our present system changes our monetary standard every year. This constant change in the purchasing power of our dollar is the greatest foe of conservative business. It makes a speculation of everything. For years I have been studying the business cycle and trying to help the business man, by foresight, to struggle through the cycle. But I have repeatedly said in my speeches and writings on this subject that until we had the Fisher plan or some equivalent for stabilizing the dollar the business man would always be suffering from the

business cycle. I could give instance after instance of the evils which come from a changing yardstick in commerce.

As ex-Vice President Marshall has said, next to the peace problem, the problem of stabilizing the dollar is of the next greatest importance.

I have studied Professor Fisher's plan from time to time with great care, and the objections which have been alleged against it. As I have often said, only those who do not understand it oppose it.

Let me add that my audiences of business men all over the country, when they have had the idea explained to them, like it immensely.

The Congress which stabilizes the dollar will deserve and receive the everlasting gratitude of the business world.

Why are we sold on this myth that gold, managed by international-banking organizations that fix international-exchange rates and manipulate it, is the thing we must depend on to measure commodity values in exchange between neighbor and neighbor? It is not necessary. The only thing we have to do is to wake up and study the system we have—then remedy it.

Is the system we are working under now satisfactory to you? Are you satisfied with the way farm-commodity prices fluctuate? By the way, farm commodities are always more or less perishable and vary greatly in their up and down swing—more so than other commodities. Are you satisfied with the manner in which they have been varying in the last year or two? If not, what are you trying to do to serve your people to remedy the conditions? Are you leaving it to me? No; you are not leaving it to me. Are you leaving it to some other Member? No; I happen to be a member of a committee that is studying the question. I am so aroused by the destitute condition to which our people have been swept by this unscientific and undependable system that I am willing to go to any length in studying the situation to try to evolve and adopt some plan that will save us.

We talk about farm relief. If we will stabilize the purchasing power of the dollar we will have farm relief, because the dollar and your commodities will stand on a parity with each other, and we will not find it necessary to sell 2 bushels of wheat to get $1; in other words, four times as much wheat to get a dollar as we did five years ago. We talk about saving the country banks. If we will stabilize the purchasing power of the dollar the country banks will be made safe, because a bank can not fail until the commodities on which the bank has security shall fail, whether it be land or wheat or whatever it is. As long as the price remains reasonably stable the banks will have value back of the paper which they hold. That is the place to start to give farm relief and to stabilize the condition of the country banks. No bank ever failed unless it was unfaithfully managed, until the community around it failed.

I simply want to ask you to join in this matter in an interested way to help us work out a solution. [Applause.]

[Here the gavel fell.]

Mr. OLIVER of Alabama. I wish to express appreciation to the gentleman from Mississippi for myself, and I feel I can properly say for the membership of the House, for the very thoughtful, informing, and constructive address he has made. [Applause.]

Mr. Chairman, I yield three minutes to the gentleman from New York, Mr. BLACK.

Mr. BLACK. Mr. Chairman, the memory of Lincoln was a victim of the depression. This great American was tumbled from his pedestal by Cabinet officials. The highest compliment they granted him on his birthday was that he was almost as great as Hoover. The main difference between Lincoln and Hoover is that in Hoover's day the people are the martyrs. Had Hoover been in Lincoln's place the slaves would still be waiting for a commission to report on their freedom, the Emancipation Proclamation would be just around the corner, and the Union would be on the toboggan. We had to wait for Hoover, the engineer, to make the Nation go down hill faster than a bobsled.

Hoover's mutual-admiration Cabinet bewails criticism of Hoover as abuse. The two most-abused public men in our history were Abe Lincoln and Al Smith—and Hoover's supporters threw the dirt at Smith with no word of restraint from the chief. They did not even spare Smith's family. Nobody has ever abused Hoover's official family. It is too funny to be abused.

Yet the Cabinet conducted Hoover memorial services on Lincoln's birthday. It was a magnificent tribute to the politically dead.

They told us that Hoover was like Lincoln. Imagine Hoover tolerating a general who violated the noble experiment like Grant. Imagine Lincoln watching a nation starve and yelling, "Three cheers for Lincoln." As usual the Cabinet was wrong. Hoover is no more like Lincoln than a rolling stone is like the Rock of Gibraltar.

Next Monday the Cabinet officials will turn the tide and tell us Hoover is just like Washington. Imagine Hoover and the Wickersham Commission crossing the Delaware without rocking the boat. Imagine Hoover telling the truth about cutting down the cherry tree of prosperity with his little hatchet of optimism. Imagine Hoover at Valley Forge cheering up the boys with a few pamphlets of the Anti-Saloon League.

We beg of the Cabinet to please lay off George Washington. Do not spoil the entire idealization work of the Bicentennial Commission by saying Hoover is like Washington. They desecrated Lincoln's birthday by their Hoover eulogies. But, after all, Lincoln started the Republican Party and Hoover ended it. Washington always fought the Tories.

We Democrats feel sort of charitable toward Hoover, but we still venerate Washington and Lincoln. We are willing to have his medicine-ball Cabinet toss the Hoover taurus over the land, for we soon will have the White House. The only danger to our party is that he has been so well trusted by our own leaders he might decide to become a Democrat again.

We Democrats do not mind the Cabinet members chanting the praises of their dear departed, but we wish they would not waste the national holidays. They should set aside a certain day for this purpose, say, April 1. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN of Missouri. Mr. Chairman, I notice that the subcommittee considering the Agriculture Department appropriation bill in the Senate has stricken from that bill two provisions inserted by the House that sought to bring about a reduction in personnel and likewise a reduction in the amount of money that is spent for personnel in the Government. My friend the gentleman from New York [Mr. LAGUARDIA], who has the courage of his convictions, a most conscientious official and valuable Member of this House, opposed those items when they were before the House. I did not agree with the gentleman then, nor do I agree with the gentleman now. When that item was inserted in the bill some officials who represented the Federal employees' unions and associations came to me and requested that I oppose the proposal. I declined to do so, and I told them that the Committee on Appropriations in the House of Representatives had found a way to cut down Government expenditures without reducing the salaries of Government employees.

There are several thousand Government employees in my city—St. Louis—and, as far as I know, they are perfectly willing to accept these provisos. I rise here to-day to say to the Government employees that if they do not stop their representatives in Washington who oppose every effort to reduce expenditures on the personnel they are aiding those who seek to reduce the salaries of Government employees. [Applause.] I am opposed to reducing the salaries of Government employees who are receiving barely a living wage, but I am in favor of reducing the number of Government employees, and I am, until this country is on a more sound footing, in favor of refusing to grant any promotions which mean increases in salaries. [Applause.]

The first bill to be considered was the Department of Agriculture appropriation bill. What are the official duties of the Secretary of Agriculture? He is charged with the work of promoting agriculture in its broadest sense. That department has promoted agriculture and has stimulated

production to such an extent that the commodities that the farmers now produce are produced in such great quantity that they can not receive a price which equals the cost of production. If there is any one Government agency that can stand a reduction at this time, in my opinion, it is the Department of Agriculture; and yet its representatives went before the Senate committee and opposed the House provision. I want to say I think it is time the President of the United States makes his official family come to time and quit opposing his efforts and the efforts of the House of Representatives to reduce appropriations. [Applause.]

The Secretary of Agriculture as well as the officials of the Farm Board have been going around the country for over a year urging that the producer reduce his yield. Lower production is their cry. Still the Congress appropriates $75,000,000 for the Department of Agriculture, whose duties are to stimulate production. Is this good business? Would it not have been far better to make some direct appropriations to help the millions of farmers who are in such dire need of assistance rather than to spend this amount of money at a time when the Secretary of Agriculture is going around the country at Government expense telling the farmers to reduce their acreage?

I wonder how the President will feel when he learns that representatives of the Department of Agriculture oppose reductions in expenditures when he is asking for reductions right along the line.

The gentleman from Indiana [Mr. WOOD] said to-day the President wants reductions. Then I say to Mr. WOOD to tell the President to pull his subordinates off. Tell them to remain away from Congress when the Congress is trying to reduce Government expenditures. The Congress wants cooperation, not opposition, from the executive branch of the Government and those in authority should see that we get it.

We have arrived at the point where we must say no. I receive hundreds of letters asking me to hold down expenditures, then when the pet of some citizens suffers a reduction, especially where the activity has an outside organization, we are flooded with letters and telegrams urging us to refrain from crippling that activity. I have a habit of saying no when no should be said, and in every instance I am saying no. I propose to stand by the Committee on Appropriations of the House, which is reducing appropriations below the recommendations of the Bureau of the Budget, and if I can find any items that I think should be further reduced I am going to urge that such action be taken. What arouses me is that those who should be assisting us are throwing obstacles in our way.

The one way to effect a cure is to further reduce the appropriation when the Government official complains. If you will do that a few times it will not be long before they will stay away. A dose of such medicine will be very effective. I know of a Federal judge who always increased the sentence when some official sought to influence him in criminal cases. You can bet they never visit that judge any more. He let it be known that he would follow that procedure, and appeals for clemency never reach his ears now. Mr. Chairman, in conclusion I say again to the Federal employees of this country that they had better accept what the House has tried to do to reduce the personnel and expenditures affecting the personnel because if they do not they will find bills affecting their salaries being considered on the floor of both Houses. So far as those in the high brackets are concerned, who can stand a reduction, they will probably suffer before Congress adjourns, but I am addressing myself now to those in the lower brackets who are in control of the Federal organizations. Notify your representatives in Washington to cease opposing the efforts of those who are trying to save the underpaid employee from a reduction. They are doing you no good—they are doing you harm. The Government expenditures must be reduced. The taxpayers of the country demand it and they have a right to demand it. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. HOLADAY].

Mr. HOLADAY. Mr. Chairman, in line with what has been said by the gentleman from Missouri, who has just preceded me, with reference to curtailing the expenses of our Government, I introduced this morning a resolution which, in my opinion, will be effective for that purpose, and as far as I know it is the only method that has been proposed that will be effective.

We all know that when a committee of Congress, working piecemeal, undertakes to abolish or to cut down any particular department or bureau there is opposition to that reduction. Under the resolution which I have introduced Congress gives to the President blanket and absolute power—to be exercised within the period of one year—to abolish, to consolidate, and to combine any commission, board, department, bureau, or division. There is only one restriction upon that power, and that is after the President, by Executive order, has abolished, combined, or consolidated one or more departments, he show as a result of that consolidation that there has been a saving of 20 per cent in the personnel and a saving of 20 per cent in the gross pay roll of all those departments that have been consolidated.

If there is a real intention and desire on the part of the Congress to reduce the cost of government, this is the way that purpose can be accomplished. Congress gives to the President the absolute power; it is passed to him; he is responsible; he can make savings wherever he thinks they can be made and the savings must be made, because when he reports the result of his combinations or consolidations to Congress he must show that there has been a reduction of 20 per cent in the personnel and 20 per cent in the gross pay roll of those departments that have been consolidated. If there is any question as to whether or not 20 per cent is the proper amount, the committee, after mature deliberation, can raise or lower it. But if this House and the party in power and responsible for action in this House really wants to effect any economy in government, there is the way to do it—granting that power and that absolute authority to the President with but one restriction, and that is a restriction that will effect a saving to the taxpayers of this country.

I hope the chairman of the committee to which this resolution was referred will give the resolution early and careful consideration.

I thank you, and yield back the balance of my time.

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from West Virginia [Mr. HOGG].

Mr. HOGG of West Virginia. Mr. Chairman, every measure which has been considered by the present Congress has dealt primarily with the question of relief. Not only has this idea been foremost in measures dealing with finances but in the consideration of every revenue measure not only in the Appropriations Committee but upon the floor of the House. The underlying motive has been constructive. The Members of the House may differ in the matter of party principles, but partisanship in this session has not yet made its appearance when the question of national relief has been involved.

The number of bills introduced during the present session of Congress dealing with finances is staggering. The measures which have been referred to the Committee on Banking and Currency are multitudinous. Practically every Member has some contribution to make with reference to relieving the country from the present depression which no one seeks to ignore and, incidentally, it is of little consolation to know that this condition is world-wide.

Much of the legislation of past Congresses has been of a type which reflected sectionalism. In past years there has been evidence of an industrial East and agricultural West, each with its corresponding problems but making entirely different demands as to needs of legislation. With such a condition it was difficult for one to appreciate the problems of the other; but with the great national problems which we are facing to-day, the situation is entirely different. For the same identical industrial paralysis has seized every section of the country through our financial system. The riot of failures and bankruptcy has run its course in

the most remote sections of the United States. Big banks, little banks, savings banks, banks of deposit, building and loan associations, and every conceivable kind of financial institution has been wrecked within the past few months. Indiscriminately, without respect to persons or locality, the collapse of these financial institutions has raged—the power apparently in no one to check its mad course.

In light of this situation, therefore, the present Congress assembled to deal with a problem that was not sectional and certainly, therefore, not political. The cry for aid was country-wide and uniform and for the first time since the World War the Congress of the United States approached the solution of a problem which could not be surrounded by a political atmosphere.

The Committee on Banking and Currency of the House has been practically in continuous session since the organization of the House. The membership of that committee is composed of men of ability who are in close touch with both the practical and the theoretical side of banking, and, in addition, the committee numbers among its members some able lawyers of the country. They have given careful and close consideration to scores of relief measures, and, through their recommendations, there have been enacted many relief measures. Under these circumstances the suggestions which I shall make to-day are intended in no manner to reflect upon the judgment of this committee but rather for the purpose of bringing to their attention certain classes of financial institutions which are now excluded from benefiting by the relief measures which the House has heretofore passed.

I am especially interested in the feature of the Reconstruction Finance Corporation act dealing with insolvent institutions. The plain purpose of the act among other things is to aid banking institutions—both solvent and insolvent. Nor is this relief, so far as the wording of the act is concerned, restricted in such a manner as to prefer national banks to State banks or banking institutions. So far as the national banking act is concerned there is only one type of institution considered, and that is a national bank under jurisdiction of the Comptroller of the Currency. Practically since the passage of the original national bank act, the operation of a national bank has been restricted to a commercial banking business, and it was not until within a comparatively recent time that Federal legislation enabled the national banks of the country to enter into a trust business. At the present time all national-banking associations are restricted to the business of commercial banking, with incidental trust powers. The draft of a relief measure, therefore, so far as national banks are concerned, is not as complicated as where an attempt is made to make the same provisions of relief applicable generally to financial institutions organized under the laws of the State. While the national banking act contemplates only national banks with trust powers, such is not the case with reference to State banking acts. In this latter field we find commercial banks, savings banks, credit unions, trust companies, building and loan associations, and countless other institutions of a similar nature.

The Reconstruction Finance Corporation act makes equal and uniform provision for all of these various classes of institutions, whether State or National, only so long as they are solvent. As I pointed out to the Members of the House on January 15, 1932, when the Reconstruction Finance Corporation bill was then under consideration, when these same institutions become insolvent there is an unjust discrimination against the State institutions. I specifically refer to section 5, which authorizes the loans "to any bank, savings bank, trust company, building and loan association, including loans secured by the assets of any bank that is closed." The point I wish again to make is that loans can be made to any bank, savings bank, trust company, or building and loan association that is solvent, but when insolvency occurs loans can only be made to banks. The practical application of this measure is to grant relief for the benefit of a creditor or a commercial bank, but to deny this same relief to a man who may have his life earnings tied up in an insolvent trust company, savings bank, or building and loan association.

Under the laws of practically all of the States, especially the State of West Virginia, savings banks, building and loan associations, and trust companies are banking institutions with the exception that they do not enter the commercial field. Trust companies, savings banks, and building and loan associations, in actual practice, do receive deposits and issue certificates and other forms of obligations therefor to the same extent as commercial banks. In the vast majority of the States all these institutions come under the same banking laws and are subject to the same supervision as commercial banks. Under these circumstances it seems to me that it is quite discriminatory for Congress to extend aid to an insolvent commercial bank then deny the same relief to savings banks, trust companies, and building and loan associations.

While the Reconstruction Finance Corporation act does not expressly so state, yet the underlying purpose of the entire measure is to liquefy frozen assets; but when relief is extended to insolvent commercial banks and then withheld from insolvent savings banks, trust companies, and building and loan associations, the very purpose of the measure itself is defeated. Of all these four classes of banking institutions, only the assets of a commercial bank have any semblance of liquidity.

These other three institutions—the savings bank, trust company, and building and loan association—by their very natures deal only in frozen assets, and their assets become frozen the very day they begin business. The importance of these various State banking institutions can not be exaggerated. In the report of the Comptroller of the Currency for the year 1931 there were 600 mutual savings banks in the United States and over 12,000,000 depositors, whose total savings amounted to more than $10,000,000,000. There were 654 stock savings banks with almost 2,000,000 depositors, with deposits amounting to over a billion dollars. For the same year there were 1,469 trust companies in operation in the United States, with aggregate deposits of more than $12,000,000,000.

As stressing the importance of aiding insolvent building and loan associations, I wish to call attention to the fact that during the year 1930, 190 of these organizations failed, with an estimated loss of over $24,000,000. The people who are vitally interested in this type of financial institution are those who can least afford to lose. The number of creditors of these institutions is extremely large, and their obligations in many instances represent life savings. It will be quite difficult to explain just why this Congress would accord to a depositor in a commercial bank, with a casual checking account, greater consideration than to a man whose life savings are involved. It is my earnest hope, therefore, that Congress will see fit to amend the Reconstruction Finance Corporation act to bring relief to all classes of banking institutions—State and national, solvent and insolvent—with the sole purpose of reaching every individual whose resources are tightly impounded in these insolvent financial institutions of the State, and not to deny this relief merely because he has chosen as the depository of his funds some institution which does not happen to be specifically named in the Reconstruction Finance Corporation act.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. HOGG of West Virginia. For a question; yes.

Mr. DICKSTEIN. The President did not recommend it in that particular bill.

Mr. HOGG of West Virginia. So far as the insolvent State banks are concerned, they are precluded from relief under the actual application of the Reconstruction Finance Corporation act. This result is not by design or intent upon the part of Congress, because, as I pointed out to the House on February 10, the whole purpose of the act, as disclosed by the committee hearings as well as the debates on the floor of the House, was to make no distinction between national and State banks. Nor does this discrimination exist by reason of any affirmative action on the part of Congress, but rather arises through technicalities which exist where there

is attempted cooperation between the State and National Governments. By way of a specific illustration of the operation of the Reconstruction Finance Corporation act, in so far as it extends relief to insolvent State institutions, the directors of the Finance Corporation will quite naturally advise the receiver of an insolvent State bank there will be advanced a certain specific sum upon the execution by the receiver of a note secured by pledging the assets of the insolvent institution. All of this is in accord with the Reconstruction Finance Corporation act. The difficulty, however, is encountered when the receiver attempts to comply with the demands of the Finance Corporation. When he goes to execute the note required he finds that he has no such authority under the laws of his State. Further, he is powerless in the matter of pledging any of the assets of his institution. He is only authorized to sell, and the Reconstruction Finance Corporation is not authorized to buy. Restriction of the powers of the receiver, by reason of the State statutes, prevents his bringing to the creditors of his insolvent institution the aid which is contemplated by Congress.

This unfortunate situation exists in practically every State in the Union; and, since my observations upon this question on February 10, I have obtained extracts from the statutes of all the States with the exception of Maine, and in no instance do I find express authority given the receiver of a State bank to such an extent as to enable him to bring to insolvent State banks the relief which every Member of this House thought would be available when the Reconstruction Finance Corporation bill was under debate.

I have here abstracts obtained from the codes of the various States with the exception of Maine, as previously noted, and believe that this information will be of value to other Members. I will not burden you by reading these various abstracts, but will ask unanimous consent that this material be copied into the Journal as a means of ready reference.

Mr. PATMAN. Will the gentleman yield?

Mr. HOGG of West Virginia. Yes.

Mr. PATMAN. It will require a change in the State laws in order to remedy that situation, will it not?

Mr. HOGG of West Virginia. I have a solution for it, and I will reach that in a moment.

Mr. COX. Will the gentleman yield?

Mr. HOGG of West Virginia. For a question; yes.

Mr. COX. Will not the equity power of the court accommodate the needs of the situation?

Mr. HOGG of West Virginia. I have looked into that feature of it and I am convinced they are circumscribed by the absolute statutory laws of the States, so that the receivers can only perform those duties which are expressly authorized by statute.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. HOGG of West Virginia. Yes.

Mr. LAGUARDIA. I believe the bill was not unintentionally drawn to avoid that. I do not charge that to the committee, but I think the underlying motive of it all is to control the State relief of banks and have it absorbed by the particular grants which they desire to put into effect in that section.

Mr. HOGG of West Virginia. I appreciate the gentleman's suggestion.

I am convinced that if the full effect of the relief measures which have been passed by Congress is to be realized, it is highly necessary that arrangements be made for participation by all insolvent State banking institutions that have been recognized as a depository of funds under the supervision of the banking departments of the respective States.

According to the report of the Comptroller of the Currency for the 10½ years ending June 30, 1931, there were a total of 7,672 bank failures, of which number 1,044 were national, and 6,628 State banks.

Mr. KLEBERG. Will the gentleman yield?

Mr. HOGG of West Virginia. Just for a question.

Mr. KLEBERG. The gentleman's report deals with the period up to 1930?

Mr. HOGG of West Virginia. For the year ending October 31, 1931, 1,324 State banks failed, while only 369 national banks failed, representing for that year resources of $1,300,000,000 and $543,800,000 for the insolvent State and insolvent national banks, respectively. These data are advanced for the purpose of showing that relief for insolvent State institutions is even more imperative than aid to national banks because of the far greater number of depositors involved and also by reason of the greater amount of resources impounded. Observations over the period of the past two years show that by far the greater number of these insolvent State banks are those located in smaller communities. The closing of one of these small institutions imposes the greatest conceivable hardship upon every inhabitant. On the other hand, the insolvent national banks are not so generally to be found in these sparsely populated sections of the country. Under no circumstances will anyone deny as urgent need of relief for insolvent State banking institutions as is recognized for insolvent national banks, under the Reconstruction Finance Corporation act.

During the discussion of these various relief measures it has been repeatedly asserted that benefit would be derived from two sources. In the first place, putting $2,000,000,000 of Government funds in the channels of trade will materially affect economic conditions. Secondly, as a forceful means of aid everyone recognizes the psychological effect that this type of legislation will have upon the people of the country. Some of the proponents of these relief measures have very frankly stated that by far the greater benefit to be derived from this program will be psychological. I quite agree with this position, but if the Reconstruction Finance Corporation act is not made to apply with equal uniformity to both State and national institutions the full effect of this psychological aid will be destroyed. Oncef the people of the country are informed that the provisions of the act do not apply to both State and national banks, solvent and insolvent with equal uniformity, and once it is ascertained that the insolvent State banks are not the object of Federal relief a most dangerous distrust will naturally arise toward all these State institutions. During this period of uncertainty and unrest no opportunity must be afforded for any additional hysteria or groundless fears. To my mind, this is one of the most important reasons why every possible precaution should be taken to see that both national and State institutions stand on an equal footing in the application of these relief measures.

To meet these apparent inadequacies of the Reconstruction Finance Corporation act, I have introduced to-day a bill designed to accomplish that end. The measure is simple in its terms and easily comprehended. No change is made in any of the wording of the act except where the following clause is added to the limitation found in section 5—

> Nor to any corporation, now organized or which may hereafter be organized under a State statute and engaged in aiding directly or indirectly, through the purchase of assets or otherwise, in the liquidation of State banks, saving banks, trust companies and/or building and loan associations which may have become insolvent and/or suspended from business in accordance with the laws of the State.

Mr. GARBER. Will the gentleman yield?

Mr. HOGG of West Virginia. For a question; yes.

Mr. GARBER. This liquidating corporation for each State, which the gentleman suggests, would bridge the gap between the Federal Government and the States; however, it would require State authority, would it not, from the legislatures to create it and authorize it to receive such assistance?

Mr. HOGG of West Virginia. I may say that they doubtless have such authority under the general banking laws of the States and further legislation would not be necessary.

Mr. GARBER. And could receive Federal assistance and pledge assets as security?

Mr. HOGG of West Virginia. The banking statutes of every State give any banking corporation the right to borrow and they can borrow from the Reconstruction Finance Corporation just the same as they could go out on the market and borrow from any other organization that is lending money.

Mr. LAGUARDIA. What would the gentleman do if he wanted to save his State bank and not liquidate it?

Mr. HOGG of West Virginia. As to a State bank that is not in process of liquidation, I may say to the gentleman from New York, I have not dealt with that particular feature of the matter.

Mr. LAGUARDIA. The gentleman has in mind the liquidating banks.

Mr. HOGG of West Virginia. The liquidation of banks that are now insolvent.

Mr. DICKSTEIN. Will the gentleman yield for a brief question?

Mr. HOGG of West Virginia. Yes.

Mr. DICKSTEIN. Assuming that the insolvent bank is able to borrow this money from the Reconstruction Finance Corporation, is it the purpose of the gentleman's amendment that this bank should then continue to go on and do business?

Mr. HOGG of West Virginia. No; it is not. It is simply an intermediary for effecting the liquidation of these particular institutions.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. HOGG of West Virginia. Briefly.

Mr. DICKSTEIN. When the Reconstruction Finance Corporation bill was before the House for discussion, in the amendment stage, did the gentleman offer an amendment?

Mr. HOGG of West Virginia. I offered that amendment on the floor of the House, reaching these three classes of institutions, but it was not adopted.

The present provisions of the act could be extended to insolvent State banks by legislative enactment, authorizing the receivers of these State institutions to pledge their assets. It must be remembered, however, that the Finance Corporation is authorized to make loans only for the period of one year, and before the various State legislatures could clothe the receivers of their State institutions with authority to pledge the assets this one year period will have expired in many States. The only alternative, therefore, as I pointed out on February 10, is the organization within each State of a liquidating corporation. This liquidating corporation, whose capital stock would be cheerfully subscribed by the solvent banks and those interested in the liquidation of the insolvent ones, could purchase the assets of these insolvent institutions from the receiver. The liquidating corporation in turn would pledge these assets with the Reconstruction Finance Corporation, as is now contemplated under the provisions of the act. Through this way, a very orderly and effective method of the liquidation of these insolvent State institutions could be accomplished.

Let us remember that only $200,000,000, with the expansion thereof, which can not exceed $800,000,000, is available for relief to both solvent and insolvent banks. We must further bear in mind that there are already impounded in the insolvent banking institutions of the country almost two billion dollars, more than one billion, three hundred million of which is in State institutions. It is apparent that there will not be available under the present act, as it now exists, much more than a substantial percentage available to take care of possible demands. If something is not done to aid the insolvent banks, this entire sum will be completely exhausted through demands from national bank sources. To prevent this unfortunate result, therefore, only two courses are open: First, an amendment to the Reconstruction Finance Corporation act, as suggested in my remarks. Second, the speedy consideration of an independent measure dealing exclusively with insolvent State banking institutions. I trust the Members of the House will give serious consideration to these proposals.

Mr. Chairman, I ask unanimous consent to insert in the RECORD an abstract with reference to the laws governing the right of receivers of insolvent institutions and banks, in this particular.

The CHAIRMAN. Without objection, it is so ordered.

The matter referred to is as follows:

Alabama (Code 1928, sec. 6307): "The superintendent by making application to the circuit court of the county in which the bank is located, may procure an order to sell or compound all bad or doubtful debts, and on like order may sell all real and personal property of such corporation or individual banker on such terms as the court shall direct. * * *"

Alaska (Laws 1919, ch. 16, p. 44): "* * * The receiver shall, upon the order of the district court, at the request of the Territorial banking board, sell or compound all bad debts or doubtful debts due the bank and sell all other property of such bank. * * *"

Arizona (Revised Code, 1928, sec. 246): "* * * He (the superintendent) shall collect all money and debts due and claims belonging to it, and for such purposes is authorized to bring and defend actions and other proceedings in this State and elsewhere; and upon the order of the superior court of the county in which it is doing business may sell or compound all bad or doubtful debts, and on like order may sell its real and personal property on such terms, at public or private sale, as the court shall direct. * * *"

Arkansas (1927 Sup., Crawford and Moses' Digest, sec. 719, p. 58): "* * * The commissioner shall collect all debts due and claims belonging to it, and for such purposes is authorized to institute, maintain, and defend suits and other proceedings in this State and elsewhere, and upon the order of the chancery court of the county in which it is doing business, may sell or compound all bad or doubtful debts, and on like order may sell all its real and personal property on such terms and at public or private sale as the court shall direct, and if necessary to enforce in this State or elsewhere the liabilities of its stockholders. * * *"

California (1929 Supp., General Laws, sec. 136 p. 2952): "* * * The superintendent of banks may sell any real or personal property of such bank on such terms as the court shall direct or approve. * * *"

Colorado (Compiled Laws 1921, secs. 2729–2730): Sec. 2729. "No receiver shall be appointed for any bank. No bank shall make an assignment for the benefit of creditors. No writ of attachment or execution shall be levied upon the property or assets of any bank when in the possession of the State bank commissioner. No creditors shall maintain any action to recover upon a stockholder's liability while a bank is in the possession of the State bank commissioner but during such time said commissioner shall have the sole and exclusive right to maintain such action."

SEC. 2730. "The State bank commissioner may retain possession of any bank for the purpose of liquidating its affairs. He shall, in such event, have power, and it shall be his duty, to collect all debts, dues, and claims belonging to the bank, and, upon order of the district court of the district wherein such bank is located, based upon a petition of said commissioner setting forth the material facts, and after such notice to at least two general officers of the bank as the court may require, to sell or compound all bad or doubtful debts, and, on like order, to sell all real estate and personal property of the bank, in such manner, for such price, and upon such terms as the court shall direct."

Connecticut (General Statutes 1930, sec. 3922): "* * * They (receivers) shall hold all the assets which come into their hands as such receivers, subject to the order of said court, and shall convert the same into money, with all reasonable dispatch, and for that purpose may sell and dispose of such assets, and make all proper conveyances thereof, and may compromise all doubtful claims for or against such corporation; provided no claim in favor of such corporation against any director, trustee, or other officer thereof, for breach or neglect of official duty, shall be compromised without the special authority and approval of said court * * *."

Delaware (Laws 1921, ch. 103, p. 294): "* * * In a proper case made, the chancellor shall have power to appoint a receiver to take charge of, settle and close up the affairs of such corporation under the direction of the said court. * * *"

Florida (Compiled General Laws, 1927, sec. 6102, p. 1980): "* * * Such receiver, under the direction and supervision of the comptroller, shall take possession of the books, records, and assets of every description of such bank, banker, banking firm, banking and trust company or corporation, and in his name shall sue for and collect all debts, dues, and claims belonging to it, and upon the order of the court of competent jurisdiction may sell or compound all bad or doubtful debts, and on a like order may sell all the real and personal property of such bank, banker, banking firm, banking and trust company, or corporation on such terms as the court shall direct; and may, if necessary to pay the debts of such bank, banker, banking firm, banking and trust company, or corporation, sue for and enforce the individual liability of the stockholders. * * *."

Georgia (Code, 1926, sec. 2366 (52)): "* * * He (the superintendent) may, in the name of the bank, execute and deliver any and all deeds, assignments, bills of sale, transfers, satisfactions, or other instruments necessary or proper to effectuate any sale, lease, or transfer of real or personal property, or to carry into effect any power conferred or duty imposed upon him by this act or by any order of the superior court. * * *."

Hawaii (Revised Laws, 1925, sec. 1275): "* * * The receiver, if any be appointed, shall, under the direction of the court, take possession of the books, records, and assets of every description of

such bank, collect all debts, dues, and claims belonging to it and sell or compound all bad or doubtful assets, and sell all the real and personal property of such bank on such terms as the court shall direct, and may, if necessary to pay the debts of such bank, enforce all individual liabilities of stockholders, and shall make a report to the court and bank examiner of all his acts and proceedings. * * *."

Idaho (Compiled Statutes, 1919, sec. 5294): "* * * The department of commerce and industry shall at once proceed to collect all debts, dues, and claims, and to sell or compound all doubtful debts, and to sell all real and personal property on such terms as the court shall direct. Said department shall pay over all money by it received under the order of the court."

Laws 1925, chapter 133, page 220: "* * * He (the commissioner) may institute, in his own name as commissioner or in the name of the bank, such suits and actions and other legal proceedings as he deems expedient for such purposes and, by making application to the district court of the county in which such bank is located or to the judge thereof in chambers, may procure an order to sell, compromise, or compound any bad or doubtful debt or claim and to sell and dispose of any or all the assets, which sale may be made to stockholders, officers, directors, or others interested in such bank on consent of the court. * * *."

Illinois (Laws 1929, p. 180): "* * * Such receiver, under the direction of the auditor, shall take possession of, and for the purpose of the receivership, the title to, the books, records, and assets of every description of such bank and shall proceed to collect all debts, dues, and claims belonging to it, and, upon the order of a court of record of the county in which said bank is located, may sell or compound all bad or doubtful debts, and on a like order may sell all the real and personal property of such bank on such terms as the court shall direct * * *."

Iowa (Laws 1929, ch. 31): "After having made diligent effort to collect or realize on the assets as provided in the preceding section the receiver may sell the remaining assets, in whole or in part, including real estate or any interest therein, and may execute assignments, releases, and satisfactions to effectuate such sales and a receiver may execute assignments, releases, and satisfactions to effectuate sales and transfers made by his predecessors. The superintendent of banking may sell, release, satisfy, or assign any remaining asset, mortgage, or lien of a bank or trust company receivership which has already been terminated. All of the aforesaid sales, assignments, releases, and satisfaction shall be made only on application approved by the court in which the receivership is or was pending after hearing thereon and on such notice as the court may have prescribed and after it is shown that the consideration for such sale, assignment, release, or satisfaction has been paid."

Kansas (1930 Supp., Rev. Stat., ch. 9, sec. 130): "* * * Such receiver shall, upon the order of a court of competent jurisdiction, or the judge thereof in chambers, upon the application of the bank commissioner, sell or compound all bad or doubtful debts due to the bank and sell all personal property of such bank on such terms as the court shall direct, and may, upon like order of such court, sell all real property of such bank on such terms as the court shall direct, and shall, if necessary to pay the debts of such bank, enforce the individual liability of the stockholders * * *."

Kentucky: Carroll's Statutes (Baldwin ed.) 1930, section 616. "The Secretary of State, upon becoming satisfied that any bank or corporation has become insolvent, or that its capital has become, and is permitted to remain, impaired, or that it has violated any of the provisions of the law under which it was organized, may, with the approval of the Attorney General, apply to the circuit court, or judge thereof in vacation, of the county in which the bank or corporation is located, for the appointment of a receiver, who, under the direction of the court or judge, shall take possession of the books, papers, and assets of every description, and all business of the bank or corporation, and collect all collectible debts and demands, and sell or compound, under the order of the court, all bad debts, and sell all the real and personal property of the bank or corporation, on such terms as the court may direct * * *."

Louisiana: Statutes, 1920, pages 99–100. "That whenever, under a judgment of a court of competent jurisdiction, the charter of a bank organized under the laws of the State of Louisiana will have been forfeited, and liquidators appointed by the court for the purpose of closing the affairs of such bank, the said liquidators shall be invested with the same authority as is provided for in the liquidation of banks through the State examiner of State banks in the matter of collecting moneys or managing the affairs of the defunct bank, as well as on the order of the district court of its domicile, to sell or compound all doubtful debts, and sell all real and personal property, on such terms and in such manner as the said court shall direct, and as may be done in the case of banks liquidated through the State bank examiner."

Massachusetts (Cumulative Statutes 1927, ch. 167, sec. 24): "* * * He (the commissioner) shall collect all debts due and claims belonging to it, and upon the order or decree of the supreme judicial court, or any justice thereof, may sell or compound all bad or doubtful debts, and on like order or decree may sell all, or any part of, the real and personal property of the bank on such terms as the court shall direct * * *."

Michigan (Compiled Laws 1929, sec. 11959): "* * * The receiver, if any be appointed, shall, under the direction of the court, take possession of the books, records, and assets of every description of such bank, collect all debts, dues, and claims belonging to it, and sell or compound all bad or doubtful assets and sell all the real and personal property of such bank, on such terms as the court shall direct, and may, if necessary, to pay the debts of such bank, enforce all individual liabilities of the stockholders. * * *."

Minnesota (Mason's Statutes 1927, sec. 7689): "The public examiner shall collect all debts due and all claims belonging to such bank, and, upon the order of the district court, may sell or compound all bad or doubtful debts, and on like order may sell all the real and personal property of such bank on such terms as the court shall direct, and may, if necessary to pay the debts of such bank, enforce the individual liability of the stockholders. * * *."

Mississippi (Code 1930, sec. 3817): "* * * By and with the consent of the court or of the chancellor in vacation evidenced by an order entered in the liquidation proceedings he may sell any of the property, real, personal, or mixed, belonging to the bank either at private or public sale, and a deed made by him under the seal and attested by the secretary of the State banking department shall convey to the purchaser all of the rights, title, and interest of the bank and of the State banking department in any such property. * * *."

Missouri (Revised Statutes, 1929, sec. 5330): "* * * He (the commissioner) may, upon an order of the circuit court, or judge thereof in vacation, sell or compound all bad or doubtful debts held by, and compromise claims against, such corporation or banker, other than deposit claims, and, upon such terms as the court or judge thereof in vacation shall direct, may sell or otherwise dispose of all or any of the real and personal property of such corporation or banker. * * *."

Montana (Revised Codes, Supp. 1923–1927, sec. 6014.127, p. 750): "* * * He (the superintendent) may institute, in his own name as superintendent, or in the name of the bank, such suits and actions and other legal proceedings as he deems expedient for such purposes, and by making application to the district court of the county in which such bank is located, or to the judge thereof, in chambers, may procure an order to sell, compromise, or compound any bad or doubtful debts or claims, and to sell and dispose of any or all the assets, which sale may be made to stockholders, officers, directors, or others interested in such bank, on consent of the court. * * *."

Nevada (Compiled Laws, 1929, sec. 703): "Upon taking possession of the property and business of such bank the examiner is authorized to collect moneys due to such bank and do such other acts as are necessary to conserve its assets and business, and shall proceed to liquidate the affairs thereof as hereinafter provided. The examiner shall collect all debts and claims and enforce all liabilities and rights of action accrued to or belonging to such bank, and may institute and prosecute all proper and necessary actions for that purpose, and may sell or compound all bad or doubtful debts, and upon the order of the district court for the county where the bank carried on business may sell all the real and personal property of such bank on such terms as the court shall direct, and may, if necessary to pay the debts of such bank, if a corporation, enforce the individual liability of its stockholders. * * *."

New Hampshire (Public Laws, 1926, p. 1059, sec. 5): "Upon taking possession of the property and business of any institution to which this chapter applies, the commissioner shall have authority to collect money due the institution and to do such other acts as are necessary to conserve its assets and business. He shall collect all debts due and claims belonging to it, and, upon the order of the superior court or any justice thereof, may sell or compound all bad or doubtful debts; and on like order may sell all or any part of the real and personal property of the institution on such terms as the court shall direct."

New Jersey (Cumulative Supp., Rev. Stats., 1911–1924, secs. 17–24, p. 122): "* * * The commissioner shall collect all debts due and claims belonging to it, and upon the order of the court of chancery may sell or compound all bad or doubtful debts, and on like order may sell all the real and personal property of such bank on such terms as the court shall direct * * *."

New Mexico (Statutes Annotated, 1929, secs. 32–175): "The district court, at the time of ordering said injunction, or at any time afterwards, may appoint a receiver or receivers or trustees for the creditors and stockholders of the corporation, with full power and authority to demand, sue for, collect, receive, and take into their possession all the goods and chattels, rights and credit, moneys and effects, lands and tenements, books, papers, choses in action, bills, notes, and property of every description of the corporation, and to institute suits at law or in equity for the recovery of any estate, property, damages, or demands existing in favor of the corporation, and in his or their discretion to compound and settle with any debtor or creditor of the corporation, or with persons having possession of its property or in any way responsible at law or in equity to the corporation at the time of its insolvency or suspension of business, or afterwards upon such terms and in such manner as he or they shall deem just and beneficial to the corporation, and in case of mutual dealings between the corporation and any person to allow just offsets in favor of such person in all cases in which the same ought to be allowed according to law and equity; a debtor who shall have in good faith paid his debt to the corporation without notice of its insolvency or suspension of business, shall not be liable therefor, and the receiver or receivers or trustees shall have power to sell, convey, and assign all the said estate, rights, and interests, and

shall hold and dispose of the proceeds thereof under the directions of the district court; the word receiver as used in this article shall be construed to include receivers and trustees appointed as provided in this article."

New York (Cahill's Consolidated Laws, 1930, ch. 3, sec. 69): " * * * He (the superintendent) may, upon an order of the supreme court, sell or compound all bad or doubtful debts held by and compromise claims against such corporation, banker, or broker, other than deposit claims, and, upon such terms as the court shall direct, may sell or otherwise dispose of all or any of the real and personal property of such corporation, banker, or broker. * * *"

North Carolina (Code, 1931, sec. 218 (c) (7)): " * * * The commissioner of banks, or the duly appointed agent, shall collect all debts due and claims belonging to such bank, by suit, if necessary; and, by motion in the pending action and upon authority of an order of the presiding or resident judge of the district, may sell, compromise, or compound any bad or doubtful debt or claim; and may, upon such order, sell the real and personal property of such bank on such terms as the order may provide or direct. * * *"

North Dakota (Laws, 1931, ch. 96, p. 162): "Upon the filing of the complaint aforesaid the supreme court shall appoint a receiver, or two joint receivers, of all said insolvent banks, which receiver shall have all the powers and authority ordinarily possessed and exercised by receivers of insolvent corporations or prescribed by statute, and the court shall have all the powers and authority with regard to the administration and closing of the affairs of such banks as are ordinarily possessed and exercised by courts of equity over the affairs of insolvent corporations. * * *"

Compiled Laws, 1913, sec. 7591: "The receiver has, under the control of the court, power to bring and defend actions in his own name as receiver, to take and keep possession of the property, to receive rents, collect debts, to compound for and compromise the same, to make transfers, and generally to do such acts respecting the property as the court may authorize."

Ohio (Throckmorton's Ann. Code, 1930, secs. 710–795): " * * * The superintendent of banks shall collect all debts due and claims belonging to it, and upon the order of the common pleas court in and for the county in which the office of such bank was located, may sell or compound all bad or doubtful debts, and on like order may sell the real estate and personal property of such bank, on such terms as the court shall direct * * *."

Oregon (Code 1930, vol. 2, secs. 22–2012, p. 2020): " * * * The superintendent of banks shall collect the debts due and claims belonging to it and, upon the order of the circuit court in and for the judicial district in which the office of such bank or trust company was located, may sell or compound any bad or doubtful debts, and, on like order, may sell all or any of the real estate and personal property of such bank or trust company, on such terms as the court shall direct; * * *."

Pennsylvania (Statutes 1920, secs. 1273, 1277, 1283):

"SEC. 1273. Except as herein otherwise provided, the commissioner shall, when he has taken possession of the business and property of a corporation or person, have all the rights, powers, and duties of a receiver appointed by any court of equity in this Commonwealth; and he shall be vested, in his official capacity, with all the property of such corporation or person, including debts due, liens or securities therefor, and rights of action or redemption."

"SEC. 1277. The commissioner may sell at public sale any or all of the real and personal property of such corporation or person without any order of court. He may, with leave of court, sell either real or personal property at private sale. At least 10 days' notice of any petition for leave to sell at private sale shall be given to all stockholders of such corporation, or to such person, and to all creditors known to the commissioner; and such notice shall also be advertised at least once in a newspaper in the county where the banking house or other place of business is located, and, when the land is situated in a different county, at least once in a newspaper published in the latter county."

"SEC. 1283. The commissioner may, with leave of court, compound or compromise any debt or claim due to the corporation or person, and discontinue any action or other proceeding pending therefor, if done in good faith and after proper inquiry; and, upon payment of the amount due, may require all mortgages, conditional contracts, pledges, and liens, of or upon any real or personal property of such corporation or person, to be satisfied, canceled, or assigned to him, as he may deem best, or he may sell the property subject thereto."

Rhode Island (General Laws 1923, sec. 4025, p. 1195): " * * * The court may appoint such receiver or receivers to take possession of the property and effects of such corporation, subject to such directions as may from time to time be prescribed by the court, and the appointment of said receiver or receivers shall vest in him or them all the right, title, and interest of such corporation in and to its property and effects, and shall vacate and dissolve all attachments or liens thereon, created by or obtained in or pursuant to any suit or proceeding at law or in equity against said corporation which was begun within four months before the appointment of said receiver or receivers, and such receiver or receivers shall have all the powers and be subject to all the duties conferred or imposed upon receivers by the provisions of sections 57 to 63, inclusive, of chapter 248 of the general laws. * * *"

General Laws 1923, section 3523, pages 1000–1001: "Such receiver shall take charge of any such corporation's estate and effects of which he has been appointed receiver, and he shall collect the debts and property belonging to it. He shall have power to prosecute and defend suits in its name or otherwise, to intervene in any action, suit, or proceeding relating to such estate or effects, and to appoint agents under him. He shall have power, under the direction of the court, to preserve the assets of such corporation, to carry on its business, to sell and convert such assets and property into cash, to redeem any mortgages, conditional contracts, pledges, or liens of or upon any such property, refer any controversy or dispute concerning any such property to arbitration, compromise any controversy or dispute concerning any such property, and generally to do all other acts which might be done by such corporation, or that may be necessary for the administration of his trust, according to the course of equity."

South Dakota (Laws 1931, ch. 88): " * * * He (the superintendent) shall collect all debts due and claims belonging to it and may upon order of the circuit court, after having made application therefor, sell or compound any or all bad or doubtful debts, and on like order may sell all or any of the real and personal property of such bank or trust company on such terms as the court shall direct: *Provided*, That all sales shall be made on competitive bids after advertisement for 10 days in the official papers in the county in which the property is located * * *."

Tennessee. Code 1932 (Williams, Shannon and Harsh), sections 5973, 5974:

"SEC. 5973. Upon so taking possession, the superintendent is authorized to collect moneys due to such corporation, firm, or individual banker, and to do such other acts as are necessary to conserve its assets and business, and shall proceed to liquidate the affairs thereof as hereinafter provided. The superintendent shall collect all debts due and claims belonging to the bank, and may sell or compound all doubtful debts, and sell all real estate upon such terms as the said chancery court may direct.

"SEC. 5974. If, after the superintendent has so taken possession, such bank shall fail to make good all deficits in observance of law and resume business as provided herein, the superintendent shall have power and authority, by and with the consent of a majority of the directors (in case of a corporation) or a majority of the executive officers (in case of an individual or firm bank), to sell all the assets of such bank to any solvent existing bank at such price as the superintendent may consider a fair and reasonable value for all such assets, allowing such purchasing bank to assume the full amount due all creditors of the liquidating bank and paying the remainder of the purchase price, if any, to such liquidating bank."

Texas (Complete Statutes, 1928, art. 454, p. 79): "Upon the order of the district court of the county in which such bank was located, if in session, or the judge thereof, if in vacation, the commissioner may sell or compound all bad or doubtful debts, and may sell the real or personal property of such State bank on such terms as the court shall direct."

Utah (Laws 1923, ch. 33): " * * * The bank commissioner shall collect all debts due and claims belonging to it, and upon the order of the district court in and for the county in which the office of such bank is located, may sell or compound all bad or doubtful debts, and on like order may sell the real estate and personal property of such bank, on such terms as the court shall direct * * *."

Vermont (General Laws, 1917, sec. 5404): "The receiver shall collect, sue for, and receive the debts and demands due and the property that belongs to the bank, and shall convert into cash its real and personal estate, and make report to the court of the condition of the trust at such times as the chancellor orders."

Washington (Remington's Compiled Statutes, 1922, sec. 3269): " * * * With the approval of the superior court of the county in which such corporation is located, he may sell, compound, or compromise bad or doubtful debts and, upon such terms as the court shall direct, sell all real estate and personal property of such corporation * * *."

West Virginia (Code, 1931, p. 843): " * * * The receiver, under the authority of the commissioner of banking, shall institute and prosecute any suit or suits necessary to obtain possession of any property and to sell and dispose of the same and to collect all obligations due such institution or other corporation * * *."

Wisconsin (Statutes, 1929, sec. 220.08 (3), p. 1779): " * * * The commissioner shall collect all debts due and claims belonging to it, and, upon the order of the circuit court, may sell or compound all bad or doubtful debts, and on like order may sell all the real and personal property of such bank or banking corporation on such terms as the court shall direct; * * *."

Wyoming (Laws, 1925, ch. 157, p. 230): " * * * The State examiner shall collect all debts due and claims belonging to it, and, upon the order of the district court in and for the judicial district in which the office of such bank was located, may sell or compound all bad or doubtful debts, and, on like order, may sell all the real estate and personal property of such bank, on such terms as the court shall direct; * * *."

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. GARBER].

Mr. GARBER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to incorporate therein certain tables furnished by the several departments and several editorials on the matter which I am about to discuss.

The CHAIRMAN. Without objection, it is so ordered.

Mr. GARBER. Mr. Chairman and gentlemen of the committee, I desire to call your attention for a short time to a legislative proposal the purpose of which is to give jobs to the unemployed without calling for any additional appropriation. This is a departure from the general character of legislation proposed during this session, and because of its very uniqueness ought to receive your considerate attention.

In his letter of January 26, 1932, to the Speaker of this House, the President of the United States, in substance, recommended authority be granted to the several departments and executive heads of the Government to exercise their judgment in the purchase of goods of domestic origin, giving preference in such purchases to products produced at home, if in their judgment the price was not unreasonable, even though foreign goods were offered at a lesser price.

That suggestion was received by the Speaker, and I have searched the RECORD in vain for a reply. So I here voluntarily suggest a reply to the President in that respect, and that is that the doctrine expressed in the letter, namely, buy at home, keep your money at home, and give your employment to American citizens, is universally approved by the citizenship of the country, regardless of political affiliations.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. GARBER. Yes.

Mr. PATMAN. The Government has the authority at this time to use cotton cord instead of jute in the Post Office Department, has it not?

Mr. GARBER. Yes.

Mr. PATMAN. Cotton is a domestic product, and jute is produced wholly in a foreign country by cheap labor. Does the gentleman not think his illustration should apply to that?

Mr. GARBER. The authority as yet has not been granted to the department head to exercise discretion, if in his judgment the price is not unreasonable.

Mr. PATMAN. Under the present law the Postmaster General has the authority to use cotton if he desires to use it.

Mr. GARBER. If that is the law, then it is a case of bad administration in not giving preference to an American product.

Mr. PATMAN. Certainly.

Mr. BARBOUR. Mr. Chairman, will the gentleman yield?

Mr. GARBER. Yes.

Mr. BARBOUR. A provision similar to the one the gentleman has just described was written into the War Department appropriation bill last year, and is a part of the War Department appropriation act for the current fiscal year. We are told by the officials of the War Department that it is working very satisfactorily.

Mr. GARBER. I thank the gentleman for his informative statement. I think this preference should be exercised not only by all of the department and the executive heads of the Government but that it ought to be exercised by the consuming public as well. This Congress ought to take some action, especially during this depression, when we have such a vast army of unemployed asking not for charity but for jobs and the retention of their independence.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GARBER. Yes.

Mr. TILSON. Following up the statement of the gentleman from California [Mr. BARBOUR], let me say that his colleague [Mrs. KAHN] has introduced a bill providing for the very thing the gentleman from Oklahoma is now talking so eloquently about.

Mr. GARBER. I am very glad, indeed, to have that information.

Mr. TILSON. There is such a bill now pending before some committee of the House.

Mr. GARBER. I hope that it will be favorably reported by the committee and enacted into law.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. GARBER. Yes.

Mr. DICKSTEIN. The gentleman started off with the statement that there was a message from the White House in the form of a letter to the Speaker of the House of Representatives.

Mr. GARBER. Yes.

Mr. DICKSTEIN. What could the Speaker do other than to file the letter with the House of Representatives?

Mr. GARBER. Could not the Speaker have replied to the letter something like this?—

DEAR MR. PRESIDENT: I herewith acknowledge the receipt of your letter and assure you that, in so far as I am informed, the party which I represent is in favor of the policy of buying at home and giving the work to our unemployed.

[Applause.]

Mr. DICKSTEIN. Does not the gentleman know that the Speaker and the Speaker's party have always been for that policy without having to write such a letter in reply?

Mr. GARBER. Then why not give that assurance to the country?

Mr. DICKSTEIN. Will the gentleman point out when at any time it was necessary for the late Speaker Longworth or any other Speaker to acknowledge a letter from the White House in the form suggested by the gentleman from Oklahoma?

Mr. GARBER. Oh, I have not had occasion to go back through the CONGRESSIONAL RECORD to find precedents for such a reply, but it seems to me that it would be information that would have been appreciated by the public.

Mr. DICKSTEIN. The gentleman is insisting that the Speaker in this instance ought to have written an acknowledgment of the letter, as the gentleman put it, but there is no precedent for any such procedure in this House that I know of.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. GARBER. Yes.

Mr. BOYLAN. The gentleman will recall that within the last couple of weeks our distinguished colleague from Massachusetts [Mr. LUCE] held that we should address the Speaker, and that in addressing the Speaker we addressed the House, so really, to follow the construction of that distinguished and able parliamentarian and scholar, in addressing a letter to the Speaker of the House the President really addressed the House and not the Speaker individually but the House collectively. Is not that correct?

Mr. GARBER. The construction of the gentleman from Massachusetts might possibly be applied in that way; however, I am not here to go into that phase of the question to any further length.

Mr. COX. Mr. Chairman, will the gentleman yield to me for an observation?

Mr. GARBER. Yes.

Mr. COX. Is the gentleman advocating the cutting off in its entirety of commerce with foreign powers?

Mr. GARBER. Certainly not. But I say to the gentleman in answer to that question, that when any nation purchases abroad that which it can produce economically by its own labor and soil facilities, it is following an uneconomic policy which no nation should demand of another. Further answering the gentleman, when we buy our rubber, our coffee, our tea, our sugar, our silks and satins, and other commodities from foreign nations because we do not produce those commodities in this country we are performing our full commercial duty to those foreign countries. They ought not to expect us to buy from them that which we can produce at home. [Applause.]

Mr. COX. But not all of the powers produce rubber and sugar and coffee and the commodities which the gentleman mentioned.

Mr. GARBER. That is true.

Mr. COX. There are others who are producing upon a competitive basis with the producers of this country. What does the gentleman say with respect to cutting off all commerce with those countries as far as it affects commodities that are produced at home?

Mr. GARBER. I will say to the gentleman that I am not in favor of giving to foreign countries labor which we should give to our unemployed at home. [Applause.] The remedy for unemployment is not in the purchase of goods produced by cheap labor in foreign countries with a lower standard of living. [Applause.]

[Here the gavel fell.]

Mr. SHREVE. I yield to the gentleman from Oklahoma five additional minutes, Mr. Chairman.

Mr. GARBER. During the years 1929 to 1931, inclusive, there was imported into this country free of duty crude petroleum and its refined products of the value of $377,321,374, every dollar of which should have been used in the purchase of such products produced at home. [Applause.] Surely, when we have an oversupply of products at home superior in quality our policy should be to purchase from our own people and give them preference, a policy to which the President has referred in his letter of January 26. In view of the refusal to consider an oil tariff bill our suggestion to the Committee on Ways and Means is to put a tax on the imports of oil and its refined products, high enough to insure our home market to our home producers and employment to the unemployed in our oil fields at home.

Mr. PATMAN. I am with the gentleman on that proposition. Will the gentleman yield for a question?

Mr. GARBER. I am glad to learn the gentleman is in favor of such legislation.

In this case it is not monopolistic corporations who appear before the Ways and Means Committee seeking special privilege. In this case the demand comes from the independent producers of oil, the little fellows in the game, and from the unemployed workers in the oil fields of our country.

You gentlemen on the Democratic side have always claimed that you were for the under dog in your economic policies. Give us your votes for the under dog in securing a tax which will be adequate to afford that degree of protection which will give the American market to the American producer and the American worker. [Applause.]

Mr. FULBRIGHT. Will the gentleman yield for a question?

Mr. GARBER. I regret that I am unable to yield further, because of the limited time at my disposal.

Who is opposing the buying of oil and refined products at home when we have an oversupply and unemployed workers in our oil fields at home? Who is opposing it? The four major monopolistic oil companies, with all their subsidiaries. They are importing 82 per cent of the oil and oil products into this country.

It is this group that is importing cheap oils from their foreign concessions, produced by cheap peon labor and making enormous profits out of the consuming public in this country. Their imports are dumped into the Atlantic seaboard States where they exact a higher price for their gasoline than that charged the consumers in the interior States furnished from the midcontinent field.

It is this group that has been piling up increased dividends during these years of depression until they reached their highest peak in the year of lowest depression, namely, in 1930, $286,000,000.

It is this same group that owns the pipe lines and controls the transportation of crude to market which the Tariff Commission reported as making a weighted charge of 49 cents per barrel for transportation or 48½ per cent of the cost of producing the oil.

The following table, incomplete, will show the enormous profits being made by a few of the principal pipe lines under their control, according to the bureau of statistics of the Interstate Commerce Commission:

Pipe-line companies:	Per cent dividends, 1930
Gulf Pipe Line of Oklahoma	400
Humble Pipe Line	40
Shell	54.1
Magnolia	40
Oklahoma Pipe Line	30
Stanolind (Standard Oil of Indiana, parent company of the Pan American)	61.54

The pipe lines should be divorced from production. They should be made common carriers in fact as well as in name. They post the price which the independents must take or withhold their oil in the wells because they have not sufficient storage. The price posted by the pipe lines is in fact the price fixed by the monopolistic companies. They are fixing it sufficiently low to crush out the independents, making up their losses through their pipe lines, refineries, and distributing agencies.

In his letter of January 26, 1932, to the Speaker of this House the President, urging the purchase of goods of domestic origin by the departments and executive heads of the Government, said:

> It would be of substantial advantage to American manufacturers and purchasers if Congress should authorize all departments and executive establishments uniformly to give preference in purchase of supplies to goods of domestic origin, and I suggest the enactment of legislation providing that in advertising for proposals for supplies heads of departments shall require bidders to certify whether the articles proposed to be furnished are of domestic or foreign growth, production, or manufacture, and shall (if in their judgment the excess of cost is not unreasonable) purchase or contract for the delivery of articles of the growth, production, or manufacture of the United States, notwithstanding that articles of foreign origin may be offered at a lower price.
>
> Respectfully yours,
>
> HERBERT HOOVER.

By appropriate legislation this preference in purchase of domestic products should be extended and our people should buy home products. Our slogan should be: "Buy American products." Surely the remedy for our unemployment is not in the purchase of the products of foreign labor. It is rather in the purchase of the products of labor at home. [Applause.]

The demand for a tariff on oil is not a case where monopolistic companies are asking for protection; where special interests are seeking special privileges. The demand comes from the independent producers and American labor out of employment. The major companies are opposed to a tariff on oil and its refined products. They are demanding a continuation of the free admission of their imports, not in the public interest but for increased profits and dividends for the stockholders of their corporations.

Our imports of crude and refined oils come from Mexico, Venezuela, the Netherland West Indies, Colombia, Peru, Ecuador, and the Island of Trinidad. The products of these countries are produced for export, less than 5 per cent being consumed in the countries of production.

With these foreign products from cheap concessions and cheap peon labor, they are absorbing the home market, displacing American labor, bankrupting the independents, buying in their properties at forced sales, crushing out competition, and regaining the monopolistic control which they lost by Supreme Court decision in 1911.

The preservation of competition furnished by the independents is a necessary protection to the consuming public. A tariff on oil and its refined products or a tax on such imports high enough to afford adequate protection will enable the producers by curtailment to stabilize their production and give the job of supplying the home market to our unemployed at home. [Applause.]

Because the United States is an oil-exporting Nation it is claimed that the imports of oil and its refined products should be admitted free of duty. While we give 1929 figures, the rates in the 1930 tariff act will show that such is not a test of protection.

Supplying the facts, we insert the following table, although its list of items is very incomplete. They are taken from the 1929 report of the United States Bureau of Foreign and Domestic Commerce. They will show, however, that the exports of eastern industries exceed their imports by millions, and yet they are highly protected in every instance; that opposition based upon such grounds is not considered. In the following list the total exports of the several items amounted to $1,725,000,000, while the imports total only $172,000,000, and yet there is a protective duty on every item in the list.

Incomplete list of miscellaneous products of which we exported more than we imported in the calendar year 1929 and which were dutiable under the tariff law

[Data compiled from reports of United States Bureau of Foreign and Domestic Commerce]

Product	Imports	Exports
Iron and steel, semimanufactured	$11,003,000	$104,148,000
Steel mill products (99 per cent)[1]	18,173,000	96,048,000
Iron, steel, advanced manufacture	8,988,000	87,003,000
Electrical machinery, apparatus	2,664,000	121,365,000
Industrial machinery, office appliances, and printing machinery	24,838,000	350,569,000
Automobiles and other vehicles	5,151,000	588,023,000
Animal oils and fats, edible	170,000	117,714,000
Cotton, manufactured	63,454,000	111,216,000
Wood, manufactured (98 per cent)	10,838,000	40,934,000
Pigments, paints, and varnishes	3,821,000	29,119,000
Soaps, toilet preparations (85 per cent)	6,941,000	16,059,000
Photographic goods	7,959,000	31,566,000
Scientific and professional instruments	4,074,000	12,415,000
Musical instruments	4,503,000	18,932,000
Total	172,577,000	1,725,111,000
Duty free—Petroleum, crude	79,943,000	37,800,000
Duty free—Petroleum, refined	61,023,000	493,373,000
Total	140,966,000	531,173,000

[1] A few items in this classification were exempt—and 99 per cent of the total value of all steel-mill products, 98 per cent of wood, and 85 per cent of soaps, paid a duty.

The second objection by the importing companies is that because the ratio of our imports to our consumption is only 10 per cent, neither a tariff nor a tax on imports is justified. Dump 10 per cent of cheap foreign products upon a glutted market for the products of any American industry and you will demoralize the market and in time, destroy the industry. Even the constant threat of free imports, where the supply and capital are unlimited, will keep the market in a continuous state of anarchy. Such has been the status of the market for oil and its products in this country because of the free importations by the major companies.

The following will show that 10 per cent importations did not preclude rates for the adequate protection of the products of eastern industries:

IRON IN PIGS

Tariff rate, 1930 (par. 301, Schedule 3): $1.12½ per ton.
Ratio of imports to consumption: 1.46 per cent in amount.

WROUGHT IRON

Paragraph 303, Schedule 3: Valued at not above 1½ cents per pound, three-tenths of 1 cent per pound; valued above 1½ and not above 2½ cents per pound, five-tenths of 1 cent per pound; valued above 2½ and not above 3½ cents per pound, eight-tenths of 1 cent per pound; valued above 3½ and not above 5 cents per pound, 1 cent per pound; valued above 5 cents per pound, 1½ cents per pound.

Ratio of imports to consumption: 2.55 per cent in amount.

STEEL INGOTS, ETC.

Tariff rate, 1930 (par. 304, Schedule 3): From three-tenths of 1 cent per pound for those valued at not above 1½ cents per pound to 20 per cent ad valorem for those valued above 16 cents per pound.

Ratio of imports to consumption: 0.03 per cent in amount.

STEEL BARS

Paragraph 304, Schedule 3: Same rates as above designated.
Ratio of imports to consumption: 1.99 per cent in amount.

SHEETS OF IRON OR STEEL

Tariff rate, 1930 (par. 308, Schedule 3): Ranging from forty-five one-hundredths of 1 cent per pound for that valued at 3 cents per pound or less, and thinner than one-hundred-nine one-thousandths of 1 inch to eighty-five one-hundredths of 1 cent per pound for that valued at 3 cents per pound or less and thinner than ten one-thousandths of 1 inch; corrugated or crimped, seventy-five one-hundredths of 1 cent per pound; all foregoing when valued at more than 3 cents per pound 20 per cent ad valorem.

Ratio of imports to consumption: 0.30 per cent in amount.

STRUCTURAL SHAPES OF IRON OR STEEL

Tariff rate, 1930 (par. 312, Schedule 3): Not assembled, manufactured, or advanced beyond hammering, rolling, or casting, one-fifth of 1 cent per pound; machined, drilled, punched, assembled, fitted, fabricated for use, or otherwise advanced beyond hammering, rolling, or casting, 20 per cent ad valorem; sashes and frames of iron or steel, 25 per cent ad valorem; sheet piling, one-fifth of 1 cent per pound.

Ratio of imports to consumption: 4.37 per cent in amount.

HOOPS, BANDS, AND SCROLLS OF IRON OR STEEL

Tariff rate, 1930 (par. 313, Schedule 3): Hoop, band, and scroll iron or steel, not specially provided for, valued at 3 cents per pound or less, 8 inches or less in width, and thinner than three-eighths and not thinner than one hundred and nine one-thousandths of 1 inch, twenty-five one-hundredths of 1 cent per pound, to fifty-five one-hundredths of 1 cent per pound where thinner than thirty-eight one-thousandths of 1 inch. Barrel hoops of iron or steel, and hoop or band iron, or hoop or band steel, flared, splayed, or punched, with or without buckles or fastenings, shall pay no more duty than that imposed on the hoop or band iron or steel from which they are made; bands and strips of iron or steel, whether in long or in short lengths, not specially provided for, 25 per cent ad valorem.

Ratio of imports to consumption: 3.68 per cent in amount.

Tariff rate, 1930 (par. 314, Schedule 3): Hoop or band iron, and hoop or band steel, cut to lengths, or wholly or partly manufactured into hoops or ties, coated or not coated with paint or any other preparation, with or withut buckles or fastenings, for baling cotton or any other commodity, one-fourth of 1 cent per pound.

BOLTS, NUTS, AND WASHERS

	Domestic production	Imports for consumption	Ratio of imports to consumption (per cent)
Pounds	807,765,200	667,851	0.09
Value	$95,893,944	$40,828	.04

1930 tariff rate (par. 330, Schedule 3): Nuts, nut blanks, and washers, of wrought iron or steel, six-tenths of 1 cent per pound; bolts, with or without threads or nuts, and bolt blanks, of iron or steel, 1 cent per pound; spiral nut locks, and lock washers, of iron or steel, 35 per cent ad valorem.

CUT NAILS AND SPIKES

Tariff rate, 1930 (par. 331, Schedule 3): Cut nails and cut spikes, of iron or steel, exceeding 2 inches in length, four-tenths of 1 cent per pound; cut tacks and brads, hobnails and cut nails, of iron or steel, not exceeding 2 inches in length, 15 per cent ad valorem; horseshoe nails and other iron or steel nails, not specially provided for, 1½ cents per pound; upholsterers' nails, chair glides, and thumb tacks, of two or more pieces of iron or steel, finished or unfinished, 3 cents per pound; nails, spikes, tacks, brads, and staples, made of iron or steel wire, not less than 1 inch in length nor smaller than sixty-five one thousandths of 1 inch in diameter, four-tenths of 1 cent per pound; less than 1 inch in length and smaller than sixty-five-one thousandths of 1 inch in diameter, three-fourths of 1 cent per pound; staples, in strip form, for use in paper fasteners or stapling machines, 2 cents per pound; spikes, tacks, brads, and staples not specially provided for, six-tenths of 1 cent per pound.

Ratio of imports to consumption: 2.92 per cent in amount.

WIRE NAILS AND SPIKES

Tariff rate, 1930 (see par. 331, Schedule 3).
Ratio of imports to consumption: 0.70 per cent in amount.

SADDLERY AND HARNESS HARDWARE

Tariff rate, 1930 (par. 345, Schedule 3): Saddlery and harness hardware: Buckles, rings, snaps, bits, swivels, and all other articles of iron, steel, brass, composition, or other metal, not plated with gold or silver, commonly or commercially known as harness hardware, 35 per cent ad valorem; all articles of iron, steel, brass, composition, or other metal, not plated with gold or silver, commonly or commercially known as saddlery or riding bridle hardware, 50 per cent ad valorem; all the foregoing, if plated with gold or silver, 60 per cent ad valorem.

Value: Domestic production, $5,225,324; imports for consumption, $73,342.

Ratio of imports to consumption: 1.44 per cent.

POCKETKNIVES

Tariff rate, 1930 (par. 354, Schedule 3): Valued at not more than 40 cents a dozen, 1¼ cents each and 50 per cent ad valorem; valued at more than 40 and not more than 50 cents per dozen, 5 cents each and 50 per cent ad valorem; valued at more than 50 cents and not more than $1.25 per dozen, 11 cents each and 55 per cent ad valorem; valued at more than $1.25 and not more than $3 per dozen, 18 cents each and 55 per cent ad valorem; valued at more than $3 and not more than $6 per dozen, 25 cents each and 50 per cent ad valorem; valued at more than $6 per dozen, 35 cents each and 55 per cent ad valorem.

Ratio of imports to consumption: 4.4 per cent in value.

SEWING MACHINES

Tariff rate, 1930 (par. 372, Schedule 3): Sewing machines, not specially provided for, valued at not more than $75 each, 15 per cent ad valorem; at more than $75 each, 30 per cent ad valorem.

Value: Domestic production, $45,221,816; imports for consumption, $527,568.

Ratio of imports to consumption: 1.5 per cent.

CASH REGISTERS

Tariff rate, 1030: 25 per cent ad valorem.

Value: Domestic production, $40,183,284; imports for consumption, $2,658.

Ratio of imports to consumption: Less than 0.05 per cent.

LAWN MOWERS

Tariff rate, 1930: 30 per cent at valorem.
Value: Domestic production, $8,046,961; imports for consumption, $8.
Ratio of imports to consumption: Less than 0.05 per cent.

SHOVELS, SPADES, ETC.

Tariff rate, 1930: 30 per cent ad valorem.
Value: Domestic production, $16,000,000; imports for consumption, $10,040.
Ratio of imports to consumption: 0.06 per cent.

Why purchase oil and refined products abroad when we have a surplus supply at home, with 350,000 workers in the oil fields out of employment? [Applause.]

The American Federation of Labor, through its representative, appeared before the House Ways and Means Committee, demanding in the name of labor that adequate protection be accorded the oil industry. Among other things, he said:

We are asking that American markets be reserved for American products in order that American labor may maintain American standards of living; that we may have for our jobs that degree of security to which we are entitled. In this is involved the welfare of the American home, the prosperity of American communities in oil-producing areas now threatened with complete bankruptcy if we continue to turn over American markets to the products of peon labor in foreign fields.

During the years 1929–1931, inclusive, there was imported, free of duty, crude petroleum and refined products of the value of $377,321,374. This enormous amount should have been expended for home products, giving employment to home labor. It would have permitted our producers to raise their proration, operate their refineries, furnish employment to the unemployed, cargoes of oil to the now idle fleets of tankers, employment to American seamen, renewal of rentals to the farmers and the restoration of their royalty values. The $377,321,374 would have been distributed among our own people in the 19 oil-producing States, in turn helping all industries and sections of our country.

The House Ways and Means Committee has heard the case of oil. The importers and eastern industries appeared in opposition to a tariff or tax. The independent producers and the American Federation of Labor appeared in support, demanding protection. Leading Democratic members of the committee, following precedent, have expressed their opposition to the consideration of an oil tariff during this session.

The refusal to consider a bill providing adequate protection, however, does not relieve the committee of its responsibility to afford such relief to the industry. It is now considering a tax bill and has jurisdiction to levy a tax in sufficient amount on crude and its refined products to effect the same purpose as a tariff. To do this, the tax must be high enough to minimize imports. A tax for revenue will not do this. A tax for revenue would but assure the importers of a continuation of their preference in the American market which would encourage development of their cheap concessions and but increase the flood of imports into this country. During the last several years, when tariff legislation has threatened, they have been restrained through fear of legislation to limit their imports in amount to what they thought public opinion would stand. A tax for revenue would remove this restraint, and increased imports would be the natural result.

In order to be of any benefit, the tax must be high enough to insure the home market to our home producers, to give them the preference which is accorded to all American industries. This, in turn, will stabilize production, encourage a renewal of operations, of the investment of capital, of development, the reemployment of labor now idle, the renewal of leases to the farmers, the restoration of royalty values and the quick recovery of the industry to prosperous times, the radiation of which will be helpful to all industries and all sections of the country. [Applause.]

The following table, prepared by the Bureau of Domestic and Foreign Commerce, shows that 11 of the leading countries of Europe, consumers of oil and its by-products, have levied import taxes on such products for revenue with which to balance the budgets of their respective governments.

I commend a study of this table to the members of the House Ways and Means Committee with the suggestion that in fixing a tax on oil imports insuring adequate protection, the fear of losing free markets abroad for our exports should be dispelled by the action shown to have already been taken.

Duties on crude petroleum, fuel oil, and gasoline in 11 important markets

Commodity	Countries					
	England (£ sterling=$3.4561)	France (Franc=$0.03936)	Germany (Reichsmark=$0.2373)	Netherlands (Florin=$0.4027)	Belgium (Franc=$0.02788)	Italy (Lire=$0.05219)
Crude oil or petroleum	Free	62.50 francs per 100 kilos [1]; $1.18 (United States) per 100 pounds.	Free except for manufactures of illuminating oil or gas.[2]	1.25 florins per 100 kilos; $0.233 (United States) per 100 pounds.	Free	44 lire per 100 kilos [3] plus 15 per cent ad valorem; $1.042 (United States) per 100 pounds plus 15 per cent ad valorem.
Fuel oil	Free	1.50 francs per 100 kilos; $0.026 (United States) per 100 pounds.[4]	10 reichsmarks per 100 kilos; $1.08 (United States) per 100 pounds.	1.25 florins per 100 kilos; $0.233 (United States) per 100 pounds.	10 francs per 100 kilos; $0.126 (United States) per 100 pounds.	Free.
Gasoline	8d. per imperial gallon; $0.09 (United States) per American gallon.	84.40 francs per hectoliter [7]; $0.125 per gallon.	17 reichsmarks per 100 kilos; $1.82 (United States) per 100 pounds; 15 cents+ per gallon.	7.25 florins per 100 kilos; $1.333 (United States) per 100 pounds; 11 cents+ per gallon.	100 francs [8] per 100 kilos; $1.267 per 100 pounds; 10.5 cents+ per gallon.	88.10 lire per 100 kilos, plus 15 per cent ad valorem; $2.09 (United States) per 100 pounds, plus 15 per cent ad valorem; 17.5 cents per gallon.

Commodity	Countries				
	Japan (Yen=$0.3523)	Australia (Pound=$2.77)	New Zealand (Pound=$3.16)	Canada (Dollar=$0.8713)	South Africa (Pound=$4.86)
Crude oil or petroleum.	1.70 to 2.40 yen per 100 American gallons according to distillation range; $0.60 (United States) to $0.945 per 100 gallons.	2d per imperial gallon [4] [6]; $0.019 (United States) per American gallon.[9]	Free	$0.005 (Canada) per imperial gallon [5], plus 1 per cent ad valorem (excise); $0.0036 (United States) per American gallon, plus 1 per cent ad valorem (excise).	20 per cent ad valorem.

[1] Free to controlled refineries.
[2] If for manufacture of illuminating oil or gas, the product obtained is treated as if of foreign origin.
[3] Includes sales tax of 22 lire per 100 kilos.
[4] Free, if having a recoverable petrol content not over 70 per cent.
[5] Free, if imported by oil refineries for use own refineries. (The excise tax applies only to imports.)
[6] Under control.
[7] Includes surtaxes; hectoliter=26.418 American gallons.
[8] For industrial purposes, 30 francs per 100 kilos ($0.38 United States, per 100 pounds).
[9] Plus primage tax, 10 per cent ad valorem and sales tax of 6 per cent ad valorem.

Duties on crude petroleum, fuel oil, and gasoline in 11 important markets—Continued

Commodity	Countries				
	Japan (Yen=$0.3523)	Australia (Pound=$2.77)	New Zealand (Pound=$3.16)	Canada (Dollar=$0.8713)	South Africa (Pound=$4.86)
Fuel oil	2.05 to 3.10 yen per 100 American gallons, according to distillation range; $0.724 (United States) to $1.094 per 100 American gallons.	Free [9]	Free	$0.005 (Canada) per imperial gallon plus 1 per cent ad valorem (excise); $0.0036 (United States) per American gallon, plus 1 per cent ad valorem (excise).	Free. [10]
Gasoline	7.30 yen per 100 American gallons; $2.70 (United States) per 100 American gallons. 2.7 cents per gallon.	7d. per imperial gallon; [9] $0.068 (United States) per American gallon.	8d. per imperial gallon; $0.087 per American gallon.	$0.025 (Canada) per imperial gallon, plus 1 per cent ad valorem (excise); $0.015 (United States) per American gallon, plus 1 per cent ad valorem (excise).	6d. per imperial gallon; $0.10 (United States) per American gallon.

[9] Plus primage tax, 10 per cent ad valorem and sales tax of 6 per cent ad valorem.
[10] If having a specific gravity of less than 0.90 at 60° F., and a flash point of not over 15° F.—2d. per Imperial gallon—$0.0165 (United States) per American gallon.

Will a tax on imports increase the price of gasoline? This has not been the result in other commodities carrying a tariff rate where competition prevails. In such case, how will it benefit the producers and oil workers? It will give them the job of furnishing our home people with oil and gasoline now furnished by the importers from the cheap concessions.

The price of crude oil bears about the same relationship to the price of gasoline as the price of wheat bears to a loaf of bread or the price of raw material bears to the finished automobile. The years of 1926 and 1929 afford a familiar example of the price relationship of crude to gasoline. In February, 1926, the price of mid-continent crude oil was $2.04 a barrel, and in February, 1929, it was $1.20 a barrel. In December, 1930, it was $1.12 per barrel. In 52 representative cities, selected at random and widely situated throughout the United States, the price of gasoline averaged 18.9 cents per gallon in February, 1926, and 18.39 cents in February, 1930. In 1926 the refineries recovered an average of 36 per cent gasoline from the average barrel of crude run to stills, and in 1929 the average recovery had increased to 44 per cent. This means that in February, 1926, the refineries recovered 15.12 gallons of gasoline out of a barrel of crude that cost them $2.04, while in February, 1929, they recovered 18.39 gallons out of a barrel of crude that cost them $1.20.

From these figures it will be seen that if the price of crude oil had governed the price of gasoline, then the average price in these 52 cities in February, 1930, should have been 10.6 cents per gallon instead of 18.39 cents.

Take the case of your lubricating oil. When crude was selling for $1.45 per barrel, you paid from 25 to 35 cents per quart, and when crude at its present price is 70 cents per barrel, you still pay the 25 and 35 cents per quart. The price of crude oil is governed largely within the producing end of the industry, and the price of gasoline is governed almost entirely within the refining and marketing end of the industry.

The oil industry in normal times carries under lease potential oil lands for which, in addition to the bonuses paid, it pays to the farmers $1 per acre annual rental, which under the existing conditions it can not pay, meaning a loss to the farmers as follows:

Kansas (estimated)	$5,000,000
Texas (estimated)	12,000,000
Oklahoma	10,000,000
Louisiana	4,000,000
Arkansas	2,000,000
New Mexico	1,000,000
Colorado	1,000,000
Montana (estimated)	1,000,000
Mississippi	2,000,000
Other States	8,000,000
Estimated total annual loss (farm rentals)	46,000,000

To these farmer and fee-owner losses we must add one-eighth of the lost receipts from the sale of crude oil, or an added sum of $117,029,000, aggregating a loss by the forced depression to the farmers and fee owners of $163,029,000 per year. The lost buying power of this industry will no doubt result in another $50,000,000 loss to the farmers and fee owners in bonuses that would under fair conditions be paid them for another year.

It is estimated by high authority that more than 100,000 oil-field workmen in the mid-continent field are unemployed; that the ills of the industry are responsible for the unemployment and idleness among the allied groups and others of 150,000 workers; that in California there are—these figures are exact; that is, they are Government figures from Colonel Wood's department—in the California fields, 32,000 field workers alone unemployed, and nearly 50,000 of the allied groups and other workers unemployed by reason of the oil-field shutdown; that there are among field workers, allied groups, and others affected in other industries through other producing areas, more than 50,000 men. Taking these figures for the unemployed at $7 per day as the average wage of the oil-field workers—they are paid from $4.50 to $18, depending on experience and skill—taking the average of $7, we find that there is, on account of the forced depression of this industry, a cost to the wage earners of the country of $1,974,000 per day. That is a tremendous loss of wages, and then we wonder why so many are dependent on charity. A loss of $1,974,000 per day in these various producing areas, or the tremendous sum of $710,640,000 per annum.

The following letter, received from Paul Walker, chairman of the Corporation Commission of Oklahoma, shows the annual production and the gross production tax of the State of Oklahoma, which is a true index to the losses the State has sustained by reason of forced curtailment caused by free importations. It will be seen that receipts from the gross production tax of 3 cents have decreased since 1929 by reason of decreased production $6,094,139.90, a loss in revenues to the State which must be made up by direct taxes upon the people.

CORPORATION COMMISSION OF OKLAHOMA,
Oklahoma City, Okla., February 16, 1932.

Hon. M. C. GARBER,
Washington, D. C.

DEAR JUDGE GARBER: The attached copy of telegram is in response to your wire of the 15th instant:

The annual production for the years 1927–1931, both inclusive, is as follows:

	Barrels
1927	277,775,000
1928	249,857,000
1929	255,004,000
1930	216,486,000
1931	173,834,000

The annual gross production tax for the years 1927–1931, both inclusive, is as follows:

1927	$11,476,851.40
1928	10,063,957.57
1929	10,426,263.50
1930	8,816,372.76
1931	4,332,123.60

These figures are from the State tax commission.

If we can be of further service to you, please communicate with us.

Very truly yours,

PAUL A. WALKER, *Chairman.*

The following editorial, by one of the most brilliant writers in the State and publisher of the Blackwell Tribune, so graphically portrays the results of free imports to the State of Oklahoma that I insert it in full.

VITAL TO OKLAHOMA

From California to Texas the fight for a tariff on oil is on. Representatives and Senators from all the oil-producing States are armed for the battle. Of course, they can not win the fight alone. There are not enough of them to constitute a majority in Congress, even though there were no break in their ranks, but there is great reason for believing they will get the necessary help. The House must take the initiative, since all revenue-raising measures must originate with that body, but the House will lose no time in doing that. What is Oklahoma's interest in the matter?

Oklahoma has all the interest in a tariff on oil any State can have. Petroleum is one of the State's greatest industries. In 1928, and that was after the production curtailment and price-slashing program had been in progress for more than three years, Oklahoma produced 250,000,000 barrels of oil. Despite the fact that the big oil corporations had already forced a heavy reduction in prices, oil produced in Oklahoma that year was valued at $360,000,000. It yielded a gross production tax of $10,300,000. The total gross production tax on oil collected by the State for 1931 was $4,328,141. The use of a little arithmetic reveals a difference of $6,371,859 in gross production tax collections on oil between the years 1928 and 1931. Unrestricted importation of cheap foreign oil was directly responsible for that loss in income to the State. In this connection it is proper to state that in 1928 Oklahoma produced 566,000,000 gallons of natural gasoline valued at $30,000,000. Oklahoma gasoline, like Oklahoma crude oil, has to compete with tariff-free Venezuelan gasoline and Russian gasoline, the one produced by the cheap peon labor of South America and the other by the cheap peasant labor of Soviet Russia.

But that is only one point. Every property holder in Oklahoma is interested in the oil tariff issue, interested to the extent of a three and a half mills tax on his property. Until oil prices were forced down, no State ad valorem tax was levied. The gross-production tax made such a levy unnecessary, but, because there is no tariff on oil, Oklahoma is losing about $7,000,000 a year in gross-production tax, and the taxpayers have to make up that loss. And that is not all. Farmers of the State are losing millions of dollars in oil-lease money and money from royalties because there is no tariff on oil and gasoline. Tens of thousands of men in Oklahoma are out of employment who would be employed, were there a tariff on oil. They would not have been out of employment for the last two years had not Congress refused to give petroleum the tariff protection it gave to every dinky little manufactured product of New England, and neither would Oklahoma merchants have lost millions of dollars in business because of the shrinkage of the State's buying power directly due to oil industry conditions.

This isn't all of it, but it is enough to show that Oklahoma is vitally interested in the oil tariff issue. So is Texas; so is Kansas; so is every other State of the 20 oil-producting States.—Blackwell Tribune.

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from Kentucky [Mr. FINLEY].

Mr. FINLEY. Mr. Chairman, I never know whether to be amused or amazed by the cheerful inconsistency of wet speakers, by the airy way in which they brush aside or ignore well-known facts, by their easy assumption that their hearers do not know that the argument they happen to be making has been confuted a thousand times, and by their utter refusal to accept the ultimate conclusions to which their arguments logically lead.

Somewhat of this was illustrated on yesterday by the gentleman from Missouri [Mr. DYER], an unsqueezed or an unwrung wet, in his remarks on this floor.

In the course of his remarks the gentleman plaintively lamented that Congress will not provide for a referendum and permit the people to vote upon the repeal or retention of the eighteenth amendment. I am sure the gentleman knows that every Member of this House knows that the people have voted on this very matter every two years since the eighteenth amendment was adopted. I am sure he knows that every Member of this House knows that each succeeding election has reduced the number of wets on this floor until the last, and in that election the people forgot everything but the clouds of business depression which covered the land. I am sure he knows that every Member of this House knows that Congress has no power to submit to popular vote a proposal to amend the Constitution of the United States; and I am sure that the gentleman knows that every Member of this House knows that such a referendum would settle nothing and decide nothing, for even if the drys should poll a majority of millions of votes, as they did in 1928 and as they certainly would, the wets would no more abide by that result than they have by the result of the 1928 election. Their noisy and well-financed agitation and propaganda would go right on.

In support of this I refer to the intemperance of the gentleman's own remarks, and in further support of it I quote from a speech delivered by the gentleman from New York [Mr. O'CONNOR], another unsqueezed or unwrung wet, on the floor of this House on June 3, 1930 (CONGRESSIONAL RECORD, vol. 72, pt. 9, p. 9980, 71st Cong., 2d sess), dealing with this very matter, as follows:

Furthermore, let me say to the gentleman that no referendum whatever would bind me. I would not submit to any referendum on such a question if I was the only man left to vote for its repeal and everybody voted against it.

Surely one must either be amazed or amused that wets should beg for a referendum out of one corner of the mouth and frankly tell us out of the other corner that they have no intention or thought of abiding by it.

I do not question the gentleman's statement that the drys spent $50,000,000 to achieve the adoption of the eighteenth amendment. I only care to say that if they had spent twice $50,000,000 to achieve that result, it is the best investment ever made on this continent since our forefathers invested their lives, their fortunes, and their sacred honor to redeem us from a more respectable despotism than slavery to the liquor traffic. [Applause.]

Right in that connection, I want to file herewith and make a part of my remarks a statement that I filed with the Committee on Territories on the 9th of this month. This statement contains the names of contributors and contributions of more than $1,000 to the Association Against the Prohibition Amendment, one of the 35 or 40 organizations seeking the repeal of the eighteenth amendment and the Volstead Act. They were made in 1928 and 1929 and 1930. These names and figures are taken from the sworn statement by H. H. Curran before a subcommittee of the United States Senate.

FEBRUARY 9, 1932.

CHAIRMAN COMMITTEE ON TERRITORIES,
House of Representatives.

MY DEAR SIR: Under leave granted me at the last meeting of the committee and for information of its members, I file herewith a list of contributors and contributions of more than $1,000 made to the Association Against the Eighteenth Amendment, one of the 35 or 40 organizations seeking repeal of the eighteenth amendment, during the years 1928, 1929, and 1930.

These names and figures were given by Mr. H. H. Curran, president of the Association Against the Eighteenth Amendment, before a subcommittee of the Judiciary Committee of the United States Senate conducting an investigation of activities of lobbying associations and lobbyists in and around Washington and appear on pages 4096–4098 of part 9 of the hearings before said subcommittee:

Association Against the Prohibition Amendment, contributions of $1,000 and over, January 1 to December 31, 1928

Du Pont, P. S., Du Pont Building, Wilmington, Del	$43,332
Du Pont, Irénée, Du Pont Building, Wilmington, Del	31,083
Fisher, Fred J., Cass and Boulevard, Detroit, Mich	25,000
Du Pont, Lammot, Du Pont Building, Wilmington, Del	17,083
Harkness, Edward S., 54 Madison Avenue, New York, N. Y.	17,083
Raskob, John J., 230 Park Avenue, New York, N. Y	17,083
Crane, R. T., jr., 836 South Michigan Avenue, Chicago, Ill.	12,500
James, Arthur Curtiss, 99 John Street, New York, N. Y	12,500
Sabin, Charles H., 140 Broadway, New York, N. Y	10,083
Anonymous	6,000
Murphy, Grayson M. P., 52 Broadway, New York, N. Y.	5,500
Walter, William L., 2 East Fifty-fifth Street, New York, N. Y	5,500
Elkins, William M., 1233 Land Title Building, Philadelphia, Pa	5,000
Field, Stanley, 1550 North State Parkway, Chicago, Ill	5,000
Johnson, Eldridge R., Front and Cooper Streets, Camden, N. J	5,000
Phillips, Thomas W., 205 North Main Street, Butler, Pa	4,583
Ridall, C. H., 3340 Liberty Avenue, Pittsburgh, Pa	3,446
Krueger Brewing Co., Gottfried, Newark, N. J	2,700
Gammell, William, sr., 170 Hope Street, Providence, R. I.	2,500
Joy, Henry B., 301 Lake Shore Road, Grosse Pointe Farms, Mich	2,500

Swayne, Alfred H., 224 West Fifty-seventh Street, New York, N. Y.	$2,500
Walter, Mrs. William I., 2 East Fifty-fifth Street, New York, N. Y.	2,500
Pabst, Fred, 917 Chestnut Street, Milwaukee, Wis.	2,000
Pitcairn, Raymond, 1830 Land Title Building, Philadelphia, Pa.	1,666
Unstead, John R., 21 South Twelfth Street, Philadelphia, Pa.	1,600
Schaefer Brewing Co., F. & M., 2 South Ninth Street, Brooklyn, N. Y.	1,550
Anderson, Larz, 2118 Massachusetts Avenue NW., Washington, D. C.	1,500
California State Brewer Association, 944 Russ Building, San Francisco, Calif.	1,500
Hensler Brewing Co., Joseph, Newark, N. J.	1,500
Ruppert, Col. Jacob, 1639 Third Avenue, New York, N. Y.	1,500
Kirkman, Sidney A., 215 Water Street, Brooklyn, N. Y.	1,250
Patterson, J. M., care of Liberty Weekly, 247 Park Avenue, New York, N. Y.	1,200
Van Gerbig, Mrs. Baren, 129 East Sixty-first Street, New York, N. Y.	1,200
Hufnagel, J. George, Scranton, Pa.	1,166
Krump, Henry, 401 Felt Building, Salt Lake City, Utah	1,100
Norvell, W. E., jr., 706 Harry Nichol Building, Nashville, Tenn.	1,030
Douglas, Walter, 99 John Street, New York, N. Y.	1,010
Eno, William Phelps, 1771 N Street NW., Washington, D. C.	1,002
Anheuser, W. Fred., 1553 South Grand Street, St. Louis, Mo.	1,000
Busch, August A., St. Louis, Mo.	1,000
Clark, Emory W., First National Bank Building, Detroit, Mich.	1,000
Coleman, Edward R., Lebanon, Pa.	1,000
De Brabant, Mrs. Mary Clark, 7 East Fifty-first Street, New York, N. Y.	1,000
Ehret, George, 217 East Ninety-second Street, New York, N. Y.	1,000
Faust, E. A., St. Louis, Mo.	1,000
Hanna, L. C., jr., 1300 Leader News Building, Cleveland, Ohio	1,000
Liebmann, Julius, 36 Forest Street, Brooklyn, N. Y.	1,000
Manufacturers and Dealers League, 9 Desbrosses Street, New York, N. Y.	1,000
McCarter, Thomas N., Rumson, N. J.	1,000
Piel Bros. (Inc.), Liberty and Georgia Avenues, Brooklyn, N. Y.	1,000
Sharp, H. Rodney, Du Pont Building, Wilmington, Del.	1,000
Trommer, John F. (Inc.), 1632 Bushwick Avenue, Brooklyn, N. Y.	1,000
West, William, 1511 Walnut Street, Philadelphia, Pa.	1,000
Total	276,240

Contributions January and February, 1930

Total	$166,554
Irénée du Pont	30,000
John J. Raskob	17,500
Lammot du Pont	17,500
Edward S. Harkness	17,500
Pierre du Pont	12,500
Richard T. Crane	12,500
Arthur Curtiss James	12,500
Total	120,000
Charles H. Sabin	7,500
Total	127,500

Association Against the Prohibition Amendment, contributions of $1,000 and over, January 1 to December 31, 1929

Du Pont, Lammot, Du Pont Building, Wilmington, Del.	$30,000.00
Harkness, Edward S., 54 Madison Avenue, New York, N. Y.	30,000.00
Raskob, John J., 230 Park Avenue, New York, N. Y.	30,000.00
Johnson, Eldridge R., Front and Cooper Streets, Camden, N. J.	25,000.00
Crane, R. T., jr., 836 South Michigan Avenue, Chicago, Ill.	25,000.00
James, Arthur Curtiss, 99 John Street, New York, N. Y.	25,000.00
Du Pont, Irénée, Du Pont Building, Wilmington, Del.	17,500.00
Du Pont, P. S., Du Pont Building, Wilmington, Del.	17,500.00
Mather, Samuel, 1460 Union Trust Building, Cleveland, Ohio	10,000.00
Phillips, Thomas W., 205 North Main Street, Butler, Pa.	10,000.00
Sabin, Charles H., 140 Broadway, New York, N. Y.	10,000.00
Pabst, Fred, 917 Chestnut Street, Milwaukee, Wis.	5,250.00
Newcomer, Waldo, Baltimore Trust Co., 17 South Street, Baltimore, Md.	5,050.00
Emerson, Mrs. William, 159 Brattle Street, Cambridge, Mass.	5,010.00
Allen, Frederick Winthrop, 37 Broad Street, New York, N. Y.	5,000.00
Knudsen, S., 1501 Balmoral Drive, Detroit, Mich.	5,000.00
Milbank, Dunlevy, 40 Wall Street, New York, N. Y.	5,000.00
Murphy, Grayson M. P., 52 Broadway, New York, N. Y.	5,000.00
Pitcairn, Harold F., 1830 Land Title Building, Philadelphia, Pa.	$5,000.00
Pitcairn, Raymond, 1830 Land Title Building, Philadelphia, Pa.	5,000.00
Joy, Henry B., 301 Lake Shore Road, Grosse Pointe Farms, Mich.	3,000.00
Pitcairn, Theodore, Bryn Athyn, Pa.	3,000.00
Clark, Emory W., First National Bank Building, Detroit, Mich.	2,500.00
Field, Stanley, 1550 North State Street, Chicago, Ill.	2,500.00
Walter, William L., 2 East Fifty-fifth Street, New York, N. Y.	2,500.00
Lyman, Arthur, 60 State Street, Boston, Mass.	2,075.00
Umstead, John R., 21 South Twelfth Street, Philadelphia, Pa.	2,075.00
Harriman, Averell, 39 Broadway, New York, N. Y.	1,666.66
Harriman, E. Roland, 26 Broadway, New York, N. Y.	1,666.67
Walker, G. H., 26 Broadway, New York, N. Y.	1,666.67
Norvell, W. E., jr., 706 Harry Nichol Building, Nashville, Tenn.	1,150.00
Patterson, J. M., 247 Park Avenue, New York, N. Y.	1,100.00
Paine, Robert Treat, 2d, 60 State Street, Boston, Mass.	1,075.00
Coolidge, Amory, 160 State Street, Boston, Mass.	1,025.00
Abbott, Gordon, 17 Court Street, Boston, Mass.	1,000.00
Coleman, B. Dawson, 1432 Bankers Trust Building, Philadelphia, Pa.	1,000.00
Coleman, Edward R., Lebanon, Pa.	1,000.00
Dane, E. B., 6 Beacon Street, Boston, Mass.	1,000.00
De Brabant, Mrs. Mary Clark, 7 East Fifty-first Street, New York, N. Y.	1,000.00
Eno, William Phelps, 1771 N Street NW., Washington, D. C.	1,000.00
Fearing, George R., 19 Congress Street, Boston, Mass.	1,000.00
Harkness, Mrs. W. L., 4 East Sixty-sixth Street, New York, N. Y.	1,000.00
Hamsley, Mrs. Frederick, 2018 DeLancey Place, Philadelphia, Pa.	1,000.00
Penrose, Spencer, Colorado Springs, Colo.	1,000.00
Prentiss, John W., 42 Broadway, New York, N. Y.	1,000.00
Reid, Ogden, 35 West Fifty-third Street, New York, N. Y.	1,000.00
Rodenbaugh, E. E., West & Co., 1511 Walnut Street, Philadelphia, Pa.	1,000.00
Roosevelt, George Emlen, 15 East Eighty-second Street, New York, N. Y.	1,000.00
Ryan, John D., 25 Broadway, New York, N. Y.	1,000.00
Stillman, Chauncey D., 9 Lincoln Street, Cambridge, Mass.	1,000.00
Stuart, H. L., 201 South La Salle Street, Chicago, Ill.	1,000.00
Wadsworth, James W., jr., Geneseo, N. Y.	1,000.00
Woodward, Ernest L., Le Roy, N. Y.	1,000.00
	321,260.00

Respectfully,

CHAS. FINLEY.

Mr. MANLOVE. Who is this Mr. Curran?

Mr. FINLEY. He is president of the Association Against the Eighteenth Amendment.

Mr. CLANCY. Is it not true that some of these millionaires contributed originally in enormous sums for the passage or adoption of the eighteenth amendment?

Mr. FINLEY. I am not advised about that, but I am advised about this, that if the manufacture of beer, with a tax on beer, which the gentleman from Missouri has recommended, should be adopted, the income tax of these gentlemen would probably be reduced.

Mr. CLANCY. Is it not true that Sebastian S. Kresge, worth about $200,000,000, a 5-and-10-cent store magnate, contributed and raised by personal solicitation millions of dollars to put the eighteenth amendment into the Constitution? Did not the drys raise a lobbying pot of $70,000,000?

Mr. FINLEY. I am not aware of the contribution made by this gentleman. I want to say again that if he did invest, or if these gentlemen did invest, their money in that way, it is the greatest investment that the country has ever seen. [Applause.] If this gentleman, the proprietor of the 5-and-10-cent store, did invest his money in that way, he probably did it in order that the money that ordinarily would be spent for booze might come to his store and be put into those things to benefit the women and children. [Applause.]

Now I want to turn from that to other things.

Day before yesterday I happened to be before the Committee on Rules. Before that committee was another unsqueezed wet, and I say that without disrespect, only to indicate the degree of wetness of gentlemen. This gentleman was before the committee asking for a rule to consider a bill he had introduced to put more teeth into and further strengthen the antinarcotic law.

Here are some of the things he said. Narcotics are habit-forming. Well, so is alcohol. The narcotic habit is incurable. So, almost, is the liquor habit. Narcotics, he says, destroy character. Well, so does alcohol. Also he said that narcotics unfit addicts for the duties of life. So does alcohol. Narcotics make criminals of addicts. So does alcohol. That dope addicts make other dope addicts, he says. Well, so do alcohol addicts make other alcohol addicts.

Up to that point his argument and the arguments of the prohibitionists go hand in hand. He went on to criticize the administration of the antinarcotics law. Among other things, he said that worthy agents were dismissed from the service and unworthy agents retained. The same thing has been said by the wet Members of the prohibition law. He said that other officials refused to cooperate with the agents. That has been said by wets against the prohibition enforcement service and law. He said that officers of the law connive and conspire with drug rings. The same has been said against the prohibition law. He said that graft and corruption were rife in enforcement of the antinarcotics law. The same thing has been said about the prohibition law. He went farther and said that there are more drug addicts to-day than before the law was passed, that in days gone by the production of drugs was measured in ounces, and that now it is measured in tons. In other words, made the same old argument against the prohibition enforcement law, namely, that it is a failure. But by a strange twist, accepting the same premises as advocates of prohibition, making the same arguments, he gets himself to an entirely different conclusion. The same arguments that justify in his mind repeal of the prohibition law bring him to the conclusion that the antinarcotics law ought to be not only maintained but strengthened and more rigidly enforced. I submit there is a place where a man must be either amused or amazed, when by the same system of logic he comes to one conclusion in one case and arrives at the opposite conclusion in exactly the same kind of a case.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. FINLEY. I am sorry that I have not the time.

Mr. BOYLAN. Just one question.

Mr. FINLEY. The gentleman will excuse me. There is not a man on the floor of the House, there is not a man who is a Member of this House, who can make an argument for the maintenance and enforcement of the narcotics law without at the same time and in the same words making an equally strong argument for the maintenance and enforcement of the prohibition law. It can not be done. They say against the prohibition law that it is unconstitutional.

If it is unconstitutional, then the antinarcotics law is unconstitutional. I have heard men on this floor who are ardent wets make most eloquent, most earnest pleas for the maintenance and rigid enforcement of the antinarcotics law. How can they make such an argument without at the same time repudiating some of the arguments they make in so far as the prohibition law is concerned? They say that prohibition is an invasion of State rights. What then is the antinarcotics law? What then is the Mann white slave law? What then is every quarantine law on the statute books of this country? And yet gentlemen are making arguments for the support of these laws. And by the same arguments they repudiate their own arguments against the eighteenth amendment.

I wish I had the time to point out all their inconsistencies. There is no argument made against prohibition by these wets which they will carry to its ultimate conclusion. They will not accept the inevitable and logical conclusion of their own arguments. For instance, it was said on the floor of the House some time ago that prohibition makes criminals of people. Criminals of whom? "Speak for yourself, John Alden." The prohibition law did not make a criminal of me. Everyone within the sound of my voice knows that no law, unless it is an ex post facto law, ever made a criminal of anybody. So I might go on, except for the limited time I have, and call attention to this argument, that argument, and the other. Just one instance more. They tell us that prohibition is making drunkards of our young people. The question is asked, Why? Then the pundit, the professor of psychology, shows himself, and says there is embedded in the young folks of the country a deep-seated purpose and determination to do the things that they are told they must not do. Let us see if our wet friends will carry that argument to its conclusion. Is the law that says thou shalt not commit adultery making strumpets of the girls of this country? If not, why not? They are told they must not do that. Is the law which says thou shalt not steal making thieves of our boys? If not, why not? Deep-seated in every one of them, we are told, is the determination to do that which they are forbidden to do. Take your arguments and carry them to their conclusions. There is not one that has been made within my hearing against prohibition whose ultimate and necessary conclusions will be accepted by the man who makes it.

This is, of course, too large a subject to be discussed within the 20 minutes at my disposal. I ask unanimous consent to extend my remarks in the RECORD, and yield back the remainder of my time.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SHREVE. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, when the Finance Reconstruction Corporation bill was before the House there was a tendency on the part of the gentleman in control to resist every amendment. It got so that in the latter part of the afternoon it was almost impossible to even properly explain an amendment. A condition of that kind does not happen very often in the House. I have seen it happen in my 14 years here when a committee is given a bill and told to put it through. All the wisdom of the world is not centered in any one department of the Government, and certainly it is not centered in the Federal Reserve Board. Surely, if the Federal Reserve Board had the vision and the genius some thought it had some time ago, perhaps Congress would not have been called upon to consider legislation of the far-reaching effect and the doubtful validity which has been presented to it and enacted into law.

The necessity and wisdom of some of the amendments which we offered will have to be acknowledged before very long. For instance, an important amendment that I happened to offer provided that bonds of small denominations, of $50 and $100, of this Reconstruction Finance Corporation should be offered for sale direct to the public. That was voted down. It was then said that it was not constructive. It was not economically sound. A New York banker did not offer it. But yesterday the same proposition was wisdom. It was announced that Government bonds would be offered in small denominations. It came from one of the "four minutemen" who are going to talk the country out of the depression. It is sound now; it is constructive; and the Government securities will be offered in small denominations direct to the people. I only hope that when bonds of the Reconstruction Finance Corporation are offered for sale, and which will bear a higher rate of interest than the present Government bonds, that the same practice will be followed.

I reserve the right to call attention to these amendments which I offered from time to time as occasion arises. This law has been in effect but a very few days. One amendment was adopted by the House, and it was offered by the gentleman from Texas [Mr. RAYBURN]. He got one in, and I think I got one in, and there was an inclination to even oppose the Rayburn amendment. It stated that it was not necessary. Who, in these times, would think of doing such a thing? Let me read you the Rayburn amendment. It is very simple:

> That no fee or commission shall be paid by any applicant for a loan under the provisions hereof in connection with any such application or any loan made or to be made herein, and the agreement to pay or payment of any such fee or commission shall be unlawful.

That amendment was adopted. Oh, it was not necessary, we were told, but fortunately it is in the bill. I had pre-

pared a similar amendment. The gentleman from Texas was kind enough to confer with me about it. He offered the amendment and it was adopted.

I want to impress upon the House the necessity of considering amendments that are offered, and not to howl down and laugh down and ridicule every time an attempt is made to make any suggestion to perfect a bill.

The gentleman from California [Mr. ENGLEBRIGHT] is one of the best-equipped Members of this House, always informed. He discovered the first attempted violation of the Rayburn amendment. The act was approved on January 22, 1932. Within 20 days after the approval of that act offers were made to obtain loans from the Reconstruction Finance Corporation on a commission basis. Again I congratulate the gentleman from Texas [Mr. RAYBURN] in succeeding in having the House approve that amendment.

The gentleman from California [Mr. ENGLEBRIGHT] received from one of his constituents, the Sierra Valley Bank, Loyalton, Sierra County, Calif., this startling letter:

FIRST MORTGAGE LOAN CO.,
San Francisco, Calif., February 12, 1932.

SIERRA VALLEY BANK,
Loyalton, Sierra County, Calif.

GENTLEMEN: We have made arrangements with the management here to submit applications for loans to the newly formed Hoover Reconstruction Finance Corporation. It occurs to us that you might like to secure a loan from that corporation to take care of possible frozen assets or for other purposes, and we offer you our services to that end. The loans will bear 5½ per cent interest, will run for six months, and the management here states that the note can no doubt be renewed for another six months or increased or diminished at that time if conditions justify.

Our charge for the service would be one-half per cent of the amount of the loan secured. That is, we would charge $500 for securing a loan for you of $100,000. Other size loans in proportion. If you are interested, we will be glad to hear from you.

Yours very sincerely,

SHERRARD BONNER, *President.*

Now, Sherrard Bonner must have had some justification for sending out that letter, offering loans to banks in the name of this corporation, after having "made arrangements with the management in California," to take over their frozen assets, or for other purposes, at the rate of one-half per cent of the amount loaned, and this was the "know-all corporation" that was going to bring the country out of the depression.

Mr. MANLOVE. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. MANLOVE. If I had received that letter and felt that there had been any doubtful attitude on the part of the officers of the Finance Corporation, I would have gone down to their offices and put it in their faces and asked them if they had granted any authority for any company or any individual to make loans and deduct a fee for the service. I wonder if that action has been taken?

Mr. LAGUARDIA. I can assure the gentleman from Missouri that any time the gentleman from California [Mr. ENGLEBRIGHT] has anything like that, he will deal with it in a constructive way. The gentleman from California [Mr. ENGLEBRIGHT] has already done so. It is the gentleman from New York who is bringing the matter to the attention of the House. I intend to keep on coming here and exposing anything which may come to my attention which is contrary to law or defeating the intent of Congress.

Mr. MANLOVE. I want to say to the gentleman from New York that two of the most outstanding gentlemen in the United States are members of that board, men whose integrity has never been doubted by any American citizen, the Secretary of Agriculture, and also Mr. Bestor, and I think it would be entirely proper for any Member of this House who receives a letter of that kind to go to the officials of that corporation and present it to them.

Mr. LAGUARDIA. Of course. It has been done in this case. But I hope that the injunction that was put upon the House a few days ago when we discussed the Glass-Steagall bill, for the inflation of paper money, "Hush, hush. Don't discuss it. Don't say anything about it," will be remembered. The gentleman from Maryland then took the floor and gave the House some of the so-called secret information, and I do not know that anything serious has happened since then. But there seems to be an inclination on the part of some that legislation must not be openly discussed, conditions can not even be mentioned in public, and criticism is immediately branded. Why can we not criticize the Reconstruction Finance Corporation?

In the discussion the other day on the bill some gentleman mentioned that $2,000,000 had already been loaned to a railroad to pay interest. The next day the papers carried the item that it was $7,000,000. I sincerely hope the very splendid gentlemen whom the gentleman from Missouri mentioned will take hold and will use the enormous resources at their disposal to do something which will bring relief to industry and business.

Gentlemen have a right to be interested in frozen assets, but my concern just now are the people who are freezing and the people who are hungry. Just go into New York City and go into the gentleman's State of Pennsylvania.

Mr. BRUMM. There are no starving people there, my friend.

Mr. LAGUARDIA. The gentleman from Pennsylvania [Mr. BRUMM] states there are no starving people in Pennsylvania.

Mr. BRUMM. I did not say Pennsylvania. I said in my section. We take care of our own poor.

Mr. BANKHEAD. Mr. Chairman, I make the point of order that it is highly improper for a colloquy to take place on the floor with a Member sitting in his seat. I think the rules of the House in that respect should be enforced.

Mr. LAGUARDIA. I thank the gentleman from Alabama. Ordinarily I would have ignored the interruption, but any Member who desires to state that there is no hunger, that there is no suffering in his district, I want the RECORD to show it, whether he is sitting, whether he is lying down, or whether he is shouting it from the cloakroom. I want the RECORD to show it, because there is very serious want in every district in this country.

Mr. BRUMM. Will the gentleman yield?

Mr. LAGUARDIA. No.

Mr. BRUMM. I want to say I did not say that, and the gentleman knows I did not say it. I said there are no starving people up there.

Mr. LAGUARDIA. I will yield for any statement the gentleman desires to make, because to me if people are in need it is not a matter of personal privilege, it is not a joke, but it is a very serious matter.

Mr. GIFFORD. Will the gentleman yield?

Mr. LAGUARDIA. I can not yield now. I believe that this Congress, which has given so much consideration to the creation of credit and to the rehabilitation of financial institutions, ought to do something immediately in the way of direct relief for the people who are in need and who need rehabilitation. I do not care what method is followed.

I do not care whether the money is given to the States or directly to the individuals, but as for one I can not sit here idly day after day and permit this real condition, this real serious condition, to remain ignored.

Gentlemen, there might have been some sound constitutional questions interposed against the direct relief given in the Reconstruction Finance Corporation act, but since the passage of that act there can no longer be any constitutional objection raised about the power of Congress to appropriate money for the purpose of making loans to States or to appropriate money to protect the public health in the way of direct relief to the needy.

Can any constitutional lawyer justify the distinction that was made on the floor only day before yesterday, when the Jones agricultural bill was before the House, that it was unconstitutional because provision was therein made to make loans to individuals but that the making of loans to corporations, as provided in the Reconstruction Finance Corporation act, is constitutional? I can not subscribe to any such school of thought.

The emergency is such that perhaps Congress is justified in straining its powers, as it certainly did in the enactment of the Reconstruction Finance Corporation bill, but surely

we should not stop there, and I believe Congress will find it necessary in the very immediate future to pass the necessary legislation which will provide sufficient appropriations to relieve the want which exists throughout the country. [Applause.]

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, it pained me exceedingly to sit here and listen a few minutes ago to a gentleman from the historic State of Kentucky speak on prohibition. My mind went back to other days when that splendid State was noted for three things—its beautiful women, its fast horses, and its good whisky. I thought of the shades of those Kentuckians who had been gathered to their rest, many of them distinguished citizens in all walks of life. Perhaps some of them might have been moonshiners, but to their credit they turned out an excellent product.

Mr. FINLEY. Will the gentleman yield?

Mr. BOYLAN. I regret time will not permit me.

However, I thought what the shades of those illustrious ancestors of his would have said if they had been able through the spirit world to listen to his talk here to-day.

However, I did not rise for the purpose of making a prohibition speech. I want to propose something really constructive to you. We hear so much talk about the depression and what Congress should do and what Congress is doing and what Congress is not doing. I have a plan. I do not say it is the only plan, but it is a plan that will create jobs, and that is what we want to-day—we want jobs. Our people do not want platitudes, they do not want a dole, they want work, and the bill that I have introduced will provide work.

A short time ago I introduced a bill providing that all Federal employees be granted a 5-day week and a 6-hour day. If we put this into operation at once, we will immediately increase the jobs in the Federal service at least one-third. There would be an approximate increase of over 200,000. It would be the beginning of a short week and a short day. I think the most effective single proposal that could be put into effect at the present time is to make this 5-day week universal.

At the present time in our large industrial centers, New York, Chicago, Philadelphia, Boston, San Francisco, St. Louis, and New Orleans, there is little or no work done by office staffs on Saturday. In New York no large mercantile or office establishment does any work on Saturday. So therefore by the Government adopting this plan we would simply go into a field that has already been entered by others in commercial and industrial life.

Now, you may say it is going to cost something. Well, of course, every thing costs. I remember in the New York State Legislature we had to fight for years to get an 8-hour day for industry, but we got it and now it is practically universal. While to-day it may be in the advance period to speak of a 6-hour day, yet just as sure as we are sitting here, a 6-hour day and a 5-day week will come.

In industries that find continuous production most economical, shifts could be more frequent so as to absorb more of the unemployed. Hours of work could be adjusted as productivity increases.

There is no discipline in industrial work that can not be got from other kinds of work. Its distinctive contribution is the income which is essential.

Under our organization of society man's work properly extends beyond the industrial field into relationships as a citizen and as a member of a community. Shorter hours of work will make possible a broader and fuller life for workers as well as a method of relieving unemployment. The 5-day week would cheer us in our present emergency and would provide a stable basis for industry as the depression recedes.

Mr. McCORMACK. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. McCORMACK. Has the gentleman given any consideration to the effect of the substitution of machinery for human labor and can the gentleman give us any approximate idea as to the number of human beings, if any, that have been displaced as a result of machinery performing their work.

Mr. BOYLAN. Well, I have not the numbers, but we all know from our studies along these lines that hundreds of thousands of workers have been displaced through the use of machines in industry.

Mr. McCORMACK. Will the gentleman yield further?

Mr. BOYLAN. Yes.

Mr. McCORMACK. Is not the real demand or the real necessity for the 5-day work week the fact that hundreds of thousands of employees have been displaced as a result of machinery being substituted for their labor, and that a 5-day work week is reasonably necessary as a means of regulating the unrestricted and unlimited use of machinery or the abuse of the use of machinery?

Mr. BOYLAN. Yes. I agree with the gentleman in toto on that particular angle of the situation.

The Federal Government is an important employer. Enlisted in our Civil Service are approximately 700,000 workers; about 70,000 of them are in the District of Columbia, and 630,000 outside. The Federal Government has a responsibility to set up the highest standards for those who do its work.

This is the point I have always made during my service here. In every line we ought to set up the highest standards. We ought to have the most beautiful buildings in the entire United States right here in the District of Columbia. We should have the most magnificent parks and parkways, the most splendid street development. Why? In order that visiting citizens from other States and cities could see what we have here and go back to their own State or town and endeavor to emulate it.

The office forces, as I have said, in practically all efficient, progressive offices to-day work upon a 5-day-week basis and have found it practical and efficient. When private business operates on this standard, it creates difficulties for the work of any group that is out of step.

Employees of the Government are asking for a 5-day week. That request should be granted, and in addition the Government should be in the forefront of progress.

In this period of unparalleled suffering from unemployment, shorter hours of work are the first step in the finding of jobs for the unemployed. The Federal Government should establish the 5-day week for its own employees as a preliminary to urging a similar measure on private industry. The result would be increased efficiency, manifest in greater production per person, and employment for the unemployed.

Employment is the only constructive solution for the unemployment problem. Our Federal Government should do its full share by taking the leadership through example to others.

There is no doubt in my mind that we have reached the point in our development where, as a matter of justice and right, we should institute a 5-day week for all the working people. Unless this readjustment is made, and made speedily, these unemployment cycles will return more frequently. Why the Federal employees, serving the greatest Government on earth, should be required to work more than five days a week is beyond my understanding.

Working people are entitled to enjoyment of the leisure brought about by a lesser number of working hours. Every kind of work where the service is continuous becomes monotonous and the effect of this is neither beneficial to the worker nor society.

Efficiency comes with short hours. Workers give as much service in a shorter working week as they did in the longer week.

Mr. BLANTON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BLANTON. I am sure the gentleman wants us to go along with him. If he will propose a measure that will put every adult man and woman in the United States on the Government pay roll, at a salary, say, of $5,000 a year, and

provide work for them at six hours a day and five days a week, I will vote for it. [Laughter.]

Mr. BOYLAN. The gentleman, whom I honor and esteem, is highly facetious. Of course, he has a keen sense of humor, which I appreciate.

In answering my colleague from Texas, I will say that while it would not be possible to put everybody on the pay roll, as long as we have a dollar in the United States Treasury we ought to let no one go hungry or without shelter or without clothing.

Mr. BLANTON. I agree with the gentleman that no one willing to work should go hungry, but I was thinking it would be unjust to let some work at good salaries at 6 hours a day for 5 days a week and let others work 18 hours a day 7 days in a week at poor wages to make up for it.

Mr. BOYLAN. That would not be necessary—just as the 8-hour day is universal, so would six hours a day and five days a week become universal. All these inequalities would be ironed out, because if the Federal Government adopted it, industrial organizations would follow and shorter hours would be gradually adopted; the process would be progressive, until all workers would enjoy its benefits.

Human beings have a right to live free, full lives, and to develop their cultural side, so that the beautiful things of life may be enjoyed. If given time to enjoy spiritual things, we will be better men and women, a better community, and a better Nation.

Another reason is consumption. Greater consumption will follow, because of more time to use things, and if we make greater use of those things which can be bought, the whole structure of society will be benefited. We must prepare to take care of the unemployment situation. The 6-hour day and the 5-day week will help take care of it.

On account of the great economic stress we should make these readjustments.

The Brotherhood of Railroad Trainmen have made an issue of this question. Their leaders believe that the adoption of the 5-day week and the 6-hour day will start a movement which will revitalize consuming power and the Nation's industries and that relief can only come in this manner.

To give new life to mass consumption it will be necessary to put every worker to work at a wage which will give him an income sufficient to purchase from the flow of goods which our production system has been geared to produce and which has been dammed up for nearly two years by an almost unbelievable concentration of wealth which has made it impossible for millions of our citizens to buy even the barest necessities of life.

If this mass-consuming power is not restored, capital as well as labor must remain idle and continue to be unable to produce the many human needs and comforts which the brain of man has taught us are available to all mankind.

Neither capital nor labor prefers to remain idle, but to the selfish and narrow desire of a small few to shield and even to increase this concentrated wealth neither capital nor labor is permitted to carry out its beneficent aims.

The introduction of shorter hours would place millions of men and women at work, and the increase in their total purchasing power would prove a nation-wide benefit.

The conditions from which the workers, business, and industry are now suffering constitute a most serious indictment against our industrial leaders. While there were being developed methods and machinery by which one worker would produce as much as many who had been previously employed, those who control industry resisted reduction of the work day and the work week. Their failure to recognize the simplest and most obvious economic truth is largely responsible for the present condition of depression, bankruptcy, and unemployment.

Now that all elements are confronted with a condition, the seriousness of which but few recognize, the agencies through which the necessary remedies might be applied are lacking.

It must be realized that criticism will not solve our problem. It is apparent that machines are "producers," but they have not the ability to purchase and consume that which is produced. The people are the consumers and a vast majority are workers, who can consume that which they can buy with the wages for which they can sell their labor.

Through the development and use of machines in almost every line of production one worker engaged eight hours per day six days per week will produce more than two workers could under methods previously used. In the domestic and export market it is not possible to dispose of that which is produced by the more than 40,000,000 wage earners working a full week. As a consequence, with their machines and modern methods it requires the services of but one-half the number of workers to produce the same quantity as was formerly produced by all those engaged in the industries.

Some of those displaced by machines have been absorbed by newly developed lines of industry. Those who could not be absorbed have involuntarily enlisted in the army of unemployed. Not being able to sell their labor, they were unable to buy and consume that which was being produced by their more fortunate brothers and the machines they operated. This resulted in reducing the "domestic demand" upon which the prosperity of the Nation rested. Because of the inability of those displaced to buy, other industries were unable to sell and discontinued or curtailed operations. This added more workers to the number of the unemployed and continued the operation of the vicious circle which has brought loss of profit or bankruptcy to the investor, hard times to management, and hunger, misery, and suffering to the unemployed millions and their dependents.

Conferences have been held under Federal, State, and municipal direction to deal with the problem. Officials of high and low degree have discussed and deplored the condition. But few have had the courage to deal with the question in other than generalities and fewer have expressed a willingness to apply the only remedy which will permanently improve the condition.

In the practice of our democracy, the control of industry has remained autocratic. Not even the Federal Government can require our industrial captains to do the one thing that will substitute prosperity for bankruptcy. The head of each industry ignores the situation, or suggests that some other line should first apply the remedy. Apparently it does not occur to them that the cooperative system as practiced in America is facing its severest test. They refuse to recognize that American ideals and institutions are on trial. Fortified by accumulated profits, they await the return of prosperity. They say that we have suffered panics in the past, and in due time prosperity returned.

But what about the unemployed husband and father who is willing to work but unable to sell his labor for money with which to buy bread? What must he think as he walks the streets half fed and poorly clad? How long will he and the other unemployed remain true to American ideals and be satisfied with industrial liberty as now practiced? Winter and unemployment mean suffering from cold and hunger to those willing to work but unable to find it. In this richest nation in the world, where there is no question about the ability of industry to meet the needs of all, are we not justified in asking, Are business and industry serving the people or have they become the master of our workers?

The remedy is apparent. In order to meet immediate need, governments, corporations, and individuals should create every job possible. Employment should be extended to the greatest number of workers by the adoption of the 6-hour day and the 5-day week. If industry were organized on a 5-day-week basis, it would give employment to at least 20 per cent additional workers.

Many employers who recognize the seriousness and danger of the present situation have declared "the only way to remedy the present depression is to provide work for the unemployed, and the best and most expeditious way to do this is for our employers to accept the 5-day week."

There is no problem of greater importance or more dangerous to established order than unemployment when it affects millions of citizens of a nation.

The solution of this grave problem is the immediate inauguration of the 5-day-week schedule in business and industry. If this change were made, it would immediately

create a new buying power that would quickly cause new life in every field of human endeavor and speedily turn the wheels of industry to inaugurate a new era of prosperity for our people. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I now yield to the gentleman from Missouri [Mr. JOHNSON].

Mr. JOHNSON of Missouri. Mr. Chairman, as a new Member of Congress, I have greatly enjoyed its deliberative sessions.

There never have been more serious questions, so difficult of solution, questions so pregnant with responsibility and fraught with such grave concern to the future weal of the country, presented to any Congress than those presented to this Congress.

When Congress convened last December, the entire Nation was standing in the abysmal and murky depths of the worst depression and panic the country had ever experienced. The President, bewildered, hesitating, fearful, and uncertain as to the course to pursue, had stood for 13 months and refused to call Congress into special session so that it could endeavor to relieve the distress of the Nation and bring some semblance of order out of the veritable chaos into which the business of the Nation had been plunged. This unwarranted delay increased unemployment, further depressed the prices of farm products, and caused the failure of thousands of our banks and mercantile establishments.

In 1928, in a public address, Mr. Hoover said, "The poorhouse is vanishing from among us. Given a chance to go forward with the policies of the last eight years, we shall be in sight of the day when poverty will be banished from the Nation."

The "great engineer" has had his chance. After three years of his administration of the Government, instead of the millennium which he promised the grim and foreboding specter of poverty is stalking up and down through our land. Sixty millions of our citizens depending upon the farms and the factories for support are in dire distress and despair, and thousands of our banks and mercantile establishments have been forced into involuntary liquidation.

The President in his palatial quarters on Pennsylvania Avenue and his advisers either are not concerned about or do not really know the actual distress of the American people.

Mrs. Dolly Gann, sister of Vice President Curtis, during a recent tour in the interest of the candidacy of President Hoover, according to the public press made the following statement:

> As a result of constructive measures President Hoover has taken, the great mass of the people have never discovered that they were in hard times.

Again, on February 4, 1932, in an address before the Republican Women's Club of Chicago, Mrs. Gann, in her remarks preliminary to the indorsement of Mr. Hoover for reelection, according to the Associated Press, predicted that the Democrats would take the Republicans to task for the depression, but added the following:

> The opposition will certainly find it difficult to make an issue out of a condition that no longer exists.

In glittering generalities, adorned with roseate hues, Mr. Hoover promises prosperity. Appreciating only the theories of government, he yet would in some magic way delude the citizenry as to real conditions by the application of some mystic mental therapeutics instead of endeavoring to remove the cause of distress. He would convince the man who says he is hungry that he is mistaken and suffering only from some mental aberration. In confidence he repetitiously states that "prosperity is just around the corner," but fails to advise that such corner lies only within the White House walls.

On May 1, 1930, Mr. Hoover, referring to the terrible depression, said, "We have now passed the worst."

On October 2, 1930, still feeling that the depression was only a mental disease, he said, "The depression is but a temporary halt."

Finally, on December 8, 1931, with hungry men, women, and little children petitioning for aid, Mr. Hoover in his message to Congress, said, "We find fundamental national gains. There has been a distinct gain in public health."

I would that Mr. Hoover and his advisers would go with me and see the pinched, hungry, and cold faces of the millions of good women and little children in our land who are facing stark want and starvation. I wish they could see the millions of honest but unemployed laborers in our land, with fear and despair in their hearts as they realize they can not prevent the suffering of their loved ones. I wish they could see the pathos and tragedy resting upon millions of our farmers and business men who have seen their homes taken from them. I wish they could see these and the countless thousands of other tragedies caused by this depression, and they would realize that the people had discovered that they are enduring hard times. I say to you, these are the people and the conditions about which I am deeply concerned.

In 1930 in America there were 1,300 bank failures and 26,000 commercial failures. In 1931 there were 2,200 bank failures. The American factories have been closed or they have greatly reduced the number of their employees. Eight million American laborers are out of employment. The American farmer is selling his products at a price far below the cost of production, causing ruin to 30,000,000 of our citizens who are engaged in agriculture. In 1931 wheat sold at the lowest price ever recorded in the grain market, corn sold lower than it had sold since 1900, and hogs lower than they had sold since 1906. Farm income for 1931 was $6,000,000,000 less than in 1910. Farm values have declined 66⅔ per cent, and as a result of this great loss thousands of farmers have had their homes taken from them in their old age. The clutching hand of fear has a strangle hold on the vitals of all business.

In an effort to avoid responsibility for the present panic Mr. Hoover says that it is the result of a world-wide economic condition. This is not true. While there were 2,200 bank failures in the United States in 1931, our neighbor—Canada—did not have any bank failures. The American farmer sold his wheat in 1931 for 30 cents per bushel, but the farmer of France received $1.82 per bushel for his wheat, the farmer of Germany $1.50 per bushel, and the farmer of Italy $1.60 per bushel.

It would not, of course, be asserted that Mr. Hoover is wholly responsible for the present panic, but it is true that the acts of the administration or its failure to act tended to cause or increase the magnitude of the present depression. While there are others, the following specific acts or failures to act on the part of the administration contributed to cause the present economic crisis and panic:

First. The crash of the stock market in 1929 was the beginning of the panic. Mr. Hoover and his Cabinet should have known that the economic foundation of the country was at the very brink of the precipice. They should have cautioned the public against the mad orgy of wild speculations then obtaining. Yet, in the face of impending disaster and until the very day of its appearance, the administration and its advisers daily proclaimed that the Nation was more prosperous than ever before and that such prosperity would remain. Without a word of caution, but with erroneous reports as to the true condition, the public was urged to further excesses in their investments. The public, too late, realized the falsity of the "blue-sky" statements on which it had relied.

Second. One of the most emphatic contributions to the present depression was the enactment of the present tariff law, which resulted in retaliatory tariffs by the foreign countries. These tariffs completely closed the markets of the world to our products and destroyed our industries. This closed many of our factories and threw thousands of laborers out of employment.

Third. The action of the Farm Board in depressing the price of farm products, and especially in refusing to keep its wheat from competing with the 1931 wheat crop, brought ruin upon the American farmers.

Fourth. The administration failed to use its influence to cause the Federal reserve bank to exercise its authority so far as possible to produce a reasonable inflation in com-

modity prices at a time when such inflation would have prevented thousands of bank failures. While the ability of such bank in such matter doubtless was limited, through liberalization of discount rates certain relief would have come.

Fifth. The administration negligently failed to warn the public against excessive investments in foreign securities, although through its departments it should have known of such investments. In fact, in an investigation by a recent Senate committee in regard to foreign loans, the revelations of the exchange of communication between the representatives of the Government of Colombia and the National City Bank force the conclusion that a loan of $4,000,000 was made to Colombia only on the condition that certain valuable oil concessions be restored to the Mellon-owned Gulf Oil Co. Mr. Mellon resigned as Secretary of the Treasury and there will be no further investigation of the charges made against him in the resolution presented to Congress.

Billions of dollars thus invested in foreign loans have been withdrawn from circulation in the United States, gravely increasing the force of the present depression.

Sixth. The special favors granted at the insistence of the President to the international bankers and the foreign countries in the postponement of the payments on foreign debts withdrew from circulation in the United States more than one-fourth of a billion of dollars.

Seventh. In the expensive bureaucratic administration of the Government the present administration has caused a governmental deficit of two and one-fourth billions of dollars, which it proposes to meet by the imposition of obnoxious taxes upon the people. This has greatly contributed to cause the present depression.

Eighth. The President for 13 months hesitated and negligently refused to call Congress into special session so that legislation might be enacted to relieve the distress of the Nation. No excuse can be offered for this unwarranted delay.

The tragedy of the hour is that the administration will not permit the appeals of the countless millions of our people who are in dire distress to reach the inner circles of the Government.

The administration, by its lack of knowledge of true conditions, its unreasoning internationalism, and its desire to help the great monopolies, is blinded as to the real distress and need of the average American citizen and business man. It hears only the voice of predatory wealth, but is deaf to the pleadings of the common man.

The administration has been weighed in the balance and found wanting. The people next November will select another pilot, who will lead them out of the present wilderness into the dawn of a new day.

While I speak only my personal views, I desire to say that I am pursuaded that the distress in our land to-day has been caused by the administration of the affairs of the Government too much in the interests of the great monopolies and the specially favored class, rather than in the interests of the great mass of the people.

Under the policies of the Government in the enactment of the present indefensible tariff law, containing the most prohibitive tariff schedules ever visited upon any people, solely for the benefit of the great monopolies, the markets of the world have been closed to our farm and manufactured products. While this tariff law caused the American consumers to pour a steady stream of their earnings into the swollen coffers of the tariff barons, it ruined the American farmers and business men, closed our factories and threw millions of our laborers out of employment.

Although I and a few others voted against the moratorium, Congress, at the solicitation of the President, granted a moratorium in the payment of foreign debts. Such action was the first step in the cancellation of foreign debts, in order to aid the international bankers and the foreign countries so that such foreign countries might use this money to build armaments of war and saddle the payment thereof upon the already overburdened shoulders of the American taxpayers.

COST OF GOVERNMENT UNDER THE PRESENT ADMINISTRATION

The President advises us that under his administration of the Nation's business, we are facing a governmental deficit of approximately two and one-fourth billions of dollars for this fiscal year. Unmindful of the interest of the average citizen and business man, the administration proposes to meet this deficit by the levy of sales, document, and nuisance taxes upon the people. This would mean that the man of meager means would be compelled to pay as much as the man of great wealth.

The President, through his spokesman, further recommends that the revenue measure be made retroactive in its operations. Such ill-advised proposal, if enacted into law, would disturb the business planning of every citizen who had planned his business under the law then in force so that he could meet his obligations. The man who has set aside definite sums to meet obligations incurred would be told by the administration proposal that he could not use such funds for the purposes intended, but that by a retroactive law the Government was going to reach back and appropriate these funds for the payment of the expenses of the Government.

Personally, I shall not, and I believe Congress will not, support the President in this proposal.

For my part, I want to say that I am opposed to the sales, document, and nuisance taxes proposed by the administration, and to any retroactive tax law. The imposition of such taxes would not only place an unfair burden upon the average citizen but would also stifle the return of business prosperity.

A general sales tax would cause the amount of such tax, if perhaps not more, to be added to the price of every article purchased. Every time a pair of shoes, a pair of overalls, a gingham dress, or any other article is purchased the purchaser would be required to pay a tax upon such article purchased. It would be probable that the man who earns his daily bread by the sweat of his brow, by virtue of the very nature of his hard work, might be required to purchase a greater amount of shoes than a millionaire whose shoes touched only carpeted floors. In that case the laborer would be compelled to pay a larger tax than such millionaire, notwithstanding the millionaire concededly had received much greater benefits from the Government than the laborer. Under a general sales tax one would be compelled to pay tribute first for the swaddling clothes within which he was wrapped when he first nestled in the protecting arms of his mother, next for the raiment which protected him from the elements while he was struggling along in the battles of life, and finally when the working tools of life have fallen from his nerveless grasp, a tribute would be levied upon the shroud which inclosed his lifeless remains.

It has been urged by the proponents of a general sales tax that such tax would be paid by the consumer without his knowing that he was paying the tax. This specious argument would seem to be that it is proper to impose upon the people so long as we act in secret and do not let them know our acts.

I want to say to you that I do not subscribe to that vicious and pernicious argument. A public office is a public trust and as representatives of the people it is our sacred duty to labor diligently for those measures alone which will bring the greatest benefit to the people and always permit the light of public opinion to shine upon our every official act. [Applause.]

Frankly I say to you that there has been already too much invisible influence affecting the policies of our National Government. For my part I say we must destroy and remove that influence and place in its stead the voice of the people. [Applause.]

Personally, I should like to see included in the revenue measure a provision levying a tax of 75 per cent on all incomes received from sources and investments outside of the United States and its possessions. It has been estimated that many thousands of corporations in our country, in order to escape the effect of the retaliatory tariff laws enacted by foreign countries because of our tariff law, have organ-

ized branch or main corporations in such foreign countries, and are there manufacturing their products with foreign labor to supply the foreign markets of the world, markets formerly supplied by the products of American factories which employed American laborers, thus throwing millions of American laborers out of employment. If this high income tax rate is imposed, it will cause these corporations to invest this money which they have accumulated from the profits guaranteed them under the American tariff in the United States, and thus give employment to American laborers.

I should also recommend a provision in the revenue measure levying a high tax upon all chain stores. Unless some method is adopted to limit this octopus, it soon will have a strangle hold upon the business of the Nation and the people and will destroy all local and independent business.

The revenue measure should increase the income tax upon large incomes. Certainly, those who have been permitted to earn large incomes under our Government owe a much greater responsibility for the maintenance of such Government than those who have been permitted to earn a bare sustenance. Such tax should be graduated according to the benefits thus bestowed by the Government.

I say to you, Members of Congress, that there is no justification for the present enormous governmental deficit which necessitates the increase of the tax burdens of the people. Such deficit is solely the result of a mad orgy of wild spending of the people's money by those having charge of the Government. [Applause.]

Under the present and recent administrations the cost of government has mounted steadily. The cost to the American taxpayer of the present bureaucratic government has become so burdensome that it is unbearable. The people are aroused and justly demand that this burden be lessened. Useless and extravagant bureaus, which have accomplished nothing but the expenditure of public funds, must be abolished. There must be a consolidation of departments to prevent the ever-present overlapping and duplication of activities. This can and must be done without the impairment of the public service.

The need of the hour is a wise reduction of the cost of government rather than an increase of tax burdens.

A comparison of certain items of expenditure of public funds by the Sixty-seventh Congress in 1923 and the Sixty-eighth Congress in 1925, with appropriations made by Congress under the present administration for 1931, for the same items, reveals a vast increase in the cost of government. I submit the following as a fair example of such increase:

Executive Office

(a) Salaries to the Secretary of the President and personal services in the office of the President:	
Sixty-seventh Congress	$74,280
Appropriations, 1931	126,120
Increase	51,840
(b) Contingent expenses of President, including stationery, etc.:	
Sixty-seventh Congress	36,000
Appropriations, 1931	43,500
Increase	7,500
(c) Salaries of White House police:	
Sixty-seventh Congress	55,540
Appropriations, 1931	103,200
Increase	47,660

Department of Commerce

(a) Salaries and other personal services in the District of Columbia:	
Sixty-seventh Congress	201,250
Appropriations, 1931	348,095
Increase	146,845

Department of Agriculture

(a) Salaries and personal service in the District of Columbia:	
Sixty-seventh Congress	472,520
Appropriations, 1931	736,000
Increase	263,480
(b) Miscellaneous expenses:	
Sixty-seventh Congress	156,000
Appropriations, 1931	198,000
Increase	42,000

Under the last Congress of President Wilson's administration the total appropriation for the Department of Agriculture amounted to $31,475,386, but under the present administration, in 1931, the Department of Agriculture received appropriations in the total sum of $220,288,164, an increase of $188,812,796. The farmer has received no practical benefit from this enormous increase, for he is now receiving only about one-fourth as much for his products as he received under the Wilson administration.

The following is a comparison between certain appropriations for the years 1925 and 1931:

	1925	1931	Increase
Legislative Establishment	$14,648,136	$29,520,710	$14,872,574
Independent Offices	411,216,020	1,169,249,797	758,033,777
Department of Commerce	24,123,472	61,300,936	37,177,464
Department of Justice	24,277,141	42,247,989	18,020,848
Department of State	15,246,097	18,778,462	3,532,365
Department of the Treasury	269,354,848	372,556,973	103,202,125

The total appropriations by Congress for 1931 for the various national governmental organization units, exclusive of appropriations for interest on the public debt and sinking fund and other public debt retirements, amounted to $4,129,015,062.95. It has been estimated if the cost of local and State governments be added it would make a total of more than $12,000,000,000 which the people are compelled to pay to support the various arms of the Government. That means that the per capita expenditure for governmental expenses in 1931 was $100 for each of our 120,000,000 of people, or $400 for each average American family.

It is thus seen that the sum of $380 was expended by the American people during every second, night and day, in 1931 for the purpose of maintaining and supporting government.

The fact is that our administrators of the Government have ruthlessly and unnecessarily expended the people's money. In the last four decades our population has increased 100 per cent, the national wealth has increased 450 per cent, but the cost of government has increased 1,000 per cent.

When the new Department of Commerce Building was constructed, without reason or justification, the Government provided a private elevator for the exclusive use of the Secretary of Commerce to keep him from coming into contact with the people. The public is now paying for a girl to operate, and a guard to protect, this private elevator. It has been stated that this building contains 12 bronze doors, which cost $5,000 each, or a total of $60,000. There are 60,000,000 of people in our land, each of whom is worth less than the cost of one of these doors. I say to you, ladies and gentlemen of the Congress, the people are justly aroused, and they will not longer stand this unjustifiable expenditure of their money. [Applause.]

Thus the reason of the present deficit and the necessary tax increase is explained by the enormous increase of the cost of government under the present administration.

In an effort to relieve the tax burdens of the people caused by the expense of government the Democrats have in the three appropriation bills which have been passed by this Congress reduced the amount sought by the administration approximately $30,000,000, and they certainly will effect greater savings to the people in the other large appropriation bills yet to be presented.

In my judgment the only legislation which has been passed by this Congress which will bring any measure of relief to the present distress of the people is the Glass-Steagall bill recently passed by Congress. This bill liberalizes the discount privileges of the Federal reserve bank act and at once authorizes the Government to put in circulation $1,000,000,000 of new currency to circulate among the people. This certainly will cause a reasonable inflation and bring relief

to every person in our land. I was glad to support this measure, for I believe it will bring relief to all the people and not alone to the great international bankers or other specially privileged groups. The Democrats have advocated the principle of this measure for 10 years and the Republicans have opposed such principle. The administration will have to answer to the citizenry for its failure to convene Congress 14 months earlier so that it might then enact this beneficial and remedial legislation. [Applause.]

Under the policies of the present administration our farmers and the average business man have been forced into utter ruin and bankruptcy. To-day 8,000,000 of honest laborers, with 25,000,000 good women and little children depending upon them for support, are out of work through no fault of their own. In our land of wealth and plenty they are walking up and down our streets with fear in their hearts seeking just enough work to keep cold and hunger from their loved ones. Yet, when they and the farmer seek relief, the administration, which gave a dole to the international bankers and the foreign countries, denies their appeal.

These are American and human needs. For my part, when human rights are on one side of the balance and material rights on the other side, I shall always be found on the side of human rights. I think the time has come when we should for a time forget the international bankers and the foreign countries and enact legislation which will bring actual and speedy relief to our distressed farmers, the average business man, and the millions of unemployed laborers in our land.

The Nation must not permit innocent children to suffer. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania, Mr. BRUMM.

Mr. BRUMM. Mr. Chairman, and members of the committee, I have been trying for almost two weeks to get some time to speak on a subject that I think is important. It is at least to me in my district, and I think, ought to be important to everyone here. Before I do that, however, let me first correct my friend from New York [Mr. LAGUARDIA] in an error which he made, which is quite characteristic, in making a reference to me as I sat in my seat in the House. In his most intent and unwarrantably excited way, with often emphasis on the wrong place, he spoke about the "freezing people." It is a matter of everyday comment that this winter has been so mild that swimming pools have been opened where the ice usually forms, and in my district in the middle of January I read in one of the local papers that at one of the ice ponds, where usually 18 inches of ice forms, the boys went swimming. When he made that ridiculous statement, I turned to my colleague, Mr. MCFADDEN, and smiled, and never interrupted him, as he said I did.

He, irritated, sensitive, commenced to make reference to me. My people are not starving, although they are suffering as they are elsewhere; but in my State, as has been said many times, we do not leave our neighbors to starve, but we take care of them ourselves, and do not ask the Government to do it.

Now, my friends, whether you believe in the Einstein theory of relativity or not, we will all concede that everything in life is relative. A mote upon the breast of the ocean is an infinitesimally small thing, but in a man's eye it is a monstrosity. It is not the ordinary load that bends the back of a beast of burden; it is the extra straw that breaks the camel's back. So, my friends, there are certain things that rise in importance on certain occasions, and certain things that have a most important bearing, and for that reason I want to point out something which has affected me ever since I have come to Congress; in fact, it has been a matter of irritation to me for 30 years—ever since I was a boy.

I receive telegrams, letters, and newspaper accounts of the great power plant which is to be erected in the city of Washington as a part of the great $500,000,000 plan. This is a great city, to which none throughout the world is comparable, with a building program that we are all interested in. And ere many days shall pass our heads it shall rival the greatest cities of the past and put into an insignificant niche the great Athenian capital, and we fully accord with and wish to see this great building scheme carried on. I would not throw a straw in the way, but when this vast sum of money is being spent to render this a beautiful place, and millions are provided for shrubbery and other improvements, and then in the southwest is reared a mighty smokestack to darken the heavens, to pollute the air, and to destroy the otherwise salubrious climate around the city of Washington, is there not something relative, is there not something lacking when we are appropriating such vast sums and fail to provide the simplest protection for the health as well as the beauty and the possible pleasurable enjoyment of this great Capital?

I have never in my life seen a situation such as we have in Washington. Due to the climate in part, yes, but not entirely. I usually walk to the Capitol. Along the sidewalks is the most disgusting evidence of a prevalent disease. I have never witnessed, nor have you, in any place north or south the like of it. If you go to the theater it is a source of constant annoyance, the hacking and coughing and sneezing to interrupt the evening's entertainment. If this soot and dust-laden atmosphere is not one of the causes, nobody will dispute that it does not improve the condition. I have heard many theories. When I was a child living in the city I remember of them speaking of the peculiar throat troubles, and so forth, that we had. Nobody has been able to solve it. I have my own theory. I know that if you go to the mines, unaccustomed to enter, you will show the same symptoms exactly as are exhibited here on our streets, sneezing and hacking and coughing.

If such vast sums are to be spent not only to beautify the city, but for public health, why in the name of common sense are we permitting this constant pollution? The District has laws, but nobody pays any attention to them. Last winter I told you about waking one morning, stifled and choking, and I looked out of my window and one of those heavy fogs was hanging over the city, as usual, and a barrage of smoke came pouring in my window, the like of which the boys at the front never witnessed. I called up the chief of police and he sent one of his sergeants, a big, good-natured Irishman, and when I went to show him the clouds of smoke rising from the surrounding buildings, he leaned on the windowsill, and then looked at his hands; they had become as black as coal as though greased with graphite. He said, "Congressman, this is terrible. I will go and attend to it at once." He went and reported. The chief of police called up and told me that there was no ordinance to stop that sort of thing.

My friends, the old law, the old law of England, has always provided against a nuisance. I said, "If my neighbor, instead of pouring smoke in my window, would have thrown bricks in there, have you got an ordinance against bricks?" Well, finally he said it was under the health department. So it is a health measure. Very well. I took it up with the health department, and they have been working for over a year and still nothing has been done.

Thirty years ago my own parent brought experts here and demonstrated to the satisfaction of the Navy Department that the most practical fuel for war vessels, considering the space on the vessel, safety from spontaneous combustion, efficiency when properly used, freedom from smoke, which was rather important in a battleship, was anthracite coal.

Mr. PATMAN. Will the gentleman yield for a question?

Mr. BRUMM. I yield.

Mr. PATMAN. Crude oil was not generally used 30 years ago.

Mr. BRUMM. No. I am talking about this smoke situation here. When they asked to have it installed in the war vessels, the answer was, "The grate bars do not suit." Ridiculous. Nonsense to talk like that. Penny wise and pound foolish. There was not anything like that. They are installing in this new plant new grate bars, and they will burn the same smoky stuff. But they say, "We shall

have smoke arresters." They can not get any consumers that will entirely eliminate the black stifling fumes that arise from those plants.

Look out of your office building on any day when the sky is heavy and see the clouds of smoke rising from the plant that is now being utilized. Members of the departments have admitted to me privately, the very men who are making these investigations, that it is intolerable—the soot on their windows and on their floors. You go to any of the apartment houses down toward the White House, and I will warrant you can not rub your hand over the upholstery without getting it as black as coal.

Now, to add insult to injury I discovered this situation: Over a year ago I was down in the Treasury Department about a matter in which my district was concerned, and a newspaperman told me that in a penitentiary right above my home, in the district represented by the gentleman from Pennsylvania [Mr. BEERS] they had installed grate bars for soft coal. I thought it was impossible, but I went down to the department and found it was a fact. I had them change that. Now, over a year afterwards I get specifications for a post office in my district, right over a coal mine. The Government bored holes to see how near the surface the coal was before they would accept what we call a surface right, because we have no real estate. The coal rights were bought out years ago. And sure enough they had the same system of smoky fuel ready for installation right over a coal mine. A few days ago my friend from Pennsylvania discovered they were installing it in Allentown. I told them that if they tried to burn that smoky stuff in the anthracite region of Pennsylvania, there would be violence. There is no sense in that kind of thing. Oh, we only come from a little district in Pennsylvania. By the Eternal, in time of need we furnish more help than any like section of the United States, and I can prove it by the books. It is big enough for that.

Now, then, as I say, the time comes when patience is no longer a virtue, and I for one do not intend to remain quiet.

Mr. ROMJUE. Will the gentleman yield?

Mr. BRUMM. Yes.

Mr. ROMJUE. The gentleman would not advocate violence, would he?

Mr. BRUMM. I was telling what would happen just as sure as you live.

Mr. ROMJUE. The gentleman could appeal to the same common law about which he spoke a moment ago.

Mr. BRUMM. That is all right. I am talking about facts. I know the people. There is no sense or reason in it to permit that kind of thing.

Mr. McCORMACK. Will the gentleman yield?

Mr. BRUMM. Yes.

Mr McCORMACK. Who is imposing those conditions on your people? The Post Office Department?

Mr. BRUMM. I will tell the gentleman about that in a minute. No; it is not the Post Office Department. That is the real trouble, just like a will o' the wisp, to find just the last one to whom the buck has been passed. The real trouble, in my judgment, lies with these experts.

For illustration, every one of us goes down to the Veterans' Bureau. We have a marginal case which we are convinced beyond any doubt is a proper case for compensation. General Hines has always treated me right, and I suppose he does you other gentlemen here. I do not complain of him, but he says the medical department says this and says that. Why, the medical department is only a little factor in making up the evidence in the case. They say you have no service connection. Well, what do they know about it? They turn to the record; and if it is there, yes; and if it is not there, no, and then you are out. How about the thousand and one bits of positive evidence, more positive than all the medical evidence, that might prove that John or Jim was injured in the service?

Mr. LINTHICUM. Will the gentleman yield?

Mr. BRUMM. Yes.

Mr. LINTHICUM. A few years ago you had a law creating a certain charge on every ton of anthracite shipped from Pennsylvania, did you not?

Mr. BRUMM. What does the gentleman mean by "you"?

Mr. LINTHICUM. I mean Pennsylvania.

Mr. BRUMM. I fought it with all the might that was in me, and I say here, with all due respect to my State courts, that I believe it was unconstitutional. Of course, it was only intended as an emergency measure.

Mr. LINTHICUM. I thought so. Has it ever been repealed?

Mr. BRUMM. We got rid of that as quickly as we could.

Mr. LINTHICUM. The State has repealed it?

Mr. BRUMM. Yes.

Mr. LINTHICUM. I am glad to hear that.

Mr. BRUMM. That was ill-advised in every way.

Mr. LINTHICUM. I had the matter up before the Maryland State Bar Association at Atlantic City one time and they thought it was unconstitutional.

Mr. BRUMM. I have always maintained it was and still believe so. Now, they take the word of the experts, and the experts may not know one-tenth as much as you do about the case. When I first went down to the bureau with a very hard case General Hines said, "I absolutely agree with you, Congressman, but it is the law." I said, "It is not the law, General, but it is the expert who interprets that law, and he does not use common sense."

Mr. McCORMACK. Will the gentleman yield?

Mr. BRUMM. Yes.

Mr. McCORMACK. In connection with what the gentleman has stated, it is my understanding that under the law a doctor can not apply his own expert knowledge but is limited to the evidence actually on file in the particular claim. In other words, if the evidence on file in the Veterans' Bureau shows that a man has tuberculosis to-day and it is discovered for the first time, under the law—and I am not criticizing anybody, because I have just as high a feeling of respect for General Hines as the gentleman has—the doctor can not say that in his opinion that man had tuberculosis yesterday which, of course, is ridiculous.

Mr. BRUMM. I believe that is practically their rule. That is my understanding. I know of a boy who entered the Army and went through all the war, but he never received a cent of pay, because he kept moving from one hospital to another and had no records at all.

I am sorry I will not have the time to reach the most important part of the whole thing, but I am going to ask the District Committee to try to fashion a law with teeth in it and to ascertain if there is not some way of improving conditions so far as smoke nuisance is concerned in our beautiful Capital City. [Applause.]

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. PATTERSON].

Mr. PATTERSON. Mr. Chairman, the gentleman from Maryland [Mr. GOLDSBOROUGH] made a most excellent speech on the money question this afternoon, one which gives valuable thoughts for us all; but I intend to make a few observations about the same subject anyway.

Money, as it is known, is a medium of exchange and reaches back into ancient history. It is very important and has always been important since it was brought into use, and it grows more and more so with modern conditions and modern commercial and industrial relationships. There are three or four important facts connected with money. One is the amount of money in circulation, the stability of it, and its purchasing power. These are interlocked and related.

In every great financial crisis we have had we can find it more or less linked up with the subject of money, and going back through history, at different periods we have found, following every great crisis or panic, the net amount of money very much decreased in the country; and not only this, but, of course, naturally the per capita circulation would also be decreased. And in this field the real per

capita circulation is always less than it seems for circulation figures do not exclude the amount of money in hoarding. So if we could have the figures with the amount put away excluded the circulation would be small indeed at a time like this. We find conditions like this in 1837, and again in 1858, following the panic of 1857, and also in 1873, and in every other similar situation.

All these periods of deflation have worked quite a bit against certain classes of people. They have always brought hardship on the classes of people that were debtors, and most of the remarks I expect to make on this subject will be along this particular line.

Following these panics or shortness of currency or deflation, just as you have a mind to call it, we have found that the money power or the trusts or the monopolies of the country which control the money have always recovered with a larger percentage of the wealth of the country, while the farmers, laborers, and small business people, and the debtor class of people have gone through each crisis and have come out with less and less of the national wealth.

You can trace this back through the five or six crises we have had. The two most recent ones that I want to refer to are the one in 1920, the one of 1929, 1930, 1931, and on into 1932, and this one is, in my judgment, the greatest of all time.

At the beginning of the deflation in 1920, the American farmer owned about $80,000,000,000 of wealth, which at that time was very nearly one-third of the national wealth. At the peak in 1929 his national wealth had shrunk to a little more than $50,000,000,000; during those nine years, strange to say, the farmer had lost such a large percentage of his national wealth when the country, generally speaking, was prosperous. The great deflation that he suffered in 1920 and 1921 and a lower price for his commodities during the prosperous years brought his percentage of total wealth from a little less than one-third to around one-sixth of the total. We find that while the country as a whole has prospered and increased its national wealth almost $100,000,000,000, the farmer's part of the national wealth had decreased, as I have already indicated. And this very condition has existed, and the recurrence of such crisis has helped to bring the farmer's proportionate share of national wealth from around 60 per cent of the total, to, as estimated to-day, around 12½ per cent of the total.

Now we come to 1929, the greatest period of deflation we have even seen, extending on up to the present time, and no one knows how much farther it will go. I take it for granted that we hope we are at the bottom to-day, but no one can say that even if prosperity is just around the corner that we are able to tell which corner it is.

We find the American farmer to-day worth probably less than one-half, in national wealth, what he was in 1920. We find his mortgage debt increased to nearly $12,000,000,000, and this is the phase of the matter to which I particularly wish to address myself.

I do not have the very latest figures, but at the close of the past year we find that the purchasing power of the dollar is almost $1.51 (in December, 1931), and compared with the average of 1920 it would be about two and one-third times what it was in 1920, and I take the position that the farmers of America and the other debtors or people who owe the debts of this country—and we are, in a way, largely a debtor nation among ourselves, or, in other words, the great masses of the people have been bled white by the money barons of Wall Street, now known as international bankers and manipulators, and are in debt—in spite of our great national wealth, I take the position that with the present purchasing power of the dollar and the amount of commodities that it takes to pay these debts, the American farmers and the people who owe the debts that were contracted during the year of inflation find it impossible to pay these debts, and therefore it devolves upon this Congress and upon the country, if we ever expect to save the farming class of people and the great masses of people, including laborers and business people, who are in debt trying to pay for homes and other things which are necessary in an American home, the class of people who are the backbone of this country, and yet, as I say, who, generally speaking, are in debt for some of these necessities, we must bring about some kind of limited inflation of the currency and bring about a rise in the prices of commodities that the people have to sell in order to pay these debts.

The calling in the money of the money barons which causes prices to fall and the purchasing power of the dollar to rise as it has done by 50 per cent in the past two years, has given a great patriotic and heroic people, such as our farmers and others who are called the ordinary citizens of every class, a setback and a disadvantage from which they can not recover within themselves. This has always thrown millions out of work and each time the result has been the same. Upon recovery more and more of the wealth has been concentrated in the hands of the few and to-day we find ourselves in an intolerable condition which should be dealt with immediately and effectively to bring about immediate and then permanent relief. These conditions should be so changed that it can not occur again. Our people should not be allowed to suffer this way while a few grasp the wealth of the world. This is one of the evils to-day which lie on the steps of this Capitol and I feel this is one measure of relief, and I hope the Glass-Steagall bill will start this and help return men to work and remove some of the iniquities from which our people are suffering at this time.

I want to give you a further comparison, during the 11 years from 1919 to 1929 inclusive, a period when most of these debts were contracted. The average purchasing power of the dollar was 96, on the basis of the 1926 purchasing power of the dollar, compared with the purchasing power of the dollar to-day it will take one and six-tenths times as much in commodities. In other words, it takes one and six-tenths times as much of general commodities of the people of this country to pay their debts as it did in the average years from 1919 to 1929. This is the average throughout this period of 11 years, but when we turn to the farmers we see a more tragic story there.

The purchasing power of the dollar to-day in farm products is about $1.80, nearly one and nine-tenths times the purchasing power of the farmer's dollar; this means the $12,000,000,000 mortgage debt contracted at that time would to-day take nearly $23,000,000,000 in commodities, based on the purchasing power of the dollar when the debts were contracted, to discharge. This shows how the money barons of Wall Street have driven the farmer to the wall. The plight of the laborer, small business man, and professional man is almost as bad, and I feel the time has come, and we stand now at the parting of the ways. Our Government should remedy this situation and do it in a constructive way, and not injure the workingman who earns a salary or wages. In fact, his condition must be bettered; he must have his purchasing power increased, with that of the farmer. It is estimated that to-day there are 8,300,000 without jobs, the largest number in our history. It is estimated that 12,000,000 of our patriotic fellow citizens, just like us, are in need, and that 40,000,000 of our patriotic fellow citizens are living below the minimum standards of living. Nothing will remove this condition except giving these people work. Our people want work and are willing to work. They do not want charity. They want opportunity, and our Government should see that they have opportunity, and that the purchasing power of these people is brought up to allow a safe standard of living, which will afford comfort to our people. The resources and income of our people demand this. I renew my pledge here and now to continue the fight to bring this about.

I throw down the challenge again, that if we are to solve this depression we must give our farmers and workers in every line purchasing power as they should have and then give our people who owe these debts on farms and in every line where these debts were contracted a dollar comparable in value to the dollar which would average only about half what it could buy in commodities at that time compared with what it will not. In other words, without counting interest, the dollar borrowed before 1929 and owed to-day

by the farmer is almost $2, when you sum up the price of commodities with which he has to pay.

With the cotton farmer in my section it is much worse, for the purchasing power of cotton is much lower than the average for all farm crops. In fact, in December last the purchasing power of the cotton farmer's dollar was 36 cents, based on the 1926 cotton dollar, and 1926 was itself an unfavorable year for cotton. So you can see why I said in my speech a few days ago that the cotton farmer has only 1 chance in 15 to compete with the Wall Street money lender. Our people must be relieved now.

By far the largest part of our people are honest and persevering and have tried, and are going to keep on trying, but we must help them this time and see that they are not crushed farther down. In fact, we must now begin and raise the people from this pressed-down state to equal opportunity. And if enough members will join me here, we will do that before any other important measure passes; and if enough do not join me to bring this about, I shall do my best to stand and fight to the last with the few who are willing and have shown that willingness.

No one can realize how hard these conditions are unless he has tried to make a living for a family by growing cotton, or laboring, or by working at an underpaid profession, or by running a small business as I have done. Then he feels the hand of oppression. So I say, now, let us meet the challenge by giving our debtor population, through raising the purchasing power of their dollar to a safe and sane level, and set up machinery which will rescue them once and for all from the Wall Street monopoly. It can be done, and it will be done, if our people will march together in solid phalanx and depose those from public office who are not in sympathy with them, or who will not or do not stand and fight their battles. Then readjust our tariff so as to revive our foreign trade which is fast diminishing. Open markets, and again give our people work, thereby giving them purchasing power throughout the land, and prosperity will return, and it will not return, nor it can not return to this country, until these conditions are brought about.

One other thing, and that is a readjustment of the burden of taxation to relieve the farmer and home owner and encourage home owning and farm owning. And when this is brought about we have one more step, and that is economy in government, which should be stressed at this time. Every branch of government should render to the people a service whose value is in excess of cost, and every person holding a public office should render more service to the people than it costs them to run his office. This should be our standard of efficiency and economy.

Our people can not continue with conditions as they are, and we must bring relief by enabling the debtor to pay his debts and clear the mortgage on his farm or home, and raise the income of our people of every legitimate profession, trade, and industry to that of a fair standard of living and comfort as our income and resources justify. Then we shall see joy and prosperity stretching from the firesides of our people of this fair land. This will be beneficial to all. Business will prosper, and we wish to see legitimate business prosper. Goods can be taken from the shelves and used by our people who need them so badly. Farm products can be bought by the workingman and the professional man. All this will benefit all; and it is our duty to not only bring this about but bring about legislation which will prevent a recurrence of this suffering.

I have introduced and am supporting legislation introduced by some others and am sponsoring a program of legislation which I believe will do this.

Then in closing let me say let us give our debtor people relief through their monetary system, which will be just and wise, and then give our people work and a fair income on the farm for their products and everyone who is willing to work throughout the land and revive business and stimulate industry and bring the purchasing power of our people up to what it should be, then prosperity will return and our problems will be largely solved.

This is a great program. I believe that there is hardly anyone who will deny that the Government can largely influence and help bring this about. Then will any dare part try. God help us to try and give our best each day to this task until it is accomplished. Thus shall we be enabled to add our part to carry down through the ages blessings and renown of our Republic, which shall dispense its beneficence, when this is accomplished, to every fireside in the land.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. DOXEY].

Mr. DOXEY. Mr. Chairman and members of the committee, it is my purpose to talk to you about House bill No. 4650, known as the Smith bill, which is short and to the point. It contains only seven pages and eight sections. A great deal of time has been spent in drafting this bill and it represents the combined thought of a number of men who for several years have labored assiduously for its enactment into law.

The House Committee on Irrigation and Reclamation, to which this bill was referred, has held extensive hearings on the proposed bill. The members of this committee have always evidenced great interest and sympathy for this proposed legislation, and both in the Seventy-first Congress and in the Seventy-second Congress reported this bill favorably.

The parliamentary procedure and other vital factors, which I shall not mention here, have heretofore prevented this legislation from being voted on by the Members of the House, but the proponents of this legislation have never ceased their efforts, and at the beginning of the Seventy-second Congress the Committee on Irrigation and Reclamation, just as soon as it was organized, granted this bill the right of way and gave us hearings and thoroughly considered it and unanimously made a favorable and comprehensive report on said bill.

It is obvious to those of us who are sponsoring this legislation that some of the same powers are working against the bill that have always opposed it. We understood the parliamentary situation, and the many, many obstacles that confronted us, and knew some of the powerful influences that at every turn endeavored to prevent the Members of Congress from voting on this bill.

So the next step was to prepare and file with the Rules Committee of the House a petition or resolution asking that the Rules Committee give us a hearing and adopt and report a special rule for the consideration of this bill in the Committee of the Whole House on the state of the Union, where we would be enabled to vote on the bill. This bill appears on Union Calendar as No. 21.

The Rules Committee very kindly granted a hearing on the resolution and the bill and for two days courteously and attentively listened to the friends of this measure discuss it and present their case, so to speak. These hearings before the Rules Committee were limited to two days and were concluded on January 28, 1932.

Now, it has been nearly 30 days since we presented our case; yet the Rules Committee has not rendered a verdict and in no wise indicated that they were going to grant and bring in a special rule for the consideration of this bill. In fact, it is reasonable to infer that the majority of the members of the Rules Committee are opposed to this measure or at least to this resolution for a special rule to consider this bill.

On February 3, 1932, which was Calendar Wednesday, some of us had hoped that in the call of the calendar in the House that the Committee on Irrigation and Reclamation would be reached, and in that event this bill would be considered and the House given an opportunity to vote on it.

Although the Reclamation Committee was No. 34 on the list, we were led to believe from investigation and conferences with some of the leaders and the various committee chairmen that most of the committees receiving the call on the calendar that day were not ready with proposed legislation that would require any considerable debate and that business would be disposed of rapidly, and the committee having jurisdiction of the Smith bill would be reached, and

my colleague, Judge HALL, chairman of the Irrigation and Reclamation Committee, had agreed to call up this measure just as soon as his committee was reached on the call.

The opposition to this measure sensed the situation and immediately upon the call of the calendar began a well-planned filibuster that proved very effective and this measure was not reached before adjournment on Calendar Wednesday, February 3.

Full well do we realize, as has been demonstrated by subsequent events, that the various committees that are entitled to the call ahead of the Irrigation and Reclamation Committee now have duly reported and had placed on the calendar proposed measures that they will insist on being considered and which in a great many instances include legislation that is highly controversial and will necessarily require considerable debate and time when reached on the calendar. Therefore, it is exceedingly doubtful if during this present session of Congress on the call of the calendar of the Committee of the Whole, the Committee on Irrigation and Reclamation will be reached and this bill through this means ever be before the House for consideration at this session of Congress.

Mr. PATMAN. Will the gentleman yield?

Mr. DOXEY. I yield to the gentleman from Texas.

Mr. PATMAN. I am in sympathy with the gentleman, and I would like to ask him if there is not some way that we could force a hearing on the legislation?

Mr. DOXEY. I am going to get to that in a moment.

My friends, it is plain, necessary, and may I say imperative, that if we expect to bring the Smith bill up before this Congress for consideration so we can get a chance to vote on it, we must resort to the discharge rule.

The petition or motion to discharge under the rules of the House must be signed by at least 145 Members before it becomes operative. Knowing that it is the most effective weapon now left us in the fight for this most worthy cause, the motion to discharge is prepared and by the early part of next week it will be filed and on the Clerk's desk ready for your signature. May I implore you with all the earnestness that I possess to sign it so this Congress may have the right and privilege to express itself on this legislation.

This bill in the Senate is known as the Glenn bill and is S. 1856. It has been reported favorably by the Senate Committee on Agriculture and Forestry. It passed the Senate at the last session of Congress, and I am sure it will pass the Senate at this session.

Are we going to let it die here in the House just because it means a hard fight? No; a thousand times no!

Sign this discharge motion. Let us by this means bring this measure on the floor of the House for a vote, and when we do we will pass one of the most helpful and most constructive pieces of legislation that has passed this House since I have been a Member of Congress.

From my contacts with the Members of this House, and knowing that there are 34 States of this Union that have problems which this legislation vitally affects, I can not conceive of any reasonable or justifiable opposition in this branch of our Government to this measure which when enacted into law will have such wholesome and far-reaching effects.

At this session of Congress we have passed legislation designed to open the avenues of credit for the banks, trust companies, building and loan associations, railroads, private corporations; in fact, every organized entity in our business structure. Yet, notwithstanding all that has been done to open the floodgates of credit, the Glenn-Smith bill is the only act that will tap the reservoir of credit for the distressed farmers and taxpayers residing within these levee and drainage districts.

The relief provided in this bill is no dole, no gift. It is economically sound and can be put into operation at once. The farmer is given a chance to work out his own destiny on his own land by his own investments. His tax burdens are lightened by low interest and long-time money furnished at no expense to the Government or to the people of the United States.

As I have repeatedly said in the hearings before the committee and elsewhere and to many of you in discussing this bill, I do not think any legislation proposed in Congress, or that has been passed since I have been a Member of Congress, will give more direct aid to distressed agriculture and specifically relieve and actually help the individual farmer and taxpayer than this bill, for which as an individual and as a member of the steering committee I have worked hard and am asking you to support with all the sincerity of my being.

It is not my purpose to trespass upon your time, but I do ask your indulgence to permit me to briefly sketch and analyze this bill—and to some degree, at least, explain its set-up and what far-reaching benefits will accrue to those whom it is designed to help—if it is properly administered.

The caption of this bill speaks for itself—

To provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes.

It is well named, and those whom it is intended to benefit richly deserve help and need it immediately—now.

Briefly, here is the body of the bill—

Section 1: Creates a revolving fund out of which the Secretary of the Interior is authorized to loan to any such district an amount sufficient to redeem the outstanding indebtedness.

Section 2: Meaning of district—legal entities. Meaning of bonds—lawful indebtedness.

Section 3: Secretary of Interior to use his judgment in each case when the district makes application for loan. Governing authority of district, subject to the approval of the Secretary of the Interior, authorized to compromise with owners of outstanding bonds and secure loans to pay off agreed compromise. Consider and investigate economic value of taxable property, and Secretary of the Interior is to be satisfied the loan will be paid at maturity. Loans may be made annually to take up outstanding indebtedness. But where a compromise is necessary and affects the indebtedness so reduced, it is to be paid off.

Section 4: Property within the district subject to taxation; beginning at end of 10 years the annual taxes must be sufficient to establish a sinking fund which will retire the loan at the maturity dates fixed by Secretary of the Interior.

Section 5: Loans shall be made for a period not exceeding 40 years, to be determined by the Secretary of the Interior, bearing interest of 3 per cent per annum, payable annually; provided during first five years of loan the interest shall accrue and be payable during succeeding years in equal annual installments. These loans shall be secured by issuance and delivery to Secretary of the Treasury by proper authorities refunding bonds payable to United States in amount of loan, etc., and be a lien on all taxable property within said district which may be subject to assessment for payment of bonds. (No additional bonds to be issued without written consent of Secretary of Interior.)

Section 6: Property sold for unpaid taxes and bought by district. District allow owner or his heirs to repurchase said land within reasonable time to be fixed by the Secretary of the Interior and pay amount of taxes only.

Section 7: One hundred million dollars—revolving fund. Twenty million dollars each year.

Section 8: Secretary of Interior to set up machinery, and expenses to be paid out of money herein appropriated.

The individual farmer and taxpayer is given relief by aiding the district as a legal entity of which each taxpayer is a component part.

If we are doing the proper thing in legislative relief for private corporations, how much more eager should we be to pass legislation benefiting legal entities, public in their nature, part of our Government, so to speak, and composed of citizens who have helped make this great Nation the Mecca of the age and who years ago inaugurated these projects for the development of this country and the benefit of mankind.

Those patriotic and progressive people have invested their lifetime savings with the uttermost good faith in these projects and worked day and night in order that these lands might be made productive and useful and the vast area comprising these districts a better and safer place in which to live.

They have courageously carried on until now the burden of taxation can not be met without they receive some Federal aid and an extension of time to meet these obligations that will be met if they are not forced to abandon their homes and lose the accumulations of a lifetime.

This Government, by this legislation, will not lose anything. It is just providing the means, secured by the property, to tide these distressed districts over for a period of years.

I have always been conservative—my record here shows I have always stood for economy in Government. I have opposed and voted against much of the so-called remedial and benevolent legislation passed by this Congress since I have been a Member; but, my colleagues, this legislation is only a loan by the Government to those who live and own property within these distressed districts that are now practically bankrupt.

Extension of time and credit by the Government and the granting of a breathing spell, so to speak, will enable these people to keep their land and their homes and not join the ranks of the unemployed.

They will ultimately discharge these obligations that it is impossible for them to meet now or in the near future. The provisions of this bill give this relief and at the same time protect the Government against loss.

This refunding of the debts will only grant an extension of time and reduce the tax so as to enable the farmer to pay and not default. It gives him a chance and a break that he is justly entitled to.

This plan does not conflict with State laws. It gives farm relief through tax relief. It grants a safe, sane, and practical moratorium for five years on all taxes for drainage, levee, and similar purposes, and thereafter provides for a low rate of interest and further for a long extension of credit.

We all know that agriculture is the basic industry. When the farmer fails all other business must go down and thousands are thrown out of work. The great Committee on Agriculture, of which I have the honor and privilege to be a member, is working day and night to bring before this Congress real constructive legislation that will be of material and lasting benefit to distressed agriculture.

We realize that it is necessary to raise and stabilize commodity price levels, to afford reasonable production credit, better marketing facilities, and legislate on a broader and more direct scale in order to restore agriculture.

Last Wednesday, when the call of the calendar rested with our Committee on Agriculture, we called, considered, and passed a joint resolution to authorize the Secretary of Agriculture to aid in the establishment of agricultural-credit corporations, whereby machinery is set up to advance to the individual farmer money in order that he may be able to carry on his business and thereby better conditions generally.

When the purchasing power of the farmer falls and disappears, then comes the woeful reaction upon all business. To my mind, this is the vital factor that has caused the distressing situation with which we are faced to-day. Here is a real opportunity for us to help remedy and aid conditions generally.

The necessity for this relief is more than urgent and demands quick action on our part to avert a calamity over which these distressed people have no control. Nature itself forced this additional burden upon them.

There are more than 325,000,000 acres of land involved and more than 5,000,000 people living within these affected districts—for most part small farmers.

My friends, time will not permit me to give you statistics regarding my own State or even my district. They are, however, incorporated in the hearings on this bill to which I refer you. I can not here go into details. As I see the picture that most of you are familiar with, it is national and not merely local. This constructive piece of legislation will bring real relief and aid those substantial citizens who are the backbone of our Nation and tide them over the breakers that threaten to engulf them. It will make happy homes; it will make better living conditions; it will keep people on the farm and give employment to thousands. It will promote the general welfare of a type of citizenship that has in the past, and will in the future, be the bulwark of this Republic, both in times of war and in times of peace. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I now yield to the gentleman from Georgia [Mr. PARKER].

Mr. PARKER of Georgia. Mr. Chairman, I wish to address myself during the few minutes that have been allotted to me to the provisions of a bill introduced by me on February 16, 1932 (H. R. 9396), to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment by authorizing the construction and reconstruction of highways and by authorizing the construction of buildings for certain post offices, and for other purposes.

In the beginning I wish to State that in my opinion the opportunity that the present crisis affords this Democratic House of Representatives to bring the country out of chaos by enacting constructive legislation can only be measured by the needs of the rank and file of our people, which all of us admit are without parallel in the history of the Nation.

When Congress convened in December the Democratic Party, with its glorious heritage of having stood forth magnificently as the bulwark of the people from the time of its conception in the days of Thomas Jefferson, stood on the threshold of an unprecedented victory in the general elections of next November.

Has our party met the issues courageously or has it refused to accept the responsibilities that inevitably rest upon the shoulders of the victor?

First and foremost, we passed the foreign-debt moratorium. In doing this we postponed the collection of $252,000,000 that our sorely depleted Treasury had urgent need of. What does this mean to our people? It simply means that more than $2 in additional taxes must be collected from every man, woman, and child in America if we are to balance our Budget.

What did the champions of Democracy do next? They next presented to the Hoover administration a campaign fund of $2,000,000,000. In passing the Reconstruction Finance Corporation bill our party gave the minority the club with which they will attempt to beat us to death.

Of course, we expected the Republican Party to propose legislation in the interest of the classes. We did not expect Mr. Hoover's administration to shed tears over the sad plight of the masses. Our President had already told us in plain English what his attitude would be toward the unfortunates throughout the country when the people of the Mississippi Valley were dying like rats from hunger and exposure. Disaster had already overtaken them and they were naked and suffering when relief for them was suggested. Despite the fact that America had previously helped the people of other nations in times of peril and disaster, Mr. Hoover proclaimed from the housetops that the Government should not contribute one dollar for relief. Will Rogers and others of his type had to go about over the country and raise the $20,000,000 of funds that were needed for this purpose as best they could. In 1931, after 4,000 of our small banks had failed, while Mr. Hoover was giving out his famous Pollyanna statements, "Prosperity is just around the corner," and at a time when the big banks became shaky, the President changed his mind about the dole, as well as his ideas with reference to relief measures. He proposed to Congress that it rescue the scalawags who have within the last few years sold hundreds of millions of dollars' worth of for-

eign bonds to the American people, who are to-day suffering because of their losses, while the favored few, for whom he demanded relief, are spending their enormous profits received by them as their commissions.

When this legislation was suggested to Congress it would have been ludicrous, had it not been so distressing, to see Democratic Congressmen falling over each other to support it. In this connection I wish to read a little poem clipped from a recent issue of one of the daily newspapers, entitled "In Ballot Boxes," and written by George Sanford Holmes:

Our Congress and our President,
Upon the evening of election,
Gift-laden valentines have sent
To those they hold in most affection.

For workless wight in hunger ranks
They have no golden greetings tender,
But vote sweet charity to banks,
And mercy to the money lender.

They stint at alms for jobless grief,
But add to bankers' bonds and blisses,
And grant all Europe debt relief;
Signed "Herbert Hoover, love and kisses!"

Ah, well; the voters in bread lines
Know how to write and to remember;
They'll mail their own cute valentines,
In ballot boxes next November!

Although I pride myself on being a Democrat and despite the fact that I have swallowed many a bitter pill, sugar-coated with Democracy, I thank God that these are two sins against my people that I shall not have to answer for. My trouble may be that I am lacking in experience. I was not elected to Congress until September 10, 1931, and I am junior to everybody and his brother. I suspect I just do not know enough to follow the lead and have not sense enough to keep my mouth shut. I make this promise, however—if the leaders of my party do not go straight I reserve the right to blaze my own trail.

When I go back to Georgia and render to my people an accounting, I shall meet them face to face and not one of them can charge me with having forgotten the land of my birth, the tillers of the soil that nurtured me, nor the principles and policies of the party I love, the Democratic Party of Jefferson, Jackson, Cleveland, and Wilson.

Having sounded so many discordant notes and having pictured the clouds that hover over us, I shall turn to topics that are more pleasant, if less interesting. It is an awfully dark cloud that has no silver lining and I am convinced that those I have described to you can be turned inside out and that "although there are shadows in the valleys, there is sunshine on the hills."

At this time I wish to thank the United States Senate for having twice come to the rescue of the people already. The Senate amendment to the Federal land bank bill made that particular legislation worth while. I voted for an amendment in the House, but it was defeated here. I refer to the amendment that appropriated $25,000,000 to be used in carrying over our poverty-stricken farmers, who, otherwise would have been sold out of house and home. Likewise, the Senate made of the Reconstruction Finance Corporation act a much better bill than the one I voted against in the House. The Senate limited the amount of money that can be loaned to one borrower to $100,000,000. The House refused to decrease this amount from $200,000,000. The Senate made it mandatory that 10 per cent of the capital stock of the corporation be loaned to the farmers of the country through the Agricultural Department. In the form that these two measures were finally approved they will be of some benefit to the masses, especially the distressed tiller of the soil in my part of the country. As these measures passed the House, they were worthless to my people.

I find now that many of our Democratic Senators and Representatives are beginning to think as I think, and some of them are beginning to talk as I talk. The morning light is breaking and I sincerely believe that my party will yet offer to Congress a constructive program and to the country some substantial relief. Personally, I expect to vote for every measure that reaches the floor of this House that will grant relief to the common people of the country. I shall not quibble about the language of the bill nor the name that may be given to the particular kind of relief that is proposed. I shall champion the cause of the masses, who heretofore have had so few representatives on whom they could depend.

I care not what you call me, whether it be irregular, radical, or demagogic—that means nothing to me. Nor do I care whether or not I am returned to Congress. I would much prefer to return to my people from Congress with a clear conscience and possessed of that satisfaction that comes to those only who are courageous and unafraid to answer "Here am I" when duty calls.

Heretofore no substantial relief has been offered to the class of people whom I have the honor to represent. I refer to the average citizens of this Nation.

In presenting to Congress for its consideration this bill, H. R. 9396, I am offering a constructive program that will bring relief to the people, and at the same time stabilize the business of practically every business man in every nook and corner of our great country. Since the leaders of my great party have offered nothing better, and since it is impossible to follow the lead of one who does not move forward, I am constrained to ask the membership of this House, Democrats and Republicans alike, to join hands with me and let us do something for our people, for the country, and for posterity.

My people believe I am pursuing the right course, and if you do likewise your people will believe as mine do. [Applause.]

At this point I ask unanimous consent to extend into the RECORD an editorial that appeared in the Hawkeye, a Savannah, Ga., newspaper, in its issue of February 12, 1932.

The CHAIRMAN. Is there objection?

There was no objection.

The editorial is as follows:

CONGRESSMAN PARKER

We are not Congressman PARKER's "press agents." It has not been suggested to us by anyone to pen these lines. We are prompted to speak thus freely in his behalf by our sincere belief that we have as our Representative in the National Congress a man who, without fear or favor, is looking after the interests of his constituents. In this belief we think that the average, hard-working, honest, first-district farmer and business man will concur.

HOMER C. PARKER is not catering to the "blood sucking" vultures who are rapidly becoming the "landed gentry" or the "lords of the manor" of America, while the masses of real citizens are being converted more and more into a state of serfdom. Those pages of history which record the outstanding causes that aroused in the human breast the passion for freedom and which actuated them to spill their life's blood that we might have here in America a government by the people with equal rights for all, are being rewritten right here on the soil in which were sown the seed that liberty might be the harvest to be enjoyed by all. Congressman PARKER is not one, however, to help do this writing.

If we had more "Parkers" in Congress, the rights and privileges that were bought with the price of blood by our ancestors, could be snatched from the money hogs and restored to the masses of the people where they belong.

Seemingly, it does not matter with PARKER whether he is on the big side or with a minority composed of a mere handful, he votes as his conscience and good judgment dictate, after due deliberation as to whether or not a proposed piece of legislation will benefit to any extent the constituency that he represents.

His vote on various bills that have come before the present Congress—the moratorium, the give two billion bill, etc.—has been consistent and shows clearly whose interests he is striving to represent.

Keep the good work up, Mr. PARKER. We are for you.

Mr. OLIVER of Alabama. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MAJOR].

Mr. MAJOR. Mr. Chairman, I desire to call the attention of Congress, and those interested, to House Joint Resolution 303, which I have introduced, the purpose of which is to have classified the wheat and corn farmers of this country, according to the amount of each crop produced, as follows: Class 1, all persons, firms, and corporations which, in the year 1929, the last year for which figures are available by the last decennial census, produced not more than 3,000 bushels; class 2, the number which produced between 3,000 and 5,000 bushels; class 3, between 5,000 and 10,000 bushels; class 4, between 10,000 and 20,000 bushels;

class 5, between 20,000 and 50,000 bushels; class 6, which produced more than 50,000 bushels; and the resolution directs the Bureau of the Census, Department of Commerce, to supply Congress and the country with such information.

Although the Bureau of the Census has prepared from the individual census returns almost every conceivable set of figures and tabulations, the information called for in this resolution is not available. I am advised by the chief of the Bureau of Agricultural Economics, Department of Agriculture, that the information called for in this resolution would require the checking of approximately 4,000,000 schedules reporting wheat and corn production, and the counting of the number falling within each production group; that these schedules have already been transferred to cards which can be handled by machine, and it is estimated that it would take about 40 days for an operator of a machine to place these cards in their proper production groups, and the estimated cost of making up this tabulation for wheat and corn would be between $3,000 and $4,000.

The purpose of this information must be apparent to any person who has given any attention to the agricultural situation. The cause and the remedy for the low price of farm products in this country is one, no doubt, about which there has been more discussion than any other subject. Glittering promises have been made, many proposals advanced, and millions of dollars expended in what seems a vain effort to relieve the distressing situation. It hardly seems conceivable, with millions of hungry people in the world, that the cause of low prices, especially of corn and wheat, so low as to be far below the cost of production, so meager as to leave a trail of mortgage foreclosures, bankruptcies, and financial ruin to the farming industry unprecedented in American history should be so definitely charged to the energy and industry of those who till the soil by producing in greater quantities than the market will absorb and thereby create what is termed as surplus. Unreasonable, however, as it may appear, every individual, agency, and organization, so far as I am advised, who has devoted talent and energy to this problem, have invariably come to the conclusion that overproduction is the real seat of the difficulty, and have, in proposing measures of relief, proceeded upon the theory that some way must be found to rid the country of the surplus either by reducing production and thereby preventing a surplus, or in finding a way to dispose of the surplus after it is produced. It must be apparent to any student of present conditions—in fact, the last few years certainly have demonstrated—that under the existing order of things there can be no reasonable hope that the farmers of this country will be able to find an additional market for a sufficient amount of their surplus products as to have any considerable bearing upon the situation. The tariff walls, coextensive with the boundaries of the nations of the world, intentionally and deliberately designed to force the people of the various nations to buy and sell within their own borders only, taken in connection with the financial chaos existing in the world have foredoomed any hope the American farmer might cherish that this situation of overproduction can be relieved by finding a market abroad for his surplus products.

The Grain Stabilization Corporation itself, with unlimited Government funds at its disposal, in touch with the markets of the world, after purchasing over 329,000,000 bushels of wheat in an effort to stabilize the wheat market, was only able, up to July 1, 1931, to dispose of 72,000,000 bushels, and one-third of that amount was traded to Brazil for coffee. According to a statement appearing in the press, under date of February 7, 1932, the Department of Agriculture estimates that there is now in America, available for export, 304,000,000 bushels of wheat, about 75,000,000 bushels more than were available this time last year. This amount is in addition to 74,000,000 bushels required as a carry-over, making, in all, the stupendous amount of 429,000,000 more bushels of wheat in the granaries and store places of this country than are needed for domestic consumption. Of this amount, 180,000,000 bushels are in control of the Farm Board, purchased for the purpose of stabilizing the domestic market, and for which there is no market abroad.

The Secretary of Agriculture, in his report to the President under date of November 14, 1931, after describing the deplorable condition of agriculture, said:

> These conditions are vital as long as we maintain our present level of agricultural production. Our agriculture is burdened with surpluses. This has been repeatedly—and, in fact, almost continuously—the case since the war. The burden is especially heavy now, not primarily because of great increases over normal production, but as a result of great changes in the demand for our products.

The McNary-Haugen proposal, with its equalization-fee provision, and the debenture plan of farm relief, both widely supported, especially by the organized agricultural interests of the country, both of which plans have been strenuously opposed by the present and preceding administrations, were based solely on the theory that our surplus production was the basis of agriculture's trouble, and by these plans it was sought to provide a way by which the surplus could be sold abroad for whatever it would bring, spreading the loss thereby entailed over the entire production of the particular product involved.

The Grain Stabilization Corporation, above referred to, under the direction and guidance of the Federal Farm Board, an agency created by the agricultural marketing act passed by Congress at the urgent insistence of President Hoover, has spent millions of dollars in a futile effort to control the price of wheat and cotton by purchasing the surplus and removing it from the market. Hence this governmental agency has recognized and proceeded upon the theory that the farmer's trouble was primarily one of overproduction, for without this theory there was no excuse whatever for its organization or existence.

Every person who has paid even slight attention to the situation must have recognized the absurdity of the Farm Board or any other agency relieving this problem of surplus production by the purchase and storing of great quantities of any agricultural product. It may produce some small benefit while the Government agency is in the market, but after that it makes the situation even worse than it otherwise would have been, because with large quantities of any product in storage it naturally has a depressing effect upon the same product when offered for sale upon the market.

A reading of the hearing had before the Committee on Agriculture and Forestry of the Senate, during November of last year, thoroughly confirms the above statement. In fact the officers of the Farm Board, who appeared before that committee as witnesses, very readily admitted that the stabilization effort had been a failure and it is safe to predict that no such effort will ever again be undertaken in this country. That there is produced in this country a large surplus of wheat and corn for which there is no market abroad and that it is foolish to believe that a reasonable price can be maintained by any agency, governmental or otherwise, purchasing the surplus and storing it, are propositions, to my mind, about which there can be no serious argument.

CORPORATION AND LARGE-SCALE FARMING

One of the very noticeable tabulations prepared by the Bureau of the Census has reference to the number and size of farms in this country, and discloses that while the number of farms from 1925 to 1930 decreased to the extent of almost 100,000, yet the total acreage of farm lands increased during the same time by over 60,000,000 of acres; that the average per farm in 1925 was 145 acres and had increased to 157 acres by 1930. This same tabulation discloses during this 5-year period that while there was an increase in the number of farms with an average of less than 20 acres, chiefly fruit and vegetable farms, that the number of farms over 20 acres and up to 500 acres decreased to the extent of 304,000. This means, allowing four persons to a family, that over a million two hundred thousand persons living on farms in this class in 1925 were put out of business in the five succeeding years. It is also revealed that in what might be called an average-size family farm of from 100 to 175 acres, there has been a decrease in this 5-year period of

more than 100,000 such farms. However, this same tabulation discloses that there has been a remarkable increase in the number of farms of from 500 to 1,000 acres, and the increase in the number of farms of over 1,000 acres has been even more remarkable. The number of farms as shown by the 1930 census of over 1,000 acres was placed at 80,620, which represents an increase of 20 per cent in this size farm in this 5-year period.

Income-tax returns as reported by the Bureau of Internal Revenue indicate that there were in the year 1927, 8,454 corporations engaged in farming in this country.

The United States Chamber of Commerce a few years ago made some study of large-scale farms in the United States, and the New York Journal of Commerce, under date of July 29, 1929, in referring to this survey, states:

> The chamber survey, based on the actual operations of 74 farms located in 28 States, averaging 11,797 acres in extent, reveals that the large-scale farms are neither more nor less successful than the family-sized farms. Large-scale farming in the United States, the report reveals, is a well-established industry of considerable magnitude. In 1926 over 9,000 corporations engaged in farming made reports to the Bureau of Internal Revenue. Their gross incomes in that year aggregated $709,000,000, almost 6 per cent of the total gross income of American agriculture.

It is also stated in this same article—

> There is, however, a large number of large-scale farms which have reached the highest state of efficiency and which are making high income to refute the arguments often advanced that farms organized on an industrial scale can not succeed in competition with family-farm enterprises.

In an issue of Agricultural Engineering, under date of January, 1929, is an article entitled "Ten Years' Experience in Manufacturing Wheat on 1,000 Acres," by Thomas D. Campbell. This is a very interesting article on how one man managed a sufficient number of acres to produce 100,000 bushels of wheat in one year, and I quote the following very striking statement contained in this article:

> It is hard to investigate agriculture without becoming too enthusiastic as to the possibilities that are present for the engineer. I know that there is no opportunity in all creation to-day equal to the opportunity which the agricultural engineer has before him. I have stated many times that there is no industrial opportunity in the United States equal to the opportunity of industrial farming. There is no capital investment which you can make to-day which will yield as big a return over a period of 10 years as industrial farming.

The lack of information as to the extent of the development and increase of large-scale farming is set forth in a special survey of this matter, made by the Bureau of Agricultural Economics in 1925, as is disclosed by the report of this survey found on page 535 of the Yearbook of the Department of Agriculture for the year 1931. In this article it is stated:

> It is common knowledge that there are a number of well-organized farms that should be classed as large businesses, but there is little information as to the number and size of units included in the class.

Here the statement is also made—

> Advantages and disadvantages of the large farm have been the subject of much discussion during the past few years. Some people have advocated the application of "big business" methods to farming, whereas others have expressed serious doubts as to the desirability of the decrease in the number of family-size farms which would probably accompany any marked increase in the operation of farms as large business enterprises.

This report is interesting in that it discloses the same tendency with reference to the increase in the acreage and number of large farms in the period from 1920 to 1925 as it was from 1925 to 1930, as heretofore pointed out. According to this report, while the number of farms with less than 1,000 acres decreased during this period to the extent of 72,000 in number, there was an increase of some 4,000 in the number of farms above 1,000 acres. This report also discloses that there were 11,791 wheat farms in the United States in the class above 1,000 acres; that 9,500 of these farms contained between 1,000 and 2,000 acres, and another 1,000 were in the 2,000 to 3,000 acre group. Assuming the average acreage of these 9,500 farms to be 1,500 acres and the 1,000 farms to be 2,500 acres, and also assuming these large wheat farms increased 20 per cent in number between 1925 and 1930 as large farms generally increased, and estimating the wheat yield at 18 bushels per acre, there was produced in 1930 on these large farms about 350,000,000 bushels of wheat, or about two-fifths of the entire production in this country.

In the Country Home magazine of February, 1931, is a remarkable story of large-scale farming by corporations, and the article is entitled "Look Out for the Engine." It relates how John D. Rockefeller, jr., loaned $150,000 to the Fairway Farming Corporation of Montana, whose business was the raising of wheat on a large scale. The project was started in 1925, and some 15,000 of acres were operated, divided into units of 800, 1,200, 1,800, and 3,000 acre tracts. This corporation in one year, so it is stated, produced more than 300,000 bushels of wheat. The most elaborate machinery obtainable was installed and man power used in production was reduced to a minimum. The article referred to discloses that on a 3,000-acre unit, using a 12-plow, 50-horsepower tractor, capable of pulling 60 feet of grain drills, wheat was produced on a cash operating cost of 21 cents a bushel, with man labor of 54 minutes per acre, and the statement is made "with land enough and big enough, a bushel of wheat can be grown and threshed with three minutes or less of human labor." Prof. M. L. Wilson, the manager of this great farming corporation, gives "economy of immensity" as the chief result of this colossal experiment and predicts "it will remove from agriculture all but the ablest of those now engaged in it," and gives as his deliberate opinion "that the American farmer will go capitalistic like other big businesses, and that world forces will either make of the small farmer a big farmer or make him quit."

This same experiment is described in the Country Gentleman of May, 1929. It is boasted as a great achievement that one man operated a 3,000-acre farm, all under cultivation. Wheat was produced on this farm at a cost of $8.70 per acre, as compared with an average cost of $14 per acre the country over.

Prof. W. E. Grimes, of the Kansas State Agricultural College, is authority for the statement contained in the Country Gentleman of May, 1929, that in eastern Kansas it is possible for three men to handle 30,000 acres of land, 10,000 acres in cultivation with 20,000 acres for grazing.

Under date of January 15, 1932, in a letter directed to me in response to an inquiry as to what portion of wheat and corn was produced on large farms, the Bureau of Agricultural Economics, of the Department of Agriculture, submitted a table which the letter pointed out contained a mere estimate, as the department had no figures on which a definite statement could be made. However, the estimate as shown by this tabulation discloses that about 89 per cent of the farms reporting corn produced less than 1,000 bushels each, and that the other 11 per cent produced corn in excess of 1,000 bushels each, but it is disclosed that the former class produced only 52 per cent of the total production, while the latter class produced 48 per cent of the total production. In other words 11 per cent of the farmers producing corn produced 48 per cent of the total production, while the other 89 per cent produced only 52 per cent of the total production. This same tabulation discloses that 96 per cent of the farmers producing wheat produced less than 1,000 bushels each; that only 4 per cent produced more than 1,000 bushels each, but that 96 per cent only produced 64 per cent of the total production, while the 4 per cent produced 36 per cent of the total production. In other words 4 per cent of the wheat farmers produced considerably more than one-half as much wheat as the other 96 per cent produced and therefore this 4 per cent contributed one-half as much to the surplus and the destruction of those thus engaged as the remaining 96 per cent.

At my request the legislative reference service of the Library of Congress has made a thorough study and research of the subject of "wheat and corn production in the United States in accordance with size of crop produced," and under date of January 25, 1932, furnished me with a

lengthy and somewhat exhaustive report of its study. The report is of such length I do not care to include it in its entirety, but desire to quote from it as follows:

The producers of wheat and corn in the United States are not classified in accordance with the size of crop they produce. Census reports show the number of farms in the United States classified according to their acreage. The total acreage of farms in the various-size classes from which crops are harvested is given by counties. The reports, however, lack data as to the character and size of the crop. It is manifestly impossible to base any computation of value or accuracy on these data. There is a wealth of material available in various agricultural publications on large-scale farming, but there is a decided lack of data as to the extent to which corporations control farming operations.

In 1928 the Montana State College of Agriculture made a survey of 100 of the most successful wheat farms in that State to find out something about the relation of the scale of their operations to their success. They found that the average acreage in this group of highly successful farms was 1,045 acres in 1924, 1,130 acres in 1925, 1,250 acres in 1926, 1,625 acres in 1927, 1,900 acres in 1928, and an estimated average of 2,400 acres in 1929.

Agricultural economists and others have written much on large-scale farming but have generally confined their interest to the economies effected by the use of industrial methods, the increased efficiency of group management, or mere description of the methods of operation on the various large-scale farms. Of some 250 references to magazine articles, newspaper articles, and books on the subject of large-scale and corporation farming in the United States, contained in a bibliography prepared by the Bureau of Agricultural Economics of the United States Department of Agriculture, none apparently deals directly with the problem under consideration.

The increasing production of wheat on large farms has been regarded as a factor contributing to the present surplus of that commodity. The extent to which this is true can not at present be accurately determined. It may be noted, however, that in Kansas, the principal wheat-producing State according to the reports of the Bureau of the Census and the Department of Agriculture, there was in 1929 a considerable reduction in the acreage from which crops were harvested in farms of less than 280 acres, while at the same time there was a very material increase in the acreage from which crops were harvested in farms of more than 260 acres. These statistics do not indicate just what the crops were, but the total wheat acreage in Kansas increased from 9,716,922 acres in 1924 to 12,081,021 acres in 1929.

This report just quoted includes a list of many projects of corporation and large-scale farming, some of which I have heretofore referred to.

THE FAMILY-SIZE FARM SHOULD BE MAINTAINED

I am unable to reconcile myself to the idea but that the passing of the family-size farm is one of the greatest menaces now confronting this country. Millions of our people have spent their lives upon a 160 or 200 acre farm, thrilled with the pride which comes from the ownership and operation of such a farm. Their honest and frugal efforts, their independence and self-reliance have contributed more to the well-being of society and government than any other force. On every hand to-day we find men—leaders in business, finance, and politics—who owe their success in life to the essential, fundamental characteristics instilled into their lives while they resided on the farm home, where every member of the family was a fixed and necessary part of the enterprise. The destruction of these family farms through bankruptcies, mortgage foreclosures, and otherwise; the substitution of the engine and engineering schemes of farming for the individual effort of the family-size farmer and members of his family, to my mind is one of the most dangerous signs of the many distressing problems of the day.

The accumulation of great tracts of land, under one ownership and management, whether it be by individual, company, or corporation, the industrialization and mechanization of agriculture, will do for the family-size farmer of this country exactly what the chain store has done for the independent merchant, and, as is boastingly stated in the article heretofore quoted, "will make of the small farmer a big farmer or force him to quit." It has already caused thousands of them to quit, and an unrestricted continuation of this large-scale and corporation farming will force thousands more to cease agricultural pursuits.

Instead of the present conditions where it is impossible for the small farmer to compete with this large-scale business and where he is rapidly being annihilated by a surplus production, some way must be found to remedy the situation, by legislation if necessary, so that the farmer of ordinary means and acreage will again have an opportunity and be permitted to occupy his former and useful place in the affairs of our land.

WHAT CAN BE DONE

In an address prepared by Mrs. James C. Stone, chairman of the Federal Farm Board, for delivery before the National Cooperative Council convened at Washington, D. C., on January 26, 1932, in discussing the agricultural marketing act it is stated:

The law contemplates adjustment of production to the probable consumer's demand, and this seems absolutely necessary if farmers are to get a fair return for their products.

What has the Farm Board done to bring about this adjustment? Its efforts have been confined entirely, which perhaps was as far as it could go under existing law, in urging a reduction in the amount of production by voluntary action on the part of the farmer. This program has been a dismal failure, but such failure might naturally have been expected, in fact it was inevitable, with millions of farmers, scattered all over this great country, small farmers and big, not organized to cope with such a gigantic situation; it was preposterous to even believe such a voluntary plan could succeed. This proposal of voluntary crop reduction is on a par with the advice, "Plow up every third row," given to the cotton farmers of the country.

If it is essential that acreage and production be decreased in order to relieve ourselves of the surplus, why not require those who are producing in such large quantities to contribute to this decrease in proportion to the amount of their production? The corporation or individual who is producing 50,000 bushels of wheat per year is contributing as much to the surplus as 25 family farmers who are producing 2,000 bushels each, and this large producer is not only destroying himself but 25 of his fellow farmers at the same time. Why should not the amount of production be regulated by legislation, by requiring those who produce in large quantities to turn over to the Farm Board a certain per cent of their production, exempting the farmer who produces, say, a maximum of 3,000 bushels, increasing the amount required to be turned over as the amount of the production increases. This is somewhat along the same theory that income taxes are applied, where the per cent exacted increases as the amount of income increases. A plan of this kind would do two things: First, it would retard the increase in large-scale farming and increase the number of small farmers; and, second, it would enable the Government to control without cost a surplus production of wheat or other crop, which surplus—or, at least, a reasonable amount of it—could be held as a safeguard against a shortage in crop production the succeeding year, and after that purpose had been served this surplus could be used for charity purposes in this country or sold abroad for whatever it would bring, and the proceeds distributed among those who had contributed to this surplus-reduction process in proportion to the amount which each was required to contribute thereto. In this manner the Government could regulate and control the surplus so that the producers would receive a fair price.

I know many objections will be raised to this suggestion. It will be claimed it is not constitutional, and it may not be, but the idea is worth studying and developing. This Congress has passed legislation to aid the financial institutions of the country which can be justified only by the deporable condition which exists. In no line of human activity is that condition more deplorable than in agriculture. Give the farmers, those who are depending on the proceeds from a 160 or 200 acre farm for a living, a fair price for their products, and the return of that long-promised prosperity will be in full swing. The purchasing power of this large and important portion of our population will soon have in motion the wheels of industry, labor will be employed, unemployment will diminish, and happiness and contentment will again be with our people.

Whatever may be thought of the suggestion which I have advanced, it will be worth while to have compiled the tabulations requested in this resolution. It certainly will be in-

formative to learn from the census returns how much of this surplus is produced by the family-size farmers and how much by those who farm with the admonition, "Look out for the engine." I hope my resolution may have favorable consideration.

Mr. OLIVER of Alabama. Mr. Chairman, I yield to the gentleman from Georgia [Mr. LANKFORD] such time as he may desire.

Mr. LANKFORD of Georgia. Mr. Chairman, I am resolved and determined that this Congress shall pass some real legislation for the farmers or I shall do everything humanly possible to make known why it is not done. No one has a right to pose as the friend of the farmer unless he bona fide strives to help the farmer get a much better price for his products; and to stop the present wholesale foreclosure of farm loans; and to give the farmer much better treatment in matters of taxation; and to put the farmer on an equality with other enterprises, as promised by both the Democratic and Republican Parties.

None of the laws passed by this or any other Congress do these things, but on the contrary, most laws, especially by this Congress, are injurious to the farmer and the average citizen and are in behalf of others. Of only slight value is the little money loaned grudgingly for production purposes. There would be no need of loans to farmers at all if they had been given a square deal heretofore.

Government loans to farmers are destroying them instead of helping them. I am in favor of good roads and other public improvements, but what consolation is it to a farmer for a good road to be paved by his home after it has been sold out from under him and his family? I favor reduction of larger salaries, the consolidation of the bureaus, and the elimination of all unnecessary expense, but what good do all these things do the farmer who loses his home, the laborer who is out of a job, the bank depositor who has lost his money, and the independent business man who has been closed out unless these poor unfortunate people are placed back in the economic scheme where they were before this depression.

To my mind, all that Congress may do or has ever done in the past sinks into insignificance and is the bitter ashes of failure if we allow our farmers to lose their homes by foreclosures, and force those farmers who are still able to produce to continue to produce and further enslave themselves and their families by standing by and seeing their products taken—not bought—at less than the cost of production.

Nothing in our Nation is worth saving other than our homes and those who live in our homes, and by our homes I mean the abodes of the laborers, the farmers, and the common people, be those homes ever so humble and be those homes the abode of the tenant, the hired man, or the poorest of the poor, just so that home is the place where there is to be found the unit of our American civilization—the American family.

Henry Grady said, "Teach a man that his sovereignty is beneath his hat, linking to a spot of earth, and his loyalty will save the Republic when the drum tap is futile and the barracks are forever deserted."

The home of the citizen is the citadel of strength of the American Nation. Save this and we save all. All the laws ever written into the books, all that ever will be enacted, and all the platitudes of designing politicians become empty mockery and a national disgrace if the American homes are blotted from our national life.

At any price we must save our homes, and we must save the homes of the independent patriotic farmers and their families.

Ah, Mr. Chairman, we must stop the present orgy of loan foreclosures or cause our Nation to suffer an irreparable injury and drift toward oblivion like a ship with only a horde of incompetent wild pirates aboard and without a pilot or a sail.

The farmer is the keystone of the arch of prosperity. Let us make our Nation a paradise of happy, prosperous, contended farmers, and all else will be well. Let us do this, and the depression will disappear like morning dew before the rising sun.

Mr. SHREVE. Mr. Chairman, there are no further requests for time on this side.

Mr. OLIVER of Alabama. Mr. Chairman, I yield to the gentleman from Georgia [Mr. Cox] 20 minutes.

Mr. COX. Mr. Chairman, in the effort to stimulate interest in Philippine independence, I make this my second appearance to discuss this question.

Much may be said of apparent irrelevancy to the issue, that is, the capacity of the people of the islands to maintain a stable government, but understanding of the whole problem should be aided by laying down a proper background.

After the United States had taken the islands by a war of conquest carried on wtihout constitutional sanction the question of fixing their permanent status became of wide interest. However, the possibility of making decision consistent with declaration of intentions made at the beginning of the war with Spain was soon foreclosed on account of the fact that independence became an issue in a memorable contest between the two great political parties of the country. Except for this unfortunate development the whole question might have been fought out on the issue drawn between imperialism on the one hand and democracy on the other, between those who believed that the welfare of the Filipinos would be best served by permitting them to work out their own salvation with sympathetic aid and those who contended that their subjugation for an indefinite time was necessary to their preparation for self-government.

It was, of course, expected that our professional soldiers would champion the cause of imperialism. They always do. Theirs is the trade of war, and conquest makes for war. But even with this tremendous influence the imperialist could not have won except for the greed of capitalism that found expression in the activities of big business which wanted the Philippines for the ostensible purpose of expanding our commerce with China, but which was more for the opportunity that was afforded of exploiting the Filipino people. The fact might as well be stated, for it is a fact, the subjugation of these islands was demanded because of the profit which it was thought they would bring to American business and not because of a sense of duty of holding them for their own good.

The political contest of 1900 was decided upon issues other than Philippine independence; but because the question was involved, it settled for the time being the fate of this unfortunate people who had fought half a hundred revolutions for independence.

All official or semiofficial studies of the Philippines of this period were political in character and made to justify the policy already inaugurated and hoped to be continued, all bottomed upon the assumption that the Filipinos were incapable of self-government. It was familiar propaganda at the time that the Filipino people were divided amongst themselves, and yet disclosures made at a later date showed that there was perfect unity and cooperation between them. The president of the first Philippine Commission said "Aguinaldo was the incarnation of the feelings of the Filipinos," and General McArthur said, "I have been reluctantly compelled to believe that the Filipino masses are loyal to Aguinaldo and the government which he leads."

There had been developed throughout the centuries of their struggle for independence a perfect cohesion of the people that led up to the establishment of a national government "founded in the sacred and natural bond of blood, language, uses, customs, ideals, and sacrifices," such a union as did not exist between the Colonies when they went to war for independence.

It could not be said in truth that a people who had struggled for near four centuries for the right of self-expression were unfitted for self-rule; and who is to be the judge of the justness and benevolence of the government that they inaugurated and would have supported except themselves? Read the provisional constitution of the Philippines and the laws promulgated and learn something of the political wis-

dom and understanding of the Filipino leaders and of the spirit of the people who formed it.

These people are not lawless by nature but are a well self-disciplined race and are committed to the republican form of government. The inauguration of civil government by Governor Taft was resisted by our then military masters, who favored the prosecution of the war to the utter extinction of all resistance to foreign rule. But civil government was nothing more than government by law, a law, it is true, enacted by a foreign power for local application, but nevertheless a law that promised better rule than that to which they had theretofore been accustomed.

The policy of Governor Taft had as its objective the colonization of the islands. It was a modification of earlier presidential policy and was instituted out of deference to American public opinion. Almost unlimited powers were lodged in the hands of the governor and the commission. Laws were made and altered to accommodate the ambition of American office seekers who filled all places of importance in the Philippine government.

The business of one nation governing another without that other's consent is one difficult of satisfactory performance, and except for this change of policy, which the Filipinos were led to believe was a promise of self-rule leading to speedy independence, greater difficulty in their pacification would have been experienced. The imperialists ceased to talk of conquest and territorial expansion, taking discretion to veil their motives behind benevolent supervision.

A brief statement as to the principal legislation affecting the Philippines might be informative to some who have not had the time or opportunity to examine the records and therefore not prove to be a complete waste of time. But preliminary to doing this permit me to remind you that sovereignty over the Philippines came to the United States by reason of the treaty of Paris, which after ceding control, provided—

> That the civil and political status of the native inhabitants of the territory hereby ceded to the United States shall be determined by the Congress.

With the adoption of the treaty the sovereignty of the United States was extended to all the islands, and, although the Constitution does not usually operate of its own force in the Philippines, those general provisions, such as the prohibition against slavery and involuntary servitude which restricts the power of Congress in any part of what Chief Justice Marshall called the "American empire," did become operative because they are coextensive with sovereignty, and this is true despite the fact that Congress in the Philippine bill of 1902 provided that section 1891 of the Revised Statutes of 1878 should not apply to the Philippines. This section of the statute reads:

> The Constitution and all laws of the United States which are not locally inapplicable shall have the same force and effect within all the organized Territories and in every Territory hereafter organized as elsewhere within the United States.

It should be remembered that with the ratification of the treaty of Paris the war powers of the President did not end. It was in the exercise of these powers that the war against the Philippines was carried on, and by reason of this power all orders of the President with express application to the Philippines became a part of the organic law of the islands. Presidential contribution to Philippine constitutional law is found in the instructions of President McKinley of April 10, 1900, directed to the Philippine Commission. This was later ratified and supplemented by congressional action in the Philippine bill of July 1, 1902, and then again by the Philippine autonomy act of August 29, 1916.

There were two commissions set up by the President in the Philippines. The first functioned as an aid to the Government in shaping a Philippine policy. Their service covered the period of military rule of the islands. The second commission was set up to experiment with the establishment of civil government. It is to be noted that under the war powers the President established military rule and then civil government.

Instructions to the second commission, said to have been prepared by Secretary of War Root, is a very remarkable document, called by one writer the Magna Charta of the Philippines, and of them another writer said that they were "the most nearly perfect example of organic law, jurisprudence, guardian of rights, distribution of powers, administrative provisions, checks, and balances civilization ever beheld in a single document."

Under the instructions the commission took over the military power of the President, that was legislative with certain executive functions, among them being the right to make appointments. The Philippine bill of 1902 was entitled "An act temporarily to provide for the administration of civil government in the Philippine Islands." You will note the use of the word "temporarily." This language was chosen out of deference to strong public sentiment demanding withdrawal from and complete surrender of the islands.

The minority of the House Committee on Insular Affairs reported a bill entitled "A bill to establish a stable and autonomous government in the Philippine Islands, and for other purposes," and in the report said:

> The theory upon which this substitute measure is based is that there should be conferred upon them (the Filipino people) for a period of eight years the largest possible share in the government of themselves and in the conduct of their affairs, consistent with our safety and best interests and our duty and obligations to the nations of the world, in order to fit them for that absolute independence and self-government to which the minority believe them entitled.

A somewhat similar bill was offered at the same session of Congress in the Senate.

The Philippine autonomy act of 1916, commonly known as the Jones Act, committed the country once and for all time to Philippine independence, but upon the wholly unworthy and aggravating proviso, "when a stable government can be established in the islands," a condition which the Congress of the United States and not the people of the Philippines are to determine when it has been met and fulfilled.

In the preamble to the Jones Act of 1916 will be found this language:

> It was never the intention of the people of the United States in the incipiency of war with Spain to make it a war of conquest or for territorial aggrandizement, and it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein.

And upon this basis the act was constructed.

In the bill as reported to the House a provisional government was provided for with assurances of full independence to the islands on July 4, 1921. The bill, as passed by the House October 14, 1914, promised independence to the Philippines but was not taken up by the Senate at that session. At the succeeding session of Congress the Senate Committee on the Philippines, reported out a bill slightly different to the House bill of 1914. When this measure came up for consideration there was attached to it what is known as the Clark amendment, granting independence in not less than two nor more than four years, and the bill was passed by the Senate in this form.

The House rejected the Senate bill with the Clark amendment. Differences between the two Houses went to conference, which committee reported the Jones bill in present form.

The Jones Act largely superseded the Philippine bill, and is more nearly an organic law for the Islands than the previous bill. In form and substance it partakes of the nature of a constitution. There are provided a framework of government, a bill of rights, certain positive powers and prohibitions. It is also superior to the Philippine bill from an administrative point of view. Under the bill executive powers are lodged in the Governor General appointed by the President, with the consent of the Senate, subject, of course, in certain instances to presidential veto and congressional action.

The Filipino people have no voice in the selection of their Governor General, and such weaknesses as have developed in the administration of the law are largely traceable to the exercise of the executive powers of the Governor General. Nevertheless, the bill formally laid down the policy of the Government toward the Philippines and definitely promised independence.

In 1898 Commodore Dewey said that the Filipinos were capable of self-government. Since then 34 years have gone by and still they are under the rule of a foreign power.

In 1900 President McKinley believed that conditions in the Philippines had improved to the point that civil government could be set up, and accordingly this was done in his instructions to his commission. Since then 32 years have passed, and still we hold them.

In 1902 Congress adopted the Philippine bill, which provided for temporary civil government. Since then 30 years have passed, and still the islands are ours.

In 1902 the minority party in the House favored granting freedom to the Philippines not later than 1910. This was 30 years ago, and still we hold them, with the right to do with them as we please.

In 1914 the original Jones bill was reported to the House providing for complete independence July 4, 1921. Eighteen years have gone by, and still they are a subject people.

In 1915 the Senate passed a bill granting independence not earlier than 1916 and not later than 1918. This was 17 years ago, but the Philippines are not yet free. And then came the Jones Act of 1916 promising independence when, in the judgment of the Congress, the Filipino people were capable of maintaining stable government, and that is the issue that confronts us at this time.

What tests of the problem are we going to apply? Must it be such government as would serve the needs of the complex life of the American people? Or shall it be one of better application to the simple life of the Filipinos? But make it what you please, the Filipinos are prepared to meet every reasonable demand. History does not tell the story of another people who have made the progress within the same length of time as has been made by the Filipinos since their subjugation by the United States, urged on, of course, by the promise of early independence.

They have adopted a system of jurisprudence comparable to that of the most progressive and enlightened states.

A people's laws are largely determined by their form of government. While the government of the Philippines is modeled after that of the Federal and State Governments of the United States, there is a difference in many respects, due to a want of sovereignty of the people in their government. It is republican in form, and in that sense it is representative within the limits of power delegation by Congress. There can be but little doubt, if given their freedom, they will continue along the lines upon which they have so far advanced, and this in spite of the fact that oriental tendencies strongly incline to the concentration of power in the hands of the few.

There is no great fear of an oligarchy supplanting democracy, but out of the conflict of the two ideals there may eventually develop a government which will be paternalistic in form, one which more nearly conforms to oriental psychology.

The most glaring difference between administrative law of the United States and the Philippines is in respect to the right of trial by a jury. The denial of this right to the islands was not objectionable to them, for their system of jurisprudence was founded upon the civil law. This practice would hardly be changed with independence.

The Filipinos are a united people. Their age-old struggle for self-determination had welded them into a common whole long before their transfer to the United States. In religion they are Christians, less than 9 per cent adhering to any other faith. This is the chief contribution that Spain made to their civilization.

From the standpoint of education there is less illiteracy there than is to be found in many of the olders states, such as Brazil, Greece, Bulgaria, China, Mexico, Cuba, Turkey, Russia, Palestine, Spain, and many others.

The public-school enrollment in 1929 was 1,076,707. In the same year there were 28,000 teachers doing public-school work; of these less than 300 were Americans. In that year they maintained 697 private schools with an enrollment of 100,000. Their great university, the University of the Philippines, had an enrollment in 1929 of 7,553, and in the same year conferred 774 degrees. Thirty per cent of the total national budget of the islands is expended for educational purposes. They support 180 publications, 27 of them being daily papers with a daily circulation of 200,000. The Government maintains a circulating library with a million and a quarter readers, and such other activities as are carried on by progressive States are maintained and supported by the Filipino people. For 30 years we have dangled above the heads of the islanders but just beyond their reach the priceless gem of freedom, the very soul of a people, which must ultimately die if independence be denied them.

In strength and patience they have borne their grievance in the hopeful expectation that American conscience would return from its long vacation and give consideration to the fulfillment of the country's plighted word. Gentlemen say not now but later.

Delay is dangerous in peace as well as war. It sets a precedent that wrong pleads with great persuasion. From it grows up distrust that rusts out the bonds of friendship and the basis of mutual understanding.

Whatever justification may be offered for this long procrastination, the time has come for action, for good intentions lose their nobility when expressed alone in words.

Delay is as dangerous for the United States as it is for the Philippines. The islands constitute our chief military weakness. They bring down upon us world suspicion and the constant dread of war. They are paralyzing American agriculture and impoverishing a quarter of the population of the land. For the Philippines, delay is breaking the hope of a people who trusted us. It is killing the national spirit of a whole race. It is destroying their individual initiative and breaking their faith in the high intentions of this Republic.

We hear the proposal to give the Filipinos their freedom denounced as cowardice. Is it cowardice to be merciful and do justice? If slavery be a desperate ill, is it cowardice to administer an immediate cure? Is it cowardly to protest against the destroying work of privilege which places a crown on the heads of the few and a cross on the backs of the many? If men be cowards who strive to push out the frontiers of human liberty, then who are the brave? Is it he who wears the lion's hide and carries a self-hacked sword, terrorizing the weak into submission to the strong? If this be so, then may God have mercy on the brave, for in this instance they do but serve that unfeeling and remorseless lust for gold, "the last corruption of degenerate man."

What is the demand of honor? Not that bastard sort of honor born as of yesterday that throws nature into revolt with itself, but honor that is old, the offspring of truth and virtue, blood-brother to the golden rule, the constant companion of morality. Is it that we go forward and act with faith and courage, doing that which we know to be right, or that we stand still and do nothing, which we know to be wrong? In the answer gentlemen will write their faith in freedom's cause. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. IGOE].

Mr. IGOE. Mr. Chairman, to-day we have under consideration a bill carrying another enormous appropriation for a continuation of the Prohibition Bureau. This is just another waste of money in a miserable attempt to enforce an unenforceable law.

It is of more than passing interest that only the Prohibition Unit is immune from the economy acts. One of the pledges upon which Members of my party were elected to this House, and which went a long way toward giving our party control of this body, was a pledge of economy. The

Federal Treasury is confronted with a deficit which at the end of the present fiscal year may reach the staggering sum of $3,000,000,000.

When the Democrats took control of the House of Representatives the leaders pledged themselves to cut appropriations to the bone. The record of the Appropriations Committee thus far made in this session is one to be proud of. To date that committee has completed the preparation of four appropriation bills—the first deficiency, the Department of Agriculture, the Department of the Interior, and the bill covering the activities of the State, Justice, Commerce, and Labor Departments. This committee has achieved the almost impossible task of reducing the appropriations for these various departments by over $36,000,000 under the amounts recommended by the President and the Bureau of the Budget. I do not believe that this cut in the appropriations will impair the efficiency of a single bureau or department of the Government in the slightest degree. I repeat this is a splendid record. It is in keeping with our party pledge and it is most gratifying to the taxpayers.

Prior to the convening of Congress the President gave a pledge of strict economy. He instructed the Budget Bureau to reduce its estimates of appropriations to the lowest possible figure consistent with Federal efficiency. Yet what do we find in the case of the Prohibition Enforcement Bureau? Simply this, that it alone is immune from retrenchment; that it alone must not have its appropriation cut a single dollar. The item carried in this bill for the Prohibition Enforcement Bureau is over eleven millions of dollars. This is exactly the sum appropriated for the current fiscal year and is again recommended by the Bureau of the Budget.

I maintain, Mr. Chairman, that this is contrary to the spirit of the times. It is not in keeping with our pledge of economy. Of all the manifold activities of the Government, why should the Prohibition Unit alone continue to be given the large sums of money with which it is attempting to enforce an unenforceable statute? We hear a great deal said about salary reductions. Labor is taking a cut in wages. Dividends are being either passed or reduced, and only the Prohibition Unit is immune from the order for economy.

On every occasion when an appropriation measure was considered in this House during this session of the Congress, the cry was raised about the excessive cost of government and the necessity for increased taxes. Yet, in this measure we are proposing to go along keeping the cost of government, in so far as enforcement of the prohibition law is concerned, on the same high level it has been in the past. I am opposed to this, because I believe it is against the wishes of the people and is a violation of the spirit which has actuated us in the consideration of other appropriation items. For this reason I shall seek to bring about the elimination of the entire amount carried in this bill for the activities of the Prohibition Unit.

Mr. McCORMACK. Will the gentleman yield?

Mr. IGOE. Yes.

Mr. McCORMACK. The gentleman used the words "high level." The gentleman means the high level with reference to cost, does he not?

Mr. IGOE. Yes; that is exactly what I mean.

The prohibition question has been a political football, kicked around by everybody for more than 10 years for want of a definite proposal for its solution. In the not far distant future, the Members of this body will be called upon to vote on the Linthicum-Beck resolution, "proposing an amendment to the eighteenth amendment of the Constitution," the first five lines of which are in the identical language recommended by all 11 members of the Wickersham Commission, in case the eighteenth amendment were to be revised. The remainder of the resolution restores to the States their right to deal with the liquor problem, with adequate Federal protection to those States desiring to remain dry. I am sure every Member of Congress, as well as my own constituency, knows that I am for the straight-out repeal of the eighteenth amendment. To my mind, such action would do more to solve the great and acute problem of unemployment and to restore tranquillity throughout the country than anything else that could be done. How would the repeal of the eighteenth amendment relieve the present unemployment and economic condition existing throughout the country to-day? Does it not occur to you gentlemen that the reopening of the breweries would provide employment for several hundred thousand men who are to-day unemployed; it would automatically increase the purchasing power of labor as a whole. This is the primary reason for the position taken by the American Federation of Labor, which points out that reopened breweries would not only provide markets for goods and jobs for workers, but would send an electrical thrill through some 60 other industries.

Some of those who are advocating the repeal of the eighteenth amendment fear that, if modification should prevail and the sale of beer and light wines be permitted, a great many people would be satisfied with this and would lose their enthusiasm for repeal. On the other hand, I am of the opinion that if those who advocate repeal, block or attempt to block modification, they will arouse resentment among the modificationists to such a degree that they are likely to imperil the cause for which they are striving. It is my judgment that the sentiment for repeal is just as strong among those who are now working for modification as it is among those who are making the fight for straight-out repeal. These two elements have a common purpose, and it is my belief they would much better serve the ends of both if they would work together, thereby greatly strengthening the cause of both. In other words, our army should not be divided.

There is convincing evidence that millions upon millions of American citizens—I believe a very large majority—are opposed to national prohibition. It is my judgment, too, that a majority of the people of this country are in favor of a repeal of the prohibition amendment. Certainly it can not be successfully denied that the number of people who are opposed to the further unsuccessful attempt to fasten this unenforceable law upon all of the people is steadily growing.

By referenda and legislative resolutions, six States have petitioned for relief from the unpopular prohibition amendment. These States are Massachusetts, Rhode Island, New York, Illinois, Wisconsin, and Nevada. They have a total population of more than 28,000,000, or a little more than 25 per cent of the population of the entire country. Nine States have repudiated national prohibition either by refusing to ratify the eighteenth amendment or by their failure to adopt State enforcement acts or by the repeal of the State enforcement acts. These States are Massachusetts, Rhode Island, Connecticut, New York, Maryland, Illinois, Wisconsin, Montana, and Nevada. These nine States have a population of about 32,000,000, or about one-fourth the total population of the United States.

Two States—Wyoming and Connecticut—have recently taken steps for a referendum on prohibition next November. They would not have done this if there had not been within their borders marked dissatisfaction with the state of affairs under prohibition.

We can not escape the significance of many elections in 1930, and of special congressional elections since that time. In Ohio, for example, a wet Democrat, Senator BULKLEY, running against a dry Republican in a State normally Republican, polled a total of 1,046,561 votes to only 863,944 for his dry Republican opponent. In New Jersey, the late Senator Morrow, a wet, running against former Senator Frelinghuysen and Representative Fort, polled a total of 422,978 votes in the Republican primary, and was elected by an enormous majority. The total of 1,010,204 votes polled by the Democratic candidate for governor in Pennsylvania, John M. Hemphill, a wet, against Governor Pinchot, a dry Republican, also has its significance.

I may mention, too, that at their last meetings the American Bar Association and the American Legion went on record either for the repeal of the eighteenth amendment or its submission to the people for a referendum. It is also unnecessary to call to your attention the fact that while in 1928 not a single State political platform contained a repeal plank, in 1930 there were repeal planks in 21 State plat-

forms. In the voluminous pages of the report of the Wickersham Commission there is to be found overwhelming evidence that the conditions which exist throughout the country have created a public demand for prompt relief.

It is my deliberate judgment not only that the "noble experiment" has been the most miserable fiasco in government within the history of our country, but that it has been the most costly. Prohibition, by constitutional mandate, is violative of the spirit in which the Constitution was written. It violates the theory of self-government. It destroys the principle of individual liberty. It takes away from the people the right to regulate their own affairs. But more than this, it is the most expensive experiment upon which our Government has ever embarked. It runs contrary to the law of economics and has placed an unjustified and almost unparalleled burden upon the already bent backs of the taxpayers.

The attempt to enforce this unpopular law upon the American people has cost the United States Treasury approximately $11,000,000,000 in lost revenue and enforcement costs.

From January, 1920, through the first half of 1931, appropriations for the attempted enforcement of prohibition approximated $375,000,000. These appropriations were for the Prohibition Unit directly, the Coast Guard, and for such other activities as have been conducted in the futile attempt to enforce this law. But this is only a small part of the cost to the Treasury. It covers only the direct outlay in appropriations. It is but a fraction of the total cost when we consider the loss of revenue to the Treasury in the failure to collect taxes on spirits and malt liquor.

At the time the prohibition amendment was adopted there remained but 15 wet States. Making due allowance for the increase in population since 1920, and basing the estimate on the amount of revenue the Government collected on liquor and beer sold in those States, we would now be collecting on the traffic in these 15 States more than $861,000,000 annually in Federal taxes. Thus, since January 1, 1920, we have lost in revenue twelve times $861,000,000, or a total of approximately $10,500,000,000. Allowing for the loss in revenue on wine, malt liquors, and spirits, and adding thereto the total of about $375,000,000 in direct appropriations, we have a total of approximately $11,000,000,000 which this so-called noble experiment has cost the Treasury of the United States. This sum is enough to pay all the ordinary operating expenses of the Federal Government for three years. It is four times the estimated Federal Treasury deficit at the close of the current fiscal year. It is three-fourths the amount of the gross public debt at the beginning of the last fiscal year, and equals the total of all the debts owing to the United States by the foreign governments at the close of 1931.

If the prohibition amendment were repealed, and the sale of wine, beer, and spirit liquors were resumed only in the 15 States that were wet when the eighteenth amendment was adopted, we would save not only more than eleven millions of dollars we are now asked to appropriate in a futile effort to enforce prohibition, but the Federal Treasury would be deriving in Federal revenue almost a billion dollars a year. With this revenue available, the puzzling problem of how to balance the Federal Budget would be quickly solved and it could be accomplished without a single increase in any present tax.

For the reasons I have given, I am strongly opposed to the item appropriating $11,369,000 for the continued futile attempt to enforce the unenforceable law. It is a senseless waste of money.

As one who favors the repeal of the eighteenth amendment, I have carefully read the provisions of the proposed Linthicum-Beck resolution and realize full well that many will immediately conclude that if this amendment is adopted it will mean the return of the old-time saloon. I do not concede this, but if it were true, I say I would much prefer that to the conditions of the present day, with all our beer-flats, speak-easies, and the carnival of crime we have witnessed throughout the entire country. These modern dens of vice, unregulated, and breeding places of crime, entice young people within their doors and start them upon their downward course. These, to me, are far worse than the old-time saloon ever was, and certainly incomparably worse than saloons would be today, because we have progressed very far in the last decade. If we had legalized saloons, to-day, they would have thrown about them such regulations by city and State laws that they would be very far superior to the beer-flats and speak-easies under prohibition. It was my observation, prior to the prohibition days, that bartenders did not permit minors to enter their doors or sell them anything to drink. Under prohibition, the speak-easies and bootleggers know no law. They sell even to children of grammar-school age and the stuff they sell is of such miserable concoction that it sometimes poisons even to the death.

An argument was advanced by some prohibitionist that the young would not drink, not having acquired the taste for intoxicating drinks. Formerly, young ladies would shun a young man who drank to excess; and a young man with a flask on his hip would be considered unfit to associate with. Under prohibition not only do they excuse the flask, but many of the same class of young ladies also drink strong liquor, whereas formerly they would have been subject to severe criticism at least for doing so. Now it is the common thing to do. Prohibition has given the flask and drinking by the young the badge of respectability and popularity. Not only this, but the young join their elders in their feeling of resentment against this unnatural and un-American law, and resentment also for those responsible for it. The question of prohibition is dividing our people as much as the slavery question did, and by many it is considered even worse, as it attacks personal rights and extends over the Nation, whereas the slavery question affected property rights and was sectional.

With the present unemployment and the general economic depression, I believe the time has come to display real leadership and to rise above selfish motives and settle this question upon its merits. Personally, I have three times tested the will of the people who comprise my constituency on the question of prohibition by advocating repeal of the eighteenth amendment, and on each occasion I have been elected to Congress by a larger majority than at the preceding election. I am convinced that good citizens everywhere are anxiously awaiting the day when the Membership of this House will show courage and good judgment by voting for a change, whether for outright repeal, for the settlement of the question on the principle of State rights, or for modification of the Volstead Act.

By a turn of the hand we can put into the United States Treasury about a billion dollars a year, and at a time when millions of men are walking the streets, their homes in jeopardy, their families without food, and all classes of taxpayers groaning under a burden of governmental costs they can not bear. By adopting this simple, wise, and just policy we would make it unnecessary to impose further crushing bureaucratic burdens on industry and taxpayers of all classes.

I am frank to state that unless we take advantage of this means of balancing the Budget, I think it is about time we handed this country back to the Indians with our apologies. [Laughter and applause.]

Mr. OLIVER of Alabama. Mr. Chairman, for the information of the House, I will say some inaccuracies appear in some of the statements made as to the appropriation carried for the enforcement of the prohibition law. Some, it seems, have been informed that this is the only appropriation in the pending bill that has not been reduced. I will here insert that part of the committee's report relating to the appropriation for the enforcement of the prohibition law.

BUREAU OF PROHIBITION

This is the only item in the bill about which there was disagreement on the part of the subcommittee, and two members of the subcommittee felt that since it appears there will be an unobligated balance in the appropriation carried during the present fiscal year for this item, that the appropriation for 1933 should be reduced by the amount of such unexpended balance. The majority

of the committee felt that as this appropriation is for the enforcement of a law which presents unusual difficulties at times in its enforcement, the appropriation should not be reduced. Similar action was taken by the committee for like reasons in the appropriations carried for the enforcement of antitrust laws and the immigration law, under each of which heads unobligated balances are shown for the present fiscal year.

Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MCREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported that the committee having had under consideration the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes, had come to no resolution thereon.

TRIBUTE TO THE LATE HON. PERCY QUIN

Mr. HALL of Mississippi. Mr. Speaker, I attended, as one of the official committee appointed by the Speaker, the recent funeral of our deceased colleague, Hon. PERCY QUIN, of Mississippi. There were several beautiful and impressive tributes paid to his memory in the Baptist Church of McComb, Miss., Sunday morning, February 7, 1932, but none more beautiful and sincere than that uttered by my distinguished colleague from Alabama, Mr. HILL. I ask unanimous consent to insert in the RECORD as an extension of my remarks the beautiful tribute paid my deceased colleague by the gentleman from Alabama, Mr. HILL.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The matter referred to is as follows:

As a member of the Committee on Military Affairs of the House of Representatives, of which our friend was the able and beloved chairman, I want to speak just a word of tribute and of love. While the shadows were yet falling to the west, while still in love with life and filled with the ardor of a great task he slipped out of the company of living men and went home to God. As Horatio said of Hamlet, "Now cracks a noble heart." His was the heart of friendship, brave, generous, and true. He made no demands, needed no assurances, exacted no promises—he gave all in loyal, loving friendship. If everyone for whom he did some kindly deed were to bring a flower to his grave he would sleep to-night beneath a wilderness of flowers.

He loved his people, and he was ever the watchman on the tower guarding their interest. His people's welfare was the passion of his heart, and he had the courage to wage the battle, the courage to fight for the weak, the down-trodden, and the oppressed, the courage to do his duty regardless of the consequences, the courage to stand fast by the perfect truth, the absolute right, the unsurrendered and unsurrenderable ideal, and to know that one upon the side of God is a majority. He set the example and lifted high the light of service for the guidance of our feet.

There was no Member of the House of Representatives more beloved by his colleagues than he. When the word went out that he was to speak the Members rushed to their seats to hear him. With his quaint and inimitable humor he shook them with laughter and then with the fervor of his earnestness and the eloquence of his sincerity he moved them to tears. In his passing Mississippi, land of Davis, of Lamar, of George, of Walthall, has lost one of her strong, noble sons, the Nation one of her ablest and most faithful representatives, and the people one of their bravest and best friends.

We loved him living; we love him now. In parting we say, Good night, sweet friend, may flights of angels sing thee to thy rest.

ORDER OF BUSINESS

Mr. OLIVER of Alabama. Mr. Speaker, may I have the attention of the majority and minority leaders in bringing to the attention of the House at this time a tentative understanding that we hope the House will give approval to. This understanding has been reached tentatively with representative Members on both sides of the aisle in reference to the further consideration of the pending bill. The gentleman from Pennsylvania and I are in agreement that on tomorrow the House will meet at 12 o'clock and that the gentleman from Pennsylvania and I (one or both) will then discuss the provisions of the bill, and it is our expectation that the reading of the bill under the 5-minute rule will commence about 1 o'clock or soon thereafter; and, further, since there has been expression from both sides of the aisle of interest in the appropriation for the enforcement of the prohibition law, it has been tentatively agreed between the gentleman from Pennsylvania and myself that when that item in the bill is reached, it will be passed over until Tuesday, with the understanding we will ask the House to limit the discussion of that item to two hours, one-half of the time to be used by those for and one-half of the time by those against, and this is to include all discussion of any amendments that may be offered thereto.

Mr. SNELL. Will the gentleman yield for a question?

Mr. OLIVER of Alabama. Yes.

Mr. SNELL. What is the plan or program for Monday's session? Has the gentleman talked that over with the majority leader?

Mr. OLIVER of Alabama. My understanding is that it is the purpose of the majority leader to recess until 2.30 on Monday. We will then again take up this bill under the 5-minute rule, and if the item to which I have referred is reached before Tuesday it will be passed over, to be returned to and disposed of on Tuesday, if the discussion is limited to two hours by the House.

I ask unanimous consent that this understanding which I have outlined be approved and authorized by the House.

The SPEAKER. If the Chair understands, the gentleman asks unanimous consent that general debate on this bill be limited to one hour and a half to-morrow.

Mr. OLIVER. Not exceeding one hour and a half, and to be confined to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. OLIVER of Alabama. I have made the statement with the consent of the majority and minority leaders, and I ask unanimous consent that when we come to the item of the appropriation for enforcement of the prohibition law that it go over until Tuesday; that there then be two hours of general debate on that paragraph and all amendments thereto, one-half to be controlled by those for and one-half by those against.

The SPEAKER. The gentleman from Alabama asks unanimous consent that when the paragraph relating to the enforcement of prohibition is reached, that it shall go over until Tuesday; that there shall be two hours of debate on that paragraph and all amendments thereto, one-half to be controlled by those for and one-half by those against. Is there objection?

Mr. BOYLAN. Reserving the right to object, do I understand that the total time to be devoted to the prohibition paragraph and all amendments is to be two hours?

Mr. OLIVER of Alabama. Yes.

Mr. BOYLAN. Does the gentleman think that is sufficient time?

Mr. OLIVER of Alabama. I have been informed by those against the proposed appropriation that such time will be satisfactory. It was suggested by them, and agreed to by the gentleman from Pennsylvania [Mr. STRONG] and myself, subject to the approval of the House.

Mr. SIMMONS. Reserving the right to object, in view of the fact that we are proceeding under the 5-minute rule for extension of time, it ought to be understood that the Chairman of the Committee of the Whole House on the state of the Union should recognize, alternately for five minutes each, gentlemen who are opposed to the proposition and those for the proposition, so that there will be no question as to control of the time.

The SPEAKER. The Chairman undoubtedly will control it. Is there objection to the request of the gentleman from Alabama?

There was no objection.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and under the rule referred as follows:

S. 487. An act for the relief of Herbert G. Black, owner of the schooner *Oakwoods*, and Clark Coal Co., owner of the

cargo of coal on board said schooner; to the Committee on Claims.

S. 567. An act to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland; to the Committee on Military Affairs.

S. 1021. An act for the relief of Joseph J. Baylin; to the Committee on Claims.

S. 1690. An act to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes; and

S. 1692. An act to amend section 90 of the national defense act, as amended, relative to the employment of caretakers for National Guard organizations; to the Committee on Military Affairs.

S. 1768. An act to provide for the opening and closing of roads within the boundaries of the District of Columbia workhouse property at Occoquan, Fairfax County, Va.; to the Committee on the District of Columbia.

S. 2265. An act to extend the time for repayment of certain loans to farmers for the crop of 1931; to the Committee on Agriculture.

S. 2307. An act to provide for the settlement of damage claims arising from the construction of the Petrolia-Fort Worth gas-pipe line; to the Committee on Claims.

S. 2623. An act for the relief of Howard Donovan; to the Committee on Claims.

S. 3282. An act to extend the times for commencing and completing the construction of a bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco by way of Goat Island to Oakland; to the Committee on Interstate and Foreign Commerce.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 81. An act granting the consent of Congress to the Catawissa Railroad Co. to reconstruct, maintain, and operate a railroad bridge across the Susquehanna River at or near Catawissa, Pa.;

H. R. 6304. An act to transfer Lavaca County from the Houston division to the Victoria division of the southern judicial district of Texas;

H. R. 7247. An act authorizing the Rhode Island State Board of Public Roads and the State Highway Department of the State of Connecticut to construct, maintain, and operate a free highway bridge across the Pawcatuck River near the location of the present Board Street Bridge between Westerly, R. I., and Stonington, Conn.; and

H. J. Res. 271. Joint resolution amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis.

ADJOURNMENT

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p. m.) the House adjourned until to-morrow, Saturday, February 20, 1932, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

449. Under clause 2 of Rule XXIV, a letter from the Comptroller General, transmitting a report with recommendations on certain claims transmitted to his office by the Secretary of the Navy, pursuant to the act of March 2, 1927 (44 Stat. pt. 3, 1800), and the act of February 2, 1929 (45 Stat. pt. 2, 2047), (H. Doc. No. 257), was taken from the Speaker's table, referred to the Committee on Claims, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MONTET: Committee on Military Affairs. H. R. 7788. A bill authorizing the granting by the Secretary of War of a right of way to the Georgia Highway Department; without amendment (Rept. No. 551). Referred to the Committee of the Whole House on the state of the Union.

Mr. FERNANDEZ: Committee on Naval Affairs. H. R. 5352. A bill to provide for the better administration of justice in the Navy; without amendment (Rept. No. 577). Referred to the House Calendar.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 8897. A bill to authorize compacts or agreements between States relating to service of process and production of witnesses in criminal cases; with amendment (Rept. No. 578). Referred to the House Calendar.

Mr. SMITH of Idaho: Committee on Irrigation and Reclamation. H. R. 9489. A bill for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law; without amendment (Rept. No. 579). Referred to the Committee of the Whole House on the state of the Union.

Mr. GILBERT: Committee on the Library. House Concurrent Resolution 14. A concurrent resolution accepting the statue of Gen. John Sevier, presented by the State of Tennessee, to be placed in Statuary Hall; without amendment (Rept. No. 580). Referred to the House Calendar.

Mr. LINTHICUM: Committee on Foreign Affairs. H. R. 9393. A bill to increase passport fees, and for other purposes; without amendment (Rept. No. 582). Referred to the Committee of the Whole House on the state of the Union.

Mr. LINTHICUM: Committee on Foreign Affairs. House Joint Resolution 275. A joint resolution to authorize participation by the United States in the Interparliamentary Union; without amendment (Rept. No. 583). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Labor. H. R. 8088. A bill to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes; with amendment (Rept. No. 584). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BLACK: Committee on Claims. H. R. 611. A bill for the relief of Con Murphy; without amendment (Rept. No. 552). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 689. A bill for the relief of Newark Concrete Pipe Co.; with amendment (Rept. No. 553). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1222. A bill for the relief of Julia Kerr O'Bleness; without amendment (Rept. No. 554). Referred to the Committee of the Whole House.

Mr. GASQUE: Committee on Pensions. H. R. 9575. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; without amendment (Rept. No. 555). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1903. A bill for the relief of Harrison Simpson; without amendment (Rept. No. 556). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2684. A bill to extend the benefits of the United States employees' compensation act to the widow and minor children of James P. Conway, deceased; without amendment (Rept. No. 557). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2685. A bill to extend the benefit of the United States employees' compensation act to Frank A. Smith; without amendment (Rept. No. 558). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3414. A bill for the relief of Ellen N. Nolan; with amendment (Rept. No. 559). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3790. A bill for the relief of Arthur Richter; without amendment (Rept. No. 560). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3845. A bill for the relief of Charles L. Barber; with amendment (Rept. No. 561). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4309. A bill for the relief of Albert H. Jacobson; with amendment (Rept. No. 562). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4948. A bill for the relief of certain newspapers for advertising services rendered the Public Health Service of the Treasury Department; without amendment (Rept. No. 563). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5059. A bill for the relief of Mrs. Johnnie Schley Gatewood; without amendment (Rept. No. 564). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5538. A bill authorizing the Secretary of the Treasury to pay Dr. A. W. Pearson, of Peever, S. Dak., and the Peabody Hospital, at Webster, S. Dak., for medical services and supplies furnished to Indians; without amendment (Rept. No. 565). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 6191. A bill to extend the benefits of the employees' compensation act of September 7, 1916, to Mary Elizabeth O'Brien, a former employee of the United States Veterans' Bureau; with amendment (Rept. No. 566). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 7411. A bill for the relief of Alex Bremer; without amendment (Rept. No. 567). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 8306. A bill for the relief of D. M. Leypoldt Co.; without amendment (Rept. No. 568). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 8468. A bill for the relief of Eustace Parks; without amendment (Rept. No. 569). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 9225. A bill for the relief of John N. Brooks; with an amendment (Rept. No. 570). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. S. 468. An act for the relief of the estate of Benjamin Braznell; without amendment (Rept. No. 571). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. S. 1214. An act to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy; without amendment (Rept. No. 572). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. S. 1683. An act for the relief of Stillwell Bros. (Inc.); with an amendment (Rept. No. 573). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on Claims. S. 2697. An act for the relief of Clarence G. Young; without amendment (Rept. No. 574). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on Claims. S. 2698. An act for the relief of Herman Ingman; without amendment (Rept. No. 575). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. S. 2325. An act for the relief of the United States Hammered Piston Ring Co.; without amendment (Rept. No. 576). Referred to the Committee of the Whole House.

Mr. ALLGOOD: Committee on War Claims. H. R. 5971. A bill for the relief of Grover Cleveland Ballard; without amendment (Rept. No. 581). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9424) granting an increase of pension to Emma C. Evans; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 3380) for the relief of Edwina R. Munchhof; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 3908) for the relief of Sheldon R. Purdy; Committee on the Post Office and Post Roads discharged, and referred to the Committee on Claims.

A bill (H. R. 6322) for the relief of Jose M. Alcover; Committee on the Post Office and Post Roads discharged, and referred to the Committee on Claims.

A bill (H. R. 8136) for the relief of John J. Moran; Committee on the Post Office and Post Roads discharged, and referred to the Committee on Claims.

A bill (H. R. 2236) for the relief of George Price; Committee on the Post Office and Post Roads discharged, and referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RAMSEYER: A bill (H. R. 9537) to provide for a reorganization of the administrative branches of the Government, to create the reorganization board, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. LEAVITT: A bill (H. R. 9538) for the relief of agriculturalists using the summer-fallow method of farming; to the Committee on Banking and Currency.

By Mr. FERNANDEZ: A bill (H. R. 9539) to establish a national military park to commemorate the campaign and Battle of Chalmette, in the State of Louisiana; to the Committee on Military Affairs.

By Mr. LAGUARDIA: A bill (H. R. 9540) to prohibit the sending and receipt of stolen property through interstate and foreign commerce; to the Committee on the Judiciary.

By Mr. JAMES: A bill (H. R. 9541) to aid the Grand Army of the Republic in Memorial Day services, May 30, 1932; to the Committee on Military Affairs.

Also, a bill (H. R. 9542) to authorize construction of buildings, utilities, and appurtenances thereto at Albrook Field, Canal Zone; to the Committee on Military Affairs.

Also, a bill (H. R. 9543) to authorize improvement of flying field, France Field, Canal Zone; to the Committee on Military Affairs.

By Mr. BRITTEN: A bill (H. R. 9544) for the relief of unemployment throughout the United States; to the Committee on the Judiciary.

By Mr. HARLAN: A bill (H. R. 9545) to repeal obsolete sections of the Revised Statutes omitted from the United States Code; to the Committee on Revision of the Laws.

By Mr. ANDREW of Massachusetts: A bill (H. R. 9546) for the treatment and transportation of shipwrecked American fishermen stranded abroad; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. EVANS of Montana (by request): A bill (H. R. 9547) to confer upon the State of Montana the right to tax for State and county purposes, persons, copartnerships, and corporations and their property within the military reservations in said State known as Fort Assinaboine, Fort Custer, Fort Keogh, Fort Maginnis, Fort Missoula, Fort Shaw, and Fort William Henry Harrison, respectively; to the Committee on Military Affairs.

By Mr. JEFFERS: A bill (H. R. 9548) to restrict general immigration into the United States; to the Committee on Immigration and Naturalization.

By Mr. GILBERT: A bill (H. R. 9549) to amend the Code of Law for the District of Columbia in relation to

descent and distribution; to the Committee on the District of Columbia.

By Mr. JENKINS: A bill (H. R. 9550) to provide for a change of preference within the quotas; to the Committee on Immigration and Naturalization.

By Mr. NELSON of Wisconsin: A bill (H. R. 9551) to amend section 15a of the interstate commerce act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. THATCHER: A bill (H. R. 9552) to provide for the creation of the Panama Canal memorial commission; to the Committee on Rules.

By Mr. DYER: A bill (H. R. 9553) to provide for service of civil process upon persons in custody or confinement in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HOGG of West Virginia: A bill (H. R. 9554) to amend section 5 of the Reconstruction Finance Corporation act, (Public, No. 2, 72d Cong.) approved January 22, 1932, so as to extend the provisions of said act to corporations aiding in the liquidation of State banks, savings banks, trust companies, and/or building and loan associations; to the Committee on Banking and Currency.

By Mr. HAINES: A bill (H. R. 9555) to authorize the Postmaster General to hire vehicles from postal employees; to the Committee on the Post Office and Post Roads.

By Mr. McLEOD: A bill (H. R. 9556) to provide for the renewal and extension of 5-year level premium term Government insurance policies for an additional 5-year period without medical examination; to the Committee on World War Veterans' Legislation.

By Mr. GILBERT: A bill (H. R. 9557) to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution; to the Committee on the District of Columbia.

By Mr. GARBER: A bill (H. R. 9558) providing for the purchase of a site and the erection of a public building thereon in the city of Beaver, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. CHRISTOPHERSON: A bill (H. R. 9559) providing for the construction and equipment of a hospital at Wagner, S. Dak.; to the Committee on Indian Affairs.

By Mr. GREENWOOD: Resolution (H. Res. 150) amending clause 3 of Rule XIII and clause 6 of Rule XXIV of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. DOUGLAS of Arizona: Resolution (H. Res. 151) creating the economy committee; to the Committee on Rules.

By Mr. HALL of Mississippi: Resolution (H. Res. 152) providing for the consideration of H. R. 9489, a bill to provide temporary relief of water users on irrigation projects constructed and operated under the reclamation law; to the Committee on Rules.

By Mr. SUMNERS of Texas: Resolution (H. Res. 153) authorizing the Committee on the Judiciary to conduct an investigation to determine what changes, if any, of the antitrust law and policy may be required; to the Committee on Rules.

By Mr. DIES: Joint resolution (H. J. Res. 300) further restricting immigration into the United States; to the Committee on Immigration and Naturalization.

Also, joint resolution (H. J. Res. 301) further restricting immigration into the United States; to the Committee on Immigration and Naturalization.

By Mr. HOLADAY: Joint resolution (H. J. Res. 302) providing for abolishing, combining, and consolidating of commissions, boards, departments, bureaus, and divisions of the National Government; to the Committee on Expenditures in the Executive Departments.

By Mr. MAJOR: Joint resolution (H. J. Res. 303) to provide for the preparation, printing, and distribution of pamphlets containing certain information regarding the production of wheat and corn; to the Committee on Agriculture.

By Mr. DICKSTEIN: Joint resolution (H. J. Res. 304) authorizing an appropriation of $25,000,000 for temporary post-office work; to the Committee on Appropriations.

By Mr. LUCE: Joint resolution (H. J. Res. 305) for the improvement of Meridian Hill Park; to the Committee on the Library.

By Mr. UNDERWOOD: Joint resolution (H. J. Res. 306) further restricting immigration into the United States; to the Committee on Immigration and Naturalization.

By Mr. LEA: Joint resolution (H. J. Res. 307) proposing an amendment to the Constitution of the United States providing for a referendum on the eighteenth amendment, and to prohibit saloons; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY: A bill (H. R. 9560) for the relief of Thomas P. Waters; to the Committee on Military Affairs.

By Mr. BOWMAN: A bill (H. R. 9561) granting an increase of pension to Mary Freeland; to the Committee on Invalid Pensions.

By Mr. BUCKBEE: A bill (H. R. 9562) granting a pension to Jennie R. Beine; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 9563), granting a pension to Hester Matilda Hill; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 9564), granting an increase of pension to Rhoda C. McDowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9565), granting an increase of pension to Martha J. Edeburn; to the Committee on Invalid Pensions.

By Mr. CULKIN: A bill (H. R. 9566), granting an increase of pension to Erzelia A. Lackey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9567) granting an increase of pension to Jennie Everett; to the Committee on Invalid Pensions.

By Mr. GILLEN: A bill (H. R. 9568) granting a pension to Sophronia Brigham; to the Committee on Invalid Pensions.

By Mr. GLOVER: A bill (H. R. 9569) for the relief of Sam D. Carson; to the Committee on Claims.

By Mr. HOLMES: A bill (H. R. 9570) for the relief of James L. MacDonald; to the Committee on Military Affairs.

By Mr. LaGUARDIA: A bill (H. R. 9571) for the relief of Joseph Ricco; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 9572) granting an increase of pension to Fred E. Ricketts; to the Committee on Pensions.

Also, a bill (H. R. 9573) granting a pension to Clarence C. Johnson; to the Committee on Pensions.

By Mr. McKEOWN: A bill (H. R. 9574) for the relief of Herbert A. Wells; to the Committee on Military Affairs.

By Mr. GASQUE: A bill (H. R. 9575) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; to the Committee on Pensions.

By Mr. McLEOD: A bill (H. R. 9576) for the relief of Blanch Broomfield; to the Committee on Claims.

By Mr. MITCHELL: A bill (H. R. 9577) extending the benefits of the emergency officers' retirement act to Grover C. Whittaker; to the Committee on Military Affairs.

Also, a bill (H. R. 9578) for the relief of General M. Teeple; to the Committee on Military Affairs.

By Mr. PARKER of Georgia: A bill (H. R. 9579) for the relief of C. W. King, growing out of the death of his minor son, Carl Calder King; to the Committee on Claims.

By Mr. SCHNEIDER: A bill (H. R. 9580) granting an increase of pension to Catherine M. Bloch; to the Committee on Invalid Pensions.

By Mr. STEWART: A bill (H. R. 9581) to provide an additional appropriation as a result of a reinvestigation, pursuant to the act of February 2, 1929 (45 Stat., p. 2047, pt. 2),

for the payment of claims of persons who suffered property damage, death, or personal injury due to the explosions at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926; to the Committee on Claims.

By Mr. THOMASON: A bill (H. R. 9582) granting a pension to Charles E. Sloan; to the Committee on Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 9583) for the relief of Thomas H. McLain; to the Committee on Claims.

By Mr. WEST: A bill (H. R. 9584) for the relief of Willard E. Ball; to the Committee on Military Affairs.

By Mr. WOOD of Indiana: A bill (H. R. 9585) granting an increase of pension to Sarah Seegar; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 9586) granting an increase of pension to Dorcas E. Earnest; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2364. By Mr. ANDRESEN: Petition of certain men and women in Hastings, Minn., signed by 75 persons, opposing any change or modification of the eighteenth amendment; to the Committee on the Judiciary.

2365. Also, petition of 75 men and women from Lafayette, Minn., opposing any change or modification of the eighteenth amendment; to the Committee on the Judiciary.

2366. By Mr. AUF DER HEIDE: Memorial of Helen Kellenberger, of Union City, N. J., voicing objection of National Catholic Women's Union of New Jersey to House bill 4739; to the Committee on Interstate and Foreign Commerce.

2367. Also, memorial of Woodcliff Council, No. 237, Sons and Daughters of Liberty, favoring passage of House bill 1967 to exclude and expel communists from the United States; to the Committee on Immigration and Naturalization.

2368. Also, memorial of Pride of Triumph Council, No. 221, Sons and Daughters of Liberty, of West New York, N. J., favoring passage of House bill 1967 to provide for exclusion and expulsion of alien communists; to the Committee on Immigration and Naturalization.

2369. Also, memorial of New Jersey State Highway Commission, urging Congress to make a special appropriation of $125,000,000 for Federal aid to the States for road construction; to the Committee on Appropriations.

2370. By Mr. BACHARACH: Petition of 83 citizens of Burlington County, N. J., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2371. By Mr. BOEHNE: Petition of Charles L. Hughes and others, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

2372. By Mr. BOLAND: Petition of Raymon Burke and 197 other citizens of Atlantic City, in the second congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2373. Also, petition of J. Burke and 49 other citizens of Catasanqua, in the fourteenth congressional district of Pennsylvania, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2374. Also, petition of Edward F. Gehringer and 49 other citizens of Allentown, in the fourteenth congressional district of Pennsylvania, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2375. Also, petition of George F. Hoffman and 8,499 other citizens of Philadelphia, in the first, second, third, fourth, fifth, sixth, and seventh congressional districts of Pennsylvania, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2376. Also, petition of Herbert B. Fish and 399 other citizens of Audubon, in the first congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2377. Also, petition of Mrs. E. Schlegel and 299 other citizens of Edgewater, in the eighth congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2378. Also, petition of Robert Lloyd Hollingsworth and 1,299 other citizens of Camden, in the first congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2379. Also, petition of Edward Garrison and 149 other citizens of Gloucester, in the first congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2380. Also, petition of William Anderson and 99 other citizens of Fairview, in the first congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2381. Also, petition of Samuel C. Wagner, jr., and 99 citizens of Montgomery County, in the ninth congressional district of Pennsylvania, urging the immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2382. Also, petition of E. C. Mueller and 49 other citizens of Haddonfield, in the first congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2383. Also, petition of C. H. Huston and 49 other citizens of Bettlewood, in the first congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2384. Also, petition of John C. McMillan and 399 other citizens of Westmont, in the first congressional district of New Jersey, urging the immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2385. Also, petition of J. C. Steelman and 899 other citizens of Oaklyn, in the first congressional district of New Jersey, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2386. Also, resolution adopted by the West Side Association of Commerce, New York City, N. Y., urging the President of the United States to initiate and adopt legislation which will place under the jurisdiction of the Interstate Commerce Commission all interstate carriers which compete with railroads and are not properly regulated; to the Committee on Interstate and Foreign Commerce.

2387. Also, letter from the chairman Greenwich Village Post, No. 18, American Legion, New York City, N. Y., opposing any action by Congress to abolish the citizens' military training camps and the Reserve Officers' Training Corps in high schools; to the Committee on Appropriations.

2388. Also, letter from the Reid Ice Cream Corporation, of Brooklyn, N. Y., opposing a tax on checks; to the Committee on Ways and Means.

2389. Also, letter from the Linnaean Society of New York, New York City, favoring House bill 12381; to the Committee on the Public Lands.

2390. Also, letter from the Associated Musicians of Greater New York, New York City, favoring the passage of the old age security bill, H. R. 7926; to the Committee on Labor.

2391. Also, letter from the New York Tow Boat Exchange, New York City, opposing a tax on crude and fuel oils and gasoline; to the Committee on Ways and Means.

2392. Also, resolution adopted by the West Side Association of Commerce, New York City, N. Y., petitioning the President and Congress to take such action as may be proper to eliminate or coordinate these separate bureaus and commissions of the Government in such a way as to effect a material reduction in the amount of the budget of the Federal Government; to the Committee on Appropriations.

2393. By Mr. CLARKE of New York: Petition of 17 members of the Foreign Missionary Society of Boulevard Methodist Episcopal Church, of Binghamton, N. Y., and Mina F. Dunlap and 102 members of the West End Woman's Christian Temperance Union, of Binghamton, N. Y., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2394. By Mr. CRAIL: Petition of the council of the city of Santa Monica, Calif., protesting against a tax on electrical energy; to the Committee on Ways and Means.

2395. By Mr. CULKIN: Petition of Group No. 254, Polish National Alliance, Oswego, N. Y., urging legislation directing the President to declare October 11 of each year as General Pulaski's Day; to the Committee on the Judiciary.

2396. By Mr. CULLEN: Petition of board of directors of the Maritime Association of the Port of New York, protesting against any change in the location of local offices of the United States Steamboat Inspection Service, and respectfully submits that if it is found necessary to provide additional space for the said offices in the New York Customhouse, same be provided by a relocation of other bureaus which are not so intimately associated with the shipping interests and the relocation of which will not so vitally affect those identified with marine affairs; to the Committee on Public Buildings and Grounds.

2397. By Mr. ENGLEBRIGHT: Petition of W. P. Wing, secretary California Wool Growers' Association, indorsing predatory animal control; to the Committee on Agriculture.

2398. Also, petition of W. P. Wing, secretary California Wool Growers' Association, indorsing packers' consent decree; to the Committee on Agriculture.

2399. Also, petition of Mrs. Luch W. Tatum and other citizens of Susanville, Calif., protesting against passage of House bill 8092; to the Committee on the District of Columbia.

2400. Also, petition of citizens of Plumas County, Calif., protesting against passage of House bill 8092; to the Committee on the District of Columbia.

2401. Also, petition of board of supervisors, San Francisco, Calif., favoring development of naval school at Berkeley, Calif.; to the Committee on Naval Affairs.

2402. Also, petition of Harold B. Hammill, secretary treasurer, board of directors of the San Francisco section of the American Society of Civil Engineers, for amendment of the Temple Act; to the Committee on Appropriations.

2403. By Mr. EVANS of California: Petition signed by approximately 82 persons, supporting the eighteenth amendment; to the Committee on the Judiciary.

2404. By Mr. FITZPATRICK: Petition of the Fleet Reserve Association, Branch 26, New York City, opposing the passage of House bill 5467, to reduce salaries, pay, and wages received from the United States during the calendar year 1932; to the Committee on Expenditures in the Executive Departments.

2405. Also, petition of the Fleet Reserve Association, Branch 26, New York City, opposing the passage of House bill 409, to provide for the payment of a discharge gratuity to enlisted men of the Navy and Marine Corps; to the Committee on Naval Affairs.

2406. Also, petition of the common council of the city of Yonkers, N. Y., advocating the payment of the second half of the World War veterans' adjusted-service compensation certificates; to the Committee on Ways and Means.

2407. By Mr. GARBER: Petition of the members of the Kiowa County (Okla.) Agricultural Cooperative Council, indorsing the position taken by the three national farm organizations, the Farmers' Union, the Grange, and the Farm Bureau Federation in favor of retaining the agricultural marketing act to aid in the development of cooperatives and the handling of surpluses; urging investigation into the activities of the Farm Board and the cooperatives, the cotton, grain, and produce trades, and the cotton and the grain exchanges; opposing the repeal of the agricultural marketing act and the amendment of it unless with the approval of the Farmers' Union, the Grange, and the Farm Bureau Federation; indorsing the cooperative movement; and expressing approval of the efforts of J. G. H. Windle in collecting and disseminating information relative to the general cooperative movement and his stand to safeguard and protect the rights and interests of farmers and cooperatives; to the Committee on Agriculture.

2408. Also, petition of citizens of Oklahoma, urging that every means be utilized to keep the United States out of a foreign war, recommending that the citizens of the United States in China be ordered to withdraw at the earliest opportunity afforded them and requested to stay out of that country until the present hostilities cease, and that the massing of our Navy off China cease and the ships already there be ordered to withdraw as soon as American citizens can be removed; to the Committee on Foreign Affairs.

2409. Also, petition of the farmers of Beckham County, Okla., indorsing cooperative marketing, the agricultural marketing act, until substitute legislation rendering greater service is enacted; the farm program outlined by the three national farm organizations—the Farmers' Union, the Grange, and Farm Bureau Federation; the efforts of the A. C. C. A. in the Nation, and especially in Oklahoma, in answering unfriendly criticisms made by the enemies against the cooperative movement; and the efforts of J. G. H. Windle in the dissemination of information pertaining to cooperative marketing and pledging their support to the cooperative movement; to the Committee on Agriculture.

2410. Also, petition of the farmers of Greer County, Okla., approving the position taken by the heads of the National Farmers' Union, the National Grange, and the National Farm Bureau Federation to retain the agricultural marketing act for the development of cooperatives, the handling of surpluses, etc.; also approving the plan to investigate the activities and policies of the Farm Board, the cooperatives, the cotton trade, and the cotton exchanges; approving the public-relations service provided by the A. C. C. A. for the State of Oklahoma and pledging cooperation with that organization and with the president of the National Agricultural Cooperative Council, C. O. Moser; to the Committee on Agriculture.

2411. Also, petition of the farmers of Roger Mills County, Okla., approving the action of the three great farm organizations in their support of the agricultural marketing act and pledging support and cooperation to them; urging a thorough investigation by Congress into the activities of the Farm Board and the cooperatives, the cotton, grain, and produce trades, and cotton and grain exchanges; pledging to their legislative representatives in Washington support and cooperation in their fight to save the marketing act and the cooperatives; and protesting against efforts to place the administration of the agricultural marketing act with the Federal Department of Agriculture; to the Committee on Ways and Means.

2412. By Mr. GIBSON: Petition of American Legion Post, No. 15, of Wilmington, Vt.; to the Committee on Appropriations.

2413. Also, petition of American Legion Post, No. 30, of Lyndon, Vt.; to the Committee on Appropriations.

2414. By Mr. HALL of North Dakota: Resolutions of the Federal Land Bank Stockholders and Borrowers Association of Divide County, N. Dak., condemning the collection and foreclosure policy of the Federal land bank, etc.; to the Committee on Banking and Currency.

2415. Also, petition, in the nature of a resolution, of the board of trustees, American Hospital Association, that the trustees of the American Hospital Association, in interest of the veterans, and also for the purpose of avoiding unnecessary expense to the country and the public in general, earnestly recommend to the Veterans' Bureau, the veterans'

organization, the Congress, and all others having the welfare of the veterans at heart a consideration of the facilities for the care of injuries and acute illnesses offered by available civilian general hospitals under conditions similar to those now enjoyed by veterans suffering from service disabilities; to the Committee on World War Veterans' Legislation.

2416. By Mr. HARLAN: Petition of employees of the Duro Co., of Dayton, Ohio, urging governmental economy; to the Committee on Appropriations.

2417. By Mr. HART: Petition of the Women's Union of Carson City, Mich., on the eighteenth amendment; to the Committee on the Judiciary.

2418. By Mr. HOOPER: Petition of various residents of Battle Creek, Mich., and vicinity, protesting against the enactment of Senate bill 1202 to compel barbers to observe Sunday in the District of Columbia; to the Committee on the District of Columbia.

2419. By Mr. HORR: Petition of George Y. Baker and 49 other citizens, of Issaquah, in the first congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2420. Also, petition of Fred W. Peterson and 199 other citizens, of Centralia, in the third congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2421. Also, petition of James J. Freman and 599 other citizens, of Portland, in the third congressional district of Oregon, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2422. Also, petition of Chester A. Hudson and 7,901 other citizens, of Seattle, in the first congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2423. Also, petition of Elva E. Mueller and 99 other citizens, of North Bend, in the first congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2424. Also, petition of Fred W. Peterson and 199 other citizens, of Bellingham, in the second congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2425. Also, petition of H. A. Christofferson and 299 other citizens of Tacoma, in the third congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2426. Also, petition of Frank E. Charles and 199 other citizens of Kent, in the first congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2427. Also, petition of Ed Musser and 199 other citizens of Bremerton, in the first congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2428. Also, petition of Edward Judson and 149 other citizens of Port Townsend, in the second congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2429. Also, petition of A. E. Someson and 149 other citizens of Enumclaw, in the first congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2430. Also, petition of A. S. Kagen and 49 other citizens of Kent, in the first congressional district of Washington, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2431. By Mr. JAMES: Petition of the Woman's Home and Foreign Missionary Society, protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2432. Also, petition of Copper Country Croatian Club, urging tariff protection for the producers of copper in the United States; to the Committee on Ways and Means.

2433. By Mr. JOHNSON of Texas: Petition of John T. Wilson, of Whitney, Tex., favoring the truck-bus bill (H. R. 7239); to the Committee on Interstate and Foreign Commerce.

2434: By Mr. LONERGAN: Petition of the Board of Common Council of Bridgeport, Conn., asking Congress to enact unemployment-relief legislation; to the Committee on Ways and Means.

2435. By Mr. MAGRADY: Petition of Annie C. Fairchild and 23 other members of the Woman's Christian Temperance Union of Montandon, Pa., protesting against repeal or modification of the eighteenth amendment; to the Committee on the Judiciary.

2436. Also, petition of Mrs. J. P. Laubach and numerous other citizens, of Benton, Pa., urging that Congress use their influence and cast their vote in support of the maintenance of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2437. Also, petition of Woman's Christian Temperance Union of Northumberland, Pa., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2438. Also, petition submitted by Cora A. Derr, president Woman's Christian Temperance Union of Turbotville, Pa., protesting against repeal or modification of the eighteenth amendment; to the Committee on the Judiciary.

2439. By Mr. MEAD: Petition of 77 citizens, opposing settlement of international disputes by arms; to the Committee on Foreign Affairs.

2440. Also, petition of Group No. 538, of the Polish National Alliance of the United States of North America, memorializing Congress to enact House Joint Resolution 144 to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2441. Also, petition of Polish National Alliance, Group No. 194, urging enactment of House Joint Resolution 144; to the Committee on the Judiciary.

2442. Also, petition of residents of Buffalo, N. Y., opposing modification of the prohibition law; to the Committee on the Judiciary.

2443. Also, petition of Local 802, American Federation of Musicians, urging enactment of House bill 7926; to the Committee on Labor.

2444. By Mr. NIEDRINGHAUS: Petition of Benton Woman's Christian Temperance Union of St. Louis, Mo., opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2445. By Mr. PARKER of Georgia: Petition of Charles H. Bryan and 30 other citizens of the first congressional district of Georgia, urging the enactment of Senate bill 2793 providing for the regulation by the Interstate Commerce Commission of busses and trucks carrying passengers and freight; to the Committee on Interstate and Foreign Commerce.

2446. By Mr. PATTERSON: Petition of the Woman's Christian Temperance Union and citizens of Alabama, opposing modifications in the prohibition law and requesting and urging the enforcement of the present laws; to the Committee on the Judiciary.

2447. By Mr. PERSON: Petition of the Metropolitan Water Supply Post, No. 185, American Legion, Detroit, Mich., protesting against the appropriation for the Officers' Reserve Corps; to the Committee on Appropriations.

2448. Also, petition of the Metropolitan Water Supply Post, No. 185, American Legion, Detroit, Mich., urging the opening of subtreasury offices in each major city in the organization of the home-loan bank; to the Committee on Banking and Currency.

2449. Also, resolution of Isabelle Burns and 20 citizens of Otisville, Mich., relating to the modification and resubmission of the prohibition law; to the Committee on the Judiciary.

2450. By Mr. REED of New York: Petition of Frank E. Green and others, of Allegany County, N. Y., protesting against enactment of Senate bill 1202, which provides for the closing of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

2451. By Mr. ROBINSON: Petition signed by Roy J. Clampitt and 19 other citizens of New Providence, Iowa, urging as great a reduction as possible in the appropriations for our Army and Navy; to the Committee on Appropriations.

2452. By Mr. RUDD: Petition of Mid-West Labor Council, Rock Island, Ill., favoring certain amendments to the Davis-Bacon law to correct the shameful and appalling practices with reference to pay to employees and hours of daily labor; to the Committee on Labor.

2453. By Mr. SELVIG: Petition of stockholders and patrons of Audubon Cooperative Creamery Association, Audubon, Minn., urging immediate action by Congress granting independence to the Philippine Islands, thereby removing unfair competition of duty-free importations of Philippine products; to the Committee on Insular Affairs.

2454. By Mr. SWANSON: Petition of congregation of the Methodist Church of Massena, Iowa, consisting of 280 people, opposing resubmission of eighteenth amendment; to the Committee on the Judiciary.

2455. By Mr. SWING: Petition of 58 residents of Colton, Calif., protesting against compulsory Sunday observance and the passage of Senate bill 1202 compelling barbers to observe Sunday in the District of Columbia; to the Committee on the District of Columbia.

2456. By Mr. THOMASON: Petition of several hundred citizens of Texas, requesting that no income tax be levied on any rural land, the improvements on such land, and the revenue derived from the sale of such land; to the Committee on Ways and Means.

2457. By Mr. TIMBERLAKE: Petition of First Christian Church, Fort Collins, Colo., protesting against submitting eighteenth amendment to a referendum vote in the States; to the Committee on the Judiciary.

2458. By Mr. WEEKS: Resolution from Morrisville, Vt., supporting the eighteenth amendment; to the Committee on the Judiciary.

2459. By Mr. WHITE: Petition of John M. Wallace and 349 other citizens, of Providence, R. I., urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2460. Also, petition of F. W. Broatch and 99 other citizens, of Old Lyme, Conn., urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2461. Also, petition of C. L. Miles and 699 other citizens, of Atlanta, in the fifth congressional district of Georgia, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2462. Also, petition of J. C. La Vin and 110 other citizens, of New Haven, in the third congressional district of Connecticut, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2463. Also, petition of Eaton Murphy and 1,249 citizens, of the eighth, ninth, tenth, eleventh, twelfth, and thirteenth districts of Massachusetts, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2464. Also, petition of William Henry Sacks and 9,726 other citizens, of Queens, Kings, Richmond, New York, and Bronx Counties, and the twenty-fifth district of New York, urging the immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2465. Also, petition of A. Nuesch and 1,049 other citizens, of Joplin and Webb City, in the fifteenth congressional district of Missouri, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc); to the Committee on the Judiciary.

2466. Also, petition of Harold Lippman and 10,643 other citizens, of Baltimore, in the second, third, and fourth districts of Maryland, urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2467. Also, petition of Peter Martin and 249 other citizens, of Wilmington, Del., urging immediate modification of the Volstead Act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2468. Also, petition of Mr. Colpoys and 8,399 other citizens, of the District of Columbia, urging immediate modification of the Volstead act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2469. Also, petition of R. Parks Sadler and 199 citizens, of Charlotte, in the ninth congressional district of North Carolina, urging immediate modification of the Volstead act through the Constitutional Rights Association of America (Inc.); to the Committee on the Judiciary.

2470. By Mr. WALCOTT: Petition of the Tuscola Board of Supervisors, Tuscola County, Mich., favoring the passage of the Glenn-Smith bill; to the Committee on Irrigation and Reclamation.

2471. By Mr. WYANT: Resolution of Group No. 364, of the Polish National Alliance of the United States of North America, Mount Pleasant, Westmoreland County, Pa., memorializing Congress of the United States to enact House Joint Resolution 144 directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's memorial day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2472. Also, petition of Adelta E. Stoner, of West Newton, Westmoreland County, Pa., opposing a modification of the eighteenth amendment; to the Committee on the Judiciary.

2473. Also, petition of Mr. and Mrs. E. R. Beistel, of Ruffsdale, Westmoreland County, Pa., opposing a modification of the eighteenth amendment; to the Committee on the Judiciary.

2474. Also, petition of officers and members of the First Methodist Episcopal Church of Vandergrift, Westmoreland, County, Pa., opposing a modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2475. Also, petition of Nona Work Howell, of Manor, Westmoreland County, Pa., opposing a referendum of the eighteenth amendment; to the Committee on the Judiciary.

2476. Also, petition of Mr. and Mrs. Roy H. Walker, of Avonmore, Westmoreland County, Pa., opposing a modification of the eighteenth amendment; to the Committee on the Judiciary .

2477. Also, petition of Ella M. Shoemaker, of Avonmore, Westmoreland County, Pa., opposing a modification of the eighteenth amendment; to the Committee on the Judiciary.

2478. Also, petition of Blanche Henshaw, of Mount Pleasant, Westmoreland County, Pa., opposing a referendum of the eighteenth amendment; to the Committee on the Judiciary.

2479. Also, petition of members of the Ministerial Association of Mount Pleasant, Westmoreland County, Pa., opposing a modification of the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

2480. Also, petition of the congregation of the Middle Presbyterian Church of Mount Pleasant, Westmoreland

County, Pa., opposing a modification of the eighteenth amendment; to the Committee on the Judiciary.

2481. Also, petition of Mrs. M. Ramsey, of Mount Pleasant, Westmoreland County, Pa., opposing a referendum of the eighteenth amendment; to the Committee on the Judiciary.

2482. Also, petition of Mrs. William Bungard, of Mount Pleasant, Westmoreland County, Pa., opposing a repeal of the eighteenth amendment; to the Committee on the Judiciary.

2483. Also, petition of Celia J. Smith and 100 other citizens of Ligonier, Westmoreland County, Pa., upholding the eighteenth amendment and Volstead Act; to the Committee on the Judiciary.

2484. Also, petition of Mary L. Stouffer, treasurer of the Westmoreland City Woman's Christian Temperance Union, Westmoreland County, Pa., opposing a referendum of the eighteenth amendment; to the Committee on the Judiciary.

2485. Also, petition of F. J. Wagner, Irwin, Westmoreland County, Pa., opposing a referendum of the eighteenth amendment; to the Committee on the Judiciary.

2486. Also, petition of Mrs. Thomas Smith, Westmoreland City, Pa., urging support of the eighteenth amendment; to the Committee on the Judiciary.

2487. Also, petition of Edwin McClintock, pastor of Puckety U. P. Church, New Kensington, Westmoreland County, Pa., opposing modification of the eighteenth amendment; to the Committee on the Judiciary.

2488. Also, petition of Anna Previte, Avonmore, Westmoreland County, Pa., urging support of the eighteenth amendment and opposing modification of same; to the Committee on the Judiciary.

2489. Also, petition of Carrie W. Shrum, of Irwin, Westmoreland County, Pa., opposing modification of the eighteenth amendment; to the Committee on the Judiciary.

2490. Also, petition of precinct committeewoman, Mrs. Martha A. Watson, of Ardara, Westmoreland County, Pa., opposing a repeal of the eighteenth amendment; to the Committee on the Judiciary.

2491. Also, petition of the Irwin Ministerial Association of Irwin, Westmoreland County, Pa., opposing a referendum on the prohibition question; to the Committee on the Judiciary.

2492. Also, petition of Mrs. William Stauffer, of Westmoreland City, Pa., opposing a referendum on the eighteenth amendment; to the Committee on the Judiciary.

2493. Also, petition of Woman's Christian Temperance Union of Scottdale, Westmoreland County, Pa., opposing modification of the eighteenth amendment; to the Committee on the Judiciary.

2494. Also, petition of officers and members of St. Paul's Lutheran Sunday school of Vandergrift, Westmoreland County, Pa., opposing modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

2495. Also, petition of the Ladies' Patriotic Association of Salina, Westmoreland County, Pa., opposing a repeal of the eighteenth amendment; to the Committee on the Judiciary.

2496. Also, petition of officers and members of the Shearersburg United Presbyterian Sabbath school of Shearersburg, Westmoreland County, Pa., opposing a modification of the eighteenth amendment; to the Committee on the Judiciary.

2497. Also, petition of Scottdale Ministerium, of Scottdale, Westmoreland County, Pa., opposing repeal of the eighteenth amendment; to the Committee on the Judiciary.

2498. Also, petition of Council of St. Paul's Lutheran Church of Vandergrift, Westmoreland County, Pa., opposing a repeal of the eighteenth amendment; to the Committee on the Judiciary.

2499. Also, petition of members of the Winners' Bible, Grace Reformed Church, Jeannette, Westmoreland County, Pa., supporting the eighteenth amendment; to the Committee on the Judiciary.

2500. Also, petition of the Woman's Christian Temperance Union, of Trafford, Westmoreland County, Pa., representing 30 people, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and ask their Congressman and Senators to vote against such a resolution and to vote for adequate appropriations for law enforcement and for education in law observance; to the Committee on Appropriations.

2501. Also, petition of members of the Three M's Bible Class, Grace Reformed Church, Jeannette, Westmoreland County, Pa., upholding the eighteenth amendment; to the Committee on the Judiciary.

2502. Also, petition of members of the Woman's Christian Temperance Union, of Greensburg, Westmoreland County, Pa., representing 125 people, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and ask their Congressman and Senators to vote against such a resolution and to vote for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2503. Also, petition of members of Grace Reformed Church of Jeannette, Westmoreland County, Pa., opposing legislation which would jeopardize the eighteenth amendment; to the Committee on the Judiciary.

2504. Also, petition of Euphemia Smith, of Westmoreland City, Westmoreland County, Pa., protesting against any change in present prohibition laws; to the Committee on the Judiciary.

2505. Also, petition of Thomas Smith, of Westmoreland City, Westmoreland County, Pa., protesting against any change in the present prohibition laws; to the Committee on the Judiciary.

2506. By the SPEAKER: Petition of the Common Council of the city of Buffalo, urging passage of bill legalizing the manufacture and sale of 4 per cent beer; to the Committee on the Judiciary.

2507. Also, petition of the legislature of the State of South Carolina, relating to a preferential excise tax on tobacco products manufactured from tobacco purchased from the farmers of South Carolina; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

SATURDAY, FEBRUARY 20, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou ever-blessed God, our lives are filled with strange questions and mysteries. We pray to-day that Thou wilt sweep away the lore of wonder and make the obscure plain until it blossoms with rest and contentment. As Thy command and our obligations are universal, enable us to rise, and do Thou lead the way into that chamber of our souls where goodness dominates, where wisdom is supernal, where strength is divine, and where we are blessed and encouraged by the fruits of the Spirit. Take our many faculties, our intellects, our moral and social natures, and harmonize them with the universal law of love and brotherhood. Then, Heavenly Father, the poor will no longer despise the rich and the rich will no longer look with contempt upon the poor, for such an overflow of God in the soul is the most beautiful flower of Christian knighthood. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9203. An act to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

The message also announced that the Senate insists upon its amendments to said bill, requests a conference with the

House thereon, and appoints Mr. WALCOTT, Mr. TOWNSEND, and Mr. GLASS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, the joint resolution (H. J. Res. 292) to authorize the Secretary of Agriculture to aid in the establishment of agricultural credit corporations, and for other purposes; insists upon its amendment to said joint resolution, requests a conference with the House thereon, and appoints Mr. NORRIS, Mr. MCNARY, and Mr. SMITH to be the conferees on the part of the Senate.

The message also announced that the President pro tempore, in accordance with the provisions of House Concurrent Resolution No. 19, had appointed the Senator from Virginia, Mr. GLASS, to place, on behalf of the Senate, a wreath on the grave of Mary, mother of Washington, at Fredericksburg, Va., on February 22, 1932.

EXTENSION OF REMARKS

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein four short poems, one about Mary, the mother of Washington, and three others about George Washington.

Mr. UNDERHILL. Mr. Speaker, although all this is very nice, I feel that the RECORD is no place for poems. If we permit this, we would have all the poets in the country trying to get into the RECORD. I object.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I have the attention of the majority leader for a moment? Last evening when there were very few Members present I agreed to a unanimous-consent request that when the House recess next Monday we would come together again at 2.30 o'clock p. m. Since that time a great many Members have been to me and have expressed the thought that we ought not to meet again on Monday afternoon, because it is a general holiday and so much going on in other places that it would be better if we did not come together until the following Tuesday noon. I rise to put that matter up to the majority leader.

Mr. RAINEY. Mr. Speaker, in order to put the matter up to the House I shall submit a resolution. I think if George Washington were alive and here next Monday he would feel that this Congress should go ahead and attend to business, commencing at 2.30 o'clock in the afternoon, rather than adjourn. If the gentleman wants to take the responsibility of stopping the business on that day, very well.

Mr. SNELL. Oh, no; that is not my attitude. I merely want to bring the matter up for consideration.

Mr. RAINEY. Mr. Speaker, I offer the following resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 154

Resolved, That at the conclusion of the exercises arranged by the joint committee pursuant to the provisions of House Concurrent Resolution 4 and the House Concurrent Resolution 12 on Monday, February 22, 1932, the Speaker shall declare the House to be in recess until 2.30 o'clock p. m.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

LEAVE TO ADDRESS THE HOUSE

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. Is there objection?

Mr. UNDERHILL. Mr. Speaker, it is quite evident that the purpose of the gentleman is to read these poems he referred to a moment ago. With all of the business that we have before us, I feel impelled to object.

Mr. BOYLAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOYLAN. My inquiry is to ask, through the Speaker, whether the gentleman from Massachusetts [Mr. UNDERHILL] is a psychic or a mind reader.

The SPEAKER. The Chair can not answer that question.

GAG RULE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that I may be privileged to address the House for 20 minutes right now.

The SPEAKER. Is there objection?

There was no objection.

[Applause.]

Mr. HOWARD. Mr. Speaker, for nearly 10 years now I have been in association with the membership of this House. I have heard men stand here and sing swan songs, asserting the vast sacrifice they had made by service here. Mr. Speaker, it has been no sacrifice on my part. It has been the proudest privilege which might have been conferred upon me to be in touch both mentally and physically with the magnificent characters I have met here. For the moment, Mr. Speaker, I want to express the desire which has been uppermost in my thought ever since I came here, and that is, if I could not win the applause, then that I might win the respect of my every colleague.

In recent days I have been taking an attitude here greatly out of the ordinary, and I am offering a plea now that every Member of the House may be kind enough to put himself in my place before he shall censure me for my attitude. For nearly 10 years I have stood here and proclaimed, in my feeble way as best I could, against the operation of the gag-rule system as practiced for long years by the Mellonites in control of this House. Will any friend ask me now to stultify myself by remaining silent when that which I condemned in Mellonites is practiced by Democrats? I think not. I have been distressed beyond words sometimes at the attitude of the House as at present organized in following so closely along the lines followed by my Mellonite friends throughout the years. I think so much of many of my colleagues over on the other side that I should perhaps make a distinction between a Mellonite and a Republican, and I withdraw the former appellation as to some of you. In recent days we have seen legislation brought in under suspension of the rules, with no opportunity at all to offer an amendment, no opportunity at all to read the legislation until it came directly to the time for consideration. That is what I call gag rule. I do not like it. I do not think anyone else likes it. Then, let me call attention to another situation, and that is the frame of mind which is engendered by obedience to the gag-rule system.

You will recall that when we were discussing a few days ago the bill known as the Steagall bill we were brazenly informed, when we asked for testimony given by a certain gentleman in the hearing, that that was not good for us, and we did not get it. The same gentleman expressed great fear that if the average Member of this House should know what the spokesman knew, if the average Member should know what some member of the committee knew, the world might be turned upside down before breakfast. Ah, my friends, that is a pretty low estimate of the character of the average Member of this House, and I resent it. Oh, I wish that the average Member among us could utterly divest himself of that hideous thing called fear. I remember when we were discussing, some years ago, the Italian debt settlement there were some learned commissioners here from Italy. We were talking about the ability of Italy to pay.

I remember a dear old colleague of ours, now gone to his reward, who was one of the fearful kind, and he boldly expressed the fear that there might be international complications before night if the membership of this House should be permitted to know what he knew about statements made by Mussolini's commissioners at that moment in Washington. I recall that at that time, having great respect for the elderly gentleman who made that statement, I did not reply other than to tell him a little story which I thought would illustrate the utter needlessness of entertaining fear. I do know how better I might now appeal to my colleagues who are afraid to permit common Members of this House to know what uncommon Members know than by repeating that story. Parky Doody was a professional horse trader.

He lived in a little village near my home town. He was the best horse trader in the State. He admitted it. For the information of younger gentlemen here, and all ladies, I will say that in that day it was the practice of the professional horse traders to get together a great band of decrepit horses, usually a few racers, a few fighting cocks, and perhaps a bulldog and travel about the country very much like a circuit rider, appearing at each place at regular intervals. One day, along to this village where Parky lived, came a new band of horse traders. At their head was a Hebrew brother. Parky and the leader of the band jockeyed around all afternoon trying to make a horse trade, and in the evening the trade was made. The next morning even the little boys on the street laughed at Parky because they had heard their elders say he had been unmercifully worsted in the trade. Parky's pride was hurt. He resolved then and there to get even. He knew that these travelers would return to his village 30 days hence, so he began laying his plans. But about 10 days before the travelers were expected to return a couple of missionary priests came along and began holding a mission in the little parish church. Parky was attending the mission. He was trying to be good. He wanted to be good, but he could not forget he had to get even with that Hebrew brother. So the night before the travelers were expected to return Parky went over to the priest's house. He called the father out on the porch where none other could hear. He said, "Father, I have a question to ask, and upon your answer depends ever and ever so much to me." The father was alarmed, and he said, "What is it, Parky?" Parky said, "Father, would it be a sin to cheat a Jew?" The father said, "Why, Parky, of course it would. Why do you ask such a foolish question?" Parky again asked, "Would it be the same sin to cheat a Jew that it would to cheat a Christian?" The father replied in the same manner. Parky started to go away, his head hanging down, looking very disconsolate. The father called him to return, and putting his arm around his back and patting him on the shoulder, he said, "Parky, I would not worry about it; it won't happen." [Laughter.]

Now, the next time our fearful brothers come to us, fearful that if we knew what they know about the testimony of General Dawes, deleted or in its full profane regalia, let them remember the story of Parky Doody.

Friends, I do not know who has been responsible for the bringing of the system of gag rule among us in recent days. I cast no aspersions in any direction; but, one thing I do know, and that is that this magnificent Speaker of yours and mine has had nothing to do with the promotion of the gag-rule principle here in this House. [Applause.]

Many, many times in the darkening day, on many and many an occasion during the tired evening hours when I had been contending as earnestly and ably as I knew how against the practice of the infamous system of gag rules by the Mellonite controllers——

Mr. JOHNSON of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. Oh, certainly.

Mr. JOHNSON of South Dakota. Can the gentleman from Nebraska inform the House who applied the gag rule on the Veterans' Committee during the present session of Congress?

Mr. HOWARD. The gentleman well knows himself that I protested against anything of the kind.

Mr. JOHNSON of South Dakota. Then the gentleman admits it has been applied by somebody, does he not?

Mr. HOWARD. Applied by every Mellonite organization since I have been here. [Applause.] The gentleman, as one member of that committee, knows that I protested all the time. The gentleman knows that I protested a couple of weeks ago on the same line and told this entire committee I would protest, even on the floor of the House, against that gag rule, even though it might be invoked in behalf of almost sacred legislation.

Mr. JOHNSON of South Dakota. I am glad the gentleman said that, because it is true that he did protest, but it brings out the fact that the Democrats, under this leadership, have invoked the gag rule.

Mr. HOWARD. My dear fellow, that is just what I am stating, and against which I am protesting.

Mr. BLANTON. Will the gentleman yield?

Mr. HOWARD. Not until I have finished with the gentleman from South Dakota. I am excoriating Democrats now for the damnable practice of emulating the Mellonites. [Applause.]

Mr. BLANTON. Will the gentleman now yield?

Mr. HOWARD. Yes.

Mr. BLANTON. The gentleman from Nebraska well knows that during the entire service of the gentleman from South Dakota as chairman of the Veterans' Committee every bill he brought upon this floor was brought in under a rule where you could not change the dotting of an "i" or the crossing of a "t," where it had to be swallowed under 20 minutes of debate to a side, and where the membership did not have the right to impress upon that legislation its own desires. The gentleman well knows that was the kind of gag rule which has gotten into the system of the gentleman from Nebraska until he still believes it exists here on the floor, when it does not now exist. [Laughter.]

Mr. JOHNSON of South Dakota. Will the gentleman yield for a further question?

Mr. HOWARD. I will yield; but let me remind the gentleman that my little 20 minutes are fleeting.

Mr. JOHNSON of South Dakota. I would say that I know the gentleman from Texas would not deliberately misrepresent the facts, but he must recall, although he might not have been present on the floor, that when the last veterans' bill—the so-called Rankin bill, from which I took my name, because I did not believe in it after it had been changed by the House—was brought into the House, we had four or five days of debate here, and every amendment possible, including the Cochran and Connery amendments, were considered.

Mr. BLANTON. That was not the gentleman's bill, because he took his name off of it. And that was the bill, I will state to my friend, that passed this House almost unanimously; there were only about 6 votes in the Senate against it, and yet when it went to the White House it was vetoed and brought back here. Then the gentleman and his party killed it and substituted for it another gag-rule bill, passed under a rule, with 20 minutes debate to the side, allowing no amendments to be offered to it.

Mr. JOHNSON of South Dakota. My object in answering the gentleman was to call the gentleman's attention to the fact that he misstated the facts when he said the gentleman from South Dakota had brought all veterans' legislation into this House under a gag rule, when the gentleman from South Dakota did no such thing.

Mr. BLANTON. The gentleman did not "bring" that bill here. He did not sponsor it. He took his name off of it and had it called the "Rankin" bill, which passed overwhelmingly, and then when it was vetoed and killed the gentleman did substitute for it a gag bill passed under gag rule.

The SPEAKER. The gentleman from Nebraska has the floor.

Mr. HOWARD. Mr. Speaker, I am being more or less spoliated. [Laughter.] Now, my friends, I want to return to the statement I started to make when I was interrupted. I have said that this magnificent Speaker of yours and mine has damned on many occasions the Mellonite gag-rule system—damned it to as hot a place in the hottest corner of tradition's hottest hell as even the lurid language of Charley Dawes could consign it.

Oh, gentlemen, you remember how nobly JOHN GARNER stood here and pleaded with the House against the gag-rule system practiced in the Committee on Ways and Means during the last session. My friends, many and many an evening time, in the tired hours, after a day of denunciation of the gag-rule system, I remember that dear JOHN

GARNER would come to me, put his arm around me lovingly, like a brother, pat me on the shoulder, and say: "Do not worry about it, old Roman. There may come a day when we will control this House [laughter and applause] and in that day this damnable Mellonite practice will be no longer permitted."

If it is true, and possibly it is, that there has been some practice of it here recently, my main plea is that all of you and the country believe that poor JOHN GARNER, sitting here with a bare majority of only 2 or 3, and some of us rather uncertain at that [laughter], is doing the very best he can under the circumstances. In the half minute left to me I just want to say, with reference to my anti-gag-rule Speaker, God bless him! [Applause.]

[Here the gavel fell.]

ECONOMY COMMITTEE

Mr. POU, from the Committee on Rules, presented the following privileged report from that committee, which was referred to the House Calendar and ordered printed:

REPORT NO. 586

The Committee on Rules having had under consideration House Resolution 151, reports the same to the House with an amendment striking out all of the preamble, with the recommendation that the amendment be agreed to and that the resolution as so amended be adopted.

AGRICULTURAL CREDIT CORPORATIONS

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 292) to authorize the Secretary of Agriculture to aid in the establishment of agricultural credit corporations, and for other purposes, with a Senate amendment, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from Texas asks unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 292), with a Senate amendment, disagree to the Senate amendment, and agree to the conference asked by the Senate. Is there objection? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. JONES, FULMER, and HAUGEN.

IMPROVEMENT OF FACILITIES OF THE FEDERAL RESERVE SYSTEM

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9203) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Alabama asks unanimous consent to take from the Speaker's table the bill H. R. 9203, with a Senate amendment, disagree to the Senate amendment, and ask for a conference. Is there objection? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. STEAGALL, BRAND of Georgia, STEVENSON, MCFADDEN, and STRONG of Kansas.

SAN CARLOS (WHITE MOUNTAIN) INDIAN RESERVATION, ARIZ.

Mr. DOUGLAS of Arizona. Mr. Speaker, I ask unanimous consent for the present consideration of a resolution which I send to the desk.

The Clerk read the resolution, as follows:

House Resolution 155

Resolved, That the Senate be requested to return to the House of Representatives the bill (H. R. 8824) entitled "An act to restore certain lands to the San Carlos (White Mountain) Indian Reservation, Ariz."

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The resolution was agreed to.

THE LIBEL SUIT OF CANNON AGAINST TINKHAM

Mr. TINKHAM. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes in reply to certain statements made on the floor in reference to me yesterday.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for 15 minutes. Is there objection?

There was no objection.

Mr. TINKHAM. Mr. Speaker, certain remarks made by the honorable Representative from Texas, Mr. BLANTON, have been brought to my attention. He made them yesterday in reference to a suit for libel now pending between Bishop James Cannon, jr., and myself in the Supreme Court of the District of Columbia. I do not think it important at all that I should reply, but just for the RECORD I want to say a few words in relation to the questions concerning the pleadings in the case to which he referred. I think the best way to proceed is for me to read my answer in the suit:

IN THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

James Cannon, jr., plaintiff, *v.* George Holden Tinkham, defendant.
At Law No. 79715

Now comes the defendant and for pleas in the above-entitled cause says:

(1) That he is a Member of the Congress of the United States from the State of Massachusetts and that he has been a Member of the Congress since March 4, 1915;

(2) That on June 21, 1930, he made the following statement:

"Lest Bishop Cannon shall delude his followers into thinking the charges which I made against him in the House of Representatives were unfounded, and meeting his challenge that I divest myself of my congressional immunity, I desire to restate over my signature the charges I made in the House of Representatives that he is a shameless violator of the Federal corrupt practices act, a criminal statute; that he received $65,300, mostly in cash, from a New York capitalist, Mr. Jameson, during the 1928 elections and illegally concealed the receipt of all of this money until February 15, 1929, and has not yet accounted for $48,300 of this amount, refusing to do so before the Senate lobby investigating committee, before which he appeared voluntarily, and where he was under oath and could have been cross-examined."

(3) That such statement was a statement of fact, and true, and that it was a privileged statement;

(4) That he was not actuated by malice, but, on the contrary, that he was actuated by a sense of high public duty to expose the true character of the plaintiff; and

(5) That he denies each and every other allegation of the plaintiff and leaves the plaintiff to his proof.

GEORGE HOLDEN TINKHAM, *pro se.*

Mr. Speaker, I thought when I drew this answer that it was simple and direct. It pleaded, first, truth, and, second, privilege, but you will note that it did not say congressional privilege or congressional immunity. The usual defenses in pleadings in all libel actions are truth and privilege. Privilege in a libel action, on the part of the defense, grows out of the character of the parties to the suit or of the character of the statement that is made or of the circumstances in which the statement is made, and when this plea was drawn—and it was drawn by me—it was meant simply to raise such general privileges as can be raised in an action for libel.

I stated in my plea that it was a privileged statement after admitting that I had divested myself of my congressional immunity when I made the statement upon which was based the libel action, and I want it distinctly understood that I did not raise the question of congressional privilege or the question of congressional immunity in my plea but merely the general principle of privilege which is accorded to anyone filing an answer to an action for libel.

Now, it so happens that in this District it is necessary to set out what privilege is relied upon. This I did not do, and therefore the attorney for Bishop Cannon took advantage of this situation—and I am not blaming him at all for it—and went to the court and filed a demurrer, which in this District is called a motion to strike, saying I should set up what privilege or privileges I relied upon.

Then I turned the case over to an attorney who was more familiar with the pleadings in this District than I was. I understand from the honorable Representative from Texas that my attorney did raise some question in relation to congressional privilege. It was the first time that I knew he had, and, as far as I was concerned, I made no suggestion of that character to him.

The court decided that in my plea the character of privilege upon which I relied should be set up, and my attorney has filed pleas which, I understand, the plaintiff's attorney

has accepted as being sufficient to make the case ripe for trial.

In these pleas my attorney did not invoke congressional privilege. How could he, as a matter of law, after I had waived congressional privilege in the statement upon which I am being sued?

Mr. BLANTON. Will the gentleman yield?

Mr. TINKHAM. I yield to the honorable gentleman from Texas.

Mr. BLANTON. The gentleman from Massachusetts is a graduate of one of the leading law schools of the United States, is he not?

Mr. TINKHAM. I attended the Harvard Law School.

Mr. BLANTON. And the gentleman is a practicing attorney in Massachusetts.

Mr. TINKHAM. I was up to 18 years ago, when I came here.

Mr. BLANTON. Being so, he started out and filed pro se a plea setting up the fact that he was a Congressman representing the people of Massachusetts in the United States House of Representatives, did he not?

Mr. TINKHAM. That is what I said.

Mr. BLANTON. Then he pleaded privilege, did he not?

Mr. TINKHAM. Yes; I said it was a privileged statement.

Mr. BLANTON. And the only thing the attorneys for Bishop Cannon did was to move to strike out that one sentence.

Mr. TINKHAM. True.

Mr. BLANTON. And the gentleman's lawyers came back and pleaded that you had filed it yourself, and had inadvertently so drawn it.

Mr. TINKHAM. I do not know. I have no evidence of that.

Mr. BLANTON. And your lawyers said that you could not waive it, that the Constitution had so surrounded Congressmen with protection that you could not waive it.

Mr. TINKHAM. They may have argued that, but they did not put it into any plea.

Mr. BLANTON. Did they not put it into an amended plea?

Mr. TINKHAM. No; not as I understand it.

Mr. BLANTON. The gentleman is very kind to yield, and I appreciate it. Is not it a fact that in this morning's paper the gentleman gave the press his picture—which is a splendid picture [laughter]—and a statement that he was filing to-day a new plea waiving all immunity; did he not give that statement to the press?

Mr. TINKHAM. No. I gave no statement to the press except the speech I made on the floor day before yesterday, which the honorable gentleman from Texas commented upon yesterday.

Mr. BLANTON. That was given out "for release on delivery," was it not?

Mr. TINKHAM. That is true; and I meant it to be published. [Laughter.]

Mr. BLANTON. The gentleman from Massachusetts will be fair to a man who can not speak from this forum. Will not the gentleman be fair enough to explain about the newspaper reports that the court, after the hearing of the indictment which the gentleman's energy has been instrumental in getting the court and grand jury to indict the bishop—did not the court say that there was no charge of violating the law against Bishop Cannon?

Mr. TINKHAM. Of which case is the honorable Representative speaking—the civil case against me for libel or the criminal case against Bishop Cannon for violations of the Federal corrupt practices act?

Mr. BLANTON. Did not the gentleman help to get an indictment against Bishop Cannon?

Mr. TINKHAM. I helped in no way.

Mr. BLANTON. Did not the gentleman help to influence it?

Mr. TINKHAM. I helped in no way. I think it is a very improper thing for the honorable Representative from Texas to suggest that I attempted to influence a grand jury in the performance of its duty.

Mr. BLANTON. What is the purpose of the gentleman in making all these speeches in the newspapers and from this forum about a law case that ought to be tried in court?

Mr. TINKHAM. My purpose is to bring first to the attention of this House——

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. Is it permissible for a witness to leave the stand and the cross-examining attorney to approach within striking distance of the witness?

Mr. BLANTON. Certainly it is permissible.

The SPEAKER. The gentleman from Massachusetts addressed the House, and if he yields to the gentleman from Texas and gives the gentleman from Texas all the time he wishes that is his privilege. The gentleman from Massachusetts has the floor.

Mr. BLANTON. May I ask the gentleman from Massachusetts if he did not say in his speech the day before yesterday that he went before the Caraway committee and lodged all these facts against the bishop, and that he tried to get the Caraway committee to take action against him?

Mr. TINKHAM. I did not. Let us be exact.

Mr. BLANTON. What did he say?

Mr. TINKHAM. I say to the honorable Representative from Texas, without offense, that I never have met a man in my life whose brain receiving a straight statement could reproduce it distorted in so fantastic a way.

Mr. BLANTON. I am just referring to the English language. The gentleman did appear before the Caraway committee, did he not?

Mr. TINKHAM. Let me make a statement as to the exact facts. I appeared before the Caraway committee.

Mr. BLANTON. For what purpose?

Mr. TINKHAM. To make general charges against a number of ecclesiastical organizations that in my opinion were violating the old American principle of separation of church and state. During the time that I was before the committee, and only for two or three minutes, I brought to the attention of the committee the fact that Bishop Cannon's committee—that is, his political committee—had reported $17,000 as having been received from one Jameson, and that Mr. Jameson had stated before another committee that he had given Bishop Cannon $65,300.

Mr. BLANTON. Is the gentleman willing for me to put Mr. Jameson's testimony in the RECORD?

Mr. TINKHAM. Wait a moment. I asked the committee to investigate that discrepancy, and that is all that I did.

Mr. BLANTON. Is it not a fact that Judge Gordon, who sustained Bishop Cannon's motion to strike out the gentleman's plea of privilege, is a fundamental wet himself?

Mr. TINKHAM. I know nothing about his position on that question, absolutely nothing.

Mr. BLANTON. Is it not a fact that the judge in sustaining the demurrer to the indictment held that there was not a single thing in there that showed a violation of law?

Mr. TINKHAM. I do not think he did that.

Mr. BLANTON. Who is it that is having the district attorney appeal from that judgment of the court? I am interested in knowing that. Why does not the district attorney accept that judgment, that that indictment is not good, and why does he want to appeal it and cause further expense to the people of the District?

Mr. TINKHAM. If he thinks that Bishop Cannon is guilty, it is his duty to appeal the decision, and he certainly would not have brought the case before the grand jury unless he thought he was guilty.

Mr. BLANTON. Then the gentleman approves of his action in appealing?

Mr. TINKHAM. Certainly. I believe this case ought to be carried to its end.

Mr. BLANTON. Is the gentleman not backing up the district attorney in his appeal?

Mr. TINKHAM. I have done nothing in relation to the district attorney.

Mr. BLANTON. Then, the gentleman is willing for the district attorney to drop it and stop costing the people money?

Mr. TINKHAM. No; I am not.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9349, with Mr. McREYNOLDS in the chair.

The Clerk read the title of the bill.

Mr. OLIVER of Alabama rose.

Mr. SHREVE. Mr. Chairman, I yield to the gentleman from Alabama such time as he desires.

The CHAIRMAN. The gentleman from Alabama is recognized for one hour.

Mr. OLIVER of Alabama. Mr. Chairman, I am sure it would be more interesting to the visitors if field day in no man's land could continue, but there comes a time when Congress must give very serious attention to privileged bills which seek to provide funds for carrying on essential activities of the Government. I will say that the RECORDS of yesterday, the day before, and to-day are well worth keeping, because there can be found in the RECORDS of those three days some very instructive data and information, interestingly told, relating to a great number of subjects now engaging public attention.

We will now return to the consideration of the pending appropriation bill, and it has been the practice of the Committee on Appropriations, as well as the Members of the House, to forget politics in the consideration of all such bills.

In presenting the recommendations of the committee I feel sure I will meet with a fine spirit of cooperation on the part of the House to effect all possible economies in government if good reasons can be assigned therefor. I wish to make grateful acknowledgment to the members of the subcommittee who assisted in preparing the recommendations set out in the pending bill for their very helpful and splendid cooperation, to the gentleman from New York [Mr. GRIFFIN], to the gentleman from Missouri [Mr. CANNON], to the gentleman from Texas [Mr. BLANTON], to the gentleman from Pennsylvania [Mr. SHREVE], and to the gentleman from Massachusetts [Mr. TINKHAM]. I am sure other committee members will permit me to express my especial appreciation to the gentleman from Pennsylvania [Mr. SHREVE], the former chairman of the subcommittee, for his very helpful assistance. The committee wishes me to thank our efficient clerk, Mr. Bob Nagle, for his invaluable aid.

I pause here long enough to pay brief tribute to one of our departed colleagues who, because of his long successful business life and his extensive travel, both at home and abroad, was so well equipped as to effectively aid the committee in its deliberations. Congressman Ackerman, to whom I refer, was an indefatigable worker and a valuable member of our committee from the day of its formation in 1921 to the time of his death in 1931. He spent much of his time in and out of Congress in seeking first-hand information as to the working of the four governmental units which our committee had to deal with, and I know I express the sentiments of all my colleagues on that committee in saying that his passing was a great loss, not only to Congress but to our country as well.

Those of you, who served with him, will remember that he always manifested a keen interest in the Bureau of Foreign and Domestic Commerce, and during his membership on the committee it was his unvarying, unfailing custom, in connection with a bill like the one now pending, to make a statement of the real accomplishment of that bureau. As a tribute to his memory, our committee wish to carry on this worthwhile work of his, and I shall later insert a statement following the general lines in which he presented to the House every year the activities of this bureau.

It is pleasing to be able to say that the subcommittee was in full agreement as to all items in the pending bill, except one, and our differences as to that will be the subject of discussion on next Tuesday. So far as the other recommendations of the bill are concerned, the subcommittee and the full committee were in complete agreement, I think.

Let us consider for a moment what the action of the Committee on Appropriations, interpreted in dollars and cents, means. This bill carries appropriations for four departments of the Government—State, Justice, Commerce, and Labor—and on page 1 of the report will be found a table showing that the appropriations for 1932 for those four departments were $139,001,704.34 and that the Budget estimate for 1933 for these same departments was $129,784,136.89. When the departments are separately examined it appears that the appropriations for the Department of State were reduced by the Bureau of the Budget about $1,792,000 for the fiscal year 1933 under 1932. When, however, it is recalled that there were many nonrecurring items in 1932—that is to say, items for which no appropriations are carried in 1933, amounting to about $2,374,015—it will be seen that the Bureau of the Budget really gave to the Department of State an increase over 1932 of $600,000 or more.

It further appears from mere figures that appropriations for the Department of Commerce was reduced by the Bureau of the Budget about $9,000,000, yet when we take into account the nonrecurring items of 1932, which do not appear in the 1933 bill, we find that the cut for the Department of Commerce is less than $700,000.

The Committee on Appropriations reduced the estimate of the Bureau of the Budget for the State Department $1,492,212.77, and reduced the estimate of the Bureau of the Budget for the Department of Commerce $586,447. There was a substantial increase given to the Department of Justice by the Bureau of the Budget, and the Appropriations Committee have reduced the Budget estimates for the Department of Justice $3,149,089, and for the Department of Labor $155,070 under the Budget estimate, making the total cut by the Appropriations Committee under the estimates of the Bureau of the Budget of $5,382,818.77 for these four departments.

Perhaps I might here say that your committee spent more than six weeks in its study and preparation of this bill, and in order that we might have some sound basis on which to predicate our study we secured charts of all the activities of those four departments. First, a chart of the departmental breakdown and then charts of the breakdowns of each separate unit in the four departments. For instance, take the Department of State, which is the first department appropriated for in the pending bill; it has about 35 main bureaus or units in the department at Washington with more than 800 employees. It maintains 59 diplomatic missions and 342 consular offices abroad, with more than 4,000 employees. Fifty-five foreign governments are represented in diplomatic missions in the United States and its territories, and they maintain 1,174 foreign consular offices in our country and its territories.

These charts give you a mental picture of the many units through which the Department of State functions.

I call attention to these charts for this reason, that under the classification law it will be found we have rapidly drifted into a government of single ideas, where no employee is supposed to do, too often, but one single thing. It is very easy, with the classifications that have been established, to bring strong pressure upon the several departments to establish separate units or bureaus, so that there may be numerous bureau chiefs and assistant bureau chiefs, with salaries altogether out of proportion to that of the real workers in the bureau.

That is one of the errors that sooner or later this Congress must correct. It is largely a fundamental error of existing law, which, I feel, needs study in connection with what this Congress may provide for in consolidating separate Government activities, so as to avoid duplications.

The same thing occurs in the Department of Commerce. We find they also have a very ambitious set-up in their department at Washington. The chart shows the innumerable breakdowns of these departments into separate units. If the Members are interested further in the study of these maps and charts which are here exhibited they can be found in the Appropriations Committee room.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. SHALLENBERGER. Do I understand that all of this condition, to which the gentleman has referred, is a matter of law and not of administration?

Mr. OLIVER of Alabama. It is largely a matter of administration.

Mr. SHALLENBERGER. I understood the gentleman to say it was a matter of law.

Mr. OLIVER of Alabama. I said there is a classification act which furnishes a great temptation to all departments to yield to entreaties of their employees to establish many separate units and place over such units bureau chiefs and assistant bureau chiefs. I feel that is a matter that needs correction.

You will find on this map prepared by the State Department the locations of our embassies, legations, and other Foreign Service posts. Our 59 diplomatic embassies and 342 consular offices will be found widely scattered throughout the world. We have here an insert map which gives more clearly to the eye where these positions are located in European countries. This map will also be on file in the Appropriations Committee room for the information of the House.

Now, coming to the appropriations carried for the State Department, as I stated, the bill will soon be read under the 5-minute rule, and the committee will be pleased to answer inquiries as to all of the many separate items for which appropriations are carried. I thought, however, it might be interesting to call to your attention some of the outstanding reductions appearing on pages 6 and 7 of the report. You might be interested, for instance, in the fund that has been carried for a long while of $400,000 and known as the emergency fund to meet emergencies arising in the Diplomatic and Consular Service. For reasons which the committee felt were sound, we cut that from $400,000 to $200,000.

Take the item for post allowances to Foreign Service officers, which is a fund that has been distributed by the Secretary of State for the purpose of supplementing the pay of some Foreign Service officers at different posts. We cut that from $100,000 to $50,000, for reasons fully set out in the report, and which we think the House will approve.

With reference to the Foreign Service building fund, you will recall that Congress in 1926 authorized $10,000,000 to be expended in the purchase of sites and in the construction of buildings thereon for the Foreign Service. It was intended, as far as possible, that the commission would build what might be known as combination buildings suitable for both residential and office purposes, so that not only the State Department and the Commerce Department might be housed therein, but also all other Government departments that might have representatives in the foreign field. There has been appropriated under that authorization $8,835,000, leaving a balance of $1,165,000 unappropriated. Mr. Merrill, the very capable secretary of the commission, has submitted a very complete report, which will be found in the hearings on page 431 et seq.

You will note that this map indicates where we own sites improved and unimproved in foreign countries. In other words, black represents sites on which are buildings, and it will be noted they are well scattered. There are 24 sites on which there are buildings now occupied by Government offices. There are five in yellow where we own sites on which we are now constructing buildings, and on one of which is a fine office building in the city of Paris.

The green represents sites for which plans are now being drawn for buildings to be erected in the future. All of the sites shown have been paid for except the one at Rome, on which we owe about $1,000,000, but for which the commission has sufficient money already appropriated. The yellow, seven in number, represents sites for which no plans have been drawn or are being contemplated at present.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. SHALLENBERGER. Do I understand that these buildings are outside the appropriations for the embassies we now have?

Mr. OLIVER of Alabama. No. These buildings are for that purpose.

Mr. SHALLENBERGER. Our ambassadors are housed in these buildings?

Mr. OLIVER of Alabama. Not in all of them but in some of them.

Mr. SHALLENBERGER. I recall that the Committees on Foreign Affairs had their members go to inspect these buildings.

Mr. OLIVER of Alabama. The chairmen of the Foreign Affairs Committees of the House and the Senate, as well as the ranking minority members of the two committees, are members of the Foreign Building Commission, as the gentleman may remember.

Mr. SHALLENBERGER. I was anxious to know whether these buildings are in addition to those?

Mr. OLIVER of Alabama. No. Some of these buildings have been built by that commission and many sites have been purchased by the commission, but some of the sites and buildings here shown were owned before that commission was formed in 1926.

However, the commission, under that act, has charge of all these buildings and sites. All previous acts were repealed, and all of our foreign building program placed in charge of this commission. Some of this construction had been authorized prior to the organization of that commission, and the commission carried forward the work under the act of its creation.

Following this you will find the item of representation allowances. There has been some discussion of this, you will remember, in the past two years in the House. There had never been any appropriation for this purpose up to two years ago. The first appropriation carried was $92,000, which was later increased to $125,000. The committee reduced this appropriation to $25,000 and suggests that instead of making allotments in advance from this fund that it be considered hereafter as a fund from which the Secretary of State is authorized to refund money to foreign officers who have had unusual expenses and to which, in the judgment of the Secretary of State, the National Government should make some contribution.

The other item you would likely be interested in is that covering rent, heat, fuel, and light in the Foreign Service, on page 7. This carries a proviso which seeks to limit the amount that may be spent for heat, light, and custodial care in a building occupied as a residence by a Foreign Service officer to the amount allowed Foreign Service officers when occupying non-Government-owned quarters. There is also a reduction in this appropriation.

On the same page there is a reduction in the pay of the three commissioners of the International Boundary Commission. This commission was established many years ago, and you will find full hearings in reference to this item. The salary of the commissioners up to two years ago had always been $7,500. The House refused to increase it to $10,000 and it was increased in conference. The House committee felt that the amount should be placed at what it had always been since the creation of the commission, and I invite your careful attention to the hearings on this subject.

Mr. ARNOLD. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. ARNOLD. Did the gentleman's committee go into the question of whether or not continuation of this commission is essential?

Mr. OLIVER of Alabama. This commission is created under a treaty, and we did not go into that. There are some pending questions of importance now before the commission and it was intended to be a continuing commission under the treaty, and, of course, we had no authority to change it.

Mr. ARNOLD. Is there work for them to do requiring the expenditure that is being made for this purpose?

Mr. OLIVER of Alabama. I may say this. There are some questions pending before them of importance. I have felt that so long as the commission continues there is always this danger. Parties who are interested in building power dams will make it a point to bring pressure on the two governments to refer such questions to the commission when, in fact, there is no real public need for the matters to be so referred.

Personally, I think when they shall have completed the inquiries that are now before them there is no pressing reason why the commission should be continued.

Mr. ARNOLD. It just occurred to me that this is a service that could have been dispensed with earlier, if we had gone about it properly.

Mr. OLIVER of Alabama. That is a matter, of course, for the Congress to determine, and it is not a matter our committee can control in the slightest.

Mr. MANSFIELD. Would not that have to be done by treaty?

Mr. OLIVER of Alabama. We would have to withdraw from the treaty, of course.

There were two estimates submitted to cover the expenses of the commission to two international conferences—one known as International Radio-Telegraphic Convention and the other the Pan American Union—one to be held in Madrid and one in Montevideo, and for each of these commissions the Budget had estimated $120,000. The committee cut the one to Madrid to $90,000 and the one to Montevideo to $80,000. One will be in session six weeks and the other about three months or two and a half months.

I think this covers the items that perhaps the House would be most interested in under the State Department, and, as I say, if there are other items about which you desire information, as we read the bill, the committee will be pleased to endeavor to give you the information.

Next, coming to the Department of Justice, I want to invite the attention of the committee to a very interesting statement made by the Attorney General, appearing on page 313 of the hearings. I think you will be somewhat interested to know that when the question was raised in the subcommittee as to whether the congestion in our courts is primarily due to the increased criminal business growing out of the prohibition act, the Attorney General, in response to inquiries on that subject, made a study of the subject and submitted a very interesting table in which he shows very conclusively that the civil business in our courts has grown more rapidly than has the criminal business, and I invite your attention to the very interesting statement he makes on pages 313 et seq. of the hearings.

You will also be interested in a statement made by Mr. Woodcock, who has administered the Prohibition Bureau. Permit me to say this, that no matter what may have been the individual opinion of members of the committee as to the wisdom of the prohibition amendment—and, of course, we had two members, I believe, who are not, as you know, in very great sympathy with it, all of the committee were, I think, impressed with the fact that Mr. Woodcock had administered the funds placed in his hands in a thoroughly efficient way, and I invite you to carefully read all of the hearings on that subject.

I do not think I ever heard a witness testify in reference to a controversial matter who seemed to be so free from any feeling, and who more evidently had endeavored to the utmost of his ability to secure high-quality men in his organization, and to avoid, as far as possible, some of the things that have been done in the past and have subjected law-enforcement officers to just criticism.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. MORTON D. HULL. Has there been a marked improvement in the service?

Mr. OLIVER of Alabama. I think there has been since the transfer from the Treasury Department.

Mr. ARENTZ. Statements have been made that since the transfer from the Treasury Department the cost of the bureau has been increased.

Mr. OLIVER of Alabama. I will state that Congress authorized, as you know, more men for the field, and the appropriations were increased for that purpose. The last session of Congress increased the appropriation to enable the bureau to employ more field men, and the appropriation this year is just the same as in 1932; that is, for the present fiscal year.

It may be interesting to state that the amount of fines collected and paid into the Federal Treasury by this bureau during 1931 was approximately $4,000,000 plus, and the amount of the fines assessed in cases prosecuted in State courts which the bureau instituted amounted to more than a million dollars. Mr. Woodcock was unable to state what part of the State fines had been collected, since they were payable to the State.

The amount of property seized by the bureau in 1931 amounted to about $24,000,000. The value of the property so seized, estimated by appraisers, added to the fine collected and paid into the Federal Treasury, would have exceeded the amount of the total appropriations of $11,000,000 carried for this particular service.

Mr. MANSFIELD. Did the Government realize cash on this seized property?

Mr. OLIVER of Alabama. This property consisted in part of copper, alcohol, automobiles, and so forth, some of which was turned over to Government departments for use. The automobiles seized were sold in most instances, but brought little money.

Mr. ARENTZ. I am much interested in the gentleman's remarks. Do I understand the gentleman to say that there is no net cost of prohibition; that the fines and property seized amount to the appropriation?

Mr. OLIVER of Alabama. Mr. Woodcock was not talking about the net amount. He did not take into account the court costs and expenses in the trial of cases. He was only measuring the amount that was appropriated for his bureau, with the value of the property that was seized and turned over to the Government, and the fines collected.

Mr. MORTON D. HULL. That is the cost of the bureau?

Mr. OLIVER of Alabama. The amount we appropriated for the bureau.

Mr. CHRISTGAU. Has the gentleman got the figures of the cost of enforcement, including the court costs?

Mr. OLIVER of Alabama. You will find that discussed in the hearings, in answer to questions by the gentleman from Massachusetts [Mr. TINKHAM]. There is hardly any question in reference to prohibition enforcement that was not raised and discussed at very great length in the hearings. And you will find that Mr. Woodcock had prompt and very satisfactory answers for the numerous questions propounded by the gentleman from Massachusetts [Mr. TINKHAM] and the gentleman from New York [Mr. GRIFFIN].

Mr. CLANCY. Did Colonel Woodcock give any information as to what it is costing the city, county, and State welfare commissions to support the families of prohibition offenders who have been sent to prison?

Mr. OLIVER of Alabama. I do not think that was discussed. I suggest the gentleman refer to the hearings.

Mr. CLANCY. It is very important, when we are talking about the cost. A very large part of the cost which falls on the people is the maintenance of the families of these offenders. He might have told you that in the Department of

Justice they now have an agency for contact in respect to welfare conditions. I was near Asheville, N. C., at one time when they sent down a whole trainload of prohibition offenders to Atlanta. Hundreds of their relatives were then without support.

Mr. OLIVER of Alabama. The gentleman has raised a controversial question. There are many who disagree wholly with the conclusions that he has reached from his study of the subject. Many feel that prohibition has brought about great savings to families, and that the money heretofore wastefully expended on liquor has been expended in providing food and raiment for the family.

I do not want to enter into what is just a controversial question. I was making simply a plain statement of what it seemed, from Colonel Woodcock's statement, the fines imposed in cases brought by that bureau and the appraised value of property seized amounted to in dollars and cents.

Mr. CLANCY. Is it not fair to add the cost to which I refer?

Mr. OLIVER of Alabama. That is a matter of argument. I recognize that the gentleman entertains that opinion. I entertain quite a different opinion, and our differences can not be settled here.

Mr. ARNOLD. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. ARNOLD. There seems to be some confusion in regard to the statement made a while ago by the gentleman from Alabama, and to get the matter cleared up let me ask him this question: Do I understand the gentleman to say that the fines, confiscations, and forfeitures amount to $11,000,000 more than the amount appropriated in this bill?

Mr. OLIVER of Alabama. Oh, no. I said that the fines collected were something more than $4,000,000, and that the appraised value of the property seized, added to the fines, would equal and probably exceed the appropriation carried for this bureau, to wit, about $11,000,000.

Mr. HART. Is the property seized property that may be resold, or does it include stills which are destroyed?

Mr. OLIVER of Alabama. Some of the stills are destroyed, and some of the copper is used by Government agencies where those agencies may need it. Alcohol is turned over to different agencies of the Federal Government. Some of the property seized has been sold, and much of it has been destroyed.

Mr. BLANTON. And summarizing the testimony of Colonel Woodcock, it showed, did it not, that, considering the fines and the property seized, the automobiles confiscated, and so forth, the bureau was just about self-supporting?

Mr. OLIVER of Alabama. Yes; so far as the appropriation that we make for this bureau is concerned.

Mr. CLANCY. I do not believe the gentleman from Alabama wishes to give an unfair impression. Is it not true that the main cost of prohibition enforcement, the larger cost, larger than that of the Justice Department, is in the Treasury Department, in supporting the customs and customs border patrol and the Coast Guard?

Mr. OLIVER of Alabama. That is an item that we did not take into consideration.

Mr. CLANCY. Certainly the fines, confiscations, and property sold do not give us enough money to pay the cost of prohibition enforcement?

Mr. OLIVER of Alabama. My statement related only to the appropriations carried in this bill, and I had not intended to convey any different impression.

Mr. BLANTON. But the border patrol protects against aliens and narcotics and various other matters.

Mr. OLIVER of Alabama. Those are all matters, of course, about which controversies may arise. I was simply making a statement as to this particular appropriation, and what those who are employed under this appropriation had been able to turn in to the Government in the way of fines, and so forth.

Mr. CLANCY. Is it not true that we do have a very extensive and expensive immigration border patrol and a narcotic bureau with many field agents?

Mr. OLIVER of Alabama. Some of that appears in this bill, of course.

Mr. BOYLAN. Of course, the three departments that the gentleman enumerates are engaged in putting people in jail, are they not?

Mr. OLIVER of Alabama. I was coming to that.

Mr. BOYLAN. I mean the three departments where the appropriations are not cut. They are engaged in putting citizens in jail.

Mr. OLIVER of Alabama. Yes. There were more than three appropriations not cut, but there were three appropriations which related to law enforcement which this House has expressed great interest in, namely, the prohibition law, the antitrust law, and the immigration law, and in all of these the appropriations have been carefully administered with a view of laying aside something in the event an emergency arises, and although all of these appropriations may show this year an unexpended balance we carry the Budget estimate for these three services because the committee felt that the House was equally interested in the enforcement of all these laws. As you know, this matter will be discussed at greater length under the two hours set apart for that purpose on next Tuesday, and I am sure none of us now desire to take too much time on that subject.

The hearings are very full, and that is why I call attention to it. I do not think that any of the questions that might be asked that I could answer are not to be found in the hearings.

The next item of very great importance and from which we have made the large reductions in the Department of Justice relates to the prisons, and for that reason I have brought here a map which shows the situation. Gentlemen will remember that we had two reports—one from a congressional committee and one from the Wickersham Commission—suggesting the building of additional jails and prisons, and calling attention to the crowded conditions of the prisons we then had, and in May, 1930, as I recall, the Judiciary Committee of the House authorized the building of a number of new jails and prisons.

We had, at the time that authorization was made, just six prisons; one at Atlanta, with a housing capacity of perhaps around 2,000 but where we have been carrying fairly well over 3,000, even as high as 4,100. Then at Leavenworth we had the main prison, with a prison population of about 3,100, and the annex recently secured from the Army, within 2 miles of the main prison, where there are about 1,800 drug addicts. Then at Alderson there are about 480 women, and we had a camp that we had taken over, where we are constructing permanent buildings, known as Chillicothe, with a population of about 1,200 to 1,600, the ages ranging from 18 to 25—some older. Then we had McNeil Island prison, out on the west coast, with a population of 980. Those were the six prisons we had in 1930. We have not completed any large prison since that date.

One will come into completion about the latter part of August, 1932, known as the Northeastern Penitentiary, in Pennsylvania, with a population capacity of more than 1,200. We have built a number of camps, six in number. Formerly we had a camp in New York and one at Camp Meade, which have been abandoned. Now we maintain six camps and they now have a population of about 1,600, and it is expected that the population will be increased to about 2,000 in 1933. Then we have built some jails, likewise under the authorization of Congress. One is completed at New York; one is nearing completion at New Orleans, and one is nearing completion in El Paso. All three of these will be completed by the beginning of the fiscal year 1933, and they will have a prison capacity of about 800. That could be increased.

Then it is planned, with appropriations already made by the former Congress, to build a jail in Minnesota and one in Michigan, with a joint capacity of about a thousand, and a jail in Kentucky of about 600 capacity, adding thus an additional 1,600 prison capacity.

We have now about 13,000 prisoners in Federal prisons, jails, and camps. Then we have in jails scattered through-

out the country, several States, counties, and cities, 11,000 prisoners, making in round figures about 24,000 in Federal and State prisons. Most of those in State, county, and city jails have short-term sentences.

Now, we have on parole about 4,700. Note that has increased in the last two years from 1,200 plus to 4,700 plus. Then there are on probation now about 17,000, and that number has increased in the last two years from 4,000 plus to 17,000 plus.

I mention this because it is pertinent to what I shall say with reference to the reductions that the committee is recommending relative to a further increase of our prisons.

Another bill carries a large sum for the Public Health Service to build a narcotic farm near Lexington, Ky., with a capacity of more than 1,200. It is the purpose of the Public Health Service, when that building is completed, as it will be in the fiscal year 1934, which as you know begins July 1, 1933, to transfer those drug addicts from the annex prison near Leavenworth, over to the Lexington home.

I have called your attention to these matters in order that you may understand what prison space we will have in 1933. In the new penitentiary in Pennsylvania, more than 1,200; in the new jails that are now nearing completion, more than 1,000; in the new jails that are being planned and will be completed in 1933, more than 1,500; and then in the narcotic or drug home that is being constructed by the Public Health Service, more than 1,200. So we are providing quite liberally for the future.

Mr. SABATH. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. SABATH. The gentleman's wonderful report shows a great achievement on the part of this administration, does it not, providing and building and increasing jails to such an extent; but does the gentleman not think we should do something to try to diminish the tremendous increase in those jails? Would it not be much better to do that than to enlarge this appropriation for jails?

Mr. OLIVER of Alabama. That is just exactly what we intend asking you to approve. I was just coming to it.

Mr. SABATH. I would be delighted to vote for something like that.

Mr. OLIVER of Alabama. I felt that a gentleman like the gentleman from Illinois, as well as others, might want information first, on which he could intelligently act, and I was seeking to give the gentleman a basis on which I think he will be justified in substantially reducing many of the appropriations recommended by the Budget for increasing jail and prison facilities.

Mr. SABATH. I will be delighted to secure additional information, but I just wanted to make that observation to give the administration credit for the great achievement in increasing jail facilities as they have in the last few years.

Mr. OLIVER of Alabama. Permit me to say that this is under direct command of Congress, and the Congress appropriated the money for that purpose. Congress is alone responsible for the increase in jails and prisons, and at the time that this large prison expansion was provided for, namely, in 1930, as I stated, the prison population was leaping upwards and I am gratified to state to you that now it is going down.

It began to go down the latter part of 1930. It went down a little more in 1931, and the present reports in 1932 show the trend to be still downward. That was an added reason why we should give attention to what amount this bill should carry for the further expansion of our prisons.

Mr. MAY. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. MAY. As a matter of information, I would like to know if the gentleman has obtained sufficient information to be able to tell us whether there has been an increase in the number of addicts to narcotics since the national prohibition law, over and above what it was before; and if so, what the increase is?

Mr. OLIVER of Alabama. I do not recall whether there is anything in the hearings on that subject, and independent of the hearings I would not know whether there has been shown any increase in the number of drug addicts since that time. However, the increased population of drug addicts, I think, has grown in the last 10 years.

Mr. MAY. In about what proportion?

Mr. OLIVER of Alabama. I do not recall. The gentleman will find a table giving that information in the hearings. I do not recall offhand.

Mr. CLANCY. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. CLANCY. Were there any statistics given as to the decrease in the jail population in Canada since they abolished prohibition?

Mr. OLIVER of Alabama. No. We did not go into a discussion of matters outside of continental United States.

Mr. CLANCY. As a matter of fact, I understand their jail population has decreased and that they have abolished a prison or two.

Mr. OLIVER of Alabama. That is a matter to which I assume the gentleman will call attention on Tuesday.

Mr. FINLEY. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. FINLEY. If the law against stealing were repealed, that would help to decrease the population of jails, would it not?

Mr. OLIVER of Alabama. Yes. I again want to call your attention to that most interesting information which the Attorney General supplied in response to our request. He made a search for the information in response to questions asked of him, and his report was very surprising to me. You will find it on page 213, showing how rapidly since 1910 the civil business in our courts has increased. It shows that civil litigation has increased far more than our criminal business. I am trying to give you facts so that you may read statements referred to and draw your own conclusions.

Mr. SABATH. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. SABATH. Is it not a fact that the civil business in our courts has increased, especially in the last three years, because of the tremendous number of receiverships and bankruptcies?

Mr. OLIVER of Alabama. Unquestionably so, and that appears from the Attorney General's statement.

Mr. JOHNSON of Missouri. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. JOHNSON of Missouri. I desire to ask the gentleman with reference to the appropriation for the United States hospital for defective delinquents at Springfield, Mo. Will the gentleman get to that later?

Mr. OLIVER of Alabama. I will get to that in a few minutes.

Mr. JOHNSON of Missouri. I will reserve my question until then.

Mr. UNDERWOOD. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. UNDERWOOD. May I inquire whether or not the gentleman has reached the item relating to the industrial reformatory at Chillicothe, Ohio?

Mr. OLIVER of Alabama. I will come to that in a few minutes also. I do want to say this, as a further predicate on which the committee based its recommendations for reductions; I wish to refer to the probation system. The judges are now very much interested in giving a suspended sentence to first offenders, and you will find that this was a factor we took into account in recommending reductions in appropriations for prison expansion.

Now, then, in reference to probation, may I say this: It is interesting to note from the hearings that in 1926 and 1927 the appropriations then carried were not expended. We carried $50,000 in 1926 and 1927 for the purpose of employing probation officers. The judges were not very much interested at that time and there were only three probation officers appointed. So the next year we reduced it to $30,000, and we still found that not half of the appropriation was expended. Then we reduced it to $25,000 and we found that was more than sufficient to care for it, and not until 1931, when you made a change in the fundamental law

authorizing the appointment of probation officers, did we find real interest shown by the judges. Then we carried an appropriation of $200,000. And mark this: The probationers then increased in two years from 4,000 to over 17,000.

Mr. KELLER. With the approbation of the judges?

Mr. OLIVER of Alabama. Yes. It is interesting to note, in that connection, that we now have only about 63 probation officers. They cover 55 judicial districts out of the 85, and we only carried $230,000 for their pay in the present fiscal year and for the pay of 12 clerks. In view of the statement made by the judges, concurred in by the Attorney General, the question was submitted to the Bureau of the Budget as to the wisdom of increasing that appropriation and giving to the judges an opportunity in a larger way to exercise their discretion in the carrying out of the law which Congress passed some few years ago. Following that the Bureau of the Budget submitted to us an estimate of $440,000; in other words, an increase of $210,000 over the present year. The committee has approved that estimate, and you will note that, according to its report, more than 40 additional probation officers can be employed and about 30 additional clerks.

We have limited the mileage and subsistence allowances, because that is where it might be abused, to $80,000, instead of $120,000 as suggested by the Budget. I think you will find that this will meet with the very hearty approval of the judges. If with 63 probation officers and an appropriation of $230,000 we have rapidly increased probationers from 4,000 to 17,000 plus, and the judges favor this increase of additional probational officers, I think you will find we can take the prison load off our jails and prisons in this way.

Mr. SABATH. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. SABATH. As one who 35 years ago started and advocated the probation system, I may say that I did that at the time, because many arrests were made unnecessarily, and as a police magistrate, I did not like to send people, especially young people, to jail for ridiculously small offenses. I would not ask this question of every gentleman, but I know how broad minded and liberal minded the gentleman is, and does he not think it would be much better if we would eliminate many of these unnecessary arrests so that it would not be necessary to have 17,000 people, most of them young people, out on probation?

Mr. OLIVER of Alabama. After the gentleman has read the hearings, and I am sure he will read them, suppose the gentleman and I discuss that on Tuesday, and I shall then be glad to give the gentleman such information as I have.

Mr. SABATH. I thank the gentleman for that courtesy.

Mr. BANKHEAD. Will my colleague yield for a question?

Mr. OLIVER of Alabama. I yield.

Mr. BANKHEAD. I do not know whether any evidence was offered; but if it were, it would probably be in the nature of an opinion as to whether or not liberalization of the parole law has justified itself as a corrective criminal procedure. In other words, from the gentleman's observation, does he think that liberalization of strict enforcement of sentences by the method of parole has had a good, corrective influence?

Mr. OLIVER of Alabama. I am very pleased the gentleman has asked the question, because the judges are of the opinion it has, and the report of the probation officers is to the same effect, and what is even stronger still, the large number of volunteer probation officers and civic organizations, like Rotary and Kiwanis and others, that sometimes are interested in the future of an offender, all seem to unite in the opinion that the probation law is working splendidly in the rehabilitation of offenders.

Mr. BANKHEAD. We are all certainly pleased to have an expression of that opinion, because many of us have always been heartily in favor of the system.

Mr. OLIVER of Alabama. It was because of this very strong indorsement by the judges and the organizations to which I have referred that the committee felt justified in recommending this appropriation to the House.

The CHAIRMAN. The gentleman from Alabama has consumed one hour.

Mr. OLIVER of Alabama. Mr. Chairman, I yield myself 30 minutes.

The CHAIRMAN. Without objection, the gentleman is recognized for 30 minutes.

There was no objection.

Mr. BOYLAN. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. BOYLAN. The gentleman will recall that a special committee appointed by the Seventieth Congress of which I happened to be a member recommended an increase in the number of parole and probation officers, and also a change in the parole system, taking it out of the prison itself and making it an independent commission, on the theory that it was better to parole them than to have them in jail.

Mr. OLIVER of Alabama. It is a very interesting report, I may say, that the gentleman's committee submitted, and evidences the fine humanity that always has characterized the gentleman in his dealing with matters of this kind.

Mr. SABATH. Will the gentleman from Alabama yield to me once more?

Mr. OLIVER of Alabama. I yield.

Mr. SABATH. During the consideration of the Clayton Parole Act, which was a good many years ago, I was fearful, in a measure, and so stated on the floor, that, although I believed in the system, those with great influence and power behind them could easily be benefited by parole under the system and the unfortunate fellow without any influence would not receive a great deal of consideration. In this connection may I ask if the gentleman upon investigation found whether those fears that were then expressed by me were justified or whether I was erroneous in my deductions made at that time?

Mr. OLIVER of Alabama. We have no information to that effect; and I will state that I left out of the hearings, because the hearings were rather extended, a number of letters from judges which I now think, before Tuesday, I will endeavor to collect and insert in the RECORD. I should like for the gentleman to read just what the judges now say in reference to the parole system.

Mr. SABATH. I shall be delighted to read that.

Mr. OLIVER of Alabama. I think these letters will be informing to the House, because the judges are in better position to give information in reference to this matter than I am.

Now, coming down to the deductions that we have made, we will take, for instance, Chillicothe.

We have provided there a fund sufficient to complete the prison units, so that the boys who are there now occupying the buildings that our soldier boys occupied during the war, and which have been very comfortable, may move over into more comfortable, more permanent quarters, and this bill carries a sufficient appropriation to provide completed units and the essential utilities for such buildings.

We have deducted only $200,000 from the amount recommended by the Bureau of the Budget, because in looking over the building program we felt that this could very well be deferred and let the boys do the work, since one of the things that the law itself required of the Attorney General in connection with many of these prisons, Chillicothe being one, was that he should use prison labor to the fullest extent in the building of the prisons.

So we have made there a deduction of $200,000.

Mr. UNDERWOOD. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. UNDERWOOD. I understand that the organic law provides for the use of prison labor to this extent, that the Attorney General may use the same whenever practicable.

Mr. OLIVER of Alabama. I will make this statement. The gentleman is correct in stating what the law requires. I think the Attorney General has been most liberal. The pressure has been very great, as appears in the hearings. In the first place, the Members from Ohio wished to have prison labor dispensed with altogether. I took occasion to say that, in deference and out of respect to the Members

from that State, whom I hold in high regard, that that question was discussed on the floor. They protested against the brick kiln being continued, but the House overruled them. They were not in favor of prison labor being used to the extent that the law directed. That was natural. But I think the Attorney General, exercising his discretion, may have stepped over the line, rather than under the line, in reference to the employment of prison labor. But we will take that up when we reach the item in the bill.

Mr. SABATH. This prison in Chillicothe is only for juveniles?

Mr. OLIVER of Alabama. It is supposed to be, but they have a few who are over 30 years of age.

Mr. KELLER. They are first-termers?

Mr. OLIVER of Alabama. Yes; I think so. Now, I have here a picture of Chillicothe, showing the buildings that are completed, and here are the buildings that will be deferred. They can very well be deferred, but prison labor will be used in completing those buildings and beautifying the grounds.

Next, we come to the new hospital near Springfield, Mo. There, the citizens have donated a plat of ground valued, I believe, at $135,000.

The authorization for that hospital was $3,000,000. Later the appropriation limited it to $2,500,000. It is a hospital for the mentally defective, the insane, the tubercular, the blind, the imbecile.

The contract was let last month; perhaps they have not started even yet on the building, and the contract allows four hundred and some odd days to complete it.

It was contemplated by the Budget estimate to put a tubercular hospital near by, with a bed capacity of 250 or more, at an estimated cost of $250,000 or $300,000. That is one item we left off, and we can discuss it when we reach the same.

The contract price for the buildings here shown on the map is $1,710,000, and the architect's fees are about $100,000. We have allowed an additional amount, the total, including previous appropriation, being $2,025,000.

So we have deducted from the Budget estimate about $500,000.

Mr. SABATH. Has the committee investigated whether this is a proper place for a tubercular hospital?

Mr. OLIVER of Alabama. That is one matter I want to bring to the attention of the House, when we come to that item, and the inquiry shows the great interest that the gentleman has in considering matters of this kind. It is a matter that I wish to call attention to later.

Mr. CLANCY. Mr. Chairman, will the gentleman sometime in his address give the total proposed cost of prisons, camps, and hospitals?

Mr. OLIVER of Alabama. I shall be glad to insert that later. It depends upon whether this Congress approves our recommendation. I shall be glad later to insert it. There is another hospital over in Oklahoma. You see they are scattered around, and naturally it is but human that the people in the neighborhood are not very friendly to the idea of these reductions.

Mr. McCORMACK. All of this comes under Mr. Bates?

Mr. OLIVER of Alabama. Yes.

Mr. McCORMACK. He is a very fine gentleman.

Mr. OLIVER of Alabama. Yes; he is a very efficient official.

Mr. SHALLENBERGER. I might suggest to the gentleman that we are very glad in Nebraska that they did not place any of these prisons in our State.

Mr. OLIVER of Alabama. Over in Oklahoma they are constructing what is supposed to be a duplicate of the Chillicothe prison, and it is intended largely to take care of that class of prison population from west of the Mississippi River. We have looked into that carefully and found that for $225,000 out of the $500,000 first appropriated for this prison the administration and detention buildings had been let. A balance of $273,000 is left, and we appropriated only a sufficient amount to provide for a prison population of 600 in addition to what can be cared for in the detention building.

If later Congress finds it wise to expand this prison, it can be done with prison population. We have reduced the Budget estimate from $1,850,000 to $725,000 and have reappropriated the unexpended balance of $273,000. This will give a very complete prison unit.

Mr. UNDERWOOD. Will the gentleman advise whether or not the organic act for the construction of the institution in Oklahoma provided for the use of prison labor?

Mr. OLIVER of Alabama. It did not.

Mr. UNDERWOOD. Can the gentleman tell us whether or not all of the work on the institution in Oklahoma has been contract work?

Mr. OLIVER of Alabama. The work that has been done, amounting only to $225,000, I understand has been let by contract, but very likely the rest of this building program will be let by contract, since there are no prisoners there to do the work. We had the idea of building slowly, so that we could get a prison population there, and if later Congress found it necessary to expand, prison labor could be used.

Mr. UNDERWOOD. Does the gentleman know of any other way we could use a part of the prison labor we now have at the industrial reformatory at Chillicothe and do more of the work there by contract, which would help the unemployment situation? This would give additional work for free labor.

Mr. OLIVER of Alabama. I think that he has made a more than liberal allowance for Chillicothe. I would like to have him use more prison labor there. I think it would be well within the authorization of Congress to do so.

Mr. PARSONS. About what is the penal population of all our prisons?

Mr. OLIVER of Alabama. We have 13,000 in the Federal prisons; we have about 11,000 in the State, county, and city jails; about 17,000 out on probation; and about 4,000 out on parole, making a total of approximately between 44,000 and 45,000 under all of those heads.

Mrs. ROGERS. Did not the committee have under consideration a Federal prison for Massachusetts within the last day or two?

Mr. OLIVER of Alabama. No; not this committee.

Mr. FITZPATRICK. What are the majority of the prisoners charged with that are in these Federal prisons?

Mr. OLIVER of Alabama. The gentleman will find a full statement of that in the hearings. I am going to let the gentleman read about that up to 12 o'clock to-night because I shall refer him to the page later. All the information is there.

I want now to show another picture. We have more than 3,700 jails in this country, and the Bureau of Prisons has been inspecting these jails as rapidly as they could with the forces they have for the purpose of ascertaining whether they are suited for Federal prisons. They take into account, of course, safety, cleanliness, and health conditions, and the spots shown on this map which I now exhibit represent the prisons actually inspected. They number around 1,200. We have a prison population in these jails of approximately 11,000. That population varies, as I said, and the prison population trend is downward at present.

The inspectors are continuing their inspections, and they will add to the approved jails numerous others during the present fiscal year and during the fiscal year of 1933. That is another factor that entered into our recommendation that this heavy expense of building permanent prisons be deferred, and we have recommended very sharp reductions on that account.

Mr. PARSONS. About what is the total price per day paid for those in jail?

Mr. OLIVER of Alabama. They range from 59 cents to $1.10, the average being around 75 cents. The building of these jails, as I stated in different sections of the country, has had this effect: That where the county, State, and city jails have at sometimes in the past been rather exacting when we were seeking entrance there for Federal prisoners, they now are willing to give us more readily the prices charged to States, cities, and counties.

The Federal jails have had a tendency to bring down prices. It is thought that in the year 1933 the price will average around 70 or 75 cents.

Mr. KETCHAM. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. KETCHAM. How does that average with the average price of maintenance in our Federal prisons?

Mr. OLIVER of Alabama. That depends entirely upon the population. The smaller the population the greater is the cost in Federal jails, of course. As the population mounts, then, of course, the cost decreases. For instance, at Atlanta, where there are 3,600, the cost is around $1,700,000.

At Leavenworth with 3,000 and Leavenworth annex with 1,800 it is $1,800,000 plus. At the jail in New York with 180 prisoners, where there is also a school, the expense is relatively larger, because the population is smaller.

Mr. KETCHAM. Is the gentleman able to say whether or not it averages above or below 75 cents?

Mr. OLIVER of Alabama. Where there is a population of around 600 I would say it may possibly be a little less, but where there is a smaller population, of course, it mounts up. There has to be guard attendance just the same, and the overhead is rather high.

Now, I have here an interesting map. It is illustrative of what I said in relation to the growth of the probation system. This part of the map represents what we had in 1926 and 1927, when we had an appropriation of $50,000. The next year they carried still a large unexpended balance, and this territory was added to it. Then the following year we carried still an appropriation that was unexpended, and this territory was added. Then when we changed the law, authorizing the judges to appoint men of their own selection who were acquainted with the character of men whom they were willing to admit to probation, and we carried an appropriation of $200,000, the green portion of the map represents how rapidly it spread, and this is when it went up from 4,000 to 17,000.

With the increase we have given there will be sufficient funds to provide a probation officer for all of the territory shown in white, which now represents districts not served by paid prohibition officers.

This is a social service, and we have not wanted in the slightest to discourage that very fine volunteer service that always has responded to the call of humanity, and oftentimes there is a strong human appeal to local organizations and to local individuals to come to the help of the unfortunate. The number of volunteer probation officers, serving without pay, of highest character, runs into the hundreds. We have felt we must not make this a real career job, as it were.

We thought we should provide fair compensation but nothing more, so there is carried a limitation fixing the highest salary that can be paid to a probation officer at $2,600 and have suggested in our report that, taking into consideration the character of the probation officer, the number of probationers he will have to overlook, the extent of his territory, the character of the crimes, and so forth, the department should consider an initial pay of $1,800, $2,000, $2,200, and $2,400, leaving this to the discretion of the Attorney General.

Mr. HOCH. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. HOCH. Do the States shown in white indicate that the parole system has not been instituted?

Mr. OLIVER of Alabama. The white portion shows where the parole system has not been instituted. There are some volunteers there, but there is no paid probation officer there, and there are comparatively few out on probation. The yellow portion represents the small increase for those lean years. These several colors represent step by step in years, and then the green represents when the law was changed and when the judges got behind it. Then the number rapidly increased from 4,000 to 17,000.

Mr. RAMSPECK. Will the gentleman say what the blue represents?

Mr. OLIVER of Alabama. That only represents the increase from year to year. The different years are shown.

We went into the question purely for the purpose of calling to the attention of the Committee on the Judiciary, if it should have any occasion to make further judicial districts, that they should take into account the very large expense incident to holding courts at so many places, and we had a map prepared in order that we might make a study of it so that we might be able to conclude therefrom whether there was heavy expense incident to the great number of places at which courts are now held. Later I may advert to that. The committee had a supplemental hearing printed which will prove interesting. It was printed after the full hearings, and I invite the Members to get it.

Passing to the Department of Commerce, I have only discussed the outstanding matters under each head. I want to call your attention to some interesting maps from the Aeronautics Bureau in the Department of Commerce, and we will take up the other interesting items in the Department of Commerce under the 5-minute rule.

I have three maps here. All of these will be in the committee room for your information if you desire them. This shows that we now have 19,000 lighted airways, or will have at the end of the present fiscal year, in continental America. The radiobeacons are shown on this map, which gives additional information relative to the lighted airways. I will not have time to go into the situation in detail.

This also shows where all of the radiobeacons are and where the airports are. These three maps give fine information, and indexes are carried on each.

This map gives another picture of it with the intermediate fields and likewise the lighted airways. These maps will not appear in the RECORD, because it is impossible to place them there, but they will be in the committee room for the information of any Member.

Here are two maps in which you will be interested. This is Central America, and the black lines represent the American companies. You will see how we have taken over the air mileage in Central America.

The maps over here show all of the companies that are operating there, and you will find that the American Airways have 7,465 miles and another American company 2,295 miles. You see the strategic positions the American companies occupy. You find three routes leading from Cuba. Here is one coming over in this direction; here is another entrance, and here is another.

Mr. MANSFIELD. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. MANSFIELD. Why do we extend our air mail service over foreign countries when they do not extend their service over our country?

Mr. OLIVER of Alabama. It was thought wise to do so. You might read the hearings on the Post Office bill and the other hearings which will be available later. I am simply bringing this to you for your information. This map shows South America, and you will see how American lines have circled it. These lines represent American companies.

I will not have time to go further into it, but each map is self-explanatory and will be found in the committee room.

Mr. KETCHAM. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. KETCHAM. Is this done by negotiations between our Government and foreign governments?

Mr. OLIVER of Alabama. I think so. You would be surprised at the saving of time in communications between continental America and these countries. That all appears in the record. I can not go into those details, but we developed that very fully because we felt the House would be interested in such information.

Coming to the Department of Labor, I have only just a few minutes. I would like you to read the statement contained in the report made by the committee in reference to employment offices. We have approached this not in any controversial way but only for the purpose of laying it before the House as practical business men. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Salaries: For Secretary of State, $15,000; Under Secretary of State, $10,000; and other personal services in the District of Columbia, including temporary employees, and not to exceed $6,500 for employees engaged on piecework at rates to be fixed by the Secretary of State, $1,915,540; in all, $1,940,540: *Provided*, That in expending appropriations or portions of appropriations, contained in this act, for the payment for personal services in the District of Columbia in accordance with the classification act of 1923, as amended, with the exception of the four Assistant Secretaries of State and the legal adviser of the Department of State, the assistant to the Attorney General and six Assistant Attorneys General, the Assistant Secretaries of Commerce, the Assistant Secretary and the Second Assistant Secretary of Labor, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act, as amended: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, or (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the classification act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I trust that I am in no wise violating the proprieties or decorum that should obtain in the discussion of matters in the Committee of the Whole when I undertake in a few words to pay what I think is a most deserved compliment to the ability and industry of my distinguished colleague from Alabama, the chairman of this subcommittee [Mr. OLIVER]. [Applause.]

I do not undertake it in any sense of fulsome praise or flattery. I have often taken occasion to observe that probably the most laborious but nevertheless the most important work, particularly in times like these—and I say this without any invidious comparisons—that may be done by a Member of Congress is done in the Committee on Appropriations. The very nature of that work, the industry that is required, the persistence in the pursuit of legitimate details of information which should accompany the reports of the committee to the House and to the Committee of the Whole, involve an enormous amount not only of public responsibility but also of personal drudgery and detailed labor.

I happen to know that in this particular instance, because of my intimate touch and association with him, that my colleague for the last two months has not only been laboring with his associates—being charged with the personal responsibility of preparing this bill—but has worked many times until midnight in his home upon the details of this bill. I say, gentlemen, that not only the gentleman about whom I speak here to-day but all members of the Committee on Appropriations—and they are all thoroughly conscientious and devoted citizens of the Republic as well as faithful Representatives—deserve more praise, more honor, and more credit at the hands of their associates in this House than they receive.

I want to say that my friend from Alabama occupies a rather unique distinction in the political annals of my State. For 16 years he has been elected to the House of Representatives without opposition, either upon the part of his own party or on the part of the party in opposition. The last contest he had in politics was when, in my pride of opinion, I assumed to come to Congress from the same district in which we both then resided, and in the good judgment of the people of that district at that time it was decided that my colleague should come here to represent them instead of myself and that I should stay at home. [Laughter and applause.]

Mr. OLIVER of Alabama. May I say it was purely a deference to age at that time, and evidently there were some of our many mutual friends who felt that you might defer coming for one year until the creation of the new district could be provided, which you have so ably represented since.

Mr. BANKHEAD. By the fortuities of politics, Alabama having gained an additional Representative and a new district having been created, I had the honor of being sent here to represent them; otherwise I fear I should always have remained a private citizen.

Mr. MANSFIELD. I want to compliment the legislature of Alabama for so wisely redistricting the State. [Applause.]

Mr. BANKHEAD. Mr. Chairman, these remarks, of course, have taken a wider range than I anticipated when I rose. I trust I have the indulgence of the committee in having presented them, because I felt in this instance, as in many others upon the part of the Representatives upon the Committee on Appropriations, a just meed of praise and appreciation should be shown to our faithful servants upon that committee. [Applause.]

Mr. KETCHAM. Will the gentleman yield for a question?

Mr. BANKHEAD. Yes; I will be pleased to yield.

Mr. KETCHAM. Agreeing with what the gentleman has said concerning the fine spirit shown by the Appropriations Committee in bringing in these bills, does the gentleman not agree that there is likewise a fine opportunity for the Members of the House generally in these particular times to make a most careful study of all these various items, to the end that the economies that have been worked out may possibly be added to by the Members of the House?

Mr. BANKHEAD. Exactly; and my only regret is that my distinguished colleague did not make his explanation of the bill at the beginning of the discussion, when he would have had a fuller attendance on the part of the committee.

Mr. OLIVER of Alabama. Mr. Chairman, of course, I appreciate the kind words of my good friend from Alabama, and in reference to the inquiry of the gentleman from Michigan [Mr. KETCHAM], I would like to say this: The committee has no pride of opinion in its recommendations. We have made no arbitrary reductions, but feel good reasons can be offered for the reductions made, and we hope that the House will study the bill with a view of effecting, if possible, further savings. [Applause.]

Mr. SHREVE. Mr. Chairman, I desire to join with my good friend the gentleman from Alabama [Mr. BANKHEAD] in saying a few kind words about the distinguished gentleman who now has charge of this bill. Of course, you know I refer to my good friend the gentleman from Alabama [Mr. OLIVER]. We have been working together for the last 10 or 11 years, and I want to assure the House that the same unanimity prevails in that committee that has always prevailed there. The committee handling the appropriations for the Departments of State, Justice, Commerce, and Labor is doing its work with exactly the same spirit it has exemplified during all the years that have gone by, and I want to say to you that this time, perhaps, we have had the most exhaustive analysis of the bill that has ever been made.

The gentleman from Alabama [Mr. OLIVER] is entitled to a great deal of respect and a great deal of credit for the painstaking efforts he has made in order to dig down and get to the foundation of numerous appropriations.

Gentlemen, while I am on the subject, you will notice there have been increases during the past year in various lines in all of our bills. Sometimes Congress is charged with increasing appropriations, and I am going to call your attention to just one item to show you that it is not the Congress so much as it is the people back home.

Take, for instance, the one item for the Bureau of Foreign and Domestic Commerce, which started 10 or 11 years ago with a very small beginning. I think we sent out commercial attachés and trade commissioners to about 24 countries of the world. The response was immediate. There was only one of these commercial attachés or trade commissioners who fell down, and this was the man we sent to Athens, Greece. There was a reason for this. It was because Greece at that time was overrun by the Armenians, her finances were low, and she had no money to buy goods.

so nothing was done; but, gentlemen, the very next year we received one contract from Greece that alone amounted to $25,000,000.

These offices then began to spread all over the world, because they were demanded in other countries. Our people doing business with these other countries demanded that we should have a commercial attaché or trade commissioner in these foreign countries to look after their business. So we began to expand gradually, with a few additional offices each year, until now we are in more than 50 countries of the world, and we are represented by one of the finest organizations that it is possible to build up.

Some may ask why we are continuing appropriations during these times that some call times of depression. The reason is simply this, gentlemen. No business man would let his selling organization go down for a short period of time because he was not getting business. We expect to get all of this business back some day, and the cost of this work in each individual country is small. Therefore, we are maintaining this organization all over the world, and we expect that some day it will be functioning just the same as it did two or three years ago.

This is just a sample of the various things that have been done, and I could call your attention to many other things that have come up in the same way.

The people come in here and demand these things. On one day before our committee we have had as many as 100 prominent business men attending a single session of the committee, and I remember that after we had gone along a while with our commercial attachés then the next demand was that we should have some commodity experts. Now, what is a commodity expert? He is a man who looks after a particular line of business, and it was desired to send such specially qualified men into various sections of the world where their intelligence, education, and knowledge were required, and very soon we found that everybody wanted expert trade commissioners. So we had to declare on the floor of the House that there would be no more commodity experts appointed and that the general trade commissioner must handle all kinds of special business.

Then after a while the offices here began to develop and there was pressure on Congress for the establishment of district offices.

You gentlemen know all about it. We had to yield to that pressure, and we established these offices in order to comply with their requests. It is up now to this House to curtail and turn over some of the offices into the cooperative offices. There will be no harm done, because merchants in some large cities of the United States prefer to operate under the cooperative system in their own building, in their own rooms, rather than to go around the corner and find an agent of the Foreign and Domestic Commerce. [Applause.]

Mr. CLANCY. Mr. Chairman, I move to strike out the last word. May I add my sincere tribute to the ability, integrity, and long record of splendid public service of the gentleman from Alabama [Mr. OLIVER]. I was in the Department of Commerce in 1913, when Germany was spending more money in this country in New York City alone to get world trade than the United States was spending all over the world to get world trade. When our movement was started in this country to get world trade we found the gentleman from Alabama [Mr. OLIVER] was one of the best friends of that movement, and he aided materially in the splendid success we achieved, and which meant added prosperity.

The world trade in my own city before the depression took place aggregated $335,000,000 per year. That is the amount of foreign money that entered into the district for our manufactured products. I got the Federal Commerce Department agency for Detroit in 1924, and one of the men who aided me in getting the appropriation was my good friend the gentleman from Alabama [Mr. OLIVER] and the gentleman from Pennsylvania [Mr. SHREVE] assisted in a material degree. I got the item of $15,000 first in the Senate and these two splendid gentlemen protected the appropriation when it came to the House.

We know now that a good part of our depression in the United States is caused by the loss of the world trade, and that practically the entire depression was caused by the World War, and the collapse of many countries of the world and the rebellions and revolutions in at least 25 important countries.

It was not so important to us when Spain collapsed, but it was important when Brazil, Argentina, and countries of that rank collapsed and staged revolutions, and especially when Germany collapsed.

Now, I have taken quite a part in the debates on appropriation bills on the automobile amendment. It is in this bill on pages 125 and 126. I want to say to the gentleman in charge of the bill, Mr. OLIVER, that I do think it was unfair in the consideration of the Interior Department bill to have the important debate on this unsatisfactory amendment between 5 and 6 o'clock in the evening. Members rush in impatiently to vote on the pending question and yell, "Vote!" "Vote!" "Vote!" and do not listen carefully to arguments, and some hardly know what the issue is. They want to get home in a hurry.

I had protested on two former occasions when it looked as if the vote on the auto amendment was going to take place about 5.30. I was asked not to talk on the measure, but I did talk, nevertheless; and when the vote came, it came about 5.30 o'clock. In the confusion the gentleman from Alabama [Mr. OLIVER] was trying to tell me that that one amendment that I was asking was already in the amendment to the bill.

I thought not, because the gentleman from Colorado [Mr. TAYLOR] showed me a draft of the amendment, and the language protecting the field service was not in it at that time. It was added later, I learned.

The House tied the original auto amendment to the agricultural bill with only 34 votes, 9 per cent of the membership of the House. It was very loosely and incorrectly drawn, and would have done a tremendous amount of damage.

I protested against it vigorously and the Senate Appropriations Committee has stricken out the entire amendment from the agricultural appropriation bill.

That was what I wanted rather than have the badly worded bill, and the Senators of the committee should be most highly commended.

The House amendment would have deprived the Cabinet member of his automobile, and would deprive the President of the use of his automobile if the amendment were tied to the appropriation bill affecting the White House. It would wreck the field service, especially of the Bureau of Roads. I suggested that the House was passing the buck to the Senate, and asking them to write the language correctly. Of course, there was great objection to that, and somebody rose perfunctorily and said that this is a very intelligent body, and that there was careful consideration given that amendment, and perfunctorily got a great deal of applause for defending this dignified body. But the RECORD shows that I was absolutely correct, because when the amendment did go to the Senate and the Senators tried to juggle the language around, and they found that they could not, they threw out the whole amendment. Thus the Senate snapped the buck right back to the House. That automobile amendment is now cut off the agricultural appropriation bill.

My arguments were put before the House in some 8 or 10 short speeches under the 5-minute rule, because I had to get in under the 5-minute rule, not being able to get time otherwise.

I have three amendments that I think should be made to the clause in the pending bill on page 126. First let me say that a Cabinet officer will be allowed to use his automobile in the pending bill. But the gentleman from New York [Mr. SNELL] questioned last Tuesday as to the Assistant Secretary's car, and I said that he would be prevented from using his automobile under the language as it now stands, and so would the Acting Secretary. Why not clear up the language as to Assistant and Acting Secretaries.

Two more amendments should go on that bill. One would raise the $750 limitation and the other would strike out the word "exclusively."

Why do not the gentlemen on the Appropriations Committee submit to the House the facts and arguments and statistics which they said they have on this matter relative to the possibility of buying official cars in any State under $750? The gentleman from Michigan [Mr. MAPES] asked the gentleman from Arizona [Mr. DOUGLAS], who was defending the bill last Tuesday, where these statistics are and why the House is not given them, and the gentleman from Arizona did not answer satisfactorily. I showed conclusively, from the RECORD a few weeks before, that the Interior Department could not buy a closed Ford automobile, getting the big factory-reduction price at only $488, and deliver it at Shoshone, Ariz., for a cost of less than $753. The freight was too high and the cost ran $3 over the $750 limit. I asked the gentleman in charge of the bill to place before the House figures showing that they can buy a closed car at the lowest price, the cheapest car, in those remote regions for $750, and I ask the very fair gentleman, Mr. OLIVER, to do that on this bill. Of course, my argument here is the same argument as the argument of the departments and the bureaus—that they find they have to pay over $750 for the lowest-priced car in some regions when the freight is added. Moreover, they have found by much experience that in the heavy travel in the mountains a heavier, rugged, high-powered car is a better car—that is, a 3,000-pound car in about the $1,000 class—and that it is really more economical and will last longer and be cheaper in the long run than the lowest-priced car. They buy the lowest-priced car in cases where it is more economical to operate it.

The second amendment I suggest is to strike out the word "exclusively." Gentlemen have written into the bill that the cars must be used exclusively on official business. That prevents the renting of a private car or the Federal employee's personal car in time of emergency, or when the official car is broken down, or in other cases.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. If the gentleman will submit to us the amendments he suggests, we will be glad to give consideration to the same.

Mr. CLANCY. Thank you most sincerely. Each of us wants to write the best legislation possible. With regard to the word "exclusively," I believe it prevents the Government from renting a car. In one agency of the Geological Survey they have four personal cars, which in time of emergency or rush of work they can use. What do you make them do in this case? You make them buy four official cars and keep them there until the time they may need them, and they might use them once a month or once only in three months. If you strike out the word "exclusively" you give those honest officials, and they are honest, an opportunity to rent a car at cheap rates. In this way you promote economy and not wastefulness of public moneys.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SABATH. Mr. Chairman, I rise in opposition to the pro forma amendment. The gentleman from Michigan [Mr. CLANCY] is always interested in the automobile industry. If the conditions would permit, I would not object, but just now I myself have been devoting time and energy not to secure cars for Government employees but to secure food for the millions of unemployed. I think it would be better if we would devote our energies to relieve existing conditions.

I do not wish to say anything against the automobile industry; but because of the action taken yesterday, I am obliged to impose upon the House with these remarks. At about 5.15 o'clock yesterday afternoon the House adopted a unanimous-consent agreement whereby it will allow only two hours of debate on the so-called prohibition question and the appropriations under this bill. Because of illness in my family I shall not be able to be here Tuesday. I was hopeful that at that time I would be in a position to demonstrate to the chairman of the committee that we could easily cut off in the interest of the Nation at least $10,000,000 of these appropriations that go to enforce the prohibition law which everyone in the United States knows is nothing but a farce and will not and can not be enforced, because the people are opposed to enforcing it.

On the other hand, if I had time, I could show that if we would adopt sane legislation, we could bring revenue into the United States Treasury closely approximating $500,000,000 annually with a bill permitting the manufacture of 2.75 per cent beer by weight and the sale of the same in bottles only and taxing each bottle 3 cents per pint. This tax the people are ready, willing, and anxious to pay in contrast to the various industries which are opposed to any increase in taxes or to any tax that it has been proposed to put upon them to bring about an elimination of the billion-dollar deficit under this Hoover administration. But I do not have time, and I presume the committee has acted prudently and wisely in shortening the debate on that important question. I realize that nothing can be done in this House, anyway, and time is wasted, and we will not amend the Volstead Act or the prohibition act until after the next election.

After that election the people will have spoken, and then I am sure that the great majority of Members who will be elected to the House as well as to the Senate, and the President, who will be elected, will recognize the need of at least modifying the Volstead Act, thereby bringing about conditions which will reestablish confidence in the Nation and result in times better than those we have enjoyed in the last few years under this Republican administration.

Mr. Chairman, in view of the fact that I can not be here on Tuesday I ask unanimous consent to revise and extend my remarks on this important subject.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. LOZIER. Mr. Chairman, the Filipinos, like every other ethnological group, have an ardent desire to develop their racial culture and national institutions with a feeling of tranquillity, and free from foreign initiative, influence, or control. We are laboring under a basic and fatal delusion if we think we can suppress their national aspirations. Some would have us believe that permanent Hadean darkness will settle over the Philippines if we grant their petition for self-government. I can not share their gloomy forebodings.

The Filipino has in his soul the same hunger for freedom and the same passion for self-government that inspired our Revolutionary forefathers to cast aside the English yoke. Seemingly there were many convincing economic and political reasons why the thirteen American Colonies should remain under the shadow and protection of the British flag. It was argued that a republic would be economically impotent, unable to maintain a stable government, and because of its limited military strength it would be incapable of resisting foreign aggression, and would quickly and inevitably succumb to the military prowess of some mercenary and conquering European nation. But against these insidious appeals the Colonies stood adamant. Convinced of the rectitude of their purposes, confident of their power to maintain themselves as a self-governing state, and trusting in the bounty of an overruling Providence our constitutional fathers proceeded to build a republic that is the wonder of the world, and that has on sea and land demonstrated its prowess and divine right to live, flourish, and bless mankind.

In his aspirations for independence the vision of the Filipino is not clouded by delay and despair, nor are his hopes palsied by disappointment. He realizes that the race is not always to the swift nor the battle to the strong. He has put his hand to the plow and will not look back. In harmony with an ancient maxim he is plowing with such oxen as he hath. He has set out to achieve independence. This

purpose he will not forego. From this path he will not deviate. Knowing his cause is just, and that it must in the end prevail, he will not be goaded into rash or unwise action. He will not prejudice his cause by a resort to force or by any short cuts to the end sought to be accomplished. His appeal is to the mind, heart, and conscience of the American people. He will plead his cause in the forum of reason and common sense, relying on the same inherent, God-given, inalienable rights of man which we successfully invoked in our struggle with Great Britain for the priceless boon of self-government. By peaceful agencies the Filipino will come into his own, and at no far-distant day.

The argument that the Filipino will realize greater prosperity from trade and commerce and enjoy more rapid economic progress under the American flag does not and should not appeal strongly to the Filipino who feels within him the stir and passion for racial and national independence. It is unthinkable that they would barter their national birthright for commercial gain, freedom from responsibility, or racial subserviency.

The Filipinos do not want amity and commerce at the sacrifice of freedom. The passion for independence is not confined to a few highly educated Filipinos. It has become a national aspiration. It has permeated all ranks and classes of the Filipino race like a visitation.

Of course, the new Filipino republic will encounter cross-currents and rip-tides in the early stages of its independent national life. It will have to elbow its way through the crowd of nations. Its toes may be trampled and its shins barked, but that experience came to our own Republic and every other self-governing nation. No nation comes to full stature without jostling, jolting, and bumping, and I am persuaded the Filipinos are prepared to take their part of the bumps that come with the responsibilities of independence and self-government.

According to Charles Dudley Warner, "There was never a nation great until it came to the knowledge that it had nowhere to go for help."

In the checkered destinies of this old world who will say Providence has not reserved for the Filipino an honorable, perhaps a glorious future?

Few regions have been more richly blessed by the Creator than the Philippines. Far removed are they from the sweep of the rude boreal blasts, and yet not under withering equatorial rays, a semitropical climate; a fertile soil that under the magic touch of industry readily responds with abundant harvests; coastal lands and mountain ranges; mighty forests; some mineral; countless harbors in which fleets may find refuge from Neptune's fury and ride at ease; fruits in abundance; other worthwhile natural resources and potential wealth; a safe distance from the continents, yet not outside the track of commerce.

In the orderly processes of creation, when God gathered together the waters under the heavens, the flower-bedecked, grace-crowned, sea-girt Philippines rose above the limpid, laughing waters and burst into bloom and beauty. Caressing waves reflected the splendor of scarlet clouds and amethyst skies, through which the King of Day, in his chariot of fire, pursued his majestic course and with his radiant beams gilding earth and firmament with heaven's alchemy.

Though richly endowed with all these present and potential resources, the Philippines can never reach their highest state of development as a dependency of the United States or of any other nation. There is something in being a citizen of an independent state that develops initiative, increases capacity, expands genius, amplifies patriotism, and in many other ways better qualifies and equips men for the duties and responsibilities of citizenship. If the American colonists had remained subjects of Great Britain, even under a grant of power almost equal to independence, they never would have made the marvelous progress and achieved the phenomenal results that came to them as citizens of our Republic.

I am a friend of the Filipino people, though they are strangers to me. I am bound to them by the divinely spun and delicately adjusted ties of humanity and universal brotherhood. I would give them a place in the sun and in the circle of self-governing commonwealths. I am willing to share with them the blessings of self-government. I want them to have in their sun-kissed, sea-girt isle the same kind and degree of freedom that we Americans enjoy and which is the heritage and inalienable birthright of all mankind.

The independence of the Philippines is inevitable—just as sure as the return of the seasons; just as certain as the ebb and flow of the restless and resistless tides. An enlightened public sentiment in America, with the slow-moving but firm and inexorable finger of destiny, is now writing the declaration of Philippine independence. That independence will not be won by shot and shell; not by bayonets on sanguinary battlefields; not by the spilling of patriots' blood or the ravages of war, but it will come as the unconditional gift of the American people and in fulfillment of our national covenants. By the short-sighted policy of procrastination we may delay, but we can no more defeat the aspirations of the native inhabitants of the Philippines for independence and for a place in the sun than we can stay the sweep of the Gulf Stream or deflect it from the path in which immutable natural laws decreed that it should flow.

Many persons who have powerful business and financial connections, in their heart of hearts favor our permanent retention of the Philippines, but realize that it would be impolitic to frankly avow their program at the present time. Our pledge was made so recently, and has been relied on so confidently by our insular wards, that an unequivocal repudiation of this promise by our Government would shock the moral conscience of the Nation. So those who favor the policy of keeping the Philippines camouflage their real purpose by advocating postponement of action. They concede that we should at some time grant self-government, but they argue that the time is not ripe, and that the Filipinos must stand by and wait our own good pleasure and our own inerrable judgment as to when they are capable of managing their own affairs. With these men the time never will be ripe and the day will never come when they will admit the capacity of the Filipinos for self-government. Their plea is "not now but later," which, with many, means "not now and never." By constantly postponing action they hope to lull the Filipinos into inactivity and breach our national obligations. In the language of Macbeth they—

> Palter with us in a double sense;
> That keep the word of promise to our ear,
> And break it to our hope.

Many who oppose early Philippine independence are following the laissez faire or "let-well-enough-alone" policy. They would have us delay a decision on Philippine independence for 10, 20, or 50 years. Of course at the end of either of these periods these parties, or those who belong to the same school of political thought, will favor further delay and want action postponed for another 10, 20, or 50 years. I repeat, the longer we delay settlement of the Philippine problem the more difficult its solution becomes and the more complications and dangers attend its settlement.

The feet of the Filipino are at the door of the temple of freedom. His hand is on the door latch, and he passionately desires to enter. Shall we liberty-loving, liberty-enjoying, liberty-blessed Americans deny him entrance to this temple and shrine where we pay our obligations to the goddess of liberty? Shall we declare that the blessings of self-determination and free government are not to be enjoyed by the Filipino, especially when he craves the exercise of these prerogatives in the far-off islands where he was placed by a benign Providence? By granting independence to the Filipino we will not in any degree reduce the quantum of liberty or the blessings of free government that we enjoy under our free institutions. We can enrich the Filipino without impoverishing ourselves. Why should we hesitate? There is but one safe, sane, and sensible way to solve the Philippine problem, and that is by withdrawing our flag and granting complete independence. [Applause.]

Mr. MANSFIELD. Mr. Chairman, I desire to be recognized in opposition to the pro forma amendment.

I take this occasion, Mr. Chairman, to call attention to a matter that I believe all Members ought to be warned of. My attention has been called to a number of letters received by Members of Congress from some of their constituents soliciting money for the promotion of a bill which it is stated is on file with the Committee on Rivers and Harbors, and that I, as chairman of that committee, propose to hold hearings upon it at the next meeting of the committee. It provides for the improvement of waters around Long Island Sound principally, and for a bond issue. The letters are signed by a man by the name of Robert Wilson Jackson, who signs himself as secretary of the committee on Federal appropriations for improvement of rivers and harbors.

I wish to state that there is no such bill pending with that committee, nor has such a bill been introduced in Congress. In view of the fact that he describes the bill as carrying a bond issue, if such bill were introduced it would be referred to the Committee on Ways and Means and not to the Committee on Rivers and Harbors. [Applause.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

EXPENSES OF FOREIGN SERVICE INSPECTORS

For the traveling expenses of Foreign Service officers detailed for inspection while traveling and inspecting under instructions from the Secretary of State, $15,000.

Mr. SABATH. Mr. Chairman, I move to strike out the last word for the purpose of trying to secure a little information.

I notice we are appropriating very large sums of money for Foreign Service, and I am wondering whether it would be possible for that Foreign Service to secure information for this House and for the country as to what extent foreign countries permit the vicious practice of short selling which is permitted in this country, a practice which is ruining and destroying our commerce—which has destroyed our commerce—and which brought about the closing of 2,300 banks last year.

There was a hearing on my bill before the Committee on the Judiciary prohibiting short selling, which I believe is a detrimental practice. I think it is a curse to the Nation. Naturally, the gentlemen who are living on the profits of short selling and who derive tremendous benefits from this infamous practice have sent here some so-called professors and experts to show that foreign countries allow this kind of gambling which, I have stated, is permitted on our New York and other stock exchanges. In view of the fact that it will take a few days or a few weeks before the bill will be favorably reported I believe it would be of interest and benefit to this House and to the Members if we could secure from these foreign representatives of ours a report as to what extent other nations tolerate this abuse.

I understand that President Hoover had Mr. Whitney, president of the New York Stock Exchange, as his guest in the White House a few days ago, whereupon Mr. Whitney issued a statement yesterday to the effect that the stock exchange is amending its rules to restrict short selling, the new rule going into effect April 1, 1932. What is the rule? The rule provides that after April 1 every broker must secure a permit from those who have bought stock on margin before he can loan the stock to those who are selling it short. This in no way will prohibit short selling, for very few of those who buy on margin will refuse to sign such permits, because they do not understand that by agreeing that the stock which they have bought can be loaned for short-selling purposes, they unwittingly sanction the use of their stock against their own interests. They do not realize that when they sign on the dotted line they are signing their death certificates, since this permits the brokers to loan the stock to the men who sold stock which they do not possess, thereby causing an immediate reduction in the prices of those very securities or stocks which these "lambs" authorized to be loaned.

I wish to say to Mr. Whitney that this will no longer fool the people. They are beginning to understand the destruction that short selling has caused. Neither will it stop the hearings that are now being held on short selling nor favorable action on the part of the committee, for I am confident that when I finish giving my evidence and complete my arguments, and regardless of Mr. Whitney's radio speeches, I shall have convinced the country with the need for this legislation.

In to-day's press President Hoover makes the following statement in regard to short selling:

I have a question from the press as to conferences held with officials of the New York Stock Exchange. There have been discussions, as is reported, between myself and other officials of the administration with officials of the New York Stock Exchange on the question of bear raids.

Stock-exchange officials have, during the past eight months, from time to time taken steps to restrain bear raiding with a degree of success, but during the latter part of January, despite these steps, there was a large increase in the short accounts, which unquestionably affected the prices of securities and brought discouragement to the country as a whole.

I and other administration officials again expressed our views to the managers of the exchange that they should take adequate measures to protect investors from artificial depression of the prices of securities for speculative profit. Individuals who use the facilities of the exchange for such purposes are not contributing to the recovery of the United States.

If the conditions brought about by short selling were not so serious, and if the country were not suffering therefrom to the extent that it now does, this statement of the President would be very amusing to me, for he has pleaded with the president of the New York Stock Exchange, Mr. Whitney, to stop these destructive—yes, criminal—activities on the exchange.

After the stock exchange refused to listen to my urgent pleas to stop short selling and save the country from destruction, I appealed to President Hoover to put a stop to this nefarious practice. I called his attention to the fact that if the board of governors of the New York Stock Exchange did not voluntarily restrict the practice, the Attorney General and the Postmaster General could force it to do so. For over two and a half years I have been asking the President to act, but instead of action I have received promises, which, however, were short-lived, on up to the time when the attorney for the stock exchange pointed out to him that the stock exchange and board of trade looked with disfavor upon his statement, made about a year ago, to the effect that the abuses of the stock exchange should be rectified. In that connection permit me to read and embody into the RECORD the following telegram and letter that I sent to President Hoover:

CHICAGO, ILL., *November 12, 1929.*

His Excellency HERBERT HOOVER,
Washington, D. C.

To-day's press dispatches state that the professionals are still selling short. I am satisfied that this outrageous destruction of the small investors has gone far enough, and that immediate steps are needed to save the Nation from disastrous conditions that are bound to follow. It is the consensus of opinion of well-informed men that you, Mr. President, should call upon the financiers of this Nation to stop profiteering and formulate and carry out a plan to save the Nation from dire calamity.

A. J. SABATH.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., October 16, 1930.

His Excellency HERBERT HOOVER,
President of the United States, Washington, D. C.

DEAR MR. PRESIDENT: A year ago, before the crash, I called your attention to the approaching alarming conditions, and advocated and pleaded for a cessation of the disastrous pool, short-selling practice.

Therefore I read with some satisfaction in to-day's press of a conference you held with the New York Stock Exchange officials regarding short selling and the investigation of stock-exchange transactions by the Department of Justice. The report indicates that they question the Government's power to stop this prosperity-destroying practice.

No one can successfully deny to-day that the stock crash, to which you alluded in your December message, was responsible for and aggravated the conditions that have brought about the wrecking of hundreds of banks and financial institutions, the closing of thousands upon thousands of businesses, the destruction of thou-

sands of factories and plants, thereby forcing out of employment millions of our citizens and causing untold want and misery.

It is known to be a fact that the New York Stock Exchange can curb short selling by the issuance of an order that all loanings and borrowings of stocks cease. This will bring short selling to a minimum. If the stock exchanges have any interest in the welfare of the Nation and in the reestablishment of confidence, they will, if not for the country's sake, then for their own sake, issue immediately such an order without questioning the power of the Government to stop this nefarious practice.

This in a great measure will eliminate uncertainty and will have a tendency to reestablish confidence, which is so sadly needed, for the resumption of the legitimate business of the country. Please be assured that my activity against these destructive shorts is prompted only by a sincere desire to improve the deplorable conditions of the Nation.

Permit me to remain, respectfully,

A. J. SABATH.

And, in addition, this telegram to the governor of the New York Stock Exchange:

CHICAGO, ILL., *November 12, 1929.*

THE BOARD OF GOVERNORS,
The New York Stock Exchange,
New York City, N. Y.:

To-day's New York press dispatches state that short selling is increasing. In view of conditions I express the opinion of many well-informed men that the board having power to stop all short selling should do so immediately, since the existing dangerous conditions demand such a step and may be helpful and beneficial to the entire Nation. Failure of the board to act may bring about conditions the seriousness of which no one can foretell and for which the board will be held responsible.

A. J. SABATH.

But these are not the only telegrams and letters I have sent to President Hoover and the officials of the stock exchanges. There were many others—some, in fact, much stronger—which at this time I will not read or have printed in the RECORD. However, with all of them I have not succeeded in making Mr. Whitney realize that his exchange must change its tactics and practices and give the people who insist on gambling—and that is all it is—a chance for their "white alley."

To-day I am satisfied in a measure that the President has at last pleaded with Mr. Whitney on his knees to issue some new order that would appease the public clamor against short selling. And their present actions indicate clearly that I was justified in my fight against this practice, which I began in 1929. They can no longer deny that short selling is detrimental to the economic and social life of the Nation and should be eliminated. That has been demonstrated and proven several times, and now it is acknowledged by them.

But if I were President I would instruct the Attorney General and the Postmaster General to proceed immediately against these racketeers, stop this infamous practice, and give the country a chance to reestablish the confidence that is so badly needed, for I am certain that so long as the practice of "bear raiding" continues the people who still have money will not attempt to invest it.

In the near future I shall give the House some real facts and the names of some of the outstanding financiers or manipulators who accumulated millions upon millions of dollars through short-selling activities at the expense of the Nation.

[Here the gavel fell.]

Mr. GLOVER. Mr. Chairman, I move to strike out the last two words. The speech of the gentleman from Illinois [Mr. SABATH] has prompted me to say what I shall say at this time. I have the honor to be a member of the Committee on Agriculture. That committee has been conducting hearings for a number of days on the very question spoken of by the gentleman from Illinois. The committee has had before it the various heads of these exchanges, and I am very glad to say to the gentleman that in my opinion we are going to report some legislation very soon which he will most heartily indorse, according to the views he has expressed to-day.

It is my honest conviction, after having heard these hearings for a number of days, that short selling ought to be abolished.

The President of the United States called the attention of the public to these exchanges a short time ago as to what they were doing, and there was a department which should have acted under the law. That department, however, took no action, but the fact that the President of the United States called attention to what they were doing did bring about some good. The short sellers for a few days went over on the long side; but, as a matter of fact, they were on both sides. I hope we can report some legislation in a few days which will not only permit the department to act in cases of this kind but which will go further than the stopping of it after it has started. I hope we can put some provision in the law that will authorize the department, when they know a thing of that kind is coming on, to take such action as will prevent it and punish those who engage in that practice.

There is no question but what the short selling of cotton, of wheat, and other products in a gambling way is a great detriment to those who produce those things. It is nothing but gambling, and it should be stopped. I have as much respect for a man who shoots craps as I have for the man who will take the cotton that a man grows by the sweat of his brow and short sell it in a way that will cause great loss to that man. Such men have no right to fix the price of those commodities before they go to the market.

I hope we will soon have an agency set up which will be able to handle wheat, cotton, and our other principal commodities without interference on the part of these exchanges. These exchanges could serve a good purpose. I have nothing against them as such, but whatever they do they should do in a legitimate way, but when they create conditions such as they have created in the past I say they are manifestly wrong.

The other day the head of one of these exchanges appeared before our committee, and I asked him how it was possible to tell 10 months ahead what a bale of cotton was going to be worth, even when the seed had not been planted. He said, "It is this way: Somebody will say, I would like to buy 10,000 bales of cotton in a certain month, and another man will say, I will give so much for it, and that fixes the price." He said, "That is a contract which is enforceable." But you and I know very well that it is only enforceable if the two men want to enforce it, but the fact is they never intended to enforce it when they engaged in it. That is what they are doing on these exchanges now, and I for one believe it ought to be stopped and that there should not be allowed to be any short selling of these commodities. Let them do a legitimate business and not do this other business. [Applause.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

RENT, HEAT, FUEL, AND LIGHT, FOREIGN SERVICE

For rent, heat, fuel, and light for the Foreign Service and the United States Court for China for offices and grounds, including annual ground rent of the embassy at Tokyo, Japan, for the year ending March 15, 1933, and, as authorized by the act approved June 26, 1930 (U. S. C., Supp. V, title 5, sec. 118a), for living quarters and for allowances for living quarters, including heat, fuel, and light, $2,017,709: *Provided*, That payment for rent may be made in advance: *Provided further*, That the Secretary of State may enter into leases for such offices, grounds, and living quarters for periods not exceeding 10 years: *Provided further*, That no part of this appropriation shall be used for allowances for living quarters, including heat, fuel, and light in an amount exceeding $3,000 for an ambassador or a minister, and not exceeding $1,700 for any other Foreign Service officer: *Provided further*, That under this appropriation and the appropriation for "Contingent expenses, foreign missions," or the appropriation for "Contingent expenses, United States consulates," not more than $3,000 shall be expended for custodial service, heat, fuel, and light at any Government-owned building used exclusively for residence purposes for an ambassador or minister, and not more than $1,700 for such purposes in the case of any other Foreign Service officer.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: On page 13, beginning in line 22, strike out the word "exclusively," and in line 23, after the word "residence," insert the following: "or residence and office."

The amendment was agreed to.

The Clerk read as follows:

For participation by the United States in the Seventh International Conference of American States to be held in the city of Montevideo, Uruguay, including personal services without reference to the classification act of 1923, as amended, and rent in the District of Columbia and elsewhere, stenographic reporting and translating services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); traveling expenses and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto, and by indirect routes if specifically authorized by the Secretary of State as necessary in connection with the work of the conference); hire of automobiles; purchase of necessary books and documents; stationery, official cards; newspapers and periodicals; printing and binding; entertainment; equipment; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be immediately available, $80,000.

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word for the purpose of directing an inquiry to the chairman of the subcommittee. Will the chairman of the subcommittee be kind enough to give the committee an explanation as to the purpose of this international convention? I may say in that connection that it seems to me that in view of the quite general feeling in the country at this time that we should scan these international items with some degree of care, and I am sure the chairman of the subcommittee is thoroughly competent to inform us. I for one would like to have a word of explanation as to this particular activity.

Mr. OLIVER of Alabama. I think the State Department is correct in stating that this is one of the most important conferences we hold, and it is hoped to send a very representative delegation to Montevideo, because through conferences of this kind we maintain cordial and friendly relations with all of the countries to the south of us. The department, naturally, is very much interested in this appropriation. The committee has carried what it felt was a sufficient amount for the expenses of the delegation.

Mr. KETCHAM. I notice that the amount requested by the Budget has been reduced by $40,000?

Mr. OLIVER of Alabama. Yes.

Mr. KETCHAM. May I inquire how frequently these conferences are held?

Mr. OLIVER of Alabama. These conferences are held, I think, every three years. The last was the conference held in Cuba, as the gentleman may recall.

Mr. KETCHAM. I do.

Mr. OLIVER of Alabama. They hold them at certain stated intervals and, as I have said, the State Department considers this one of its important conferences.

Mr. KETCHAM. The whole purpose is to maintain the fine relationship which exists between our own country and the countries to the south of us?

Mr. OLIVER of Alabama. There are many important questions considered at these conferences.

Mr. KETCHAM. Do those discussions cover the whole range of our relationships, economic and otherwise?

Mr. OLIVER of Alabama. I am so informed.

Mr. KETCHAM. There are no particular obligations, other than those of good will, that grow out of these conferences?

Mr. OLIVER of Alabama. None whatever, and the gentleman will find a very interesting statement submitted by Assistant Secretary Carr, under this item, in the hearings.

Mr. KETCHAM. I shall read it with much interest, but it seemed to me that in view of the importance of this item, and a number of others as to which I wish to direct inquiry, there should be a brief statement for the purpose of the RECORD, and I have made the inquiry for that reason and not for the purpose of questioning the appropriation.

Mr. OLIVER of Alabama. I am pleased to have the gentleman call attention to the item.

The Clerk read as follows:

For the contribution of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the promotion of international arbitration, $6,000; and in addition the unobligated balances of the appropriations "Bureau of Interparliamentary Union for Promotion of International Arbitration, 1932," and "Expenses, American Group of the Interparliamentary Union, 1932," are hereby reappropriated for this purpose.

Mr. OLIVER of Alabama. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: On page 19, in line 5, strike out $6,000 and insert in lieu thereof $7,289.21.

Mr. OLIVER of Alabama. Mr. Chairman, this is an appropriation in which the Members of Congress have been very much interested for some years, and members of the Committee on Foreign Affairs have recently discussed it with me.

I offer this amendment for the purpose of correcting a mistake made by the Assistant Secretary of State in stating to the committee that there was an unexpended balance of $4,000.

It was the purpose of the committee to appropriate a sufficient sum which when added to the unexpended balance would make the $10,000. The Assistant Secretary of State later informed me he was in error in stating that the unexpended balance was $4,000. The amendment increases the amount of $6,000 so that with the unexpended balance there will be $10,000 available, which is the sum recommended by the Budget.

Mr. KETCHAM. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. KETCHAM. With reference to this particular item, will the gentleman take two or three minutes to give for the RECORD an explanation of this item, so that those who may desire can have a place to which they may turn and find a statement as to the activities of the Bureau of the Interparliamentary Union.

Mr. OLIVER of Alabama. The gentleman will find the activities set out on page 235 of the hearings.

Mr. KETCHAM. The trouble is that while the hearings are available for the Members——

Mr. OLIVER of Alabama. And I will ask the gentleman from Illinois [Mr. CHINDBLOM], in the absence of the gentleman from Virginia [Mr. MONTAGUE], to make a statement as to the importance of these annual meetings. A number of our Members have attended meetings of the Interparliamentary Union, and I think the gentleman's question is very timely. The committee would like to have a report from some one who has attended some of the meetings, and I think the gentleman from Illinois [Mr. CHINDBLOM] has.

Mr. CHINDBLOM. Mr. Chairman, responding to the suggestion of the chairman of the Subcommittee on Appropriations [Mr. OLIVER], I will say it was not my privilege to attend the conference of the Interparliamentary Union last year. We had one meeting in Washington in 1925 in this Chamber. The Interparliamentary Union, in fact, grew very largely out of activities of the Congress of the United States. It was a forerunner, and I think it may fairly be said that the Union was the original creative power, of the Permanent Court of Arbitration at The Hague, created in 1907.

Former President Roosevelt, in his lifetime, took particular interest in the Interparliamentary Union. It is a voluntary body which, of course, can not impose, and does not attempt to impose, any obligations on the governments of the world, but provides a place and a time when representatives and delegates from all the parliaments of the earth may have an opportunity to meet for consultation and discussion. Its main purpose has always been the promotion of peace.

During the World War it naturally fell into desuetude and no meetings could be held, but since the World War the Union has attracted a great deal of attention, and I think it is now the one organization to which we in the American Congress may turn for some kind of cooperation with other nations in maintaining amicable and friendly relations, not of a political but more of a personal and a parliamentary character.

Mr. TILSON. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. TILSON. Is there any sum here appropriated for the individual expenses of members attending the Union?

Mr. CHINDBLOM. Apparently not in this item.

Mr. OLIVER of Alabama. No.

Mr. TILSON. Has it not been customary for at least a portion of the expenses of the members attending to be appropriated for?

Mr. CHINDBLOM. That has been done during the last few years, and I understand there is a bill now coming from the Committee on Foreign Affairs which will authorize such an appropriation. I presume if and when that bill passes it would be considered——

Mr. OLIVER of Alabama (interposing). There is no authorization at this time for the appropriation of any money for that purpose, and I will state that Governor MONTAGUE, who is president of the organization at this time, was suddenly called from the Chamber on account of illness in his family, or he would have been here to make a statement as to the importance of this appropriation.

Mr. TILSON. May I ask one further question as to how the Members who are to have their expenses paid, or partially paid, are selected?

Mr. CHINDBLOM. They are appointed by the president of the American group of the Interparliamentary Union. The president of that group now is former Governor MONTAGUE, of Virginia, a distinguished Member of this House. For many years the president of the American group was the Hon. Theodore Burton. Prior to that time the president of the American group was the late Senator William B. McKinley.

I may say that the Members of the House have received notice of a meeting of the American group of the union, to be held in the committee room of the Committee on the Post Office and Post Roads of the House on the 24th instant, and it is hoped that Members of the House and of the Senate will avail themselves of the opportunity to attend the meeting.

A new set of by-laws will be presented at that time which will differ somewhat from those previously existing, and Members will be interested in ascertaining the purpose and past activities of the group at that time.

These by-laws make all Members of the House and Senate ipso facto members of the group. If any Member does not care to be considered a member, provision is made for withdrawal. There are no obligations in a pecuniary way.

Mr. McCLINTIC of Oklahoma. Is there any report made on the proceedings of this group?

Mr. CHINDBLOM. My understanding is that the report has been filed here and inserted in the RECORD as to the meeting held last summer.

Mr. McCLINTIC of Oklahoma. I wish there was some way that some gentleman, a member of the group, could give us, in a speech on the floor, the purposes and what has been accomplished by this group. I hope it will be done, because a good many questions might be asked as to what has been accomplished and what is the relationship between our county and other countries. As one Member, I think it would be beneficial to have information along those lines.

Mr. OLIVER of Alabama. I think it was the purpose of the gentleman from Virginia [Mr. MONTAGUE] to deliver a speech of that kind.

Mr. CHINDBLOM. During the last year I have been a member of the executive committee, but I am not an officer. However, I am quite certain that in the early part of this session of Congress there was inserted in the RECORD a report of the meeting held during the previous year I can not at this moment state where that report may be found. It happens that I have been much interested and somewhat active in the work of the group, but our efficient president, Governor MONTAGUE, has handled its affairs, and I have not found it necessary to keep in close touch with the official activities of the group.

Mr. McCLINTIC of Oklahoma. Members frequently are asking about this Interparliamentary Union, who are the delegates, how they are appointed, and they would be interested in an explanation of the accomplishments of the group, its purpose, and I think it would be interesting and beneficial.

Mr. CHINDBLOM. I know that pamphlets have been sent to Members of the House and the Senate containing reports of the conferences of the union, but, like so many other reports that come to our desk, they frequently are overlooked.

Mr. KETCHAM. I am wondering in that connection if it would be in order to have the remarks made by the president of the International Parliamentary Union, Governor MONTAGUE, inserted in the RECORD at this particular point.

Mr. McCLINTIC of Oklahoma. I do not think that would be wise. It would be more appropriate and more beneficial to have it made a public document. I do not think it ought to be put in the RECORD, for that would defeat the very purpose we have in mind.

Mr. CHINDBLOM. Let me say that it happens, unfortunately, that Governor MONTAGUE is absent from the Chamber because of the illness of a member of his family. I shall undertake to ascertain whether it is possible to obtain any material of the kind the gentleman from Michigan [Mr. KETCHAM] mentions and insert it at this point, if that can be done.

Mr. McCLINTIC of Oklahoma. I hope the gentleman will not ask it to be extended in the RECORD. Many of us have been asking for detailed information, and it ought to be given on the floor, where some of us can ask questions.

Mr. CHINDBLOM. I am practically a volunteer in this matter.

Mr. McCLINTIC of Oklahoma. Let us hold the matter up until we can see Governor MONTAGUE.

Mr. OLIVER of Alabama. Mr. Chairman, I am in thorough sympathy with the position taken by the gentleman from Oklahoma. I shall request the gentleman from Virginia [Mr. MONTAGUE] to arrange to make a statement to the House and give notice in advance.

Mr. KETCHAM. That would be entirely satisfactory to me, because some reference will doubtless be had in his remarks to the proceedings to-day, so that we may be able to locate them. The great difficulty I find is in being able to locate material quickly, which I desire to have when an inquiry arises as to a particular point under discussion. My purpose in rising at this time was to see if something could not be arranged while this item was under consideration.

Mr. CHINDBLOM. Then I shall consider myself relieved of the task of having remarks extended in the RECORD.

Mr. KETCHAM. As far as I am concerned, that is satisfactory. I withdraw the pro forma amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

The Clerk read as follows:

INTERNATIONAL INSTITUTE OF AGRICULTURE AT ROME, ITALY

For the payment of the quota of the United States, including the Territory of Hawaii, and the dependencies of the Philippine Islands, Porto Rico, and the Virgin Islands, for the support of the International Institute of Agriculture for the calendar year 1933, $5,400.

Mr. LOZIER. Mr. Chairman, I move to strike out the last word. In 1849 David Lubin was born in Poland of Polish parents. His father died in London when David was two years of age. He came with his remarried mother to the United States. He worked in a jewelry factory at Attleboro, Mass., and then drifted to Sacramento, Calif., where he first worked as a laborer, and having earned a little money, he became a merchant, dealing largely in overalls. He came in contact with farmers and learned their problems. He acquired a little farm and became interested in growing fruit and vegetables, in the meantime continuing his mercantile operations. He had a great mind and a great heart. He used the intellectual powers with which he was endowed in a manner helpful to his fellow men.

He was the originator and founder of the International Institute of Agriculture at Rome. He interested Victor Emanuel, King of Italy, in the project, and the King donated a building for headquarters of the institute and pledged $60,000 annually for the maintenance of the institute. The first meeting was held in 1905, 40 nations being represented.

Lubin was appointed a delegate to this first meeting by President Roosevelt. He died in Rome in 1919, after living to see 53 sovereign nations participating in the activities of this institute.

The institute collects and disseminates information relating to agriculture in practically every nation on earth. It consists of four bureaus:

1. Bureau of the secretary general.
2. Bureau of general statistics.
3. Bureau of agricultural intelligence and plant diseases.
4. Bureau of economics.

It investigates crop and market conditions throughout the world, disseminates information, and keeps the agricultural classes in every nation informed and advised in relation to matters affecting the interests of agriculture. It was Lubin's dream to found an institute that would enable farmers on one side of the globe to know what farmers on the other side of the globe were producing and at what cost. His dream was realized, and he lived to see this institute firmly established and efficiently functioning as a worthwhile aid to the agricultural classes in every land.

Here is a benevolent activity that the American people know but little about, and yet it is rendering them a very valuable service. Some of the most valuable agricultural statistics in relation to crop and market conditions abroad come not from our Department of Agriculture but from the International Institute of Agriculture at Rome, founded by the genius of this Polish Jew. He not only gave the world this institution, but he served his day and generation in many other ways. He introduced the rural credit system in the United States. He was largely responsible for the extension of the parcel post to farmers. He promoted the plan of direct buying and selling of agricultural products through the mails. He organized some of the first and most successful farmers' cooperative associations. He was a pioneer in our national marketing activities, based on the German Landwirtschaftsrat.

It is proper for us to pause at the conclusion of the reading of this paragraph to pay a tribute of respect to this public benefactor and call the attention of the Nation to the very valuable services rendered by this Jewish immigrant, not only to the people of America but to the people of the world. As a result of his vision, genius, and indomitable activity, this International Institute of Agriculture is serving not only the United States but serving 52 other commonwealths of the world. His successful life and accomplishments demonstrate that genius is not limited by national or racial lines and that under our benign governmental institutions the humblest man, though a penniless Polish immigrant, may rise above his environment, attain distinction, acceptably serve his day and generation, and earn a place in history and in the affections of a grateful people.

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. LOZIER. Yes.

Mr. KETCHAM. The gentleman stated a moment ago that the statistics coming to us in respect to agriculture as a result of the institute at Rome are more valuable than those gathered by the Department of Agriculture here at home. That might have been true in the earlier days; but has the gentleman given very careful attention to the statistics that have come in the last year or two, since we have established our foreign offices of the Department of Agriculture, which, by the way, were the direct outgrowth of this very movement?

Mr. LOZIER. Mr. Chairman, the statement of the gentleman from Michigan is correct. Until a few years ago practically all of the statistics we had as to crop production and market conditions abroad came to us through the International Institute of Agriculture at Rome; but, as the gentleman says, in the last year or two we have been getting many valuable statistical data direct from foreign representatives of our Department of Agriculture.

The Clerk read as follows:

For participation by the United States in the Conference for Revision of the International Radiotelegraph Convention of November 25, 1927, to be held in Madrid, Spain, including personal services, without reference to the classification act of 1923, as amended, and rent in the District of Columbia and elsewhere, stenographic reporting and translating services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); traveling expenses and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto); hire of automobiles; purchase of necessary books and documents; stationery; official cards; newspapers and periodicals; printing and binding; entertainment; equipment; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be immediately available, $90,000.

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word. In line with the questions propounded concerning some other international items, will the gentleman from Alabama take a moment or two to explain this one, which seems to be relatively new? I think a statement should be made in the RECORD in regard to this expenditure, which seems rather large.

Mr. OLIVER of Alabama. One of the conventions was held in Washington, and the one for which this appropriation is carried is considered very important. Many questions will be discussed and acted on that might be very prejudicial to our own country, if the action was unfavorable to us. Senator WHITE, who was the former chairman of the legislative committee, and, I think, Mr. DAVIS, the present chairman of the committee, have both expressed great interest in this appropriation being carried. Of course, all they wanted was to get a sufficient amount to insure a representative delegation. The gentleman will find a very interesting statement by Senator WHITE in the hearings relative to this matter.

Mr. KETCHAM. The urgency for it is because of the rapid development in this field and our leadership in it?

Mr. OLIVER of Alabama. We are simply compelled to have international understandings with reference to this matter; otherwise they could absolutely destroy the rights of this country in the air.

Mr. KETCHAM. That is to say, unless we are in on the conference, radio stations might be established immediately adjoining the boundaries of the United States and interfere with and possibly destroy our activities in that respect.

Mr. OLIVER of Alabama. Unquestionably so.

The pro forma amendment was withdrawn.

The Clerk read as follows:

For annual contribution toward the support of the Somerset Hospital (a foreign hospital), at Cape Town, $50, to be paid by the Secretary of State upon the assurance that suffering seamen and citizens of the United States will be admitted to the privileges of said hospital.

Mr. GOSS. Mr. Chairman, I move to strike out the last word, to ask the Chairman to explain this item. I do not see why there is only $50 appropriated to one foreign hospital for suffering seamen and citizens.

Mr. OLIVER of Alabama. That is a treaty obligation.

Mr. GOSS. And that occurs only in this one country, Africa?

Mr. OLIVER of Alabama. Yes; that is the only one.

Mr. GOSS. How is it taken care of in other countries?

Mr. OLIVER of Alabama. I am not prepared to state about any other countries, but this is the only contribution we are required to make to any hospital by treaty in this bill.

Mr. GOSS. It is just a gratuity, and for that they agree to take in our seamen?

Mr. OLIVER of Alabama. Yes.

Mr. GOSS. What happens to our seamen and citizens in other countries?

Mr. OLIVER of Alabama. Well, we have another fund for that, and any consul is required to send them back home and to find work for them on the returning ships, if possible.

Mr. GOSS. I was wondering why we singled out Cape Town, Africa.

Mr. OLIVER of Alabama. There happens to be a hospital there, and under a treaty we make this contribution for its maintenance.

Mr. GOSS. And that is the only one we make?

Mr. OLIVER of Alabama. The only one I know of.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Convention relating to the liquor traffic in Africa: To meet the share of the United States in the expenses for the calendar year 1933 of the Central International Office, created under article 7 of the convention of September 10, 1919, relating to the liquor traffic in Africa, $55.

Mr. GOSS. Mr. Chairman, I move to strike out the last word.

Has the chairman any explanation of the $55 contribution to a country, relating to the liquor traffic in Africa? What is that item?

Mr. OLIVER of Alabama. It is a treaty obligation.

Mr. GOSS. We are interested in liquor in Africa?

Mr. OLIVER of Alabama. No. This appears in the hearings:

A central international office for the repression of the slave trade was established in Brussels, Belgium, under the general act of Brussels of July 2, 1890, to which act the United States was a signatory power. This central office dealt with the question of the traffic in slaves, arms and ammunition, and spirituous liquor in Africa.

Then the provision of the article is given. This is a treaty obligation.

Mr. GOSS. But it says in the bill, relating to liquor traffic in Africa, $55, but it does not mention slavery, and so forth. Are we putting all the money now into prohibition problems of Africa?

Mr. OLIVER of Alabama. It just happens to be carried that way by the State Department and has been carried in that form for a number of years.

The pro forma amendment was withdrawn.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to speak out of order on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHAFER. Mr. Chairman, I want to bring to the attention of the membership of the House some good, sound Hearst doctrine, in view of the fact that the distinguished gentleman from Texas [Mr. BLANTON] yesterday praised certain views of Hon. William Randolph Hearst. I want to read into the RECORD an editorial appearing in the Washington Times, one of the Hearst newspapers, issued February 19, 1932, which reads as follows:

MILLIONS FOR PROHIBITION "ENFORCEMENT"—NO SAVINGS PERMITTED THERE

Fanaticism or stupidity—or both—reach a climax in the decision of the House Appropriations Committee that no cut shall be made in the funds for prohibition enforcement, though the funds for every other branch of Government are being drastically scaled down.

As a sample of sheer idiocy we commend the committee report to our readers.

The committee says:

"This is the only item about which there was disagreement. Two members felt that the amount should be reduced. The majority, however, felt that as this appropriation is for the enforcement of a law which presents unusual difficulties at times in its enforcement the appropriation should not be reduced."

We wonder at what time the enforcement of the law does not present unusual difficulties.

We wonder at what time the enforcement of the law is not 99 per cent impossible.

If the committee will clear that point up for the country, it will perform a public service.

The country is under the impression that anybody can get a drink if he wants it, and the country happens to be right.

However, the appropriation was reported favorably, and no doubt will be authorized by the House.

In this same bill which makes the next fiscal year safe for Mr. Woodcock and his 2,000 agents the fund for the establishment and maintenance of the Department of Commerce airways was slashed $1,500,000.

That stroke of "economy" will prevent any extension of the existing lines for a year and will be a severe setback to the established airways, over which more than half of the Nation's air mail is carried at night.

The Army and Navy, which are vital to the Nation's safety, have been reduced already to a point where it is doubtful if they can perform their mission.

All civil employees of the Government, except the prohibition agents, face the prospect of a pay cut which, if made, will encourage every private firm in the land to follow suit—thereby reducing the public's buying power still farther.

Yet the holy work of closing up a few night clubs and nabbing a few small-fry bootleggers must go on. There must be no scrimping or saving there, no matter how vast the deficit may grow.

You can understand now why Will Rogers, in a candid moment, referred to his native country as "Cuckooland."

If this is a fair sample of the way we manage our affairs, Mr. Rogers paid us too big a compliment.

Mr. GOSS. Will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. GOSS. We are right at that point in this appropriation bill now, where we are appropriating $55, relating to the liquor traffic in Africa.

Mr. SCHAFER. Oh, that is merely a drop in the bucket when compared with the total amount provided for prohibition in the pending bill. It is rather remarkable that the economy experts of the Democratic Party, led by the honorable Speaker of the House, the gentleman from Texas [Mr. GARNER], the chairman of the Appropriations Committee, the gentleman from Tennessee [Mr. BYRNS], the gentleman from Texas [Mr. BLANTON], and the gentleman from Arizona [Mr. DOUGLAS], have allowed their eagle eyes to pass over the expenditures in the Prohibition Department when they are continually asking for a reduction in appropriations of other branches of the Government. The editorial I have just read hits the nail squarely on the head. I can realize the attitude of these gentlemen, because the facts in their records do not indicate that they are for rigid economy. In the Seventieth Congress, second session, three of these four horsemen, the gentleman from Tennessee and the two gentlemen from Texas, who are now leading the Democratic economy-propaganda agency, voted to foist upon the President of the United States $24,000,000 for prohibition enforcement, in addition to the regular appropriation, without having estimates or a request for that amount from the department or from the President. So we can not consider all of the present Democratic economy war cries for political effect as positions of those who really want to balance the Budget and reduce the cost of government. Let me suggest to the gentlemen that if they desire to balance the Budget, repeal the prohibition monstrosity and save many millions of dollars in enforcement each year, and enact a bill taxing alcoholic beverages and put four or five hundred million dollars in the Treasury each year, which will help balance the Budget. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I know the gentleman from Wisconsin would not knowingly violate the spirit of an agreement, and I am sure the gentleman was present when I stated to the House the substance of an agreement had with Representatives on both sides of the aisle, in reference to the prohibition amendment. It was that all discussion of the prohibition item and all amendments thereto should be limited to two hours on Tuesday, on which date, if reached, it would be passed. I hope that all Members will observe the agreement. I acquit the gentleman from Wisconsin from any violation of it, because I assume the gentleman did not know of the agreement.

Mr. SCHAFER. The gentleman from Wisconsin was not present in the Chamber at the time. He was very busy going over a transcript of the hearings conducted by the Committee on Expenditures in the Executive Departments on the bill to consolidate the Army and Navy.

Mr. OLIVER of Alabama. I acquit the gentleman absolutely of any conscious violation, even of the spirit of the agreement, and am simply calling attention to it in order that we may hereafter defer all discussion of that part of the bill until next Tuesday.

Mr. GOSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. In view of the gentleman's remarks, does he not think that this particular paragraph might come within that prohibition, where it relates to the liquor traffic in Africa? That might also go over until Tuesday for a vote.

Mr. OLIVER of Alabama. This is a treaty obligation. I felt we had entered into a very fair agreement, satisfactory

to both sides, with a view of enabling many Members to make other engagements and not be here to-day.

Mr. GOSS. If the gentleman thinks it more of a treaty than a prohibition question, I withdraw my parliamentary inquiry.

Mr. BRITTEN. Mr. Chairman, I move to strike out the last two words and I ask unanimous consent to proceed for five minutes out of order. I am told that an amendment is to be offered to strike out certain provisos on page 121, and I would like the privilege of addressing the committee for five minutes in that connection.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes out of order. Is there objection?

There was no objection.

Mr. BRITTEN. Mr. Chairman, I merely desire to call to the attention of the committee the fact that on Tuesday or Wednesday an amendment will be offered, or a number of amendments will be offered on both sides of the committee, to strike from this bill the two provisos at the bottom of page 121. The two provisos are aimed at the United States Employment Service, which I contend, as one Member of the House, has been doing and is doing a very valuable public service. If the two provisos do not completely annihilate the United States Employment Service, they are a mistake, because I think that is what they are intended to do.

In the first place, the proviso reduces the salaries of 119 field employees, reducing their salaries anywhere from 10 to 50 per cent. I think that is wrong at this time. We need all of the virility and enthusiastic support in the Employment Service that it is possible to get, and I do not think that wages in employment's interest should be reduced at this time. There is another proviso to the effect that after a certain date no employment office shall be maintained where it is necessary to pay rent for the office. I have checked over the office rents, and I find that they run anywhere from $25 a month to $70 or $80 a month. Most of them pay $300 or $400 a year under a lease.

To suggest to the Employment Service that it go to a Federal building, to an American Legion post, or to a State employment office and there find desk room in order to do the very valuable work it is doing and is expected to do at this time, when unemployment is at its height, I think is a wrong policy and can only be directed at the destruction of the whole service, which, under a man by the name of John M. Alpine, has done remarkable work and has a record which establishes a very high mark for Government service.

I will say to gentlemen on the floor that I do not even know the name of the man who is the director or manager of the employment office in my district, or in the city of Chicago. It is not in my district at all. I give you my word of honor that I do not know his name or where his office is. I do not know what salary he is getting. But my thought is that at this time, when we are not cutting salaries, when we are not cutting our own salaries, why should we single out these 119 men in this important service and reduce their salaries, unless it is to destroy the value of their positions entirely? If the subcommittee reporting this proviso wants to annihilate completely that bureau, why not take the $802,000 which is carried in this bill and wipe it out of existence? Either the Employment Service is good or it is bad. If it is bad, it should be discontinued. I have every regard for the convictions and opinions of the gentleman from Alabama [Mr. OLIVER]. We have served together in this House for 20 years, a large part of that time on one committee. I regard his opinion highly; he is honest, capable, courageous, and a straight shooter. If he wants to annihilate this Employment Service, let him come upon the floor and tell us why it should be discontinued and make a motion to strike out the $802,000 and save that amount for the Treasury. That is the proper way to reach this situation. But I contend it is a valuable service. I contend that John Alpine is making a great record for himself and for the service. The report which he submitted to the Subcommittee on Appropriations showed that during 1931 they found some 700,000 placements, as they are called—jobs for people. If they can do that, I do not think this is the time to suggest a reduction in their already small salaries or that they can only do business where they can get rent free, especially when you take into consideration the fact that they are only paying from $25 to $80 a month.

[Here the gavel fell.]

Mr. BRITTEN. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BRITTEN. I hope when the amendment is offered on the floor next Tuesday to strike out those two provisos, it will prevail. Such action will be in the interest of good, sound business economy. At a time like this we should not do anything to damage a valuable service in a false interest of economy.

Mr. GOSS. Will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. GOSS. I want to call the gentleman's attention to the fact that there is a proviso on page 63 with reference to district offices. I hope the gentleman will include that in his amendment.

Mr. OLIVER of Alabama. Mr. Chairman, I think it would be proper at this time to read what my limited time this morning would not permit me to do before the bill was taken up under the 5-minute rule. I wish to read the committee's report, not for the purpose of making at this time any comment thereon, but simply that this statement by the committee may appear in the RECORD before the item is reached. The statement reads:

It will be recalled that this appropriation was first carried during the closing years of the war, and the money then appropriated was used to find workers for jobs. Later, as the annual appropriations were greatly reduced, the activities of this service were largely confined in providing laborers to meet the seasonal demands of the farmers of the West, Southwest, and Mid West. The appropriation is now employed in the effort to find jobs for the unemployed. Naturally this purpose makes a very strong human appeal to Members of Congress. Just before the holidays $120,000 additional was carried as a deficiency appropriation on the urgent request of the department. At that time the Secretary of Commerce and the Director of the Employment Service stated to the committee they would not ask that the Budget estimate for 1933—which carried less than was regularly appropriated for 1932—be increased. They made the further statement that it was not contemplated paying salaries at any new office to be established in excess of $2,000. Congress, it will be recalled, placed a limitation to this effect on the appropriation, and this bill carries a similar limitation as to all salaries at employment offices after the beginning of the next fiscal year, and also a further limitation against the payment of any rents.

The only reduction which the committee has made in the amount as recommended by the Budget is in the item of rent, resulting from the limitation just referred to, and reflecting a saving if the rent limitation is approved.

There are members of the committee who believe, however, that additional and substantial reductions should be made in this appropriation, yet since the House has recently favored a deficiency appropriation the committee feels that further reductions in the Budget estimate should be left to the determination of the House. The hearings carry a very informing statement from the capable director of this service, to which the attention of the Members is invited.

Though this report from the director shows outstanding accomplishments, yet it must be remembered that this is a social service where splendid and helpful cooperation is extended by chambers of commerce, civic, charity, and welfare organizations, and it is the thought of the committee that after July 1, 1932, all the communities throughout the country will be sufficiently stimulated to take over and care for, in a very large way, the purposes sought to be accomplished with this appropriation.

The attention of the House is especially called to the splendid work of the Legion in this connection and to the practical plans formulated and effectively carried out by volunteer organizations in the city of Rochester and the county of Monroe, N. Y., where the slogan seems to be, "We must and will find every possible job that our people can provide for the unemployed." This plan, we are glad to note, is being rapidly extended to other communities. It is the thought of members of the committee that there must be a limit placed on the time when large appropriations of this kind can be effectively used, and the splendid efforts that volunteer organizations throughout the country are now putting forward have led us to conclude that some substantial reduction in this appropriation may be made after July 1, 1932.

It will be noted from the hearings that the number on the pay roll under this appropriation is rapidly increasing in every State, and we recognize this presents difficulties, based on human equa-

tions, that may make it hard to reduce this appropriation, but may we not hope that such difficulties are more apparent than real.

Mr. BRITTEN. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. BRITTEN. I have read that statement. The difference between the statement and the facts is that the statement refers to new field positions carrying a salary not in excess of $2,000, while the language in the bill reduces the salaries of the 119 men who are already in the field. There is a great difference. If the gentleman's proviso in the bill is to care for new employees, that is one matter, but the bill actually reduces the salaries of 119 men already employed.

Mr. OLIVER of Alabama. I am sure the gentleman can not complain when I am willing that the very persuasive speech that he is always able to make shall now remain with the committee without any reply other than the report of the committee, until taken up later. I am willing to wait to present the committee's views when the item is reached.

The Clerk read as follows:

Salaries and expenses: For salaries and expenses in connection with the supervision of the maintenance and care of United States prisoners, including not to exceed $199,240 for personal services in the District of Columbia and elsewhere, traveling expenses, and expenses of attendance at meetings concerned with the work of such bureau when authorized by the Attorney General, $239,650.

Mr. DYER. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Alabama if there are any changes in the amounts provided for with respect to the items just read by the Clerk under the Bureau of Prisons?

Mr. OLIVER of Alabama. Yes; there is a reduction under the Budget estimate of $16,000.

Mr. DYER. May I ask the gentleman what that reduction is?

Mr. OLIVER of Alabama. They wanted a farm superviser at $4,600; there were one or two clerical employees asked for, and I think there were two additional jail inspectors requested, and we denied all of the new employees.

Mr. DYER. The gentleman and his committee, I take it, felt this was justified, of course, or they would not have taken such action?

Mr. OLIVER of Alabama. Yes. At every prison they have a farm superintendent and assistant, and we did not believe at this time we should provide for a new position carrying a salary of $4,600 to travel out of Washington. The Department of Agriculture lends helpful assistance at any time through its many agents scattered throughout the country.

Then with respect to the jail inspectors, they now have six, and we did not feel they should have two additional. In reference to the clerical help, I recognize the work of this department is heavy, but so is that of Members of Congress, and they now have a very ambitious organization. There are 65 in the District and the salary roll is about $195,000.

I can go more fully into the matter if that is desired, but the committee felt fully justified in denying the increases.

Mr. DYER. The Bureau of Prisons, of course, was recently established by the Congress and had for its purpose a more efficient administration of the prisons.

I would like to ask the gentleman as to his judgment of the effect of the change that Congress made.

Mr. OLIVER of Alabama. It has been very beneficial. I think the director of the bureau, Mr. Bates, for whom I have the highest regard, is very capable and has accomplished a wonderful work.

Mr. DYER. I am very glad to have that judgment from the gentleman from Alabama touching the director of the bureau, because at the time he was selected a very careful survey of the whole country was made to find the man best fitted for this special work.

Mr. OLIVER of Alabama. Every member of the committee was favorably impressed by the report of Mr. Bates.

Mr. DYER. The committee of which I have the honor to be a member brought in this legislation to create the bureau and strengthen and facilitate the work. I am glad to have from the gentleman from Alabama, who is a careful student, and knowing the care which he exercises over the expenses of the judiciary, that he has the opinion which he has expressed. The gentleman thinks the bureau can do without this additional money?

Mr. OLIVER of Alabama. I think so.

Mr. CROWTHER. Mr. Chairman, I ask unanimous consent to return to page 35, the paragraph relating to the Department of Justice.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CROWTHER. Mr. Chairman, I want to pay a tribute to a remarkable service that Mr. Lawrence and his assistants have rendered to the Government. During the making of the Hawley-Smoot bill, following the hearings, Mr. Lawrence and his two assistants gave us—and, I presume, rendered the same assistance to the subcommittee who had the schedule in charge—a wonderful service. It was very enlightening, very informing, and very helpful to us.

You see, what we were trying to do was to write the schedules so as to avoid the pitfalls and the wide-open places that the customs attorneys drag their clients through in order to avoid the payment of duties, by putting them into a lower classification. On every item Mr. Lawrence and his assistants presented us with cases that had developed during the adjudication and progress of the tariff legislation and showed us where the loopholes were.

The difficulty always was to determine the intent of Congress. In performing this work Mr. Lawrence and his assistants sometimes worked with us until 1 and 2 o'clock in the morning in attempting to rectify the errors and assisting us to prepare the bill.

Mr. OLIVER of Alabama. While I was not strongly in sympathy with the bill to which the gentleman refers, I have known Mr. Lawrence for a number of years, and I feel that he has been of very great assistance and very efficient in the discharge of his important duties. We gave him one additional assistant at this time, but do not feel justified in giving two assistants.

Mr. CROWTHER. I am glad to know that, because I think he is deserving. In spite of all our care in rewriting the sections (there were very few) new ones, except we introduced a rayon schedule, in spite of the care exercised, there were piled up last year 70,000 appeals, showing that no matter how careful you are you can not get away from the doubt as to just what Congress intended by the language of the law.

That is another indication, if you follow it out to its last analysis, that our tariff bills are lower than they really seem, because every time a case is won the duty is lowered because a new classification and standard is accomplished.

If we win one, we do not gain anything, because the record stands as it is in the paragraph, and, constantly, with the adjudication of these cases, we are losing a little and the tariff is dropping down a little month after month as the cases are adjudicated.

I am glad that the committee saw fit to grant the assistance to this committee, because actually they are producing revenue for the Government; they are at least saving money.

I call the gentleman's attention to a case that occurred here a few years ago. It could only have occurred under the circumstances that existed at that time. An importation was made into this country by an importing concern that was evidently a dummy importing corporation, of 1,760,000 blankets, supplied by the English Government to the French Army. We at that time sold about $4,000,000,000 worth of material for about $400,000,000 to the French. This corporation went over there and brought them to the United States, but before they brought them in they found that the duty in the tariff bill was 18 cents a pound and 30 per cent ad valorem. The importers paid for them to France 6 francs apiece, which is about 30 cents apiece, as

the franc was only worth about 5 cents. That would have been 90 cents and 9 cents ad valorem.

However, a brilliant customs attorney said that he could show them how to bring them in more cheaply. He told them to work a little woolen initial with woolen yarn on in one corner and bring them into the country as embroidered articles under paragraph 1430 of the sundry schedule where the duty is 75 per cent ad valorem, an equitable duty for goods that we expected to come in under that paragraph, but when you had a 30-cent value with a 75 per cent ad valorem duty, it amounted to only 22½ cents. They brought those into the United States, and although there was appeal after appeal taken, it never did get to the courts, and that cost the Government $1,260,000 in loss of duty alone.

Mr. OLIVER of Alabama. Members of the committee have diligently inquired always into whether a law that Congress has passed is being enforced, and we have sought to strengthen the hands of every law officer, and in this case when Mr. Lawrence, who is a very capable official, brought to our attention the need of an assistant, we gave him one.

Mr. CROWTHER. I thank the gentleman.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. DYER. I understand the Assistant Attorney General, Mr. Lawrence, receives a salary of $9,000?

Mr. OLIVER of Alabama. That is fixed by the Attorney General. I do not recall the salary, but think it is $9,000.

Mr. DYER. I agree with what has been said by the gentleman from New York [Mr. CROWTHER] and the gentleman from Alabama [Mr. OLIVER] in reference to the Assistant Attorney General, Mr. Lawrence. There has been probably no more capable or able servant of the Government than the Assistant Attorney General, Mr. Lawrence. He is an indefatigable worker and is very efficient. When a man renders service as he does, and is worth as much as he is to the Government, he ought to have the very best assistance and encouragement in doing what he is doing, and he ought to have a decent, living salary. I hope he is getting the $9,000.

Mr. OLIVER of Alabama. That is a matter in the hands of the Attorney General, but my recollection is that the salary of Mr. Lawrence is $9,000.

The Clerk read as follows:

For such miscellaneous expenses as may be authorized or approved by the Attorney General, for the United States courts and their officers, including experts at such rates of compensation as may be authorized or approved by the Attorney General, including also so much as may be necessary in the discretion of the Attorney General for such expenses in the District of Alaska and in courts other than Federal courts, and including traveling expenses pursuant to the subsistence expense act of 1926 (U. S. C., title 5, ch. 16), $1,160,000: *Provided*, That the maximum salary paid to any law clerk to any circuit judge shall not exceed $2,400 per annum.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. Does this limitation of $2,400 per annum cut down any existing salaries?

Mr. OLIVER of Alabama. Yes; it cuts down law clerks to $2,400 a year.

Mr. GOSS. What is the salary now?

Mr. OLIVER of Alabama. This is a new position, and the law provided that the salary should not exceed $3,000. They were started at $3,000, and the committee felt that $2,400 should be the maximum limit. The initial pay should be about $2,000.

Mr. GOSS. Are there any receiving $3,000?

Mr. OLIVER of Alabama. Yes.

Mr. GOSS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Goss: Page 44, line 21, strike out "$2,400" and insert "$3,000."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

The Clerk read as follows:

Prison industries working capital fund: Prison industries working capital fund, 1932 and prior years, is reappropriated and made available for the fiscal year 1933, including payment of obligations incurred in prior years; and the said working capital fund and all receipts credited thereto may be used as a revolving fund for the fiscal year 1933, for the purposes authorized by the act entitled "An act to provide for the diversification of employment of Federal prisoners, for their training and schooling in trades and occupations, and for other purposes," approved May 27, 1930 (U. S. C., Supp. V, title 18, secs. 744d, 744e, 744f).

Mr. DYER. Mr. Chairman, I move to strike out the last word.

With reference to the items which we have been reading, and those which are to follow, touching appropriations for United States penitentiaries, industrial institutions, and so forth, for the care of prisoners in those places and also in jails, can the gentleman from Alabama tell us something about the amount of increase to the Government for matters of this kind in the last few years?

Mr. OLIVER of Alabama. I went into that fully in my general statement this morning.

Mr. DYER. I am sorry I did not hear the gentleman. I will not take up the time to go over it again at this time, but it has been greatly increased, has it not?

Mr. OLIVER of Alabama. Very greatly increased, and we are here calling a halt for the reasons I stated, that it does not now appear that we will require the same number of prisons in 1933 that it was thought in 1930 were required. So we have recommended some cuts in prison expansion.

Mr. DYER. For instance, the one at Springfield, Mo.?

Mr. OLIVER of Alabama. We there recommended that no amount be appropriated at this time for the tubercular hospital.

Mr. DYER. It is not the intention, of course, to abandon it?

Mr. OLIVER of Alabama. That is a matter that Congress will determine later. In the first place, the contract that has been let for the main hospital has not yet commenced, and the gentleman will note that 430 days are given under the contract to complete it. That runs into 1934, and we thought that at the next session Congress could determine whether to make additional expenditures there. Then there were further considerations that entered into our decision.

Mr. DYER. I do not want to ask the gentleman to go all over this again, but I take it that the gentleman agrees with my judgment that the expense has largely increased?

Mr. OLIVER of Alabama. Oh, there is no question about that.

Mr. DYER. Principally due to prohibition; is that not the fact?

Mr. OLIVER of Alabama. That is one of the factors.

Mr. DYER. And a very large factor.

Mr. GOSS. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. GOSS. With reference to the salaries and wages of officers and employees mentioned in these many paragraphs, have the wages or salaries been reduced at all?

Mr. OLIVER of Alabama. I do not think there are any reductions. We have made no reductions in salaries except as pointed out. As far as we can learn, in the Department of Commerce there must be some separations from the service, because we have made reductions, and so did the Bureau of the Budget, which will cause some separations from the service.

Mr. GOSS. But there are no general reductions?

Mr. OLIVER of Alabama. There are no general reductions except where attention has been called to it. We called attention to the one with reference to law clerks in the report. We also called attention to the salaries of the joint commission, and wherever we made reductions in salary they were called attention to in the report, as I recall.

Mr. DYER. Is that true as to the probation system?

Mr. OLIVER of Alabama. Yes. We made that a maximum of $2,600. I called attention to that in the House in my remarks this morning.

Permit me to say that in view of the fact that there are two hospitals in which there is some interest felt, and since I did not have an opportunity earlier of making a statement with reference to them, and some Members desire to discuss these two matters, I am willing that those two items, if the

committee approves, may go over until Monday afternoon to be taken up at that time, so that the interested Members may have full opportunity to read the hearings and present their case. We do not want to do injustice to anyone, or to any service. I shall be very glad, if that is the desire of the gentlemen interested in these matters, to request the committee to permit these two items to go over until Monday.

Mr. JOHNSON of Missouri. Will the gentleman yield for an explanation? I appreciate the gentleman's statement, and that will be agreeable to me.

Mr. OLIVER of Alabama. The two matters which I thought perhaps Members would be interested in and where we have made some large cuts is the hospital at Springfield, Mo., and the institution in Ohio. I felt, in fairness to the gentlemen, that I would like to have them read the hearings and then if they do not agree with the committee, let the House determine the matter after discussion.

Mr. THATCHER. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. THATCHER. That is in the Justice Department bill?

Mr. OLIVER of Alabama. Yes. I made a statement about it this morning.

Mr. JOHNSON of Missouri. May I make this statement, that it is my purpose to offer an amendment on page 52, in line 16, increasing the appropriation to the amount that the Budget recommended.

Mr. OLIVER of Alabama. I am perfectly willing to take it up now and dispose of it, but I thought the gentleman might prefer reading the hearings and present his amendment later.

Mr. JOHNSON of Missouri. Then it will go over until Monday?

Mr. OLIVER of Alabama. Yes.

Mr. DYER. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. DYER. I would like to ask my colleague from Missouri if his amendment is to provide that the money originally intended for this institution at Springfield shall be carried in this bill?

Mr. JOHNSON of Missouri. May I make this explanation at this time? The original authorization provided that not to exceed $2,500,000 should be expended for a hospital for defectives at Springfield, Mo. Based upon that authorization the Director of the Bureau of Prisons solicited donations of sites. He gave the data to the people at Springfield and to other communities, and based upon those facts and upon that data the citizens of Springfield donated $135,000, on the expectation that the original authorization of $2,500,000 would be expended. My amendment merely seeks to amend the appropriation so that the amount will be carried as originally intended.

Mr. DYER. And that will carry out the agreement which the Government made with the people of Springfield, Mo.?

Mr. JOHNSON of Missouri. That is exactly it.

Mr. DYER. With all due regard to the committee, for which I have the highest respect, it seems to me the committee should not insist upon cutting down the amount under those circumstances, because it has got to be provided for at some time, and that being true, why not at this time and at the same time keeping faith with the people of Springfield, Mo.?

Mr. OLIVER of Alabama. The attitude of the committee is this: It has no desire to present this matter to the committee now, unless the committee wishes it done. I understand the gentleman from Missouri is not in favor of the recommendation made by the committee, and it was because I thought he might prefer to have longer time to read the hearings that I suggested the matter be postponed until Monday.

Mr. DYER. My colleague represents the district in which Springfield is located. I only want to render him, if I can, any possible assistance in seeing that the Government keeps faith with the people of Springfield, Mo.

Mr. OLIVER of Alabama. On Monday I will further present the views of the committee.

Mr. LOZIER. When does the gentleman now expect to take up this item?

Mr. OLIVER of Alabama. Monday afternoon.

The Clerk read as follows:

Construction: For the remodeling and construction of the necessary buildings and appurtenances, purchase of mechanical equipment, and other expenses incident to the construction of buildings in accordance with the provisions of "An act for the establishment of a United States Industrial Reformatory," approved January 7, 1925 (U. S. C., title 18, sec. 832), to be expended under the direction and upon the written order of the Attorney General, or his authorized representative, by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners, as the Attorney General may direct, $700,000, to be immediately available and to remain available until expended: *Provided*, That the total sum to be expended for such purposes shall not exceed $3,000,000: *Provided further*, That the Secretary of the Treasury, if in his discretion it would be impracticable to cause the plans, drawings, designs, specifications, and estimates for the remodeling and construction of the necessary buildings to be prepared in the Office of the Supervising Architect of the Treasury Department, and the work of remodeling and constructing the said buildings to be supervised by the field force of said office, may contract for all or any portion of such work to be performed by such suitable person or firm as he may select.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that appropriations relating to the Springfield hospital, Missouri, and the Chillicothe, Ohio, hospital go over until Monday afternoon. The paragraph relative to Chillicothe will be found on page 49, line 19, down to and including line 21, on page 50. The item in reference to the hospital for defective delinquents will be found on page 51, line 23, down to line 17, on page 52. I do this in order that gentlemen may have the opportunity of reading the hearings and presenting their objections to the recommendation of the committee in connection with these two items.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. FULBRIGHT. Mr. Chairman, reserving the right to object, I would like to ask the gentleman from Alabama a question. As I understand, the part of the bill relating to the prohibition appropriation is also to go over until Monday?

Mr. OLIVER of Alabama. That goes over until Tuesday.

Mr. FULBRIGHT. So the items relating to the hospitals at Springfield, Mo., and at Chillicothe, Ohio, will be taken up Monday afternoon?

Mr. OLIVER of Alabama. Yes.

The CHAIRMAN. Is there objection?

Mr. UNDERWOOD. Mr. Chairman, reserving the right to object, may I ask the gentleman a question?

Mr. OLIVER of Alabama. Yes.

Mr. UNDERWOOD. I understand we will have an opportunity then to fully discuss the sections relating to the United States Industrial Hospital at Chillicothe, Ohio?

Mr. OLIVER of Alabama. Yes; and to offer amendments thereto. I am doing this only in the interest of gentlemen who I understand are not in agreement with the recommendations of the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read as follows:

Federal jails: For the purchase of sites, constructing, remodeling, and equipping necessary buildings, purchase and installation of machinery and equipment, and all necessary expenses incident thereto, for establishing new Federal jails and altering and adapting other Government property for jail purposes, as authorized by the act entitled "An act to reorganize the administration of Federal prisons; to authorize the Attorney General to contract for the care of United States prisoners; to establish Federal jails, and for other purposes," approved May 14, 1930 (U. S. C., Supp. V, title 18, secs. 753c, 753d), to be expended under the direction and upon the written order of the Attorney General, by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners, as the Attorney General may direct, $10,000, to remain available until expended; and the Attorney General may contract with such suitable person or firm as he may select for the work of preparing plans, drawings, designs, specifications, and estimates for remodeling and construction of the necessary buildings.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: On page 53, line 16, strike out "$10,000" and insert in lieu thereof "$500."

Mr. OLIVER of Alabama. Mr. Chairman, I am offering this amendment, not for the purpose of preventing the building of the jail in Kentucky but for the purpose of reducing the appropriation.

The Congress appropriated at one time $1,000,000 and then $500,000 for the purpose of building jails. There is an unexpended balance of that $1,500,000, and we had appropriated $10,000, thinking that the unexpended balance was not so great as we now find it to be. We wanted to give sufficient money to build, if they desired to do so, a jail in Kentucky, where they insisted one was needed.

I find now that there is an unexpended balance sufficient to build the jail, if the Attorney General should decide to do so, without making this appropriation of $10,000, and for that reason I am reducing it to $500.

The amendment was agreed to.

The Clerk read as follows:

Probation system, United States courts: For salaries and expenses of probation officers, as authorized by the act entitled "An act to amend the act of March 4, 1925, chapter 521, and for other purposes," approved June 6, 1930 (U. S. C., Supp. V, title 18, sec. 726), $440,000: *Provided*, That not to exceed $80,000 of this appropriation may be expended for travel and subsistence: *Provided further*, That no part of this or any other appropriation shall be used to defray the salary or expenses of any probation officer who does not comply with the official orders, regulations, and probation standards promulgated by the Attorney General.

Mr. DYER. Mr. Chairman, I move to strike out the last word just to ask the gentleman from Alabama a question.

Mr. OLIVER of Alabama. Again, may I say to the distinguished gentleman from Missouri, who, I know, is deeply interested in this matter because his committee reported the bill, that I made a very long statement about this just before the bill was taken up under the 5-minute rule.

Mr. DYER. May I just ask the gentleman this question: There is no lessening of the money to carry on this work?

Mr. OLIVER of Alabama. No; we are increasing it by $210,000.

Mr. DYER. I will say to the gentleman that this is very necessary, because the courts are beginning to take advantage of the law to the very great benefit of the prisoners. They are now able to put a lot of men on probation who are first offenders, and the system is working out remarkably well.

Mr. OLIVER of Alabama. It was at the request of the judges and the Attorney General that this increase was made.

Mr. DYER. I think the Congress should give all possible encouragement to the courts to take advantage of this statute.

The Clerk read as follows:

Enforcement of China trade act: To carry out the provisions of the act entitled "China trade act, 1922" (U. S. C., title 15, secs. 141–162), including personal services in the District of Columbia and elsewhere, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, purchase of books of reference and periodicals, reports, documents, plans, specifications, maps, manuscripts, and all other publications; rent outside the District of Columbia; ice and drinking water for office purposes, and all necessary expenses not included in the foregoing, $22,000: *Provided*, That payment in advance for telephone and other similar services under this appropriation is hereby authorized.

Mr. DYER. Mr. Chairman, I move to strike out the last word, to make a short statement. Mr. Chairman, there has been from time to time some discussion on the floor with reference to our situation in the Far East. It has been intimated that the fact that this statute, known as the China trade act, of which I was the author, was passed, has in effect made it of some concern to our country, as far as the Far East is concerned.

I want to make the statement that this act has nothing of consequence to do with the concern of our country in the Far East at this time. Under this act there has been a good many companies organized in China, mostly with a small capital, to do business, competing with companies under British law and other nationals.

This act was simply for the purpose of giving to our nationals an opportunity to compete with the nationals of other countries on equal terms.

Before the statute was enacted Americans endeavoring to do business in China had to do it under a charter that came from some State because China has not been in a position to grant charters to do business in China.

The United States has no vast interests in China. It is considerable, but we have a great many nationals, in whom we are most concerned at this time, in the Far East. Our concern is for our nationals, wherever they are, and it is the duty of the Government to give to them every protection possible.

According to the latest data available, American investments in China aggregate at least $150,000,000, as compared with about $200,000,000 for French investments, $1,250,000,000 for Japanese investments, and $1,300,000,000 for British investments.

Some estimates of American investments in China run as high as $265,000,000, but these estimates include an item of $75,000,000 for missionary and other noncommercial investments and $30,000,000 or more for commercial loans unsecured or inadequately secured.

As to foreign investments in Japan, our estimate of the portion held by Americans is about $385,000,000 as of the end of 1930—all but $143,000,000 of which is represented by holdings of Japanese Government or Government-guaranteed bonds. No data on British and French investments in Japan are readily available at the moment, but it is probably safe to say that those of the British are somewhat less than ours, while those of the French are relatively small.

In other words, a number of countries have vastly larger interests in China and Japan than we have. We have certain treaty rights under which we do business in China, and have been doing it for some time, with much advantage to our own country.

These corporations, created under the China trade act, and concerning which I arose to speak of, have been of great help in aiding the citizens of this country to take part in the foreign trade of China and putting us on an equal standing and basis with Great Britain, Japan, and some other countries. It has been very helpful.

None of the really big corporations, like the Standard Oil or the American Tobacco Co., have taken advantage of the statute; they are not chartered under it.

I call attention to this so that it may be seen that the statute has been of great benefit to the foreign trade in China and very helpful to this country. I am glad to note that the committee has continued the appropriation for the next fiscal year.

For more detailed information concerning the China trade act companies I include some data from the Department of Commerce. It is as follows:

Hon. L. C. DYER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: In response to your recent request to Mr. A. S. Hillyer, assistant registrar of China trade act companies, I am pleased to submit the attached report to show companies now operating with Federal charters under the China trade act, the date the charters were issued to each, and the authorized capital of each company.

No attempt has been made to report the actual paid-in capital of each company, which, however, it is possible to determine by reference to the balance sheet of the various companies for the year 1930, if such is desired, but at least 25 per cent of the authorized capital has been paid in to conform to the requirements of the act.

Companies now operating under the act total 100, 14 of which were chartered during the past year.

Since the operation of the act 34 companies have ceased to operate and have been granted certificates of dissolution.

It is interesting to note that, doubtless due to the low price prevailing in China of silver, the capital of some of the companies

has been increased, the record showing that during 1931 certificates of amendments to articles of incorporation were issued by the department to seven companies, providing for a capital increase of $4,476,210 United States currency.

Yours very truly,

FREDERICK M. FEIKER, *Director.*

List of China trade act companies—Federal corporations (United States)

Name	Date of charter	Authorized capital
A. C. K. Co	Nov. 12, 1927	Mex. $50,000.
American Asiatic Underwriters	Oct. 29, 1925	Sh. Tls. 2,000,000.
American Chinese Co	May 26, 1925	U. S. $50,000.
American Chinese Industries	Jan. 23, 1932	U. S. $500,000.
American Construction Co	Jan. 19, 1929	Tls. 200,000 Sh. Syce.
American Far-Eastern Match Co	Dec. 28, 1931	U. S. $500,000.
American International Underwriters	Apr. 3, 1928	U. S. $1,000,000.
American Newspaper Co	Sept. 14, 1928	Mex. $50,000.
American-Oriental Finance Corporation	July 29, 1926	Mex. $8,000,000.
American Oriental Motors	Jan. 24, 1928	Mex. $100,000.
American Securities	Oct. 14, 1931	Sh. Tls. 8,000,000.
Anderson Ferroggiaro	Apr. 4, 1930	Tls. $500,000 local currency at Shanghai.
Asia Electric Corporation	Feb. 11, 1931	Mex. $700,000.
Asia Fire & Marine Underwriters	Oct. 26, 1928	Tls. $100,000 local currency at Shanghai.
Asia Realty Co	Aug. 6, 1925	$11,000,000 Sh. currency.
Asiatic Publishing Co	Jan. 19, 1929	U. S. $10,000.
Associated Drug Co	Jan. 31, 1929	$100,000 local currency at Hankow.
Automatic Telephones of China	Oct. 30, 1930	U. S. $200,000.
Aviation Engineering Corporation	Mar. 10, 1931	Mex. $200,000.
Bakerite Co	Sept. 15, 1925	Mex. $1,000,000.
Bills Motors	Nov. 16, 1925	Sh. Tls. 100,000.
Bloch, M., & Co	July 29, 1930	U. S. $100,000.
Bolton Bristle Co	May 24, 1929	Sh. Tls. 500,000.
Bush, Mack & Co	Dec. 7, 1927	Sh. $30,000.
China American Engineering Corporation	May 26, 1925	U. S. $50,000.
China-American Trading Corporation	Jan. 6, 1925	U. S. $50,000.
China Aircraft Corporation	May 27, 1930	Mex. $150,000.
China Airways	Sept. 19, 1929	U. S. $2,000,000.
China Baptist Publication Society	Feb. 11, 1931	U. S. $200,000.
China Fiber Container Co	July 22, 1927	U. S. $250,000.
China Finance Coproration	Nov. 11, 1925	Sh. Tls. 5,000,000.
China Inland Motors	June 25, 1931	Tls. 250,000 Hankow currency.
China Merchants Pongee Association	Sept. 14, 1928	Sh. Tls. 200,000.
China Motors	July 21, 1923	Sh. Tls. 250,000.
China Paper Co	Mar. 7, 1928	Sh. Tls. 100,000.
China Realty Co	July 27, 1925	Sh. Tls. 8,000,000.
China Transport & Storage Co	June 18, 1930	Sh. Tls. 5,000.
Claude Neon Lights	Jan. 19, 1929	U. S. $624,000.
Commercial Express & Storage	Dec. 28, 1931	Sh. Tls. 200,000.
Commercial Traders Association	May 4, 1929	U. S. $200,000.
Cosmos Paper Co	July 29, 1926	Tls. 100,000 Sh. currency.
Danzig, Samuel, Co	Jan. 17, 1931	U. S. $50,000.
Doughty, C. J., & Co	June 8, 1926	U. S. $100,000.
Eagle Drug Co	Mar. 10, 1931	Mex. $50,000.
Eisler, Reeves & Murphy	Oct. 9, 1929	Sh. Tls. 15,000.
Electric Service Corporation	Mar. 25, 1926	Sh. Tls. 750,000.
Essential Oil Products Co	Mar. 22, 1926	$200,000 Sh. currency.
Far Eastern Lumber Co	Aug. 2, 1930	U. S. $200,000.
Fette Rug Co	Jan. 15, 1926	Mex. $200,000.
Ford Hire Service	Sept. 26, 1928	Mex. $1,000,000.
Fox Film	Apr. 21, 1931	U. S. $10,000.
Frazar	Aug. 31, 1926	$500,000 Tientsin $.
Gale, L. E., Co	Sept. 7, 1927	250,000 Hankow taels.
Gallop & Co	May 24, 1929	Mex. $80,000.
Hayes, J. E., Engineering Co	July 31, 1925	Taels 120,000 (Shanghai).
Henningsen Produce Co	Sept. 11, 1928	Sh. Tls. 135,000.
Honigsberg & Son	Dec. 30, 1930	U. S. $50,000.
Hoyt & Co	June 3, 1925	U. S. $100,000.
International Bond & Mortgage Co	Feb. 25, 1927	U. S. $50,000.
International Finance Corporation	Dec. 4, 1930	Mex. $500,000.
Kofa (American Drug Co.)	May 23, 1928	Mex. $1,000,000.
Lang, Robert	May 28, 1925	U. S. $200,000.
Langdon, E. W., & Co	Jan. 15, 1926	U. S. $40,000.
Little Club	July 29, 1926	Mex. $25,000.
Luebbert's Pharmacy	Feb. 15, 1930	Mex. $50,000.
Moody, Mark L	Dec. 21, 1925	Sh. Tls. 1,000,000.
Muller & Phipps (China) (Ltd.)	May 24, 1929	U. S. $10,000.
National Carbon Co	Jan. 30, 1931	U. S. $1,000,000.
National Motors	May 27, 1930	Sh. Tls. 100,000.
Nichols Super Yarn & Carpets	Oct. 3, 1929	U. S. $100,000.
North-Manchurian Trading Co	Dec. 20, 1928	U. S. $10,000.
Odeon Theatre Co	Sept. 26, 1926	Mex. $70,000.
Pacific Trading Co	Jan. 19, 1929	Sh. Tls. 300,000.
Park Garage	Nov. 14, 1928	Sh. Tls. 100,000.
Peacock Enterprises	May 22, 1928	Mex. $100,000.
Peacock Orient	Dec. 1, 1931	Mex. $1,000.
Post Mercury Co	Dec. 28, 1931	Sh. Tls. 500,000.
Raven Trust Co	Dec. 3, 1926	U. S. $2,000,000.
Realty Investment	Oct. 3, 1929	Mex. $500,000.
Reiss, Hugo, & Co	Mar. 14, 1928	Sh. Tls. 150,000.
Reliance Motors	Feb. 27, 1932	Tls. 400,000 local cur. Sh.
Robertson, Evans Motors	Sept. 13, 1929	$120,000 Tientsin dol.
Shanghai Building Co	May 31, 1923	Sh. Tls. 1,000,000.
Standard Products Co	Feb. 7, 1924	U. S. $100,000.
Standard Machine Co. & National Deep Well Boring Co.	Jan. 28, 1930	20,000 Hankow taels.
Star Cinema Co	Dec. 4, 1930	Mex. $100,000.
Tesmenitsky Bros	Nov. 7, 1927	U. S. $100,000.
Tientsin Fur Exporters	Oct. 14, 1931	U. S. $40,000.
Tientsin Motors	Jan. 19, 1929	$50,000 Shanghai currency.

List of China trade act companies—Federal corporations (United States—Continued

Name	Date of charter	Authorized capital
Triangle Motors	Jan. 17, 1931	Sh. Tls. 10,000.
Tri-State Tobacco Co	June 2, 1928	Sh. Tls. 75,000.
Tsingtan Motors	Jan. 19, 1929	$50,000 Sh. currency.
Rice, W. R., & Co	Jan. 15, 1926	U. S. $50,000.
Union Motors	Aug. 12, 1925	Sh. Tls. 30,000.
United Investments	Sept. 21, 1931	Sh. Tls. 5,000,000.
Universal Hire Service	Dec. 21, 1925	Sh. Tls. 50,000.
Viloudaki & Co	Nov. 27, 1929	Sh. Tls. 100,000.
Yangtsze Mail Line	June 5, 1928	Sh. Tls. 800,000.
Yangtsze Rapid Steamship Co	Nov. 16, 1925	Sh. Tls. 1,500,000.
Yellow Taxicab Co. of China	Feb. 25, 1929	U. S. $500,000.

The approximate authorized capital, expressed in gold dollars, figured at current conversion rates is $29,436,157.

NOTE.—No attempt has been made to report the actual paid-in capital of each company, but under the act at least 25 per cent of the authorized capital must be paid in before the charter is delivered.

During the year 1931, certificates of amendments to articles of incorporation were issued to seven companies permitting an increase of approximately $4,476,210 capitalization.

During the year 1931, 14 new companies were chartered under the act, and during the same period certificates of dissolution were issued to 10 companies.

Certificates of incorporation have been issued in this year (1932) to two companies, and certificates of dissolution have also been issued to two companies.

The Clerk read as follows:

Load lines on American vessels: To enable the Secretary of Commerce to carry out the provisions of the act entitled "An act to establish load lines for American vessels, and for other purposes," approved March 2, 1929 (U. S. C., Supp. V, title 46, secs. 85–85g), including personal services in the District of Columbia and elsewhere, traveling expenses, rentals, purchase of instruments and other equipment, furniture, stationery and office supplies, repairs to equipment, books of reference and other necessary publications, documents, plans and specifications, contract stenographic reporting services without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), and all other incidental expenses not included in the foregoing, $23,440, of which not to exceed $14,840 may be expended for personal services in the District of Columbia.

Mr. OLIVER of Alabama. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. OLIVER: Page 74, line 4, after the word "exceed," strike out "$14,840" and insert "$17,500."

Mr. OLIVER of Alabama. Mr. Chairman, this does not increase the appropriation, and is offered at the urgent insistence of the department. They feel that it is important.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: Page 92, line 6, after the word "meetings," strike out "of the International Research Council or of its branches and."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Pay, commissioned officers: For pay and allowances prescribed by law for commissioned officers on sea duty and other duty, holding relative rank with officers of the Navy, including 1 director, with relative rank of captain, 6 hydrographic and geodetic engineers with relative rank of captain, 10 hydrographic and geodetic engineers with relative rank of commander, 17 hydrographic and geodetic engineers with relative rank of lieutenant commander, 47 hydrographic and geodetic engineers with relative rank of lieutenant, 61 junior hydrographic and geodetic engineers with relative rank of lieutenant (junior grade), 29 aides with relative rank of ensign, and including officers retired in accordance with existing law, $662,313: *Provided*, That the Secretary of Commerce may designate one of the hydrographic and geodetic engineers to act as assistant director.

Mr. ALLGOOD. Mr. Chairman, I move to strike out the last word for the purpose of inquiring the reason for the proviso on page 93 of the bill that the Secretary of Com-

merce may designate one of the hydrographic and geodetic engineers to act as assistant director. Is that a new position?

Mr. OLIVER of Alabama. That is a proviso that has been carried for some time.

Mr. ALLGOOD. Does that carry a salary?

Mr. OLIVER of Alabama. Yes; it carries a salary. He is appointed from the force. If there is a vacancy when this bill passes, and an amendment to be offered is adopted, then no one can be appointed to a vacancy without the written consent of the President.

The Clerk read as follows:

Commutation of rations (not to exceed $1 per day) may be paid to officers and crews of vessels of the Bureau of Fisheries during the fiscal year 1933 under regulations prescribed by the Secretary of Commerce.

Mr. GOSS. Mr. Chairman, I move to strike out the last word.

I would like to ask the chairman of the committee what the ration is. The bill provides not to exceed $1. Does the gentleman have the exact amount of the ration?

Mr. OLIVER of Alabama. It varies and depends largely on the size of the boat and the number of employees.

Mr. GOSS. But is the ration of each man so much per day?

Mr. OLIVER of Alabama. Yes.

Mr. GOSS. Does the gentleman know what that amount is?

Mr. OLIVER of Alabama. It varies, depending on the number in the crew.

Mr. GOSS. Well, can the gentleman give an average?

Mr. OLIVER of Alabama. The average is about a dollar a day, I should say.

Mr. GOSS. The average is a dollar a day?

Mr. OLIVER of Alabama. Yes; that is about the average.

Mr. GOSS. So that at least it is not any lower than that in the Army and the Navy?

Mr. OLIVER of Alabama. No, sir; that is about 60 cents, so this is higher.

The pro forma amendment was withdrawn.

The Clerk read as follows:

For printing the weekly issue of patents, designs, trade-marks, prints, and labels, exclusive of illustrations; and for printing, engraving illustrations, and binding the Official Gazette, including weekly and annual indices, $1,110,000; for miscellaneous printing and binding, $54,000; in all, $1,164,000.

Mr. ALLGOOD. Mr. Chairman, I ask unanimous consent to return to line 11, page 97, for the purpose of asking a question in regard to the item mentioned there.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ALLGOOD. Why is it necessary to furnish food, fuel, and clothing and the other necessities of life to the natives of the Pribilof Islands of Alaska when we have several millions of our own people here in the United States who are cold and hungry and without a job?

Mr. OLIVER of Alabama. Well, it has been carried for a number of years at that same figure. These people are real wards of the Government, in a sense. We have established some schools there. That service has been carried on since I have been a member of the committee.

Mr. ALLGOOD. How does it come they are wards of the Government?

Mr. OLIVER of Alabama. Well, I have just stated that in one sense they are. We have been caring for them. That has been true since I have been a member of the committee.

The pro forma amendment was withdrawn.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that, beginning on line 14, page 101, down to the end of line 25 on page 113, all inclusive, go over until Monday evening.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

Salaries and expenses: For the expenses of carrying on the work of the Bureau of Naturalization, as provided in the acts authorizing a uniform rule for the naturalization of aliens throughout the United States, and establishing the Bureau of Naturalization, approved June 29, 1906, and March 4, 1913, and subsequent acts (U. S. C., title 8, secs. 331–416; U. S. C., Supp. V, title 8, secs. 355–384); including personal services; traveling expenses, and not to exceed $400 for expenses of attendance at meetings concerned with the naturalization of aliens when incurred on the written authority of the Secretary of Labor; street-car fare, telegrams, verifications of legal papers, telephone service in field offices and telephone toll service in the bureau; necessary supplies and equipment for the Naturalization Service; refunding of naturalization fees upon presentation of evidence showing conclusively that the collection and deposit was made through error; not to exceed $25,000 for rent of offices outside of the District of Columbia where suitable quarters can not be obtained in public buildings; and for mileage and fees to witnesses subpœnaed on behalf of the United States, the expenditures from this appropriation to be made in the manner and under such regulations as the Secretary of Labor may prescribe, $1,075,770, of which not to exceed $239,260 may be expended for the salary of the commissioner and other personal services in the bureau in the District of Columbia: *Provided*, That no part of this appropriation shall be available for the compensation of assistants to clerks of United States courts.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee what is meant by that proviso. Are there any of those assistants to clerks now drawing compensation?

Mr. OLIVER of Alabama. There are none now getting it, but in the absence of that proviso they would.

Mr. GOSS. I understand that has been the regular practice for some years.

Mr. OLIVER of Alabama. That provision has been carried in previous bills.

The pro forma amendment was withdrawn.

Mr. ALLGOOD. Mr. Chairman, I move to strike out the last two words. I would like to ask a question in regard to the appropriation of $1,075,770. How does that compare with the appropriation for the last year?

Mr. OLIVER of Alabama. That is a little less than the Bureau of the Budget recommended for this year.

Mr. ALLGOOD. How does this amount compare with last year and the year before?

Mr. OLIVER of Alabama. It is about what was carried last year when you take into account the deficiency appropriation which was made for this service.

Mr. ALLGOOD. The reason I am asking this question is because, as I understand, our immigration has almost ceased, due to the fact that we have put up our immigration bars.

Mr. OLIVER of Alabama. This fund is also for the purpose of getting many out of the country who are here unlawfully. That is what it is now largely expended for. It is a lump-sum appropriation and used largely for the purpose of deporting aliens. If the gentleman will read the report, he will find that they have deported a very large number during the present year. The number runs well over 25,000.

Mr. ALLGOOD. I note there is an appropriation of $50,000 for the renovation of buildings and the purchase of equipment at Ellis Island. I favor the expenditure of money used to send aliens out of this country, but with practically no foreigners being permitted to come to the United States through Ellis Island I thought that we could reduce these expenditures.

Mr. OLIVER of Alabama. They deport probably more from Ellis Island now than come in through that port. That is a deporting station as well as a receiving station.

Mr. ALLGOOD. So it is necessary to keep up the buildings for the purpose of deporting aliens?

Mr. OLIVER of Alabama. Yes. They are just completing a station at Galveston, from where they are deporting large numbers.

The pro forma amendment was withdrawn.

The Clerk read down to and including line 3 on page 121.

Mr. OLIVER of Alabama. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, and had come to no resolution thereon.

SENATE JOINT RESOLUTION 14

Mr. ALLGOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the "lame-duck" amendment and to include therein a short article.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLGOOD. Mr. Speaker, the constitutional amendment abolishing the "lame-duck" Congresses will soon be in conference, and I hope the conferees of the House and Senate will be able to iron out the differences and that this amendment, which I indorse whole-heartedly, will soon be submitted to the States for ratification. When this amendment was before this body Hon. W. B. BANKHEAD, of Alabama, proposed an amendment making the term of Representatives four years instead of two. One Member of this House, in speaking against the proposed amendment of Mr. BANKHEAD, said, "I would give up my term as a Member of the House before I would vote to extend that term." At this point I am inserting an editorial from the Southern Democrat, an Alabama paper, touching on this particular amendment:

The Constitution of the United States should be amended so that Congressmen will take their seats in January after they are elected in November and will serve for a term of four years instead of only two. Congress should convene in January instead of the following December. Under our present system a Congressman has to be looking after his political fences all the time and has no time to study great economic and social problems. He is all the time studying about what he can do to popularize himself with the people of his district. Men who have to fight for reelection every two years seldom make statesmen. Give them a rest from politics and they will become more efficient as lawmakers.

No Member of this House can by his vote on this or any other measure extend his own term. If the Bankhead amendment had prevailed our terms of office would all have expired long before it became the law of the land, and the people back home are the ones who would say whether or not our terms would be extended. Therefore it is by their votes that any Member's term is extended even for two years, if a Member of this House could extend his own term, I am afraid that there would be very few elections held in the future.

EDUCATING FOR WORLD CONCEPT

Mr. OSIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on education.

The SPEAKER. Is there objection?

There was no objection.

Mr. OSIAS. Mr. Speaker, under leave to extend my remarks in the RECORD I insert the following address made by me at the commencement exercises of the Western Illinois State Teachers College, Macomb, Ill.:

Mr. President, members of the faculty, members of the graduating class, ladies, and gentlemen, the invitation from the Western Illinois State Teachers College, my own beloved alma mater, to be your commencement speaker was a challenge which I could ill afford to evade coming from an institution in a city where I spent three out of five delightful and profitable years as a student in the United States. I am grateful for this signal honor.

My participation in these solemn exercises is provocative of thoughts on the countries which you and I represent and the conditions that therein obtain. The land whence I hail and your land present obvious contrasts. The United States, once but a strip of land along the Atlantic seaboard, in a century and a half has grown into a veritable empire extending from the Atlantic to the Pacific and from the Gulf to the Lakes. The Philippines is an island country of 115,000 square miles. The American people, over 120,000,000, possess wealth not enjoyed by any other people in the world, while the Filipino people, numbering 13,000,000, are relatively poor, although not without great resources. Yours is an independent republic, strong and wonderfully self-contained, while mine is still dependent.

The contrast could be continued, but it is not our differences that I wish to emphasize. More significant are our points of contact, our similarities, conditions that suggest analogies. An ordinary mind sees obvious differences of the east and west, but calm reflection reveals the essential parallelisms of culture, hopes, and aspirations. The American and Filipino peoples are alike in their passion for education, in their devotion to religion, in their attachment to progress, in their faith in democracy, in their love of freedom, of peace, and of all those other virtues, ideals, and principles universally recognized as invaluable and priceless.

PROGRESS TOWARD WORLD FEDERATION

The last century witnessed gigantic strides toward the goal which has been the dream of those who were once ridiculed as visionaries but whom time has since vindicated and who are now looked upon as statesmen and sages. We are living witnesses of the great shrinking of the world, brought about by modern inventions and discoveries, by the arts and sciences. Synchronous with this phenomenon has come a development in the concept of man adequate for a changing and an advancing world. There is now a general recognition of the fundamental unity of mankind.

Ours is an era of progress. It is an epoch headed toward greater cooperation, harmony, and peace. It is an age when "the parliament of man" and "the federation of the world" are becoming a reality. If education is to continue as an agency of progress, it must be utilized as an instrumentality to promote the dominant thoughts and tendencies of the times. A new demand is placed upon higher institutions of learning, that of educating for world concept.

WORLD AIM OF EDUCATION

Among graduates of a teachers' college it is unnecessary to discuss in detail the various aims of education which have been expressed in terms of utility, of knowledge, of morality, of character, of citizenship, and of efficiency. All that need be done is to remind them that the definitions of education have kept pace with world changes and have invariably reflected imperious philosophic trends.

What is the aim of education at an age such as ours and in a world continually in a state of flux? I answer, education must be a process of securing for every individual, for every nation, and for humanity at large the highest and fullest measure of efficiency, freedom, and happiness.

We must educate for world concept in order to make universal the blessings of efficiency, freedom, and happiness.

THE WE CONCEPT

Education is, as it has always been, a process of developing and magnifying concept. It is a means of emancipating the individual and society from the narrow, selfish concept to the broad humanitarian concept.

To make my meaning clear let me bring to bear a Filipino point of view upon this thought.

There is one feature of the Filipino language which is unique and distinctive. It has twice as many numbers as there are in English. Ours has four numbers while yours has but two, the singular and the plural. Let me illustrate this in the language which I know best, the Ilocano.

In my native language we have these words:

1. Siac, which means "I"; this is the singular number.
2. Data, which means "we two"; this is the dual number.
3. Dacami, which means "we three or more," but is exclusive; this is what I call the intermediate plural or the plural exclusive number.
4. Datayo, which means "we" in the all-inclusive sense; this is the plural all-inclusive number.

Derived from these we have the possessive forms cuac, meaning "mine" exclusively; cuata, meaning "ours," but confined to two and only two; cuami, meaning "ours," signifying possession on the part of three or more, but automatically excluding others; and cuatayo, meaning "ours," which is truly plural all inclusive.

On the basis of these four numbers we have corresponding concepts. I shall illustrate. The word house in my language is balay. If I say balayCO, I mean that the house is mine exclusively; it expresses the singular concept. If I say balayTA, it means that the house belongs to me and one other; it signifies the dual concept. If I say balayMI, it means that the house belongs to me and two or more others, but exclusive of the rest; it expresses the plural exclusive concept. If I say balayTAYO, it means that the house belongs to all, exclusive of none; it expresses the plural all-inclusive concept.

Redefining education in terms of these ideas, I would say that it is a process of emancipating the individual and society from the purely singular concept, through the dual concept and the plural exclusive concept, to the plural all-inclusive concept. If education has for its mission the development of world concept, it must set itself consciously and persistently to the task of utilizing the content and method of education so as to function in broadening and magnifying concept from the extreme I-stage to the extreme We-stage. If educators, therefore, are to be accelerators of progress, they must send forth men and women from the higher institutions of learning imbued with the We concept. Such a mission entails preparing for citizenship of one's town, city, state, or country and citizenship of the world. A world concept is fundamental to world citizenship.

If we carefully analyze the growth of a cultivated individual we shall find that he undergoes these four stages corresponding to the four numbers which I have indicated. A child comes into the

world selfish, egoistic, even egotistic. His first world is circumscribed by his self and selfish interests. While he is in the siac stage, the I stage, or the singular stage, his world revolves on the axis of his ego. At such a stage he wants a monopoly of things. He is not concerned with sharing. When a child living in such a world lays his hand on something edible, he wants it all for himself.

A little later he emerges from this narrow world. The idea of sharing dawns upon him. He is promoted to the data stage, or the We-two stage. His concept is no longer purely singular; it is dual. Give him something while at this stage, say, an ear of corn. He is now willing to divide it. But if left to himself, he divides the ear of corn into two unequal parts, and when he offers one part to his brother or sister he is careful to keep the larger one to himself. His concept has been broadened; it has been dualized, but the feeling of selfishness yet dominates.

Still later he is further promoted. Through a process of magnifying concept he is ushered into the dacami stage, the intermediate We stage or the plural exclusive stage. His concept is broadened, pluralized, let us say, but it is not wholly altruistic.

It is much later, if at all, when he is truly educated that the individual is emancipated and enters upon a far greater world. He advances to the datayo stage, the real We stage or the plural all-inclusive stage. His concept is truly pluralized. Ideas and ideals of altruism dominate his life and conduct. Not till such a point is reached, not till an individual possesses a true world concept, may his education be said to be complete.

What has been said of an individual undergoing these stages is true with a community or nation. A social or national concept has its narrowness, bigotry, and selfishness. Nations there are that live in stages that fall far short of the We stage or the plural all-inclusive concept. Citizens in countries at such stages tend to develop patriotic attitudes which are narrow and chauvinistic. Such attitudes are apt to lead to indifference, aloofness, suspicion, enmity, or war, rather than tolerance, confidence, good will, friendship, cooperation, harmony, and peace.

ADEQUATE BASIS FOR WORLD DEMOCRACY

It is necessary to find an adequate basis for the new order in accordance with this world concept. The spirit of imperialism, economic greed, vainglory, superiority, self-sufficiency, exploitation, domination, or like attitude clearly can not be an adequate basis for a world democracy. As long as selfish or antisocial attitudes dominate individuals and nations there can be little or no development of genuine cooperation among the peoples of the world.

Many things that are being done in social institutions designed to educate are not contributing to cooperation, harmony, and peace on earth. The placing of swords, revolvers, and guns in the hands of little children as toys; the use of cannons and cannon balls as decorations in private yards and public places; the undue featuring of wars and war heroes in the press and history texts; the learning of geography, with a disproportionate emphasis upon one country, as if it were more important than all other countries on earth; the teaching of civics to exalt the men and institutions of one's country and belittling those of others; the ignoring of the economic, the cultural, and the spiritual riches of other peoples and races—these and a thousand things that we do and fail to do in schools, colleges, and universities are retarding progress toward that objective of broad concept and understanding and sympathy, the consummation of which enlightened mankind devoutly covets.

Every people has its points of strength and points of weakness. No nation, however high in the scale of civilization, has a monopoly of virtues. No race, however far behind in the march of progress, has a monopoly of vices. Every nation, every race, has a contribution to humanity's common fund of knowledge and experience. The spirit of no one people, no one nation, no one race can be made the basis for a world democracy. A world concept is essential and necessary. Nothing less than the common denominator of mankind, to which the various peoples, nations, and races must contribute their best, can ever serve as an enduring basis for amity among peoples and peace among nations. This must be the basis of world democracy.

But with all the shortcomings and imperfections of human beings and human institutions there is reason for optimism. The progressive movement of the world is steady. The perfectibility of the human race is unlimited.

In our day we see evidences that there is a broader consciousness of human interrelations. There is, indeed, a new international conscience. There is less race antagonism, less arrogance, less intolerance, less disposition to exploit and to disregard the laws and principles of international life. There is a more general desire for good will, for understanding, for cooperation, for friendship, and for peace. There is greater disposition to accord good motives to others, to appreciate the cultures of other peoples, to respect their individualities, customs, idiosyncrasies, practices, hopes, and ideals and to see the good in other nations.

I think I can with propriety speak of these things representing as I am a people who are beneficiaries of the contributions of peoples from both hemispheres. My country has an oriental setting. We are essentially of Malayan ancestry. With a background of our own culture and civilization, we are inheritors of the traditions, practices, and faiths of various nations of the Far East. We have also received the impact of European culture. And more recently, by the coming of America to our shores, our life has been enriched by Anglo-Saxon influences. We are anxiously awaiting the day when the people of this great Republic shall grant us the boon of national freedom, for that day will be the commencement of a new renaissance in our civilization.

America's emergence to a position of world power was comparatively recent. Her high place among the world powers really was achieved within our generation. In a little over three decades America rose to a commanding position among the nations. After the World War she became a leader in world affairs. In the events of the last decade she had a conspicuous part in making the world more truly one and united.

The organization of the League of Nations, the establishment of the World Court, the inauguration of disarmament conferences, the celebration of world conventions, the approval of numerous peace treaties, the repeated avowals to renounce war as an instrument of national policy and to adopt pacific means to settle international differences are indicative of a new world conscience. We are in very truth at the dawn of a new age of greater security. There is a new spirit of peace.

Yet many still delight in asserting and reiterating a philosophy conceived in a world war weary "that the best way to prepare for peace is to prepare for war." If we wish to perpetuate war as an instrument of national policy, none is better calculated to foster it. But if we are really sincere and earnest in our desire for peace, then we must school individuals and nations in the thought that the only way to have peace is to prepare for peace.

Peace is a necessary condition in a world that has become so thoroughly interdependent and among peoples whose interests have come to be so closely intertwined. Now or in the future there can be no war of serious proportions without affecting human existence; no considerable overproduction or underconsumption without affecting the economic balance of the world; no marked decline in the value of silver or gold without threatening a serious crisis that would encircle the globe; no great epidemics or other calamities without producing concern everywhere; no upheavals, political or otherwise, that do not interest the leaders and statesmen of all nations. The good of one country is the welfare of all. The ill of one is the concern of all. It behooves us to remove those conditions that disturb equilibrium and to create conditions favorable to peace.

OBSTACLES TO WORLD PEACE

In the midst of this universal quest for an enduring basis of a new social order, two great obstacles beset the path to world peace. I refer firstly to race prejudice and, secondly, to unwelcome interference.

Race prejudice has been an archenemy of world progress. Although some races have been more guilty than others, every race has been afflicted with this malady.

The first step is a frank recognition that race prejudice is an obstacle to world amity.

The next step is valiantly to meet it and apply the remedy.

There are four stages in the development of racial consciousness. These are:

1. Racial innocence;
2. Racial prejudice;
3. Racial intelligence; and
4. Racial sympathy.

Children are by nature color blind. Place children together and, regardless of nationality or race, they mingle, play, and enjoy together. Prejudice is not inborn. It is injected in the innocent minds of childhood by ill-advised adults. By innuendoes or by overt acts children are influenced by older folks suffering from race-superiority complex to emerge from their racial innocence to the stage of race prejudice.

It is only by a proper knowledge of the achievements of other races and an appreciation of the excellence of every people that individuals acquire an intelligent attitude toward peoples and races. But it is not enough that there be racial intelligence. There must be a heart development, hence the need of racial sympathy. The racial attitudes of educated men and women must be elevated to the plane of racial intelligence and racial sympathy, for these are basic to race understanding and world amity.

The other obstacle to world peace is international meddling. Nations, especially those with imperialistic designs, impose control over other peoples and races. This unwelcome interference is a violation of the right of every nation to self-sovereignty.

The remedy lies in educating peoples in the principle of equality. Let one of the self-evident truths enunciated in the American Declaration of Independence that all men are created equal be made world-wide in its application and its observance.

This Nation went further in its declaration of purpose when she entered the World War. It went beyond the principle that all men are created equal. It enlarged it by saying that all nations, great and small, are entitled alike to self-determination. This ideal must be made real and universal. No nation worthy of the name is so ignorant that it can not manage its affairs better in the long run than unwelcome outsiders. Nations, like individuals, should observe in their dealings the principle of "live and let live" if they can not practice the ideal of "live and help live."

CHALLENGE TO EDUCATION

The new world situation presents a mighty challenge to educators and teachers. A new responsibility must be borne by educational agencies. For this task teachers must have a truly pluralized concept and must educate the youth for world concept.

With this concept as a guide, with world peace as an aim, with efficiency, freedom, and happiness as the trinity of objectives, education must busy itself with habituating children in friendship projects; training boys and girls in the arts of peace; accustoming young men and young women in those attitudes, thoughts, and habits of right perspective, broad sympathy, sane intelligence, and

righteous tolerance, imbuing all with a proper understanding, appreciation, and knowledge of the worth and merit of individuals, peoples, and races, their culture and their achievement.

I am not unmindful that the task is difficult and complex. I am aware that education for these high and noble ends involves patient, scientific, and painstaking working out of the necessary technique. I am conscious that it means a thoroughgoing revision of texts, eliminating every misinformation, falsehood, or exaggeration, presenting facts and truths. I am sensible that it means a reform of subject matter and method, doing away with whatever makes for hatred and distrust, removing causes of misunderstanding and war, and creating facilities for peace and cooperation. I know that it is not easy to readjust conditions to suit worthy ends or to control processes and procedures to attain objectives.

And yet this is the great commission to teachers and educators, educational institutions and educative agencies. Nothing worth while and permanent can be accomplished unless it is backed by an enlightened public opinion. Education, if it is to continue as a vital force, must assume this mission until the great ideal shall be sufficiently dynamic that governments will provide ministries and secretaryships of peace even as we now have ministers and secretaries of war; that leaders of vision shall be more interested in civilizing militarists than in militarizing civilians; and that peoples shall live as members of one family, cooperating in all that makes for efficiency, freedom, and happiness.

We must educate for world concept if we are to bring the world to the high plane of our cherished dreams and fond desires where—

"The common sense of most shall hold a fretful realm in awe,
And the kindly earth shall slumber, lapped in universal law."

ADJOURNMENT

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 52 minutes p. m.) the House adjourned until Monday, February 22, 1932, at 11.30 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

450. Under clause 2 of Rule XXIV, a letter from the Acting Secretary of Commerce, transmitting a complete set of general rules and regulations prescribed by the Board of Supervising Inspectors, Steamboat Inspection Service, was taken from the Speaker's table and referred to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DAVILA: Committee on Insular Affairs. H. J. Res. 149. Joint resolution to correct the spelling of the name of the island of Porto Rico; without amendment (Rept. No. 585). Referred to the House Calendar.

Mr. POU: Committee on Rules. H. Res. 151. Resolution creating the economy committee; with amendment (Rept. No. 586). Referred to the House Calendar.

Mr. SWING: Committee on Irrigation and Reclamation. H. R. 4715. A bill for the protection of the Palo Verde Valley, State of California, against injury or destruction by reason of Colorado River floods; with amendment (Rept. No. 587). Referred to the Committee of the Whole House on the state of the Union.

Mr. GILBERT: Committee on the Library. S. 1861. An act authorizing the George Washington Bicentennial Commission to print and distribute additional sets of the writings of George Washington; without amendment (Rept. No. 588). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PITTENGER: Committee on Claims. H. R. 1931. A bill for the relief of Ned Bishop; without amendment (Rept. No. 589). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 6. An act for the relief of the Union Ferry Co., owners of the ferryboat *Montauk;* without amendment, Rept. No. 590). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 922. A bill for the relief of John Heffron; without amendment (Rept. No. 591). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8229) granting a pension to Jerusha G. Gilbert; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5769) authorizing the President of the United States to present in the name of Congress a medal of honor to Thomas H. Laird; Committee on Naval Affairs discharged, and referred to the Committee on Military Affairs.

A bill (H. R. 9230) granting a pension to Mary E. Allen; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GIBSON: A bill (H. R. 9587) to amend the civil service retirement act; to the Committee on the Civil Service.

By Mr. SWING: A bill (H. R. 9588) for emergency flood relief of Palo Verde Valley, Calif.; to the Committee on Flood Control.

By Mr. GLOVER: A bill (H. R. 9589) to amend the revenue laws of the United States and to provide for the collection of an income tax on capital invested in foreign countries; to the Committee on Ways and Means.

By Mr. JONES: A bill (H. R. 9590) to amend the act entitled "An act to provide for the collection and publication of statistics of tobacco by the Department of Agriculture," approved January 14, 1929; to the Committee on Agriculture.

By Mr. LEAVITT: A bill (H. R. 9591) to extend the period of time during which final proof may be offered by homestead entrymen; to the Committee on the Public Lands.

By Mr. BOWMAN: A bill (H. R. 9592) to provide for the regulation of the business of making loans of $300 or less in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. GARBER: A bill (H. R. 9593) to provide for the payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. JENKINS: A bill (H. R. 9594) to insure payment of bank deposits in national banks and member banks of the Federal reserve system; to the Committee on Banking and Currency.

By Mr. KLEBERG: A bill (H. R. 9595) to restore to their former retired status in the Regular Army of the United States persons who resigned such status to accept the benefits of the act of May 24, 1928 (46 Stat. L. 735), and for other purposes; to the Committee on Military Affairs.

By Mr. EATON of Colorado: A bill (H. R. 9596) to designate a memorial highway to be known as George Washington Bicentennial Highway; to the Committee on Roads.

By Mr. FISH: A bill (H. R. 9597) to appoint a special assistant secretary in the Department of Labor, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Washington: A bill (H. R. 9598) to authorize increased expenditures for the enforcement of the contract-labor provision of the immigration law; to the Committee on Immigration and Naturalization.

By Mr. TREADWAY: Resolution (H. Res. 156) for the purpose of the United States acquiring the property of Mount Vernon; to the Committee on the Public Lands.

By Mr. CONNERY: Resolution (H. Res. 157) providing for the consideration of H. R. 8088, a bill to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes; to the Committee on Rules.

By Mr. MILLER: Joint resolution (H. J. Res. 308) to request the President of the United States to submit to the Congress specific information for the reorganization of the executive branch of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. BLOOM: Joint resolution (H. J. Res. 309) authorizing the Postmaster General to make a just and equitable compensation for the past use in the Postal Service of a certain invention and device for the postmarking of mail packages and for the more permanent cancellation of postage stamps, during the time the said device was in use by the Post Office Department, not exceeding or going beyond the life of the letters patent thereon; to the Committee on the Post Office and Post Roads.

By Mr. SIROVICH: Concurrent resolution (H. Con. Res. 23) authorizing the acceptance by the United States of a bust of Johann Wolfgang von Goethe; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN: A bill (H. R. 9599) for the relief of Ben D. Showalter; to the Committee on Claims.

By Mr. BLOOM: A bill (H. R. 9600) for the adjudication and determination of the claims arising under the extension by the Commissioner of Patents of the patent granted to Frederick G. Ransford and Peter Low as assignees of Marcus P. Norton, No. 25036, August 9, 1859; to the Committee on the Post Office and Post Roads.

By Mr. BULWINKLE: A bill (H. R. 9601) for the relief of Taylor Marlor; to the Committee on Military Affairs.

Also, a bill (H. R. 9602) granting an increase of pension to McKinley Cook; to the Committee on Pensions.

Also, a bill (H. R. 9603) granting a pension to Harrison Canipe; to the Committee on Pensions.

By Mr. CARTER of Wyoming: A bill (H. R. 9604) relating to the induction of Thomas M. McKinney, who applied and was accepted for induction and assigned to an educational institution for special and technical training under the act approved August 31, 1918; to the Committee on Military Affairs.

By Mr. COX: A bill (H. R. 9605) for the relief of Annie Moultrie; to the Committee on Claims.

Also, a bill (H. R. 9606) for the relief of the estate of Clarendon Davis; to the Committee on Claims.

By Mr. CRISP: A bill (H. R. 9607) for the relief of Arthur Bussey; to the Committee on Claims.

By Mr. FINLEY: A bill (H. R. 9608) for the relief of Albert Davis; to the Committee on Military Affairs.

By Mr. FLANNAGAN: A bill (H. R. 9609) granting a pension to Jesse Carl Arnold; to the Committee on Pensions.

By Mr. JENKINS: A bill (H. R. 9610) granting a pension to Samuel Warner; to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 9611) granting a pension to Delia Louck; to the Committee on Invalid Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 9612) to correct the naval record of John William O'Neill; to the Committee on Naval Affairs.

By Mr. KVALE: A bill (H. R. 9613) granting a pension to Baldis Henry Koenig; to the Committee on Pensions.

By Mr. LAMNECK: A bill (H. R. 9614) granting an increase of pension to Julia E. Powell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9615) for the relief of warrant officers, United States Army; to the Committee on Military Affairs.

By Mr. LOZIER: A bill (H. R. 9616) granting a pension to Minerva J. Atkinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9617) granting an increase of pension to Frances Ransom; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 9618) granting a pension to Pearl Thomas; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 9619) granting a pension to Emeline M. Salstrom; to the Committee on Pensions.

Also, a bill (H. R. 9620) for the relief of Thomas Kirwan; to the Committee on Military Affairs.

By Mr. PATMAN: A bill (H. R. 9621) granting a pension to Frank H. Wood; to the Committee on Pensions.

By Mr. HARCOURT J. PRATT: A bill (H. R. 9622) granting an increase of pension to Anna Keener; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 9623) granting an increase of pension to Harriet Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9624) granting a pension to Louise C. Williams; to the Committee on Invalid Pensions.

By Mr. REID of Illinois: A bill (H. R. 9625) granting a pension to Christine Ufer; to the Committee on Pensions.

By Mr. SNOW: A bill (H. R. 9626) granting an increase of pension to Leroy C. White; to the Committee on Pensions.

By Mr. THOMASON: A bill (H. R. 9627) granting a pension to Collis Monk; to the Committee on Pensions.

By Mr. WRIGHT: A bill (H. R. 9628) for the relief of Ulysses Green; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2508. By Mr. ALDRICH: Petition of Joseph J. Northup and 48 other citizens of Peace Dale, Wakefield, West Kingston, Saunderstown, Narragansett, and East Greenwich, all in the State of Rhode Island, opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

2509: By Mr. Andrews of New York: Petition of Polish National Alliance of United States of America, urging memorialization of October 11 as General Pulaski's day; to the Committee on the Judiciary.

2510. Also, petition of Lockport Board of Commerce, urging support to the suppression of narcotics; to the Committee on Foreign Affairs.

2511. By Mr. BLOOM: Petition of the governing board of Local 802, American Federation of Musicians, Associated Musicians of Greater New York, comprising 16,000 citizens of Greater New York, urging the passage of the old age security bill, H. R. 7926; to the Committee on Labor.

2512. By Mr. CAMPBELL of Iowa: Petition of Adult Bible Class of the Methodist Episcopal Church of Peterson, Iowa, and the Congregational Missionary Society of Peterson, Iowa, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and in favoring adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2513. By Mr. CLAGUE: Petition of H. W. Franklin, of Vernon Center, Minn., and others, protesting against the passage of House bill 8092, compelling barbers to observe Sunday in the District of Columbia; to the Committee on the District of Columbia.

2514. By Mr. CROWTHER: Petition of residents of Schenectady County, N. Y., urging support of the eighteenth amendment, and opposing its modification; to the Committee on the Judiciary.

2515. Also, petition of Woman's Christian Temperance Union of Gloversville, N. Y., urging adequate appropriations for law enforcement, and opposing resubmission of the eighteenth amendment to be ratified by the State conventions or by State legislatures; to the Committee on the Judiciary.

2516. Also, petition of Niskayuna Woman's Christian Temperance Union, No. 61, of Schenectady, N. Y., urging support of the eighteenth amendment, and opposing its resubmission to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

2517. Also, petition of the Methodist Episcopal Church Home Missionary Society of Canajoharie, N. Y., opposing resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging support of the amendment; to the Committee on the Judiciary.

2518. By Mr. DAVENPORT: Petition of E. Kent Evans and 12 other residents of Holland Patent and Remsen, N. Y., favoring the maintenance of the prohibition law and its enforcement, and opposing any measure looking toward

its modification, resubmission to the State, or repeal; to the Committee on the Judiciary.

2519. By Mr. DICKINSON: Petition of the Methodist, Baptist, Christian, Presbyterian, and Cumberland Presbyterian Churches of Greenfield, Mo., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2520. By Mr. EATON of Colorado: Resolution adopted by delegates at the Western Governors Conference in Portland, Oreg., October 29, 1931, urging the President of the United States to call an international conference on silver; to the Committee on Coins, Weights, and Measures.

2521. By Mr. GIBSON: Petition of Collins M. Graves, of Bennington, Vt., urging submission of the eighteenth amendment to a referendum vote in the States; to the Committee on the Judiciary.

2522. Also, petition of Seth N. Gage, of Ascutney, Vt., urging submission of the eighteenth amendment to a referendum vote in the States; to the Committee on the Judiciary.

2523. Also, petition of Frederic P. Clement, of Rutland, Vt., urging submission of the eighteenth amendment to a referendum vote in the States; to the Committee on the Judiciary.

2524. Also, petition of Gertrude Daniels, of Grafton, Vt., urging submission of the eighteenth amendment to a referendum in the States; to the Committee on the Judiciary.

2525. Also, petition of Mr. and Mrs. Albert M. Reed, of Manchester, Vt., urging submission of the eighteenth amendment to a referendum vote in the States; to the Committee on the Judiciary.

2526. Also, petition of J. B. Aikman, of Chester, Vt., urging submission of eighteenth amendment to a referendum vote in the States; to the Committee on the Judiciary.

2527. By Mr. GILCHRIST: Petition of Rev. Louis J. Runion, representing the people of Homer community, Homer, Iowa, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging maintenance of existing prohibition enforcement laws and activities, and protesting any change; to the Committee on the Judiciary.

2528. By Mr. HOOPER: Petition of residents of Coldwater, Mich., and vicinity, protesting against enactment of House bill 8092 or any other Sunday observance bill; to the Committee on the District of Columbia.

2529. By Mr. JOHNSON of Texas: Petition of Texas Reclamation and Drainage Association, by John T. Fortson, president, and Guy M. Gibson, secretary and treasurer, urging passage of the Glenn-Smith bill; to the Committee on Irrigation and Reclamation.

2530. Also, petition of F. N. Drane, of Corsicana, Tex., favoring passage of the Glenn-Smith bill; to the Committee on Irrigation and Reclamation.

2531. By Mr. KVALE: Petition of Samuelson-Healey Post, No. 1845, Veterans of Foreign Wars, Minneapolis, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

2532. Also, petition of Erdswold Farmers Union, Local No. 122, Taunton, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2533. Also, petition of Hennepin County Council, Veterans of Foreign Wars, Minneapolis, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

2534. Also, petition of Erdsworld Farmers Union, Local No. 122, Taunton, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2535. Also, petition of Farmers Union, Local No. 225, Balaton, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2536. Also, petition of Farmers Union, Local No. 225, Balaton, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2537. Also, petition of Farmers Union, Local No. 225, Balaton, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2538. Also, petition of Operative Plasterers' Local, No. 65, Minneapolis, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

2539. Also, petition of Albert Standaert and two other members of the Oscar I. Mongeau Post, No. 742, Marshall, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

2540. Also, petition of Northwest Pay Bonus Now Organization, of Taconite, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

2541. Also, petition of 500 stockholders and patrons of the Wheaton Co-op. Creamery Co., urging the United States against international entanglements; to the Committee on Foreign Affairs.

2542. Also, petition of Hantho Local, No. 136, Farmers' Union, of Appleton, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2543. Also, petition of Hantho Local, No. 136, Farmers' Union, Appleton, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2544. Also, petition of Grace Local, No. 130, Farmers' Union, of Montevideo, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2545. Also, petition of Grace Local, No. 130, Farmers' Union, Montevideo, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2546. Also, petition of American Legion Post, No. 87, Alexandria, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

2547. By Mr. LINDSAY: Petition of the Ohio Emergency Committee, Columbus, Ohio, with reference to relief appropriations; to the Committee on Appropriations.

2548. Also, petition of Mid-West Labor Council, Rock Island, Ill., favoring certain amendments to the Davis-Bacon law to correct the shameful and appalling practices with reference to pay of employees and hours of daily labor; to the Committee on Labor.

2549. Also, petition of Cameron Machine Co., 61 Poplar Street, Brooklyn, N. Y., favoring the establishment of the Everglades national park in Florida; to the Committee on the Public Lands.

2550. Also, petition of New York State Nurses Association, favoring the passage of the Bankhead bill, H. R. 7525; to the Committee on Flood Control.

2551. Also, petition of H. J. Rosenblum, of Brooklyn, N. Y., favoring the passage of the Goss bill, H. R. 4680; to the Committee on Expenditures in the Executive Departments.

2552. By Mr. MURPHY: Petition of Carrie Davis, 706 Walnut Street, Martins Ferry, Ohio, and 24 other members of the Woman's Christian Temperance Union of Martins Ferry, supporting the prohibition laws, and against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2553. By Mr. REED of New York: Petition of residents of Almond; Mrs. L. George, president of the Woman's Christian Temperance Union, and members of the Baptist Church, of Sinclairville; Mertha Bliss, secretary of the Woman's Christian Temperance Union of Belmont; Granger Grange No. 1116, the Woman's Christian Temperance Union, Hume Home Bureau, and the Parent-Teacher Association, of Fillmore; Nellie Mason, corresponding secretary of the Woman's Christian Temperance Union of Falconer; Rev. William P. Sipe and others, of Cattaraugus; Short Tract Methodist Episcopal Church, of Fillmore; and the Fairbanks Bible Class of the First Methodist Episcopal Church of Jamestown, all of the State of New York, protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2554. Also, petition of Margaret Logan and others, of Jamestown, and Mrs. J. J. Williams and others, of Randolph, N. Y., urging the support of the prohibition law and its enforcement and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2555. By Mr. ROBINSON: Resolution for the independence of the Philippine Islands, signed by Ernest M. Wright, field secretary Iowa State Dairy Association, Waterloo, Iowa, insisting that independence be granted the Philippine Islands at once. Until independence is granted the present situation compels farmers in the United States to meet unfair competition of the Philippine products on our domestic markets. By granting this independence we will be keeping our promise to these islands and at the same time preserving the American market for the American farmer. We urge that the Iowa State Dairy Association unite with all other farm and dairy groups and do everything possible to secure this independence. We believe the existing tariffs on dairy products should be maintained; to the Committee on Ways and Means.

2556. By Mr. ROMJUE: Petition of Webster Groves Camp, No. 43, Department of Missouri, United Spanish War Veterans, Webster Groves, Mo., indorsing House bill No. 7230; to the Committee on Pensions.

2557. Also, petition of Webster Groves Camp, No. 43, Department of Missouri, United Spanish War Veterans, Webster Groves, Mo., opposing the reduction of appropriations for the Regular Army, National Guard, and Organized Reserves, and any reduction in the number of officers and enlisted men in the Regular Army; and favoring the appropriation of the full amount recommended by the Budget Bureau for the Army, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps; to the Committee on Appropriations.

2558. By Mr. RUDD: Petition of New York State Nurses' Association, favoring the passage of Bankhead bill, H. R. 7525; to the Committee on Flood Control.

2559. Also, petition of H. J. Rosenbloom, of Brooklyn, N. Y., favoring the passage of the Goss bill, H. R. 4680; to the Committee on Expenditures in the Executive Departments.

2560. Also, petition of Bird Lovers' Club, of Brooklyn, N. Y., favoring the establishment of the Everglades national park in Florida; to the Committee on the Public Lands.

2561. Also, petition of American Rattan & Reed Manufacturing Co., Brooklyn, N. Y., favoring the passage of the Kahn bill, H. R. 6744; to the Committee on Expenditures in the Executive Departments.

2562. Also, petition of Cameron Machine Co., Brooklyn, N. Y., favoring the establishment of the Everglades national park in Florida; to the Committee on the Public Lands.

2563. Also, petition of T. J. Oakley Rhinelander, of New York City, opposing further reduction of the Budget for national defense; to the Committee on Appropriations.

2564. By Mr. SANDERS of New York: Resolution of the congregation and Sunday school of the West Kendall Free Methodist Church, Kendall, N. Y., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2565. By Mr. SUTPHIN: Petition of the Court St. Joseph's, No. 884, Catholic Daughters of America, of Keyport, N. J., protesting against House bills 4757 and 4739; to the Committee on Education.

2566. By Mr. CHRISTGAU: Resolution adopted at the annual meeting of the Litchfield Creamery Co., Litchfield, Minn., relative to establishing unfettered trade relations between this and other nations, and reducing Federal expenditures; to the Committee on Interstate and Foreign Commerce.

2567. Also, resolution adopted and submitted by the Lake Stay Local, No. 178, of the Farmers' Educational and Cooperative Union of America, Minnesota division, Arco, Minn., favoring the passage of Senate bill 1197, introduced by Senator FRAZIER; Senate bill 2487, introduced by Senator WHEELER; and House bill 7797, introduced by Representative F. B. SWANK; to the Committee on Agriculture.

2568. Also, resolution adopted at the annual convention of the Minnesota Telephone Association in St. Paul, Minn., protesting against the placing of taxes upon telephone toll messages; to the Committee on Ways and Means.

2569. Also, petition signed by members of the Minnesota Bird Club, of Minneapolis, Minn., urging support of House bill 12381, providing for the establishment of the Everglades national park in the State of Florida; to the Committee on the Public Lands.

2570. Also, petition signed by citizens of Stewartville and Simpson, Minn., protesting against the passage of House bill 8092, providing for the observance of Sunday by barbers in the District of Columbia; to the Committee on the District of Columbia.

2571. Also, petition signed by citizens of Dodge Center, Minn., protesting against the passage of House bill 8092, providing for the observance of Sunday by barbers in the District of Columbia; to the Committee on the District of Columbia.

2572. Also, petition signed by citizens of Ellendale, Minn., protesting against the passage of House bill 8092, providing for the observance of Sunday by barbers in the District of Columbia; to the Committee on the District of Columbia.

SENATE

MONDAY, FEBRUARY 22, 1932

The Senate met, under the unanimous-consent agreement, at 11.15 a. m.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, who turnest the hearts of the children unto the fathers and hast declared that the righteous shalt be had in everlasting remembrance, be graciously pleased to sanctify to this Nation the influence of Thy servant, George Washington, as we commemorate the anniversary of his birth and pay loving tribute to his character and the genius of his leadership in the founding of our Republic.

In this our day of opportunity bestow upon us those noble qualities of manhood reflected in his life that we, too, may be valiant without ambition, confident without assumption, discreet without fear, resourceful in danger, resolute in adversity, triumphant in faith. We invoke Thine especial blessing upon the President of the United States, the Vice President, the Members of the Congress, and all others in authority, that they may so lead and direct the people of our land that when we shall have served Thee in our generation we may be gathered to our fathers, having the testimony of a good conscience, in favor with Thee our God, and in perfect charity with all mankind. All of which we ask through Jesus Christ our Lord. Amen.

THE JOURNAL

The legislative clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, February 17, 1932, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 9203) to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STEAGALL, Mr. BRAND of Georgia, Mr. STEVENSON, Mr. MCFADDEN, and Mr. STRONG of Kansas were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the joint resolution (H. J. Res. 292) to authorize the Secretary of Agriculture to aid in the establishment of agricultural credit corporations, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JONES, Mr. FULMER, and Mr.

HAUGEN were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the following resolution:

HOUSE OF REPRESENTATIVES,
February 20, 1932.

Resolved, That the Senate be requested to return to the House of Representatives the bill (H. R. 8824) entitled "An act to restore certain lands to the San Carlos (White Mountain) Indian Reservation, Ariz."

CALL OF THE ROLL

Mr. WATSON. Mr. President, because several Senators are expecting it, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Jones	Schall
Austin	Dickinson	Kean	Sheppard
Bailey	Dill	Kendrick	Shipstead
Bankhead	Fess	Keyes	Smith
Black	Fletcher	King	Smoot
Bratton	Frazier	Lewis	Steiwer
Brookhart	George	Logan	Thomas, Idaho
Broussard	Glass	McGill	Thomas, Okla.
Bulkley	Glenn	McKellar	Townsend
Bulow	Goldsborough	McNary	Trammell
Byrnes	Gore	Morrison	Vandenberg
Capper	Hale	Neely	Wagner
Caraway	Harrison	Nye	Walcott
Carey	Hastings	Oddie	Watson
Connally	Hayden	Pittman	Wheeler
Coolidge	Hebert	Reed	White
Copeland	Howell	Robinson, Ark.	
Costigan	Johnson	Robinson, Ind.	

Mr. AUSTIN. I desire to announce that the Senator from New Jersey [Mr. BARBOUR] is necessarily detained from the Senate.

Mr. GEORGE. I desire to announce that my colleague the Senator from Georgia [Mr. HARRIS] is detained from the Senate by illness.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent in attendance upon the disarmament conference at Geneva, Switzerland.

Mr. JOHNSON. I desire to announce that my colleague [Mr. SHORTRIDGE] is detained from the Senate on account of illness.

The VICE PRESIDENT. Seventy Senators having answered to their names, a quorum is present.

CHANGE OF REFERENCE

On motion of Mr. HOWELL, the Committee on Claims was discharged from the further consideration of the bill (S. 3403) for the relief of Ralph Edward Bertheaud, and it was referred to the Committee on Finance.

SAN CARLOS INDIAN RESERVATION, ARIZ.

The VICE PRESIDENT laid before the Senate the resolution from the House of Representatives requesting the return of House bill 8824.

Mr. FRAZIER. Pursuant to the resolution adopted by the House of Representatives asking the return of the bill (H. R. 8824) to restore certain lands to the San Carlos (White Mountain) Indian Reservation, Ariz., I desire to make a request. The bill is before the Committee on Indian Affairs of the Senate. I, therefore, ask unanimous consent that the Committee on Indian Affairs may be discharged from its further consideration and that it may be returned to the House of Representatives.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CEREMONIES IN COMMEMORATION OF TWO HUNDREDTH ANNIVERSARY OF WASHINGTON'S BIRTH

Mr. WATSON. Mr. President, under the arrangements which have been made for the joint session of the two Houses in commemoration of the two hundredth anniversary of the birth of George Washington, I understand the Senate is to leave its Chamber promptly at 11.35 a. m. Our hats and coats will be taken over and placed on a rack outside of the Hall of the House of Representatives, so that those Senators who desire, after the conclusion of the exercises in the House, to march to the front of the Capitol for the purpose of witnessing the ceremonies there and listening to the music, will have their coats and hats at hand and will not find it necessary to return to the Senate. I do not know of anything else that is to be done this morning.

The VICE PRESIDENT. Under the order heretofore made, the Senate will now proceed to form in line in order to march to the House of Representatives.

Mr. SMITH. At what time are we supposed to be in the Chamber of the other House?

The VICE PRESIDENT. We are supposed to leave here at 11.35 a. m.

At 11 o'clock and 30 minutes a. m. the Senate, preceded by its Sergeant at Arms and Secretary and headed by the Vice President and the Chaplain, together with the committee on arrangements on the part of the Senate, consisting of the Senator from Ohio [Mr. FESS], the Senator from Kansas [Mr. CAPPER], and the Senator from Virginia [Mr. GLASS], proceeded to the Hall of the House of Representatives to take part in the joint session of the two Houses held in commemoration of the two hundredth anniversary of the birth of George Washington.

At the expiration of the ceremonies in the House of Representatives the Senate, under the order previously entered, stood adjourned until to-morrow, Tuesday, February 23, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 22, 1932

The House was called to order by the Speaker at 11.30 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be the Lord and the God of our fathers, from everlasting even to everlasting. In Thy holy providence we wait this hour to render our tributes of praise and gratitude to the memory of him whose heart and mind are the propulsive forces of our national existence. We pray that the youth of our land may be inspired by the recital of his sacrificial and heroic deeds as the fundamentals of free and representative government are condensed in him. May the patriotism of our entire citizenship flame forth these days in response to his spirit—the ideal master for the student, the ideal general for the dauntless soldier, and the ideal citizen for all brave patriots. Heavenly Father, do Thou lift the mantles that make for mental drabness and soul darkness. Let the lessons of this day touch every fireside, every hamlet, and every schoolhouse, and may they feel the wonder value of that contribution he made to all humanity. While empires rise and fall, while palaces and altars go down together he will still live and travel with the future years.

Almighty God, let Thy kingdom come—Thy kingdom of righteousness and peace; not the trumpet, not the banner, not the armed host but the kingdom of brotherhood. Out of the darkness bring forth the light, out of tears bring forth gladness, and out of the world's groans bring forth the songs of deliverance. Expel from all lands the misereres and the requiems, and let the whole realm rejoice together. Unstop the ears of the nations, and may they hear the witnesses of the centuries. They tell us that righteousness and not the sword is the fruit of the vision of God, and that His order for the whole earth is fraternity and not the ravages of conquest. In the name of the Prince of Peace. Amen.

By unanimous consent, the reading of the Journal was postponed until a later hour in the day.

RECESS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that the House stand in recess subject to the call of the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Accordingly, at 11 o'clock and 32 minutes a. m., the House stood in recess at the call of the Speaker.

At 11 o'clock and 35 minutes a. m., the Speaker resumed the chair and called the House to order.

JOINT SESSION

EXERCISES IN COMMEMORATION OF THE TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF GEORGE WASHINGTON

At 11 o'clock and 36 minutes a. m., the Doorkeeper, Mr. Joseph J. Sinnott, announced the Vice President of the United States and the Members of the United States Senate.

The Members of the House rose.

The Senate, headed by the Vice President and the Chaplain and preceded by its Secretary and Sergeant at Arms, entered the Chamber.

The Vice President took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

The Speaker relinquished the gavel to the Vice President, who, as the Presiding Officer of the joint session of the two Houses, called the session to order.

The Doorkeeper announced the following guests, who were escorted to the seats assigned to them:

The Chief Justice and the Associate Justices of the Supreme Court of the United States.

The ambassadors and ministers and chargés d'affaires of foreign governments.

The Chief of Staff of the United States Army, the Chief of Naval Operations of the United States Navy, the Major General Commandant of the United States Marine Corps and the Commandant of the United States Coast Guard.

The Governor of Virginia, the Governor of North Dakota, and the Commissioners of the District of Columbia.

The United States George Washington Bicentennial Commission and the members representing the District of Columbia Bicentennial Commission.

The representatives of the family of George Washington, and

The members of the President's Cabinet.

At 11 o'clock and 48 minutes a. m., the Doorkeeper announced the President of the United States, who was escorted by the Joint Committee on Arrangements of the Senate and House to a seat on the Speaker's rostrum.

The Interstate Male Chorus and the audience, under the direction of Commissioner Clyde B. Aitchison, sang two verses of "America."

The VICE PRESIDENT. The Chair recognizes Representative WOODRUM, of Virginia, a member of the Joint Committee on Arrangements, to read the resolution calling for the joint session of the two Houses of the Congress.

Mr. WOODRUM. On January 20, 1932, the following concurrent resolution was adopted by the Congress:

Resolved by the House of Representatives (the Senate concurring), That in commemoration of the two hundredth anniversary of the birth of George Washington the two Houses of Congress shall assemble in the Hall of the House of Representatives at 11.30 o'clock a. m. on Monday, February 22, 1932.

That the President of the United States, as the chairman of the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington, is hereby invited to address the American people in the presence of the Congress in commemoration of the bicentennial anniversary of the birth of the first President of the United States.

That invitations to attend the ceremony be extended to the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the General of the Armies, the Chief of Naval Operations, and the Major General Commandant of the Marine Corps, and such other persons as the joint committee on arrangements shall deem proper.

The Interstate Male Chorus sang "The Recessional," by Reginald De Koven.

The VICE PRESIDENT. The vice chairman of the United States George Washington Bicentennial Commission, Senator FESS, of Ohio.

Senator FESS. President Hoover, ladies, and gentlemen, for the first time in the history of mankind a nation is celebrating in an all-year program the memory of its founder. Not only all America and all Americans, wherever found, but most countries throughout the world are paying tribute to-day to the memory of George Washington. It is proper that this program begin in the Capital of his country, in the city that bears his name. It is eminently fitting and appropriate that it should be opened by the present head of the Government of which Washington is known as the father and was the first President. To those in this official assembly and to those listening in two hemispheres, I present the President of the United States. [Applause.]

ADDRESS OF THE PRESIDENT OF THE UNITED STATES

President HOOVER. The Senate, the House of Representatives, and my fellow citizens, just 100 years ago in this city Daniel Webster, in commemoration of the birth of George Washington, said:

A hundred years hence other disciples of Washington will celebrate his birth with no less of sincere admiration than we now commemorate it. When they shall meet, as we now meet, to do themselves and him that honor, so surely as they shall see the blue summits of his native mountains rise in the horizon, so surely as they shall behold the river on whose banks he lived, and on whose banks he rests, still flowing on toward the sea, so surely may they see, as we now see, the flag of the Union floating on top of the Capitol; and then, as now, may the sun in his course visit no land more free, more happy, more lovely than this, our own country.

[Applause.]

The time that Webster looked forward to is here. We "other disciples of Washington" whom he foresaw are gathered to-day. His prophecy is borne out, his hope fulfilled. That flag "still floats from the top of the Capitol." It has come unscathed through foreign war and the threat of internal division. Its only change is the symbol of growth. The 13 stars that Washington saw, and the 24 that Webster looked upon, now are 48. The number of those who pay loyalty to that flag has multiplied tenfold. The respect for it beyond our borders, already great when Webster spoke a hundred years ago, has increased—not only in proportion to the power it symbolizes but even more by the measure in which other peoples have embraced the ideals for which it stands. To Webster's expression of hope we may reasonably answer, Yes—"The sun in its course visits no land more free, more happy, more lovely than this, our own country." Proudly we report to our forefathers that the Republic is more secure, more constant, more powerful, more truly great than at any other time in its history.

To-day the American people begin a period of tribute and gratitude to this man whom we revere above all other Americans. Continuing until Thanksgiving Day they will commemorate his birth in every home, every school, every church, and every community under our flag.

In all this multitude of shrines and forums they will recount the life history and accomplishments of Washington. It is a time in which we will pause to recall for our own guidance, and to summarize and emphasize for the benefit of our children, the experiences, the achievements, the dangers escaped, the errors redressed—all the lessons that constitute the record of our past.

The ceremonial of commemorating the founder of our country is one of the most solemn that either an individual or a nation ever performs; carried out in high spirit it can be made one of the most fruitful and enriching. It is a thing to be done in the mood of prayer, of communing with the spiritual springs of patriotism, and of devotion to country. It is an occasion for looking back to our past, for taking stock of our present, and, in the light of both, setting the compass for our future. We look back that we may recall those qualities of Washington's character which made him great, those principles of national conduct which he laid down, and by which we have come thus far. We meet to reestablish our contact with them, renew our fidelity to them.

From this national revival of interest in the history of the American Revolution and of the independence of the United States will come a renewal of those inspirations which strengthened the patriots who brought to the world a new concept of human liberty and a new form of government.

So rich and vivid is the record of history, that Washington in our day lives again in the epic of the foundation of

the Republic. He appears in the imagination of every succeeding generation as the embodiment of the wisdom, the courage, the patience, the endurance, the statesmanship, and the absence of all mean ambition, which transformed scattered communities of the forest and the frontiers into a unity of free and independent people.

It is not necessary for me to attempt a eulogy of George Washington. That has been done by masters of art and poetry during more than a hundred years. To what they have said I attempt to make no addition.

The true eulogy of Washington is this mighty Nation. He contributed more to its origins than any other man. The influence of his character and of his accomplishments has contributed to the building of human freedom and ordered liberty, not alone upon this continent but upon all continents. The part which he played in the creation of our institutions has brought daily harvest of happiness to hundreds of millions of humanity. The inspirations from his genius have lifted the vision of succeeding generations. The definitions of those policies in government which he fathered have stood the test of 150 years of strain and stress.

From the inspiration and the ideals which gave birth to this Nation there has come the largest measure of liberty that man has yet devised. So securely were the foundations of this free Government laid that the structure has been able to adapt itself to the changing world relations, the revolutions of invention and the revelations of scientific discovery, the fabulous increase of population and of wealth, and yet to stand the kaleidoscopic complexities of life which these changes have brought upon it.

What other great, purely human institution, devised in the era of the stagecoach and the candle, has so marvelously grown and survived into this epoch of the steam engine, the airplane, the incandescent lamp, the wireless telephone, and the battleship?

If we are to get refreshment to our ideals from looking backward to Washington, we should strive to identify the qualities in him that made our Revolution a success and our Nation great. Those were the qualities that marked Washington out for immortality.

We find they were not spectacular qualities. He never charged with a victorious army up the capital streets of a conquered enemy. Excepting only Yorktown and Trenton, he won no striking victories. His great military strength was in the strategy of attrition, the patient endurance of adversity, steadfast purpose unbent by defeat. The American shrine most associated with Washington is Valley Forge, and Valley Forge was not a place of victory—except the victory of Washington's fortitude triumphant above the weakness and discouragement of lesser men. Washington had courage without excitement, determination without passion.

The descriptions of George Washington by his contemporaries give us no clear picture of the inner man, the Washington whose spiritual force so palpably dominated his whole epoch. As a mirror, his own writings do him indifferent justice, whilst the writings of others are clouded by their awe or are obscured by their venom. We must deduce mainly from other records why he stood out head and shoulders above all the crowd around him. It was an extraordinary crowd, living at white heat, comprising men as varied, as brilliant, as versatile as the extraordinary demands which the times made upon them. They were men flexible in intellect and versed in the ways of the world. Yet in every crisis, and for every rôle, they turned to Washington. They forced upon him the command of Indian fighters; they made him a general against trained British troops; they demanded that he be a constitutionalist and a national statesman; they insisted he must guide his country through the skillful ambushes of European kings; they summoned him to establish the nonexistent credit of an insolvent infant nation. Why did his brilliant fellow patriots always thus turn to him?

The answer of history is unmistakable: They brought their problems to Washington because he had more character, a finer character, a purer character, than any other man of his time. In all the shifting pressures of his generation all men acknowledged that the one irresistible force was the overwhelming impact of his moral power. Motives and men were measured by their stature when standing in his shadow. Slander fell harmless before him, sham hung its head in shame, folly did not risk to look him in the face, corruption slunk from his presence, cowardice dared not show its quaking knees.

In his integrity all our men of genius in his day found their one sure center of agreement. In his wisdom and authority they found the one sure way to practical fulfillment of their dreams.

We need no attempt at canonization of George Washington. We know he was human, subject to the discouragements and preplexities that come to us all. We know that he had moments of deepest anxiety. We know of his sufferings, and the sacrifices and anguish that came to him. We know of his resentment of injustice and misrepresentation. And yet we know that he never lost faith in our people.

Nor have I much patience with those who undertake the irrational humanizing of Washington. He had, indeed, the fine qualities of friendliness, of sociableness, of humanness, of simple hospitality; but we have no need to lower our vision from his unique qualities of greatness, or to seek to depreciate the unparalleled accomplishments of the man who dominated and gave birth to the being of a great nation.

What we have need of to-day in this celebration is to renew in our people the inspiration that comes from George Washington as a founder of human liberty, as the father of a system of government, as the builder of a system of national life.

It is of primary importance that we of to-day shall renew that spark of immortal purpose which burned within him, shall know of the resolution and the steadfastness which carried him forward to the establishment of a nation. That establishment was not a momentary flash of impulse, in a people rebellious and passionate under oppression, destined to fade into the chaos so often born of revolutions. On the contrary, it was builded upon foundations of principles and ideals which have given the power and strength that made this Nation and inspired the establishment of ordered liberty in a score of other nations.

We have need to refresh to the remembrance of the American people the great tests and trials of character of the men who founded our Republic. We have need to remember the fiber of those men who brought to successful conclusion the eight years of Revolution. We have need again to bring forth the picture of the glories and the valor of Lexington and Concord, of Bunker Hill, the suffering and fortitude of Valley Forge, the victory of Yorktown. We have need to revive the meaning and the sheer moral courage of the Declaration of Independence, the struggles of the Continental Congress, the forming of the Constitution. We have need at all times to review the early crises of the Republic, the consolidation of the Union, the establishment of national solidarity, the building of an administration of government, and the development of guaranties of freedom. No incident and no part in these great events, which have echoed and reechoed throughout the world for a century and a half, can be separated from the name and the dominant leadership of George Washington.

Upon these foundations of divine inspiration laid by our forefathers, and led by Washington, our Nation has builded up during this century and a half a new system of life, a system unique to the American people. It is hallowed by the sacrifice and glorious valor of men. It is assured by a glorious charter of human rights.

It comprises a political system of self-government by the majority, resting upon the duties of individual men to the community, and of the local communities to the Nation. It is a government designed in spirit to sustain a dual purpose: to protect our people among nations by great national power, and to preserve individual freedom by local self-government.

It comprises a social system free of inherited position, based upon the ideal of equality of all men before the law,

the equal privilege of men to strive and to achieve, and the responsibilities of men to their neighbors.

It embraces an economic system based upon the largest degree of freedom and stimulation to initiative and enterprise which can be permitted and still maintain the ideal of equality of opportunity among men.

Finally, it embraces a system of relationships to other nations based upon no thought of imperialism, no desire to dominate; a determined national self-reliance in defense and independence in action; freedom from all commitment to the unknown future; and an aspiration to promote peace and good will among all men. [Applause.]

Perhaps no single part of this system is different from some instance in history or in some other part of the world. But in its composite form it is distinctly unique and distinctly American, a system under which we have reached an assured position among the most powerful of the nations of the world.

This destiny of national greatness was clearly foreseen by George Washington. More fully than any man of his time was he gifted with vision of the future. He spoke habitually of the "American Empire," and predicted its expansion from ocean to ocean. He planned and wrought for the binding forces of transportation and peaceful commerce. He thought in terms of almost imperial grandeur, and he wrought in terms of republican solidity. His far-flung dreams have come true, and he lives to-day in his works, in the names of our towns or cities and our States, and in the affectionate reverence of us who so immeasurably benefit by his wisdom.

Our American system of national life is dependent upon a trust in the principles of government as established by George Washington; a trust in his example to our people; a trust in and a devotion to religious faith, which he himself so devoutly practiced; a trust in that divine inspiration which he so sedulously invoked and which is expressed in the common mind of our people; and above all a trust in the divine Providence which has always given guidance to our country.

From Washington's spirit there has grown an infusion of social ideals with the quality of magnanimity—upholding prosperity with generosity, dignity with forbearance, security without privilege, which has raised our institutions to a level of humanity and nobility nowhere else attained.

We have the faith that Webster expressed, that a hundred years hence our countrymen will again celebrate his birth, will review the memory of his services with no less sincere admiration and gratitude than we now commemorate it, and that they, too, will see, as we now see, "the flag of the Union floating on the top of the Capitol." [Applause.]

From the room where I conduct my high office I hourly see the monument which Washington's proud and grateful countrymen have raised to his memory. It stands foursquare to the world, its base rooted steadfast in the solid substance of American soil. Its peak rises toward the heavens with matchless serenity and calm. Massive in its proportions, as was the character of Washington himself, overwhelming in its symmetry, simplicity, and sincerity, it most fittingly, beautifully, and nobly proclaims the founder of our Commonwealth and our acceptance of his faith. Around that monument have grown steadily and surely the benevolent and beneficent agencies of orderly government dedicated to the spirit of Washington.

Beyond any other monument built by the hand of man out of clay and stone, this shaft is a thing of the spirit. Whether seen in darkness or in light, in brightness or in gloom, there is about it a mantle of pure radiance which gives it the aspect of eternal truth. It is a pledge in the sight of all mankind, given by Washington's countrymen, to carry forward the continuing fulfillment of his vision of America. [Applause.]

The VICE PRESIDENT. The assembly will rise and sing "The Star-Spangled Banner."

"The Star-Spangled Banner" was sung by the audience lead by the Interstate Male Chorus.

DISSOLUTION

The VICE PRESIDENT. The joint session of the Senate and House assembled for the purpose of commemorating the Bicentennial Anniversary of the Birth of George Washinton is dissolved.

Thereupon,

The Joint Congressional Committee on Arrangements escorted the President of the United States and the members of his Cabinet from the Hall of the House.

The representatives of the family of George Washington then retired.

The Doorkeeper escorted the other invited guests from the Hall of the House in the following order:

The Chief Justice and the Associate Justices of the Supreme Court of the United States.

The Ambassadors and the Ministers of foreign Governments.

The General of the Armies; the Chief of Staff of the United States Army; the Chief of Naval Operations of the United States Navy; the Major General Commandant of the United States Marine Corps; and the Commandant of the United States Coast Guard.

The governors of the several States and the Commissioners of the District of Columbia.

The United States George Washington Bicentennial Commission and the members representing the District of Columbia Bicentennial Commission.

Upon the retirement of the guests, the Senate returned to its Chamber, and the House of Representatives resumed its session.

The SPEAKER. Pursuant to House Resolution 154, the Chair declares the House in recess until 2.30 o'clock this afternoon.

Accordingly (at 12.30 o'clock p. m.) the House stood in recess until 2.30 o'clock p. m.

[During the afternoon session of the House to-day Mr. RAINEY asked and obtained leave to have printed in the RECORD the proceedings at the exercises on the Capitol steps, which are here published in full as follows:]

ORDER OF EXERCISES AT EAST FRONT OF UNITED STATES CAPITOL, FEBRUARY 22, 1932, AT 12.45 P. M.

Assemblage called to order by Dr. George C. Havenner, executive vice chairman of the District of Columbia George Washington Bicentennial Commission.

The executive vice chairman presented Dr. Cloyd Heck Marvin, chairman of the District of Columbia George Washington Bicentennial Commission, who was introduced as presiding officer.

Upon the arrival of the President of the United States, "Hail to the Chief" was played by the massed bands of the United States Army, United States Navy, and United States Marine Corps, conducted by Lieut. Commander John Philip Sousa.

At a signal given by the President the entire assemblage joined in the singing of "America." A national and international radio hook-up made possible the simultaneous singing of this hymn all over the United States and abroad. Chief among the singing units were 10,000 Washington school children and adult chorus of 2,000. Conductor, Dr. Walter Damrosch. Accompaniment by the massed bands of the United States Army, United States Navy, and United States Marine Corps.

ADDRESS OF WELCOME BY DR. LUTHER H. REICHELDERFER, PRESIDENT BOARD OF COMMISSIONERS OF THE DISTRICT OF COLUMBIA

Doctor REICHELDERFER. Mr. President and fellow citizens, my task to-day, although brief, is none the less a privileged one, as we stand here at the heart of the Government to commemorate the two hundredth anniversary of the birth of George Washington.

Here in enduring stone and standing foursquare to every storm, is the temple of our political liberties, the expression in objective and visible form of those principles of liberty and self-government which Washington gave to our Nation and through our Nation to all the world. No more fitting place could be found for this solemn commemoration.

My duty to-day is the more pleasant because of the intimate partnership between the Federal and District of Columbia Governments. As a representative of what Washington himself liked to call the Federal City, I welcome to these ceremonies all those who have come here to-day to honor the founder of our Capital City, not only our fellow Americans from far and near, but the sojourners within our gates from foreign shores. The lesson which Washington taught us is larger than mere local boundaries, and we desire nothing narrow or restricted in the scope and spirit of the celebration here in this city which honors Washington's memory by its very name.

Everything about him was big, broad, national, indeed, international and universal in its appeal. So we are glad to have such a diversified and cosmopolitan assemblage for these opening exercises. We ask all the world to join in this bicentennial festival and to rejoice with us to-day. In that spirit the National Capital greets you and bids you welcome.

ADDRESS OF HON. JAMES M. BECK, OF PENNSYLVANIA

Mr. BECK. Mr. President and my fellow citizens, it is a gracious impulse, inspired by sentiments of pious gratitude, which has to-day brought these thousands to the Capital of the Nation to honor the birthday of Washington. Such a ceremonial is a sacred debt to the dead, a like duty to the unborn, and the living generation can gain fresh inspiration and courage in these trying times by recalling his character and achievements. To-day, as always, his character is "as the shadow of a great rock in a weary land." It is our noblest heritage.

I am greatly honored in being asked to interpret, in a few words, the spirit of the occasion. I shall attempt no formal eulogy. The eloquent tribute to the memory of Washington which has just been made in the Halls of Congress by his lineal successor in the great office of President of the United States makes any other eulogy of Washington on this occasion an idle superfluity. Indeed, any eulogy must be inadequate, for the immortal substance of his reputation defies definition, and posterity contents itself by saying, with Abraham Lincoln: "In solemn awe pronounce his name, and in its naked, deathless splendor, leave it shining on."

The fame of Washington is as a fixed star, whose benignant rays will illuminate the ages for uncounted centuries to come. He belongs to the few among mortal men whose fame is timeless.

Ordinarily, it is presumptuous for a living generation to anticipate, as to any character in history, the judgment of posterity. Reputations come and go. Those that may seem great and lasting for a century or more too soon become as those airy streaks of cloud which, with the first breath of a new morning, "fade into the infinite azure of the past."

Walking once in Westminster Abbey, where kings and queens are mingled in the promiscuity of death, a verger told me that Dean Stanley had had a long search for the grave of a king who had been buried in some former century with pomp and circumstance. It recalls the sad comment of Edmund Burke: "What shadows we are and what shadows we pursue."

The Greeks of the classic age realized the presumption of such anticipations of posterity when they condemned Phidias to prison for sacrilege because he had sought to perpetuate his name by furtively chiseling his own image upon the shield of Minerva. And if this were true in simpler days, it is even more true in this age of crowded and fast-speeding wonders, when, as the collective power of civilization waxes, the individual wanes. "The best of this kind are but shadows." It thus becomes increasingly hazardous to assign to any man a place among the immortals.

And yet there is born each century a man of whom it can be safely said that his fame defies that never-ending stream of time which washes away the dissoluble substance of temporary reputations. Such a man is Washington. The ages have enthroned him in the great arena of history as a Homeric king of men, and before him the unending generations pass with the salutation, "Morituri, te salutamus." His preeminence can be tested by the fact that if the wise and good of all the cultural nations of our present civilization were asked to select the three noblest characters of history, the name of Washington would be on almost every list. Name another of whom this could be said.

It can be said of few men, moreover, that they were the founders of a state, for these mighty organisms rarely evolve from the predominant work of one man. There have, however, been a few such founders—Alexander, Cæsar, Charlemagne, and Napoleon. Their empires have all vanished, but the great Republic, which Washington founded, and which is his noblest monument, remains, and will remain as long as his people are faithful to his ideals of government. Never before was its power so great or its prestige so resplendent. Its star is still ascendant in the constellation of the nations, for who can ignore the momentous shifting of the world's center of gravity in the past 50 years. To those ancient seats of power on the Nile, the Tiber, the Danube, the Rhine, the Seine, and the Thames can now be added the Hudson and the Potomac. As the Republic grows in power and majesty, the fame of Washington becomes more resplendent.

To exert a beneficent influence in the councils of civilization the Republic need only follow his wise advice, as eloquently set forth in that noblest testament that the founder of a state ever gave to his people, the immortal Farewell Address. Speaking "as an old and affectionate friend," not only to his generation but to all that were to follow in the tide of time, Washington advised his people not to implicate themselves "in the ordinary vicissitudes of European politics or the ordinary combinations and collisions of her friendships and enmities." His reiteration of the word "ordinary" is most significant. It implies that in extraordinary crises of civilization America should not pursue a policy of isolation but should assume its due share of the collective responsibility of nations for the maintenance of peace through justice. He would still recognize that elemental forces infinitely greater than political institutions have united the once scattered nations into a world community of purpose and action.

He believed that America should be a helpful member in the family of nations, but without sacrificing its independence in decision and action by any entangling alliance. Such would be his policy to-day, for, to quote his own words, he would have us "independent of all and under the influence of none."

He gave us the shining ideal and ultimate objective of our foreign policy in urging us always "to give mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence."

As all great and noble soldiers, he deprecated war, except as a last resort, and yet regarded it as preferable to a craven acquiescence in injustice, for in accepting the command of our Army he announced his belief that even peace could be too dearly purchased. When he delivered his second inaugural address in December, 1793, the world was, to quote his own words, "in an uproar," and the difficult task of the United States was, as he then said, to "steer safely between Scylla and Charybdis." Recognizing that perpetual peace could never come while the spirit of injustice remained, he solemnly warned his Nation "not to indulge a persuasion that, contrary to the order of human events, they will forever keep at a distance those painful appeals to arms with which the history of every other nation abounds." And he solemnly added:

> There is a rank due to the United States among nations which will be withheld, if not absolutely lost, by the reputation for weakness. If we desire to avoid insult, we must be able to repel it; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war.

He never believed, however, that preparations for war would alone insure peace. With nations, as with individuals, peaceful relations must in the last analysis depend upon a mutual spirit of "good faith and justice." Therefore, he urged that we should at all times observe such "good faith and justice towards all nations [and] cultivate peace and harmony with all." To observe that policy in its

letter and spirit is to be true to Washington, to ourselves; and if we are thus true, we can not then be false to any nation.

He would have welcomed the present noble effort of the nations to insure peace by an equitable limitation of arms, with its resulting growth in the spirit of amity, for the last letter he ever wrote contained the declaration that it was "time to sheath the sword of war and give peace to mankind"; but he had no illusions as to its possibility until all nations had a sincere desire for justice as the only basis of peace. Let us to-day reverently thank the God of our fathers not only for the words and deeds of Washington but for the lasting inspiration of his noble character. It illuminates, as none other, the very soul of America. From his simple grave in Mount Vernon he still guides the destinies of the American people. When the seas are smooth we may little feel his presence and sometimes are unmindful of his wise admonitions; but when the ship of state plunges into a storm and is threatened by angry seas his mighty shade is again in our consciousness as the true and eternal helmsman of the Republic.

There is a painting by the great English artist, Burne-Jones, which depicts the closing incident of that Arthurian saga which embodies the chivalry of our English-speaking race. The picture reveals King Arthur upon his deathbed at Avalon. Over a couch hangs his sword with which he had defended his people, and beside the bed stands a trumpeter who, if ever England were in desperate need, would sound his trumpet, at whose call King Arthur would rise again from his couch of death in defense of his nation.

Our Arthur—bravest of the brave and knightliest of the knightly—sleeps at Mount Vernon, but whenever disaster menaces our institutions the American people again become conscious of his potent influence, for "the path of the just is as a shining light, which shineth more and more unto the perfect day."

Song: "Washington, Fair Capital," Barnes. Sung by school children from divisions 1 to 9, Washington public schools and other schools. Conductor, Dr. E. N. C. Barnes. Accompaniment by the United States Army Band, Capt. William J. Stannard, leader.

Solo: "Carry Me Back to Old Virginny," Bland. By Hon. CLIFTON A. WOODRUM, Member of Congress from Virginia. Accompaniment by the United States Army Band, Capt. William J. Stannard, leader.

Song: "To Thee, O Country," Eichberg. Sung by school children from divisions 10 to 13, Washington public schools and other schools. Conductor, Prof. A. H. Johnson. Accompaniment by the United States Navy Band, Lieut. Charles Benter, leader.

"George Washington Bicentennial March," Sousa. Massed bands of the United States Army, United States Navy, and United States Marine Corps, conducted by Lieut. Commander John Philip Sousa.

"The Star-Spangled Banner." The assemblage, led by Dr. E. N. C. Barnes. Accompaniment by the United States Marine Band, Capt. Taylor Branson, leader.

Thereupon the exercises were concluded.

AFTER THE RECESS

The recess having expired, at 2 o'clock and 30 minutes p. m. the House was called to order by the Speaker.

THE JOURNAL

The Journal of the proceedings of Saturday last was read and approved.

THE HUNGARIAN NATION

The SPEAKER laid before the House the following communication:

BUDAPEST, *February 21—10.40 a. m.*

JOHN N. GARNER,
Speaker of the House, Washington, D. C.:

On behalf of the Hungarian House of Representatives I am sending to you and the House our most sincere wishes on the occasion of Washington's bicentennial. The Hungarian nation never will forget the assistance your country rendered Hungary in its hardest times.

LADISLAS ALMASY,
President of the House.

GEORGE WASHINGTON

Mr. SNELL. Mr. Speaker, inasmuch as this day is devoted largely to the memory of George Washington, I ask unanimous consent to print in the RECORD an article on George Washington by ex-President Coolidge.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

[From the Philadelphia Inquirer, February 21, 1932]

GEORGE WASHINGTON

(One day during Mr. Coolidge's first term in the White House he was asked what books he had been reading.

"Books about Washington," was Mr. Coolidge's reply.

The first President, he explained, was primarily a business man. He was a practical executive. He deliberately planned for this country a great industrial and commercial future.

Mr. Coolidge had succeeded to Washington's job. Therefore he was studying Washington's plans and policies. He felt that in following them the United States had never gone wrong.

Those who have studied Mr. Coolidge's administration may see in this article how strongly his own policies were affected by his study.

We asked Mr. Coolidge to write on those phases of Washington which have meant much to him and which have been too little understood by the general public, and he has done so. On this celebration of the two hundredth anniversary of Washington's birth, coming, as it does, in a time of economic difficulties, Mr. Coolidge's picture of the business genius of the founder of the Republic takes on new interest and significance.)

By Calvin Coolidge

The careful study of the life of George Washington has an intensely practical purpose. We want to know what he thought and what he did in order that we may be the better able to determine what we ought to think and do now at this difficult time. We shall find it providential that the course of our Nation was largely directed in our formative period by a man who was so human, so devoted to establishing a government of the people, and so experienced in private business that he was able to apply sound business sense to the promotion of the public welfare.

The celebration of the bicentennial of the birth of the first American, which occurs on the 22d of February of the present year, should, of course, include a proper estimate of him as a great statesman and a great soldier. It is in that character that we have come to think of him. He was both, and as such is entitled to all the praise that can be lavished upon him by the most eloquent. But that is not enough. It does not tell us of the real man nor give us any insight into how he became great. We shall fail in the most desirable comprehension of him unless we turn to the more practical examination of his growth and development and try to learn how to do things by finding out how he did them.

There are two kinds of biography which fall short of giving their readers the help which should be secured from an acquaintance with great men. Some of them endow their subjects with all virtue and all wisdom. Such characters appear removed from the reach of common people. They may admire and worship, but they do not feel any kinship. They gain only the impression of a superior being dwelling apart from his fellow men. It would seem almost sacrilege to attempt to imitate him or hope to be like him. Others, proceeding in an opposite direction, represent great men as devoid of most good qualities who have reached the positions they held by being crafty and successful impostors. They are made to appear unworthy of credit or admiration and left to the inference that all greatness is a sham and a pretense. The logical conclusion is meant to be that there are no heroes and nothing is holy. Neither one of such portrayals is in accord with human nature or the truth.

George Washington was well born. His father was a mature man nearing the forties and his mother was a young woman in the twenties. Neither of his parents had any place by reason of artificial rank or title, but they belonged to that great and strong aristocracy which ennobles itself by the power of its own achievements. They were both people of the world. Tradition has it that they first met in London, where the father was accustomed to go on his business of a successful Virginia planter.

It was a serious household into which this boy came. The young mother read the Bible and Matthew Hale's Contemplations and Meditations. At a very early age her son appears to have been provided with a book of sermons. Of course, membership in the church and regular religious worship were the practice of the family. Faith was a reality in the Washington home. The Bible, the church, the sermons of pious men were all a source of inspiration for the practical affairs of everyday life.

While we do not know much of the details of the early education of Washington, we know enough to inform us on the development of his mind and character. In common with the times, his spelling was indifferent and his grammar insufficient. But he was proficient in writing and in figures. Form and numbers came naturally to him. In every sense he was a normal and fun-loving boy, but the loss of his father when he was but 11 perhaps increased his seriousness of mind. It was the practical application

of what he was learning even in his early youth that stamped him as remarkable. The forms of business transactions, the precepts of correct deportment, as well as his arithmetic, which he pored over at school, were all instructions to him for the conduct of his daily life. In all things he became methodical and was always making plans for future action, whether it was the cultivation of his plantations or the freedom and government of his country. He educated himself to know how to plan and how to do—to be an executive.

Although the Virginia of the first half of the eighteenth century had many of the aspects of a frontier, constant contact with Europe made it a home of many cultured people. The father of Washington when a boy spent 12 years in England. He sent the two elder brothers of George to Oxford. He might have followed had his father lived. As it was, he had the instruction of an English schoolmaster, and later of a Huguenot clergyman, who taught him the graces of polite society. His youthful copybooks show that he was trained and trained in these things until he became proficient. There was no accident and no miracle, but just hard work.

The death of his father left him with the slender portion that customarily went to a younger son. All about him lay an uncharted wilderness. To bring land under order and law and advance his own fortunes he became a surveyor. His expeditions into distant woodlands in charge of a squad of men, where they must shelter and feed themselves for weeks at a time, the necessity for methodical accuracy involved in the undertaking, were the finest kind of preparation for his future campaigns. He learned how to estimate distance and location and see the military possibilities of wide reaches of country.

Likewise, Washington became a soldier by personal contact and painstaking study. After about the age of 17 he lived much at Mount Vernon with his elder brother, Lawrence, who had been a captain of militia under Admiral Vernon in the Cartagena campaign and later a major and adjutant general of his district. He placed the young man under the instruction of old army officers, who taught him fencing and the manual of arms. So proficient did the pupil become that before he was 20 he was appointed a major.

The same kind of a progress accounts for his political training. His father was a member of the Virginia House of Burgesses. His brother Lawrence held the same office. On the great estate below Mount Vernon lived Sir William Fairfax, collector of customs for the district, and president of the King's council, so that in office he ranked next to the governor of the colony. A little below, George Mason had a large plantation. This neighbor was a statesman of great ability and an earnest and consistent advocate of popular rights and local self-government. While these men were somewhat older than Washington, they were his constant companions. When he was but 26 he was himself elected to the house of burgesses. He had to make a campaign to win his seat. His political career began at the bottom. For a number of years he was reelected, and had the opportunity at Williamsburg to take a prominent part in all the political action of the stirring period before the Revolution. No doubt he heard Patrick Henry make that speech which was interrupted with cries of "treason." During this time he was serving on committees, helping prepare documents and organize associations for the protection of the rights of the Colonies. In very early life Washington came to be a practical politician.

The same background appears in his business training. His father was an important business man, widely engaged in agriculture, mining iron ore, and at times took command of a sailing vessel. In those days there was little division of labor, and each estate was practically self-sustaining. Nearly everything that was necessary for food, clothing, and shelter was produced where used. Disposal of surplus made the planter his own merchant, exchanging his produce in England for what he could not raise at home. Successful operation on a broad scale of such enterprises required a man of affairs. That was the atmosphere of his early home. All through life his decisions were influenced by his great business experience.

When he was only 20 he found himself one of the executors and the residuary legatee of the will of his brother Lawrence. From that time on he had charge of all his father had left him, helped his mother care for her property, and had the management of the Mount Vernon estate of his deceased brother and ultimate ownership of it, besides his duties as major of militia and adjutant general of a district extending over a number of counties. The production of the soil, of the fisheries, of the mill, as well as the supplies for a great many servants and for a considerable force of militia, all passed through his hands.

In general culture Washington must have learned much from Thomas, Baron Fairfax, who came here in 1746 to have oversight of his vast estates which were managed by Sir William Fairfax. He was the holder of an ancient title of nobility, literary, an associate of Addison, a mature man of the world who lived and died a loyalist. He often employed the young surveyor and had him much in his company at his manor house and at his forest retreat. Washington had that rare faculty of being able to absorb what was best in the persons and things with which he came in contact and to disregard the rest. He applied himself to learning and applied his learning to living. He was a disciple of application.

Such was the preparation of George Washington, when, at the age of 21, on the last day of October, 1753, he set out to carry a letter from the Governor of Virginia to the French commander, warning him not to trespass on the country around the present city of Pittsburgh. The rest of his life belongs to history.

From this time on Washington was a leader in the great plan for the making of America. While New England wanted to be safe from attack from Canada, Virginia and her neighbors wanted to expand into the Ohio Valley. They saw it as a business venture. It was for that reason that Washington was sent to dislodge the French. That expedition started the Seven Years' War, which finally brought all of North America, except the old Spanish possessions on the south and west, under British rule. The route to the western waterways was opened to the enterprise of settlement.

Following the end of the war, in 1763, there was a dozen years of agitation concerning the taxation and commerce of the Colonies. As a man of business, responsible for much property, engaged in exports and imports, Washington grasped the full significance of events, and with a deliberation that made his decisions the final word of the people took the patriots' side. While it is impossible to say that he thus early had a plan for his country that he finally put into operation, it is a fact that all the plans of consequence thereafter adopted by the country to the end of his life were the result of his approval and support.

When he went to the Congress at Philadelphia he wore his uniform. He knew that the issues meant war and he knew that war meant independence or annihilation. It was his plan for independence, which was for long periods solely dependent on his resolution and military skill, that finally prevailed.

When peace came, turning his attention to agriculture and commerce, he saw that the regions beyond the Alleghanies could only be held by economic ties dependent on transportation. He thought a canal up the Potomac was necessary. That meant the cooperation of several States. When a convention was called for this purpose it was found to be inadequate, and was dissolved, to be replaced by a national convention, called for the purpose of establishing a Federal Government. When it met, not only because he was the leading citizen but the leading nationalist, Washington was chosen to preside over it. The result was a proposal for the Constitution and the Union. As the war could not have been won without him, so the Constitution could not have been adopted without him. The Nation has since been governed in accordance with his plan.

It is one thing for a people to go through the form of adopting a constitution, but it is quite another to put it into successful and permanent operation. Our form of government was new to human experience. All the rest of the world thought it could not last. It was inevitable and absolutely necessary for Washington to be made the first President. Without his ability, his prestige, and his character, it is probable our Government might have broken up before it had a fair start. He made it a success because of his firm belief in the principle of government. He had had enough experience so that he knew the necessity of exercising all of the sovereign authority which the new Constitution provided. But his plan was for the exercise of the authority which the people themselves had created. His constant desire was to administer their Government.

Too little emphasis has been placed on his faith in a government of the people. When, in the confusion and bankruptcy of the closing months of the Revolution, the Army started a movement to make him king, he promptly denounced it. He wanted a government of the people, but he wanted it to be a real government capable of governing. Law and order were his gospel. He sympathized with his soldiers and the people in their distress and sought to relieve them by legal means, but he would fight usurpation of a mob as readily as usurpation of a monarch.

When he took office, the most pressing requirements of the new Government and the people were financial. It was here that the sound business experience and judgment of Washington were of supreme importance. He knew how to deal with questions of taxation, commerce, and credit. For working out the details he had Hamilton as his Secretary of the Treasury, but his were the final decisions.

To provide funds, import duties, and internal-revenue taxes were levied. When some people in Pennsylvania resisted payment with force the Army was sent to execute the law. The debts of the States, contracted for national defense, were assumed. To facilitate the operations of the Treasury in collecting and disbursing funds and maintaining credit operations a national bank was established. His policy was to strengthen the National Union sufficiently to make it a complete reality without encroaching on the States. He had seen enough of the futility of a government without authority when he commanded the Army.

His foreign policy was independence, peace, justice, and neutrality. Public clamor could not induce him to become involved in the French Revolution. He signed the treaty with England that was at first so unpopular and made a treaty with Spain, opening the Mississippi, because he knew both were beneficial to our commerce.

Finally he summed up his political creed in his Farewell Address. He believed in liberty and the Union unhampered by national jealousies. He urged respect for authority and obedience to law. Education, religion, and morality he considered necessary supports of free institutions. Careful maintenance of the public credit by a sparing use of it, impartial justice to all nations, permanent alliance with none, and adequate national defense were some of the important points in the wise plan for future action which he presented to his countrymen.

Washington had a deep understanding of human nature and a profound loyalty to the truth. He had the best political judgment and was the best soldier of his time. His permanent success as a statesman was due to his ability to apply business principles to political needs. Our country has never made a mistake when following his counsel.

DEATH OF HON. SANFORD KIRKPATRICK

Mr. RAMSEYER. Mr. Speaker, I rise to announce the death of Hon. Sanford Kirkpatrick at his home in Greensboro, N. C., on the 15th day of this month. I did not learn of this until Saturday when I saw an account thereof in one of my home papers. He was born in Ohio, February 11, 1842, and moved with his parents to Wapello County, Iowa, in 1849. When the Civil War broke out he was 19 years of age. He entered the Union Army and served four years and four months. He entered the war as a private, and before the war was over he was promoted to first lieutenant. He was a brave and courageous soldier and had the admiration, respect, and affection of his comrades.

From 1887 to 1913 he was in the service of the Internal Revenue Bureau of the Treasury Department where he made a remarkable record. His duties kept him in the South most of the time. He established a home in Greensboro, N. C., but always claimed his legal residence in Wapello County, Iowa.

In the spring of 1912 he came to Iowa and announced his candidacy for the Democratic nomination for Congress from the sixth congressional district of Iowa. He was nominated and that fall was elected. He ably represented the people of this district in the Sixty-third Congress. During the World War and since, up until two years ago, he spent his winters in Washington. Many of you will remember his attendance at the daily sessions of this House during the several months of each winter that he was in Washington and the intelligence and interest with which he followed all pending legislation. His span of life was over 90 years. Mr. Kirkpatrick was a man of strong convictions, an outstanding patriot, and a devoted, tried, and true public servant. He has many friends in the district which I now have the honor to represent, who have learned with profound sorrow of his passing.

DEPARTMENTS OF STATE, COMMERCE, AND LABOR APPROPRIATION BILL

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. McREYNOLDS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. For the information of the House, the Chair will state that this bill has been read up to page 121, up to the employment service, with the exception of certain portions of it which were passed over, to be taken up afterwards, one on page 36, embodying the Bureau of Prohibition, which goes over until to-morrow by unanimous consent, and others, on page 49, line 19; page 51, commencing with line 23, and ending on page 52 with line 18; and on page 101, line 14, and ending with line 25 on page 113. The Clerk will read.

The Clerk read as follows:

United States Southwestern Reformatory—Maintenance: For the United States Southwestern Reformatory, including not to exceed $139,857 for salaries and wages of all officers and employees and not to exceed $2,000 for the construction of buildings in accordance with the provisions of "An act for the establishment of a United States Industrial Reformatory," approved January 7, 1925 (U. S. C., title 18, sec. 832), to be expended under the direction and upon the written order of the Attorney General, or his authorized representative, by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners, as the Attorney General may direct, $700,000, to be immediately available and to remain available until expended: *Provided*, That the total sum to be expended for such purposes shall not exceed $3,000,000: *Provided further*, That the Secretary of the Treasury, if in his discretion it would be impracticable to cause the plans, drawings, designs, specifications, and estimates for the remodeling and construction of the necessary buildings to be prepared in the Office of the Supervising Architect of the Treasury Department, and the work of remodeling and constructing the said buildings to be supervised by the field force of said office, may contract for all or any portion of such work to be performed by such suitable person or firm as he may select.

Mr. UNDERWOOD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. UNDERWOOD: Page 50, line 9, after "$700,000," insert "no part of said sum to be used or expended for the payment of prison labor."

Mr. OLIVER of Alabama. Mr. Chairman, on that I reserve the point of order.

Mr. UNDERWOOD. Mr. Chairman, I know that the offering of this amendment is perhaps futile, but it is my wish to ask the distinguished chairman of the subcommittee a few questions pertaining to the appropriation here for the industrial reformatory at Chillicothe, Ohio. It so happens that this reformatory is located in my congressional district. I know the gentleman has made a careful study and survey of conditions in that section of the country. I am wondering whether he could tell me how much of these appropriations has been expended for the employment of free labor.

Mr. OLIVER of Alabama. More than $400,000.

Mr. UNDERWOOD. Also, whether or not the gentleman thinks it would be the part of wisdom during these abnormal times, with the unemployment existing in our country, to finish the construction work at Chillicothe by contract instead of using prison labor as extensively as we have in the past?

Mr. OLIVER of Alabama. Mr. Chairman, the subcommittee held extensive hearings on that. It was the opinion of the subcommittee that prison labor should be continued at this site because it was required by the substantive law which authorized the prison to be built. This was authorized back in 1929, and the original act authorizing the building of the prison provides:

For the purpose of construction of such buildings the Attorney General shall employ the labor of such United States prisoners confined in the United States Penitentiary, Atlanta, Ga., the United States Penitentiary, Leavenworth, Kans., the United States Penitentiary, McNeil Island, Wash., and State or Territorial prisons, penitentiaries, or reformatories who are eligible for confinement in said United States industrial reformatory under the provisions of this act and who can be used, under proper guard, in the work necessary to construct the buildings.

This is the bill that was before the Judiciary Committee for consideration in 1928. Mr. Foster, of Ohio, who was then at the head of the prison service, was asked and answered questions as follows:

And your idea was to get $100,000 or $150,000 per year over a 10-year period and to have it built by prison labor?

Yes.

So it would perhaps work up to over $900,000 for a 10-year period?

Yes; with first offenders, excluding the crimes of murder, arson, rape, etc.

It is interesting to note how the appropriations were made, carrying out the original purpose Congress had in mind. They first appropriated $100,000 to build a brick kiln, so that the boys confined there could make their own brick. The gentleman will remember there was opposition to it on the part of the Representatives from Ohio, but Congress voted down their protests and permitted the $100,000 to be appropriated for that purpose.

Then following that there was first carried in the deficiency act of May 29, 1928, $400,000, and that is in line with what Mr. Connor stated was his purpose, to use prison labor to construct the buildings. He said it would go on slowly. Later on, in keeping with that policy, the next appropriation, which was on January 25, 1929, carried only $150,000, and the gentleman will find again that Mr. Connor, who was then at the head of the service, made the further statement that it was the purpose to use prison labor in constructing this in line with the original authorization.

Mr. UNDERWOOD. I understand that the provisions of the organic act provided that the Attorney General, whenever practicable, should use prison labor in the construction of this institution.

Mr. OLIVER of Alabama. No; that language was not used at all. On the other hand, the original act required that he should take prisoners from the four prisons I read and use those prisoners for the purpose of constructing these buildings. I invite your attention to the statement that was made before the Committee on Appropriations at the time the $150,000 was asked for. In speaking of the history of the institution Mr. Connor, who was then at the head of the prison service, made the statement, along with others—

that when the permanent building was constructed with the necessary safeguards erected it would be possible to receive prisoners direct from the courts, and that conditions at the reformatory were such that there was ample opportunity for the employment of all prisoners who had been sent to the institution, and that when the construction begins there would undoubtedly be ample facilities for the employment of all prisoners sent to the institution in the future.

In that connection the gentleman will note that this prison is established at an old Army base or camp, and the prisoners were placed in temporary buildings, provided with a hospital and dormitories, and while housed in these buildings they were to construct new permanent quarters.

Mr. UNDERWOOD. Right at that point may I interrupt the gentleman to say that I note on page 386 of the hearings, in the testimony of Mr. Bates, director of prisons, a statement in which he calls attention to the dangerous condition of the buildings in which the prison inmates are now being housed. He further directs attention to the severe criticism in the Wickersham report because of keeping prisoners at Chillicothe in fire traps. The excuse offered was that we were building permanent buildings just as quickly as we could.

The question in which I am interested is this: Does not the gentleman think it would be better to proceed at this time and finish the construction work at this institution by contract and thereby give employment to free labor that is now unemployed, and in so doing expedite the work in order to remove these conditions?

Mr. OLIVER of Alabama. The gentleman will find another statement that Mr. Bates made, where he emphasizes the importance of providing work for prisoners, where he says nothing is so demoralizing or hurtful to prisoners as idleness. At this prison there are 1,600 boys. They are first offenders. They are trying to rehabilitate them. They are there under a board of advisers, and on the board of advisers is the president of the American Federation of Labor, Mr. Green. Labor agreed to the terms of this bill and as to the wisdom of the declared policy for the rehabilitation of these first offenders.

Mr. UNDERWOOD. I hope the gentleman will not misunderstand me. I am not criticizing the chairman of the committee or the Attorney General of the United States or the director of prisons, but I have had several complaints relative to the institution in Chillicothe using prisoners as brick masons, as carpenters, as plumbers, in competition with the skilled labor of our section of the country.

I have before me a letter from a constituent, and in part this is what he says:

Being an employee of the Government under civil service as a brick mason at the United States Reformatory, Chillicothe, Ohio, I wish to call to your attention a grievance that the convicts are constantly employed as bricklayers, causing us an unusual amount of unemployment, which seems to be quite unjust, especially during this depression period, coming as it does directly from the Department of Justice of our Government.

Now, the objection I want to make is: I think it is unfair and un-American for the Department of Justice or any other department of the Government during these abnormal times to place prisoners in direct competition with free labor, especially in the skilled occupations, such as brick masons, plumbers, steamfitters, carpenters, and other skilled mechanics.

Mr. OLIVER of Alabama. If the gentleman will read the hearings of the Hawes-Cooper bill and the statements that have been published within the last 30 days, explanatory of the purpose and spirit of that legislation, the gentleman will see that the American Federation of Labor acquiesces in the wisdom of the policy announced in that bill as well as other bills of this character.

In other words, they recognize that these prisoners are maintained at the expense of the people of the Nation, and that whatever the expense is, it must come out of the Federal Treasury, and that prisoners should be provided with reasonable employment. Such a policy is essential to health and to the morale of prison populations.

Mr. UNDERWOOD. I thank the gentleman and agree with him in part. There is just one further proposition to which I desire to call attention.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio may proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. UNDERWOOD. Mr. Bates states in the hearings on page 382 that they are using prison labor for the rough work, the fetch-and-carry work. Mr. Bennett states on page 383 that in constructing the buildings as far as possible the labor of inmates has been used. In that connection, the gentleman will notice in the hearings, page 384 and I may say that Mr. Bates and Mr. Bennett in the testimony given before the gentleman's subcommittee have stated that they were using prisoners only in the rough work and not in the skilled work—but on page 384, the future policy of the Director of Prisons is stated in answer to a question by the gentleman from Alabama. I quote from the hearings:

Mr. OLIVER. How much do you contemplate paying out of the $1,671,000 which represents the balance which you say will be expended to complete the buildings?

Mr. BATES. I can answer that in this way: There is quite a little history connected with this institution. I have come to this conclusion: That it is expensive to try to combine prison labor and paid labor, so we have not thought to employ them there on one job. In this program we have turned two of these dormitory buildings over entirely to the inmates as a training project. We have picked out three of the other remaining buildings, the mess hall and kitchen, school building, and assembly hall, and we are having specifications drawn on these to let those entirely at contract.

What I want to know is if they intend to permit the prisoners to do all of the work, skilled and unskilled, on the remaining buildings that are to be constructed?

Mr. OLIVER of Alabama. If the gentleman will read further in the hearings he will find that I called the attention of the Attorney General and Mr. Bates to the provision of the law as to the use of prison labor and stated that while I recognized very strong pressure was brought to bear on the Attorney General to employ free labor, yet at the same time the original act did not contemplate that free labor should be used to any great extent. May I read section 5 of the original act?

That the discipline observed in said United States Industrial Reformatory shall be correctional and designed to prevent young offenders from becoming habitual criminals. It shall be the duty of the Attorney General to provide for the instruction of the inmates in the common branches of an English education and for their training in such trade, industry, or skilled vocation as will enable said inmates, upon release, to obtain self-supporting employment and to become self-reliant members of society.

For this purpose the Attorney General shall establish and maintain a common school and trade schools in said industrial reformatory, and shall have authority to promulgate all such rules and regulations for the government of the officers of said industrial reformatory and the inmates thereof as he may deem proper and necessary.

Mr. UNDERWOOD. Just one more question. Here is another paragraph in the communication from which I read a moment ago. This gentleman says in part (I quote further):

Also, these convicts are not doing mechanical work as we do. When it comes to the real technical part, they build forms for them to place their brick in, which makes us feel that the Government is going a long way to keep us unemployed, when they

take our work from us who have passed the civil-service test in every respect, even in character, then turn our work over to the criminal element of our country; what do you think?

Mr. Chairman, this practice is unfair to the free labor of our country. Millions of our people are unemployed; anxious and willing to work, but unable to secure employment. I am more interested in these people than the convicts within our prison walls. I know our prisoners must be employed, but these are fearful and abnormal times. The honest man, with a wife and children to support, should have our first consideration.

He has committed no intentional crime. It is we who are committing a wrong against our honest citizens by practices such as these.

If the prisoners must have exercise, perhaps we can employ a few additional physical educational instructors to take care of them. But by all means let us spend these appropriations for as much free labor as possible at this time. I am making this protest to-day hoping that as much of this appropriation as possible will be used by our distinguished Attorney General and able director of prisons for the employment of free labor. I trust that these distinguished gentlemen, according to their testimony, will "continue to resolve doubts in favor of free labor."

For this attitude I heartily commend them and urge its continuance.

I am opposed to convict labor, competing with free labor, at any and all times.

That is the part I am objecting to, if the gentleman pleases. I think it is unfair to build forms for these prisoners in order that they may compete as brick masons with free labor in our section of the country. I desire to condemn that practice as not being consistent with the provisions of the organic law for the use of prison labor on this construction work.

Mr. JENKINS. Will the gentleman yield?

Mr. UNDERWOOD. Yes.

Mr. JENKINS. I was interested in what the gentleman from Alabama had to say about the views of the Attorney General. About two years ago another Congressman and I went to see the Attorney General about this proposition. At that time we were successful in getting the Attorney General and Mr. Bates to rule that because there was a lot of technical work to be performed there that they would be free, under the law and under the organic act, to permit the employment of a lot of brick masons and a lot of carpenters. They did that for one season, but last year they again proceeded to put on the prisoners. Can the gentleman tell me why they changed their policy?

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to proceed for five minutes in order that I may explain this proposition.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, this was the first bill that was passed for the purpose of seeking to rehabilitate prisoners in accordance with modern methods and lending real encouragement to those who had been so unfortunate as to commit first offenses. Congress was urged to establish a reformatory, and in the organic act it was provided that that reformatory should be under the control of a board of supervisors, so as to take away from it as far as possible the idea of prison life; that there should be no walls; that its population should be given vocational and practical training along many lines. The ages were fixed at between 17 and 30. Following the authorization, a fund of $100,000 was first provided for a modern brick kiln to provide brick for the construction of the buildings by the population of the reformatory. It was also provided in the organic act that the Attorney General should provide training so as to equip these boys to return to their homes fully prepared to engage in some useful trade.

When we were considering this appropriation we found that the Attorney General, naturally very sympathetic of existing conditions, may have, in response to the entreaties of the very capable Representatives from Ohio, permitted, in a larger way than the original act contemplated, the use of free labor. That matter is discussed in the hearings, and you will note that the committee thoroughly understood and sympathized with the position of the Attorney General. We knew how difficult it was to resist the persuasive appeals of the able Senators and Representatives from the State of Ohio, so the committee felt it would permit language to be carried in this bill which, while not strictly in line with the authorization act, does vest some discretion in the Attorney General as to the employment of free labor within reasonable limits if, in his judgment, it is found wise to do so.

I appreciate the attitude of the gentlemen from Ohio, and the nature of the protests filed with our good friend, who so ably represents this district; but if the House yielded to this protest it would have to yield to similar protests as to every Federal prison.

Let me say this: There is one class of hard workers who have never filed a protest against reasonable work by prisoners, even though it is in competition with their labors. It is a large class, yet the class upon which the welfare of our country basically rests—our farmers. All prisons raise vegetables and foodstuffs and operate dairies, but you have yet to hear from a single farmer a protest as to this form of prison labor. [Applause.]

I say, again, it is significant that on the board of advisers for this reformatory is the president of the American Federation of Labor, who gave approval to the legislation and who is now serving in a helpful way to rehabilitate these young men charged there with their first offense. The whole country is interested in seeing that the hand of sympathy and encouragement is extended to these lads, so that they may be well equipped when they return to their homes to take up some lawful trade.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have often wished that when such questions are debated, as the one now raised by our friend from Ohio, and are before the House, that the wives and little helpless children of men in our penitentiaries and prison institutions could be in the gallery. I wish they could just fill the entire gallery and let us look at them while we are voting on such questions.

What are we going to do with them? Are they to be cast off into eternal darkness? Are they to be eternally damned and deemed beyond the pale of help from our Government? When their husbands and fathers are sentenced to terms of hard labor are we to keep them idle in penal institutions, well fed and well cared for, with nothing to do and no means of making a little pittance to send to their starving wives and children? Is this to be the policy of this Government?

I want to show you what some of our prisoners are doing in our Federal penitentiaries; you may not know about it. Do you know that down here at Atlanta they are making duck cloth for your mail sacks, such as the samples I now exhibit before you, but there is an agreement with the Federation of Labor that the Government can not make and furnish but 20 per cent of the mail sacks. The balance has to be made in commercial shops where union workers are employed. We could make them all, all the mail sacks our Government needs, and they are good mail sacks—the best in the world for the Government—but the American Federation of Labor will not let us. We could make them all at about one-tenth of what they cost the Government in outside mills and in outside factories, but we pay this extra cost to satisfy just such union labor contentions as my friend from Ohio is making.

Let me show you something else. Do you know that the wives and children of the men who work there get a regular remittance every month? Do you know that the husbands send their wives and little children a regular remittance so earned by them every month? Is not this worth while?

I want to show you what else they are doing. Here is a splendid shoe [indicating], a good shoe that they are making for the Army and the Navy. They can make this shoe and pay all costs and pay the prisoner who helps to make it

something to send to his wife and children every month, and yet sell that shoe to the Army and Navy for $2.85. It would cost the Government $8 or $10 elsewhere. Here is a dress shoe that they make for the officers of the Army and the Navy for $3.75. This would cost you or me $12 at a store, and the man who makes this shoe sends a regular remittance home to his wife and children, and the Government saves by letting the Army and Navy buy this shoe. Look at it. It is a good shoe.

Here is a dress calf shoe.

Mr. UNDERWOOD. Will the gentleman yield?

Mr. BLANTON. In a moment I will yield to my distinguished friend from Ohio, who is a most valuable man in this Congress. I want to show these things that are made by these prisoners who are behind bars. They can not sell these shoes to any other source except the Army and the Navy and our Indian Service, because organized labor has so circumscribed them that they can only make and sell certain things for Government use, and it keeps prisoners occupied, in good health, and permits them to make and send a small sum to their families each month.

They can make this shoe I now show you and pay all costs and pay the man something to send to his wife and children and sell it to the Army or the Navy at $2.60 a pair.

You know hunters pay $12 in commercial stores for this shoe to hunt in [indicating]. It is a good, stout, waterproof shoe. They make and sell this for $2.19 to the Army and Navy and the Indian Service. Why should they not do it? I say they should, and I am possibly the only Member of Congress who can preach this doctrine because the American Federation of Labor would get after you boys if you make this kind of a speech.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

Mr. SWING. Reserving the right to object, will the gentleman yield to us for questions if he gets this time?

Mr. BLANTON. Certainly. That is what I want it for, to answer questions. I shall yield first to my friend from Ohio [Mr. UNDERWOOD].

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. UNDERWOOD. I hope the gentleman has not misunderstood the nature of my protest. I agree with the gentleman that these prisoners ought to be employed, but I object to the Government using them in skilled occupations, such as brick masons, and training them to become bricklayers and to go out and compete in an already overcrowded market for skilled laborers.

Mr. BLANTON. They should be used to build these new prison buildings.

Mr. UNDERWOOD. But the Government went there and constructed a brick, plant. In so doing, prison-made brick came in competition with the brick industry of my State and district. I did not approve of this step. I knew what it would do to private industry. I am now protesting against prison labor coming in further competition with free labor.

Mr. BLANTON. I quite agree with my distinguished friend from Ohio [Mr. UNDERWOOD] that prison labor should not be permitted to come in competition with free labor. And we do not permit prison labor to compete against free labor. We permit prison labor to make only such things as the Government must use itself.

The chairman of our committee has already pointed out that at every prison the inmates raise gardens and truck produce that they daily eat, and not a farmer has ever protested.

Does my friend know that there are many wives who stay loyal to prisoners while they are serving terms, and they are there when the man is turned out. Does anyone want them to go back to stealing again, breaking open houses again? Do you want them to commit new crimes, or do you want them to be prepared when they come out to make an honest-to-God living?

Mr. UNDERWOOD. I agree with the gentleman from Texas, in part. He is a student, a scholar, and an able statesman. But has the gentleman given any consideration to the hundreds of honest men who are unemployed, and to their women and children who are facing destitution and want?

Mr. BLANTON. This Congress should do something for the unemployed. We have done entirely too much for big interests. Congress has given $2,000,000,000 to the railroads, $125,000,000 to the land banks that are still robbing the farmers in the country, and whenever I vote here in the future it is going to be for the people, the actual starving people of this country. I am going to vote for no other kind of bill for any other purpose that comes here. [Applause.] Now I will yield to the gentleman from California.

Mr. SWING. The gentleman has made a very touching appeal in behalf of the wives and children of men who have been convicted of a willful violation of law. Would you have Congress establish a precedent of dealing more kindly with those than it would with the wives and children of law-abiding citizens, thousands of whom are now out of work and their families suffering because of this very competition from convict-made goods?

Mr. BLANTON. Oh, I am for the honest ones first, but I am also in favor of trying to redeem the dishonest ones.

Mr. ABERNETHY. Will the gentleman yield?

Mr. BLANTON. Yes. I gladly yield to the gentleman from North Carolina.

Mr. ABERNETHY. I heard the gentleman say something about the joint land banks and the foreclosures.

Mr. BLANTON. Yes; to-day at Albany, Tex., they put a poor farmer out in the cold and took possession of his farm, worth $10,000, several times what he owed them, because he could not pay the interest on $1,500. There was the joint-stock land bank at Dallas, Tex., created to help the farmers rather than to absolutely ruin them——

Mr. ABERNETHY. Let me say this, that I have a letter from a friend. He has had his land sold by one of these joint-stock land banks.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. Now, I can not yield further, as we will discuss the land banks later.

I want to answer the gentleman from California [Mr. SWING] and the gentleman from Wisconsin [Mr. SCHAFER], who is so anxious to interrupt me that he can not sit still. Here is what we are going to do for honest citizens outside of penitentiaries. We are going to take over and run this Government in behalf of all the people. I have just received a telegram which is the most encouraging news I ever had in a long time.

It comes from a big convention at San Antonio, where the Battle of the Alamo was fought, and it is as follows:

SAN ANTONIO, TEX., *February 22, 1932.*

Hon. THOMAS L. BLANTON,
House of Representatives:

Demonstration here to-day in favor of GARNER for President. Greatest ever held in Texas. Every section of Texas and many other Southern States represented. Texas to-day gives its solid support to the GARNER-for-President movement. GARNER must be drafted by the Democracy of the country. All political leaders and the South's leading business men join me in asking this be read before your body if the time is opportune.

T. N. PICNOT.

That is the most encouraging news I have heard, because if we Democrats do draft our Speaker and he is nominated, he will be elected, and then there will be a people's rule of this Government, and it will once again be a government of the people, for the people, and by the people, and we will not have any more trouble about finding work for honest men seeking jobs or for men in penitentiaries, because there will not be so many of them in the penitentiaries; there will be a way of earning an honest living outside of them.

Mr. SCHAFER. Why will the gentleman not find so many in the penitentiaries? Does he believe that his candidate will repeal the prohibition law? [Laughter.]

Mr. BLANTON. Oh, there he goes again. There is no power here in Washington that can repeal the prohibition law. You know, my friends, the gentleman from Wisconsin would be a very valuable Member if he could get prohibition off his mind. I want to ask him a question, and I want the gentleman to tell us the God's truth. Is the gentleman a wet or a dry? [Laughter.]

Mr. SCHAFER. I am not both, like the gentleman's candidate. I am a wet.

Mr. BLANTON. All right; he is a wet. Now, let me ask the gentleman another question. Did the gentleman vote in the election in 1928 for so-called dry Mr. Hoover or wet Mr. Smith?

Mr. SCHAFER. I voted for the most favorable candidate from the wet standpoint, because the gentleman's candidate, Mr. Smith——

Mr. BLANTON. Whom did the gentleman vote for?

Mr. SCHAFER. Mr. Hoover.

Mr. BLANTON. That is it, you see.

Mr. SCHAFER. Let the gentleman yield until I answer the question. The gentleman's candidate for President in 1928, in his Milwaukee speech, correctly indicated that the President had no jurisdiction in repealing or amending the eighteenth amendment, and that before the repeal or modification of the Volstead Act could be acted upon by him, it would have to be passed by the Congress. He did not show any wet leadership at the Houston Democratic convention, but in his Milwaukee speech indicated he would do so if elected President.

Mr. BLANTON. Mr. Chairman, this is the first time I have ever found the gentleman from Wisconsin willing to agree with me. He is a fundamental wet. He can not sit still when anybody is talking dry. However, he, a wet, voted for Hoover, and I have contended all the time that Hoover is as wet as Smith or wetter. The gentleman now agrees with me and says that Hoover is wetter than Smith.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MAAS. I take it the candidate of the gentleman from Texas is a dry.

Mr. BLANTON. I will let my candidate declare himself in his own way.

Mr. OLIVER of Alabama. Mr. Chairman, we have been very liberal in this debate.

Mr. BLANTON. I was through, but I wanted to answer the gentleman.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, I recognize that we are all tempted this evening to have a field day in no man's land, but we are now considering a very important bill, and it is the hope of the House that we may finish the bill not later than to-morrow evening. I have consulted Members on both sides, and find a strong sentiment that all discussion be confined to the bill. I hope Members will try to observe that admonition in the further consideration of the bill this evening.

Mr. ABERNETHY. Will the gentleman yield?

Mr. STRONG of Kansas. Mr. Chairman, I think the RECORD should show at this point that joint-stock land banks are not Government institutions.

Mr. OLIVER of Alabama. Mr. Chairman, I move that all debate upon this section and all amendments thereto close in 10 minutes.

Mr. SCHAFER. Could not I have 10 minutes in which to answer the gentleman's question on the merits of the bill, on the matter of prison labor?

The CHAIRMAN. The question is on the motion of the gentleman from Alabama that debate upon this section and all amendments thereto close in 10 minutes.

Mr. SCHAFER. Mr. Chairman, I move to amend by striking out "10 minutes" and inserting "20 minutes."

The CHAIRMAN. The question is on the amendment of the gentleman from Wisconsin to make it 20 minutes instead of 10 minutes.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 61, noes 63.

Mr. SCHAFER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SCHAFER and Mr. OLIVER of Alabama.

The committee again divided; and the tellers reported—ayes 69, noes 79.

So the amendment was rejected.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to withdraw my motion for the time being.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHAFER] may proceed for five minutes out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SCHAFER. Mr. Chairman, I wish to thank the distinguished gentleman from Alabama [Mr. OLIVER].

Mr. Chairman, I want to briefly discuss the merits of the motion offered by my friend the gentleman from Texas [Mr. BLANTON], because in the fine city of Milwaukee, which I have the honor to represent in part, we have a great many shoe factories, as well as practically every other kind of industry. I was certainly surprised to find the gentleman from Texas acting in the capacity of salesman for prison-made shoes, when throughout the United States there are thousands, hundreds of thousands, yea millions of law-abiding American citizens walking the streets to-day unable to find employment. [Applause.]

Oh, the gentleman spoke in glowing terms about how wonderful it was for the wives and children of a convict to receive a check for the wages of that convict, perhaps a felon, who in these days of depression is working behind the walls of a penitentiary. But the gentleman failed to indicate that by reason of the work performed by those convicts which result in those checks going to their families there were just that many more wives and children of law-abiding American citizens, many of whom offered their all in time of war in the military and naval services, who do not receive a pay check because the bread-winner of the family is unable to find a position.

In these dark days of depression and unemployment we should be bending our efforts toward reducing the amount of shoes and other articles manufactured by convicts who are confined in the prisons instead of increasing it. If jobs are to be furnished through the manufacture of shoes and other products, let those law-abiding citizens have the work in preference to the convicts.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended one minute.

Mr. OLIVER of Alabama. Mr. Chairman, I object.

Mr. BLANTON. Mr. Chairman, I ask that the gentleman have one additional minute. I want to ask him a question.

Mr. DYER. Mr. Chairman, I object.

Mr. OLIVER of Alabama. Mr. Chairman, I ask permission to make a short statement.

I know everyone is anxious to get back to the bill. We have enjoyed the speeches which have just been made, and I am sure the gallery enjoyed them, but it is important that we get down to a business consideration of the items in this very important bill.

I desire to say, so that no wrong impression can possibly be had from what has been said, that this reformatory was established with the full approval of the American Federation of Labor. As stated before, the president of the Ameri-

can Federation of Labor is a member of the board of advisors.

This act requires that the board of advisers, before any young man is returned to his home, must make every possible effort to find lawful employment for him. The public is willing to forget the past of every young offender who leaves this institution with a good record. Those in control strive to educate and to rehabilitate these unfortunates, so that they may take their places in the honorable walks of life along with their fellows. That is the purpose of this legislation.

I want to emphasize this so that no one may gather from anything which may have been said that there has been opposition at any time on the part of organized labor to the establishment of this reformatory. [Applause.]

Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

For the completion of the United States hospital for defective delinquents, including the cost of purchasing a site, remodeling, constructing, and equipping the necessary buildings thereon, purchase of mechanical equipment, and all other expenses incident thereto, as authorized by the act entitled "An act to establish a hospital for defective delinquents," approved May 13, 1930 (U. S. C., Supp. V, title 18, secs. 871, 872, 880), to be expended under the direction and upon the written order of the Attorney General, by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners, as the Attorney General may direct, $775,000, to remain available until expended.

Mr. JOHNSON of Missouri. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Missouri: That the numbers "$775,000," in line 16, at page 52, be stricken out and the numbers "$1,250,000" inserted in lieu thereof.

Mr. OLIVER of Alabama. Mr. Chairman, I reserve a point of order against the amendment.

Mr. JOHNSON of Missouri. Mr. Chairman, in the beginning I want to say that I commend the able members of this committee for their contribution in an effort to balance the Budget of the Government. However, I feel that in cases where there is an imminent need for an increased appropriation, or where the Government is legally or morally obligated to appropriate an increased amount, there should be such increased appropriation. I have offered an amendment which seeks to increase the appropriation carried in this item from $775,000 to $1,250,000. The amendment seeks to increase the appropriation to the amount recommended by the Budget.

The item carries an appropriation for the completion of a hospital for defective delinquents located at Springfield, Mo.

In the very brief time allotted to me I can not in detail discuss this case. Summarizing, however, may I say, that in 1930 the United States Government found it had in its various penal institutions many persons who were either insane or bordering upon insanity; it also found that in such penal institutions there were large numbers of persons who were afflicted with tuberculosis and that as a matter of justice to those inmates and as a matter of economy it was expedient and necessary that they be grouped and segregated from the other prisoners. Consequently in 1930 a congressional committee was appointed. This committee made a recommendation that a hospital for defective delinquents be constructed at a cost of not to exceed $2,500,000. This hospital was to be constructed under the supervision of the Attorney General.

Under this authorization Mr. Sanford Bates, whom we heard justly lauded on the floor of this House last Saturday, prepared and circulated data in the various communities interested soliciting the donation of a site for this great improvement. I should like to call to the attention of the Congress certain statements made in the data furnished by Mr. Bates. Among such statements and representations are found the following:

Character of institution: The proposed hospital for defective delinquents, to be located in Indiana, Illinois, Iowa, or Missouri, will be used for the care and treatment of offenders against the United States who are mentally abnormal, who suffer from chronic diseases, such as tuberculosis, cancer, senility, and the like. The institution will be built by private contractors at an estimated cost of $2,500,000.

Relying upon these representations made by the United States Government, the good people of the city of Springfield, Mo., which is located in my district, combined together and raised $133,500, purchased a site for this hospital and gave it free of charge to the United States Government.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I ask unanimous consent that my colleague may proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of Missouri. A contract has been let for this great improvement and the work thereon is now in progress.

Mr. Bates, Director of the Bureau of Prisons, in the Budget, realizing the imminent and emergent need of this great improvement and fully realizing the representations made by the Government to the people of Springfield, recommended that the appropriation carry $1,250,000 to complete the improvement. The committee has reduced this appropriation to $775,000. I understand they claim they have done this because they think it is not longer necessary to include within the improvement the tubercular unit of the hospital.

This institution is destined to be the most significant penal institution in the United States, because it is intended to house all of the medical penal problems of the Government. It represents the humanitarianism of our great United States in its treatment of those unfortunates who, because of mental, physical, or other causes over which they had no control, transgressed the laws of the land. Such unfortunate victims of these disturbing influences must have the humane treatment this great improvement contemplates.

Mr. Bates, before the committee, stated that there were now from 15 to 25 prisoners who were insane or bordering upon insanity in each of our Federal prisons.

He further stated, ladies and gentlemen of the Congress, that to-day there was a large number of tubercular inmates in the various prisons, and that at the Atlanta Prison they now had from 40 to 50 tubercular prisoners in tents in the yard; that in the winter those tents are all buttoned up, with an oil stove inside, and that these tubercular prisoners have to live in these tents with these oil stoves burning, and that they need better treatment. He recommended that this hospital be completed so that this humane treatment might be accorded to these defective delinquent prisoners.

Springfield is one of the leading cities, commercially and industrially, of the Middle West, located at the foothills of the Ozark Mountains, and surrounded by a great agricultural region.

This hospital is located in the greatest scenic and healthful region in the entire United States. I would like to say for the benefit of some of you Members of Congress who have not had the pleasure of sojourning for a time in this region that in the Ozark Mountain region one can always find invigorating and health-giving climate and atmosphere, and because of that condition this hospital is singularly well located for the treatment of tubercular prisoners.

I appeal to you to increase this appropriation for three reasons. First, as a matter of simple, plain economy. It will cost the Government of the United States less to equip and build a hospital with the facilities to care for tubercular patients than it will to continue the treatment of such patients in the hospitals as they are now existing.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. JOHNSON of Missouri. Yes.

Mr. COCHRAN of Missouri. Does the gentleman feel that the Government is morally obligated to the people of his district to go through with the promise they made when the people of his district gathered up the money to purchase the site where this hospital is to be built?

Mr. JOHNSON of Missouri. I certainly think the Government is morally obligated to fulfill that agreement and I intended to mention that in just a moment.

[Here the gavel fell.]

Mr. JOHNSON of Missouri. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. OLIVER of Alabama. I assume the purpose of the gentleman's amendment is to provide funds for the building of a separate tuberculosis hospital.

Mr. JOHNSON of Missouri. Yes; as included in the program.

Mr. OLIVER of Alabama. In other words, it is a hospital the design of which the gentleman has seen, which is separate and apart from the hospital now being constructed under contract.

Mr. JOHNSON of Missouri. That is the purpose of the amendment, for the reason that the original plans and data contemplated that.

Mr. HOPKINS. Will the gentleman yield?

Mr. JOHNSON of Missouri. Yes.

Mr. HOPKINS. I would like at this point to get the gentleman's opinion, and particularly the opinion of the chairman of the subcommittee, as to the effect of the word "completion," where it reads "for the completion of the United States hospital," inasmuch, as the gentleman has pointed out in such a fine way, the Government did promise to build a two and a half million dollar institution and gave an implied promise and an implied contract to do that, if the citizens of that district would raise $135,000, which they did.

If the bill is passed as it is, without amendment, although I hope they will adopt the gentleman's amendment, yet is it the intention of the Committee on Appropriations to limit the cost of this hospital to the $2,025,000 which this bill will provide as the total cost?

Mr. OLIVER of Alabama. I will state to the gentleman that I shall ask permission of the committee to make a statement about this matter. There is no authority of law for the building of a separate tuberculosis hospital, and I think this will be made clear. If later it is the desire of the Congress to build a tuberculosis hospital, that will have to be taken up with the legislative committee. Of course, they would have the right to use wards in this hospital for the purpose of placing tubercular patients there, if the Attorney General desires to do so. I do not want to take more of the gentleman's time.

Mr. HOPKINS. I was wondering whether that language meant that this was for the entire completion of the hospital.

Much has been said about the need to cut appropriations, and I, for one, am highly in favor of reducing many Government expenditures, but in this case a different issue is at stake. I want to summarize the case as presented by me and my colleagues from Missouri:

First. Congress in May, 1930, authorized a two and a half million dollar hospital for defective delinquents, mentally or physically.

Second. The Department of Justice broadcast a "statement of facts" on which many cities submitted bids. Springfield, Mo., submitted what was considered the best bid and gave $133,500 to purchase a site for this two and a half million dollar hospital. This, in my opinion, constituted an implied contract on the part of the Government to build a two and a half million dollar hospital. Not to do so at this time smacks of bad faith on the part of our Government.

Third. The testimony indicates that this two and a half million dollar hospital is needed. As a matter of fact, the Department of Justice requested $3,000,000 originally. Furthermore, the testimony shows clearly that unless this hospital is completed as requested by the Department of Justice many tubercular patients must be left at their respective prisons without regard for the danger to the lives of those hospitalized with them.

The gentleman from Alabama [Mr. OLIVER] warns against the Federal Government building too fine and complete hospitals for criminals. This argument comes too late. Congress has already decided its policy, and it is not the function of the Appropriations Committee to make any changes in substantive law.

The people of Springfield accepted the promise of the Government in good faith, and I urge my colleagues at this time to vote for the amendment and carry out this agreement.

Mr. JOHNSON of Missouri. I think this increased appropriation should be made from a humanitarian standpoint. The original plan certainly contemplated, as the data of the Director of Prisons clearly show, that the tuberculosis unit would be built in this hospital.

The evidence to-day is that in the Atlanta prison there are from 40 to 50 tubercular prisoners living in tents and under insanitary arrangements, and we ought to be prompted from the humanitarian standpoint to properly build this hospital so they can have humane treatment.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. JOHNSON of Missouri. I yield to the gentleman from Missouri.

Mr. FULBRIGHT. I will ask the gentleman if it is his understanding that at the time this site was selected, the Government represented to these people that this tuberculosis hospital would be constructed, and that this $133,500 was pledged with the understanding that a tuberculosis hospital would be built in connection with the institution for defectives.

Mr. JOHNSON of Missouri. To the gentleman from Missouri I may say that certainly that was the understanding, because in the data furnished by Mr. Bates is found the following language:

> That this hospital shall be for offenders against the United States who are mentally abnormal, who suffer from chronic diseases, such as tuberculosis, cancer, senility, and the like. The institution will be built by private contractors at an estimated cost of $2,500,000.

Mr. FULBRIGHT. I ask this question in view of the statement made by the chairman of the subcommittee to the effect there is no authorization by Congress for the construction of a tuberculosis hospital in connection with this institution.

Mr. DYER. If the gentleman will yield, I do not think the gentleman from Alabama [Mr. OLIVER] means to say that Congress has not authority to go ahead and provide funds for the full appropriation. Legislation was enacted authorizing that.

Mr. OLIVER of Alabama. I shall be pleased to discuss that in a few moments, and I shall answer the gentleman's question at that time.

Mr. JOHNSON of Missouri. If I may proceed now, there is to me a most impelling reason why this increased appropriation should be included in this legislation.

As has been shown, the Government of the United States in an effort to secure sites represented and promised the good people of Springfield, Mo., that if they would appropriate $133,500, the Government would construct a hospital to cost $2,500,000.

[Here the gavel fell.]

Mr. JOHNSON of Missouri. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

Mr. DYER. I ask unanimous consent that the gentleman may be given five minutes more, because this is a matter that the membership should know about, because a great injustice has apparently been done to Springfield, Mo.

There was no objection.

Mr. GILCHRIST. Will the gentleman yield?

Mr. JOHNSON of Missouri. Yes.

Mr. GILCHRIST. I had in mind to ask the gentleman who made the promise on the part of the United States, and how it was made and where?

Mr. JOHNSON of Missouri. I thought that was clear, that it was made by Mr. Bates, Director of the Bureau of Prisons, certainly acting within the scope of his authority and under the direction of the Attorney General, in whom was lodged authority by this law to supervise the construction of this hospital. Mr. Bates prepared and circulated a paper in this community in which he stated that a tubercular unit would be built in this hospital at a cost of two and a half million dollars.

Mr. HOPKINS. And in addition Congress had made an authorization of two and a half million dollars.

Mr. JOHNSON of Missouri. That is true, Congress authorized the expenditure of two and a half million dollars.

Mr. KETCHAM. Will the gentleman yield?

Mr. JOHNSON of Missouri. Yes.

Mr. KETCHAM. It was my good fortune this summer to be on the site where this hospital is to be constructed. It is a wonderful site, and I may say that in conversation with persons who had a considerable part in the negotiations between Springfield and Mr. Bates, there was clear understanding that the tubercular hospital was to be erected. Certainly, they are to be congratulated on the fine site that they have for the location of a hospital. [Applause.]

Mr. JOHNSON of Missouri. The good people of Springfield, Mo., relying on the representations and promises made by the Federal Government, by diligent effort and sacrifice, combined and raised $133,500 to purchase this beautiful site and turned it over to the Government free of charge.

I received a telegram to-day from the Chamber of Commerce at Springfield, Mo., in which it urges that the United States Government keep faith with the people at Springfield. [Applause.] I submit to you that the Federal Government is morally bound to increase this appropriation and construct this tubercular unit.

The good people of Springfield, Mo., are composed of as fine citizens as can be found anywhere in the world. They have kept faith, they have done their part, and I say to you that it would be a gross violation of its pledge on the part of the Federal Government to decrease this appropriation and not construct the hospital as it promised and agreed.

Mr. GARBER. Will the gentleman yield?

Mr. JOHNSON of Missouri. Yes.

Mr. GARBER. I am not in opposition to the gentleman's amendment, but I am in opposition to the gentleman's charge that the Federal Government is under a moral obligation to carry out any implied or direct promise made by anyone, when it must have been assumed all through the negotiations that it must first have the approval of Congress.

Mr. JOHNSON of Missouri. The original act provided for a hospital to be constructed under the superintendence of the Attorney General.

Mr. DYER. If the gentleman will permit, if he will examine, he will find that the legislation placed this matter in the hands of the Attorney General.

Mr. GARBER. Let me inquire, Did the legislation place in the hands of the Attorney General the authority to appropriate this money to pay for these buildings? Certainly not.

Mr. JOHNSON of Missouri. Fair play and justice demand that the Government keep its faith and not decrease this appropriation.

Mr. DYER. Mr. Chairman, I would like to have the point of order disposed of.

Mr. OLIVER of Alabama. I was anxious that the very able gentleman from Missouri [Mr. JOHNSON] should have full opportunity to present his views relative to the recommendations of the committee. He has done so in a very lucid way, and I note the presence of the other influential Members from Missouri and among them I see a distinguished member of the Judiciary Committee who was on the committee at the time the authorization act was passed. Sometimes, you know, even Homer nods. And the learned gentleman from Missouri could not be expected to remember the provisions of the many bills reported by the Judiciary Committee nor the hearings had thereon.

You will remember I asked the gentleman who offered the amendment if it was his purpose by this amendment to provide funds for the building of a separate tubercular hospital, separate from the hospital now under construction. He said it was. I asked him also whether such tubercular hospital was some little distance from the hospital now building, and he answered it was. For that reason I reserved the point of order, because he has correctly stated the facts. I have the picture here of the hospital now under construction, and I wanted to get the gentleman's interpretation of his own amendment, because it is only when we understand what one intends that we can be sure of doing no injustice in the application of the law to the facts.

Mr. JOHNSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. JOHNSON of Missouri. Did they not state that the purpose was to build a tubercular unit in this hospital?

Mr. OLIVER of Alabama. The gentleman's purpose is to build a separate tubercular unit, and he stated it was some little distance to the left of the hospital now building. At one time it was thought of locating it to the right of this building, but later it was determined to put it on the left.

Here is the picture of the hospital that the Judiciary Committee authorized to be built, and the act only authorizes one hospital. The contracts for that hospital were let last month, and it is to cost $1,710,000. When the original act authorizing the hospital now being built was before the Committee on the Judiciary, it was stated by those favoring the bill that they wanted to build a hospital with a capacity of about 550.

This hospital now under construction will have a much larger capacity than 550, and it is so well arranged that it will care not only for the insane but for the afflicted from any cause. They can well care for tubercular patients if found desirable. In other words, there are many open, well-ventilated dormitories in this hospital now building. You will have rooms for acute cases of insanity, for milder cases of insanity, for the aged, the infirm, the feeble, and the blind. You may also place in this unit of the hospital now building all of the tubercular patients, if desired.

Mr. COCHRAN of Missouri. What part was to have taken care of the tubercular unit?

Mr. OLIVER of Alabama. Here is the original act that was before the Committee on the Judiciary, and I call attention to it because the gentleman from Missouri [Mr. DYER], who has been the capable acting chairman of this important committee so often, was no doubt present when the authorization bill was passed. The hospital was being urged for the purpose of caring for the insane, and they undertook to give to the committee the number of insane then in Federal prisons, and you will find that the wording of the bill itself relates to the insane, the feeble-minded. Nothing appears in the hearings nor in the bill as to tubercular prisoners. It referred to the insane, to the mental defectives.

The act provides that the Attorney General is authorized and directed to select a site in connection with some existing institution or elsewhere for a hospital for the treatment of all persons charged with offenses against the United States who are in the actual custody of its officers and who at the time of their conviction, or during the time of their detention or confinement, were or shall have since become insane or so afflicted with an incurable degenerative disease as to require medical attention. Then section 6 provides that there shall be a board to pass on the mental condition of these patients in the different hospitals, so that the Attorney General may transfer those that are found mentally defective or insane to this authorized hospital for treatment, and the following language may be quoted:

The Attorney General upon receiving such report of the medical board may direct a warden or superintendent, or other official having custody of the prisoner, to cause such prisoner to be removed to the United States hospital for defective delinquents, or to any other such institution as is now authorized by law to receive in-

sane persons charged with or convicted of offenses against the United States, there to be kept until in the judgment of the superintendent of such hospital the prisoner shall be restored to sanity or health, or until the maximum sentence without deduction for good time or commutation of sentence shall have been served.

Then, there is provision that the proper State authority must be notified at the expiration of the sentence if the prisoner is insane, so that the State may provide for him to prevent him from becoming a menace to the public.

When Mr. Bates was before the committee in support of the bill, on page 29 of the hearings, he made this statement:

That is a very real question in the discipline of prisoners, and so we have presented that bill asking for the construction of a general hospital for the insane and the feeble-minded.

That was the reason given for building the hospital. This hospital now under construction will care for 200 more than the Judiciary Committee understood it was providing for at the time it made the authorization. Congress was spending money rather freely about that time. It made an appropriation of $1,250,000 to start the construction, and since there were some tubercular patients in Atlanta, Ga., then being kept out in the yard in tents, Mr. Bates very properly called the attention of the Committee on Appropriations to the fact that they would be moved from Atlanta to this hospital when completed. I know he was perfectly sincere, and no one questions the honesty or sincerity of Mr. Bates as to any statement he may have made about the hospital. He no doubt concluded it would be better to construct a separate building for the tubercular patients, and undertook to draw plans for a separate building, first locating it on one side and later on the other side, yet some distance removed from the hospital that had been authorized and is now under contract.

This hospital, as originally authorized and for which plans have been drawn and the contract for construction let, can care for all Federal tubercular patients if it is desired to transfer them there. The question might have arisen as to the original act if it had appeared that it was to provide for tubercular prisoners whether the site selected was the best. I have no doubt it is a beautiful location, but we all know that where one is suffering from tubercular trouble they usually prefer going to a high, dry climate, such as is found in Arizona, Texas, or Colorado; even the rich go there. The Government has built hospitals to care for Army and Navy tubercular patients in those sections. The question might properly arise, if it becomes necessary to provide a separate hospital for tubercular prisoners, whether they might not best be located at a place in high, dry sections.

I am calling attention to the fact that this authorization act and the hearings had thereon show that this hospital was built to care for the insane, and that the number they provided for was in excess of the insane they were required to care for at that time. They said 550 would probably be the bed capacity. That was 200 more than the number of insane prisoners. This hospital, for which a contract has been let, will care for about 750. It is ample for present needs as to insane and tubercular.

Permit me to warn you against building too many Federal hospitals to care for the blind, the infirm, the insane, the tubercular. Why? Because when you do, it will be found that in many States, if not all, when it becomes known that the Federal Government is provided with excellent facilities for caring for these unfortunates, a way will be found to send the blind, the feeble, the lame, the insane, and so forth, to Federal hospitals, where they will be kept free from expense to the State, to the county, or the city.

We can easily go too far and—just as the Attorney General has tried to limit Federal offenses, where the acts are also offenses against State laws, so as to require the States to carry out their duties in providing punishment for such crimes, and not place this heavy load upon the Federal Government—so I warn you not to build expensive hospitals to care for State offenders.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. OLIVER of Alabama. My distinguished friend from Missouri, a prominent member of the Committee on the Judiciary, in a very recent speech, speaking of the act which he sponsored, and which has brought many old and many young violators into Federal prisons, said:

If the States are to surrender their right to try these cases and to look alone to the Federal Government to punish and care for them at great expense, I would favor the repeal of that statute.

The gentleman was right. Carrying out just what I have tried to say to you, be cautious when you undertake to provide these hospitals to care for the afflicted who commit crimes against State laws, recently made crimes also by Federal laws. The States, the counties, and the cities are primarily charged with that duty.

It will be found that we have provided a very liberal probation system, where judges will be more lenient, I hope, in the cases of those afflicted with mental troubles, with lung troubles, with blindness, and other like ills, and we may be relieved of this load by leaving to States the care and punishment of such cases.

May I call your attention to one very interesting case? An insane man in a Federal prison, his mind slightly defective, I am informed, when he came there, becoming perhaps a little more acute—when his sentence expired, the Federal Government, at its expense, sent him back to his home, the home from which he came, to those who should care for him. What happened? The United States marshal was arrested because the State had passed a law against bringing into the State anyone who was insane. That case is still pending, so I am informed. It all shows that we must be careful in loading up the Federal Government with State, county, and city offenders where they commit offenses against State laws. That is why I wanted to call attention to this matter.

This is a beautiful hospital, wonderful location, no doubt; much larger than my friend from Missouri, when he voted out this bill, contemplated it would be. We are carrying every dollar necessary to complete one hospital, as authorized by law and now contracted for.

Mr. JOHNSON of Missouri. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. JOHNSON of Missouri. Did I understand the gentleman to say that the hospital would have facilities to care for the tubercular prisoners?

Mr. OLIVER of Alabama. Facilities far better than in almost any State; far better than in the gentleman's State.

Mr. JOHNSON of Missouri. Would the gentleman contend it would be proper to house tubercular patients with patients who were not tubercular, or should they not be isolated?

Mr. OLIVER of Alabama. When this hospital was originally designed it was designed in sections. There are large open rooms, rooms smaller, rooms for acute and semiacute cases, rooms for the infirm. Tubercular patients would come under that designation. There are no insane patients for these units. The hospital has capacity greater than is required for the number of tubercular and insane prisoners we now have.

Mr. JOHNSON of Missouri. Will the gentleman yield for another question?

Mr. OLIVER of Alabama. Yes; I yield.

Mr. JOHNSON of Missouri. Director Bates, of the Bureau of Prisons, did testify, did he not, that it was necessary to have enlarged space there for the tubercular prisoners?

Mr. OLIVER of Alabama. I think Mr. Bates unquestionably feels we should have that.

Mr. JOHNSON of Missouri. It is a fact, is it not, that the Federal Government, through Director Bates, represented to the various communities that this hospital would care for the tubercular prisoners, and upon those representations the people of Springfield, Mo., donated $133,500 for the site?

Mr. OLIVER of Alabama. I have tried many cases; you have heard many cases tried in court, and you have often-

times heard of the rivalry between different localities for Government buildings. It so happens that in this case the record discloses that many States were bidding for this hospital, offering free sites. I wonder if when the wide-awake city of Springfield read the hearings and found that Indiana and other States were offering free sites if that was not a large factor prompting Springfield's offer of a free site. And what happened? The request was made by the department, when Congress came to make the appropriation, "Give us authority to accept a free site." Why? Because there are many free sites offered, not alone in Missouri but in other States.

Yet we now find this splendid community of Springfield complaining because, forsooth, we do not propose to spend quite as much as they understood the Government would. Two million and twenty-five thousand is appropriated. They demand $2,500,000. They say they donated a site costing $135,000, but overlook the fact that they will have a most wonderful building thereon, costing over $2,000,000, a building capable of housing many kinds of afflicted prisoners. We find the people of that community saying, "We do not want the Federal Government to save any money in building this institution to care for the infirm, the blind, the tubercular, and the insane." They insist, "You must spend more money and build a costly separate tubercular hospital," although the act authorized only one hospital. There is no mention made of tubercular prisoners in the original act. Why then do they protest? Because, forsooth, Mr. Bates in his enthusiasm said that this institution would cost $2,500,000.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of Missouri. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. JOHNSON of Missouri. Regardless of any mental influence that might have been exerted upon the people of Springfield which induced them to donate this site, yet if the Government, through Mr. Bates, represented and promised that it would expend $2,500,000 for the erection of buildings which would house defective delinquents, including those needing psychopathic treatment as well as treatment for tuberculosis, can anything justify the Government of the United States in now going back on its pledge and on its promise?

Mr. OLIVER of Alabama. The gentleman is a lawyer, and he knows that every Federal official is nothing but an agent with limited authority. The people in this community were supposed to know what the law was under which Mr. Bates was acting. As I have said, no Federal official has the right to go out and bind this Congress for the expenditure of money in large amounts simply because he may sincerely believe he has authority to do so.

Mr. LOZIER. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. LOZIER. The gentleman has stated the legal aspect of the case very clearly, but does the gentleman think it is ethical for the United States Government to hold out to the public that they intend to build a $2,500,000 hospital, and solicit sites from cities, giving the people of those communities a bill of particulars, leading them to believe that it will be a $2,500,000 project, thereby stimulating them to more liberal donations, and then abandon a very considerable part of the proposed program—does the gentleman think that is ethical? Although no representative of the Government has the right to bind the Government, does the gentleman think it is ethical and morally right for the Government to stimulate people to make a donation of that kind on the belief that they are going to get a $2,500,000 proposition, and then when they have made that contribution the Government says, "We will cut it down to $2,000,000 or $1,500,000 without refunding in whole or in part the contribution made by a city that relied on the representations of the Government officials that they would get a $2,500,000 project—does the gentleman think that is ethical?

Mr. OLIVER of Alabama. That is a fair question, and I am very glad to answer it. Sometimes it is well to answer a question by asking a question. Is it the gentleman's opinion that it would be the ethical thing for Congress, representing 120,000,000 people, with a deficit of $2,000,000,000 now facing us, simply because the agent of the Government, with limited authority, and who, of course, had to follow the express will of Congress—everybody dealing with the agent being charged with the legal limitations on his authority—yet because in his enthusiasm the agent may have said that the buildings would cost $2,500,000—can it be that Springfield, in the spirit of a Shylock, can say to Congress it is unethical not to spend $2,500,000 on the hospital, although Congress finds that the hospital now contracted for will adequately provide for its prison needs and is in strict accord with the act of authorization?

Mr. LOZIER. Now I shall be pleased to answer the question propounded by my friend the gentleman from Alabama, whom I always delight to follow because of his uniform fairness and great ability. Of course, if the Government does not need a $2,500,000 hospital at Springfield, it should not build one to cost that sum. But if it is needed to properly care for the tubercular patients, it should be constructed. If the Government, having made these representations and having stimulated an excessive liberality on the part of the people of Springfield, finds on further investigation that in the interest of economy and public service it is not necessary to expend $2,500,000 on this project, does not equity and good conscience require the Government to do what an individual would do in dealing with another individual, namely, go to the people of Springfield and say, "We have changed our mind about this matter; we find a $2,000,000 structure will serve all our needs, and as we are not giving you as much as you were led to believe you would get, we are now willing to refund to the people of Springfield all or a part of the fund which they were induced to donate on the representation that the Government was going to locate a $2,500,000 institution in the community"?

Does the gentleman think that after having obtained this donation on such representations, if the Government changes its plans, as it has the right to do, that in equity and good conscience it can retain the donations, there having been a failure or a partial failure of consideration?

Mr. OLIVER of Alabama. I would answer the gentleman by saying that Missouri is ably represented on the floor of the House. There are many splendid lawyers in its delegation, and if these gentlemen feel that an injustice has been done Springfield because of the facts detailed by the gentleman, why not file a bill asking for the refund of $135,000 and let Congress pass on it. That course is fair and open to the gentleman. If Congress should conclude that the gentleman's contention is sound, the Government will save money by refunding the $135,000 rather than approve the amendment which the gentleman from Missouri now offers carrying $500,000 additional.

Mr. BANKHEAD. Will my colleague yield for a question?

Mr. OLIVER of Alabama. Yes.

Mr. BANKHEAD. In this implied guaranty or warranty that is held here as having been made by Mr. Bates, was any time limit fixed within which the Congress should appropriate two and a half million dollars?

Mr. OLIVER of Alabama. No.

Mr. BANKHEAD. Is it therefore a breach of faith if we do not in this immediate bill appropriate the full amount?

Mr. OLIVER of Alabama. I was going to call attention to the fact that we are cutting quite a good many appropriations. We cut one over at Chillicothe a few moments ago. We cut one last Saturday $1,100,000 in Oklahoma. We did not have this kind of plea then. It was said that building would cost two and a half million dollars, and we are providing less than $1,200,000 for it. You will find all through this bill we have cut appropriations; and if you do

not approve these cuts, how do you propose to meet the deficit? Can it be possible that when we can save money and provide facilities for our needs that then we are to listen to the plea of some locality that we must increase the amount because they feel we owe it to them because some official said a certain building should cost so much?

I want to now read you something that is of real interest.

Mr. MAY. Will the gentleman yield for a question?

Mr. OLIVER of Alabama. Yes.

[Here the gavel fell.]

Mr. DYER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MAY. The gentleman appears to be a very excellent lawyer and has stated here that the gentleman who made these representations was an unauthorized agent of the Government.

Mr. OLIVER of Alabama. Well, every agent of the Government is unauthorized if he acts beyond the authority set out in the organic act, which in this case authorized one hospital, not two. There was no authority for a separate tubercular hospital.

Mr. MAY. I would like to ask the gentleman to explain to the committee if it is not an equitable principle, recognized throughout the law of this land, that the acceptance of a donation and the retention of it constitutes a ratification of the agency, if it was without authority, and if they keep the $130,000, that is a ratification.

Mr. OLIVER of Alabama. If the gentleman is correct, and he feels he can impress the House with that fact, the Government should refund the $135,000, your remedy is adequate.

I now want to speak to you about another matter.

Mr. DYER. Before the gentleman does that will he yield to me?

Mr. OLIVER of Alabama. Yes.

Mr. DYER. With respect to the statement that the Government or the representatives of the Government or of the Department of Justice did not have authority to proceed upon the theory they would get the full amount, I will ask the gentleman if it is not a fact that the second deficiency bill of last year authorized $2,500,000 for this institution?

Mr. OLIVER of Alabama. There was appropriated $1,250,000——

Mr. DYER. Is not that the fact?

Mr. OLIVER of Alabama. The Committee on Appropriations can not legislate. That was only an authorization, and no contract has been let thereunder for more than $1,710,000. So the contractor can not complain. There has been no contract let beyond $1,710,000, and we are carrying in this bill $775,000 in order to pay the balance due on the contract and to provide for necessary utility construction in connection with this institution.

Mr. DYER. Is the gentleman acquainted with that provision in the second deficiency appropriation act which authorized $2,500,000?

Mr. OLIVER of Alabama. It dies with the year, the gentleman understands.

Mr. DYER. But there was authority in that bill for it.

Mr. OLIVER of Alabama. If so, the authority was not exercised.

Mr. JOHNSON of Missouri. Will the gentleman now yield to me on a matter to which he has referred?

Mr. OLIVER of Alabama. Yes.

Mr. JOHNSON of Missouri. The gentleman said that if the citizens of Springfield were dissatisfied or felt they had been defrauded, they could present a bill to the Congress. I want to state to the gentleman that the citizens of Springfield are not pleading for charity. They do not want to be placed in the position of asking reimbursement where they have been defrauded, if that is proper——

Mr. OLIVER of Alabama. I yielded to the gentleman for a question.

Mr. JOHNSON of Missouri. They simply feel that they have been promised a building costing two and a half million dollars and that there is need for the building.

Mr. OLIVER of Alabama. Gentlemen, I would not for a moment have taken up your time in referring to that part of the gentleman's argument if he had not confined his argument largely to that one fact, since to my mind, from a legal standpoint, it is untenable.

They say, because of the promise of Mr. Bates to give them two and a half million dollars, nothing else will satisfy. Then I say, if they are right, let them introduce a bill for a refund. Why spend $500,000 when we can discharge the obligation with $135,000?

Now, gentlemen, here is what I wish to call attention to. The committee found there had been very expensive estimates submitted for medical care at existing institutions. We found that at Atlanta, at Leavenworth, McNeil Island, Chillicothe, and Alderson, five prisons in all, that for many years preceding the recent legislation authorizing the Public Health Service to take over the medical service that we had been appropriating far less than was estimated by the Public Health Service. We spent for that purpose $84,980 at all of the institutions named. What do you suppose the Public Health Service requested for those same institutions? Two hundred and sixty-nine thousand dollars for personal services, which before had cost about $84,000. The committee said, "This was too much." Yet the committee was reasonable and only cut it to $200,000.

Take the hospital at Springfield. What do you suppose they estimate you should appropriate for medical services there after it is completed? The modest sum of $134,000; this to care for a hospital population of not exceeding 800 prisoners, whereas we have been caring for 11,000 prison population in six widely separated institutions for $84,000; that is to say, for medical personnel services. Here is the set-up for the Springfield hospital as it appears in the hearings on pages 434 and 435:

A supplemental list of medical personnel to be required for the Springfield institution includes the following:

Number	Position	1933
	Medical and dental personnel:	
1	Superintendent (medical officer in charge)	$7,200
1	Assistant superintendent	6,028
3	Resident physician	9,474
1	Dental officer (assistant surgeon)	4,039
	Nursing personnel:	
1	Chief nurse	2,600
1	Assistant chief nurse	2,300
11	Head nurse (4 female, 7 male), at $2,100	23,100
18	Nurse (10 female, 8 male), at $1,920	34,560
	Visiting consultants:	
1	Consultant in surgery	2,000
1	Consultant in eye, ear, nose, and throat	1,200
1	Consultant in internal medicine	600
1	Consultant in Röntgenology	600
1	Consultant in urology	600
	Other technical personnel:	
1	Pathologist	4,039
1	Chief occupational therapy aide	2,600
1	Chief physiotherapy aide	2,600
1	Head occupational therapy aide	2,000
1	Head physiotherapy aide	2,000
2	Physiotherapy aide, at $1,920	3,840
6	Occupational therapy aide, at $1,920	11,520
1	Oral hygienist	1,800
1	Druggist	1,620
2	Laboratory technician (1 X-ray and 1 clinical laboratory)	3,240
2	Medical interne	3,120
1	Dental interne	1,560
62	Net total personnel services	134,240

If Congress did not come in and sometimes save the Public Treasury from the demands of public officials in executive departments, instead of a deficit of $2,000,000,000 you would have a deficit of $3,000,000,000. [Applause.]

Mr. DYER. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DYER. Mr. Chairman, I am not finding fault with the chairman of the committee in charge of this bill, the gentleman from Alaboma [Mr. OLIVER], for whom I have

the greatest regard. I know that he is a most efficient public servant and is trying to do the thing that ought to be done, but I do dislike to have the gentleman from Alabama leave the thought with the Members that the State of Missouri or the people of Springfield, Mo., are trying to get something to which they are not entitled. I do not want this hospital, personally, enlarged as outlined in previous appropriation bills unless it is necessary for the benefit of those whom it is to serve, but the gentleman will recall that last year in the second deficiency appropriation bill we did provide for this institution at a limit of cost of two and a half million dollars. If we do not need the tubercular end of it, very well, but in the hearings on that bill there was testimony to the effect that it was to be used in part for the care of tubercular patients. That is true. I am not complaining or fussing with the gentleman from Alabama. I want him to conserve the resources of the country; and, if we do not need the money, all right. But I do not like the impression to go forth that I am, or anyone from Missouri is, and of course I speak only for myself, trying to get through an appropriation larger than the project deserves. I do not care so much about what the Springfield people get, that is a secondary matter. It is only as to what is needed for the people that this institution is intended to serve. If the facts are different now from what they were, and we do not need it, then I do not want to support it; but I do not want the impression to go out that the Department of Justice, acting in pursuance of legislation which Congress enacted and in pursuance of the act of appropriation that it passed authorizing two and a half million dollars, or its officials, or any one of them, have done anything but that which they had a right to do and should do; and I know that the gentleman from Alabama [Mr. OLIVER], who is in close touch with the Department of Justice in these matters and with the superintendent of prisons, agrees with me that what I am saying is correct.

Mr. OLIVER of Alabama. I think that Mr. Bates is an excellent official and that he would not intentionally make any misstatement. He was encouraged, no doubt, to make the statement by what the gentleman has said. As a separate institution it was never discussed at all, because there are rooms and dormitories in this hospital being built where you can well care for tubercular patients, and much better than our States now care for these unfortunate sufferers.

Mr. DYER. I have no doubt of the correctness of the statement of the gentleman from Alabama, but there was testimony in the hearings to which I have made reference that it was to be used in part for tubercular patients.

Mr. OLIVER of Alabama. Not before the gentleman's committee.

Mr. DYER. In the Committee on Appropriations itself, in the second deficiency appropriation bill. If we do not need this money, all right; but let us say so in a fair and square manner without reflecting on any official or any department of the Government that has proceeded under the authority of Congress in two instances, one the act itself and one the appropriation bill to which I have made reference.

Mr. FULBRIGHT. If this building, as Mr. Bates states, is necessary, does not the gentleman think, in view of the fact that there has been talk from the beginning of this Congress that there should be a great building program put out for the unemployed, that it would be worth while continuing it for that reason?

Mr. DYER. I would rather take the judgment of the gentleman from Alabama on a matter of that kind than of anyone else, but I want him to be fair.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. DYER. Yes.

Mr. HOPKINS. Provided it can take care of tubercular patients in this smaller unit, they will be taken care of in lieu of other patients who should be brought there, will they not?

Mr. OLIVER of Alabama. I think they have ample bed room for all patients that should be sent there.

Mr. HOPKINS. If tubercular patients are sent there, they will be sent there in place of people who are partially insane or invalid paralytics.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I move that all debate upon this section and all amendments thereto be closed in 10 minutes.

The motion was agreed to.

Mr. CANNON. Mr. Chairman, I rise in favor of the amendment.

I regret that I must differ with the committee in this matter. I do so not because this institution happens to be located in my State but for reasons of economy, the very reasons that have been urged in opposition.

There is no question about the authorization. Let me read it to you. The authorization provides for patients—

> Afflicted with an incurable or chronic degenerative disease or so defective * * * physically as to require special medical care and treatment not available in an existing Federal institution.

Under this authorization the department planned an institution with facilities for the treatment of all such diseases, and, of course, they included quarters for the isolation and treatment of tuberculosis. No modern prison would be complete, no modern penal institution would comply with even the elementary requirements, which did not afford accommodations for the treatment of this dread scourge. The department, after consulting the most eminent medical authorities available, drafted plans providing for wards in which victims of the white plague could be humanely nursed back to health and usefulness. They went before the Bureau of the Budget with a request for an appropriation of $2,500,000 to carry out these plans. The Budget officials, after examining the proposition exhaustively, cut this estimate to $1,250,000. That was considered to be a minimum. But the subcommittee, taking into consideration the reduction in the cost of materials and labor since the plans were first drawn, reduced the amount to $1,050,000. That is the amount which it was intended this bill should carry.

And now we come to the real issue in the matter. In this debate we have not yet touched on the real consideration which brings this question before you. Up to the time the bill was taken up in the committee en banc no one had thought of omitting the tuberculosis wards. It had not been suggested either in the hearings before the Budget Bureau or the subcommittee of the House. And the appropriation of $1,250,000 was considered to be the irreducible minimum.

Why, then, this sudden proposal to reduce the estimate a further $225,000? It was not made for purposes of economy. It was not made in order to retrench expenditures. It was not made to balance the Budget. It was made because there were some who raised the question of location—some who believed that the site selected was the wrong place for a tubercular hospital. They insisted that it ought to be located in New Mexico or Arizona or some neighboring State where the climate was supposed to be better adapted to the treatment of pulmonary troubles. And they wanted to defer the erection of the plant until they could take up the question of location and go into the merits of the claim that ultra-dry climates are better adapted to the treatment of respiratory maladies.

Such position is not supported by modern scientific knowledge. That theory, once so generally accepted, has now been abandoned. And happily so. Specialists in the treatment of tuberculosis are now agreed that climate is not an essential consideration. The Government itself issued a bulletin emphasizing that fact just last month. If you will call up the department and ask for their publication under the title of "Tuberculosis," you will receive the Government's treatise on the subject, in which the emphatic statement is made that it is no longer considered necessary to leave home and go to some distant State to be cured. With proper care and nourishment this disease may be cured to-day in any State in the Union.

And, so far as climate is concerned, there is no more healthful place in the world than up here at Springfield in the foothills of the Ozarks. This section has become in recent years the playground and health resort of the Middle West. If any of you wish "to be shown," I invite you to come to Missouri this summer and drive along our modern highways and enjoy the beauty and salubrious climate of this far-famed "Land of a Thousand Smiles." You will then understand the selection of this site for this great institution. The department had bids from half a dozen different States. They considered more than a score of possible locations, and they did not decide the question solely on the basis of the contribution made by Springfield. They had offers of sites from many cities. They selected Springfield because they were convinced after long study and investigation that it offered the most healthful location that could be found for the purpose.

And now we come to the question of economy. Some may have the impression that a reduction of this item means economy—that it will save the Government money. Nothing could be further from the facts. This hospital must be built somewhere; if not at Springfield, then somewhere else. And it is vastly cheaper to build it here. This vast plant which is to be constructed at Springfield at an expense of more than a million dollars is equipped with a central heating plant, a general laundry, a common dairy, storehouses, administration buildings, farm and garden with all needed farm buildings. If the hospital is built here, all these items will be saved. If erected elsewhere these will all have to be supplied at heavy cost. At Springfield there will be no such construction costs to be charged exclusively to the hospital, and the additional cost of maintenance will be infinitesimal. To build the hospital here as originally planned will result in a very material saving to the Government both in original capital outlay and in maintenance for all the years to come.

And there was still another reason for the location at Springfield. This site was selected after full consideration because it is conveniently located, geographically, in the approximate center of the area which is supposed to be served. If it is taken over toward the Pacific coast and located on the outer rim of this area, the Government will be put to that much additional expense every time it is necessary to reach it or leave it.

In brief, for every reason which can be advanced—for reasons of geographical location, for reasons of health and climate, for reasons of economy, both in construction and maintenance—this hospital should be provided for as originally planned and intended and the amendment should be approved.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. CANNON. I yield.

Mr. OLIVER of Alabama. If the question was before Congress now as to whether they would build a separate hospital to care for tubercular cases, in view of the facts now known, this Congress would not, in my judgment, vote any amount. I will say to the gentleman that I have no desire to change the site unless later it becomes necessary to build a hospital for tubercular patients, and then Congress should consider the best place for such a hospital. That was not in my mind, nor did the full committee discuss it at all, but they struck this out and fixed the amount of the appropriation, because it was thought that would amply provide for the Government's present needs.

[Here the gavel fell.]

The CHAIRMAN. All time has expired on this paragraph.

Mr. OLIVER of Alabama. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. JOHNSON].

The amendment was rejected.

Mr. JOHNSON of Missouri. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The CHAIRMAN. The gentleman from Missouri [Mr. JOHNSON] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Missouri: In line 5, on page 52, strike out the words "completion of" and insert in lieu thereof "continuation of the work upon."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was rejected.

Mr. CONNERY. Mr. Chairman, I ask unanimous consent to return to page 114, the item providing for commissioners of conciliation. I want to offer an amendment to that paragraph and also to the paragraph appearing on page 116, in reference to the Bureau of Labor Statistics. I do not care to retard the committee, but I would like to offer these amendments.

Mr. OLIVER of Alabama. Mr. Chairman, I shall have to object. I object.

The Clerk read as follows:

Investigating mine accidents: For investigations as to the causes of mine explosions, causes of falls of roof and coal, methods of mining, especially in relation to the safety of miners, the appliances best adapted to prevent accidents, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, statistical studies and reports relating to mine accidents, and other inquiries and technologic investigations pertinent to the mining industry, including all equipment, supplies, and expenses of travel and subsistence, purchase not exceeding $2,400, exchange as part payment for, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots, and aprons, $440,325, of which amount not to exceed $77,310 may be expended for personal services in the District of Columbia.

Mr. OLIVER of Alabama. Mr. Chairman, in my absence from the Chamber temporarily I have requested the gentleman from Arizona [Mr. DOUGLAS], a member of the committee, to offer some committee amendments.

Mr. DOUGLAS of Arizona. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Arizona offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. DOUGLAS of Arizona: On page 102, in line 15, strike out the amount "$440,325" and insert in lieu thereof "$435,325."

The amendment was agreed to.

The Clerk read as follows:

Testing fuel: To conduct inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and use of mineral fuels, and for investigation of mineral fuels belonging to or for the use of the United States, with a view to their most efficient utilization; to recommend to various departments such changes in selection and use of fuel as may result in greater economy, and, upon request of the Director of the Bureau of the Budget, to investigate the fuel-burning equipment in use by or proposed for any of the departments, establishments, or institutions of the United States in the District of Columbia, $170,000, of which amount not to exceed $30,700 may be expended for personal services in the District of Columbia.

Mr. DOUGLAS of Arizona. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Arizona offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. DOUGLAS of Arizona: On page 104, at the beginning of line 15, strike out the figures "$170,000" and insert in lieu thereof the figures "$136,000."

The amendment was agreed to.

The Clerk read as follows:

Mineral-mining investigations: For inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and utilization of ores and mineral substances, other than fuels, with a view to improving health conditions and increasing safety, efficiency, economic development, and conserving resources through the prevention of waste in the mining, quarrying, metallurgical, and other mineral industries; to inquire into the economic conditions affecting these industries; and including all equipment, supplies, expenses of travel and subsistence, and the purchase, not to exceed $2,500, including exchange, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work, including not to exceed $17,000 for personal services in the District of Columbia, $157,185: *Provided*, That no part of this appropriation may be expended for an investigation in behalf of any private party.

Mr. DOUGLAS of Arizona. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Arizona offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. DOUGLAS of Arizona: On page 105, in line 7, strike out the amount "$157,185" and insert in lieu thereof the amount "$125,000."

The amendment was agreed to.

Mr. GOSS. Mr. Chairman, I move to strike out the last word for the purpose of inquiring of the gentleman from Alabama whether he has furnished to Members of the House a table showing the prices of automobiles, as was suggested in the debate on Saturday and, if not, when he proposes to do so?

Mr. OLIVER of Alabama. I did not understand that I was to furnish such a table. I understood the gentleman was to prepare some amendments and submit them to me for consideration. That amendment will come up to-morrow and not this afternoon.

Mr. GOSS. Has the gentleman any definite information as to the prices of these cars in the various sections of the country?

Mr. OLIVER of Alabama. As far as I know, there is no reason why we should change the amount as set out in the amendment. I think the gentleman will find that cars of that class will be much cheaper a month from now than they are to-day.

The pro forma amendment was withdrawn.

Mr. CONNERY. Mr. Chairman, I move to strike out the last word. I dislike to take issue with my distinguished colleague from Alabama. In these days of unemployment I do not see any reason why a request to return to certain items should be objected to when other Members have been permitted to go back to items and consider them. I asked unanimous consent to return to the item in reference to the commissioners of conciliation as well as to the item with reference to the Bureau of Labor Statistics, but the gentleman from Alabama objected.

These activities are vital to-day, because they are engaged in the work of finding jobs for people and furnishing statistics which are of vital importance. I do not understand how the chairman of this subcommittee could object to such a proposition.

I have never objected when any Member asked unanimous consent to return to items in a bill which had been passed over, items which might have had relation to mining, to the farmers, or anything else. I believe every part of the United States should have its say, at least, have an opportunity to offer amendments.

The understanding I had was that after the conclusion of the Washington exercises we would begin the reading of this bill. That was the understanding I had, and I would like an opportunity to offer these amendments. I do not want to take any time in debate on them at all, but I would like the opportunity of offering the amendments; one being an amendment raising the amount for the commissioners of conciliation by $20,000, which would allow them to have these conciliators go into these disputes in labor.

The Secretary of Labor says he is in absolute need of this additional money. The other amendment has reference to the Bureau of Labor Statistics, and it provides for increasing the amount by $47,000, so that that bureau may continue the work of collecting data throughout the United States which is vital to the Congress and to the people of the United States.

At this point, Mr. Chairman, I ask unanimous consent to return——

Mr. OLIVER of Alabama. Will the gentleman yield for a moment?

Mr. CONNERY. Yes; I yield.

Mr. OLIVER of Alabama. Do I understand the gentleman is willing to submit his amendments without debate?

Mr. CONNERY. Yes; I shall offer my amendments without any debate at all.

Mr. OLIVER of Alabama. Then, may I make this statement, and I shall not discuss the matter further than to say that the committee was unanimous, both the full committee and the subcommittee, in the belief that the amounts carried are sufficient.

With the understanding, then, there will be no debate on the amendments, but that the gentleman from Massachusetts may have the opportunity of offering the two amendments referred to, I ask unanimous consent that the committee return to the sections referred to by the gentleman from Massachusetts.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CONNERY. Mr. Chairman, I offer an amendment. On page 114, line 13, after the word "service," strike out "$205,000" and insert in lieu thereof "$225,000."

The Clerk read as follows:

Amendment offered by Mr. CONNERY: Page 114, in line 13, strike out "$205,000" and insert in lieu thereof "$225,000."

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 9, noes 65.

So the amendment was rejected.

Mr. CONNERY. Mr. Chairman, I offer an amendment. On page 116, in line 18, after the word "bureau," strike out "$533,337" and insert in lieu thereof "$580,048."

The Clerk read as follows:

Amendment by Mr. CONNERY: On page 116, in line 18, strike out "$533,337" and insert in lieu thereof "$580,048."

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 9, noes 60.

So the amendment was rejected.

The Clerk read as follows:

Oil and gas investigations: For inquiries and investigations and dissemination of information concerning the mining, preparation, treatment, and utilization of petroleum and natural gas, including economic conditions affecting the industry, with a view to economic development and conserving resources through the prevention of waste; for the purchase of newspapers relating to the oil, gas, and allied industries: *Provided*, That section 192 of the Revised Statutes (U. S. C., title 5, sec. 102) shall not apply to such purchase of newspapers from this appropriation; and for every other expense incident thereto, including supplies, equipment, expenses of travel and subsistence, purchase, not to exceed $7,000, exchange as part payment for, maintenance, and operation of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots and aprons, $221,215, of which amount not to exceed $24,940 may be expended for personal services in the District of Columbia.

Mr. DOUGLAS of Arizona. Mr. Chairman, by direction of the Committee on Appropriations I offer the following amendment.

The Clerk read as follows:

Committee amendment offered by Mr. DOUGLAS of Arizona: On page 106, in line 1, strike out "$221,215" and insert in lieu thereof "$146,215."

The amendment was agreed to.

Mr. GOSS. Mr. Chairman, I move to strike out the last word for the purpose of asking the committee what these reductions are. We are voting on all these reductions and know nothing about them. There is no explanation made of them, not even a simple explanation is made to the committee, and I think we should have some explanation. Is this general throughout the department?

Mr. DOUGLAS of Arizona. With respect to the first amendments, having to do with investigating mine accidents, there was a reduction of $5,000. Five thousand dollars was for the purpose of sending an American representative to England to cooperate with England in the matter of safety and safety appliances in coal mines. It was considered by the committee that this item was not now necessary. It might be a very nice thing to do if we could afford to do it, but in view of the critical condition of the country it is one of those things which we could well afford to do without temporarily.

I will say to the gentleman that the item of investigating mine accidents is a very interesting one. Under it the Gov-

ernment operates a coal mine in which it conducts investigations with respect to the explosive power of gases and powdered coal dust disseminated through the air. It conducts certain mechanical investigations. It conducts investigations with respect to the falling of roofs in coal mines.

It is my opinion that at this time we can reduce that item, but inasmuch as the item, with the exception of $5,000, has to do with the safety of human lives, because of the limited period of time to investigate the item—approximately six hours—it was considered wise not to ask for a further reduction. I trust that answers the gentleman.

Now, as to the reduction of the testing fuel item from $170,000 to $136,000, I think it is proper for gentlemen of the House to know that that is somewhat of an arbitrary act, a cut back to the appropriation in 1923.

The purpose of the money appropriated under that item is to permit the testing of fuel by the United States not only for governmental purposes but for operations conducted by States and private enterprise.

It was the feeling of the committee, although it was a very nice thing to have—experiments conducted for certain purposes—it was an item we could very well do away with under the present conditions, so the committee agreed that it should be reduced to the 1923 level.

Moreover, let me say this: That whenever there is created an agency to conduct experiments it is inevitable that the number of experiments which that agency is called upon to perform increases, not necessarily because there is an actual necessity for the conduct of these investigations but simply because here is an agency that is created to perform them.

Mr. GOSS. I think the noble experiment of prohibition should be considered by the committee and have a cut made there, as that is in the same line for experimentation purposes.

Mr. DOUGLAS of Arizona. My particular function is to deal with the Bureau of Mines.

Mr. GOSS. I trust the gentleman will bear that in mind when we come to the prohibition item.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment. Mr. Chairman, I want to state to our friend that just now every family in the United States, rich and poor, who are spending money are asking themselves this question: Is it necessary; can we do without this expenditure?

It behooves the Government of the United States, as well, to ask itself that question; and that was the question that the subcommittee that framed the bill under the splendid tutelage of the gentleman from Alabama and the gentleman from Pennsylvania continually asked itself.

Just now many States in this Union have reduced the pay of their school-teachers, underpaid anyway, and they are paid in some States by vouchers or warrants which they have to discount, and many of them are going to have only 4 or 5 months of school instead of 9 months.

Mr. GOSS. I agree with the gentleman that some of these items should be reduced, but I hope that when we come to the prohibition item it will have its share of reduction.

Mr. BLANTON. I am not going to get off on that controversial question, because we have two hours in which to discuss that question when it arises to-morrow.

Mr. FOSS. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. FOSS. I think the gentleman wants to be fair?

Mr. BLANTON. Yes.

Mr. FOSS. The school-teachers in Massachusetts are being paid with real money.

Mr. BLANTON. I am glad to know that; but, unfortunately, in some States they are not so well fixed as they are in the big manufacturing State of Massachusetts, which has received so much from the Federal Government in the thousand-million-dollar subsidy that is handed to them under the tariff act, and it is because of their lion's share of that thousand-million-dollar tariff subsidy they get in Massachusetts through the Smoot-Hawley Tariff Act that they are able to do that, and it is the only State that I know of in the United States that now pays its teachers full 100 per cent. Out in Washington, are they doing so well, may I ask my friend?

Mr. JOHNSON of Washington. Oh, we are holding up the school-teachers in the State of Washington, although we need money. However, we do not want to see it from the Federal Treasury yet.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CONNERY. I would like to ask the gentleman if he is going to do everything in his power to support the $700,000,000 bill which the Committee on Labor, of which a Massachusetts man is chairman, has reported, which will take care of not only the school-teachers of Texas and Minnesota and other States but of the poor people in the United States generally?

Mr. BLANTON. I have always been for the poor people. It is the poor people that I have in mind all the time. It is the poor people in my State that are now clamoring for something to do that I have in mind, and it is their private budgets that I want to help balance, and to do that it is necessary that the Members of Congress balance the Government Budget. That is what the committee is trying to do by decreasing these appropriations.

The Clerk read as follows:

Economics of mineral industries: For inquiries and investigations, and the dissemination of information concerning the economic problems of the mining, quarrying, metallurgical, and other mineral industries, with a view to assuring ample supplies and efficient distribution of the mineral products of the mines and quarries, including studies and reports relating to uses, reserves, production, distribution, stocks, consumption, prices, and marketing of mineral commodities and primary products thereof; preparation of the reports of the mineral resources of the United States, including special statistical inquiries; and including personal services in the District of Columbia and elsewhere; purchase of furniture and equipment; stationery and supplies; typewriting, adding, and computing machines, accessories, and repairs; newspapers; traveling expenses; purchase, not exceeding $1,200, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work; and for all other necessary expenses not included in the foregoing, $273,430, of which amount not to exceed $221,000 may be expended for personal services in the District of Columbia.

Mr. DOUGLAS of Arizona. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. DOUGLAS of Arizona: Page 112, line 5, strike out "$273,430" and insert in lieu thereof "$225,000."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. I think we are entitled to some explanation of this.

Mr. DOUGLAS of Arizona. I shall be glad to give an explanation of the reduction effected by the amendment. The item of $273,430 originally included in the bill, carried under the head "Economics of Mineral Industries," was for the purpose of collating and tabulating all of the statistics with reference to the production and uses, and so forth, of minerals produced in the United States. It was considered by the subcommittee that inasmuch as all of the mineral industries are now in a very depressed condition and the production of almost every one of the minerals has fallen off substantially, and because the American Bureau of Metal Statistics is collating and tabulating and printing exactly the same information, it was justifiable to set the appropriation back to the level of 1928, when the mineral industry was not in the depressed condition in which it is now.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. TILSON. If I heard the amendment correctly, it means that the proposed reduction of almost $50,000 is all cut out of the field service and that still $221,000, or practically the entire appropriation, may be expended in the District of Columbia. Is this the intention of the gentleman?

Mr. DOUGLAS of Arizona. That was the intention.

Mr. TILSON. So that it will practically all be spent in the District of Columbia?

Mr. DOUGLAS of Arizona. No. If the gentleman will read the language carefully he will find that it permits the $221,000, but does not make mandatory the expenditure of $221,000.

Mr. TILSON. Is it not intended to spend as much of it as possible in the District of Columbia, and thereby neglecting the field service?

Mr. DOUGLAS of Arizona. It is entirely up to the Director of the Bureau of Mines to distribute these amounts as he may see fit. Most of the collating work and tabulating work is conducted within the District.

Mr. TILSON. But as the bill now stands, there must be at least $50,000 that can not be expended within the District.

Mr. DOUGLAS of Arizona. The gentleman is quite right.

Mr. TILSON. This provision has been practically stricken from the appropriation, has it not?

Mr. DOUGLAS of Arizona. Yes. But if the gentleman will take notice, the $221,000 need not, under the language of the bill, be expended. The language reads that "not more than that amount can be expended." Inasmuch as a cut of some $50,000 had been made, it was considered wise not to limit the director as to where that amount of money might be most effectively expended, in order that the purpose may be attained.

Mr. KVALE. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. KVALE. The gentleman, in the subcommittee, has probably broken down this item so that the gentleman from Alabama will be able to tell us how many people will lose employment as a result of this cut.

Mr. DOUGLAS of Arizona. I will have to state frankly to the gentleman that I do not know how many will lose employment.

[Here the gavel fell.]

The Clerk read as follows:

Total, Bureau of Mines, $2,052,950.

Mr. JOHNSON of Washington. I would like to ask the chairman of the subcommittee if this is in the nature of new legislation on the bill?

Mr. OLIVER of Alabama. No. That is not new legislation.

Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SUMMERS of Washington (at the request of Mr. HADLEY), for one week, on account of death in family.

PENSIONS TO WIDOWS, MINOR CHILDREN, AND DEPENDENTS OF WORLD WAR VETERANS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, although 13 years have elapsed since the termination of the World War, the Congress has failed to pass a bill granting pensions to the widows and orphans and certain other dependents of men who served their country during that trying period. The payment of pensions to widows and orphans of deceased veterans of the various wars that we have been engaged in—with the exception of the World War—is a fixed policy of our Government. It is not only a proper but a commendable policy. However, if it is proper for this policy to apply to other conflicts that we have waged, it is equally proper that it should be applied to those who served during the recent war. It is about time that the Federal Government should grant to widows and minor children and dependents of deceased veterans of the World War the same considerations that are extended to the survivors of deceased veterans of other wars.

At the present time death compensation is payable to the widow and minor children of deceased veterans of the World War whose death was either caused by service or hastened by something that occurred while in the service. In other words, death must be what is termed "service connected," before death compensation, as distinguished from a pension, will be paid to a surviving widow, children, or dependent parents. To connect up the death of a veteran with service is difficult, and at this late date is practically impossible. This situation presents a serious and troublesome problem, difficult to explain, and impossible to do so satisfactorily. It is an inequity which should be corrected this session. It is an unfortunate fact that practically all of the veterans who have died have left no estate to which their dependents can look for subsistence. This is particularly so with reference to those veterans of the World War who have taken the journey into "the great beyond." The condition that they found themselves in after the termination of the World War, physically or economically, was such that they were unable to earn sufficient to enable them to leave anything after them when they died. In most cases where they left a widow and children their dependents have had to look to the local government, city or town, for some assistance. In Massachusetts, for example, our local governments are compelled, as they should be, by law to provide something for their relief. The State contributes a certain portion thereof. There is absolutely no reason why this duty should not devolve upon the Federal Government. There is no reason why the taxpayers of State, city, and town should directly bear this burden. The duty rightfully rests with the Federal Government. The passage of such legislation would repose this duty where it belongs and remove from the shoulders of the taxpayers of the State governments and their subdivisions this burden and this cost. There is no justifiable reason why local government should be compelled to continue to carry this burden.

Such legislation should become law during this session of the Congress.

LINCOLN AND TO-DAY

Mr. MAJOR. Mr. Speaker, I ask unanimous consent to extend my own remarks by including an address delivered by Governor Pinchot at Springfield, Ill., on February 11 on the occasion of the one hundred and twenty-third anniversary of the birth of Abraham Lincoln.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MAJOR. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

"NOT TO FIRST BASE"

How many of our national leaders can declare with Lincoln, "I have never had a feeling politically that did not spring from the sentiments embodied in the Declaration of Independence"?

Can Mellon?

Can Hoover?

Suppose Abraham Lincoln were a candidate for President this year on his platform of human rights.

Where would he get with the controlling powers of the Republican convention in Chicago?

He wouldn't get to first base!

This Nation needs the spirit of Lincoln as it has not needed it since the Civil War. It needs his honest strength, his homely wisdom, his devotion to the plain people, and the sound and simple principles by which he lived and died. Never since he led it through the greatest crisis of its history has our country needed the Lincoln kind of leadership so desperately as now, when millions are in the deepest distress and tens of millions in great trouble.

But if we can not bring Lincoln back to life, nor turn to a living Lincoln for leadership again, we can still learn from his life,

we can still follow the trails he blazed. We can still turn, in our hour of need, to the things he stood for, to the ideals he held high, to the undying principles he loved and left behind him.

From coast to coast the Nation to-day does honor to Lincoln's name. But it is an empty tribute, a useless gesture, if we lose sight of all he worked for and fought for and gave his life to.

Many an orator will praise Lincoln to-day who would have hated and opposed him had he been alive. When Theodore Roosevelt died, the men who had fought him most bitterly, the men who contested to the last ditch everything he stood for, at once began to sing their hymns of adulation. To them Roosevelt was no longer dangerous. His enormous power no longer drove toward equality of opportunity and the square deal. They praised him because he was no longer in their way.

Is it not so to-day with Lincoln?

These men are doubtless glad enough that Lincoln can not be here to see how far our National Government has fallen away from the example he set—how little our leaders follow the ideals of the man they pretend to honor.

Lincoln was essentially a man of the people. Not because he was born in a log cabin. Not because as a youth he split rails and worked with his hands. Rather because his thoughts were the thoughts of the people, his desires their desires, and his whole purpose and action were aimed to protect and further their welfare.

He hated slavery because he believed in popular liberty. He believed that no man, black or white, should ever bow in personal or economic submission to the will of any other man. In that spirit he held that the first duty of our Government is to guard the people against every group and every interest that might try to take their liberty from them.

From this same root sprang his deep concern for the Nation as a nation. America, to him, was the stronghold of the rights of the people against political or economic domination by any selfish power from without or within. "As a nation of free men," he once said, "we must live through all time, or die by suicide."

In the 70 years since Lincoln died, what has happened to this Nation of ours, to which he gave the last full measure of devotion? What would he think of it could he see it to-day? What would he think of a government given over to fostering a concentration of wealth unheard of before, and blind to the simple rights of common men?

As Lincoln understood liberty, this Nation is not free to-day. How can men be free and equal when multimillionaires grow fat and multiply while millions go hungry and cold? How can the Nation be free when the policies of its Government are dictated by a handful of the overrich? How can its people be free when its God-given wealth is taken from the many and so concentrated in few hands that the 1930 incomes of 504 men could have bought the entire wheat crop of this country and the entire cotton crop besides? How can its business be free when 200 out of 300,000 corporations control half of its corporate wealth?

How can the Nation be free when its leaders put business ahead of human welfare—when they rank money higher than men?

I heard Senator NORRIS say the other day that Mellon, with his millions of income each year, is the only United States Treasurer in our history who ever had three Presidents serve under him. Is Mellon, whose only power is money, the right kind of ruler for a free people? Has Mellon anything in common with Lincoln? Has the administration, out of which he has just been promoted? Has Hoover?

We have more to fight against to-day than depression. We have more to regain than prosperity. Our greatest task is to rid our people of the shackles of concentrated wealth and power—to make ourselves once more a nation of free men.

How many of our national leaders can declare with Lincoln, "I have never had a feeling, politically, that did not spring from the sentiments embodied in the Declaration of Independence"? Can Mellon? Can Hoover?

Suppose Abraham Lincoln were a candidate for President this year on his platform of human rights.

Where would he get with the controlling power of the Republican convention in Chicago?

He wouldn't get to first base.

How many politicians now in power have ever had a feeling, politically, that did not spring from the interests of rich contributors to campaign funds, from politics for profit, or from their belief that big business ought to run this country?

Lincoln well knew that the principles of the Declaration would be threatened in times to come. He knew how future prosperity might dull the edges of the Nation's political perception, and how eagerly that chance would be seized on by those who wanted only to use the people's government to further their own private gain. It was prophecy when he said:

"The assertion that 'all men are created equal' was of no practical use in effecting our separation from Great Britain; and it was placed in the Declaration, not for that, but for future use. Its authors meant it to be a stumbling block to all those who in after times might seek to turn a free people back into the hateful paths of despotism. They knew the proneness of prosperity to breed tyrants, and they meant, when such should reappear in this fair land and commence their vocation, that they should find left for them at least one hard nut to crack."

Prosperity-bred "tyrants"—the word is Lincoln's—are over us to-day. And they have brought upon the people the suffering that goes with tyranny, which is another name for government by autocrats, or plutocrats, or international bankers, or public utilities, or any other control without the consent of the governed.

Consider for a moment the depression and what is its main cause. Its main cause, all will agree, is that production has outstripped purchasing power. Why? Because too little of our national income goes to those who spend their income in buying—the farmer, the wage earner—and too much to those who, having more than they can spend, invest their income in more production.

So purchasing power falls behind producing power instead of balancing it, and the depression strikes us mainly because of the enormous, unhealthy, and unreasonable concentration of wealth in a few hands—a concentration which our Government has the power to stop, but which instead of stopping, it has promoted by every means in its power.

And now the same men whose greed brought the depression upon us have opposed and blocked every attempt to have the Nation help supply the necessities of life to those whom the concentration of wealth has stripped bare and stripped of their right to work as well.

Would Lincoln have refused to tax the wealthy to give food to the unemployed? Would he have allowed workingmen and their families to suffer through three winters without bringing the Government to their assistance? Would he have opposed a great national public-works program to give men jobs?

Above all, would Lincoln have given his first thought to big business in the face of human distress? Would he have turned his attention only to capital? Would he have mustered the Nation's resources only to the aid of railroads and banking?

Lincoln, who said, "Labor is the superior of capital and deserves much the higher consideration"—would he, while helping capital, have refused help to men, women, and children in want?

"We all declare for liberty," he once said, "but in using the same word we do not all mean the same thing. With some the word 'liberty' may mean for each man to do as he pleases with himself and the product of his labor; while, with others, the same word may mean for some men to do as they please with other men and the product of other men's labor."

Lincoln had a name for that sort of liberty which opposes government planning for industry, government security for workers, government limitations on the terms of work that employers may force from employees. That sort of liberty which permits "some men to do as they please with other men and the product of other men's labor" Lincoln called tyranny. It is still tyranny to-day.

Again, Lincoln spoke of "the two principles that have stood face to face from the beginning of time, and will ever continue to struggle. The one is the common right of humanity, and the other the divine right of kings. It is the same principle in whatever shape it develops itself. It is the same spirit that says, 'You toil and work and earn bread and I'll eat it.'"

No better definition could be given of the spirit of concentrated wealth that infests our Nation now. The ruthless exploiting of the wage earner and the farmer, the unequal division of profits that dried up purchasing power and was the main cause of the depression, taxation that releases the overrich at the expense of the average man, the system which allows stock-market gamblers to amass huge fortunes without doing a stroke of work, all these are shameful examples of the twentieth century version of what Lincoln meant by the divine right of kings.

"This country," Lincoln said, "with its institutions, belongs to the people who inhabit it." Certainly he would have used those institutions to save the country and its natural resources for the people to whom they belong and to keep this Nation free from the dictation of financial and industrial autocrats. To-day the United States is in the hands of big business and the great international bankers.

And that is precisely what Abraham Lincoln warned us against.

Lincoln said of the common people, "Let them beware of surrendering a political power which they already possess, and which, if surrendered will surely be used to close the door of advancement against such as they, and to fix new disabilities and burdens upon them, till all of liberty shall be lost." But liberty, though lost, can be regained. The people, through the power of the ballot, can still rise in their own defense. They can still cast off the chains of concentrated wealth and power that have deprived them of their liberty. And if they have the power they also have the right.

Listen to the Declaration of Independence: "We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness. That, to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed; that, whenever any form of government becomes destructive of these ends, it is the right of the people to alter or abolish it."

It is not the form of our government that the people need to change; it is the substance. Under the ancient form a usurpation has grown up that is far more dangerous than any foreign invasion—a usurpation based on cunning, not on force, but all the harder to overcome on that account.

What our Government is being used for to-day is not the greatest good of the greatest number but the greatest wealth of the smallest number. The magnates who control it are seeking, through that control, the utmost concentration of wealth and power in the hands of the smallest possible number. Their gain is the people's loss. God knows they are succeeding in their evil purposes.

Let the people use the power that is theirs by every right, and return this Government to the rule of the people. Let them ask for nothing that was not demanded in the Declaration and established in the Constitution. Let them ask for nothing that is not American to the core. But let them free themselves and their children from the chains of special privilege and concentrated wealth. Let us have majority rule once more in the United States.

I call on the men and women who honor Lincoln for the living principles he embodied and not merely because he is dead. I call upon them to put in force once more the principles upon which this Nation was founded. I call upon them to use their strength, the strength the Constitution gives them, the strength that is in their votes once in four years. This Nation can never be free while its President is a servant of concentrated wealth.

Oh, I can hear the overrich exclaim in horror at what I say. I can see the lifted hands of those who have waxed fat. I can catch the denunciations launched against the man, any man, who dares to tell the truth about them and the Government they have acquired. But what about the rest of us?

What about the rest of us who believe in America as something more than a source of riches? What about the millions from whom the magnates have drained their substance? What about the millions who are hungry and cold? What about the plain people, whom Lincoln loved?

Is there any good reason why the people should not rule in America? They can if they choose.

They can if they will listen to Lincoln, who said:

"When the people rise in mass in behalf of the Union and the liberties of their country, truly may it be said, 'The gates of hell can not prevail against them.' * * * I wish you to remember, now and forever, that it is your business and not mine; that if * * * the liberties of these people shall be lost, it is but little to any one man but a great deal to the millions of people who inhabit these United States and to their posterity in all coming time. It is your business to rise up and preserve the Union and liberty for yourselves, and not for me."

GOVERNMENT WASTE

Mr. HART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio address delivered by myself over the National Broadcasting facilities on January 31.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HART. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address sponsored by the Sentinels of the Republic, Washington, D. C., January 31, 1932:

It is my purpose this afternoon to call your attention to how rapidly and inexorably you are drifting away from government under the Constitution as exemplified by the writings of Jefferson, substituting therefor government by bureaus, which attempt by advice and direction to order the very life of the individual. I am going to quote here some figures to show you the rapid growth of the Government departments:

The appropriation for the Department of Agriculture in the year 1910 was $17,136,736. The number of employees was 12,480. The appropriation in 1932 is $247,000,000. The number of employees is 28,000.

I want to call your attention to one bureau in this Department of Agriculture, namely, the Extension Bureau. The bureau opened up for business in 1904 with an appropriation of $27,316.04. The appropriation for the coming year, which has just been passed by the House, for this extension service is $10,428,066. This does not include some overhead here in Washington in the Secretary's office.

This Extension Service since its inauguration has cost the Federal taxpayers $140,390,000. When matched by the States and counties this will cost the Nation over $280,000,000. Add to this the $500,000,000 appropriated for the Federal Farm Board and appropriations for other agencies in the Department of Agriculture and the total will run over a billion dollars. When you take into consideration the condition in which the farmer is now, can anyone believe this money has been wisely spent?

There are scores of bureaus here in Washington duplicating services furnished by the States, whose figures are just as appalling as the ones I have quoted to you, but time will not permit my discussion of them.

I will only have time to discuss one department of government and one independent bureau—the Department of Agriculture and the Federal Farm Board. They are so closely allied that you can not discuss one without the other. The Department of Agriculture, through its extension service, employs somewhere between six and seven thousand county agents, whose supposed business it is to teach the farmer how to produce more per man, per machine, per cow, per horse, per hen, and per acre.

On the other hand, we find the Farm Board, which is allied with this department and its activities, preaching the opposite doctrine, namely, to reduce farm crops to a domestic basis.

The alibi of the Department of Agriculture for this paternalistic work among the farmers is that they are endeavoring to lower the farmers' costs by increasing their production, and as the farmers' costs go down through increased production their prices go down in inverse ratio to the rise in his production.

The futility of further continuing these two agencies, one for increasing production and the other for decreasing production, both at a terrific expense to the taxpayer, should be patent to everyone.

The Department of Agriculture through its various bureaus is asking for about $20,000,000 for advice and direction to the farmer. Since when have these bureaus become more intelligent than the average farmer? Most of the members of these bureaus would starve if placed upon the farms of those they are now attempting to instruct.

These bureaus are supported by so-called farm leaders, who represent a small minority of the farmers. They use the same methods and psychology that were so successful in the patent-medicine business of an age just passed. You no doubt have seen pictures in magazines and newspapers of the patient bent over and his face showing signs of racking pain, with the statement below that after taking three bottles of the quack doctor's remedy he became a real man again.

These farm leaders point out the ills of the farmer and magnify them, and then, like the quack doctor, offer a quack remedy. These remedies have been disastrous to the farmer and expensive to the taxpayer. The greatest quack in the country to-day is the Farm Board. In the President's Budget for the coming year the Farm Board is asking for $1,880,000 for expenses for its officers. Let me give you a few of these salaries: 9 employees receive an average salary of $12,880 each per year; 8 employees receive $12,000 per annum each; 1, the general counsel, receives $20,000 per annum; 1 receives $8,500 per annum; and 78 employees receive salaries running from $4,000 to $6,500 per annum. The remainder of these salaries run from $3,350 down to as low as $1,200. The total for this personnel is $1,167,000. This is simply for the administrative work at Washington. In the light of results produced, I think we could well dispose of this entire fungus growth upon government.

Through cooperation with the Department of Agriculture they have more or less the direction of the six or seven thousand county agents scattered throughout the United States. With these huge appropriations maintaining this vast aggregation of field agents, they spread their tentacles into every section of the country. All these agents are schooled in propaganda; and unless the growth of this socialistic body is checked, they will destroy the sound business institutions of the country and, like the cancerous growth upon government which they are, they will eat out with their enormous salaries and inefficiencies the very vitals of agriculture and all business.

The Farm Board now is engaged principally in organizing cooperatives financed with Government money. Practically all handlers of farm produce to-day are losing money. The men managing the Farm Board are well aware of this and are feverishly organizing cooperatives and loaning them money with which to destroy independent business. This will leave the field clear for them to exploit the farmers. Will they do it? They are doing it now.

Witness the salaries paid to managers of cooperatives with the acquiescence of the Farm Board that furnishes the money. In addition to the salaries which I have mentioned earlier, we have Mr. Creekmore, head of the cotton cooperative, who has been receiving through salary and commissions $75,000 a year.

Mr. Milnor, head of the National Grain Corporation, a corporation organized by the Federal Farm Board, receives $50,000 per year. Could you not, my farmer friends, too, shed a few crocodile tears over our plight if in three short years you, like Mr. Milnor and Mr. Creekmore, could build a fortune of from $150,000 to $200,000. This money comes either from the United States Treasury or from the farmers. Ponder on these facts as measures of farm relief. Mr. Milnor not only heads the National Grain Corporation but also is the head of the Stabilization Corporation. He has issued a statement showing that the National Grain Corporation has made a very handsome profit. What is the connection between the National Grain Corporation, which Mr. Milnor heads, and the Stabilization Corporation, with its reservoir of Government funds, which Mr. Milnor also heads? How much interchange of business has taken place between these two institutions and how much money has been transferred from the Stabilization Corporation to the Farmers National Grain Corporation in the way of profits or commissions? Keep in mind that Mr. Milnor is the head of both institutions.

The Stabilization Corporation, obtaining its money from the Farm Board, is the banking institution which furnishes the money for the purchasing of large quantities of grain, most speculative in character.

The National Grain Corporation is the dealer in the grain business.

Just imagine a banking institution whose president was the head of a huge speculative grain corporation directing the destinies of both the bank and the grain corporation, and the latter speculating heavily in the market. How long would the directors of the bank permit this affiliation?

The taxpayers of the United States are furnishing the money for the Farm Board's operations. The Farm Board, through its various institutions, is acting as banker and speculator. To say the least, this is an intolerable situation.

I want the farmer to understand that I am not opposed to cooperative marketing. It undoubtedly has its place in the scheme of marketing. But I am opposed to the Government taking the taxpayers' money and, with bureaucrats who know nothing about marketing, organizing uneconomic schemes, bringing about demoralization of agricultural markets. Let us examine for a

moment a set-up which the Farm Board is endeavoring to sell the public as a measure of farm relief. It does not matter whether the institution is a grain concern, a creamery, or a canning factory. The average investment of the farmer does not exceed $100. This institution must duplicate the plant, the capital, and the management of the independent concern. The third factor, or the management, is the weakest link. Let us concede that they are able to obtain sound management. It is a good concern in any line of business—in fact, a very unusual concern—that can meet competition in any line of trade or endeavor and pay 7 per cent on the money invested. If this given corporation paid 7 per cent return upon the investment, this would yield the average farmer $7. He can buy a municipal bond to yield him 4 per cent, with nine-tenths of the hazard eliminated.

Therefore, this would leave him an added return, if successful, of $3 a year. I want to ask my farmer friends throughout the country—and I am one of them—if this $3 spells farm relief for them? I answer "no." This cooperative marketing scheme is but "a red herring across the trail" to divert farmers' minds from the fact that a high protective tariff is being maintained for the benefit of the manufacturer, who can control his production, thereby increasing his profits and increasing the cost of the things the farmer buys. At the same time the destruction of the trade of the farmers' customers in Europe is brought about. This leaves the farmers' European customers unable to buy our farm surpluses and these surpluses in turn weigh down our domestic market.

There is no solution of the farm problem other than the broadening of our markets and the reduction of taxes. All the remedies of the quack doctors will fail. We have drifted far from Jefferson's principles, who said that "Government that governs least governs best."

Before closing my remarks I wish to quote from the autobiography of Thomas Jefferson, that great liberal who laid down as no man before him the principles of self-government: "It is not by the consolidation or concentration of powers, but by their distribution, that good government is effected. Were not this country already divided into States, that distribution must be made that each might do for itself what concerns itself directly, and what it can so much better do than a distant authority. Every State is again divided into counties, each to take care of what lies within its local bounds; each county again into townships or wards, to manage minuter details; and every ward into farms, to be governed each by its individual proprietor. Were we directed from Washington when to sow and when to reap, we should soon want bread."

I submit to my radio audience that the truth of this Jeffersonian statement has been demonstrated. With scores of duplicating bureaus in Washington directing the farmer not only "when to sow and when to reap," but directing every activity of life, including the preparation of the food for our tables and the manufacture of our clothes for children, and with our granaries bursting with food, yet our population is crying for bread.

EXEMPTION FROM QUOTA OF AGED FATHERS AND MOTHERS OF AMERICAN CITIZENS

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to file minority views on the bill (H. R. 8174) to exempt from the quota fathers and mothers over 60 years of age of United States citizens.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 475. An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; to the Committee on the Public Lands.

ADJOURNMENT

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until to-morrow, Tuesday, February 23, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Tuesday, February 23, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(10 a. m.)

General inquiry into the American merchant marine, the United States Shipping Board, and Merchant Fleet Corporation affairs.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Railroad holding companies. H. R. 9059.

COMMITTEE ON PATENTS AND COPYRIGHTS

(9.30 a. m.)

Mechanical devices; Authors' Club.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

Bills dealing with general suspension, restriction, further restriction, and prohibition of immigration into the United States. Bills to be considered are: H. R. 465, 1967, 4514, 4544, 4548, 4579, 4688, 6045, 6493, 7791, 8541, 9548; H. J. Res. 75, 216, 277, 300, 301, 306.

EXECUTIVE COMMUNICATIONS, ETC.

451. Under clause 2 of Rule XXIV, a letter from the secretary of United States Civil Service Commission, transmitting herewith a schedule in duplicate of useless papers in the office of the United States Civil Service Commission in Washington and in the offices of managers of certain civil-service districts was taken from the Speaker's table and referred to the Committee on Disposition of Useless Executive Papers.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEERS: A bill (H. R. 9629) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on the Civil Service.

By Mr. RANKIN: Resolution (H. Res. 158) providing for the consideration of H. R. 8578, a bill to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on Rules.

By Mr. WILLIAMSON: Joint resolution (H. J. Res. 310) authorizing the distribution of Government-owned wheat to the American National Red Cross and other organizations for the relief of people in distress; to the Committee on Agriculture.

By Mr. CHRISTOPHERSON: Joint resolution (H. J. Res. 311) authorizing the distribution of Government-owned wheat to the American National Red Cross and other organizations for the relief of people in distress; to the Committee on Agriculture.

By Mr. JOHNSON of South Dakota: Joint resolution (H. J. Res. 312) authorizing the distribution of Government-owned wheat to the American National Red Cross and other organizations for the relief of people in distress; to the Committee on Agriculture.

By Mr. GRANATA: Joint resolution (H. J. Res. 313) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. WOODRUM: Concurrent resolution (H. Con. Res. 24) thanking the Governor of the State of Virginia for the statues of George Washington and Robert E. Lee; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAIL: A bill (H. R. 9630) granting a pension to Fred Russell; to the Committee on Pensions.

By Mr. FINLEY: A bill (H. R. 9631) granting a pension to Allie Graves; to the Committee on Pensions.

By Mr. GARBER: A bill (H. R. 9632) granting an increase of pension to Maggie E. Sowle; to the Committee on Invalid Pensions.

By Mr. PARKER of Georgia: A bill (H. R. 9633) granting an increase of pension to Marion O. Fulcher; to the Committee on Pensions.

By Mr. PERSON: A bill (H. R. 9634) granting an increase of pension to Julia A. Montgomery; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 9635) granting an increase of pension to Antionette E. Lupher; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2573. By Mr. BRUNNER: Resolution of the Sons and Daughters of Liberty, Ozone Park, urging Congress to pass immediately bill 1967, to provide for exclusion and expulsion of alien communists; to the Committee on Immigration and Naturalization.

2574. Also, resolution of the Polish National Alliance, memorializing Congress of the United States to enact House Joint Resolution 144, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2575. By Mr. EATON of Colorado: Resolution of 37 members of the Jubilee Union, Woman's Christian Temperance Union, Denver, Colo., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2576. By Mr. ENGLEBRIGHT: Petition of citizens of Standish, Calif., protesting against Sunday closing law; to the Committee on the District of Columbia.

2577. By Mr. EVANS of Montana: Petition of Montana Branch of National Woman's Party, urging the Congress to submit immediately to the States for ratification the equal-rights amendment; to the Committee on the Judiciary.

2578. By Mr. FITZPATRICK: Petition of the Fleet Reserve Association, Branch 26, New York City, urging the prompt passage of the Vinson bill providing for the prompt authorization for the construction of all vessels necessary to provide the United States Navy with full strength permitted under existing treaties; to the Committee on Naval Affairs.

2579. By Mr. JOHNSON of Texas: Petition of Hearne Chamber of Commerce, Hearne, Tex., favoring House bill 6305; to the Committee on the Post Office and Post Roads.

2580. By Mr. LANKFORD of Virginia: Petition of Corinth (Va.) Woman's Christian Temperance Union, opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2581. Also, petition of Fannie M. Pretlow and 16 other citizens of Franklin, Va., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2582. By Mr. LINDSAY: Petition of the District of Columbia Congress of Parents and Teachers, favoring the passage of House bill 9142; to the Committee on the District of Columbia.

2583. Also, petition of the American Legion national legislative committee, Washington, D. C., recommending an increased appropriation of $50,000 for the promotion of rifle practice; to the Committee on Appropriations.

2584. Also, petition of the Merchants Association of New York opposing the passage of the Linthicum bill, H. R. 9393, to increase the passport fee and renewal fee; to the Committee on Foreign Affairs.

2585. By Mr. LONERGAN: Petition urging Congress to enact House Joint Resolution 144; to the Committee on the Judiciary.

2586. By Mr. PARKER of Georgia: Petition of Eugene George and 47 other citizens of the first congressional district of Georgia, urging the enactment of Senate bill 2793, providing for the regulation by the Interstate Commerce Commission of busses and trucks carrying passengers and freight; to the Committee on Interstate and Foreign Commerce.

2587. Also, petition of the Theodore Roosevelt Auxiliary, No. 2, United Spanish War Veterans, urging the use of Georgia marble or granite in the post-office building at Atlanta, Ga., which is now in the process of construction; to the Committee on Public Buildings and Grounds.

2588. By Mr. PERSON: Petition of 1,277 citizens of Detroit, Mich., and vicinity, favoring the enactment of legislation to curb the activities of the chain-store system; to the Committee on the Judiciary.

2589. By Mr. PRATT: Petition of Josephine Unverzagt, Elsie Misner, John Unverzagt, and 36 other residents of Ellenville, Ulster County, N. Y., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2590. By Mr. RUDD: Petition of the American Legion National Legislative Committee, Washington, D. C., favoring an increased appropriation of $50,000 for the promotion of rifle practice; to the Committee on Appropriations.

2591. Also, petition of the District of Columbia Congress of Parents and Teachers, favoring the passage of House bill 9142; to the Committee on the District of Columbia.

2592. By Mr. SABATH: Joint resolution of the State of Wisconsin, requesting the Congress of the United States to enact legislation to eliminate the present abuses in the Federal land bank system; to the Committee on Banking and Currency.

2593. Also, Senate Joint Resolution No. 3 of the State of Illinois providing for the immediate cash payment to veterans of the World War of the cash surrender value of their adjusted-compensation certificates; to the Committee on Ways and Means.

2594. Also, resolution of the State of Rhode Island, recommending to the Congress of the United States an amendment to the eighteenth amendment; to the Committee on the Judiciary.

2595. Also, Senate Joint Resolution No. 23 of the State of Illinois, requesting the enactment of necessary laws to establish a national military park at Laclede, Mo., in honor of General Pershing; to the Committee on the Public Lands.

2596. By Mr. SCHNEIDER: Petition of residents of Ephraim and Sister Bay, Wis., protesting against any measure looking toward the modification or repeal of the prohibition laws; to the Committee on the Judiciary.

2597. By Mr. STRONG of Pennsylvania: Petition of World War veterans of Armstrong County, Pa., favoring the immediate full payment of adjusted-service certificates; to the Committee on Ways and Means.

2598. Also, petition of Nanty Glo Post, No. 619, American Legion, Nanty Glo, Pa., favoring the immediate passage of House bill No. 1; to the Committee on Ways and Means.

2599. By Mr. SWANSON: Petition of L. Bungor and others, of Guthrie and Adair Counties, Iowa, protesting against compulsory Sunday observance in the District of Columbia; to the Committee on the District of Columbia.

2600. By Mr. TIMBERLAKE: Petition of Dishow Woman's Christian Temperance Union, Englewood, Colo., protesting against submission of eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

2601. By the SPEAKER: Petition of Western Governors' Conference, recommending that Congress continue the appropriation of funds as authorized by the Clarke-McNary law; to the Committee on Agriculture.

SENATE

TUESDAY, FEBRUARY 23, 1932

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou in whose presence there is fullness of joy and life forevermore; grant to us Thy children that we may breathe the immortal air of this our world, and through the supreme influence of honest thought acquire our souls in confidence and peace, knowing that thoughts are a substantial world in which, with tendrils strong as flesh and blood, our pastime and our happiness will grow.

Make us ever mindful of the needs of others overborne by the stressing strain of life, baffled by its uncertainty,

depressed by the deepening complexity of problems yet unsolved, too weak to bear the unsupportable fatigue of mental strain, that as we contemplate these avenues of time where ages have wrought and generations grown we may scatter seeds of kindness that will blossom and bring forth immortal fruit. Grant this for the sake of Him who is our joy and peace and comfort, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Reed
Austin	Cutting	Johnson	Robinson, Ark.
Bailey	Dale	Jones	Robinson, Ind.
Bankhead	Davis	Kean	Schall
Barbour	Dickinson	Kendrick	Sheppard
Bingham	Dill	Keyes	Shipstead
Black	Fess	King	Smith
Blaine	Fletcher	La Follette	Smoot
Borah	Frazier	Logan	Steiwer
Bratton	George	McGill	Stephens
Brookhart	Glass	McKellar	Thomas, Idaho
Broussard	Glenn	McNary	Thomas, Okla.
Bulkley	Goldsborough	Metcalf	Townsend
Bulow	Gore	Morrison	Trammell
Byrnes	Hale	Moses	Vandenberg
Capper	Harrison	Neely	Wagner
Caraway	Hastings	Norbeck	Walcott
Carey	Hatfield	Norris	Walsh, Mont.
Connally	Hawes	Nye	Watson
Coolidge	Hayden	Oddie	Wheeler
Copeland	Hebert	Patterson	White
Costigan	Howell	Pittman	

Mr. JOHNSON. I announce that my colleague the junior Senator from California [Mr. SHORTRIDGE] is still detained from the Senate by illness. This announcement may stand for the day.

Mr. LOGAN. I desire to announce the absence of my colleague the senior Senator from Kentucky [Mr. BARKLEY] on public business. I ask that this announcement stand for the day.

Mr. GEORGE. I wish to announce the absence of my colleague the senior Senator from Georgia [Mr. HARRIS] because of continued illness. I request that this announcement may stand for the day.

Mr. SHEPPARD. I was requested to announce that the junior Senator from Illinois [Mr. LEWIS] is necessarily detained in his home State on public matters.

Mr. COOLIDGE. I wish to announce that my colleague the senior Senator from Massachusetts [Mr. WALSH] is necessarily detained in his home State on public business. This announcement may stand for the day.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present. Under the order of the Senate, Washington's Farewell Address will now be read by the senior Senator from Montana [Mr. WALSH].

READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. WALSH of Montana read the address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on

an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations: they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute;

they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservaton of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchial cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly

hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

LORD BROUGHAM'S TRIBUTE TO GEORGE WASHINGTON

Mr. BORAH. Mr. President, I should like to read into the RECORD an estimate of Washington from a source outside of our own country. It was written some 60 years ago. It was not written in contemplation of a public address, but is the cool, calm, estimate of the study. It is from the pen of Lord Brougham. I shall read only the closing paragraphs:

If profound sagacity, unshaken steadiness of purpose, the entire subjugation of all the passions which carry havoc through ordinary minds, and oftentimes lay waste the fairest prospects of greatness—nay, the discipline of those feelings which are wont to lull or to seduce genius, and to mar and to cloud over the aspect of virtue herself—joined with, or rather leading to the most absolute self-denial, the most habitual and exclusive devotion to principle—if these things can constitute a great character, without either quickness of apprehension, or resources of information, or inventive powers, or any brilliant quality that might dazzle the vulgar—then surely Washington was the greatest man that ever lived in this world uninspired by Divine wisdom, and unsustained by supernatural virtue.

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His courage, whether in battle or in council, was as perfect as might be expected from this pure and steady temper of soul. A perfect, just man, with a thoroughly firm resolution never to be misled by others, any more than to be by others overawed; never to be seduced or betrayed, or hurried away by his own weaknesses or self-delusions, any more than by other men's arts; nor ever to be disheartened by the most complicated difficulties, any more than to be spoilt on the giddy heights of fortune—such was this great man—great, preeminently great, whether we regard him sustaining alone the whole weight of campaigns all but desperate, or gloriously terminating a just warfare by his resources and his courage—presiding over the jarring elements of his political council, alike deaf to the storms of all extremes—or directing the formation of a new government for a great people, the first time that so vast an experiment had ever been tried by man—or finally retiring from the supreme power to which his virtue had raised him over the nation he had created, and whose destinies he had guided as long as his aid was required—retiring with the veneration of all parties, of all nations, of all mankind,

in order that the rights of men might be conserved, and that his example never might be appealed to by vulgar tyrants. This is the consummate glory of Washington; a triumphant warrior where the most sanguine had a right to despair; a successful ruler in all the difficulties of a course wholly untried; but a warrior, whose sword only left its sheath when the first law of our nature commanded it to be drawn; and a ruler who, having tasted of supreme power, gently and unostentatiously desired that the cup might pass from him, nor would suffer more to wet his lips than the most solemn and sacred duty to his country and his God required!

To his latest breath did this great patriot maintain the noble character of a captain—the patron of peace, and a statesman—the friend of justice. Dying, he bequeathed to his heirs the sword which he had worn in the war for liberty, and charged them, "Never to take it from the scabbard but in self-defense, or in defense of their country and her freedom; and commanding them that when it should thus be drawn they should never sheath it nor ever give it up, but prefer falling with it in their hands to the relinquishment thereof"—words, the majesty and simple eloquence of which are not surpassed in the oratory of Athens and Rome.

It will be the duty of the historian and the sage in all ages to let no occasion pass commemorating this illustrious man; and until time shall be no more will a test of the progress which our race has made in wisdom and in virtue be derived from the veneration paid to the immortal name of Washington.

DANIEL WEBSTER'S SPEECH ON GEORGE WASHINGTON

Mr. FESS. Mr. President, I hold in my hand a reprint of the speech made by Daniel Webster 100 years ago yesterday in honor of the one hundredth birthday of George Washington to a group of men who were gathered at a dinner in this city. That speech is so often referred to in the press that I think it ought to have a wider reading, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

I rise, gentlemen, to propose to you the name of that great man, in commemoration of whose birth and in honor of whose character and services we are assembled.

I am sure that I express a sentiment common to everyone present when I say that there is something more than ordinarily solemn and affecting in this occasion.

We are met to testify our regard for him whose name is intimately blended with whatever belongs most essentially to the prosperity, the liberty, the free institutions, and the renown of our country. That name was of power to rally a nation in the hour of thick-thronging public disasters and calamities; that name shone amid the storm of war a beacon light to cheer and guide the country's friends; it flamed, too, like a meteor to repel her foes. That name in the days of peace was a loadstone, attracting to itself a whole people's confidence, a whole people's love, and the whole world's respect. That name, descending with all time, spreading over the whole earth, and uttered in all the languages belonging to the tribes and races of men, will forever be pronounced with affectionate gratitude by everyone in whose breast there shall arise an aspiration for human rights and human liberty.

We perform this grateful duty, gentlemen, at the expiration of a hundred years from his birth, near the place, so cherished and beloved by him, where his dust now reposes, and in the Capital which bears his own immortal name.

All experience evinces that human sentiments are strongly influenced by associations. The recurrence of anniversaries, or of longer periods of time naturally freshens the recollection and deepens the impression of events with which they are historically connected. Renowned places, also, have a power to awaken feeling, which all acknowledge. No American can pass by the fields of Bunker Hill, Monmouth, and Camden as if they were ordinary spots on the earth's surface. Whoever visits them feels the sentiment of love of country kindling anew, as if the spirit that belonged to the transactions which have rendered these places distinguished still hovered round, with power to move and excite all who in future time may approach them.

But neither of these sources of emotion equals the power with which great moral examples affect the mind. When sublime virtues cease to be abstractions, when they become embodied in human character, and exemplified in human conduct, we should be false to our own nature if we did not indulge in the spontaneous effusions of our gratitude and our admiration. A true lover of the virtue of patriotism delights to contemplate its purest models; and that love of country may be well suspected which affects to soar so high into the regions of sentiment as to be lost and absorbed in the abstract feeling, and becomes too elevated or too refined to glow with fervor in the commendation or the love of individual benefactors. All this is unnatural. It is as if one should be so enthusiastic a lover of poetry as to care nothing for Homer or Milton; so passionately attached to eloquence as to be indifferent to Tully and Chatham; or such a devotee to the arts, in such an ecstasy with the elements of beauty, proportion, and expression, as to regard the masterpieces of Raphael and Michelangelo with coldness or contempt. We may be assured, gentlemen, that he who really loves the thing itself, loves its finest exhibitions. A true friend of his country loves her friends and benefactors, and thinks it no degradation to commend and commemorate them. The voluntary outpouring of the public feeling made to-day from the North to the South and from the East to the West proves this sentiment to be both just and natural. In the cities and in the villages, in the public temples, and in the family circles, among all ages and sexes, gladdened voices to-day bespeak grateful hearts and a freshened recollection of the virtues of the Father of his Country. And it will be so in all time to come so long as public virtue is itself an object of regard. The ingenuous youth of America will hold up to themselves the bright model of Washington's example, and study to be what they behold; they will contemplate his character till all its virtues spread out and display themselves to their delightful vision, as the earliest astronomers, the shepherds on the plains of Babylon, gazed at the stars till they saw them form into clusters and constellations, overpowering at length the eyes of the beholders with the united blaze of a thousand lights.

Gentlemen, we are at the point of a century from the birth of Washington; and what a century it has been! During its course the human mind has seemed to proceed with a sort of geometric velocity, accomplishing for human intelligence and human freedom more than had been done in fives or tens of centuries preceding. Washington stands at the commencement of a new era as well as at the head of the New World. A century from the birth of Washington has changed the world. The country of Washington has been the theater on which a great part of that change has been wrought, and Washington himself a principal agent by which it has been accomplished. His age and his country are equally full of wonders; and of both he is the chief.

If the poetical prediction uttered a few years before his birth be true; if, indeed, it be designed by Providence that the grandest exhibition of human character and human affairs shall be made on this theater of the western world; if it be true that—

> "The first four acts already past,
> A fifth shall close the drama of the day;
> Time's noblest offspring is the last,"

how could this imposing, swelling, final scene be appropriately opened; how could its intense interest be adequately sustained but by the introduction of just such a character as our Washington?

Washington had attained his manhood when that spark of liberty was struck out in his own country, which has since kindled into a flame, and shot its beams over the earth. In the flow of a century from his birth the world has changed in science, in arts, in the extent of commerce, in the improvement of navigation, and in all that relates to the civilization of man. But it is the spirit of human freedom, the new elevation of individual man, in his moral, social, and political character, leading the whole long train of other improvements, which has most remarkably distinguished the era. Society in this century has not made its progress, like Chinese skill, by a greater acuteness of ingenuity in trifles; it has not merely lashed itself to an increased speed round the old circles of thought and action but it has assumed a new character; it has raised itself from beneath governments to a participation in governments; it has mixed moral and political objects with the daily pursuits of individual men; and, with a freedom and strength before altogether unknown, it has applied to these objects the whole power of the human understanding. It has been the era, in short, when the social principle has triumphed over the feudal principle, when society has maintained its rights against military power and established on foundations never hereafter to be shaken its competency to govern itself.

It was the extraordinary fortune of Washington that, having been intrusted, in Revolutionary times, with the supreme military command and having fulfilled that trust with equal renown for wisdom and for valor, he should be placed at the head of the first government in which an attempt was to be made on a large scale to rear the fabric of social order on the basis of a written constitution and of a pure representative principle. A government was to be established without a throne, without an aristocracy, without castes, orders, or privileges; and this government, instead of being a democracy, existing and acting within the walls of a single city, was to be extended over a vast country, of different climates, interest, and habits, and of various communions of our common Christian faith. The experiment certainly was entirely new. A popular government of this extent, it was evident, could be framed only by carrying into full effect the principle of representation or of delegated power; and the world was to see whether society could, by the strength of this principle, maintain its own peace and good government, carry forward its own great interests, and conduct itself to political renown and glory. By the benignity of Providence, this experiment, so full of interest to us and to our posterity forever, so full of interest, indeed, to the world in its present generation and in all its generations to come, was suffered to commence under the guidance of Washington. Destined for this high career, he was fitted for it by wisdom, by virtue, by patriotism, by discretion, by whatever can inspire confidence in man toward man. In entering on the untried scenes, early disappointment and the premature extinction of all hope of success would have been certain, had it not been that there did exist throughout the country, in a most extraordinary degree, an unwavering trust in him who stood at the helm.

I remarked, gentlemen, that the whole world was and is interested in the result of this experiment. And is it not so? Do we deceive ourselves, or is it true that at this moment the career which this Government is running is among the most attractive objects to the civilized world? Do we deceive ourselves, or is it true that at this moment that love of liberty and that under-

standing of its true principles which are flying over the whole earth, as on the wings of all the winds, are really and truly of American origin?

At the period of the birth of Washington, there existed in Europe no political liberty in large communities, except in the Provinces of Holland, and except that England herself had set a great example, so far as it went, by her glorious Revolution of 1688. Everywhere else despotic power was predominant, and the feudal or military principle held the mass of mankind in hopeless bondage. One-half of Europe was crushed beneath the Bourbon scepter, and no conception of political liberty, no hope even of religious toleration existed among that nation which was America's first ally. The king was the state, the king was the country, the king was all. There was one king, with power not derived from his people, and too high to be questioned; and the rest were all subjects, with no political right but obedience. All above was intangible power, all below quiet subjection. A recent occurrence in the French chambers shows us how public opinion on these subjects is changed. A minister had spoken of the "king's subjects." "There are no subjects," exclaimed hundreds of voices at once, "in a country where the people make the king."

Gentlemen, the spirit of human liberty and of free government, nurtured and grown into strength and beauty in America, has stretched its course into the midst of the nations. Like an emanation from heaven it has gone forth, and it will not return void. It must change, it is fast changing, the face of the earth. Our great, our high duty is to show, in our own example, that this spirit is a spirit of health as well as a spirit of power; that its benignity is as great as its strength; that its efficiency to secure individual rights, social relations, and moral order is equal to the irresistible force with which it prostrates principalities and powers. The world at this moment is regarding us with a willing but something of a fearful admiration. Its deep and awful anxiety is to learn whether free states may be stable, as well as free; whether popular power may be trusted, as well as feared; in short, whether wise, regular, and virtuous self-government is a vision for the contemplation of theorists, or a truth established, illustrated, and brought into practice in the country of Washington.

Gentlemen, for the earth which we inhabit, and the whole circle of the sun, for all the unborn races of mankind, we seem to hold in our hands, for their weal or woe, the fate of this experiment. If we fail, who shall venture the repetition? If our example shall prove to be one, not of encouragement but of terror, not fit to be imitated but fit only to be shunned, where else shall the world look for free models? If this great western sun be struck out of the firmament, at what other fountain shall the lamp of liberty hereafter be lighted? What other orb shall emit a ray to glimmer, even on the darkness of the world?

There is no danger of our overrating or overstating the important part which we are now acting in human affairs. It should not flatter our personal self-respect, but it should reanimate our patriotic virtues, and inspire us with a deeper and more solemn sense, both of our privileges and of our duties. We can not wish better for our country, nor for the world, than that the same spirit which influenced Washington may influence all who succeed him; and that the same blessing from above, which attended his efforts, may also attend theirs.

The principles of Washington's administration are not left doubtful. They are to be found in the Constitution itself, in the great measures recommended and approved by him, in his speeches to Congress, and in that most interesting paper, his Farewell Address to the People of the United States. The success of the Government under his administration is the highest proof of the soundness of these principles. And, after an experience of 35 years, what is there which an enemy could condemn? What is there which either his friends, or the friends of the country, could wish to have been otherwise? I speak, of course, of great measures and leading principles.

In the first place, all his measures were right in their intent. He stated the whole basis of his own great character when he told the country, in the homely phrase of the proverb, that honesty is the best policy. One of the most striking things ever said of him is that "he changed mankind's ideas of political greatness." To commanding talents, and to success, the common elements of such greatness, he added a disregard of self, a spotlessness of motive, a steady submission to every public and private duty, which threw far into the shade the whole crowd of vulgar great. The object of his regard was the whole country. No part of it was enough to fill his enlarged patriotism. His love of glory, so far as that may be supposed to have influenced him at all, spurned everything short of general approbation. It would have been nothing to him, that his partisans or his favorites outnumbered, or outvoted, or outmanaged, or outclamored, those of other leaders. He had no favorites; he rejected all partisanship; and acting honestly for the universal good, he deserved, what he has so richly enjoyed, the universal love.

His principle it was to act right, and to trust the people for support; his principle it was not to follow the lead of sinister and selfish ends, nor to rely on the little arts of party delusion to obtain public sanction for such a course. Born for his country and for the world, he did not "give up to party what was meant for mankind." The consequence is, that this fame is as durable as his principles, as lasting as truth and virtue themselves. While the hundreds whom party excitement, and temporary circumstances, and casual combinations, have raised into transient notoriety, sink again, like thin bubbles, bursting and dissolving into the great ocean, Washington's fame is like the rock which bounds that ocean, and at whose feet its billows are destined to break harmlessly forever.

The maxims upon which Washington conducted our foreign relations were few and simple. The first was an entire and indisputable impartiality toward foreign states. He adhered to this rule of public conduct, against very strong inducements to depart from it, and when the popularity of the moment seemed to favor such a departure. In the next place, he maintained true dignity and unsullied honor in all communications with foreign states. It was among the high duties devolved upon him, to introduce our new government into the circle of civilized states and powerful nations. Not arrogant or assuming, with no unbecoming or supercilious bearing, he yet exacted for it from all others entire and punctilious respect. He demanded, and he obtained at once, a standing of perfect equality for his country in the society of nations; nor was there a prince or potentate of his day, whose personal character carried with it, into the intercourse of other states, a greater degree of respect and veneration.

He regarded other nations only as they stood in political relations to us. With their internal affairs, their political parties, and dissensions, he scrupulously abstained from all interference; and, on the other hand, he repelled with spirit all such interference by others with us or our concerns. His sternest rebuke, the most indignant measure of his whole administration, was aimed against such an attempted interference. He felt it as an attempt to wound the national honor, and resented it accordingly.

The reiterated admonitions in his Farewell Address show his deep fears that foreign influence would insinuate itself into our counsels through the channels of domestic dissension and obtain a sympathy with our own temporary parties. Against all such dangers he most earnestly entreats the country to guard itself. He appeals to its patriotism, to its self-respect, to its own honor, to every consideration connected with its welfare and happiness to resist, at the very beginning, all tendencies toward such connection of foreign interests with our own affairs. With a tone of earnestness nowhere else found, even in his last affectionate farewell advice to his countrymen, he says, "Against the insidious wiles of foreign influence (I conjure you to believe me, fellow citizens) the jealousy of a free people ought to be constantly awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government."

Lastly, on the subject of foreign relations, Washington never forgot that we had interests peculiar to ourselves. The primary political concerns of Europe, he saw, did not affect us. We had nothing to do with her balance of power, her family compacts, or her successions to thrones. We were placed in a condition favorable to neutrality during European wars, and to the enjoyment of all the great advantages of that relation. "Why then," he asks us, "why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why be interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?"

Indeed, gentlemen, Washington's Farewell Address is full of truths important at all times, and particularly deserving consideration at the present. With a sagacity which brought the future before him and made it like the present, he saw and pointed out the dangers that even at this moment most imminently threaten us. I hardly know how a greater service of that kind could now be done to the community than by a renewed and wide diffusion of that admirable paper and an earnest invitation to every man in the country to reperuse and consider it. Its political maxims are invaluable; its exhortations to love of country and to brotherly affection among citizens touching; and the solemnity with which it urges the observance of moral duties and impresses the power of religious obligation gives to it the highest character of truly disinterested, sincere, parental advice.

The domestic policy of Washington found its polestar in the avowed objects of the Constitution itself. He sought so to administer that Constitution as to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty. Those were objects interesting in the highest degree to the whole country, and his policy embraced the whole country.

Among his earliest and most important duties was the organization of the Government itself, the choice of his confidential advisers, and the various appointments to office. This duty, so important and delicate when a whole Government was to be organized and all its offices for the first time filled, was yet not difficult to him, for he had no sinister ends to accomplish, no clamorous partisans to gratify, no pledges to redeem, no object to be regarded but simply the public good. It was a plain, straightforward matter, a mere honest choice of good men for the public service.

His own singleness of purpose, his disinterested patriotism were evinced by the selection of his first Cabinet, and by the manner in which he filled the seats of justice and other places of high trust. He sought for men fit for offices, not for offices which might suit men. Above personal considerations, above local considerations, above party considerations, he felt that he could only discharge the sacred trust which the country had placed in his hands by a diligent inquiry after real merit and a conscientious preference of virtue and talent. The whole country was the field of his selection. He explored that whole field, looking only for whatever it contained most worthy and distinguished. He was

indeed most successful, and he deserved success for the purity of his motives, the liberality of his sentiments, and his enlarged and manly policy.

Washington's administration established the national credit, made provision for the public debt, and for that patriotic Army whose interests and welfare were always so dear to him; and, by laws wisely framed and of admirable effect, raised the commerce and navigation of the country, almost at once, from depression and ruin to a state of prosperity. Nor were his eyes open to these interests alone. He viewed with equal concern its agriculture and manufactures, and, so far as they came within the regular exercise of the powers of this Government, they experienced regard and favor.

It should not be omitted, even in this slight reference to the general measures and general principles of the first President, that he saw and felt the full value and importance of the judicial department of the Government. An upright and able administration of the laws he held to be alike indispensable to private happiness and public liberty. The temple of justice, in his opinion, was a sacred place, and he would profane and pollute it who should call any to minister in it not spotless in character, not incorruptible in integrity, not competent by talent and learning, not a fit object of unhesitating trust.

Among other admonitions, Washington has left us, in his last communication to his country, an exhortation against the excesses of party spirit. A fire not to be quenched, he yet conjures us not to fan and feed the flame. Undoubtedly, gentlemen, it is the greatest danger of our system and of our time. Undoubtedly, if that system should be overthrown, it will be the work of excessive party spirit, acting on the Government, which is dangerous enough, or acting in the Government, which is a thousand times more dangerous; for government then becomes nothing but organized party, and, in the strange vicissitudes of human affairs, it may come at last, perhaps, to exhibit the singular paradox of government itself being in opposition to its own powers, at war with the very elements of its own existence. Such cases are hopeless. As men may be protected against murder, but can not be guarded against suicide, so government may be shielded from the assaults of external foes, but nothing can save it when it chooses to lay violent hands on itself.

Finally, gentlemen, there was in the breast of Washington one sentiment so deeply felt, so constantly uppermost, that no proper occasion escaped without its utterance. From the letter which he signed in behalf of the convention when the Constitution was sent out to the people, to the moment when he put his hand to that last paper in which he addressed his countrymen, the Union—the Union was the great object of his thoughts. In that first letter he tells them that, to him and his brethren of the convention, union appears to be the greatest interest of every true American; and in that last paper he conjures them to regard that unity of government which constitutes them one people as the very palladium of their prosperity and safety, and the security of liberty itself. He regarded the union of these States less as one of our blessings, than as the great treasure house which contained them all. Here, in his judgment, was the great magazine of all our means of prosperity; here, as he thought, and as every true American still thinks, are deposited all our animating prospects, all our solid hopes for future greatness. He has taught us to maintain this union, not by seeking to enlarge the powers of the Government, on the one hand, nor by surrendering them, on the other, but by an administration of them at once firm and moderate, pursuing objects truly national, and carried on in a spirit of justice and equity.

The extreme solicitude for the preservation of the Union, at all times manifested by him, shows not only the opinion he entertained of its importance but his clear perception of those causes which were likely to spring up to endanger it, and which, if once they should overthrow the present system, would leave little hope of any future beneficial reunion. Of all the presumptions indulged by presumptuous man, that is one of the rashest which looks for repeated and favorable opportunities for the deliberate establishment of a united government over distinct and widely extended communities. Such a thing has happened once in human affairs, and but once; the event stands out as a prominent exception to all ordinary history; and unless we suppose ourselves running into an age of miracles, we may not expect its repetition.

Washington, therefore, could regard, and did regard, nothing as of paramount political interest but the integrity of the Union itself. With a united government, well administered, he saw that we had nothing to fear, and without it nothing to hope. The sentiment is just, and its momentous truth should solemnly impress the whole country. If we might regard our country as personated in the spirit of Washington, if we might consider him as representing her, in her past renown, her present prosperity, and her future career, and as in that character demanding of us all to account for our conduct as political men or as private citizens, how should he answer him who has ventured to talk of disunion and dismemberment? Or how should he answer him who dwells perpetually on local interests and fans every kindling flame of local prejudice? How should he answer him who would array State against State, interest against interest, and party against party, careless of the continuance of that unity of government which constitutes us one people?

The political prosperity which this country has attained, and which it now enjoys, has been acquired mainly through the instrumentality of the present Government. While this agent continues, the capacity of attaining to still higher degrees of prosperity exists also. We have, while this lasts, a political life capable of beneficial exertion, with power to resist or overcome misfortunes, to sustain us against the ordinary accidents of human affairs, and to promote, by active efforts, every public interest. But dismemberment strikes at the very being which preserves these faculties. It would lay its rude and ruthless hand on this great agent itself. It would sweep away not only what we possess but all power of regaining lost or acquiring new possessions. It would leave the country not only bereft of its prosperity and happiness but without limbs, or organs, or faculties by which to exert itself hereafter in the pursuit of that prosperity and happiness.

Other misfortunes may be borne or their effects overcome. If disastrous war should sweep our commerce from the ocean, another generation may renew it; if it exhaust our Treasury, future industry may replenish it; if it desolate and lay waste our fields, still under a new cultivation they will grow green again and ripen to future harvests. It were but a trifle even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall and its gorgeous decorations be all covered by the dust of the valley. All these might be rebuilt. But who shall reconstruct the fabric of demolished government? Who shall rear again the well-proportioned columns of constitutional liberty? Who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No; if these columns fall, they will be raised not again. Like the coliseum and the parthenon, they will be destined to a mournful, a melancholy immortality. Bitterer tears, however, will flow over them than were ever shed over the monuments of Roman or Grecian art, for they will be the remnants of a more glorious edifice than Greece or Rome ever saw, the edifice of constitutional American liberty.

But let us hope for better things. Let us trust in that gracious Being who has hitherto held our country as in the hollow of His hand. Let us trust to the virtue and the intelligence of the people and to the efficacy of religious obligation. Let us trust to the influence of Washington's example. Let us hope that that fear of Heaven which expels all other fear and that regard to duty which transcends all other regard may influence public men and private citizens and lead our country still onward in her happy career. Full of these gratifying anticipations and hopes, let us look forward to the end of that century which is now commenced. A hundred years hence other disciples of Washington will celebrate his birth with no less of sincere admiration than we now commemorate it. When they shall meet, as we now meet, to do themselves and him that honor, so surely as they shall see the blue summits of his native mountains rise in the horizon, so surely as they shall behold the river on whose banks he lived, and on whose banks he rests, still flowing on toward the sea, so surely may they see, as we now see, the flag of the Union floating on the top of the Capitol, and then, as now, may the sun in his course visit no land more free, more happy, more lovely, than this our own country!

Gentlemen, I propose the memory of George Washington.

ADDRESSES OF PRESIDENT HOOVER AND REPRESENTATIVE BECK

Mr. FESS. Mr. President, I ask unanimous consent that the address delivered at the joint meeting of the two Houses of Congress yesterday by President Herbert Hoover, as well as the address of the Hon. JAMES M. BECK, Representative from Pennsylvania, at the exercises at the east front of the Capitol, be printed as a public document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

USELESS PAPERS IN THE CIVIL SERVICE COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the secretary of the Civil Service Commission, transmitting, pursuant to law, a report of papers in the files of the commission which are not needed in the transaction of the current business of the commission and have no permanent value or historical interest and asking for action looking toward their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments; and

The VICE PRESIDENT appointed Mr. DALE and Mr. MCKELLAR as the members of the committee on the part of the Senate.

PROPOSED UPPER MISSISSIPPI NATIONAL PARK

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, a report on the desirability and practicability of establishing the proposed Upper Mississippi National Park, which, with the accompanying report, was referred to the Committee on Public Lands and Surveys.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate copies of the following resolutions adopted by the delegates at the Western Governors' Conference, held at Portland, Oreg., on October 29, 1931, which were referred as indicated:

A resolution urging protection from fire on private and State lands; and

A resolution favoring Federal aid in a back-to-the-land movement; to the Committee on Agriculture and Forestry.

A resolution relative to stability of land titles;

A resolution relative to withdrawal of public lands; and

A resolution favoring additional recreational facilities on national forests; to the Committee on Public Lands and Surveys.

Resolutions favoring, respectively, tariff duties on copper and oil; to the Committee on Finance.

A resolution favoring leniency toward farmers unable to meet their obligations; to the Committee on Banking and Currency.

A resolution favoring the continuation of the appropriation for protection from fire on forest lands on the public domain; and

A resolution favoring the continuation of the appropriation for highway construction and special appropriations for unemployment relief and other purposes; to the Committee on Appropriations.

A resolution favoring a comprehensive study of necessary data relating to a complete system of dams on headwater streams of western rivers; and

A resolution favoring continuance of Federal reclamation; to the Committee on Irrigation and Reclamation.

The VICE PRESIDENT also laid before the Senate a resolution adopted at the same conference favoring consideration of unemployment relief measures over other matters, which was ordered to lie on the table.

The VICE PRESIDENT also laid before the Senate a petition of Barbara F. Mayer, of Fresno, Calif., praying the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. HOWELL presented a petition of sundry citizens of Peru, Nebr., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. HALE presented memorials of sundry citizens of Portland and Bangor and vicinity, in the State of Maine, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. SHEPPARD presented the petition of F. Blumentritt and 170 other citizens of the State of Texas, praying for an amendment to the income tax law to the end that no income tax shall reach proceeds from rural land or improvements thereon, which was referred to the Committee on Finance.

Mr. McGILL presented petitions and papers in the nature of petitions of Addie Garland, the Kiowa Study Club, the Epworth League of the Methodist Episcopal Church, the Congregational Bible Study, the Ladies' Aid Society, and the Men's Brotherhood Class, all of Kiowa; the First Methodist Episcopal Church of Winfield; the Woman's Christian Temperance Union of Bird City; the Woman's Foreign Mission Society of Northbranch; the Woman's Home Mission Society of Wichita; C. H. Hjorthohn and others, of Eureka; Mrs. S. C. Webb and others, of Augusta; Women's Society of First Methodist Episcopal Church of Hutchinson; Mary Dobbs, Woman's Christian Temperance Union of Wichita; Women's Council of Fairview Christian Church, of Wichita; Mrs. S. G. Clark and others, of Fredonia; and the Community Young Women's Christian Association, of Nickerson, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement and protesting against any measure looking toward its modification, resubmission to the States, or repeal, which were referred to the Committee on the Judiciary.

Mr. NORBECK presented the petitions of Mrs. H. C. Cole and 13 other citizens of Aberdeen and of members of the American Association of University Women, of Redfield, in the State of South Dakota, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented the petition of Mrs. Mary High Hawk and 57 other citizens of the Cheyenne River Reservation, S. Dak., praying for the reduction of armaments and for the success of the International Disarmament Conference being held at Geneva, Switzerland, which was referred to the Committee on Foreign Relations.

Mr. JONES presented a petition of sundry citizens of Seattle, Wash., praying for the imposition of a tariff duty on oil imported into the United States, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Tacoma, Wash., praying for the passage of legislation providing for the prompt payment in full of adjusted-service certificates (bonus), which was referred to the Committee on Finance.

He also presented a resolution adopted by Painters' Local Union, No. 1200, of Wenatchee, Wash., favoring the establishment of a censorship of advertising, gift enterprises, and schemes of chance broadcasted over the radio, which was referred to the Committee on Interstate Commerce.

He also presented memorials of sundry citizens of Cusick, Ione, Pullman, Spokane, Sunnyside, and Okanogan and Pierce Counties, all in the State of Washington, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented memorials of sundry citizens of Chelan and Seattle, in the State of Washington, remonstrating against the proposed modification, resubmission to the States, or repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by St. Paul's Methodist Episcopal Church, of Spokane; and the Woman's Christian Temperance Unions of Centralia, Dryden, Elma, Everett, Fremont, La Conner, Oakville, Manson, Pinehurst, Pomeroy, Seattle, Shelton, and Snohomish, in the State of Washington, protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which were referred to the Committee on the Judiciary.

Mr. KEAN presented a petition of sundry citizens of Linden, Rahway, and Elizabeth, all in the State of New Jersey, praying for the passage of House bill 1, providing for the payment of the adjusted-compensation certificates of ex-service men (bonus), which was referred to the Committee on Finance.

He also presented petitions of sundry citizens of Auburn, Maplewood, Carneys Point, Medford, Orange, Pedricktown, Penns Grove, Salem, and Woodstown, all in the State of New Jersey, praying for the maintenance of the prohibition law and its enforcement, and protesting against any measures looking toward its modification, resubmission to the States, or repeal, which were referred to the Committee on the Judiciary.

He also presented a memorial of sundry citizens of Trenton, N. J., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which was referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of Perth Amboy, N. J., praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. VANDENBERG presented memorials numerously signed by sundry citizens of the State of Michigan, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented a telegram in the nature of a memorial from R. B. Corbus, of Grand Rapids, Mich., remonstrating

against the passage of Senate bill 572, to provide that the United States shall cooperate with the States in promoting the general health of the rural population of the United States and the welfare and hygiene of mothers and children, which was referred to the Committee on Commerce.

He also presented a resolution adopted by the Common Council of the City of Detroit, Mich., favoring the passage of House bill 1, for the immediate payment of adjusted-compensation certificates (bonus), which was referred to the Committee on Finance.

Mr. BLAINE presented a petition of 44 citizens of Sister Bay and vicinity, in the State of Wisconsin, praying for the maintenance of the prohibition law and its enforcement, and opposing any measures looking toward its modification or repeal, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Woman's Christian Temperance Union of La Farge, Wis., protesting against the proposed resubmission of the eighteenth amendment of the Constitution to State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and for education in law observance, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by Group No. 534, of Cudahy, and Group No. 1725, of Almond, both of the Polish National Alliance, in the State of Wisconsin, favoring the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's memorial day, which were referred to the Committee on the Judiciary.

Mr. COSTIGAN presented resolutions adopted by Group No. 134, of Denver, and Group No. 776, of Walsenburg, both of the Polish National Alliance, in the State of Colorado, favoring the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's memorial day, which were referred to the Committee on the Judiciary.

He also presented memorials of sundry citizens of Fort Lupton and Golden and vicinity, in the State of Colorado, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or any other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented resolutions from Rev. Harry G. Parsons, First Christian Church board of Fort Collins; Rev. Joseph G. Howe, First Church of the United Brethren in Christ of Longmont; the Woman's Christian Temperance Union of Longmont; Rev. Maurice T. Habgood, pastor Lyons, Hygiene, and Grace Churches, of Boulder County; Mrs. Walter L. Roberts, Full Gospel Church of Longmont; Rev. J. M. Messer, Free Methodist Church of Longmont; Rev. George F. Klein, First Methodist Episcopal Church at Pueblo; the Littleton Methodist Episcopal Church, Littleton; May Casseday, president, and Frances H. Douglass, corresponding secretary, of Valverde Union, eighth district, of Denver; First Baptist Church of Pueblo; women of Ku-Klux Klan of Pueblo; Grace M. Painter, president, and Jeannette Hegeman, secretary, Woman's Christian Temperance Union of Roggen; the Jahlee Union, Woman's Christian Temperance Union of Denver; and the Mesa Baptist Church, of Pueblo, all in the State of Colorado, protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and for education in law observance, which were referred to the Committee on the Judiciary.

Mr. CAPPER presented petitions of sundry citizens of Denison, Gem, Kismet, Waterville, and Jackson County, and of members of the Frances Willard Woman's Christian Temperance Union of the Michigan Avenue Methodist Church, of Leavenworth, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, and protesting against its proposed modification or repeal, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Ladies' Aid Society of the Michigan Avenue Methodist Church, of Leavenworth; pupils and teachers of the public schools of Tonganoxie; the Ladies' Aid Society of the Methodist Church of Lebo; the Young Women's Christian Association of Hanston, and local chapters of the Woman's Christian Temperance Unions of Kismet and Parsons, all in the State of Kansas, favoring the maintenance of the prohibition law and its enforcement, and protesting against any measures looking toward its modification, resubmission to the States, or repeal, which were referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Topeka League of Savings, Building, and Loan Associations, of Topeka, Kans., favoring the passage of legislation creating a system of home-loan banks, which was referred to the Committee on Banking and Currency.

Mr. WAGNER presented papers in the nature of a memorial from Frances Perkins, New York State industrial commissioner, remonstrating against the proposed opening of a branch of the United States Employment Office in Rochester, N. Y., which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the directors of the Mohawk Valley Towns Association, at a meeting in Canajoharie, N. Y., favoring the passage of legislation providing for the taxation of trucks and passenger coaches using the highways for profit that would place such carriers on a parity with the railroads, etc., which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by Branch No. 26 of the Fleet Reserve Association, of New York City, N. Y., protesting against the passage of the so-called French bill, being House bill 409, relative to the strength of the Navy and Marine Corps, which was referred to the Committee on Expenditures in the Executive Departments.

He also presented a resolution adopted by Branch No. 26 of the Fleet Reserve Association, of New York City, N. Y., protesting against any attempt to reduce the wages or salaries of Government employees and military retainers, which was referred to the Committee on Expenditures in the Executive Departments.

He also presented resolutions adopted by the Presbyterian Missionary Society, the Ladies' Aid, and Woman's Missionary Society, Addison Grange, No. 854, the Woman's Christian Temperance Union, and the Ladies' Aid Society of the Baptist Church, all of Addison, N. Y., protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and for education in law observance, which were referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Rockland County Peace Association, of Nyack, N. Y., urging the United States Government to go as far in disarmament proposals as any other government at the Geneva conference and to press steadfastly for drastic reductions and not mere limitations of armaments at existing levels, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Rockland County Peace Association, of Nyack, N. Y., urging the Government of the United States promptly to take measures for the preservation of peace in the Far East, which was referred to the Committee on Foreign Relations.

Mr. COPELAND presented resolutions adopted by the Fleet Reserve Association, Branch No. 26, of New York City, remonstrating against the enactment of legislation to reduce the enlisted personnel of the Navy and Marine Corps and salaries and wages of Government employees, which were referred to the Committee on Expenditures in the Executive Departments.

He also presented a resolution adopted by the Stars and Stripes Council, No. 32, Sons and Daughters of Liberty, of Islip, N. Y., praying for the enactment of legislation to provide for the exclusion and expulsion of alien communists, which was referred to the Committee on Immigration.

He also presented resolutions adopted by Groups 347 and 2624, of Niagara Falls, and Group 254, of Oswego, of the Polish National Alliance, in the State of New York, praying the enactment of legislation providing that October 11 in

each year be proclaimed General Pulaski's memorial day, which were referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of the State of New York praying for the enactment of legislation to exclude aliens in the count of population for the apportionment of representatives in Congress, which were referred to the Committee on the Judiciary.

He also presented memorials of sundry citizens of New York City, N. Y., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented a resolution adopted by the Rotary Club of Pleasantville, N. Y., favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also presented a letter in the nature of a petition from Frank F. Williams, Esq., of Buffalo, N. Y., and also petitions of sundry citizens of Buffalo, N. Y., praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented memorials and papers in the nature of memorials of sundry citizens and organizations in the State of New York remonstrating against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures and favoring the making of adequate appropriations for law enforcement and for education in law observance, which were referred to the Committee on the Judiciary.

Mr. SMITH presented the following concurrent resolution of the Legislature of South Carolina, which was referred to the Committee on Finance:

A concurrent resolution relating to a preferential excise tax on tobacco products manufactured from tobacco purchased from the farmers of South Carolina

Whereas the Secretary of the Treasury has recommended a material increase in the excise taxes on manufactured tobacco products and hearings on these recommendations are now being conducted by the Ways and Means Committee of the House of Representatives; and

Whereas even the present excise taxes on tobacco products are considerably higher than the price paid for tobacco as it leaves the farm, as illustrated by the facts that the present tax on manufactured tobacco (in which form 70 per cent of the entire South Carolina tobacco crop is consumed) is 18 cents per pound, equivalent to 10.8 cents on the unmanufactured tobacco as it leaves the farm, while the average price realized by the farmers of South Carolina in the last 10 years has been 9 cents per pound; and

Whereas an increase in the excise taxes will render this disparity even greater and will very probably operate to further reduce the return to the grower, it being proposed to increase the excise tax on manufactured tobacco to 21 cents, which is equivalent to 12.6 cents on the raw material as it leaves the farm, while the price realized by the tobacco growers of this State on their 1931 crop is less than 7 cents per pound, making the proposed tax 180 per cent of the return received by the grower; and

Whereas both the Federal and State Governments are committed to the policy of aiding the farmers to the end that farmers may secure a better price for their products; and

Whereas this policy can best be given practical application as far as to the tobacco growers are concerned through a provision in the Federal excise tax laws allowing a reduction equivalent to 4 cents per pound on the unmanufactured tobacco in the tax payable on tobacco products manufactured from tobacco purchased from the farmers; and

Whereas this is a practical measure of farm relief for a large group of farmers in this country who are in a very serious situation: Therefore be it

Resolved by the house of representatives (the senate concurring), That the Legislature of South Carolina hereby respectfully memorializes the Congress of the United States not to increase the excise tax on manufactured tobacco unless this is absolutely necessary in balancing the Federal Budget, and in any event to allow a reduction equivalent to 4 cents per pound on the unmanufactured tobacco in the excise taxes payable on all tobacco products manufactured from tobacco purchased from or through the farmers of America; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of Congress of the United States, to the Ways and Means Committee of the House of Representatives, the Finance Committee of the United States Senate, the Committee on Agriculture of the House of Representatives, the Federal Farm Board, and to each of the United States Senators from South Carolina and each South Carolina Member of the House of Representatives.

IN THE HOUSE OF REPRESENTATIVES,
Columbia, S. C., February 17, 1932.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the house of representatives and concurred in by the senate.

[SEAL.] J. WILSON GIBBES,
Clerk of the House.

THE PHILIPPINE QUESTION

Mr. HAWES. Mr. President, an attempt is being made to create an impression among American citizens that Mohammedan Filipinos and pagan Filipinos, who represent only about 9 per cent of the population, are opposed to independence.

This is not correct. I personally received petitions, delegations, and memorials from both pagans and Mohammedans asking for independence. It is my opinion that they would rather be ruled by Malays than by Americans.

I ask to have inserted in the RECORD and referred to the Committee on Territories and Insular Affairs a letter from an Igorrote, a college student of the United States, and now a successful practitioner of medicine. He lives at Baguio, in the heart of the Igorrote Province. The letter is so intelligently expressed that I believe it will be a valuable contribution in answering the specialized propaganda that all Mohammedan and pagan Malays prefer American to Christian Filipino rule.

There being no objection, the letter was referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

BAGUIO, P. I., *July 20, 1931.*

The Hon. Senator HARRY B. HAWES,
Manila, P. I.

MY DEAR SENATOR: I have no doubt you will be glad to hear from a pagan. I am one of those 500,000 non-Christians who are misrepresented by selfish interests as indifferent or against Philippine independence. I am doubly glad to see a United States Senator intensely interested to find out the truth on our demand for immediate independence. I was among the crowd who gave you a rousing welcome at the city hall, Baguio, a few days ago. You spoke to us of the minority pagans and Moros, numbering about 500,000, as compared with the 13,000,000 Christian Filipinos who are undoubtedly solid for immediate freedom. But the American people should not be misled by selfish propaganda of some Americans that these 500,000 Moros and pagans are all against the freedom of their country. Nothing is so far from the truth than such representation by imperialists. There are many thousands of these pagans like myself who are just as zealous for freedom as any of their brother Christian Filipinos. Their desire for freedom is pure, instinctive, and unpolluted. Way back in 1907, when I was just a boy of 15 years and attending the public schools, my desire for freedom was just as strong as it is to-day, in spite of the fact that all of my teachers were Americans, all against independence, and preaching that to be under the American flag is a blessing for the Filipinos.

My parents, relatives, and family are all pure Igorotes, numbering about 100, and among those called head-hunters. They are not highly educated, but they are all strong for independence, and nothing will satisfy them short of independence.

I went to your country way back in 1913 and stayed there six solid years at my own expense and worked to get my education. During that time I obtained two degrees, one in science and another in medicine. I obtained these degrees from your famous great university, the University of Chicago, and from your famous college of medicine, the Rush Medical College, in Chicago, respectively. There are many others who are as highly educated as myself, and you can see from their records that the pagans and Moros are not as far behind as they are painted to the American public by selfish interests.

True enough, there are a few of these 500,000 Moros and pagans who are very ignorant and primitive and indifferent to what broad independence means, but still in their own communities and towns they love to be left alone, free and undisturbed by foreign civilization and government. They want to govern themselves and be let alone without interference from outside. Furthermore, Mr. Senator, can we point out any country to-day which is 100 per cent perfect, without a single ignorant citizen? If the United States were still under England, could we not find American ignorant citizens indifferent to freedom? My point is this: That in any country in the world to-day we will find a good many ignorant citizens, who are in the minority. This minority is well taken care of by the majority, who runs the government. In the same way, there is no reason why an independent Filipino government can not take care of the 500,000 Moros and pagans who are misrepresented in the States as against freedom and as neglected. There is no doubt in my mind that a Filipino government will give more attention and a better government to her own people than a foreign government. That Filipino government may be poor and accompanied by bad times in the beginning, but in the final the people will be very happy. That is very natural to me and, I think, is a safe conclusion.

Ever since the beginning of American administration in the Philippines the so-called non-Christians have always been con-

trolled and administered directly by American officials, who, as you know, preach retention to the Moros and pagans. In spite of that there are thousands of them with their Christian brothers in our demand for immediate independence.

In conclusion I must say here that I admire your country and your good Government, and we non-Christians are very thankful for what your country has done for us in particular, and for the Filipino people in general, and for all these the Filipinos no doubt are grateful. We will always regard the United States of America as our father and benefactor. But it is very natural and an instinct for any people with self-respect and national pride to ask for their own government, for which they are ready. We Filipinos are ready and united to embark in complete self-government. We have faith in the American people that the promise of Philippine independence embodied in the Jones law will be fulfilled, the sooner the better. We may find difficulties and hard times in the beginning, but we know they are the price of liberty and we know that we will finally be happy with our own country and government.

I will be glad to answer any questions not clear to you about the 500,000 Moros and pagans, who, as you know, are made much an argument against Philippine independence by enemies of Philippine freedom.

Yours very truly,

Dr. J. M. CARIÑO.

BIMETALLIC SYSTEM OF CURRENCY—GOVERNOR MURRAY'S VIEWS

Mr. WHEELER. Mr. President, I ask permission to have inserted in the RECORD, and appropriately referred, a letter written by Governor Murray, of Oklahoma, indorsing my bill (S. 2487) providing for the establishment of a bimetallic system of currency. I ask that the letter may be referred to the Committee on Finance and printed in the RECORD.

There being no objection, the letter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

STATE OF OKLAHOMA, EXECUTIVE CHAMBER,
Oklahoma City, February 11, 1932.

Hon. BURTON K. WHEELER,
United States Senator, Senate Office Building,
Washington, D. C.

DEAR SIR: I have your letter of February 2, with inclosures. Your speech in the CONGRESSIONAL RECORD and Senate bill No. 2487, by WHEELER, "A bill to establish a bimetallic system of currency," etc., and requesting my comment upon the said bill. In reply, I find no need of material change in the bill, and should like to see it become a law.

Complying with your request, notwithstanding I am completely engrossed in the affairs of the State just now, I shall nevertheless undertake to discuss the question of bimetallism and currency, without duplicating your rather complete discussion of the question in the speech you sent me.

"Money" is defined as the "medium of exchange"—the exchange of values. It should represent something of value that becomes at once the exchange value between it and other values. By the same token all bank notes or bills of credit, which may be termed currency, should likewise represent value; but, since 1875, such notes have represented debt. In the case of the banking law, repealed by the regional reserve system, they were based on public debt; under the regional reserve on private debt limited to commercial paper, and therefore does not represent value at all.

Now, there can be no dispute about both gold and silver representing values—both are precious metals of great demand in all the world in different industries, even without reference to value as money. Since under a sound, safe system of currency, or bills of credit, or bank notes, or by whatever name you wish to call it, they should represent a limited proportion of the value of some product, plus a reserve of actual money, and since there is not a sufficient amount of gold in the world to do this, without a diminution of the amount of money in circulation, it would seem essential that silver should be added, as was intended by the Constitution of the United States.

According to my thinking, the Government should coin a sufficient amount of money, gold and silver, to take care of the normal business of the country, and, in addition, a sufficient per cent to become the basis for "token" money through bank currency or notes. The world will suffer until that is done, and it seems that England realizes it, but we do not. This position is the position of all who believe in sound currency and a sufficient circulating medium.

I will admit, however, that at this time additional coinage of money is not so important as breaking the chains that bind credits, for whatever be the amount of money coined, if it be controlled by one group it would be immaterial whether there were much or little, the effect upon commerce and production in particular would be the same; however, my viewpoint, both the breaking of the chains that bind credit and the increase of "coinage" should go hand in hand and together as necessary to the rehabilitation of the producers of the country. At this time, also, there is a greater demand for "coinage" of silver or bimetallism than when it was the great issue in 1896, for if England adopts bimetallism or accepts silver to a large extent, beyond doubt the other countries of Europe, except perhaps France, will follow, as will Latin America, and then England would get the lion's share of trade, and America, as you have pointed out in your speech, would suffer in the markets of the world.

Sooner or later, whether we will or not, we shall be obliged to adopt bimetallism, or to coin much more silver than we are now doing, or lose that foreign trade so necessary just now to keep American labor employed. It is unnecessary for me to say to you that when labor is employed labor is satisfied, but when not employed they, like other people, may arrive at erroneous conclusions and seek vain and foolish things in the hope of finding a cure for the economic difficulties to the future safety of society and government as we now know it.

For lack of time, I beg you to pardon this communication, and to accept my sincere wishes that you may succeed in passing your bill, although I fear the forces who stand opposed will defeat you.

With salutations and best regards, believe me,

Ever yours sincerely,

WM. H. MURRAY, *Governor.*

PROPOSED TARIFF ON OIL

Mr. ROBINSON of Arkansas presented a petition relative to a proposed tariff on oil, which was referred to the Committee on Finance and ordered to be printed in the RECORD without the signatures after the first one, as follows:

A fair portion of the selling price of every barrel of oil that is produced in the United States by American oil producers is paid out by us in the form of county taxes, State production taxes, and Federal income taxes. Every piece of machinery we use and every truck we use in producing American oil is taxed—even the pipe lines and railroads that we use for transporting oil. We very gladly pay this tax in order to do our share toward supporting our Government—and we are mighty thankful for the privilege.

Foreign oils that are being shipped in from South America do not pay any of these taxes. American oil producers should not be penalized just because of the fact that we are Americans, employing American capital and American labor.

In all fairness, as long as foreign oil is not taxed, American producers should have an even chance, which would mean that to be fair we would be exempt from all county taxes, State production taxes, and Federal income taxes.

That, of course, is quite impossible, because our Government must function, and in order to do so it must have the necessary money to pay the costs, which means taxes.

We, the undersigned, favor the tariff on foreign oil and oil products.

H. E. McDONALD
(And others).

GUARANTY FOR BANK DEPOSITS

Mr. ROBINSON of Arkansas also presented a letter from West Hughes, relating to a national bank deposit guaranty, which was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

LOS ANGELES, CALIF., *February 5, 1932.*

Hon. JOE T. ROBINSON,
United States Senate, Washington, D. C.

DEAR SENATOR: In your favor of January 22, replying to my letter of the 11th advocating a guaranty for bank deposits, you state that you were once very favorably disposed to such a guaranty. It is rather odd that with me the case is reversed, for once I opposed such legislation, considering it Populistic and too much governmental interference with business.

By this morning's paper I see Hoover is urging people to stop hoarding, making the statement that $1 brought out of hoarding will put 5 to 10 in circulation. Of course, the Reconstruction Finance Corporation will help; but it will not put an end to hoarding, and urging people to stop the practice will avail little; it may even have the opposite effect.

When you see banks all around you failing you can not blame people for withdrawing their money and putting it in a safe-deposit box. The only thing that will stop hoarding is some legislation that will make people feel sure that when they deposit money in a bank it can not possibly be lost.

Insurance companies will insure against loss from bank failures, and during the past two years they have lost quite a lot from that insurance. Now, I am not advocating the Government going into the insurance business, though I firmly believe that if there had been governmental insurance of bank deposits during the past two years the Government would now be the gainer. In the first place, there would not have been so many bank failures, for no bank would have failed on account of frightened depositors withdrawing their funds. In the second place, on account of improved business conditions, Government receipts would have been much larger. Of course, the Government should not stand the expense. It should be borne by the depositors or by the banks, or by both.

A guaranty fund, once established, would require very little subsequent additions, for in the great majority of cases the entire amount paid depositors would ultimately be returned to the fund.

The manner of establishing this guaranty fund is immaterial. Personally I think a small tax should be levied against the total bank deposits.

Objection urged against this is that it would not be right for a conservatively managed bank to be taxed to pay the losses of

banks not properly conducted. There is something to that objection; but, in the long run, the conservative banks would gain a great deal more than the amount of the tax. On account of the confidence of the public, absence of hoarding, and business stability, the business of the banks would be much more profitable.

The claim is also made that if depositors were guaranteed against loss, bank managers would be much more careless and the banks would lose largely through speculative undertakings. That certainly could be prevented by proper legislation and by frequent and thorough examinations.

With a proper guaranty fund handled by the Federal reserve, after any bank failure from any cause whatsoever, all depositors could be paid in full within 30 days. Now this would certainly remove fear, restore confidence, and stop hoarding.

It would also be of great benefit in that it would force all banks to be nationalized and thus unify our banking system.

Of course any legislation of this character must have the indorsement of Senator GLASS. There is a man for whom I have the greatest admiration. You will no doubt discuss financial legislation with him. Please give him my kindest regards. Tell him that I am not a Populist, not a wild advocate of Government ownership, but an individualist. I feel somewhat closer to all Virginians, from the fact that I received the degree of M. A. from the University of Virginia.

I was once very much opposed to any kind of a guaranty on bank deposits, but under present conditions I believe it is absolutely the only remedy that will stop hoarding, and that any drawbacks to such legislation would be very much outweighed by the benefits it would confer.

The Federal reserve act was largely the work of Senator GLASS and it is the most constructive piece of financial legislation ever adopted by Congress. Of equal importance would be some sort of legislation which would call from hiding more than a billion dollars now removed from circulation. In my opinion, nothing can do this short of an absolute guaranty that when a man puts his money in a national bank he can not possibly lose it.

If I am intruding too much on your time, please forgive me.

Yours very truly,

WEST HUGHES.

PETITION OF CITIZENS OF CALHOUN COUNTY, FLA.

Mr. FLETCHER presented a petition of a committee of citizens of Calhoun County, Fla., which, with the accompanying editorial, was ordered to lie on the table and to be printed in the RECORD without the signatures after the first one, as follows:

Hon. DUNCAN U. FLETCHER,
Washington, D. C.

DEAR SIR: We, a committee of citizens of Calhoun County, Fla., composed of farmers, business men, and laborers, petition your honor that you read the editorial inclosed hereto, as this speaks our full sentiment.

We need relief; we must have it, as we have come to the forks of the road.

E. L. BRANCH, *Chairman.*

THE WORLD'S NEWS—A MONTHLY REVIEW—WILL CONGRESS STABILIZE POVERTY OR STABILIZE PROSPERITY?

By Clarence Poe, president the Progressive Farmer-Ruralist Co.

We have come to the forks of the road in America. The Seventy-second Congress will decide which way we are to go.

We shall stabilize poverty.

Or else we shall stabilize prosperity.

It is for Congress to decide.

As a writer in the Atlantic Monthly puts it:

"The more economic theory I read, the more confused I get. Why are so many millions in want? Because we have produced so much. Why must they wear shabby clothes? Because we have too much cotton, too much wool, too many mills, and too many mill hands who want to make cloth. Why must millions live in slums—foul breeding places of disease and crime? Because we have too much lumber, too much steel, too many carpenters, too many plumbers. Why can't we transport surplus products to the places where they are needed? Because we have too many freight cars, too many railroad workers, too many trucks, too many—

"But this doesn't make sense * * *. There are only two cures for general overproduction, one is to reduce production and stabilize poverty; the other is to increase consumption and stabilize prosperity."

That is the issue before Congress—to decide whether we shall throw away a whole century's proud gains of science and invention and discovery and education, scrap half our factories and mills, scrap half our freight cars and trucks and engines, throw half our workers into unemployment—all because society hasn't enough intelligence to utilize the wealth-producing factors already discovered, already set up, all ready to work. It is an amazing situation—an amazing suggestion.

STABILIZING POVERTY OR PROSPERITY

About the most absurd figure in America to-day is some alleged statistician presenting charts of the deflation that followed the Napoleonic wars—in days before a locomotive was ever invented, a telegraph ever dreamed of, hydroelectric power even conceived, a modern factory ever built, or a modern technician ever trained—and arguing that because a long period of near starvation followed Napoleon's wars, we must suffer similar privation now in post-World War days, when science has remade the world, studded the continent with factories, harnessed the rivers, bound all sections together with railroad and telegraph, automobile and airplane, and given the keys of science and education to high and low alike. On this point read Dr. Glenn Frank in our "Thought for To-day."

Unquestionably Doctor Frank has correctly defined the issue that confronts those who sit in the seats of the mighty at Washington. They may grasp a historic opportunity and say with Rupert Brooke—

"Now God be thanked who has matched us with this hour!"

Or they may turn back the hands on the clock of human progress and take "the coward's policy of social retreat" which may engulf the whole world in Bolshevism—or worse. As President Daniel Willard, of the Baltimore & Ohio Railway, said March 27:

"A system—call it what you will—under which it is possible for five or six millions of willing and able-bodied men to be out of work and unable to secure work for months at a time, and with no other source of income, can not be said to be perfect or even satisfactory. * * * A second problem is bound up closely with the first: The United States is perhaps the richest country in the world in natural and humanistic resources. * * * We have a productive capacity in our mills and factories far beyond our own domestic requirements. At the same time, with all this surplus of wealth and resources, we have millions, so it is said, in dire need of food and clothing. In short, more of everything to eat and wear than we can possibly use—and millions of human beings hungry and cold! These two problems together—unemployment and the distribution of resources—bring into question the very foundations of our political and economic system."

THE ACID TEST FOR EVERY CANDIDATE

That a man should be thrifty, should save something, should never live beyond his income—this is, of course, obvious. But the suggested lowering of general living standards, the proposal for an "international starvation race," the suggestion that with the factories and inventions of 1932 we must live as men lived in 1832 or 1732, such proposals are both unthinkable and unjustifiable. As long ago as 1889 Dr. Richard T. Ely presented the claim that "in the civilized nations of the earth the recent inventions and discoveries—especially the application of steam to industry—can do twelve times as much physical work as all the men living in these nations * * * as if 12 slaves were working for every man, or 60 for every family." Would it be too much to say that in the 40 years since Doctor Ely wrote this the potential wealth-producing power of the world's mills and factories and farms has again been doubled; that it is as if 120 slaves were waiting to serve every family if our productive potentialities were only utilized?

Men laugh bitterly to-day at those predeflation economists who proclaimed a "new economic era" of plenty, but they were right so far as economic possibilities were concerned. What we have not developed is a new era in statesmanship to make these new economic possibilities a reality. We can create wealth in plenty. It only remains for society, through government, to provide for an equitable distribution which will provide customers for a busy industry. And the people of America in 1932 should support no political party and no candidate for President of the Nation or governor of any State, for Senator or Representative in Congress, or for senator or representative in any State legislature unless the man or party does two things:

1. Unless he or it admits that there is at present a grossly unfair distribution of wealth in America; and

2. Unless he or it proposes an intelligent program for remedying this fundamentally unfair situation.

* * * * * * *

At one point we can begin now—must begin now if America is not to be plunged into profounder depths of poverty and danger. When a debt is contracted and the dollars loaned represent 10 bales of cotton or 100 bushels of wheat, and the governments and financial systems of the earth make it so that the creditor collects dollars that represent 30 bales of cotton or 3,000 bushels of wheat (and in similar proportions as regards all other commodities)—when this happens the debtor is bound to feel that a crime has been committed against him. He has been robbed not only in the name of the law but with the help of law, which is supposed to protect him from robbery. His respect for government is shocked. And at the same time prosperity is checked.

Nothing Congress can do to promote prosperity is more important than stabilizing the value of the dollar at average levels of the decade 1920–1930, so that the farmers of America (and all other citizens) can pay their debts with money of the same value as that prevailing when the debts were created. It is not merely the burden of debt but the excess and extra burden of debt which has been added through the unjust increase in the value of money—it is this which is making any economic recovery impossible. If the people could only pay debts on the basis of commodity values prevailing when the debts were made, they would not only pull through but the mere prospect of this result would give a new confidence that would itself go far toward restoring prosperity. The American Farm Bureau, the Grange, and the National Farmers' Union are all united in this demand for stabilizing the value of the dollar on the 1926 level, which is practically the average level of 1920–1930. There are several ways whereby this may be accomplished. As Samuel Crowther wrote in the Saturday Evening Post of December 5:

"Prices can be kept at a reasonably steady level—a level of sound prosperity. The Macmillan commission, made up of the

foremost British financial experts, agrees that this can be done. The foremost economists likewise agree. More than that, it was actually done in 1921 and ended that depression. * * * The Federal reserve banks have the inherent power to control the price level. They have hesitated to assume the great responsibility."

It would seem obvious that Congress should at once compel the Federal reserve system to abandon its hesitation and assume a task it was created to perform. International action to deal with the silver problem also seems a necessity. And in the long run, as Dr. Irving Fisher so ably advocates, the value of the dollar itself must be based on the standard purchasing power of a dollar throughout the decade 1920–1930, or on some other basis which will prevent "the changes in the level of prices which is the main secret of social trouble," as the Macmillan commission itself declared.

REPORTS OF COMMITTEES

Mr. HOWELL, from the Committee on Claims, to which was referred the bill (S. 3538) for the relief of Nellie McMullen, reported it without amendment and submitted a report (No. 273) thereon.

Mr. REED, from the Committee on Military Affairs, to which was referred the bill (S. 2426) to authorize the Secretary of War to permit the use of a portion of a National Guard target range near Phoenix, Ariz., as a burial lot, reported it with amendments and submitted a report (No. 274) thereon.

Mr. VANDENBERG, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 8163. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Pecatonica River at Harrison, in Winnebago County, State of Illinois (Rept. No. 275);

H. R. 8171. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Kankakee River at Momence, in Kankakee County, State of Illinois (Rept. No. 276);

H. R. 8238. An act to extend the times for commencing and completing the construction of a free highway bridge across the Fox River at Algonquin, in McHenry County, State of Illinois (Rept. No. 277);

H. R. 8324. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River at Byron, in Ogle County, State of Illinois (Rept. No. 278); and

H. R. 8327. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River at Oregon, in Ogle County, State of Illinois (Rept. No. 279).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. BLACK, from the Committee on the Judiciary, reported favorably the nomination of Douglas Smith, of Alabama, to be United States marshal, middle district of Alabama, which was placed on the Executive Calendar.

Mr. ROBINSON of Indiana, from the Committee on the Judiciary, reported favorably the nomination of Benjamin Nathan Cardozo, of New York, to be an Associate Justice of the Supreme Court of the United States.

Mr. STEPHENS, from the Committee on the Judiciary, reported favorably the nomination of John R. McCrary, of North Carolina, to be United States attorney, middle district of North Carolina, which was placed on the Executive Calendar.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES:

A bill (S. 3752) granting a pension to Frederick E. Ruffner (with accompanying papers); to the Committee on Pensions.

(By request.) A bill (S. 3753) to create and establish a national United States educational peace commission to promote peace by means of education; to the Committee on Education and Labor.

By Mr. HALE:

A bill (S. 3754) granting an increase of pension to Frances V. Morrill (with accompanying papers); to the Committee on Pensions.

By Mr. REED:

A bill (S. 3755) granting an increase of pension to Carrie E. Stanwood (with accompanying papers); to the Committee on Pensions.

By Mr. HOWELL:

A bill (S. 3756) for the relief of John C. P. de Krafft; to the Committee on Civil Service.

A bill (S. 3757) for the relief of the First National Bank of Walthill, Thurston County, State of Nebraska; to the Committee on Claims.

A bill (S. 3758) granting a pension to Edward P. Dorner; to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 3759) providing for the construction and equipment of a hospital at Wagner, S. Dak.; to the Committee on Indian Affairs.

By Mr. McKELLAR:

A bill (S. 3760) granting a pension to Lydia R. Holt (with accompanying papers); to the Committee on Pensions.

By Mr. McGILL:

A bill (S. 3761) granting a pension to Beulah Ruth Stewart; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 3762) granting a pension to George Goelz; and

A bill (S. 3763) granting an increase of pension to Sarah J. Hamblin; to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 3764) for the relief of John Fisher; and

A bill (S. 3765) to authorize the Secretary of War to lend War Department equipment for use at the Fourteenth National Convention of the American Legion at Portland, Oreg., during the month of September, 1932; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 3766) to amend subdivision (7) of section 202 of the World War veterans' act, 1924, as amended, in respect to persons suffering from tuberculosis; to the Committee on Finance.

A bill (S. 3767) granting an increase of pension to John E. Fitzgerald (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 3769) to amend the act entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War"; to the Committee on Military Affairs.

By Mr. BLACK:

A bill (S. 3771) for the relief of St. Paul's Episcopal Church, Selma, Ala.; to the Committee on Claims.

A bill (S. 3772) to authorize an appropriation for levee construction and other flood-control works at Elba, Ala., on the Choctawhatchee River; and

A bill (S. 3773) to authorize an appropriation for levee construction and other flood-control works at Geneva, Ala., on the Choctawhatchee River; to the Committee on Commerce.

By Mr. PATTERSON:

A bill (S. 3774) for the relief of Julius Wurzburger; to the Committee on Military Affairs.

By Mr. FRAZIER:

A bill (S. 3775) granting a pension to Nellie Gates; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 3776) for the relief of Margaret A. Douglas; to the Committee on Finance.

By Mr. GLENN:

A bill (S. 3777) for the relief of John Brown; and

A bill (S. 3778) for the relief of Harold J. Fishbein; to the Committee on Claims.

A bill (S. 3779) granting a pension to Margaret Albritton (with accompanying papers); and

A bill (S. 3780) granting a pension to Mary E. Ghormley (with accompanying papers); to the Committee on Pensions.

By Mr. NORBECK and Mr. BULOW:

A joint resolution (S. J. Res. 110) authorizing the distribution of Government-owned wheat to the American National Red Cross and other organizations for relief of distress; to the Committee on Agriculture and Forestry.

THE POSTAL SAVINGS SYSTEM

Mr. DILL introduced a bill (S. 3768) to amend the act approved June 25, 1910, authorizing the Postal Savings System, and for other purposes, which was read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

An act (S. 3768) to amend the act approved June 25, 1910, authorizing the Postal Savings System, and for other purposes

Be it enacted, etc., That that part of the act approved June 25, 1910, authorizing a system of postal savings depositories as is hereby affected, shall be amended by adding the following new sections:

"SECTION 1. That for a period of three years after the passage of this act all postal savings banks, in addition to deposits provided for by the act of June 25, 1910, shall carry also a deposit and checking-fund account not to exceed $5,000, and any person authorized to make deposits in postal savings banks shall be authorized to make deposits in the deposit and checking-fund account. The Postmaster General shall supply all necessary forms of blank checks, deposit slips, and other business forms for use of depositors, and shall furnish monthly statements of accounts to depositors.

"SEC. 2. The Postmaster General shall appoint such additional clerks as may be necessary to handle said deposit and checking accounts under bonds, the amount of said bonds to be fixed by the Postmaster General for each particular postal savings bank where said deposit and checking-fund accounts are kept.

"SEC. 3. Any depositor with a deposit and checking account shall be entitled to draw funds on demand, but the Postmaster General is hereby authorized to declare an emergency for any postal savings bank at any time he may decide, and during the period of said emergency the depositor may be required by the cashier of said postal savings bank to give 10 days' notice for payment of any part of his existing deposit in excess of 50 per cent of the same.

"SEC. 4. The Postmaster General shall invest the funds of the deposit and checking division of the postal savings bank in direct Government obligations of the United States as he may decide is most advantageous to the system, and shall keep on hand a cash reserve of at least 20 per cent of the total deposits of any postal savings bank.

"SEC. 5. The Postmaster General is authorized to create a special deposit and checking fund and keep such parts of said fund as he may deem advisable on deposit in each of the Federal reserve banks located in the respective Federal reserve districts. Said district deposits shall be credited to the postal deposit and checking fund by said Federal reserve banks and the Postmaster General shall credit each postal savings bank with the amount of deposits in said fund to which each bank is entitled.

"The Postmaster General is hereby authorized to make application to any local agent of the Federal Reserve Board for such amount of Federal reserve notes as he may require to maintain in said fund necessary cash reserves or funds to meet withdrawal demands from the deposit and checking account of any postal savings bank. Such application shall be accompanied by the tender of direct obligations of the United States as collateral in amount equal to the sum of the Federal reserve notes thus applied for.

"The Federal Reserve Board is hereby authorized to issue Federal reserve notes to the Postmaster General based on direct obligations of the United States as collateral on the same terms as provided for local member banks of the Federal Reserve Board."

CHANGE OF REFERENCE

On motion of Mr. REED, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 3318) for the relief of James E. Smith, and it was referred to the Committee on Naval Affairs.

APPROPRIATIONS FOR THE DEPARTMENTS OF STATE AND JUSTICE—AMENDMENTS

Mr. JONES submitted an amendment intended to be proposed by him to the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 61, line 10, in the paragraph relating to air-navigation facilities, strike out "$7,553,500" and insert in lieu thereof "$8,053,000."

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 95, line 8, insert the following: (Under the heading "Bureau of Fisheries" insert at the end of the paragraph on "Propagation of food fishes" the following—) "$1,000 for opening of outlets to the Pacific Ocean of the Siltcoos and Takenitch Lakes in Douglas and Lane Counties, Oreg., by dredging, diking, or otherwise, with a view to the improvement of such lakes for fishing purposes."

On page 95, line 8, change the amount of $986,730 at the end of the paragraph on "Propagation of food fishes" to read "$987,730."

CERTIFICATES OF CONVENIENCE AND NECESSITY FOR AIRCRAFT CARRIERS

Mr. BRATTON. Mr. President, I ask permission to have inserted in the RECORD an article written by Howard C. Knotts, aviation supervisor for the Illinois Commerce Commission, entitled "Certificates of Convenience and Necessity for Aircraft Carriers," which was published in the January issue of the Journal of Air Law.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CERTIFICATES OF CONVENIENCE AND NECESSITY FOR AIRCRAFT CARRIERS[1]

By Howard C. Knotts, aviation supervisor Illinois Commerce Commission

The regulation by State public-utilities commissions of aircraft engaged in the business of transporting persons and property is yet so novel that any deductions I may draw must necessarily be broad, and the facts must be largely taken from my own experience in Illinois. Indeed, it may be that many of you have never heard of certificates of convenience and necessity for aircraft carriers. They are no different from such certificates for other common carriers; that is, they are grants to operate between two or more points and must be supported by adequate service, operating ability, and financial responsibility. They are not monopolistic, but in Illinois the old carrier in the field, if responsible, is given first chance to supply any new or increased service required by public convenience and necessity.

In the whole United States but nine States have issued certificates of convenience and necessity to aircraft carriers. These are but 69 in number, and two-thirds of them have been issued in one State, namely, Pennsylvania. The others—Arizona, Colorado, Illinois, Maryland, Nevada, New Mexico, North Dakota, and Wyoming—have issued the remainder. Few of such applications have been refused, and Arizona occupies the unique position of having refused more than she has granted. North Dakota issued one without a hearing. At least one certificate has been granted (by Colorado) where there were no intrastate terminals, and the operation appears to have been entirely interstate. The application was voluntarily made by the aircraft carrier, and the Colorado Public Utilities Commission took the position that it was compelled to grant the certificate. No reason is assigned why it did not simply refuse to take jurisdiction and dismiss the application. (P. U. R. 1928E, 518.)

For part of the foregoing compilation I am greatly indebted to the Air Law Institute of Northwestern University, which has sent a searching questionnaire on this subject to each of the State public-utilities commissions. All of us can look forward with interest to the result of this comprehensive investigation, which is now scheduled to appear in the April, 1932, issue of the Journal of Air Law.

The amazing thing is that not more than a dozen orders concerning aircraft-carrier regulation have found their way into print. This includes not only the published Public Utility Reports but also such special aeronautical-law services as are furnished by United States Aviation Reports and the Aviation Law Service of the Commerce Clearing House. It is little wonder that each commission is groping around for the benefit of the other fellow's experience. Those of us who are engaged in this work are in no small measure to blame for this situation.

Even the articles in legal publications are not many on the subject under discussion. Furthermore they are in most instances too meager to be very helpful. However, I can refer you to three I have found useful: The prophetic one in the January, 1930, issue of the Journal of Air Law entitled "The Certificate of Convenience and Necessity Applied to Air Transportation," "Aircraft as Common Carriers," in the April, 1930, issue of the same publi-

[1] Paper presented at the first annual convention of the National Association of State Aviation Officials, at East St. Louis Dec. 3, 1931.

cation, and Part II of State Regulation of Aircraft in the January, 1930, issue of the Air Law Review.

The lack of activity in this branch of regulatory law appears to be due to three things: First and foremost, the lack of proper State legislation to give jurisdiction; secondly, the desire of commissions to proceed with proper caution in this new form of regulation; and, third, the mass of operation problems taking the time and efforts of air-transportation companies to the exclusion of other things, or else the reluctance of such companies to be involved in regulation before they are compelled to act.

Failure to have jurisdiction due to the lack of a proper law can only be remedied by the legislative branch in each State. Where such a condition exists the legislature should use great care in amending its public utility act, but each legislature should so act at its next session if air commerce is developing in that particular State or shows any possibility of so doing.

That each commission now having authority to take jurisdiction should proceed with caution is commendable, but in some instances the complete assurance of being absolutely right before acting in the field of air commerce will have to be sacrificed to insure the public safety and good transportation facilities in this pioneering project. It is also the duty of each commission not only to protect the public but also to protect the property and investments of regular aircraft carriers from unfair and destructive competition by irregular operators. In the motor-carrier field this has been held to be a duty imposed by law, and no doubt the same holding will prevail for the aircraft carrier.

Air-transportation companies have had many problems to solve, first as to operation, and second as to finances, especially with the falling off in aeronautical investments. However, such companies have for the most part appeared not to give adequate attention to the legal side of their problems and some have had legal advice that has steered them away from being common carriers as long as possible. This latter attitude has been carried so far that some of these companies have made themselves ridiculous in the numerous provisions recited in their long and formidable looking tickets and also in their advertising in which they have insisted upon the fiction that they are private carriers, and at the same time have held themselves forth in every other way so as to be in law common carriers. This, of course, can not last much longer, because these companies either will obtain different legal advice or else have the knowledge jammed down their throats by unfavorable court decisions resulting in the payment of large sums of money for damages to persons and property where the courts have swept aside the verbose ticket provisions as against public policy and have held these air-transportation companies to the responsibility of common carriers. Such a decision might have a serious effect upon the insurance carried by the aircraft company.

If an air-transportation company is in fact a common carrier it should be willing to accept such responsibility; and in so doing it will obtain the advantages of such a legal status if a certificate of convenience and necessity is obtained. And it is no small advantage to have a well-established business protected from the inroads of competition by irregular operators, to say nothing of the increased marketability of the stock of a corporation so protected.

The last General Assembly in Illinois passed an act creating the Illinois Aeronautics Commission, delegating to it the duties of seeing that all aircraft and all airmen have appropriate Federal licenses, that air beacons, air schools, airports, and air-navigation facilities have State licenses, and the promulgation of rules and regulations. This supervision of aeronautics is specifically said "not to be in conflict with the authority of the Illinois Commerce Commission to supervise and regulate public utilities." In other words, the regulation of aircraft common carriers was left in the hands of the body that regulates all other public utilities, and such provision was necessary in order to avoid any controversy about the constitutionality of each act. Also, it is obvious that in order to properly protect aircraft carriers and their termini the utilities body must do all the regulating in order to protect the safety of airports from high-tension lines, telephone wires, and the obstructions of other utilities already under the control of the utility commissions.

The Illinois Commerce Commission law, originally passed in 1913 and amended in 1921, contains no specific mention of aircraft or the transportation of persons and property via the air, but the following are excerpts from sections 8 and 10 of this act:

"8. The commission shall have general supervision of all public utilities, * * * shall inquire into the management of the business thereof, and shall keep itself informed as to the manner and method in which the business is conducted. It shall examine such public utilities and keep informed as to their general condition, their franchises, capitalization, rates, and other charges, and the manner in which their plants, equipment, and other property owned, leased, controlled, or operated are managed, conducted, and operated, not only with respect to the adequacy, security, and accommodation afforded by their service but also with respect to their compliance with the provisions of this act and any other law, with the orders of the commission and with the charter and franchise requirements."

"10. The term 'public utility,' when used in this act, means and includes every corporation, company, association, joint-stock company or association, firm, partnership or individual, their lessees, trustees, or receivers appointed by any court whatsoever * * * that now or hereafter:

"(a) May own, control, operate, or manage, within the State, directly or indirectly, for public use, any plant, equipment, or property used or to be used for or in connection with the transportation of persons or property * * *.

"(b) May own or control any franchise, license, permit, or right to engage in any such business.

"The term 'common carrier,' when used in this act, includes * * * every corporation, company, association, joint-stock company or association, firm, partnership, or individual, their lessees, trustees, or receivers appointed by any court whatsoever, owning, operating, or managing any such agency for public use, in the transportation of persons or property within the State."

It was and is the view of the Illinois Commerce Commission that the foregoing provisions gave jurisdiction over aircraft carriers. There is good authority for this in Illinois and elsewhere where other utilities not named in the act have been concerned. So far the carriers themselves have taken the same view. In addition, the Illinois act is very similar and sometimes identical with that of a number of other States. As the air-commerce business in Illinois began to expand beyond mere carriage of the mails and took on intrastate features the Illinois Commerce Commission began to study the problem. Seeking to use the deliberateness necessary in a new field and seeking to inform itself fully, it participated in most of the legal conferences concerning aircraft regulation and, in addition, it studied the methods of operation of companies flying in Illinois and in other States. Shortly after the first of this year it decided to take jurisdiction of these carriers under its act, and by a coincidence a new company about to start business in Illinois applied at that time for a certificate of convenience and necessity.

The situation was unusual, because the new company, Century Air Lines (Inc.), proposed to operate an entirely intrastate air line on a large business basis between Chicago and East St. Louis, two cities on the opposite borders of Illinois. Prior to this time it was rather loosely said that the only purely intrastate lines existed in California; and, of course, Century maintains its Illinois operation as part of an interstate system running from Chicago to terminals at Detroit, Cleveland, and Toledo. In any event Century proposed to start a new operation entirely within the borders of Illinois. It frankly said it wanted to be a common carrier, and offered a ticket about the size of the ordinary railroad ticket and with as little printed matter thereon; and it applied for a certificate of convenience and necessity to operate between the cities of Chicago and East St. Louis, heretofore mentioned, with stops at the intervening cities of Springfield, Bloomington, and Peoria.

This territory was at the time being served by a number of railroads and bus lines and by the Universal Division of what is now American Airways (Inc.). This existing air service carried the mail between Chicago, Ill., and St. Louis, Mo., and offered such intermediate passenger and express service at Springfield and Peoria as the two daily mail runs afforded. However, before any hearing was held Peoria dropped out of the picture due to lack of adequate airport facilities.

In a few weeks after Century Air Lines (Inc.) had filed its application, American Airways (Inc.) filed an application for a certificate of convenience and necessity to operate between Chicago, Peoria, Springfield, and to cross the Illinois-Missouri State line at a point just north of St. Louis, Mo. Upon the motion of the two air-transportation companies, the two cases were heard together, and each company stipulated that they would agree, in so far as such was permissible, that certificates should issue to each of them in accordance with their respective applications. At the hearings three railroads appeared, two having filed written protests, but as the cases progressed the railroads dropped out, one at a time, and finally all had formally withdrawn.

It is doubtful if the last railroad would have ceased to object, but it was sold before the cases were concluded, the new owner took immediate possession, and then formally withdrew the protest of its predecessor. This is most interesting, because the companies involved included two of our most important air-transportation corporations and four of our largest and best railroad systems. The receiver and former president of the last railroad to withdraw, a man with 50 years' railroad experience, testified in substance that there was no public convenience and necessity to be served, that his railroad had an investigation of 10 years' standing of the air-transportation business, and that the time was not yet ripe for it; but, on the other hand, he said freely that his investigation showed him that the air-commerce business was here to stay. Then he concluded with this significant thing, namely, that if a certificate was to be granted his road wanted the opportunity to establish the service and obtain the certificate for itself. It was rather contradictory, but the very earnest expression of a railroad man old in experience and trying to save what had once been one of the country's first and finest railroad lines.

On August 26, 1931, certificates of convenience and necessity were granted to Century Air Lines (Inc.) and American Airways (Inc.), respectively, and the public has, ever since the hearings were well under way, enjoyed the best of air service in Illinois. The only common-terminal points of these two lines are Chicago and Springfield. On June 25, 1931, National Air Transport (Inc.) filed its application for a certificate of convenience and necessity to operate an air line between Chicago and Moline, Ill., again involving an intrastate business between two cities on the opposite borders of Illinois. The applicant was and is furnishing the only common-carrier air service between the points mentioned, and at the hearings only one railroad appeared from among the number of other carriers serving the same territory. There were no objections to the application, and the certificate was granted

on October 7, 1931. Now approximately 5,000 miles are flown daily on 650 miles of airways by aircraft common carriers in Illinois with an average passenger load of 2,500 persons per month. The pilots are competent and old in experience, and the equipment used includes a variety of the safest and most luxurious known. The Illinois lines connect by air or by air-rail or air-bus with 47 States and with Canada and Mexico. The business of each carrier has shown a gradual increase, and each carrier, I believe, is pleased that it has come under public-utility regulation.

The position of the Illinois Commerce Commission is that air transportation is an art which renders an entirely different class of service from that rendered by other common carriers, and this was one of the bases upon which each of the three certificates heretofore mentioned was granted. Its position also is that the art will develop better under understanding and sympathetic regulation, and, too, the convenience and the safety of the public must be served by some regulation. It is the law in Illinois, as heretofore said, that certificates of convenience and necessity are not grants of monopoly, although the oldest operator in the field is given first chance to establish the new and additional service provided it can show the proper operating ability and adequate financial responsibility. And so certificates were granted to Century Airways (Inc.) and American Airways (Inc.) using routes partially the same, not only because the respective applicants agreed to this but also because the competition appeared to be healthy rather than ruinous.

Each of these various phases, sometimes one and sometimes another, other commissions have recited in their respective orders from time to time. In Colorado (P. U. R. 1930E, 308) to Pikes Peak Aircraft (Inc.) a certificate was granted and one denied to United States Airways (Inc.) between the same terminals, because the former company chose the safer route even though a bit slower. However, this very significant paragraph appears in the order:

"It is regrettable that at this early stage of development of airplane service in our State a certificate may not be issued to each of the applicants herein. But they both agreed at the hearing that there is not enough business between Grand Junction and Denver to warrant the operation of two lines between those cities."

The Nevada Public Service Commission (P. U. R. 1928D, 854) granted certificates to three applicant companies between the same points in that State, and at the same time protected a certificate previously granted to a fourth company, Boeing Air Transport (Inc.), by establishing "home ports" for all four and announcing the following priority rule with reference to each:

"Any operator shall have a priority or preference of two hours at his 'home port' over any operator away from his 'home port.' This means no certificate holder in this State may proceed with passengers or property from any point other than his 'home port' and which is the 'home port' of another certificate holder until after a period of two hours has elapsed from the time the request for transportation is received unless he shall in the meantime secure from the operator or operators at whose 'home port' he is located a waiver of the provisions of this rule."

There has been some question as to the soundness of this arrangement, but it certainly can not be denied that it was an artful way of developing as much air transportation as possible. Furthermore, the companies involved agreed to the order.

Nevada, in a case not strictly involving aircraft, has also asserted in strong language the theory that "airplane transportation is an entirely different class of service in point of time and convenience" (Re Pickwick Stages P. U. R. 1930A, 404 at 406). And in the same case at page 405 there is found the following language:

"The controversy has seemed to revolve around the possible injury to the railroads on the one hand or the possible benefit to the stage lines on the other, neither of which is our chief concern. We do not consider what will injure the railroads or benefit the stage lines, but rather what will be the ultimate maximum benefit to our State."

In Pennsylvania, where the greatest experience in these matters has been had, a certificate was denied to Battlefields Airways (Inc.) (P. U. R. 1929A, 476), where the application was strongly contested by Gettysburg Flying Service (Inc.), which already had a certificate to serve the same territory (P. U. R. 1928B, 287), because the Pennsylvania commission felt that the granting of the second certificate would be "the creation of unnecessary and destructive competition," which "could not and would not be a contributing factor in the development of commercial flying service in Pennsylvania. * * * Common-carrier transportation by aircraft must be developed for some time at least by and through private enterprise, which should not be required to struggle for an existence in the competitive field under conditions as existing in this case." However, it must be noted that the Pennsylvania commission rather backed up on itself in the last paragraph of its order, which reads as follows:

"If, however, in any similar proceeding it appears that the application of the noncompetitive principle is not in the interest of and would not foster and encourage aviation the principle will not control. This commission desires in every way possible under its regulatory powers and duties to encourage the growth and development of commercial air service."

California, while it has not yet taken jurisdiction in this field, granted in the face of great opposition a certificate of convenience and necessity to a motor carrier to operate a passenger stage between a city and a certain airport because "such service was a necessary incident to the development of air transportation, which should be especially encouraged." (P. U. R. 1931A, 398.) Aircraft common carriers should embrace the opportunity of obtaining the advantages of regulation when such an attitude prevails.

Michigan in re Kohler Aviation Corporation (P. U. R. 1930B, 242) apparently without opposition and certainly without much discussion of the subject took jurisdiction over a securities issue of the Kohler Corporation because it was an aircraft common carrier. Otherwise the secretary of state's office would have handled the qualification of the issue. The Michigan Public Utilities Commission has also done this in at least two other cases.

Nebraska and New Hampshire have likewise partially entered the field by adopting rules and regulations covering the licensing and operation of commercial aircraft. Possibly other States have, too, but lack of available data has not permitted me to find out about them.

All commissions have been extremely cautious in the matter of rates for aircraft common carriers. In fact, the rate schedules filed by the companies have been generally accepted by the commissions upon the theory that the business is not yet old enough to permit any intelligent conclusions about a rate base. As to time and service schedules some action has been taken, but with such consideration that no operating company has had cause to complain.

What other States have done about inspection I do not know, but in Illinois we have so far felt that our inspections were as necessary to teach ourselves as to protect the public. The Illinois Commerce Commission has not cited any aircraft carrier for any failure in its operation, and does not intend to do so if it can be avoided—and it can be if the present cooperation continues. So far every suggestion made to one of our regulated companies by the aviation supervisor of the Illinois Commerce Commission has been carried out promptly and efficiently.

So also Illinois has contended herself thus far with the following provision in each order:

"It is further ordered that the certificate of convenience and necessity hereinabove ordered to be issued is granted subject to the regulations and air-traffic rules now existing or which may be promulgated either by this commission or any other duly authorized governmental agency."

Of course, a set of rules and regulations for aircraft carriers is necessary, and so we have found already; but the companies flying in Illinois can be assured that they will not be adopted without first an open hearing in which all concerned will have full opportunity to be heard and make suggestions. And even then the first set, with but a few special exceptions, will only concern procedure before the commission in the matter of applications, hearings, change of schedules, reports, etc.

My conclusions on this subject are that the regulation so far has been exceedingly sound and that it should continue in the same careful manner; that all aircraft carriers should cultivate this attitude on the part of the commissions; and that each commission should make a special effort to see that its orders reach the regular channels of publication so that every other commission may have the benefit of this knowledge. To further this cooperation the Illinois Commerce Commission will supply each of your requests in so far as its experience extends.

THE TARIFF POLICY AND CANADIAN INDUSTRIES

Mr. DILL. Mr. President, I ask unanimous consent to have printed in the RECORD two articles by Grattan O'Leary, one appearing in this morning's Washington Herald, entitled "Hawley-Smoot Tariff Last Straw to Canada," and the other appearing in this morning's New York American, entitled "Why American Industries Move Their Plants to Canada."

The VICE PRESIDENT. Without objection, it is so ordered.

The articles are as follows:

[From the Washington Herald, Tuesday, February 23, 1932]

HAWLEY-SMOOT TARIFF LAST STRAW TO CANADA

By Grattan O'Leary

(Herewith is the first of a series of special articles prepared by Grattan O'Leary, noted Canadian journalist, showing the baneful effects of the Hawley-Smoot Tariff Act and the need for reciprocal trade agreements between Canada and this Nation.)

OTTAWA, February 19.—Premier R. B. Bennett told the Dominion House of Commons this week that during 1931 more than 100 United States industries had established branch factories in Canada. The Dominion Bureau of Statistics shows that American industries are now coming to Canada at a rate of more than two a week.

The Canadian Government is negotiating preferential trade treaties with New Zealand and Australia, waging a campaign to have Canadians buy more of Canadian and Empire goods, preparing for the great Empire Economic Conference which is to be held in Ottawa this summer, and which aims at a self-sustaining economic Empire. As a part of the new imperial economics, Canadians are being exhorted to substitute Empire fruits and vegetables—the products of Australia, South Africa, and the British West Indies—for fruit from California and Florida, for vegetables from other States.

This is the culmination, the direct consequence of more than two decades of futile Canadian effort to secure better trade arrangements with the United States—the result of fruitless protests against the Fordney-McCumber and Hawley-Smoot tariffs.

Between 1911 and 1921 Canadian trade with the United States mounted steadily; Canada's exports grew from $139,000,000 to $542,000,000. At the same time United States sales to Canadians increased to $856,000,000 annually. Canada, in fact, was buying practically one-fourth of the total of American exports.

Then suddenly came the Fordney-McCumber tariff. Its effect, so far as Canada was concerned, was that in one year exports to the United States dropped from $542,000,000 to $292,000,000. So severe was the shock the commercial structure of the Dominion was shaken to its foundations; costs of production in Canada had to be reduced; there was deflation of capital values; farm lands decreased in value by $1,400,000,000.

Canada did not retaliate. Instead, she adjusted her trade and economics to the new conditions, refused to alter her own fiscal policy against the United States, gradually won back her markets. By 1929 she was again selling farm products and raw material to the United States at the rate of $500,000,000 a year.

But Canada bought more goods from the United States than she sold in return. In the 10 years between 1921 and 1931 her 10,000,000 people imported $7,535,000,000 of America's products, this while 110,000,000 Americans were buying about $5,000,000,000 worth of Canadian goods.

The record shows, indeed, that in the years 1923, 1924, and 1925 Canada, disregarding the Fordney-McCumber schedules, actually lowered duties on American products; lowered them on motor cars, on machinery, on farm implements. At any time during this period the Canadian people would have welcomed an offer of reciprocal tariff preferences from the United States.

Then came the Hawley-Smoot Act. This law, which cut off $150,000,000 of Canadian exports to the United States at one fell swoop—this in a year when Canada's American imports had reached a new high record—was the last straw. Disheartened in their long-sustained efforts to trade with their neighbors and upon this continent, and convinced that nothing could be hoped for from the administration at Washington, Canadians began looking toward London.

Messrs. HAWLEY and SMOOT are, in a sense, the real authors of the Empire Economic Conference. They laid its foundations.

* * * * * * *

Canada has begun to copy American fiscal methods. While refusing to admit it, she is, as a matter of fact, retaliating against Washington. She is heightening her general tariff all along the line; she is barring out American goods; compelling American industries to come to Canada to secure the Canadian market; making her own purchases at home and from the empire.

These things are being done without bitterness. They are being done with a realization that, in a large measure, they may not be to the advantage of Canada. For the average Canadian does not visualize a walled-in empire fiscally aloof from the world. What he does feel, however, is that if there is to be a lowering of the tariff wall between the Dominion and the Republic, the first move must come from Washington.

INDUSTRIES DRIVEN OUT

Following is a partial official list of United States branch factories established in Canada in 1931, as given to the Canadian House of Commons by Premier R. B. Bennett:

Campbell Soup Co. (Ltd.), New Toronto, Ontario; Fine Foods of Canada (Ltd.), Windsor, Ontario; Hill Nut Co. (Ltd.), Toronto, Ontario; Liberty Cherry Co. of Canada (Ltd.), Toronto, Ontario; Newton Products, Toronto, Ontario; Siren Mills Corporation (Ltd.), Montreal, Quebec; Stedfast Rubber Co., Granby, Quebec; Cantilever Shoe Co. of Canada (Ltd.), Toronto, Ontario; Lackawanna Leather Co. of Canada (Ltd.), Toronto, Ontario; Schwegler's Hatchery, Bridgeburg, Ontario; Griffith Laboratories (Ltd.), Toronto, Ontario; B. Edmund David Silk Mills of Canada (Ltd.), Hawkesbury, Ontario; Dominion Webbing Co. (Ltd.), Kingston, Ontario; Donahue Corporation of Canada (Ltd.), St. Hyacinthe, Quebec; Edmond Mills (Ltd.) of Canada, Granby, Quebec; Herbert Hosiery Mills (Ltd.), Toronto, Ontario; Schlegal Co. of Canada (Ltd.), Toronto, Ontario; Westminster Hosiery (Ltd.), Mount Dennis, Ontario; Belleville-Sargent & Co. (Ltd.), Belleville, Ontario; Brown & Bigelow (Ltd.), Toronto, Ontario; E. L. Bruce Co. of Canada (Ltd.), Toronto, Ontario; Dixon Pencil Co., Newmarket, Ontario; Eagle Pencil Co. of Canada (Ltd.), Drummondville, Quebec; Hardware, Woodenware & Toys (Ltd.), Coaticook, Quebec; Rochester Paper Co. (Ltd.), Toronto, Ontario; Schaeffer Ross Co. of Canada (Ltd.), Toronto, Ontario; Venus Pencil Co. of Canada (Ltd.), Toronto, Ontario; International Lithographing Co. (Ltd.), Toronto, Ontario; A. B. C. Washer Co., Granby, Quebec; Burr, Patterson & Auld Co., Walkerville, Ontario; Castings of Canada (Ltd.), Smith Falls, Ontario; Cross Coal-O-Matic Co. of Canada (Ltd.), Montreal, Quebec; Diamond Iron Works of Canada (Ltd.), Port Arthur, Ontario; Dominion Hoist & Shovel Co., Longuell, Quebec; Dominion Motors (Ltd.) (operating agreement), Toronto, Ontario; MacMiller Candle Co., Niagara Falls, Ontario; Wilcox Canadian (Ltd.), Toronto, Ontario; Northwest Stellarene Co., Coutts, Alberta; Parco Oil Co. (Ltd.), Calgary, Alberta; Radium Corporation of Canada (Ltd.), Toronto, Ontario; American Wringer Co. of Canada (Ltd.), Farnham, Quebec; Teabury Chewing Gum Co., Sherbrocke, Quebec.

[From the New York American, Tuesday, February 23, 1932]

WHY AMERICAN INDUSTRIES MOVE THEIR PLANTS TO CANADA

By Grattan O'Leary

(This is the second in a series of special articles prepared for the New York American and other Hearst newspapers by Mr. O'Leary.)

OTTAWA, February 22.—Between 1880 and 1930, 1,071 United States branch factories established themselves in Canada. They represented an investment of $1,541,000,000.

These factories crossed the line to secure freer access to Canadian markets, to obtain benefits from empire preferences. To-day, with the Canadian tariff against American products the highest in the Dominion's history, this export of United States factories gains in momentum, has increased its speed by about 500 per cent.

Every week sees at least two new American industries set up somewhere in Canada, bringing in millions of capital, work and wages for Canadian workers, purchasing power for the Canadian people, home markets for Canadian farmers, traffic for Canadian railways, business for Canadian ports. Taken altogether, this development has been one of the main factors in tiding the Dominion over the existing depression.

No exact figures are available as to the number of Canadians employed in these branch factories. It is estimated, however, that, taking into account the purchases made from other and allied industries, with the extra employment thus afforded, the addition to the Canadian wage bill runs into hundreds of millions of dollars a year.

This development, good for Canada, not so good for the United States, is, curiously enough, a direct outgrowth of United States policy. It can be traced, and unmistakably, to the Fordney-McCumber and Hawley-Smoot tariffs.

If Americans desire proof of this they can find it in the public speeches of the Canadian Prime Minister, Mr. R. B. Bennett. One quotation from Mr. Bennett will suffice. In his keynote election speech of 1930, he said:

"The United States learned a long time ago that to become a great nation it must look to itself. It developed its industries and its natural resources, encouraged and protected its agriculture, so that out of a slow beginning it has grown to those gigantic proportions where, if the countries affected do not take action, its strength will overflow its border and battle with the under countries it is its avowed purpose, industrially, to subdue. That is the story of the United States. To-day it is more powerful than we, but unless you are content to become its economic vassal, you must do as it did, you must fight for your own."

Mr. Bennett undoubtedly voiced the conclusion of a majority of Canadians. Rightly or wrongly, they became convinced that the United States did not want to purchase Canadian products, that it had gone in for economic imperialism, that it aimed to make Canadians its hewers of wood and drawers of water.

There was the record of what looked like deliberate fiscal aggression against the Dominion. On at least three occasions between 1921 and 1930 Canada lowered duties on American products. Time and again, too, Mr. Mackenzie King, the then Prime Minister of Canada, made reciprocal trade gestures to Washington.

Finally, in 1929, Canada, as an act of friendship to the United States and probably hoping for better tariff terms, prohibited the export of liquor to the Republic, losing millions of revenue in the process. But the only answer of Washington was the Hawley-Smoot tariff, completing what had been begun 10 years before by the Fordney-McCumber schedules.

This was the beginning of the rise of Mr. R. B. Bennett, with his gospel of empire trade. The beginning of increased Canadian duties against the United States with a campaign for Empire preferences; an influx of American industries to Canada.

It is not that Canadians do not wish to trade with their American neighbors. All that the existing Canadian tariff policy means is that Canadian products barred from American markets and repeated pilgrimages to Washington rebuffed, there is a natural seeking for alternative markets.

One friendly gesture from Washington now would bring resumption of the wholesome and mutually profitable trade of 15 years ago.

INDUSTRIES THAT MOVED

Following is a supplementary list, compiled from official sources, of American industries which have opened branch plants in Canada because of the injustices of the Hawley-Smooth Tariff Act toward American trade:

Packard Motor Car Co. of Canada (Ltd.), Windsor, Ontario; Pfaudler Co. of Canada (Ltd.); Radiator Specialty Co. of Canada, Toronto, Ontario; Reo Motor Co. of Canada, Toronto, Ontario; Stewart Truck Corporation of Canada (assembling), Port Erie, Ontario; Taco Heater (Ltd.) of Canada, Toronto, Ontario, D. D. Terrill Saw Co., Pembroke, Ontario; Tower Oil Burner Co. (Ltd.), Montreal, Quebec; Baldor Electric Co. (Ltd.), Toronto, Ontario; L. C. Brach of Canada (Ltd.), Toronto, Ontario; Canadian Controllers (Ltd.), Toronto, Ontario; Continental Carbon Co., Toronto, Ontario; Curtis Lighting Co. of Canada (Ltd.), Toronto, Ontario; Dennison Electric Co., Toronto, Ontario; Dictograph Co. of Canada (Ltd.), Toronto, Ontario; Eastern Power Devices (Ltd.), Toronto, Ontario; General Railway Signal Co. of Canada (Ltd.), Toronto, Ontario; Hammond Co. of Canada (Ltd.), Toronto, Ontario; Erie Resistor of Canada (Ltd.), Toronto, Ontario; International Resistance Co. (Ltd.), Toronto, Ontario; Leland Electric of Canada (Ltd.), Toronto, Ontario; Noma Electric Co. of Canada, Toronto,

Ontario; Packard Cable Co. of Canada (Ltd.), Toronto, Ontario; Polymet Manufacturing Corporation, Hamilton, Ontario; J. P. Seeburg Corporation, Toronto, Ontario.; Silver Marshall of Canada (Ltd.), Toronto, Ontario; Wheeler Reflector Co., Toronto, Ontario; White Co., Montreal, Quebec; Messrs. Bundy Incubators Co., Toronto, Ontario; Masters Builders (Ltd.), Toronto, Ontario; Tremco Manufacturing Co. (Canada) (Ltd.), Leaside, Ontario; Everett & Barron of Canada (Ltd.), Toronto, Ontario; F. W. Fitch Co. (Ltd.) Toronto, Ontario; Fyr-Fyter Co. of Canada (Ltd.), Hamilton, Ontario; The A. W. Higgins Co., St. John, New Brunswick; Mallinckroat (Ltd.), Toronto, Ontario; Mum Manufacturing Co. (Inc.), Windsor, Ontario; Ober Fertilizer Co., Welland, Ontario; Sheffield Bronze Powder Co. (Ltd.), Toronto, Ontario; Summers Fertilizer Co. (Inc.), St. Stephen, New Brunswick; Talcum Puff Co. (Ltd.) Toronto, Ontario; Huntington Laboratories of Canada (Ltd.), Toronto, Ontario; Aero Corporation of Canada, Kitchner, Ontario; L. G. Balfour Co., Sherbrooke, Quebec; Film Laboratories of Canada (Ltd.), Toronto, Ontario; Fedders Manufacturing Co., Toronto, Ontario; Heaters of Canada, Oakville, Ontario; Hump Hairpin Co. of Canada (Ltd.), St. Hyacinthe, Quebec; Hupp Motor Car Corporation, Windsor, Ontario; Iron Fireman Manufacturing Co., Toronto, Ontario; Johnson (S. T.) Oil Burners of Canada (Ltd.), Montreal, Quebec; Dodge Motor Co. (Ltd.), Walkerville, Ontario; Lynn Canadian Products (Ltd.), Brockville, Ontario; Maytag Co. (Ltd.), Toronto, Ontario; Metal Textile Corporation, Hamilton, Ontario; Otis Steel Co. of Canada (Ltd.).

THE MOTION-PICTURE INDUSTRY

Mr. BROOKHART. Mr. President, in a little while I shall introduce a resolution for an investigation of the motion-picture industry in the firm belief that the inquisitorial powers of the Senate could not be put to more productive use at the present time. Of all businesses not classified as public utilities the movies most directly and intimately affect the public. Affording a ready, albeit brief, refuge from the dullness and care of everyday life, the movies are daily thronged with millions of people. Second only to the homes and schools and churches, they exercise greater influence for good or evil than any other agency. Their influence on the culture, habits, and morals of the public in general is tremendous. Their influence on children and adolescents is incalculable. Being in a very real sense impressed with a public use, this business is nevertheless comparatively unregulated . Not only is it unregulated but it has been permitted by a supine Government to be successfully monopolized. As a result, this tremendous influence is yielded by a small group of men who would never have been chosen by the people, especially the fathers and mothers, as the receptacles for such authority.

In an address on this floor on May 7, 1929, I described conditions in the motion-picture industry in these words:

Ostensibly to "purify" the industry which was falling into disrepute due to scandalous conduct of certain actors and the production of off-color pictures, Will H. Hays, Postmaster General in the Harding Cabinet and former chairman of the Republican National Committee, was called on to spread the formaldehyde. Hays having successfully rescued the party from its burden of debt by measures since revealed, and being regarded as specially qualified as a reformer, undertook the assignment for a miserly stipend, said to be upward of $100,000 a year.

The recent hearings before the Committee on Ways and Means of the House of Representatives on the proposed tax on admissions reveal that Hays's salary now is $250,000 a year.

The declared purpose of Hays's appointment soon faded from view. It may be asserted without fear of contradiction that Mr. Hays has done nothing toward improving the moral tone of the movies. He has from time to time forbid the picturization of certain stories, such as Rain and the Green Hat, but the stories promptly appeared as Sadie Thompson and a Woman of Affairs. Hays may have been hired to give orders to his employers, but there is no obligation on the part of those who pay him to obey such orders.

The truth is that Hays was employed primarily as a "fixer" to protect the industry against any sort of reform or regulation through public action.

The accuracy of this statement has been amply borne out by events occurring subsequent to my address. In December, 1929, the New Work World published a series of articles revealing that the Hays organization had subsidized—a polite word for "bribed"—certain ministers and employees of welfare and reform organizations which were supposed to be engaged, or at least interested, in protecting the public against filthy screen presentations. Thereupon the Churchman, a publication of the Protestant Episcopal Church, and other secular, trade, and lay organs took up the cry, and the industry was threatened with a scandal of the first magnitude. To quiet the hue and cry, and to divert public attention from the corruption that had been revealed, Hays promulgated a new production code, sometimes called the "Hays morality code," which specified with some particularity the scenes and subjects which might not be included in photoplays produced by members of his association.

VICE AND FILTH ON THE SCREEN

Bearing in mind that this code was the third of its kind, its predecessors having been forgotten as soon as made, it was not taken seriously within the industry, although the elaborate publicity given it by the Hays organization served to allay criticism for the time being. That the code has been openly flaunted by Hays's own members, who produce 98 per cent of the pictures shown in this country, is admitted in the industry itself. Mr. Martin Quigley, publisher of a chain of papers relating to the movies, and whose revenue is derived from producer advertising, writing under the caption "The Code Neglected and Scorned," recently charged the producers with flagrant disregard of this code. I have cited Mr. Quigley because he had been identified with the industry for years, is a competent observer, and in no sense a reformer or professional critic. Therefore, I repeat that the so-called Hays code, the industry's only effort at self-regulation, is admittedly a failure, and that this fact is well understood in the industry itself.

Mr. Hays, however, accomplished his main and, perhaps, only object. The indignation following the revelations of the New York World was smothered in the pæans of praise that followed the promulgation of the code. In the meantime no improvement was discernible in the quality or moral tone of the pictures released. On the contrary, due to the anxiety of the producers to make pictures that would be pleasing to the audiences patronizing their own big-town theaters, the product became even more degrading. Last year it was the fashion to exploit—I might say exalt—the gangster on the screen, and the studios gave forth an uninterrupted stream of pictures featuring lawlessness, hoodlumism, and vice for the entertainment, not to say edification, of the impressionable young minds of the country.

While some gangster films are still being made, the trend this season is definitely toward prostitution. Let me read a brief excerpt from the December 7, 1931, issue of Time, a well-known weekly publication, the piece in question being a review of a current picture called "Possessed." I ask that this excerpt may be printed in the RECORD, without reading.

The PRESIDING OFFICER (Mr. KEAN in the chair). Without objection, it is so ordered.

The excerpt is as follows:

POSSESSED (METRO-GOLDWYN-MAYER)

If, as is generally supposed, the cinema has an important influence upon the behavior of cinemaddicts, there will presently be a large increase in the total number of United States strumpets. Norma Shearer, Constance Bennett, Elissa Landi, Helen Hayes, Claudette Colbert, Tallulah Bankhead, Evelyn Brent, Greta Garbo, Ruth Chatterton, Marlene Dietrich, and Genevieve Tobin have all in recent pictures attractively performed functions ranging from noble prostitution to carefree concupiscence. A Free Soul, Strangers May Kiss, Susan Lennox: Her Fall and Rise, Once a Lady, Morocco, Body and Soul, An American Tragedy, The Sin of Madelon Claudet, My Sin, The Smiling Lieutenant, Born to Love prove that the typical 1931 cinema heroine is a bad example.

Possessed is calculated to have a more disastrous effect than most upon morally malleable persons who witness it. Joan Crawford, again a brunette, impersonates the mistress of a thriving politician (Clark Gable). Rich, willful, and ingratiating, he gives her the trite benefits of illicit love—an apartment with glass doors, a maid of all work, fine clothes, European travel, and an education in social politeness. These make an unsophisticated admirer, when they meet again, mistake her for a lady. After three years of pleasurable intimacy, Gable is threatened by a scandal. His mistress has been ennobled by experience and she defends his conduct in an impromptu speech to a political gathering. The speech is so dextrous, so sincere, that it prompts cheers and a conclusion in which matrimony is implied.

Clark Gable has now been leading man to each of Metro-Goldwyn-Mayer's three leading stars. In A Free Soul he delivered a punch to the chin of Cinemactress Shearer; in Susan Lennox he

managed to control an impulse to do likewise to Greta Garbo. In this picture, his second with Miss Crawford, either the restraining influence of the Hays organization or the enervation of Hollywood success affected Clark Gable. In the best scene of the picture he hits his leading lady with an open hand. Thirty years old, he has had three wives, all older than himself. The present Mrs. Gable, whom he married twice, is 40. Everyone knows that he receives more fan letters than any other male actor in Hollywood, smokes a pipe, likes horses, hopes to retire in 10 years. He looks a little young for his rôle in Possessed, but he gives a sharp, competent performance.

Mr. BROOKHART. The actors and actresses who have portrayed these degrading rôles are the headliners of the screen. Their doings, their habits, their whims are chronicled in countless publications. The average boy or girl knows as much about these actors—sometimes more—than they know about those who run the Government. They are the idols of the young people of the land. I leave you to judge, therefore, of the effect on their plastic minds of the playing of such glamorous rôles as those described in Time by their favorites of the screen.

Dr. Fred Eastman, professor of religious literature and drama, Chicago Theological Seminary, has articles in the October and November issues of the Parents' Magazine entitled "Are Movies Fit for Children?" I wish that every Member of the Senate and every mother and father in the land would read these articles. The articles contain the results of a careful study of the effects of movies on children—how they are affected by the scenes of violence and lurid love-making portrayed on the screen. Doctor Eastman also reviews the many promises of reform made by Mr. Hays, and contrasts those promises with the performances of the industry. Under the heading "Performances," Doctor Eastman quotes from recent movie advertisements clipped from metropolitan newspapers. You will bear in mind that these metropolitan theaters are owned by the producers themselves and that therefore these ads are the industry's own description of the pictures put before the children.

I ask that these advertisements be inserted in the RECORD at this point without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The advertisements are as follows:

Sex appeal? These three babies have everything—roguish eyes, come-hither smiles, shapely legs, and curves that would make Ziegfeld green with envy. And do they give the boys a red-hot lesson in Parisian whoopee making? Children, always 25 cents.

Sweetie becomes the Bernhardt of the screen! Dimpled dynamite, professional good-time girl. She "took" suckers, sinners, and saints until one made her beg for love.

Surprising adventure of a beautiful sales girl who preferred sin in silks to love without luxury.

All the fun of X plus warmer mamas! The roughnecks of X are kissing the French cuties, but clouting hard in all languages! More loving sweeties! Fifi D'Orsay, the Parisienne temptress de luxe.

Spain is the locale of this romance, and the action, to be more specific, takes place in a dance hall and in the arms of two women. X is cast as the impassioned dancer, who is holding her man with animal magnetism.

To-day. The modern woman scorns the fidelity of yesterday, the love that endured for better for worse. To-day married women take all they can, trifle now and then, and give hubbie the air when things go bad; that is the woman of to-day, a blazing exposé of new moralities, new conventions.

The electrifying truth about gangland's sex-appeal stool pigeons!

Let's go native. Imagine this merry gang of young moderns cut loose on a South Sea isle. A glowing hula moon their only chaperon—women and whoopee. Children, all day 20 cents.

Broadway jolted by this racy, risque, daring, sophisticated cyclone. You'll yell to see this bachelor as he becomes a father on his wedding eve.

She begged him: Let's keep from marriage as long as we can. I'm afraid of it—afraid of its intimacies, its pettiness; its quarrels will kill our love! If I, the woman, do not ask for marriage, why should you, the man? Story of a modern girl in love.

A revealing peek through the keyholes of married ladies' boudoirs.

Never before has the screen dared to tell so shocking, so startling a story! A woman of the streets married to a brilliant man of wealth during a wild midnight orgy.

Mr. BROOKHART. The department of research and education of the Federal Council of the Churches of Christ in America has made a report on the public relations of the motion-picture industry, the wording of which was so temperate in view of its startling disclosures that it has been severely criticized by the more active advocates of reform. I desire to read to the Senate certain excerpts from this report, published June 29, 1931, and ask that the Senate note the resemblance between the methods used by the Motion-Picture Trust and the Power Trust to influence and control public opinion through the activities of hired agents masquerading as disinterested public-spirited citizens. The report in this particular is somewhat stronger than on other phases, because the council in the course of its investigation found that some of its own staff were in an equivocal situation, a situation that was properly dealt with, as revealed in the report. I read from page 148 of the printed report.

I ask that the report be inserted in the RECORD at this point without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

But some of the methods employed by the Hays organization, discussed in the text of this report, in winning approval for the industry and support for its program raise serious questions. They have contributed much to the attitude of questioning and suspicion to which we have referred. It is not sufficient that plausible reasons may be assigned for the relationships assumed and maintained. The fact that persons responsibly placed who received honoraria from the industry for varied services may be presumed in every case to have rendered only services which the recipient thought warranted does not avail as a justification.

To be sure, these methods are not uncommon. They were made familiar to the American public through the investigation of the public-utilities propaganda three years ago. It may even be argued that the chief significance of the facts here disclosed is in calling attention to the vague and indefinite ethics of the business community. But an organization that is avowedly attempting to improve the moral standards of its members and is inviting the public to render whole-hearted cooperation in this effort must use methods that are above suspicion. The payment of an honorarium to an administrative official of a religious organization by a trade association at a time when policies are being formulated in which that association has an obvious interest invites a damaging interpretation when the facts are disclosed. And the payment of honoraria, in whatever form it may appear on the books, to a field representative of a religious organization in recognition of services rendered on the platform, when all the while the public knows nothing of such a financial arrangement, is bound, when disclosed, to undermine public confidence on both sides, and to give rise to sinister inferences. As has been stated in the report, we have found no evidence that the services rendered to the industry in the cases involving the Federal council were not conscientiously rendered. But the fact that sincere people can become involved so easily in this kind of arrangement only to find themselves presently in an impossible position, makes the practices in question all the more serious.

Mr. BROOKHART. The charge that I made in this body in 1929 that Hays was not employed to clean up the movies, and that he was retained merely as a smoke screen to protect the industry against molestation by public authority while it carried out its reckless program of capitalizing filth, is amply borne out by the report. This feature of the report is so important that I shall read an excerpt from the summary dealing with it, in the hope that it may be brought to the attention of the millions of interested parents, theatergoers, ministers, and leaders of public opinion who still regard Will Hays, the great promulgator of morality codes, as the spiritual director and czar of the movies. It is with sorrow that I lift the crown and snatch away the royal robes and reveal this poor politician in his true insignificance, but it is in the public interest that this be done:

The prime requisite for an adequate test of cooperative measures is a clearer understanding on the part of socially minded people of the function of the Hays organization as the producers and distributors themselves understand it. The frequent reference to Mr. Hays as a "czar" of the industry is misleading. We find no ground for such a claim to power on his behalf, yet the circumstances of the creation of Mr. Hays's office were such as to encourage it, and Mr. Hays's assurances that the industry "stands at attention" to do the will of disinterested public groups, suggest some extraordinary power on his part. Thus it has come about that critics of the industry have tended to draw one of two inferences—either the organization is impotent to do what Mr. Hays and his associates would like to accomplish or it is a "smoke screen" to deceive the public and to cover purposes of a narrowly selfish character.

The fact seems to be that the producers and distributors never intended to delegate to Mr. Hays arbitrary power but that they

have looked to him and to his organization to negotiate, so to speak, with an insistent public opinion in a way to accommodate the industry to inevitable changes in standards with the least possible loss to a group of profit-making enterprises.

Mr. KING. Mr. President, would it interrupt the thread of the Senator's speech if I should ask him a question at this point?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Utah?

Mr. BROOKHART. The only objection I have is that it may interfere with my getting through in time so that the Senator from Nebraska [Mr. NORRIS] can proceed to the consideration of his bill at 2 o'clock. However, I yield for a question.

Mr. KING. I want to ask the Senator whether he is suggesting any remedy to deal with this evil, whether he is suggesting strengthening the antitrust laws or constraining, if we can, by public opinion the Department of Justice to institute the necessary actions to dissolve the trust monopoly or to cause it to be resolved into proper constituent elements? The Motion-Picture Trust, in my opinion, has exerted its power in an oppressive manner, to the injury of the industry and to the crushing of legitimate competition in all branches of such industry.

Mr. BROOKHART. In answer to the Senator's question, I will say "yes" to each branch of it. I shall at the conclusion of my address introduce a bill proposing to strengthen the antitrust laws. I shall call the attention of the Department of Justice to violations of that law, and I shall ask an investigation by the Senate into the facts, which will disclose what I am relating here, and, of course, far more than I am able to relate.

Mr. KING. If the Senator from Iowa will pardon me further, the Judiciary Committee has before it several measures asking for investigations in regard to the antitrust laws and violations thereof, and also as to whether the antitrust statutes should be strengthened or modified. I am sure that the committee, when it shall take up for consideration these bills, will be glad to hear the Senator present his views.

Mr. BROOKHART. I shall be delighted to do so.

THE EVILS OF BLOCK BOOKING

Mr. President, the only point of contact between the motion-picture industry and the public is the theater, and it is to the theater owner that the public should look for protection in the matter of indecent pictures. However, the larger theaters in the large cities have virtually all come under the ownership or control of the producers themselves and are operated by hired managers, who have no choice as to the pictures they must play. The producer-owned houses must first play the pictures released by the parent company and in addition must play the pictures of the theater-owning producers who play pictures of such parent company in their theaters. There is no incentive for the manager to study the likes and dislikes of his patrons, since his program is arranged by the home office in New York and is the product of the mutual back scratching of the big producers. And since the producer-owned theaters are for the most part located in the down-town sections of the large cities, the producers are primarily interested in making pictures that will appeal to the audiences attending such theaters, which audiences differ greatly from the less sophisticated audiences which attend the neighborhood and small-town theaters.

These neighborhood and small-town houses serve the bulk of the family trade, including the children, but the owners of these independent houses have little or no choice as to the pictures they play because of a most obnoxious industry practice known as block booking. Under this practice an independent theater owner may not select such of the pictures of a producer as are best suited to his patrons but must buy the entire block of pictures offered by such producer, such block containing the producer's entire output for one year. These blocks range in size from 26 feature pictures to 80. In addition to forcing its entire output of feature pictures, a producer will insist that a theater owner buy also its short subjects, comedies, and the like, and its weekly news reel. Not only must the independent theater owner buy a producer's entire output but he must buy the pictures sight-unseen and usually before they are made and almost always before they have been released.

The producers try to justify the practice as mere wholesale selling, but this and every other suggested analogy fails, because in no other line of business is the retailer required to accept and force on his customers a large amount of unsuitable, even rotten, goods in order to get a small amount that is good.

Mr. DAVIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Pennsylvania?

Mr. BROOKHART. I yield.

Mr. DAVIS. Does the Senator's proposed bill cover the distribution of the pictures?

Mr. BROOKHART. It covers the block-booking practice.

The producers also have attempted to convey the impression that the practice has grown or is growing into disuse, but independent theater owners testifying before the Ways and Means Committee of the House a few weeks ago denied this claim and asserted that the practice is being enforced more rigidly than ever. Moreover, the Allied States Association of Motion Picture Exhibitors, representing only the independent theater owners, at its convention in Chicago in February, 1931, adopted a resolution reciting that the practice is enforced by all producers and condemning it in the strongest terms.

That this practice prevents the independent theater owner from selecting pictures adapted to the taste and needs of his patrons and deprives the public of the right of holding such exhibitor responsible for showing indecent and vicious pictures is too clear to require argument. However, the Federal Council of Churches, in the report heretofore referred to, makes this finding, as shown by the following excerpt from the conclusions, which I ask may be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, leave is granted.

The matter referred to is as follows:

With reference to block booking and blind booking, it is beyond question that this "wholesale merchandising," as the industry calls it, puts the exhibitor of exceptional taste and conscientiousness at a great disadvantage. If he does not know precisely what he is contracting for, and if he receives undesirable pictures beyond the limit of his canceling privilege, he is powerless to maintain standards. The system is undoubtedly an obstacle to the efforts of patrons of the theaters to place responsibility for the choice of films directly upon the exhibitor.

Mr. BROOKHART. Mr. President, the Department of Labor of the Dominion of Canada recently completed an investigation of alleged violation of the combines act by the motion-picture industry in Canada. The report by Commissioner Peter White, which resulted in wholesale indictments against the industry in Ontario, shows that selling methods in Canada are the same as in the United States. On the subject of block booking and the effect of that practice on the independent exhibitors the report says—and I ask, Mr. President, that the quotation may be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Practically every exhibitor who gave evidence stated that he could not select the pictures which he wished to show, but was forced by reason of this system of block booking to buy the whole of the group of pictures which is offered to him, or a substantial part thereof, and that this has four principal effects:

(1) The independent has to buy from one exchange more pictures than he desires to buy from that exchange, and his requirements for the season thus being filled with three or four exchanges, he is unable to purchase pictures from the other exchanges at all.

(2) He is forced to buy more pictures than he can possibly show in his theater.

(3) He is forced to buy undesirable pictures and ones which he would not purchase or exhibit were he not forced to contract in this way.

(4) He is in difficulties with the exchanges with whom he has contracted at the end of the year and has to make some arrangement, either by payment for the pictures, or by partial payment,

or by taking again from that exchange more pictures for the following season than he wants. In many instances exhibitors find themselves with awards of arbitration boards against them, which, if not complied with, involve the theater holders in further difficulties, as will appear later in dealing with the arbitration clause of the standard exhibition contract.

It may be argued that the independent exhibitor does not need to overbuy, and that if he does it is his own fault. It is quite apparent to me, however, from the attitude of the independent exhibitors who appeared as witnesses, that there is on their part a real anxiety as to whether they will be able to obtain a supply of suitable pictures at reasonable prices to enable them to operate their theaters. True, there are enough pictures to go around, and if an exhibitor is content to exhibit to his patrons the poorer and cheaper class of pictures he can probably obtain sufficient of these and is, in fact, in the position of having to exhibit many of them. This anxiety is accentuated by reason of the undoubted fact that Famous Players has the first opportunity in the matter of selection. The system of block booking and blind booking and the fact that Famous Players has first choice of selection are responsible for this condition of affairs.

Mr. BROOKHART. Professor Eastman in the articles heretofore adverted to has this to say on the subject, and I also ask that his statement may be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Who is responsible for this situation in the movies? The Motion-Picture Trust is responsible, for it has a virtual monopoly on American movies. The United States Supreme Court, in a decision handed down a few months ago, declared that the leading motion-picture concerns were in a combination in restraint of trade and in violation of the antitrust laws. Since these corporations have a monopoly of the industry they must accept responsibility for the products of that industry.

How did a few great movie corporations gain control of an industry so vitally important to the social and spiritual welfare of our children and our Nation? By three simple steps: First, by buying up strings of local theaters so that they control not only the means of production and distribution but of exhibition as well. Second, by installing a system of block booking and blind booking by which exhibitors are compelled to buy their pictures in blocks of 26 or 52, even as many as 80 pictures in a single block, the bad along with the good, without the right of choosing the ones best suited to their own clientele. To be accurate and fair, it should be said that the exhibitors have the privilege of rejecting 5 per cent of the pictures sent them under certain difficult conditions, but what is 5 per cent among so many poor pictures? Blind booking is the system by which exhibitors must order their pictures without having the right to see them, often before the pictures are even made. * * *

Mr. BROOKHART. Mr. President, I will again advert to this subject in dealing with the failure of the governmental agencies to enforce the law against the Motion-Picture Trust.

Representatives of the Hays office doubtless will release a flood of propaganda to the effect that block booking is the only way in which motion pictures can be sold. The quick answer is that the Haysites themselves abandon block booking and sell pictures singly or in small groups whenever it is to their interest to do so. Thus Metro-Goldwyn-Mayer, having sold its pictures for the current season in a block and on the most onerous terms, has canceled out of the block one particularly good picture, called "Emma," and is endeavoring to resell it to the theater owners at exorbitant prices. All or nearly all producers reserve the right to cancel a few pictures out of their blocks and to resell them at higher prices after the box-office value of those pictures has been demonstrated. That they can and do sell singly under such circumstances is a conclusive answer to the contention that to do so is impracticable, as well as an indictment of the fairness and business ethics of the motion-picture producers.

UNREASONABLE PROTECTION

As soon as the producers began acquiring and operating theaters a marked change occurred in their attitude toward the independent theater owners. The producers ceased to regard the latter as customers and treated them as competitors. This change in policy has been disastrous to all parties concerned. It has been disastrous for the independent exhibitors because the producers have exerted all power inherent in their control of both the film and the theaters to drive the independents out of business. It has been disastrous to the producers because by driving out thousands of independent theaters they restricted the market for films and placed themselves at the mercy of their competitors. It was disastrous to the public because they lost valuable points of contact with the industry.

The competitive methods employed to drive out the independent theaters constitute one of the most shocking chapters in the annals of American business. Two of the less oppressive methods employed, the foundation of each of which was a boycott, were found by the Supreme Court to be violative of the Sherman law. The first of these was the practice of compelling exhibitors to arbitrate differences under unfair and one-sided contracts before alleged arbitration boards—which I have heretofore characterized as "kangaroo courts"—and whose awards were enforced by a boycott. This practice was condemned in Paramount-Famous Players-Lasky Corporation against United States, decided on November 24, 1930. The other was the practice of requiring independent exhibitors to file with the film boards of trade, set up by the Hays office, elaborate information concerning the intimate details of their business, and to assume the contracts of preceding operators of their theaters, all on pain of being boycotted for neglect or refusal to do so. This practice was happily ended by the Supreme Court in United States against First National Pictures Corporation, also decided on November 24, 1930.

Another intolerable practice was to threaten an independent theater owner that unless he bought the pictures of certain theater-operating producers the latter would build in opposition to him. These theater-owning producers also made agreements, one with another, to sell each other their entire product, thus cutting off independent theaters competitive with the chain houses from adequate supplies. These mutual back-scratching arrangements even go so far as to give the chains exclusive rights to pictures, not only in every town in which they now operate but in all other towns in which the chain may acquire or build theaters during the life of the franchise.

But the most flagrant, the most oppressive, and, in my judgment, most clearly illegal of all is the practice known as protection. "Protection" is the time that elapses between the playing of a picture by a first-run house and the playing of the same picture by a subsequent run house. As is indicated by its name, it was first devised to protect the theater paying a high film rental for the privilege of first showing the picture against the unfair competition of a house paying a lower rental and showing the same picture at the same time or so soon thereafter as to detract unfairly from the first run. Originally, it was a competitive advantage, kept within reasonable bounds, and available to all who were willing to pay for the privilege. Now it is the instrument whereby the producers acting in concert through the local exchanges withhold the pictures for so long a time after the same have been shown by their own chain houses that independent exhibitors are unable to attract patrons to their houses because of the staleness of their product.

This practice has been and is the most effective weapon for driving out competition that has ever been devised, and the manner in which it has been used by the Motion-Picture Trust is a blot on American business and fair play.

Not only is it enforced for periods of from 30 days to 6 months as between chain and independent theaters in the same competitive zone in a single city, but protection for like periods is given city chain houses over independent houses in towns from 30 to 40 miles distant. The absurdity of this is apparent when we reflect that while a city theater may under certain conditions draw patronage from the small towns, it almost never happens that a small town draws patronage from a large city. The utter insincerity of it is manifest when we consider that an independent house, rated to-day as a B or C house and held back in playing time, if acquired by the trust at once becomes an A house, and moves forward in playing time.

I have here, and will send to the Committee on Interstate Commerce, a schedule of protection given the Paramount-

Publix theaters in New England over the independent houses. To appreciate the illegality of this schedule you must bear in mind that it is observed by the supposedly competing producers, members of the Hays organization, and is imposed on the independent theaters without consultation with them and without their consent. The element of combination and conspiracy could not be clearer. It is as illegal as a price agreement or a division of territory among interstate competitors would be. I invite the attention of the Senate to the thoroughness with which it has been worked out. It lists the towns that may run 2 weeks after Boston; those that may run 3, 4, 5, 6, 7, 8, and 9 weeks after Boston.

I also have, and will send to the committee, the Paramount-Publix protection schedule covering the cities of Minneapolis and St. Paul and surrounding territory. This schedule was formulated and is enforced in the same way as the New England schedules. Similar schedules are enforced in favor of the producer-owner chains throughout the United States. Attacks are being made on their legality by independent theater owners in Nebraska, Ohio, and Massachusetts. The State of Wisconsin, through the department of agriculture and markets, has just issued a complaint against the trust involving this practice. The Department of Justice on April 19, 1929, obtained an indictment against the Fox west coast theaters and the producers in California. But a deal was made with the defendants, and as a result the indictment was dismissed and was replaced by a civil suit, which was terminated on the same day by the entry of a consent decree.

Before I leave this subject I should like to call the attention of the Senate to another important phase of this subject, which has a social as well as an economic bearing. Independent theaters, due to the depression and the reduced spending power of their patrons, have in many instances sought to reduce admission prices so that the victims of the depression might continue to patronize their theaters. This class of persons needs diversion and entertainment more than any other. The efforts of the independent theaters to meet their needs was laudable and should have been encouraged. However, the producers were concerned lest these price reductions affect their water-logged, high-overhead, inefficiently managed houses. They therefore resorted to the zoning and protection schedules as a means of holding up prices. Thus the playing time of independent theaters has been coupled to admission prices, and the lower the admission charged the longer an independent house must wait for a picture.

For example, in the Minnesota schedule, on page 8, we find the protection afforded the Paramount Theater in Bismarck, N. Dak. This example is chosen at random, and happens to refer to the neighboring State of North Dakota. I invite the attention of the Senate to the manner in which admission prices are controlled. The basic protection given over Mandan and New Salem is 21 days; that is, when admission prices in those towns are over 35 cents. As admission prices descend, the protection increases. Thus when admissions are 35 cents, protection is 45 days; 30 cents and 60 days; 25 cents and 90 days; 20 cents and 120 days. Then comes the following general provision, common to all of these schedules:

Six months on houses charging 15 cents and under.

Similar provisions will be found throughout the New England schedule. In addition to these provisions in the schedules, the standard exhibition contract on which pictures are sold to the theaters on a flat rental basis limits admissions to a minimum of 10 cents. But, most effective of all, the contracts which provide that the rental shall be a certain percentage of the receipts—which contracts are growing in use, due to the added privileges conferred on the producers—provide absolutely the admission prices that must be charged. In addition, these contracts permit the producer to specify the days on which the pictures shall be played. Thus under the grasping policies of the producers both the admission prices of the independent houses and their playing policy are dictated from the offices of the trust in New York.

In order that the Senate may appreciate the effect of these policies on the public, let me cite the case of a theater owner in New England who had booked a certain picture for a split week which included Ash Wednesday. His reason for booking this picture for that day was that he deemed it the most suitable of the pictures available for that solemn season. Later, the exchange manager for the producer canceled the booking, and compelled the exhibitor to run a less suitable picture that had been bought on a flat rental basis. It is well known that the producers will not permit percentage pictures, which are of the better kind, to be played during the week before Christmas or in Holy Week, when attendance is slim, and insist that exhibitors play straight rental pictures, on which they absorb all the loss.

POLLUTING THE WELLS

In proposing this broad investigation of the industry I am particularly concerned about the charges that the Hays organization has been active in getting control of organizations to which the public and the independent theater owners have a right to look for protection against the excesses and depredations of the motion-picture producers.

I have heard many expressions of disappointment from persons interested in preserving decent standards on the screen upon their learning that speakers and lecturers to whom they had listened with confidence and respect were on the Hays pay roll.

I am told that thousands have listened to Mrs. Thomas G. Winter, who was designated by the Federation of Women's Clubs to be a connecting link with Hollywood, without knowing that she is in reality an employee of the Hays office.

The January, 1930, issue of the Motion Picture, a so-called fan magazine read by thousands of theater goers, contains an article by Mrs. Winter in which she, ostensibly on behalf of the public, propounds questions to former Governor Milliken, of the Hays office, who answers them on behalf of the industry. The questions and answers are artfully contrived to dispose of such matters as block booking in such a manner as to lead the public to believe that there is no basis for the numerous and persistent complaints on these subjects.

Harrison's Reports, a trade paper published in the interest of the independent theater owners, in its issue for January 18, 1930, reveals the facts, as well as the false and misleading nature of the statements regarding block booking.

The report of the Federal Council of Churches goes into this subject—somewhat gingerly I am sorry to say—but enough is shown to indicate that the Hays organization maintains, or at least utilizes, a vast corps of under-cover agents engaged in propaganda favorable to the Motion-Picture Trust, and whom the public regard as public-spirited citizens with no ulterior motive or sinister attachment.

Let me read a few paragraphs from the report dealing with this subject.

Mr. President, I desire to insert in the RECORD that portion of the report.

The PRESIDING OFFICER. Without objection, leave is granted.

The matter referred to is as follows:

A list of 759 persons was submitted to the Hays organization including all those whose connection with its work was such as to suggest the possibility of a financial relationship. A sworn statement from the treasurer of the Hays organization covering the years 1928, 1929, and 1930 shows the payments made, both honoraria and expenses, to any of these persons. The statement shows that in the cases of 52 of them expenses incurred in connection with attendance at various conferences or the giving of addresses have been met by the Hays organization. In the majority of these, however, the payment covered only one conference. Some very liberal payments of expense accounts have been made. In a few cases honoraria were paid for addresses given. In no such case except the one noted below was the recipient in a position of responsibility in an organization cooperating with the industry or the Hays organization. Those receiving expenses for travel and entertainment, however, included influential persons connected with social and religious organizations. Some of them were cooperating actively with the Hays organization in winning support for its cooperation program and opposing censorship. What seems significant from the point of view of public policy is the fact that the resources of the Hays organization have apparently always been available to insure the presence of individuals useful to its program at important meetings of their own organizations or gatherings where they could

obtain a hearing. Important meetings have been "watched" by trained eyes and the methods of skilled diplomacy have been used to promote the interests of the industry among the membership of great national organizations. Much of the time and strength of the Hays organization seems to have been given to cultivating persons of influence, gaining the favor of organizations and organization committees, and seeking to clear the road of legislative or other obstacles to its program.

Beginning in January, 1928, and continuing through August, 1929, the senior general secretary of the Federal Council, whose active relationship to the council terminated at the end of 1930, received an honorarium of $150 a month from the Hays organization for services which were defined as the giving of advice concerning religious motion pictures and questions arising in the industry which related to religion. This fact was not known to the officers of the Federal council at the time. It was reported to them by the secretary concerned in January, 1930, shortly before the present inquiry got under way.

Mr. BROOKHART. Like operations have been carried on by the Motion Picture Distributors and Exhibitors of Canada, the Canadian branch of the Hays organization, as shown by the report of Commissioner White heretofore mentioned. On page 211 the commissioner quotes from a report by a representative of the Local Council of Women for Saskatchewan, in which the writer swallows, hook, line, and sinker, the idea, propagated by the Haysites in Canada, that one Colonel Cooper, an employee of the Hays organization, is censoring pictures in the public interest. Commissioner White remarks:

It is almost amusing, if it were not pathetic, to learn that Colonel Cooper has succeeded in convincing this good lady that he, employed and paid as he is by the United States producers, is standing between them and the public in the matter of censorship, when, as a matter of fact, his activities in regard to censorship and those of his organization have been directed toward a relaxation and criticism of the standard set up by the various censor boards in Canada. * * *

The report deals with instances where Colonel Cooper offered honoraria to various members of censor boards in Canada for speeches or other service, and how those offers were declined by the patriotic women thus approached. I should like to know, as I am sure the public would like to know, how many similar offers have been made to corresponding officials in the United States, and how many have been declined.

Not only has the Hays organization sought to influence and control welfare agencies, public speakers, and the like, but it has reached into and attempted to control the trade organizations of theater owners. The national association known as the Motion Picture Theater Owners of America, once an independent, aggressive group, has largely been absorbed by the Hays organization. At the Toronto convention of this association in 1928, through the manipulation of the Haysites, 7 producer-controlled chain directors out of a total of 10 were placed on the board of directors. Thereafter the producer-owned chain theaters paid dues in this organization in accordance with a budget worked out in the Hays office. The yearly payment by the chains under this arrangement is said to be $75,000 annually.

The taking over of the Motion Picture Theater Owners of America by Hays led to the formation by certain independent theater owners of the Allied States Association of Motion Picture Exhibitors. The leaders of this organization have refused to render homage to Mr. Hays or to obey his will. As a result, Hays and his associates have attempted in every way known to them to block and disrupt the Allied States Association. In an effort to lure away the local officers, Mr. C. C. Pettijohn, Hays's chief lieutenant, openly announced that he would put the chain theaters into local associations as dues-paying members, provided those locals were "constructive," by which he meant "conformed to the Hays policies."

When Allied sought to negotiate with a certain producer, one of Mr. Hays's members, for pictures for its members, the Allied leaders were told that they must first sign a paper agreeing to cease their agitation against compulsory arbitration, which was later held unlawful by the Supreme Court; in other words, that these independent theater owners must acquiesce in violations of the Federal law as the price of entering into a legitimate arrangement with one of the Hays members. Other business arrangements and attempted deals on behalf of the independent theaters have met with like opposition from Hays. According to my information, the latter now is making a final desperate effort to break down the independent organization, and to establish the subservient Motion Picture Theater Owners of America as the dominant factor in the exhibition field.

The policy of controlling exhibitor organizations and snuffing out any spirit of independence on their part is a settled one with the Hays organization, and is not peculiar to the United States. This policy was carried out in Canada by organizing and financing the exhibitor organization through Colonel Cooper, heretofore referred to. I desire to read into the RECORD at this point the findings in reference to Hays's activities in exhibitor affairs in the Dominion. I refer so frequently to this Canadian report because the policies and practices of the industry are the same on both sides of the boundary line, and the Canadian Government has been alert enough to inquire into these abuses and reveal them for the first time.

I ask that that report be inserted in the RECORD.

The VICE PRESIDENT. Without objection, that will be done.

The report is as follows:

The evidence, without going into particulars, clearly discloses that the Cooper organization is a mere offshoot of a corresponding organization in the United States, presided over by Mr. Will Hays and referred to as the "Hays organization"; the policies being dictated by, the finances controlled by, budgets subject to the approval of, and the activities generally subject to the control and direction of the Hays organization. The minutes are submitted to New York, and also the proceedings of the Film Boards of Trade, and the New York office is consulted, not only on important matters, such as censorship in Canada and amusement tax, but also on matters which might be considered almost routine.

From the constitution of this body, it is quite clear that it is a combination of producers, distributors, and Famous Players, and, it being quite as true to-day as when first uttered that "where your treasure is, there will your heart be also," and, it being the case that, with the exception of $480 contributed by Famous Players and their affiliations above named, and except relatively small fees paid by Canadian distributing companies, the revenue is directly or indirectly supplied by the producer members and collected in New York, it is obvious that the interest of this association and its officers is entirely that of the distributors, and through them, of the producers. Famous Players, through its financial support, through its membership, and through the activities of its officers, has been a part and parcel of the Cooper organization from the beginning, and completely identified with its activities.

Mr. BROOKHART. I have heard it asserted by theater owners—and I have talked and corresponded with scores of them—that there are exhibitor leaders posing as independents to-day, who are receiving money, directly or indirectly, from the producers; who merely render lip service to the exhibitors they are supposed to protect. It is in the interest of morals and decency that such men be exposed.

Let me now move on to a suggestion that is even more startling. We all know of the important publicity medium known as the news weekly. These news reels, issued by the big producing companies twice a week, are shown in all theaters as an integral part of the program. Control of these reels, if exerted for political purposes or to obtain immunity for the trust, would be a powerful weapon in the hands of a man like Hays. I have no definite proof that it has been used in this way; but there is enough in the article I am about to read to put us on guard, and warrant a searching inquiry. The article is from the issue of Harrison's Reports for November 22, 1930, and is in answer to criticism of an independent exhibitor leader in Chicago, who attempted to support a candidate for judge, who was believed to be fair to the independents.

I ask that that article be inserted in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

WHEN THE INDEPENDENT EXHIBITOR USES THE PRODUCERS' TACTICS

The producers, particularly the Hays organization's executives, tore their clothes and pulled their hair in protest against the action of Mr. Saperstein, the president of the independent exhibitor organization in the Chicago zone, in indorsing a local candidate for judge, urging the members of his organization to

put slides on their screens recommending to the patrons to vote for that candidate. They pointed out how injurious it is for the industry to get into politics and implored them, as well as every exhibitor in the United States, to remain neutral.

In 1920 C. C. Pettijohn, Mr. Will H. Hays's right-hand man, received $30,000 from the Republican Party for inserting subtle propaganda in the late Selznick news weekly.

You may say that this has been long ago and that his views have now changed. I am going to present evidence to prove to you that his views have not changed. In the governorship campaign in this State two years ago, Pettijohn induced the Democrats of this city to pay him for preparing a propaganda reel for Governor Roosevelt. He charged them for the prints 3½ cents a foot when it could have been done for no more than 2½ cents a foot. I believe he sold them 100 reels.

During the last presidential campaign the Paramount Theater in this city showed five news weekly shots of the one candidate to one of the other candidate. The Capitol Theater cut out from the news reels every shot that showed one of the two candidates.

It is well for the producer-distributors to use their theaters and news weeklies for political propaganda, but when the independent exhibitor uses his screen for his protection it is either a crime or a sin.

Mr. BROOKHART. From the same publication for May 23, 1931, I quote an article that strikes even closer to home, and which I ask to have inserted in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

WHAT INFLUENCES ARE DELAYING ACTION IN THE BLOCK-BOOKING ORDER AGAINST PARAMOUNT?

On August 30, 1921, the Federal Trade Commission screwed up its courage and issued a complaint against Famous Players-Lasky Corporation charging it with various monopolistic practices, including block booking. Counsel of the commission prosecuted the case vigorously and effectively, compiling a large record of damaging evidence.

Before the case could be argued to the commission a number of changes had been made in the personnel of the commission, and the three to two Democratic majority that existed when the complaint was issued was reversed by the appointment on the commission of Van Fleet, Humphrey, and Hunt, all Republicans.

On the first argument the defendant claimed that it had not been permitted to introduce certain evidence in its behalf, and the case was remanded for further testimony.

When the case came before the commission again Commissioner Van Fleet had been replaced by Abram Myers, now president of Allied States Association of Motion Picture Exhibitors, the organization that represents the independent exhibitor theater owners. In the meantime counsel for the commission had been switched and Martin A. Morrison, a lame-duck Congressman, related to Commissioner Humphrey in some way, had succeeded him.

Morrison practically abandoned the entire case, except the charge of block booking, and on July 9, 1927, the commission issued a "cease and desist" order against this practice.

Famous Players-Lasky, now Paramount-Publix, indicated that it would not obey the order, and the commission started proceedings before the United States circuit court of appeals in New York City to test and to enforce the order. But since that time nothing seems to have been done in the matter, even though the commission is aware of the fact that Paramount-Publix has been violating the order. In the regular course the case should have been disposed of long ago.

A representative of the commission, when asked why the commission has not yet proceeded in the case, stated that there are not enough funds available for the printing of the record, an act which is required by the law. Thus it appears that the world's wealthiest country, which has spent hundreds of thousands of dollars on this case, is too poor to spend an amount of money which will perhaps not exceed $25,000 to protect its citizens from acts that have been declared inimical to the best interests of its people. Another representative of the commission, asked at another time, stated that the commission, in order to reduce the cost of the printing of the record, has asked the defendant to stipulate the waiving of the printing of part of the record. Such a request could, of course, have been made only by children and not by mature persons, for is it possible for any rational person to believe that a defendant who has nothing to gain, but everything to lose, will ever give up any of its rights under the law?

We can only speculate as to the reason for this queer performance. Will H. Hays, president of Motion Picture Producers & Distributors of America, and his chief assistant come from Indiana. Martin Morrison was an Indiana Congressman. Commissioner Humphrey, though appointed from Washington, is a native of Indiana and began his career in that State.

There is enough evidence in this combination of circumstances to justify every one of you writing to your Senator demanding that he use his influence to have this strange case cleared up before Commissioner Humphrey, whose term is about to expire, is reappointed as a member of the Federal Trade Commission.

If you should write to your Senator, send me a copy of the letter. My reason for making such a request of you is to keep informed as to who has failed to write a letter so as to urge him to do so without delay.

Mr. BROOKHART. The publisher of this paper makes no such intimations in reference to the Department of Justice, nor do I; but it should be recorded that proceedings against the Motion-Picture Trust appear to proceed more slowly than any other class of litigation. The report of the Attorney General shows that a suit was brought in Chicago on December 15, 1928, against Balaban & Katz, a subsidiary of Paramount-Publix, and the several producers, charging a combination to squeeze the independent exhibitors by means of protection schedules and long-term contracts, but that no further action was taken. The same report shows that on November 27, 1929, a suit was filed against the Fox Film Corporation and others under the Clayton Act to segregate the Fox, Loew, and Metro-Goldwyn-Meyer interests; that an interlocutory decree trusteeing some of the securities was entered, but that no further action was taken. Also that on the same date a similar suit was filed to divest Warner Brothers of the stock of First National Pictures Corporation, and that no further steps were taken. As regards this latter case, I learn from the trade press that since the institution of the case, and without any intervention on the part of the court, the companies were allowed to complete the consolidation by a physical merger of the properties.

MORE DARK CORNERS TO EXPLORE

Among the first securities to display weakness and therefore to contribute to the stock-market debacle were those issued by the motion-picture companies in a wild orgy of expansion prior to and during 1929. I called the attention of the Senate to this program of expansion in May, 1929. Theaters were built without regard to the seating requirements of the communities affected and on a scale of reckless extravagance that eclipsed the records of the consolidation era from 1880 to 1904. Securities were issued to and absorbed by the public in bales, and the amount of water represented by these securities would have floated the United States Navy. Not only was there a flood of water, but much of the money actually invested in properties was so recklessly and extravagantly spent as to contribute little or nothing to the earning power of the enterprises.

A curious demonstration of this is found in one of the large eastern cities where the city authorities have licensed theaters to operate on Sunday provided a certain percentage of the net receipts is dedicated to certain designated uses. The theaters of one of the great chains were making such meager returns to this charitable fund that the authorities investigated the matter. It was discovered that the management was charging against receipts amounts for depreciation of flamboyant gold-leaf decorations which virtually deprived the charities in question of any benefit from the Sunday performances.

Little or no thought was given to the earning power of the houses built and acquired in view of the heavy investments represented thereby. As a result great numbers of these houses are now dark. In addition, the producers, in seeking to give their houses a competitive advantage over the independent theaters, drove so many of the latter out of business that the market for film was seriously curtailed. According to a recent writer, the five big chains were seeking to emulate the Chinese in the walled city who sought to get rich by doing each other's laundry.

Now that the bubble has burst the insiders have been planning ways and means to cancel the claims of the trusting investors of the golden era and to retain the properties discharged of these claims. The Senator from Washington [Mr. DILL] has a resolution to investigate the methods by which the Radio-Keith-Orpheum Corporation was recently refinanced. My understanding is that as a result of that transaction the Radio Corporation of America greatly increased its control of the moving-picture subsidiary and that many individual stockholders who were unable to meet the assessments were closed out.

I earnestly hope that the Senator will join me in pressing for the broader inquiry, as I am convinced that, unless steps are taken, we will witness the greatest shaking down of small investors in all history.

Also I would like to see a full disclosure of the relations between the motion-picture producers, on the one hand, and the manufacturers of electrical equipment for reproducing sound in theaters, the principal music-publishing houses (to-

gether with their agent, the American Society of Composers, Authors, and Publishers), and the manufacturers of so-called screen trailers, on the other hand. The relations between the producers and the electrical manufacturers, Radio Corporation of America and the Western Electric Co., are important because under the license agreements between these interests royalties are provided for the recording of sound, which royalties are passed on to the theater owners as a "score charge," i. e., a charge over and above the rental for the film. In addition, the electric companies pay a royalty to the American Society of Composers, Authors, and Publishers for the right to record copyrighted music, which royalty amounts to so much for each seat in every theater in which the recorded music is reproduced.

The producers, who, I am informed, have large interests in the music-publishing houses, require by their contracts that the theater owners take out a license from the agent of those houses, the American Society of Composers, Authors, and Publishers, under which they also pay a royalty to the society, which is fixed at so much per seat. Thus the poor exhibitor must pay three charges—that is, film rental, score charge, and music tax for the right to run the films in his theater, and I strongly suspect these triple charges go to line the pockets of substantially the same interests.

I also desire that light be shed on the operations of an organization claimed to be separate from, but actually operated within, the Hays organization known as the Copyright Protection Bureau. This bureau, headed by Gabriel Hess, who is also general attorney for the Hays organization, is in reality another instrumentality whereby and through which the producers of motion pictures conspire to oppress the independent theater owners. The business of this organization is to maintain a sort of espionage over the independent theater owners to detect possible violations of contracts through the holding over of pictures beyond the time provided in such contracts. When such violations are detected the victim is threatened with prosecution, not for the mere contract violation but for infringement of copyright, and he is compelled to settle on the basis of the liquidated damages provided in the copyright law and not on the basis of actual damage inflicted.

Let us take an example of the extreme hardship inflicted on the theater owners in this way. I have here and will send to the Interstate Commerce Committee copy of a letter from a theater owner in Ohio. He recites that the salesman for one of the producers asked more for some pictures than he thought he could pay. The salesman thereupon suggested that he buy the news reel for one day and play it for three in order to reduce the total rental by that much. The theater owner followed the suggestion in good faith, and with the knowledge of the local exchange, for a considerable period. The withholding of the film inflicted no loss on the producer, since there was no complaint that it conflicted with commitments to any subsequent-run theater. Nevertheless the theater owner was mulcted in damages under the statutory provision.

This is one instance out of a great number that have figured in recent complaints, and I am sure the committee, in conducting an investigation under this resolution, will not lack for volunteer witnesses on this point. It is important, however, that the nature of the arrangement between the several supposedly competing producers and this bureau be brought to light, as well as the disposition of the sums annually extorted from the theater owners in this way. I believe it will be found to be not so much a measure for protecting copyrights as a means for oppressing the independent exhibitors, and that it will be found that the bureau has been more active and exacting in territory where the exhibitors have shown some independence than in more servile territory.

THOROUGH INQUIRY NEEDED

That the inquiry called for by my resolution is needed is attested by the hundreds of letters, petitions, and resolutions that have been received by me. The bill to abolish block booking which I introduced a few years ago, and which I shall reintroduce in modified form, has been indorsed by parent-teacher associations, women's clubs, church organizations, welfare organiaztions, and independent-exhibitor organizations everywhere. The only organizations that have failed to indorse the measure are those to whom its meaning had been utterly misstated by representatives of the trust. These representatives, in an effort to embarrass me, got a few theater owners in Iowa to disapprove the bill on the understanding that under its provisions they would be fined if they bought more than one picture at a time. I am glad to say that this has been corrected and that Iowa now has a really independent organization in which no such skullduggery could be practiced.

I firmly believe that if a searching investigation of the motion-picture industry is made it will equal in importance to the public and in the startling nature of its revelations such great undertakings as the Stanley steel investigation, the Pujo money-trust investigation, and the Teapot Dome investigation.

The successful conduct of this investigation calls for capable assistance to the end that the evidence may be carefully worked up and adequately presented. I know from experience in connection with hearings on my bill that merely calling in the representatives of the trust to answer questions will not result in a triumph of truth.

Such an inquiry in the long run will greatly benefit the motion-picture industry, just as it will benefit the public. Many new interests are coming into the industry who do not know—and if left to Hays will never know—what is going on. I believe that when they get a picture of conditions they will turn their thumbs down on the Hays policy of attempting to "fix" violations of decency instead of preventing them, that they will see that competition in the business is kept decent and is not conducted in violation of the antitrust laws, that they will see the wisdom of dissolving their chains of theaters and leaving the field of exhibition to the independent operators with their knowledge of public tastes and their local good will, and that they will restore prosperity to the great producing organizations by restricting them to their legitimate function of making wholesome pictures for the entertainment of the people.

Mr. President, in connection with this address I desire to introduce a bill and to have it printed in the RECORD following the address.

I also desire to offer a resolution of investigation, and ask that it also be printed in the RECORD following the bill.

The bill (S. 3770) to prevent the obstruction of and burdens upon interstate trade and commerce in copyrighted motion-picture films, and to prevent restraint upon free competition in the production, distribution, and exhibition of copyrighted motion-picture films (a) by prohibiting the compulsory block booking of copyrighted motion-picture films; (b) by making unlawful unreasonable and discriminatory protection in favor of certain theaters over others; (c) to compel the furnishing of accurate synopses of all pictures offered to theater operators before the same have been released and reviewed; and (d) to amend section 2 of the Clayton Act to make it apply to license agreements and leases as well as sales in interstate commerce was read twice by its title, referred to the Committee on Interstate Commerce, and ordered to be printed in the RECORD, as follows:

A bill (S. 3770) to prevent the obstruction of and burdens upon interstate trade and commerce in copyrighted motion-picture films and to prevent restraint upon free competition in the production, distribution, and exhibition of copyrighted motion-picture films (a) by prohibiting the compulsory block booking of copyrighted motion-picture films; (b) by making unlawful unreasonable and discriminatory protection in favor of certain theaters over others; (c) to compel the furnishing of accurate synopses of all pictures offered to theater operators before the same have been released and reviewed; and (d) to amend section 2 of the Clayton Act to make it apply to license agreements and leases as well as sales in interstate commerce

Be it enacted, etc., That six months after the date of the approval of this act it shall be unlawful for any producer or distributor of copyrighted motion-picture films engaged in transporting, leasing, or licensing such films in the current of interstate commerce, and having and offering for lease or license blocks or groups of films containing two or more photoplays or subjects, to insist that a licensee or lessee shall take all or a designated number of such photoplays or subjects out of the total number offered in order to obtain the ones which the lessee or licensee desires or to

refuse to lease or license such lesser number of photoplays or subjects out of the total number offered as the lessee or licensee desires, the purpose and intent of this section being to make unlawful the practice of compulsory block booking as known and practiced in the motion-picture industry and to confer on the operators of motion-picture theaters the right to lease and exhibit only such pictures as in their judgment will be acceptable to their patrons.

SEC. 2. Six months after the date of the approval of this act it shall be unlawful for two or more producers or distributors of copyrighted motion pictures, in the current of interstate commerce, acting jointly or in concert with one another, or with any theater or chain of theaters, to agree upon or observe any plan or schedule of zoning or protection, or to observe any policy, which results in withholding such copyrighted motion-picture films for an unreasonable time from any theater or class of theaters after the same have been exhibited in any other theater or class of theaters, or which gives to any theater or class of theaters an unfair competitive advantage over any other theater or class of theaters not warranted by competitive conditions in the territory where such theaters are located, or which subjects any theater or class of theaters to an unfair disadvantage or unjust discrimination in the matter of obtaining copyrighted motion-picture films.

SEC. 3. Administration of sections 1 and 2 of this act is vested in the Federal Trade Commission, which is hereby authorized and empowered to make suitable rules and regulations and to hold hearings and enter orders for the purpose of giving effect to the provisions of those sections. Disagreements between the producers and distributors of copyrighted motion-picture films, on the one hand, and operators of motion-picture theaters, on the other hand, concerning the proportionate part of the total rental asked for a block or group of pictures which shall be demanded and paid for such lesser number as the theater owner may elect to take, as provided in section 1, shall be settled by the Federal Trade Commission after full hearing. Any order entered by the commission shall be binding on the parties in case a contract or lease is entered into, provided the party in whose favor such order is entered shall give bond in such amount and with such security as the commission shall provide, to protect the rights of the other party in case the decision of the commission is modified or reversed on appeal. Disputes arising between the producers and distributors of copyrighted motion pictures, on the one hand, and any theater or class of theaters on the other, or between different classes of theaters, regarding the reasonableness of the protection given any theater or class of theaters, and all complaints of unreasonable and discriminatory protection made unlawful by section 2 shall also be settled by the commission. The procedure of the commission shall conform as nearly as may be to that prescribed in section 5 of the Federal Trade Commission act, and orders of the commission may be contested and/or enforced as provided therein.

SEC. 4. Six months after the date of the approval of this act it shall be unlawful for any producer or distributor of copyrighted motion-picture films to lease or license, or offer to lease or license, in the course of interstate commerce any such films containing photoplays or other subjects of 4,000 feet or more in length, to the operator of any theater or theaters for exhibition to the public, unless such producer or distributor shall furnish or make available to such theater operator, at or before the time any such lease or license agreement is entered into, a full and complete synopsis or outline of the story, incidents, and scenes depicted in said films. The synopsis of any such film of 4,000 feet or over shall contain at least 1,000 words and shall afford the theater operator sufficient information concerning the subject matter of the film to determine whether the same is suitable for exhibition to his patrons. Failure to furnish such synopsis or outline, and any knowing or wilfull misstatement as to the story or incidents of the picture outlined in any such synopsis, shall be punished by a fine of not more than $1,000 and not less than $100 for each offense, in the discretion of the court.

SEC. 5. That section 2 of the Clayton Act be, and it is hereby, amended to read as follows:

"SEC. 2. That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price, rentals, or royalties between different purchasers, lessees, or licensees of commodities, whether patented or unpatented, copyrighted or uncopyrighted, which commodities are sold, leased, or licensed for use, consumption, resale, or exhibition within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce: *Provided*, That nothing herein contained shall prevent discrimination in price, rentals, or royalties between purchasers, lessees, and licensees of commodities on account of differences in the grade, quality, or quantity of the commodity sold, leased, or licensed or that makes only due allowance for difference in the cost of selling, leasing, or transportation, or discrimination in price, rental, or royalty in the same or different communities made in good faith to meet competition: *And provided further*, That nothing herein contained shall prevent persons engaged in selling, leasing, and licensing goods, wares, or merchandise in commerce from selecting their own customers, lessees, and licensees in bona fide transactions and not in restraint of trade."

The resolution (S. Res. 170) was referred to the Committee on Interstate Commerce, as follows:

Whereas the transportation, distribution, and licensing of motion-picture films and accessories as commonly practiced have been held to constitute interstate trade and commerce; and

Whereas it has been alleged that the business of producing, distributing, and exhibiting motion pictures is carried on by various corporations and individuals in violation of the antitrust laws; and

Whereas it has been alleged that the motion-picture industry has made no bona fide effort to censor screen material and is producing, releasing, and exhibiting many pictures that are indecent and otherwise unfit for public display; and

Whereas it has been alleged that the Motion Picture Producers & Distributors of America (Inc.), of which Mr. Will Hays is president, is primarily a political organization and has exercised undue influence with private, State, and Federal agencies in matters affecting the motion-picture industry; and

Whereas petitions have been received from various persons, organizations, and publications asking that the motion-picture industry be investigated and proposing legislation to remedy alleged abuses in the motion-picture business: Now, therefore, be it

Resolved, That the Committee on Interstate Commerce be, and it is hereby, empowered and directed forthwith to make a sweeping and thorough investigation of the organization, financing, and practices of the motion-picture industry in the United States, and particularly to investigate and report on the following:

1. The organization, functions, and financing of the Motion Picture Producers & Distributors of America (Inc.), the purposes and accomplishments of said organization, and the extent to which the members thereof have cooperated through said agency to suppress competition and restrain trade.

2. The activities of the members of said Motion Picture Producers & Distributors of America to monopolize or control said industry by such devices as uniform sales contracts, compulsory arbitration, withholding of product from independent theaters, allocation of product to controlled theaters, unfair and unreasonable zoning and protection, block booking, and other unfair practices.

3. The efforts of the theater-owning producers to regulate the admission prices of independent theaters by limitations in so-called percentage contracts and by withholding film for unreasonable periods from low-admission houses.

4. The degree of diligence shown by the Department of Justice and the Federal Trade Commission in prosecuting alleged violations of the antitrust laws by motion-picture companies and the reasons for the delay in pressing pending cases; and, if there has been lack of diligence, whether it is the result of the activities of Mr. Will Hays, or the Motion Picture Producers & Distributors of America.

5. The capitalization of the larger companies in the motion-picture industry and the methods by which they were financed, particularly during the past six years, and the reasons for the great shrinkage in the value of their securities in the hands of the public.

6. The relations—corporate, contractual, and otherwise—between the producers and distributors of motion pictures, on the one hand, and the manufacturers of electrical equipment for reproducing sound in theaters, the principal music-publishing houses, and the manufacturers of so-called screen trailers, on the other hand, and the effect of such relations on the independent theater owners and the public.

7. The organization and operation of the so-called copyright protection bureau and the connection between said bureau and the Motion Picture Producers & Distributors of America, and the truth of the assertion that said bureau under color of the copyright law has extorted penalties from theater owners which bear no relation to actual damages resulting from alleged infringements.

8. The facts in reference to the so-called Hays Morality Code, whether it was promulgated in a bona fide effort to improve conditions on the screen or whether it was intended as a mere blind to silence criticism, the extent to which it has been obeyed or evaded; and, if it has been obeyed, whether it is adequate to protect the public from indecent and obnoxious pictures.

9. The efforts of the Motion Picture Producers & Distributors of America to influence public opinion in favor of the industry and to silence criticism by propaganda, by the employment or subsidizing members or employees of various national organizations, and by efforts to control the action of such organizations.

10. The activities of the Motion Picture Producers & Distributors of America in attempting to control and direct organizations of theater owners to subsidize those that conform to the Hays policies, and to interfere with the financing and operation of those that do not.

11. The effect on the independent theater owners and on the public of percentage playing, as now required by the larger producing companies, and particularly of so-called selective percentage playing under which the producer designates the days on which its pictures must be played: Be it further

Resolved, That the Committee on Interstate Commerce inform the Senate fully as to any changes in the antitrust laws, the copyright laws, the laws against using the mails to defraud, and any new measures which may be necessary or desirable to cure any abuses which may be found to exist in the organization, financing, and practices of the motion-picture industry: And be it further

Resolved, That the Committee on Interstate Commerce, in the discharge of its duty under this resolution, be and it is hereby, authorized to employ such attorneys and investigators as it may deem necessary fully to comply with this resolution.

PROPOSED ANTI-INJUNCTION LEGISLATION

The VICE PRESIDENT. The hour of 2 o'clock having arrived, under the order previously entered, the Chair lays before the Senate the special order, which is Senate bill 935.

The Senate proceeded to consider the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, which had been reported from the Committee on the Judiciary with amendments.

Mr. NORRIS rose.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Reed
Austin	Cutting	Johnson	Robinson, Ark.
Bailey	Dale	Jones	Robinson, Ind.
Bankhead	Davis	Kean	Schall
Barbour	Dickinson	Kendrick	Sheppard
Bingham	Dill	Keyes	Shipstead
Black	Fess	King	Smith
Blaine	Fletcher	La Follette	Smoot
Borah	Frazier	Logan	Steiwer
Bratton	George	McGill	Stephens
Brookhart	Glass	McKellar	Thomas, Idaho
Broussard	Glenn	McNary	Thomas, Okla.
Bulkley	Goldsborough	Metcalf	Townsend
Bulow	Gore	Morrison	Trammell
Byrnes	Hale	Moses	Vandenberg
Capper	Harrison	Neely	Wagner
Caraway	Hastings	Norbeck	Walcott
Carey	Hatfield	Norris	Walsh, Mont.
Connally	Hawes	Nye	Watson
Coolidge	Hayden	Oddie	Wheeler
Copeland	Hebert	Patterson	White
Costigan	Howell	Pittman	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. NORRIS. Mr. President, it is not my intention to-day to go into an exhaustive consideration of the bill. At a later time, probably several times while the bill is before the Senate and under discussion, I shall go into more detail. At the present time I desire only to review as briefly as I can some of the leading questions that are involved in the proposed legislation. I therefore ask that I be allowed to proceed without interruption. At the conclusion of my analysis and likewise during the remainder of the debate on the measure, I shall be very glad indeed to yield at any time and to answer any questions that I am able to answer.

Mr. President, the writ of injunction is always a harsh remedy. It is one which should never be resorted to except in cases where irreparable injury will result unless a restraining hand is put forth to prevent it. It should never be issued except in cases where the law will afford no relief. It is a remedy having application only to property rights. Whenever it is used to deny the fundamental rights and privileges of free citizens, it becomes tyrannous and oppressive.

The cruelty of the injunction has been especially apparent in disputes between labor and capital, and it has often occurred in such cases that the real object of the injunction is not to protect property but to restrain the constitutional rights of individuals and thus to interfere with human liberty. Its use in labor disputes has been a gradual growth, coincident with the gradual growth of immense combinations of wealth. As monopoly has increased its hold upon great business undertakings and operations, and as combinations of great wealth have been formed for the financial enrichment of those engaged in the monopoly, the power thus attained for its own enrichment has often been used to take away the freedom of laboring men who are compelled to toil for the support of themselves and those dependent upon them.

The ordinary laboring man is powerless to cope with such combinations, and he must accept employment upon the terms which monopoly offers or become a subject of charity and see his family and those immediately dependent upon him deprived of the ordinary comforts of life.

LABOR UNIONS

To prevent this result laboring men have organized into associations and unions in order that they may present a united front to the demands of combined wealth and great aggregations of capital. His right to do this has become universally recognized, but, by means of harsh, cruel, and misused injunctive process, monopoly, through the assistance of our courts, has interfered by means of injunctions, which, in their effect, have often taken away the real right of labor to have a voice in the wage it shall receive, and the effect has often been involuntary servitude on the part of those who must toil in order that they and their families may live. Such conditions bring about involuntary servitude—a species of economic slavery—which can not permanently exist in a free country; and such economic slavery is as cruel, as merciless, and as effective as slavery based upon the color of the human skin. The man who, by force of economic conditions, is compelled to toil against his wish and under conditions depriving him of his freedom, is a slave even though his skin may be white.

The tyranny of some of these injunctions, as I shall hereafter point out, has taken away the freedom and the liberty of many of our citizens as completely and as tyrannically as ever occurred in days when slavery was recognized by the Constitution.

BOTH OF THE GREAT POLITICAL PARTIES HAVE PROMISED RELIEF

The hardship and the injustice brought about by the issuing of injunctions by Federal judges in labor disputes have been the subject of discussion for a number of years. The evils arising from such injunctions have been universally recognized. A public sentiment for relief through these years has gradually grown until the universal opinion of the patriotic people has crystallized into a demand for legislative relief.

Both of the great political parties in their last national conventions took a definite stand in favor of the passage of legislation by Congress which would give relief to the evils and the wrongs brought about by the issuing of injunctions in labor disputes. The Republican National Convention at Kansas City adopted a plank on the subject as follows:

> The party favors freedom in wage contracts, the right of collective bargaining by free and responsible agents of their own choosing, which develops and maintains that purposeful cooperation which gains its chief incentive through voluntary agreement.
>
> We believe that injunctions in labor disputes have in some instances been abused and have given rise to a serious question for legislation

The Democratic National Convention, a short time thereafter, at Houston, Tex., spoke as follows:

> (a) We favor the principle of collective bargaining and the democratic principle that organized labor should choose its own representatives without coercion or interference.
>
> (b) Labor is not a commodity. Human rights must be safeguarded. Labor should be exempt from the operation of antitrust laws.
>
> (c) We recognize that legislative and other investigations have shown the existence of grave abuse in the issuance of injunctions in labor disputes. No injunctions should be granted in labor disputes except upon proof of threatened irreparable injury and after notice and hearing, and the injunction should be confined to those acts which do directly threaten irreparable injury. The expressed purpose of representatives of capital, labor, and the bar to devise a plan for the elimination of the present evils with respect to injunctions must be supported and legislation designed to accomplish these ends formulated and passed.

It therefore becomes a nonpartisan question, or rather a party question agreed to by both of the dominant political parties.

Must we assume that these great political parties are not in earnest? Were they attempting to deceive the people of the United States when they proclaimed these two planks upon this important question? And are they now, on the eve of another great national campaign, admitting that they were not sincere and were only trying to get votes at the general election?

I do not want to indulge in any such assumptions. I would rather go on the theory that both of these great

political parties were honestly laying down propositions in which they believed, and which, if granted the power by the people, they would enact into law.

We ought to remember, also, that this is the only anti-injunction bill which has been proposed. If it is claimed that this bill is not correct and that those in power want to redeem the promise thus publicly made, then why are we not presented with some substitute? Why have we not been presented long before this with legislation on the subject?

I can not close my eyes to the fact that the party which won that election and which, until just a few months ago, was in complete control of both branches of the National Legislature and the executive departments has made no effort so far as I know to redeem this platform pledge.

This proposed legislation has not had the assistance of the present administration; but, on the other hand, it is fair to say that in general the opposition to this legislation has come from those who are recognized as being closely allied with the present administration.

A PUBLIC POLICY

This bill starts out by declaring a public policy of the United States in relation to labor disputes. This is the first time in the history of the United States that any attempt has been made to declare, through an act of Congress, the public policy of the United States in relation to the issuing of injunctions in labor controversies. The object of setting up such a policy is to assist the courts in the proper interpretation of the proposed legislation. Such a legislative procedure, so far as labor disputes are concerned, will be of great assistance whenever the proposed law or any part of it comes up for review and consideration by a court and will relieve the question of many of the difficulties which have heretofore existed when a court has been called upon to interpret the law. It will, I am sure, go far toward brushing aside any question of the constitutionality of the act or any part of it.

Section 1 of the bill under consideration declares:

> That no court of the United States, as herein defined, shall have jurisdiction to issue any restraining order or temporary or permanent injunction in a case involving or growing out of a labor dispute, except in strict conformity with the provisions of this act, nor shall any such restraining order or temporary or permanent injunction be issued contrary to the public policy declared in this act.

This section is really a preamble to the public policy declared in section 2, which reads as follows:

> In the interpretation of this act and in determining the jurisdiction and authority of the courts of the United States, as such jurisdiction and authority are herein defined and limited, the public policy of the United States is hereby declared as follows:
> "Whereas under prevailing economic conditions, developed with the aid of governmental authority for owners of property to organize in the corporate and other forms of ownership association, the individual unorganized worker is commonly helpless to exercise actual liberty of contract and to protect his freedom of labor, and thereby to obtain acceptable terms and conditions of employment, wherefore, though he should be free to decline to associate with his fellows, it is necessary that he have full freedom of association, self-organization, and designation of representatives of his own choosing, to negotiate the terms and conditions of his employment, and that he shall be free from the interference, restraint, or coercion of employers of labor, or their agents in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; therefore the following definitions of, and limitations upon, the jurisdiction and authority of the courts of the United States are hereby enacted."

If the act or any part of it should be involved in any litigation where an injunction was issued or asked for, the judge before whom such action was pending would be required to give full force and effect to the public policy thus declared by the act; and, having in mind the public policy thus declared, he would be able to so construe the various provisions of the act as to give full effect and validity to the public policy thus declared.

There is no doubt whatever but that the Congress has the constitutional right to declare the public policy of the United States upon any question upon which the Congress has the right to legislate; and when such public policy is declared, it becomes the duty of all the courts to give effect to such policy and to carry it out in the enforcement of any law where such public policy has application.

Where Congress has not declared a public policy, it is within the province of the court to decide what the public policy is; but when such public policy has been declared by Congress, it is the duty of the court to follow such policy and to decide litigated questions related thereto in accordance with the policy thus declared by Congress. This doctrine has been repeatedly upheld by both State and Federal courts. In the case of People *v.* City of Chicago (321 Ill. 466–475) the Supreme Court of Illinois said:

> The public policy of a State is to be found embodied in its constitution, its statutes, and, when these are silent on the subject, in the decisions of its courts. The public policy of the State, when not fixed by the constitution, is not unalterable, but varies upon any given question with changing legislation thereon, and any action which, in the absence of legislation thereon, by the decisions of the courts has been held contrary to the public policy of the State, is no longer contrary to such public policy when such action is expressly authorized by legislative enactment.

Another case decided by the Supreme Court of the State of Illinois directly on the point was the case of Union Trust & Savings Bank *v.* Telephone Co. (258 Ill. 202). In that case the court said:

> While no statute has been enacted declaring such exclusive contracts criminal or giving a right of action to persons prejudiced by them, the courts have declared the public policy of the State, in accordance with the common law, to be opposed to such contracts which tend to put the power to render public service in the hands of one corporation and to take it away from all others. The legislature has the power to change this policy. It is a legislative question whether the public interest will be promoted by monopolistic rather than competitive service.

The Supreme Court of the United States has several times upheld this doctrine. In the case of McCulloch *v.* Maryland (4 Wheat. (U. S.) 315, 423), the court, speaking through Chief Justice Marshall, said:

> Where the law is * * * calculated to affect any of the objects intrusted to the Government, to undertake here to inquire into the degree of its necessity would be to pass the line which circumscribes the judicial department and to tread on legislative ground.

Again, in the case of Michaelson *v.* United States (266 U. S. 42, 68), the Supreme Court expressly upheld the right of Congress to declare the public policy of the United States, in the following declaration:

> The words of the act are plain and in terms inclusive of all classes of employment, and we find nothing in them which requires a resort to judicial construction. The reasoning of the court below really does not present a question of statutory construction but rather an argument justifying the suppositious exemption on the ground of necessity or of policy—

Note the words, " or of policy "—

> a matter addressed to the legislative and not the judicial authority.

In the passage of the existing railway labor act Congress has already established a precedent of proclaiming a public policy by legislative enactment. In the third paragraph of section 2 of that act it is provided:

> Representatives, for the purposes of this act, shall be designated by the respective parties in such manner as may be provided in their corporate organization or unincorporated association, or by other means of collective action, without interference, influence, or coercion exercised by either party over the self-organization or designation of representatives by the other. (Par. 3, sec. 152, title 45, U. S. C. A., 1929 sup.)

In effect, this declaration of public policy in regard to railway employees is the same as the declaration of public policy in the present bill in regard to all employees. The constitutionality of the railway labor act has been sustained by the Supreme Court in Texas & New Orleans Railroad Co. *v.* Brotherhood of Railroad and Steamship Clerks, decided May 26, 1930 (281 U. S. 548). In that case the Supreme Court, through Chief Justice Hughes, declared:

> Evidence in this case supports the conclusion of the courts below that the defendant railroad company and its officers were actually engaged in promoting the organization of an association of its clerical employees in the interest of the company and in

opposition to the plaintiff labor organization, and that these activities constituted an actual interference with the liberty of the clerical employees in the selection of representatives for the purposes set forth in the railway labor act of May 20, 1926.

Further on the Chief Justice said:

The railway labor act of 1926, while elaborating a plan for amicable adjustments and voluntary arbitration of disputes between common carriers and their employees, imposed certain definite obligations enforceable by judicial proceedings, one of which is found in the provision of subdivision 3 of section 2, that "representatives, for the purposes of this act, shall be designated by the respective parties * * * without interference, influence, or coercion exercised by either party over the self-organization or designation of representatives by the other."

Further on in that case, on page 570, the Supreme Court said:

Congress was not required to ignore this right of the employees but could safeguard it and seek to make their appropriate collective action an instrument of peace rather than of strife. Such collective action would be a mockery if representation were made futile by interferences with freedom of choice. Thus the prohibition by Congress of interference with the selection of representatives for the purpose of negotiation and conference between employers and employees, instead of being an invasion of the constitutional right of either, was based on the recognition of the rights of both.

In the case of Dayton-Goose Creek Railway *v.* United States (263 U. S. 456), the opinion of the court shows that the act was interpreted and was sustained upon the grounds of a public policy declared by Congress. The court in that case said:

The new act seeks affirmatively to build up a system of railways prepared to handle promptly all the interstate traffic of the country. * * * To achieve this great purpose it puts the railroad systems of the country more completely than ever under the fostering guardianship and control of the commission.

Title IV of the transportation act, embracing paragraphs 418 and 422, is carefully framed to achieve its expressly declared objects.

As I have before stated, the public policy of the United States in labor disputes, having been thus declared by the Congress, acting under its constitutional right to make such a declaration, it will become the duty of the courts to construe the act and to enforce it with a view of giving effect to the carrying out of the public policy thus declared.

THE "YELLOW-DOG" CONTRACT

In a great many of the injunctions which the courts have issued in labor disputes the basis for the injunction was a written contract of employment, signed by the employee when he accepted employment. This contract has become almost universally known as the "yellow-dog" contract. It requires the employee, as a condition of obtaining employment, to agree that he will not join a union while he is in the employment, or, that if he is then a member of a union, he will disassociate himself from it; that he recognizes the right of the employer to discharge him without notice; that he will not quit his employment without giving sufficient notice to his employer to enable him to hire some one to take his place. The employee in most of these contracts agrees in advance to accept such conditions of labor, hours of labor, and so forth, as may from time to time be decided upon by the employer. Not all of these contracts are the same. Other and similar conditions from those noted are sometimes added, but, in a general way, they all have the same effect. They take away from the laboring man the right to have anything to say about any of the conditions connected with his employment. The hours of labor, conditions under which the labor is to be performed, the right of the laborer to quit employment whenever he becomes dissatisfied, the amount of pay which he shall receive, the right of the employer to reduce the pay at any time without notice, and so forth—all these things are turned over entirely and solely to the corporation or individual owning or operating the business. The employee waives his right absolutely to free association and fair representation in connection with his wages, the hours of labor, and any other conditions of employment. In other words, he surrenders his actual liberty of contract and to a great extent enters into voluntary servitude.

I know it can be said, and always is said, that the man seeking work does not have to sign this contract; that he does not have to work under the conditions named in the contract, because he has the right to refuse to enter into any employment contrary to what he believes to be right.

But all this, as a practical proposition, is no defense whatever. If the man applying for labor refuses to sign this contract, he can go on to some other corporation doing the same kind of business and apply for a job. But when he does, he will be confronted with the same "yellow-dog" contract. As he goes from place to place in his attempt to get work in his chosen field, he will always be presented with the same conditions. For instance, if the man hunting a job is a coal miner, he presents himself at the office of the corporation, asks for a job, and he is at once presented with the "yellow-dog" contract and told to sign on the dotted line. If he declines to sign and goes to the next coal mine, he is presented with the same contract, and so on throughout the entire coal field.

The result is that by the combination of large corporations in a particular line of business, the laboring man must accept unconditionally the terms laid down by the employer. He is absolutely helpless under such contracts. His family can not have food to eat or clothes to wear unless he gets a job. If he gets a job, he must surrender his liberty. He must, for the time being, become a slave. He can not associate with his fellows. In connection with his fellows, he can not present a grievance to the employer. He has agreed to make no such demand. If conditions become unbearable, his only remedy is to go alone and face the big combination of perhaps millions of wealth. He must singly present any grievance he has. He must abide by the decision which is thus given him. He has no appeal. He has no opportunity to join with his fellows and make his demands effective. In effect, if he must live and support his family and clothe his children, he must surrender his liberty.

These conditions have grown up because of the combinations of great aggregations of wealth. The poor man, standing alone, is absolutely helpless. This bill declares that such contracts are—

* * * contrary to the public policy of the United States, shall not be enforceable and shall not afford any basis for the granting of legal or equitable relief by any court of the United States.

Many of the injunctions which have been issued in the past in labor disputes have been based wholly, or in a large part, upon such contracts, and upon the assumption that they are valid.

As I have briefly outlined, this bill sets up a public policy. One of the objects of this proposed legislation is to outlaw this unconscionable and indefensible contract; and some action by Congress in this respect is absolutely necessary, because, as I have said, many labor injunctions have been sustained on the theory that such contracts are legal.

In my own humble judgment, it does not seem to me that any legislation ought to be necessary. It seems clear to me that as a matter of common law, without any statute being necessary, such contracts instead of being enforced ought to have been declared null and void by our courts. Such a contract, in my judgment, should be held void—

First. As being contrary to public policy under the common law. If these contracts are sustained, then no labor organization can exist, and laboring men will be compelled to submit unconditionally to any terms laid down by the employer. If men must agree in advance to surrender any liberty of contract in order to obtain employment, they are under coercion of necessity forced into working under conditions of involuntary servitude.

Second. These contracts should have been held void because they are entered into without consideration. The employer, on the one hand, has his work which he wants done. The laborer, on the other hand, as a consideration for his part of the contract, undertakes to perform the work. The employer gives up none of his freedom and action, and furnishes no consideration for the promise of the employee

that he will surrender his ordinary rights of "liberty of contract," which are inherent in every free citizen.

Third. Such contracts should have been held void because they are signed under duress and coercion. The employee, as I have said, is forced to accept all of the burdensome and unreasonable and sometimes inhuman conditions imposed upon him in order to support himself and family. Nevertheless, since the courts have sometimes enforced those contracts and issued unmerciful injunctions on the theory of the legality of such contracts, it is necessary that Congress take some action; and this bill has for one of its main objects the outlawing of and the doing away with such contracts.

It must be remembered that up to this time we have had no statute declaring any public policy on the subject, and have had no statute which attempts to outlaw such contracts as these. There is no doubt in my mind but that courts ought to and will follow the declaration of Congress and absolutely refuse to enforce any such contract if this bill becomes a law.

In the case of Bailey *v.* Alabama (219 U. S. 219) the Supreme Court said that one of the objects of the thirteenth amendment was—

> * * * to make labor free by prohibiting that control by which the personal service of one man is disposed of or coerced for another's benefit, which is the essence of involuntary servitude.

In the same case the court said:

> There is no more important concern than to safeguard the freedom of labor upon which alone can enduring prosperity be based.

This case was decided by a divided court, two Justices dissenting. Those opposing this legislation dwell with a great deal of assurance upon the dissenting opinion in that case, written by Justice Holmes. But a careful reading of Justice Holmes's dissenting opinion will convince any fair-minded man that there will be no conflict between the dissenting opinion of Justice Holmes and this bill now before the Senate. The Bailey case was based upon an Alabama statute, and Justice Holmes in his dissenting opinion assumed that the contract under this statute was a legal one because it was made in accordance with the statute which he believed to be constitutional, and that, therefore, a man could be legally punished for obtaining money by making such a contract with the fraudulent intention of breaking it. He met the argument that the terms of such contract would result in peonage with the pertinent comment: "If the contract is one that ought not to be made, prohibit it." In other words, a fair conclusion from the dissenting opinion of Justice Holmes will convince anyone that the legislative power had the right to prohibit the very contract in dispute.

That is what we are trying to do in this bill—to declare by statute a public policy of the United States; that the "yellow-dog" contract is in conflict with such public policy and that, therefore, it shall not be enforced in any Federal court in the United States.

No attempt will be made to defend the "yellow-dog" contract. Its inhumanity will be admitted by those who oppose this bill. But, they will say, it is a wrong which can not be remedied under our Constitution, and therefore that such contracts must be upheld by the courts, with all their evil consequences.

The evils which this bill attempts to remedy, especially in respect to the "yellow-dog" contracts, are admitted. They will not be denied in the course of this debate and most of those who oppose the bill will frankly admit not only that the "yellow-dog" contracts which this bill outlaws are in existence but that some method of relief in behalf of suffering humanity ought to be devised. Yet it will be claimed that the bill under consideration is unconstitutional for the very reason that it does outlaw these inhuman and barbarous contracts.

It will be said, also, that during the last three or four years, in which the remedies proposed in this bill have been under consideration and discussion, those who have continually fought the legislation and are still opposing it have so far made no attempt themselves to report any bill or to suggest any remedy for the evil which they admit exists.

By the abolition of these unconscionable contracts this bill sets on the hilltop a beacon of human liberty. It gives to those who toil, to those who are poor, to those who by the sweat of their faces contribute to the happiness of humble homes the enjoyment of that freedom and that liberty which is necessary in every free country for all of its citizens and not by one class of its people. It gives liberty to the downtrodden and the poor, and in this respect puts them on an equality with those who live in luxury and plenty.

Human liberty after all is just as precious to the man who toils in the darkness of the bottomless mine as it is to the man who controls a nation or who owns unlimited wealth. It gives hope to the little children of those who have no hope if liberty is blotted out. It brings joy and peace to the humble fireside in the weather-beaten cottage. It fills the breast with pride and with love of country and of all mankind. Let me quote one of the most beautiful tributes which has ever been paid to human liberty by one of the world's great writers:

> We speak of liberty as one thing and of virtue, wealth, knowledge, invention, national strength, and national independence as other things. But of all these liberty is the source, the mother, the necessary condition. She is to virtue what light is to color, to wealth what sunshine is to grain, to knowledge what eyes are to sight. She is a genius of invention, the brawn of national strength, the spirit of national independence. Where liberty rises there virtue grows, wealth increases, knowledge expands, invention multiplies human powers, and in strength and spirit the freer nation rises among her neighbors as Saul amid his brethren—taller and fairer. Where liberty sinks there virtue fades, wealth diminishes, knowledge is forgotten, invention ceases, and empires once mighty in arms and arts become a helpless prey to freer barbarians. * * *
>
> Liberty came to a race of slaves crouching under Egyptian whips and led them forth from the house of bondage. She hardened them in the desert and made of them a race of conquerors. The free spirit of the Mosaic law took their thinkers up to heights where they beheld the unity of God and inspired their poets with strains that yet phrase the highest exaltations of thought. Liberty dawned on the Phœnician coast and ships passed the Pillars of Hercules to plow the unknown sea. She shed a partial light on Greece and marble grew to shapes of ideal beauty, words became the instruments of subtlest thought, and against the scanty militia of free cities the countless hosts of the great king broke like surges against a rock. She cast her beam on the 4-acre farms of Italian husbandmen, and born of her strength a power come forth that conquered the world. * * * Out of the night that followed her eclipse her slanting rays fell again on free cities and a lost learning revived, modern civilization began, a new world was unveiled; and as liberty grew, so grew art, wealth, power, knowledge and refinement. In the history of every nation we may read the same truth. It was the strength born of Magna Charta that won Crecy and Agincourt. It was the revival of liberty from the despotism of the Tudors that glorified the Elizabethan age. It was the spirit that brought a crowned tyrant to the block that planted here the seed of a mighty tree. It was the energy of ancient freedom that the moment it had gained unity made Spain the mightiest power of the world, only to fall to the lowest depth of weakness when tyranny succeeded liberty. * * *
>
> Shall we not trust her?
>
> In our time, as in times before, creep on the insidious forces that producing inequality destroy liberty. On the horizon the clouds begin to lower. Liberty calls to us again. We must follow her further; we must trust her fully. Either we must wholly accept her or she will not stay. It is not enough that men should vote; it is not enough that they should be theoretically equal before the law. They must have liberty to avail themselves of the opportunities and means of life; they must stand on equal terms with reference to the bounty of nature. Either this or liberty withdraws her light; either this or darkness comes on and the very forces that progress has evolved turn to powers that work destruction. This is the universal law. This is the lesson of the centuries. Unless its foundations be laid in justice the social structure can not stand.

THE ABUSE OF THE POWER OF INJUNCTION

One of the indefensible things contained in a great many of the labor injunctions issued by Federal judges is the enjoining of the defendants from exercising their legal right under State law, given them by a State statute.

Labor unions usually provide for a fund out of which benefits are paid to their members when they are out of employment, including the time when they are out of employment on account of a strike. The members of the union who are out of employment are entitled, under the rules of their organization, to these benefits. They have themselves contributed to this fund. They have a direct

interest in it. The fund is accumulated by dues paid by the members and the object of it is to assist the members when they are out of employment in the support of themselves and their families. Some of these injunctions issued by Federal judges enjoin the unions from paying their members who are on strike any of the benefits to which they are entitled from these funds accumulated by their own contributions. In such cases the money in this fund is in the possession of the proper officers. Under the rules and regulations of the organization it is the duty of these officers to pay these benefits to their fellows who are out of work. They are willing and anxious to perform their duty, but the strong arm of a Federal injunction prevents them from doing this act, from complying with their agreement, from performing their duties as officers of the union.

These injunctions often go still farther. Not only do they prohibit the workmen from thus contributing to their fellows but the injunction prohibits anyone, whether he is a member of the union or not, from giving any assistance or contributing any funds or other money to men who are on a strike.

But many of these injunctions go still farther. It is a common thing in the operation of coal mines for laborers to live in houses owned by the corporation owning or operating the mines. These houses—in many cases it would be more proper to term them shacks—are leased to the laboring man under contract by which the laborer agrees to pay a certain amount monthly or otherwise as a rental for the occupation, and providing also for the surrender of the premises under conditions named in the contract of lease. If a dispute arises between the employer and the employee as to whether or not the contract has been violated and as to whether the owner has a right to dispossess the employee, the question at once becomes one of forcible entry and detainer under the laws of the State where the property is located. These laws invariably provide for the trial of forcible entry and detainer cases before a justice of the peace. Upon the trial before the justice either side is given the right to appeal to a higher court. If the judgment of the justice of the peace is against the laboring man, the tenant, if he desires to appeal his case, has to give bond, not only for the costs in the case, as is usual in all cases, but also for the payment of a reasonable rental in case the decision of the higher court is against him. This is a right given him under the State law. It is a right that is general and applies to all cases between landlord and tenant. If the tenant is wrongfully holding possession of the premises, no loss can come to the landlord because, before he can appeal he must put up a bond to pay both costs and rental.

Many of these injunctions issued in Federal courts by Federal judges enjoin the tenant from taking the appeal given to him under a State law. Not only is the defendant enjoined but every and all persons are enjoined from going on the bond or from giving any advice or assistance of any kind to the laboring man who is a defendant in such forcible-entry and detainer cases. All persons, whether they belong to the union or not, or whether they are defendants in the case or not, are enjoined from paying any money in the way of expenses in behalf of the defendant in such a case. The injunction sometimes goes far enough to prevent anyone from acting as attorney or from giving any legal advice to an employee whom the company is trying to eject from one of these houses. And very often all persons are enjoined from furnishing any food or fuel or any other necessity of life to any one of these defendants who happens to be living in one of these houses and who is out on a strike. Such injunctions have often resulted in the greatest kind of hardship and misery suffered by these coal miners. Under these unconscionable orders relief of any kind can not be given. Sickness, hunger, and cold can not be relieved. I know of no other instances in jurisprudence where such hardships have been upheld and where such summary methods of depriving persons of their "day in court" have been held to be "due process of law." By no conceivable stretch of the imagination can such instances of judicial cruelty be condoned or defended.

The bill under consideration takes away from the Federal courts the power to issue such injunctions and in the same section (sec. 4) the bill prohibits the issuing of injunctions which restrain employees from—

(f) Assembling peaceably to act or to organize to act in promotion of their interests in a labor dispute.

It prohibits the issuing of injunctions restraining anyone from inducing, assisting, counseling, or advising, without fraud or violence, any of these things, regardless of whether or not the employee may have signed a "yellow-dog" contract.

Injunctions have been issued which restrain employees engaged in a strike from giving publicity to the existence of or the facts involved in any labor dispute. In these cases the strikers are prohibited from telling anyone that a strike is in existence or from telling anyone that the company requires its men to sign a "yellow-dog" contract.

One of the most recent injunctions in a labor dispute was issued in the District Court of the United States for the Northern District of Iowa. This injunction was issued on the 29th day of March, 1930. When I was furnished a copy of this injunction I did not believe that it was true. I could not believe that any judge would issue such a cruel document. I thought I was being imposed upon and I wrote a letter to the clerk of the court and asked him to certify to me a correct copy of the injunction which had been issued. I found that I had been correctly informed and that the first copy which had been furnished me was a true copy of the official document. This injunction enjoined the defendants from doing many things. Among others, it enjoined them from—

* * * printing, publishing, issuing, circulating, and distributing, or otherwise communicating, directly or indirectly, in writing or verbally, to any person, association of persons, or corporation, any statement or notice of any kind or character whatsoever, stating or representing:

(1) That there is a strike at the mill or plant of complainant at Fort Dodge, Iowa; or that the strike of 1921 is still in existence; or that there is a controversy over wages or conditions of employment between complainant and its employees; or any false statement with reference to conditions of employment at complainant's plant.

Let me invite your attention to that word "false," because some one will say the injunction is against false statements of this kind. Not at all. The statement may be absolutely true. The only case where the word "false" applies is "any false statement with reference to conditions of employment at complainant's plant."

I continue reading from the injunction:

(2) That complainant is unfair to organized union labor, or that its products are or were unfair to organized labor, or are on an unfair list.

(3) That complainant forces or requires its employees to sign or subscribe to the so-called "yellow-dog" contract.

It will be observed that in this case the defendants were not allowed to tell anyone a strike was in progress. When the laboring man went home at night to his family, if he told his wife that a strike was on, he would be liable for arrest for contempt of court and to be sent to jail as a punishment. These men were not allowed to give any publicity in any way to the fact that a strike existed; and, although they might know of their own personal knowledge that employees were required to sign the "yellow-dog" contract, yet they would not dare tell even members of their own families of this fact. Their mouths were absolutely closed, and free speech was absolutely forbidden. They could not be allowed in such a case to seek advice from an attorney. The son would not be allowed to consult with his father on the subject. When the laboring man did not go to his work in the morning he would not even be allowed to tell his own wife why.

Under the laws of the State it would be perfectly proper and a defendant would have a perfect right to go out on the street and tell everyone he met that a strike was in prog-

ress; or that he, before he could get a job, was compelled to sign the "yellow dog" contract. He would have a perfect right, under the State law, to consult an attorney and to lay all the facts before him, and to ascertain from a legal standpoint what his rights were, but, under this cruel injunction order, all those rights were swept away. State laws were all nullified and the fundamental right of human liberty and freedom was absolutely and completely denied.

And suppose one of these defendants disobeyed this injunction? He would not be violating any State law! He would be doing only what every human being has a right to do! No statute of any State or the Federal Government would preclude him from giving full publicity to all of the facts. But, under this judge-made law, a new statute was put in force—not by the legislature of the State, not by anyone having authority to enact a statute, but by the judge sitting on the Federal bench.

And let us suppose, too, that for a violation of this order, one of the defendants was arrested. Where would he be tried? Would it be in the courts of the State where the offense is alleged to have been committed? No. It would be before the same judge who made the law. The judge who, acting as a legislator, made the law. He would sit as a judge to try an offense for violation of the judge-made law. In such a case the defendant would have committed a crime as defined by this arbitrary law in the shape of an injunction—not a crime under the State law, not a crime under any Federal law, but a crime made so by an arbitrary order of a judge, who is not supposed, under our Constitution and laws, to have any legislative authority. And if, when he was arrested, there was a dispute as to whether he had violated the order of the judge and thus committed a crime, would he have the right to lay his case before a jury of his peers? Would the constitution and the laws of the State where the alleged offense was committed control in such trial? No. No jury could sit in that case. Who would be the jury? The answer is, the judge—the same person who made the law, the same person who fixes the penalty. He would fix the punishment and he would render the judgment, and at his will the defendant would go to jail for a time limited only by the discretion of the same judge.

The vilest criminal, under our legal system, would not be deprived of these fundamental rights and privileges. The common hobo, the escaped convict—all are protected when they are charged with a crime by the right to have the matter settled by a jury, and they can not, under the law, be found guilty unless the evidence shows they are guilty beyond a reasonable doubt. But this judge, who made the law, who issued the order, who fixed the penalty, and who tries the case, would be guided by no rule of evidence known to our system of jurisprudence. There would be no one to tell the defendant that he was entitled to every reasonable doubt and that he must be acquitted unless proven guilty beyond a reasonable doubt.

The result is that the rights of defendants, under our system, are completely taken away. Something is made a crime which is not a crime under the law. The penalty is fixed, not by a legislature but by one man sitting on the bench. So far as I know, such arbitrary action very seldom occurs except in labor disputes. The defendants in such cases are poor. Sometimes many of them are uneducated. They have no money of their own to defend themselves, and these injunctions make it impossible for any of their friends or any sympathizing citizens to come to their assistance, financially or otherwise, or to even give them advice. They are thus singled out. They stand alone, faced on the one side by great combinations of wealth, unable to defend themselves and prevented from being defended by any other persons who might become interested in their welfare. They must take the punishment administered by the man who made the law and who has fixed the penalty.

It has long been recognized by students of the law and acknowledged by experts in government that the power to make a law and the power to enforce the law should be completely separate, and that such separation is absolutely necessary as a protection against tyranny. Those who wrote our Constitution were careful to keep the judicial power separate from the legislative power and the administrative power. But these injunctions do away with all those fundamental principles of government and put in the hands of one man the right to make the law, the right to enforce the law, the right to fix a penalty, the right to try those who it is alleged have offended the law thus made, and the right to inflict at their own sweet will whatever punishment they believe should be administered. It was many years ago that the great legal writer Blackstone used the following language:

> In all tyrannical government the supreme magistracy or the right of making and enforcing laws is vested in one and the same man or one and the same body of men, and wherever these two powers are united together there can be no public liberty. (1 Blackstone, 142.)

Pomeroy, an acknowledged authority, in his Equity Jurisprudence, has this to say on the subject:

> The courts have thus been required to face such questions as the nature and extent of the capitalist's rights in the management of his business and of the workingman's property in his labor; to decide how far the employer shall be protected in his right to have labor and custom flow to him free from the interference of third parties, and how far the laborer shall be protected from similar interference in his contract of employment or his right to secure employment; to determine what limits shall be placed upon individuals and combinations of individuals in seeking their economic advancement at the expense of their fellows. All these and other problems have come before the courts in rapid succession. (Pomeroy, Equity Jurisprudence (4th ed.), vol. 5, p. 4566, sec. 2018.)

Is it any wonder that there has grown up a feeling of resentment against some of the actions of some Federal judges? Is it any wonder that there has gradually grown up in the minds of ordinary people a feeling of prejudice against Federal courts? Is it surprising that there should develop a sentiment against life tenure for Federal trial judges? Can anyone doubt that such action on the part of the Federal judiciary has gradually developed in the minds of ordinary people a fear that where a system of jurisprudence prevails which enables one man, endowed with a life tenure of office, to write a law and then order its enforcement, and then, refusing a jury, to try alleged offenders and punish them at his own sweet will, it will eventually lead us to the common knowledge and belief that where such things exist, as Blackstone says, "There can be no public liberty."

It is difficult to see how any civilized people would indefinitely submit to such tyrannical treatment, and, indeed, it would undoubtedly be true that there would not have been submission if this procedure were general and applied to all classes of people. It is because it applies only to the poor, to laboring men in labor disputes, that the great bulk of our people have not yet realized the great evil to human liberty and to popular government which such procedure brings about.

It is not difficult to see how such injunctions, violating the spirit of a free government, should frighten persons against whom such injunctions are issued and drive them to desperation. What free American citizen, let me ask, is willing to submit to such a violation of his sacred rights, which most of us had supposed were fully protected by our Constitution and our laws?

The bill under discussion makes all such injunctions impossible, and, if enacted into law, this shameful picture of human suffering and human misery brought about by judge-made law will be an impossibility.

Wherever it can be done this bill applies equally to organizations of labor and to organizations of capital. Organizations of employees and organizations of capital are treated exactly the same. The bill does not protect anyone, whether he be an employer or an employee, from punishment for the commission of any unlawful act, either as against property or as against persons.

It sometimes happens that detectives representing large corporations have been employed for the purpose of conveying information concerning the activities of laboring men to the corporation employing them. A notable instance of this kind was in the case of the street-railway strike in Indianapolis, Ind. There, two men were employed by the company

as such detectives. They applied for admission to the union and were admitted. Subsequent evidence disclosed that these men were the most active of any of the men of the union in favor of drastic action on the part of the laboring men. They did all they could to incite the men to the commission of all kinds of illegal and unreasonable acts, and then the strong hand of the injunction was brought forth with its usual effect of frightening and disheartening members of the union. And in that particular case, I think it is fair to say that the members of the subcommittee who held the hearings were dumfounded at the way in which members of the union were tried and convicted for contempt of court, where it seemed on the face of the evidence that the men convicted were not only innocent of a violation of the order of the court, illegal though it probably was, but that they had done their best to prevent the men from taking any action which would in any way violate the injunctive order.

In that case the workers before they were organized asked that some one be sent from an organized union to come to Indianapolis for the purpose of organizing the street-car employees into a union. At their request two organizers were sent to the city. These men, when they reached the city, were arrested on various kinds of charges not in any way connected with the object of their visit. Charges were made against them, and they were arrested. They had to arrange for bail to keep themselves out of jail while waiting for their various trials. Being strangers in the city and most of the other laboring men being financially unable to go on their bonds, arrangements were made through some bonding company to furnish bail. It was necessary, of course, in the cases, for them to pay the bonding companies. Their cases were continued and were never, in fact, brought to trial. When one of the cases reached a stage where it could no longer be continued the case was dismissed and the men were rearrested on some other charge of a similar nature. In this way their finances were used up, and they were worn out.

I may add, speaking from memory of the hearings, though I think I remember them accurately, that these men were arrested fifty-one times in something like 60 days and were never once tried. When the case finally came to trial—perhaps there was a charge in a police court of vagrancy or some other charge for which there was no foundation—it was dismissed, but before the men got out of the courthouse they were arrested again on a similar charge.

Laboring men are not financially able to pay the expenses which are necessary to make proper defenses. They are confronted with corporations having unlimited means, with attorneys of the greatest ability, and in such cases, if they have to try their case before a judge who is unsympathetic, it is necessary for their cases to be appealed. The harsh way in which the men are treated and the severity of these terrible injunctions break them down, even before trial, and the greatest damages are often done in cases which never reach the higher courts. A man who is confronted with an order which deprives him of all legal assistance, from seeking sympathetic advice, especially if he is an uneducated and ignorant person, is broken down before the case reaches the stage of a trial. He realizes that the judge-made law is made for him alone. He realizes that the man who made the law will be the man who tries him for contempt, and he realizes that the same man will administer punishment—a punishment not in accordance with law but in accordance with his individual opinion and judgment.

It is impossible to report with accuracy the number of injunctions issued either in State or Federal courts. As I have said, only a small percentage of them are reported officially. Approximately 300 injunctions were issued in the railway shopmen's strike of 1922, but only 12 were officially reported. Evidence taken by the subcommittee of the Committee on the Judiciary was to the effect that 389 labor injunctions in State and Federal courts were issued during the last decade, and that the most of these are unreported. Out of over 260 cases listed by the Massachusetts Bureau of Statistics in the period of 1898–1916, only 18 were officially reported. This is because, as I have said, defendants in these cases are financially unable to defend themselves in court. Most of the injunction proceedings never go beyond a restraining order or at best beyond a temporary injunction.

Prior to 1890, injunctions in labor disputes were practically unknown, but the issuing of restraining orders and injunctions has rapidly increased since that time, until now it is seldom that any controversy of importance between capital and labor takes place without the issuing of one or more injunctions.

PROCEDURE

Mr. President, this bill, in section 7, provides for the procedure which shall be followed in case application is made for a restraining order or a temporary or permanent injunction. It provides that before a temporary or permanent injunction shall be issued there must be an opportunity for the defendants to be heard, and that at such hearing they shall have the right to cross-examine witnesses who testify in behalf of the issuing of such an order. The court must also permit the defendants to offer witnesses and to take their oral testimony in open court; and the court is not authorized to issue a temporary injunction after such hearing unless the court finds that unlawful acts have been committed and will be committed unless restrained; that as to each item of relief granted greater injury will be inflicted upon complainant by the denial of relief than will be inflicted upon defendants by the granting of relief; and that complainant has no adequate remedy at law. The bill also provides that no temporary or permanent injunction shall be issued unless the court finds that the public officers charged with the duty to protect complainant's property are unable or unwilling to furnish adequate protection.

The bill, however, permits a temporary restraining order without notice, but in order to secure this the judge issuing the order must take the testimony, under oath, of witnesses, and the evidence must be sufficient, if sustained, to justify the court in issuing an injunction upon hearing with notice. In other words, a restraining order without notice can not be issued except upon the sworn testimony of witnesses, and that testimony must be sufficient to sustain an injunction in case the same evidence were offered with notice.

This can be no hardship to the complainant in the case. If the plaintiff is not able to produce sufficient evidence without notice, certainly he would not be able to produce sufficient evidence with notice. The greatest danger of damage comes in cases where restraining orders or temporary injunctions are issued without any notice to the defendants. This, in effect, takes away the protection with which the law always tries to surround the defendant by requiring that a summons be served or a notice given before any judgment shall be rendered against him. It must also appear, before a temporary restraining order can be issued without notice, that the giving of the notice would of itself result in irreparable damage to the complainant's property.

A restraining order without notice, under the bill, shall not be in force longer than five days. The usual provision for the giving of bond before the issuing of such temporary order is also provided for.

It is also provided, in section 8, that no restraining order or injunction relief shall be granted to anyone who has failed to comply with any obligation imposed by law which is involved in the labor dispute in question or who has failed to make every reasonable effort to settle such dispute either by negotiation or with the aid of any governmental machinery provided for arbitration.

JURY TRIAL IN CONTEMPT CASES

This bill provides that a person charged with contempt for the violation of a restraining order or injunction shall have the right to a trial by jury. There is one exception to this, however, and that is where alleged contempt is committed in the presence of the court or so near thereto as to directly interfere with the administration of justice. Then the defendant is not entitled to a jury trial.

As I have already stated, the effect of an injunction is to make something illegal which is not illegal under the law

of the land. It makes something a crime which is not a crime under public law. The punishment for such a crime is just the same as the punishment for the violation of any criminal statute of any State or of the Federal Government. Why should a defendant be entitled to a jury trial in one case and not in the other? If a defendant is sent to jail for the violation of a statute made by the judge, his punishment is just as severe, his suffering is just as great as though he were sent to jail for the violation of a criminal statute. Why should the procedure be different in these two cases? If a laboring man meets his neighbor upon the street and strikes him down with his fist, he has committed a crime against the State law; but, when he is arrested, he has a right to a jury trial. If the same laboring man meets the same neighbor on the same street and tells him that a strike at a certain factory is in progress, or that laborers in a certain mill are required to sign a "yellow-dog" contract before they can get employment, or gives him any information of a like kind where a judge has issued an order making it a crime to give such information, then the defendant has no right to demand a jury trial. He is tried by the same judge who made the order. The author of the law sits in judgment in a case involving an alleged violation of a law which he himself has made. How can you distinguish between the two cases?

In each case the defendant is charged with a violation of law. One is a written law passed by the legislature of his State. The other is an order made by a Federal judge, making something a crime which was not a crime before. If there should be any difference, it ought to be just the reverse of what it is. If there is a reason for a man to have a jury trial when it is alleged he has violated some State statute, there is a double reason why he should have a jury trial when he has violated some judge-made law, especially where he is going to be tried before the same judge who made the law. If a defendant is charged with a crime which will take him to jail if he is found guilty, how can we say that under the law of the land he shall have a jury trial in one case and shall be denied a jury trial in the other?

A procedure which violates this fundamental right of a trial by jury in criminal cases, even though it be a case of contempt, violates every sense of common justice, of human freedom, and of personal liberty.

Section 12 of the bill under consideration gives to any defendant who is charged with contempt of court the right to file with the court a demand for the retirement of the judge sitting in the proceeding in all cases where the alleged contempt arose from an attack upon the character or conduct of the judge and where such attack occurred otherwise than in open court. When such a demand is filed under oath, the judge shall proceed no further, but another judge will be designated in the same manner as provided in other cases to hear and try the contempt charge.

It will be noted that this section is general. It has no specific relation to a labor dispute, but is intended more fully to reach the case where newspapers have been charged with contempt because it is alleged they have made improper remarks in their publications in regard to the conduct of a judge in any case pending before him. The conscience of the country was shocked a year or two ago when a newspaper publisher was haled into court by the judge for something he had said in his paper in the way of criticism. The same person against whom the criticism was made sat in judgment. He presided at the trial which took place without a jury, and the charge was improper conduct leveled against the man who was presiding in the case.

The bill does not attempt to relieve any newspaper publisher from anything which, under existing law, would make him liable. But we do believe that such publisher ought to have the right to a fair and impartial trial before a judge not having a direct, personal interest in the outcome of the case. There is no reason why, in such case, some unbiased judge should not sit upon the bench and preside in such a trial. There is every reason in the world why the judge who seemed to have been offended by what the newspaper stated should not sit in judgment upon his own case. This is nothing but common, ordinary justice. It is not any legal refinement. It is simply good, ordinary, common sense, and no legal ability is required to recognize its justice.

There are several other things in the bill; but, in my judgment, no serious conflict will arise with reference to them. I have discussed, I think, all of the provisions of the bill which are contested, or which, for any reason, are claimed to be unjust or unconstitutional.

What we ought to do is to have the same rule of law apply to the poor as to the rich; to the ignorant as well as to the wise; to the weak as well as to the strong. This bill does nothing more. It provides for no avenue of escape for anyone who is guilty of fraud or violence. It limits the injunction to such cases as common, ordinary justice demands it should be limited. It permits laboring men to organize for the purpose of improving their conditions. It recognizes their right to organize in defense of their rights and their labors. It prevents great aggregations of capital from combining against the weak and the poor in any way which would deprive them of the ordinary rights of free American citizens. It attempts to weigh in the scales of justice all the elements which ought to be considered in passing upon controversies between labor and capital. It asks for the laboring man nothing that it does not concede to the corporation. Its enactment into law will, I believe, do away with much of the criticism which is now made—justly, I think—against the Federal courts. After all, a court, to be effective, must be respected. It is the duty of all citizens to obey all of the orders and judgments of our courts, but the success of our courts and the perpetuity of our Government will be seriously affected and retarded if its orders are unjust and unfair.

I believe, therefore, that the enactment of this bill into law will not only prevent injustices in labor disputes but that its effect will be to place upon a higher plane all of our courts, and eventually bring faith in and respect for all our judiciary tribunals.

JUDGE WILKERSON'S INJUNCTIONS

In conclusion, it seems to me it would be very appropriate to call to the attention of the Senate the record of Judge Wilkerson in the issuing of injunctions in labor disputes. This record is particularly applicable now, when the President of the United States has sent the name of this judge to the Senate in his effort to promote him to the circuit court of appeals. This nomination for such promotion is now pending before the Judiciary Committee of the Senate.

Judge Wilkerson was appointed as district judge by President Harding, under the advice and at the suggestion of Attorney General Harry M. Daugherty. Hardly was the ink on the commission dry before the same Attorney General applied to this judge and secured of him a sweeping injunction applying to many thousands of railroad employees. This injunction was issued at a time when the dispute between the railroads and their employees was in a fair way of settlement, and contained many of the obnoxious provisions which are almost invariably included in labor injunctions.

Incidentally, this case illustrates the close connection between the judge and the appointive power. After all, judges are human beings; and it is perhaps too much to expect that a judge just appointed to the bench, where he has a life tenure, should be able to resist the request of the Attorney General whose recommendation probably brought him the appointment. Congress, therefore, should see to it that the law is so plain and so explicit that even the weaknesses of human nature would not be sufficient to lead the judge astray in such cases where the temptation is admittedly great.

Another illustration of a conscienceless injunction issued by Judge Wilkerson was the injunction issued in the case against the Chicago Federation of Musicians and others. This injunction was issued on the first day of September, 1928, at 10 o'clock in the forenoon. The then existing contracts of the musicians with motion-picture houses expired the very next day, September 3, which was Sunday, and

new contracts had not been agreed upon. Negotiations had been pending for some time between these musicians and the theater houses, but no definite agreement had been made. The musicians were asking that certain conditions be included in the new contracts of employment, which the employers and receivers for some of these houses were resisting. At this time, while these negotiations were pending and the day before these contracts expired by their own terms, these theaters commenced this action against their employees, and without any notice to the defendants the judge issued another one of his famous restraining orders.

In this injunction, among other things, the defendants were restrained from enforcing certain provisions of their own by-laws. It seems that these musicians, in their own organizations, had various stipulations in their by-laws; and this judge, upon the filing of the complaint by the plaintiffs, and without any notice whatever that such an application was pending, issued an order restraining the defendants from in any way, directly or indirectly, enforcing the provisions of the by-laws. In other words, the injunction restrained the defendants from making the demands which they were making in their negotiations with their employees. In some instances, in effect, it required these musicians to amend their by-laws. It restrained them, also—

> From ordering, commanding, directing, or causing any strike * * *.

It likewise enjoined the defendants—

> From leaving or threatening to leave the employment of said receivers, either by way of strike or otherwise, unless with the consent of said receivers * * *.

The injunction also restrained the defendants—

> From imposing upon or levying or ordering against any member of said union any fine, penalty, suspension, erasure, expulsion, or assessment of whatsoever character for failure to leave the employment of said receivers, for refusal to refrain from seeking or accepting employment of said receivers, for refusal to obey any command, order, rule, by-law, provision, direction, hint, suggestion, or request of whatsoever character of said union or any officer, committee, or member thereof that he leave or refrain from seeking or accepting such employment, or for refusal to do, perform, aid, assist, counsel, command, direct, or acquiesce in any act forbidden by this order.

In this wonderful injunction there is just one ray of hope. The injunction did contain a provision that the defendants should have a right to appear in court and petition the court for a modification of this drastic order. What a wonderful and merciful thing that was.

The injunction was issued at 10 o'clock on Saturday morning. I presume before it was served it was probably late in the afternoon of Saturday. The court was not in session, of course, on Sunday. The contracts expired on Sunday by their own terms and, by the terms of the decree, these defendants were restrained from quitting the employment of the plaintiffs unless the plaintiffs consented. If they continued to negotiate on new contracts, they were restrained in such negotiations from even asking their employers to put certain things in the contract for which the defendants had been contending. They were compelled to remain in the employment after the expiration of their written contracts and were not even allowed, in trying to get new contracts, to ask that anything should be put in those contracts which the employers did not want put in.

I wonder if anyone will contend that such an order issued by Judge Wilkerson is not, in effect, an order of involuntary servitude? Can anyone claim for a moment that it is not a decree of human slavery? This calls to our attention not only that we should enact proper legislation on this subject but that we should likewise be careful in passing upon any nomination which the President may make in the appointment of a judge to sit in judgment upon the law we shall make. Not only is it necessary that the proper law be passed but it is equally important that no person should be selected to administer the law as judge whose bias and prejudice and whose inclination might lead him to find a loophole of some kind by which such unconscionable injunctions could be issued.

This case and the others which I have enumerated illustrate the necessity of passing a law which can not be nullified even by judges who have no sympathy with those who toil when their interests conflict with great aggregations of wealth. It brings to our minds the almost superhuman importance of an untarnished judiciary. A perfect law can be nullified by an unfair and biased judge. It is a source of great satisfaction to be able to say that the great majority of our judges are above reproach. But the method of their selection often makes it possible for political bosses, political machines, and wealthy corporations which have made political contributions to name Federal judges who shall sit during their lifetime as arbiters between those who toil and those who sit in high places and from their luxurious quarters of wealth sometimes name the President, who, in turn, will nominate the judges; and one of the ways in which their investment can be returned manyfold is the selection of judges who are either their abject tools or whose viewpoint is such that they honestly and conscientiously believe that monopoly is always right and that the toiling masses are always wrong.

This, very logically, leads us to the selection of a Chief Magistrate—a President of the United States. Under our antiquated Electoral College system, which has no more place in a free government than a fifth wheel on a wagon, a system has grown up by which the people have but little to say in the selection of a President. Under this illogical system, in order to be elected the President must first be nominated by one of the dominant political parties. We all know that, as a general rule, the people themselves have but little influence in a national party convention. Too often Presidents are nominated in the wee, small hours of the night, in a dingy, smoky atmosphere, where the musical tinkle of clinking glasses is heard amid the booming of flying corks. Too often the people at the general election have only a choice between two evils; but when the election is over and the preelection promises are redeemed, it sometimes occurs that the demands of those who have contributed the money to carry on the fake contest are sufficiently influential to place upon the Federal bench persons who, after all, are only the tools of the corporations which made them.

It is because we have now on the bench some judges—and undoubtedly we will have others—who lack that judicial poise necessary in passing upon the disputes between labor and capital that such a law as is proposed in this bill is necessary.

Mr. CUTTING. Mr. President, I want to ask the Senator a question specifically concerning the provisions in regard to contempt of court, section 11 and section 12.

I understood from the Senator's remarks that section 11 was confined to cases of restraining orders or injunctions in labor disputes, and that section 12, on the other hand, included all cases of contempt of court. The Senator specifically mentioned cases of newspaper criticism of judges.

Mr. NORRIS. Section 11 applies to labor disputes; section 12 is general and applies to any kind of a general proceeding.

Mr. CUTTING. Section 12 merely allows a defendant to ask that another judge shall sit in the case, one other than the judge who has been criticized?

Mr. NORRIS. Yes.

Mr. CUTTING. Whereas section 11 provides for a jury trial. I have been wondering whether a jury trial should not be granted to all defendants in contempt of court cases.

I personally have had exactly the experience which the Senator describes, of having been haled into court to justify criticism of a particular judge by the judge himself. My defense, of course, was the truth of the charges, which the judge rather naturally found were untrue.

I quite admit that it would have been a relief to some extent to have had some other judge sitting in the case; but I am sure the Senator will recognize that there is a certain feeling of solidarity between various judges which makes it rather difficult for any one of them to decide that his brother judge had been justly criticized.

To my mind, trial by jury is the only effective defense in these cases, and I should like at some time during the consideration of the bill to offer an amendment, which I hope the Senator will accept, to provide jury trial in all cases of

indirect contempt; that is, of contempt not committed in the actual presence of the court.

Mr. NORRIS. Does not the Senator think section 11 gives it?

Mr. CUTTING. It provides:

In all cases in which a person shall be charged with contempt for violation of a restraining order or injunction issued by a court of the United States (as herein defined).

Mr. NORRIS. I see the Senator's point. As far as I can see, I would not have any objection to amending section 11 so that it would apply to cases of indirect contempt.

Mr. CUTTING. I shall draw an amendment and offer it at the proper time.

Mr. BLAINE. Mr. President, while this subject is before us, I would like to say that I see nothing in section 11 which does not make it applicable to all cases, whether labor cases or otherwise.

Mr. NORRIS. It does apply to all cases, but the Senator from New Mexico calls our attention to the fact that it applies only in cases where the contempt is charged because of violation of an injunctive order. The contempt mentioned in section 12 is a different kind of contempt. It refers to cases where no order has issued to begin with. A newspaper, for instance, might make an attack on a judge, but would not be violating any order of injunction, and it would not come under section 11, because under that section one must violate an order a judge has made. The case for which the Senator from New Mexico wants to get a jury trial is one where there has been no order issued, but a court has cited some one for contempt without any order having been issued.

Mr. BLAINE. I merely want to call the Senator's attention to the fact that the committee did consider that question in connection with a bill introduced by the junior Senator from Michigan [Mr. VANDENBERG], but it was intended to cover all cases of indirect criminal contempt. I would assume that there would be no objection to making section 11 expressly applicable to all cases, whether there was a violation of a restraining order or injunction or not.

Mr. CUTTING. That was my purpose.

Mr. BORAH. But the Senator from New Mexico is interested in a proposition where no injunction order may have been issued at all. If a newspaper criticizes a court, whether the court has issued an injunction order or not, the court may cite the newspaper for contempt. The Senator from New Mexico is interested in having such a case as that tried by jury.

Mr. NORRIS. I am in entire sympathy with what the Senator wants to accomplish.

RELIEF OF IRRIGATION PROJECT WATER USERS

Mr. CAREY. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Senate bill 3706, for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That any irrigation district, water-users' association, or other water-users' organization under contract with the United States for payment of construction charges under the act of June 17, 1902 (32 Stat. 388), or acts amendatory thereof or supplementary thereto, including the act of February 21, 1911 (36 Stat. 923) (upon acceptance of this act by resolution of its board of directors or corresponding body), shall be required to make no payment on the regular construction charge for the calendar year 1931, and in lieu of the regular installment of construction charge provided for under existing contracts may pay for the calendar year 1932 on the basis of 50 per cent of the amount which, but for this act, would be payable under said contracts, such amount to be computed and determined for that year in the manner provided in said contracts and the law applicable thereto. Interest and penalty as now provided by law and contracts for nonpayments when due shall apply on all charges for 1932 adjusted as herein authorized. No interest or penalty shall be payable on that portion of the charges herein authorized to be deferred: *Provided*, That in determining the rate for the sale of power during the irrigation season of 1931 to irrigation districts from any power plant operated by the Bureau of Reclamation interest on the cost of the power system shall not be included as an element, but interest at the rate of 2½ per cent per annum shall be included as an element of such rate for the sale of power to such districts during the irrigation season of 1932.

SEC. 2. On projects or divisions of projects where no irrigation district, water-users' association, or other water-users' organization has assumed joint obligation for payment of construction charges individual water-right applicants or entrymen, upon acceptance of this act in a manner satisfactory to the Secretary of the Interior, shall be required to make no payment on the regular construction charge for the calendar year 1931, and in lieu of the installments payable under existing contracts may pay their regular installments of construction charges for the calendar year 1932 on the same basis as that authorized in section 1 hereof for districts, associations, and other water-users' organizations.

SEC. 3. The act of Congress approved January 31, 1931, entitled "An act for the relief of the Uncompahgre reclamation project, Colorado" (Private, No. 300, 71st Cong.), is hereby amended to extend for one year from and after January 1, 1932, the time for beginning construction of drainage system upon the Uncompahgre project, and any and all construction charges accruing upon or for said project for or during the year 1932, shall be deferred and included in and made payable as a part of the project supplemental construction charge provided for in said act of January 31, 1931; and in order to afford opportunity to complete the construction authorized by the act of Congress approved February 21, 1931 (Public, No. 708), relating to the Grand Valley reclamation project, Colorado, any and all construction charges accruing upon or for said project for or during the year 1932 shall be deferred without interest and penalties and shall be included in and made payable as project supplemental construction charges.

SEC. 4. At the expiration of the period for which deferment of charges is made under this act, all districts, water-users' associations, or other water-users' organizations, and all individuals accepting the provisions hereof shall resume payment of charges on the basis of and in accordance with existing contracts and shall continue payments thereafter until the entire indebtedness of said districts, water-users' associations, or other water-users' organizations, and individuals to the United States shall have been fully paid. In the case of a district, water-users' association or other water-users' organization, or individual having contracts executed pursuant to the act of February 21, 1911 (36 Stat. 925), the act of August 13, 1914 (38 Stat. 686), or the act of May 25, 1926 (444 Stat. 636), or any special act the deferred construction installment or installments for the calendar year 1931, and that portion of the 1932 installment or installments deferred, together with the installment or installments of deferred construction and/or operation and maintenance for 1931 and 50 per cent of the installment and/or installments of such deferred charges for 1932, shall be paid as an additional installment to be due and payable one year after the date the last installment under existing contracts shall become due, except in those cases in which the Secretary of the Interior, whose decision shall be final, shall find necessary additional installments, which he is hereby authorized to fix. In the case of any district, water-users' association, or other water-users' organization, or individual under contract for payment of construction charge pursuant to subsection F, section 4, act of December 5, 1924 (43 Stat. 702), construction payments shall be continued on the basis of existing contracts until the entire indebtedness to the United States, including all charges deferred pursuant to this act, shall have been fully paid. Installments so carried over shall be subjected to the reductions provided for in section 7 hereof.

SEC. 5. The Secretary of the Interior, in his discretion, and upon acceptance of the provisions of this section by the water users affected, in the manner provided in sections 1 and 2 hereof, may permit adjustment of construction and/or operation and maintenance charges heretofore deferred by contracts made pursuant to existing law to be made for the years 1931 and 1932 on the basis authorized in sections 1 and 2 hereof or on such other basis as the Secretary may find to be required in each case.

SEC. 6. The Secretary of the Interior, in his discretion, is further authorized to defer the payment to the United States from any water users' organization, as defined in section 1 hereof and from any individual water-right applicant or entryman of construction charges and installments of deferred construction and/or deferred operation and maintenance charges for the calendar year 1930 and prior thereto. Such deferred charges, together with penalty or interest to December 31, 1931, under existing laws and contracts shall be paid in such annual installments as the Secretary of the Interior may fix.

SEC. 7. Any irrigation district, water users' association, or other water users' organization which has contracted to pay construction charges and which is not in arrears for more than one calendar year in the payment of any construction, operation, and maintenance, or other charge due by it to the United States may, at its option, deliver or authorize the delivery of water during the years 1932 and 1933 to water users who may be more than one year in arrears in the payment of charges or assessments due from such landowner or water user to the district or association.

SEC. 8. In the case of any irrigation district, water users' organization, or individual, receiving credits on account of power profits or other revenues under the provisions of subsections I and/or J, section 4, act of December 5, 1924 (43 Stat. 703), or any other act of Congress, when any extension is granted as provided in section 1, 2, or 4 the amount of such credits shall be deducted from the amount of any payment so extended: *Provided*, That the provisions of this section shall not apply to power profits or other

revenues derived from works not constructed at the expense of the United States. The credits, if any, in excess of the payment so extended shall be applied as now provided by law and contract. Acceptance of the provisions of this act shall operate as a waiver of any law and/or contract providing for application of credits differing from that in this section prescribed.

SEC. 9. Collections of construction charges for the calendar year 931 (which charges are subject to adjustment and are adjusted under sections 1, 2, and 4 of this act) and penalties and interest, if any, from water-users' organizations and individual water-right applications or landowners, heretofore made under existing contracts, plus interests on all amounts so collected at the rate of 6 per cent per annum, shall be credited upon the succeeding payments as they become due, including operation and maintenance charges.

SEC. 10. That the act of June 25, 1910, entitled "An act to authorize advances to the reclamation fund, and for the issue and disposal of certificates of indebtedness in reimbursement therefor, and for other purposes," as amended, and the act of March 3, 1931 (46 Stat. 1507), are hereby amended so as to provide that payments in reimbursement of moneys so advanced under these acts and not heretofore repaid shall be made by transfer annually from the reclamation fund to the general funds of the Treasury beginning July 1, 1935.

Mr. ROBINSON of Arkansas. Mr. President, I should like to ask the Senator from Wyoming whether the bill makes other changes in existing law as applicable to irrigation projects than merely to postpone the payment of the amounts due under projects?

Mr. CAREY. Mr. President, the only other change is that the bill postpones the time of repayment for two years of moneys borrowed from the Treasury for reclamation projects. Last year there was a loan of $500,000 which was to be repaid, and that was put over for two years, in the form of a moratorium granted by the Congress.

Mr. NORRIS. Mr. President, this bill would afford relief to a large number of settlers under irrigation projects. I understand it is not objected to by the department. In effect, it grants a moratorium to many people, many of whom, I happen to know of my own knowledge, are absolutely unable to pay and who will lose their farms unless something of this kind is done. I hope there will be no objection to it.

Mr. TRAMMELL. Mr. President, I have not had time to go carefully into the provisions of the bill. It appeals to me as a rather wise provision to make, but I do wish to make one observation in connection with it.

As I understand, this bill is for the purpose of relieving farmers on irrigated lands from the payment of certain rental charges. We have pending also a bill, which I do not believe has been reported yet from the committee, providing that in the case of farm loans which were made last year and are due at a given time, some of them probably past due now, the borrowers shall be granted an extension. I desire to have that bill considered.

Mr. ROBINSON of Arkansas. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Arkansas?

Mr. TRAMMELL. Certainly.

Mr. ROBINSON of Arkansas. My recollection is that such a provision was contained in a bill introduced by the Senator from Kentucky [Mr. BARKLEY] which passed the Senate some days ago.

Mr. TRAMMELL. When we had a call of the calendar?

Mr. ROBINSON of Arkansas. Yes.

Mr. TRAMMELL. I was specially interested in that measure and am glad to know that action had been taken on it.

Mr. CAREY. The bill now before the Senate relates only to construction.

Mr. COUZENS. Mr. President, may I inquire of the Senator from Wyoming how many people are involved?

Mr. CAREY. There are some 165,000 people who live on the projects. There are about 45,000 farms under the projects.

Mr. GORE. Mr. President, I wish to ask the Senator from Wyoming a question. I understand that the bill simply grants an extension, but it does not cancel the obligation?

Mr. CAREY. It defers the payments to the end of the time of the contract when they are payable.

Mr. ROBINSON of Arkansas. But it does not tend to relieve anyone of the obligation.

Mr. CAREY. It does not cancel any debt.

Mr. GORE. I wanted to be sure of that.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REGULATIONS FOR LIGHTER SERVICE

Mr. JOHNSON. Mr. President, because of the necessity for early action upon a particular bill, Order of Business No. 235, the bill (S. 2883) prescribing regulations for carrying on the business of lighter service, and so forth, concerning which I am certain there is not the slightest objection, I ask unanimous consent that the Senate proceed to its consideration at this time.

The VICE PRESIDENT. Let the bill be read for the information of the Senate.

The Chief Clerk read the bill (S. 2883) prescribing regulations for carrying on the business of lighter service from many of the ports of the United States to stationary ships or barges located offshore, and for the purpose of promoting the safety of navigation.

The VICE PRESIDENT. Is there objection to the request of the Senator from California?

Mr. GORE. Mr. President, I ask that the bill may remain on the calendar for the present.

The VICE PRESIDENT. Objection is made.

Mr. McNARY. Mr. President, I wish to reassure the Senator from California [Mr. JOHNSON] and others that there will be a call of the calendar to-morrow.

Mr. JOHNSON. Very well. I thank the Senator from Oregon.

ADJOURNMENT

Mr. McNARY. I move that the Senate adjourn, the adjournment being until 12 o'clock noon to-morrow.

The motion was agreed to; and the Senate (at 4 o'clock and 5 minutes p. m.) adjourned until to-morrow, Wednesday, February 24, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 23, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we pray in the name of Him who is chief among ten thousand and the One altogether lovely. His fidelity and true simplicity, the harmony of the elements of His character, His voice and life, these are the reasons that His holy name floats through all periods of time. May we trust Him; may we accept Him. We thank Thee for the constancy of His example; namely, He went about doing good. There was not the tear of a child, the appeal of a woman, or the curse of a culprit that did not awaken the greatness of His soul and called forth His compassion. Father of mercies, may we harken unto His teaching: "Cast thy bread upon the waters and thou shalt find it after many days." Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed the following resolution:

Resolved, That the Secretary be directed to return to the House of Representatives, in compliance with its request, the bill (H. R. 8824) entitled "An act to restore certain lands to the San Carlos (White Mountain) Indian Reservation, Ariz."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CURRY (at the request of Mr. BARBOUR), for three days, on account of a death in his family.

MOTIONS TO DISCHARGE COMMITTEE

Mr. HALL of Mississippi. Mr. Speaker, I desire to call to the attention of the Members of the House that I, as chair-

man of the Committee on Irrigation and Reclamation, which unanimously reported out H. R. 4650, known as the drainage relief act, am now filing with the Clerk of the House motion to discharge the Committee on Rules from the consideration of House Resolution 117.

The entitled resolution provides for consideration of said H. R. 4650. The said bill was reported to the House by said committee on January 11, 1932, and said resolution filed before the Rules Committee January 20, 1932. Those Members desiring to sign this discharge request as now filed will do so at the Clerk's desk, as provided by the rules of the House.

Mr. CONNERY. Will the gentleman yield?

Mr. HALL of Mississippi. Yes.

Mr. CONNERY. What does the bill call for?

Mr. HALL of Mississippi. It is a drainage bill.

The SPEAKER. The Chair desires to make a statement to the House concerning petitions of this type. It is not necessary to present such petitions from the floor of the House of Representatives. Petitions of this character should be placed in the hands of the Clerk, and any Member desiring to sign such a petition must come to the Clerk's desk for the purpose of putting his signature to the petition.

Any Member desiring to file such a petition may file it with the Clerk and notify the Members as he may see proper, either from the floor or by written communications. These signatures can not be made public until the required number of Members have signed the petition.

GEORGE WASHINGTON, THE STATESMAN

Mr. ROGERS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address which I delivered last night before the New England Society on George Washington the Statesman.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROGERS. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address which I delivered on Monday, February 22, before the New England Society of Washington, on the subject "George Washington, the Statesman":

We meet to-night to celebrate the two hundredth anniversary of the birth of the greatest of all American statesmen, the Father of Our Country and the inspired builder of the American Republic. George Canning, Prime Minister of England, who died in 1827, said of George Washington: "He was a man in whom the elements seemed so blended that nature might have stood up to all the world and owned him as her work. His fame, bound to no country, will be confined to no age."

In 1842, when a Member of Congress, Abraham Lincoln was asked to deliver an address at Springfield, Ill., on the one hundred and tenth anniversary of the birth of Washington. On that occasion our martyred President used these words: "Washington is the mightiest name of earth—long since mightiest in the cause of civil liberty; still mightiest in moral reformation. On that name a eulogy is expected. It can not be. To add brightness to the sun or glory to the name of Washington is alike impossible. Let none attempt it. In solemn awe pronounce the name and in its naked, deathless splendor leave it shining on."

With these words of Lincoln in my mind it is with much apprehension that I now attempt to address you briefly on the subject of George Washington, the statesman. We all know, however, that a statesman is one skilled in the science of government, a leader of distinguished ability. Such a man was Washington. After the War of the Revolution, he welded together the thirteen States as one united people. He was president of the Federal Convention in 1787, and through his splendid efforts the Constitution was ratified. The fundamental principles which he advocated are found in the Constitution itself and in the legislation proposed to Congress by him during his two terms as President. He worked incessantly to promote the objects of the Constitution, to establish a united nation, promote the welfare of all the people, and secure the real blessings of liberty.

He realized fully the importance of a fair and impartial judiciary, and to him the temples of justice were always sacred. In the appointment of the members of his first Cabinet and of the judiciary, he showed the true qualities of a great statesman. It has been well said that "he sought for men fit for offices; not for offices which might suit men."

During both of Washington's terms as President he acted as a true statesman in all matters relating to the public debt, national credit, agriculture, industry, commerce, navigation, and national defense. He always showed great solicitude for the preservation of the Union, and was a real statesman in all his actions designed to protect the integrity of the Union.

The Father of Our Country always advised us to concentrate our affections on our own Nation and to maintain an attitude of absolute impartiality toward foreign nations. He saw the ever-present dangers of alliances with foreign governments, and repeatedly warned against partiality for or hatred toward other nations.

In conclusion let me call your attention to the outstanding trait in the character of this great man whose memory we honor to-night, namely, his strong belief that religion and morality are the indispensable supports of all true government. In his famous Farewell Address, which will live for all time as a masterpiece of logic, patriotism, and statesmanship, he said: "Of all the dispositions and habits, which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who would labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, Where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths, which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition, that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle."

One hundred years ago to-day another great American, distinguished lawyer, orator, and statesman from my own State of New Hampshire, Daniel Webster, delivered a speech in this city on the character of George Washington. He concluded his address as follows: "A hundred years hence other disciples of Washington will celebrate his birth with no less of sincere admiration than we now commemorate it. When they shall meet as we now meet to do themselves and him that honor, so surely as they shall see the blue summits of his native mountains rise in the horizon, so surely as they shall behold the river on whose banks he lived and on whose bank he rests still flowing on toward the sea, so surely may they see as we now see the flag of the Union floating on the top of the Capitol; and then, as now, may the sun in his course visit no land more free, more happy, more lovely than this our own country!"

Again, this same Webster spoke words which best express the thoughts that were undoubtedly ever present in the mind of Washington: "When my eyes shall be turned for the last time to behold the sun in heaven, may I not see him shining upon the broken and disordered fragments of a once glorious Union, on States dissevered, discordant, and belligerent; on a land rent with civil feuds, or drenched, it may be, in fraternal blood. Let my last feeble and lingering glance rather behold the gorgeous ensign of this glorious Republic, now known and honored throughout all the world, still full high advanced, its arms and trophies streaming in their original luster, not a single star erased or obscured or a single stripe polluted; bearing for its motto no such miserable interrogatory as, What is all this worth? or those other words of delusion and folly, Liberty first and Union afterwards; but everywhere spread all over in characters of living light, blazing on all its ample folds as they float over the sea and over the land that other sentiment dear to every true American heart, Liberty and Union now and forever, one and inseparable."

These words of Webster most adequately express our sentiments to-day in doing fitting honor to the memory of George Washington, Father of our Country, and the greatest statesman of them all.

IF WASHINGTON WERE HERE

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent to extend in the RECORD a speech made by the Commissioner from the Philippines, Hon. CAMILO OSIAS, before the Maryland branch of the Sons of the American Revolution in Baltimore last evening.

The SPEAKER. Is there objection?

There was no objection.

Mr. LINTHICUM. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by Hon. CAMILO OSIAS, Resident Commissioner from the Philippines, at the dinner given in commemoration of the two hundredth anniversary of Washington's birthday, February 22, 1932, by the Maryland Society Sons of the American Revolution, Baltimore, Md.:

While listening to the all too generous remarks of the genial toastmaster I recalled the story I heard some years ago while traveling in the Far East. It is about an Englishman who was visiting China for the first time. In the course of a sight-seeing trip he chanced to enter a Chinese cemetery, where he saw what to him was a unique sight. It was the sight of a number of Chinese engaged in the time-honored custom of spreading expensive foods and elaborately prepared dishes over the graves of their forefathers. The Englishman approached one Chinese and said, "You must be foolish. Why do you waste all this food over the graves of your dead? You know they can't eat." The Chinaman replied, "You, too, are foolish. Why do you waste flowers and roses over the graves of your dead? You know they can't smell."

I rather like this gathering. I think the people here are wiser and more practical than the Englishman or the Chinese referred to in the story. You offer a man food and bouquet in the form of a good introduction before he is too far gone to appreciate those things.

You have honored me beyond my just deserts by choosing me as the guest of an organization so patriotic and as your speaker on an occasion so historic. I think I owe my presence here to the president of this Society of the Sons of the American Revolution, Mr. Sappington, and to my colleague Congressman LINTHICUM, the distinguished chairman of the Committee on Foreign Affairs, whom we all hold in high esteem in the House of Representatives.

Perhaps these gentlemen need some justification for their invitation in the name of the society. I am wondering if the words of commendation of me were not uttered in part for their protection. In further extenuation of their act I might cite one credential, my appointment by the Governor General, with the consent of the Philippine Senate, as "special commissioner to represent the government of the Philippine Islands on the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington, created by joint resolution of Congress approved December 2, 1924."

In fulfillment of my duties as a representative of my country in the commission, I recommended that Philippine organizations and institutions, especially the schools, colleges, and universities, take part in the bicentennial celebration, holding appropriate exercises and studying the life and character of the great American liberator. February 22 is observed in every city and town of the Philippines. The enthusiastic participation of Filipinos in its observance proves that as a people we are identified with the fundamental ideals and the enduring principles of the Father of this Republic, whom Americans rightly look upon as "first in war, first in peace, and first in the hearts of his countrymen."

Lovers of liberty everywhere this day commemorate the birth of a man who is truly great and immortal.

José Rizal, the greatest not only of the Filipinos but of the whole Malayan race, the hero and martyr who was made to pay the supreme price of freedom in 1896, recognized Washington's greatness and referred to him as "that great man who has not his equal in this century." In the words of General Hamilton, "The voice of praise would in vain endeavor to exalt a name unrivaled in the lists of true glory."

Among Americans it would be inexcusable presumption on my part to relate biographical incidents or dwell upon the thrilling episodes of Washington's eventful life. This has been adequately done by speakers and writers far better qualified to do justice to a figure which shall ever tower in any age. It is permissible, however, for me to say that to all, irrespective of race or nationality, Washington has a mighty appeal because as a boy he was bright and industrious, as a man he was brave and true, as a leader he was courageous and persistent, as a functionary he was efficient and farseeing, as a citizen he was upright and loving. Washington was in every respect exemplary. His love of country, of humanity, and of God influenced his every conduct. His was a unified life piloted by high ideals and steeped in noble principles.

"Statesman, soldier, patriot, sage, reformer of creeds, teacher of truth and justice, achiever and preserver of liberty—the first of men, founder and savior of his country, father of his people—this is he, solitary and unapproachable in his grandeur." Happy and glorious America that gave Washington to the world!

I have assiduously sought to inform myself of the life and deeds of this great statesman and study his character and conduct, knowing that they would be a safe guide in my labors for the liberation of my own Philippines beloved. I have pondered over the thoughts which he bequeathed as a precious legacy to succeeding generations succinctly summarized in his immortal Farewell Address. I think Washington's political philosophy is epitomized in that document. I have long looked upon it as his last political will and testament.

The American Republic which he brought into being formed his chief theme and main concern. With what fervor and earnestness Washington must have penned these words:

"I shall carry it with me to my grave as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence; that your union and brotherly affection may be perpetual; that the free Constitution, which is the work of your hands, may be sacredly maintained; that its administration in every department may be stamped with wisdom and virtue; that, in fine, the happiness of the people of these States, under the auspices of liberty, may be made complete by so careful a preservation and so prudent a use of this blessing as will acquire to them the glory of recommending it to the applause, the affection, and adoption of every nation which is yet a stranger to it."

I hope you will indulge me as I address myself briefly to what I think Washington would do if he were here. I shall select a few of his outstanding principles and point out their application to contemporary problems affecting particularly the relations between the people of the United States and the people of the Philippine Islands.

One outstanding virtue which dominated Washington's life was patriotism. English in his ancestry he was not content that the land of his nativity should be a perpetual dependency of the mother country. He sought and labored that he and his fellow citizens may have a country of their own distinct and self-governing, free and independent. The crowning joy of his life must have been the consciousness that he risked all that he had and all that he was that that dream might come true.

He realized that a free country was essential to the development of the highest faculties and attributes of its citizens; that there must be a common country for which individuals feel a mutual loyalty. This patriotic ideal he sought to convey to his fellow countrymen of his generation and posterity. "Citizens, by birth or choice, of a common country," he said, "that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism more than any appellation derived from local discriminations."

From this we see that Washington desired that the America he loved should be the object of supreme affections on the part of Americans. It occurs to me that if Washington were here, he would be deeply sympathetic with the aspirations of the 13,000,000 souls across the sea who have fought, labored, and sacrificed that they, too, may have a country of their own, independent and free.

Under the dependent status of the Philippines, the Filipinos are neither citizens nor subjects. They are neither foreigners nor aliens. No wonder they covet their independence so that the name of "Filipino" may belong to them in their national capacity; so that they may derive a just pride of patriotism from the consciousness of a common country; so that they may be citizens of a republic with a right to concentrate the people's affections. Once we have a country of our own, self-governing and self-directing, we shall the better be able to foster sane and humanized patriotism.

George Washington was a great believer in the principle of union. He enjoined his fellow citizens to preserve union. These were his words of advice, the fruit of long and mature reflection: "While, then, every part of our country thus feels an immediate and particular interest in union, all the parts combined can not fail to find in the united mass of means and efforts greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union an exemption from those broils and wars between themselves which so frequently afflict neighboring countries not tied together by the same governments, which their own rival ships alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues would stimulate and embitter."

If Washington were here how he would delight in witnessing the wonderful spectacle of the American people compact and united! But I believe he would not only rejoice in the union of his fellow citizens but would find satisfaction in seeing that the Filipino people are likewise united, conscious of a common past and a common destiny.

The Filipinos are racially homogeneous. They are essentially of Malayan stock.

The Filipinos possess a wonderful religious solidarity. Ninety-one per cent are Christians.

In their desire for independence there is substantial unanimity. They are exempt from those broils and wars between themselves afflicting neighboring countries. There are no alliances, entanglements, and intrigues that embitter their relationships.

In the revolution of 1896 the Filipino people were united in their desire to throw off the Spanish yoke. They were united in establishing the Philippine Republic. They were united in approving a constitution for that republic vesting the power and authority in the people.

The Filipinos have been united in laboring for independence in the domain of peace for the last 30 years. Impartial observers recognize the unity of my people in their passionate desire to be freed from outside tutelage. Conscious of my responsibility, I say without fear of contradiction to the American people that my people are united in their demand for the early grant of their independence which America promised.

George Washington was not only an apostle of union; he was against sectionalism. This principle is cherished by the Filipinos. They heed the injunction of America's first President.

In the Philippines to-day there are no local interests or sectional views that divide the people; they are vigilant ever for "whatever estranges, whatever divides." Manila, the capital of the islands, in their national life, is a common center of gravity. Their central government has the support and loyalty of all the inhabitants. They are strong and solid against all efforts tending toward the dismemberment of their territorial integrity. Under a common government and a common flag there will be a new incentive for them to preserve the union and to guard against all sectionalism.

George Washington believed in the Constitution. None among the living will ever know the full extent of his powerful influence in the shaping of that document which an English statesman pronounced as "the most wonderful work ever struck off at a given time by the brain and purpose of man." In his celebrated address, Washington urged respect for the Constitution, deeming it essential to "the efficacy and permanency of the Union." "Obedience to it" he said, "is sacredly obligatory upon all."

Holding these views as he did, if Washington were here, I believe he would be happy in the knowledge that the Filipinos, following peaceful means and constitutional methods, are earnestly petitioning the Government and people of the United States to grant them the authority to hold a constitutional convention and fashion a constitution of their own which shall be the expression of their combined talent, genius, and wisdom. He would rejoice that there are measures pending in both Houses of the present

Congress awaiting early action designed to effect our national emancipation.

George Washington was an apostle of peace. Achieving liberty by means of the sword as a measure of last resort, the major purpose of his life was to see that liberty may endure through the cultivation of the arts of peace. The whole spirit of his life and conduct, the very core of the principles he most valued, breathes his love of peace.

He warned his people against "overgrown military establishments" deeming them "inauspicious to liberty" under any form of government. Here is a principle which the whole world would do well to heed. If he were here, I am certain he would give sanction to disarmament conferences and effective movements for world peace. I believe he would give his blessing to the efforts of my people to achieve their independence absolutely through the medium of peace.

Washington favored the development of "institutions for the general diffusion of knowledge" and looked upon religion and morality as indispensable supports in the life of men and nations. If he were living, I am confident he would be pleased with the Filipino people because of their passionate devotion to education, to morality, to religion, a passion so strong equaled only by their devotion to freedom.

He advised extending the commercial relations of the United States, but with as "little political connection as possible." Couple with this his historic warning against entangling alliances, and I believe you will agree with me when I say that if Washington were here he would gladly accord the Filipino people the right to self-determination, severing our political ties and thereby strengthening your commercial relations not alone with the Philippines but with the whole Orient based upon the solid and lasting foundations of good will, understanding, and friendship.

Then, of course, the whole world knows that George Washington was an apostle of human liberty. Thirteen million Filipinos rejoice with the Americans this day not only because of the different rôles that he played so magnificently and the contributions he made so profusely but chiefly because of the majestic and imposing figure of Washington as a liberator. As such he is admired and respected throughout the world. As such he will live throughout the ages.

As a student, as a schoolman, as a university administrator, as a public servant, I have followed the career of Washington. I recognize him as great in ever so many fields of human endeavor, but I admire and respect him most because of what he risked, of what he did, of what he sacrificed for the sacred cause of liberty. He has been my constant inspiration in my own modest labors here and in my own country for our freedom and independence. I seek ever to be guided by his spirit and by his example.

My people have faith in the American people because they believe Washington is the incarnation of human freedom and that the American people are imbued with the same spirit that animated him in life. They are confident that if Washington were here he would not delay unnecessarily the grant of the boon of that ideal which he exalted above property and life, above everything worth while on earth—the ideal of liberty and independence.

Washington in person is not here, but a grateful people pause on this the two hundredth anniversary of his birth to reconsecrate themselves anew to the principles which have guided the triumphant course of this liberty-loving Republic. Washington is not here, I repeat, but his spirit is here. The Congress of the United States ordained the observance of the bicentennial celebration of the birth of Washington "that future generations of American citizens may live according to the example and precepts of his exalted life and character, and thus perpetuate the American Republic"; that this generation of American citizens may the better fulfill their obligations not only to themselves but to the benighted millions across the vast Pacific.

The present year is a mighty challenge to the 120,000,000 fellow citizens of Washington in continental United States. They owe a duty to themselves and to the 13,000,000 Filipinos who came under the stewardship of that starry banner which carried Washington from victory to victory even during the dark and dreary days of the American War of Independence. Conscious of the magnitude and multiplicity of your tasks, aware of the many problems confronting this Nation, I dare say that no single event during the bicentennial celebration would bring greater honor and glory to the Republic "conceived in liberty and dedicated to the proposition that all men are created equal" than the enactment of a law redeeming America's promise granting the Philippine Islands their independence. This act of justice would be highly pleasing to George Washington if he were here, knowing, as all of us do know, that his love of liberty was intertwined with every ligament of his all-encompassing heart, with every fiber of his whole being.

THE RULES

Mr. GREENWOOD, from the Committee on Rules, presented a privileged report on the following resolution (H. Res. 150), which was referred to the House Calendar and ordered printed:

House Resolution 150

Resolved, That clause 3 of Rule XIII be amended to read as follows:

"After a bill has been favorably reported and shall be upon either the House or Union Calendar any Member may file with the Clerk a notice that he desires such bill placed upon a special calendar to be known as the 'Consent Calendar.' On the first and third Mondays of each month, immediately after the reading of the Journal, the Speaker shall direct the Clerk to call the bills in numerical order which have been for three legislative days upon the 'Consent Calendar.' Should objection be made to the consideration of any bill so called it shall be carried over on the calendar without prejudice to the next day when the 'Consent Calendar' is again called, and if again objected to by three or more Members it shall immediately be stricken from the calendar, and shall not thereafter during the same session of that Congress be placed again thereon: *Provided*, That no bill shall be called twice on the same legislative day."

That clause 6 of Rule XXIV be amended to read as follows:

"On Saturday of each week after the disposal of such business on the Speaker's table as requires reference only, it shall be in order to move that the House resolve itself into the Committee of the Whole House to consider business on the Private Calendar. In the Committee of the Whole House the Chairman shall direct the Clerk to call the bills in numerical order that have been upon the Private Calendar for three legislative days. When the Clerk shall have read the bill the same shall be considered unless objection or reservation of objection is made to immediate consideration. Should objection or reservation of objection be made there shall be 10 minutes' general debate to be divided, 5 minutes controlled by the Member offering the objection or reservation and 5 minutes controlled by the chairman of the committee reporting the bill, or in his absence by any Member supporting the bill. If, after such debate, three objections are not forthcoming the bill shall be considered under the 5-minute rule: *Provided, however*, That the total debate under the 5-minute rule shall not exceed 20 minutes. After the debate hereinbefore referred to, or when the bill is first called, if objection is made by three Members to the consideration of the bill, then the same shall be passed over and carried to a list designated as 'deferred.' It shall be in order for the bills on the 'Deferred List' to have the first call in their numerical order when the Private Calendar is called on the last Saturday of each month. At this time the bills on the 'Deferred List' shall be considered under the general rules of the Committee of the Whole House with 10 minutes' general debate to be divided equally, with 5 minutes controlled by the chairman of the committee reporting the bill or other Member supporting the bill and 5 minutes controlled by any Member objecting or opposing the bill. After the debate the bill shall be read for amendment under the 5-minute rule: *Provided, however*, That the total debate under the 5-minute rule shall not exceed 20 minutes. If, however, after such consideration the Committee of the Whole House acts on the bill adversely, it shall be laid aside until the committee arises, whereupon it shall be reported back to the House with the adverse recommendation. Any bill under this rule reported back to the House with an adverse recommendation shall automatically be recommitted to the committee reporting it, and said bill shall not again be reported during the same Congress."

CONSOLIDATION OF WAR AND NAVY DEPARTMENTS

Mr. BYRNS. Mr. Speaker, I ask unanimous consent to proceed for not exceeding seven minutes on a matter that is more or less personal.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNS. Mr. Speaker, on January 5 I introduced a bill in the House providing for the consolidation of the Army and the Navy under a department to be known as the Department of National Defense. Since January 5 the Committee on Expenditures, to which that bill was referred, has been conducting extensive hearings. I have not, of course, the slightest criticism to offer of anyone. It has been my very earnest hope, as it has been the hope of many in the House who are interested in the passage of some such legislation, that the committee would conclude its hearings and make a report to the House of that bill so that it could be discussed upon the floor of the House.

There have been efforts, as I have said heretofore, to defeat that bill in committee and to prevent its being brought into the sunlight so that we could have what might be termed a public discussion of it, and not only you and I who are not members of that committee but the public at large have an opportunity to judge as to its merits.

Last Saturday it was expected by some of us that the committee would vote upon that measure, and I may say I confidently expected it would be favorably reported for consideration by the House. However, it was referred to a subcommittee, and the press services carried a statement, which was published over the country, assigning the reasons as to why it went to this subcommittee. I have no criticism of the press services for what they stated with reference to those reasons, but I noticed in one of those statements it was said that the chairman of the committee, my very warm personal friend, Mr. COCHRAN of Missouri, had said it was

referred to a subcommittee because the bill conflicted with present law and the subcommittee was expected to see what could be done toward making it conform with existing law and make a report. I am very sure the gentleman from Missouri was unintentionally, of course, misquoted, because the whole object of the bill was to change existing law and, of course, it conflicted with existing law.

Another statement made was that the bill was poorly drawn. I took that somewhat as a reflection upon me as its introducer. However, that bill has the O. K. of the legislative reference bureau of this House, for which we appropriate money every year to assist Members in preparing bills of a difficult nature, and I do not mind telling you that it was drawn by the legislative reference service at my request. [Applause.]

But I submit that the legislative reference bureau, which has in it, as you gentlemen who have had experience know, men who are competent and who have made a study of the preparation of legislation, certainly are better prepared to draft a bill of this sort than any of the Members of the House. It was for this reason, and because of the importance of the legislation, that I asked the legislative reference bureau to prepare the bill, and I introduced it as they handed it to me.

Now, so much for the fact it is "poorly drawn." I think the mere statement I have made will serve to contradict any such statement that may have been made to the contrary. I have said on the floor of this House several times—and I say it with all the earnestness of my nature—there has not been a bill introduced in this House which, if it is passed, will do more to conserve the public money and save millions of dollars than this particular bill or some bill of this particular kind, and all I ask the committee to do——

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. BYRNS. In a moment. I am not speaking of the gentleman from Missouri, because he is heartily in favor of the bill and has done everything he could to bring it out.

All I ask this committee to do is to report the bill out and give the Members of the House an opportunity to pass one way or the other upon it. I am willing to let it take its chances, of course, but I do not want Army officers and I do not want Navy officers and I do not want Secretaries of War and of Navy, who are not elected by the people and who owe no responsibilty to the people for the condition of our Treasury, by their influence to smother it in committee and prevent its discussion and its consideration in the light of day. [Applause.]

I have been taught from my youth up that the truth never hurts a righteous cause, and all I want, I repeat, is an opportunity to get the bill up on the floor of the House and have it given fair consideration by the House.

[Here the gavel fell.]

Mr. BYRNS. Mr. Speaker, I ask unanimous consent to proceed for two minutes more.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BYRNS. Why are these interested parties seeking to smother it? Why are they seeking to keep it in the files of the committee? Why are these gentlemen working to bring about this delay? It is in order, of course, to defeat the bill.

I hope that this subcommittee will present the bill back to the full committee and that the full committee will report it.

I may say that it is reported in the papers that a minority member of that committee is heartily in favor of either that bill or a bill of a similar nature, and I have understood there are one or two other members of the minority in favor of it, but the opposition—and I am speaking plainly—comes from a few Democrats over on this side who, notwithstanding the long delay, were not ready to vote for it, and thereby forced it to be referred to a subcommittee last Saturday.

The bill has the earnest support of the great Speaker of this House. [Applause.] It was introduced after consultation with him, and he has declared repeatedly that this bill or a bill of a similar nature ought to be passed. I am not putting it on partisan grounds, but I do say that the Democrats on that committee ought to be willing with respect to this bill, which has the official sanction of the official leaders of the House, to permit it to come out and be voted upon.

Mr. COCHRAN of Missouri. Will the gentleman now yield?

Mr. BYRNS. I yield.

Mr. COCHRAN of Missouri. I want to say to the gentleman from Tennessee that there were two such bills before the committee; one of them was also introduced in the last Congress. The gentleman's bill was introduced in this Congress. The committee held hearings, and at the conclusion of the hearings we considered the bill in executive session. The claim was made by some gentlemen on the other side of the House who purposed to support the legislation that there was something missing in the gentleman's bill. They wanted it considered to determine if there were certain paragraphs that should be inserted in the gentleman's bill. The committee voted to send the bill to a subcommittee—not for the purpose of tearing it apart, but to give these questions consideration—and then to report it back to the full committee.

Mr. BYRNS. The gentleman was quoted——

Mr. COCHRAN of Missouri. One minute. The subcommittee was appointed yesterday. It will meet at 2 o'clock to-morrow afternoon, and I hope the subcommittee will report the bill back to the full committee by Saturday; and if it does, I hope the committee will report it to the floor. What more can the gentleman ask? Far be it from me to pass on the phraseology of the gentleman's bill. No one who knows him would reflect on his outstanding ability. Suggestions were made at the hearings and should be considered.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman may have three minutes more.

Mr. BANKHEAD. Does the gentleman from Tennessee desire an extension of time?

Mr. BYRNS. I would like to proceed for two minutes more. I do not want to prolong the discussion.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to proceed for two additional minutes. Is there objection?

There was no objection.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. BLANTON. Does the gentleman from Tennessee know of a more arrogant, pernicious lobby anywhere in this Capitol than that of the Army and Navy League?

Mr. BYRNS. I am not going to characterize it in exactly the language the gentleman from Texas has used, but I will say that there is not a more powerful lobby that appears here in the Capitol than has appeared against this particular bill.

Mr. BLANTON. I want to say that in past years they have threatened some Members of Congress with annihilation if they opposed their plans.

Mr. BYRNS. I only rose to correct this impression that had been created about this particular bill and to express the hope that the committee will give the Members of the House an opportunity to discuss the measure on the floor of the House. That is certainly a reasonable request. [Applause.]

Mr. BLANTON. I call the gentleman's attention to the threat they made on Tom Sisson, of Mississippi, because he denounced them on the floor for lobbying, and they threatened him that they would go into his district and beat him for reelection. During a colloquy that ensued here on the floor I asked Mr. Sisson whether the Army and Navy were running this Government, and he replied that he believed they were, however much he hated to admit it.

[Here the gavel fell.]

GEORGE WASHINGTON—OPINIONS OF GREAT MEN ABOUT WASHINGTON AND HIS LIFE AS A MASON

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech

delivered by the gentleman from Massachusetts [Mr. TREADWAY] in Alexandria last night.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Speaker, I ask permission to extend my remarks in the RECORD by inserting the address of Congressman ALLEN T. TREADWAY, of Massachusetts, at the annual celebration of Alexandria-Washington Lodge, No. 22, A. F. and A. M., on Monday, February 22, 1932, at Alexandria, Va.

The SPEAKER. Is there objection?

There being no objection, the matter was ordered printed, as follows:

Most worshipful grand master of Virginia, worshipful master of Alexandria-Washington Lodge, distinguished guests, ladies, and brethern, to follow those who have already addressed you is an unenviable privilege. You have had words of Masonic wisdom from the grand master of Virginia, you have had a most inspiring address by Bishop Freeman, and in addition you have had a message from overseas. I feel that the remarks of the last speaker, Minister Davila, of Rumania, bring us a message of special interest. He has shown us that the spirit of Washington and the characteristics which made him the greatest man from his day to ours have impressed themselves upon other peoples and nations and have engendered in them an admiration for the Father of Our Country despite the lack of patriotic inspiration which enhances our own love of Washington.

We may also envy Minister Davila for his linguistic accomplishments. Brother Davila apologized for any errors in English he might make, saying he had had no knowledge of our language when he came here to represent his country two years ago. Let me assure him that many of us Yankees, who may know very little of other languages, envy him his power of expression and command of beautiful diction. We are proud to have him with us not only as the representative of his country but as the bearer of a Masonic message.

It seems almost presuming for anyone other than a historian or litterateur to speak about the Father of Our Country. From the beginning of the history of this Nation no one person has been more written about, more highly praised, and more discussed than has George Washington. Therefore, to expect from a busy man like myself anything original or unique upon the subject is entirely out of the question. Particularly at this time it is impossible to present new views or any special information about this great man.

The George Washington Bicentennial Commission, through its historian, Dr. Albert Bushnell Hart, has gathered all available information regarding the outstanding events and achievements of Washington. This material, which has been published in the form of books and pamphlets, is so complete that it is practically impossible to offer anything entirely new in regard to the life of the first President of our country.

I shall, therefore, confine myself largely to quotations from distinguished speakers, historians, and statesmen, realizing that their words are much more appropriate in commemoration of the life of Washington than any composition of mine could be. To these I shall add some references to the life of Washington as a Mason.

In December, 1924, Congress passed a joint resolution providing for the celebration of the two hundredth anniversary of the birth of George Washington. It was not proposed that there should be a world's fair or exposition. Instead of holding a celebration in any one place and asking people to attend it, it was planned that the celebration would be taken to the homes, schools, churches, patriotic and fraternal groups all over the Nation. That plan is now being carried out, and from now until November, particularly on holidays, these celebrations will take place from the Atlantic to the Pacific and from Canada to the Gulf. It is a spiritual celebration, in the hearts of all Americans.

In the joint resolution of Congress it was provided that the plan for a bicentennial celebration should be promulgated to the American people through an address to be delivered at a joint session of the Senate and House of Representatives, held on February 22, 1927.

The proceedings were held in the House Chamber and were opened with prayer by the Chaplain of the House, the Rev. James Shera Montgomery. I quote the following from his invocation:

"May we feel the resistless spirit of him whom we gratefully call 'the Father of His Country.' It was his balanced intellect, understanding, and his greatness of soul that steadied and preserved the infant Government against peril and prejudice. Be Thou the guardian of those principles which he so thoroughly incarnated. May they always be ours to cherish and to defend."

The address of the day was then delivered by the President of the United States, Calvin Coolidge. Just a word or two from his remarks:

"Washington has come to personify the American Republic. * * * When we realize what it meant to take thirteen distracted Colonies, impoverished, envious, and hostile, and weld them into an orderly federation under the authority of a central government, we can form some estimate of the influence of this great man. * * *

"We have seen many soldiers who have left behind them little but the memory of their conflicts; but among all the victors the power to establish among a great people a form of self-government which the test of experience has shown will endure was bestowed upon Washington, and Washington alone. Many others have been able to destroy. He was able to construct. That he had around him many great minds does not detract from his glory. His was the directing spirit, without which there would have been no independence, no Union, no Constitution, and no Republic. His ways were the ways of truth. He built for eternity. His influence grows. His stature increases with the increasing years. In wisdom of action, in purity of character, he stands alone. We can not yet estimate him. We can only indicate our reverence for him and thank Divine Providence which sent him to inspire and serve his fellow men."

On the second day of the present month President Hoover issued a proclamation calling attention to the two hundredth anniversary of the birth of Washington and inviting the people throughout the country to organize themselves in their respective communities to do honor to the memory of the first President during the period from February 22 to Thanksgiving Day. In this proclamation President Hoover said:

"The happy opportunity has come to our generation to demonstrate our gratitude and our obligation to George Washington by fitting celebration of the two hundredth anniversary of his birth.

"To contemplate his unselfish devotion to duty, his courage, his patience, his genius, his statesmanship, and his accomplishments for his country and the world refreshes the spirit, the wisdom, and the patriotism of our people.

"Therefore, I, Herbert Hoover, President of the United States of America, acting in accord with the purposes of the Congress, do invite all our people to organize themselves through every community and every association to do honor to the memory of Washington during the period from February 22 to Thanksgiving Day."

A hundred years ago to-day a public dinner, commemorating the one hundredth anniversary of the birth of Washington, was held in the city of Washington and was attended by Members of the Senate and House and others from various parts of the country.

Daniel Webster, then a Senator from Massachusetts, delivered the principal address. Among other things he said:

"We are met to testify our regard for him whose name is intimately blended with whatever belongs most essentially to the prosperity, the liberty, the free institutions, and the renown of our country. That name was of power to rally a nation, in the hour of thick-thronging public disasters and calamities; that name shone amid the storm of war, a beacon light to cheer and guide the country's friends; it flamed, too, like a meteor, to repel her foes. That name, in the days of peace, was a lodestone, attracting to itself a whole people's confidence, a whole people's love, and the whole world's respect. That name, descending with all time, spreading over the whole earth, and uttered in all the languages belonging to the tribes and races of men, will forever be pronounced with affectionate gratitude by everyone in whose breast there shall arise an aspiration for human rights and human liberty. * * *

"In the cities and in the villages, in the public places and in the family circles, among all ages and sexes, gladdened voices to-day bespeak grateful hearts and a freshened recollection of the virtues of the Father of His Country. And it will be so, in all time to come, so long as public virtue is itself an object of regard."

That great American, Abraham Lincoln, speaking on the one hundred and tenth anniversary of the birth of Washington, said:

"On that name a eulogy is expected. It can not be. To add brightness to the sun or glory to the name of Washington is alike impossible. Let none attempt it. In solemn awe pronounce the name and in its naked, deathless splendor leave it shining on."

President William McKinley, in an address at the Washington memorial services held at Mount Vernon on December 14, 1899, said:

"The Nation needs at this moment the help of his wise example. In dealing with our vast responsibilities we turn to him. We invoke the counsel of his life and character and courage. We summon his precepts that we may keep his pledges to maintain justice and law, education and morality, and civil and religious liberty in every part of our country, the new as well as the old."

Let me read you the tribute of the late Senator Henry Cabot Lodge in the last edition of his Life of Washington:

"There are but very few great men in history—and Washington was one of the greatest—whose declaration of principles and whose thoughts upon the policies of government have had such a continuous and unbroken influence as his have had upon a great people and through them upon the world. * * * His fame, his character, his sagacity, and his ardent patriotism will remain and be familiar to all Americans who love their country. * * *"

Further on he says:

"So it is with the wisdom of Washington, which comes to us across the century as clear and shining as it was in the days when his love for his country and his passion for America gave forth their last message to generations yet unborn."

Washington's outstanding characteristic was his spirit of humility. He was deeply grateful to his fellow countrymen for the opportunities which were given him to render public service. In his Farewell Address to the people he said:

"If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often dis-

couraging—in situations in which not infrequently want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the effort and a guarantee of the plans by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to the grave as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free Constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these States, under the auspices of Liberty, may be made complete by so careful a preservation and so prudent a use of this blessing as will acquire to them the glory of recommending it to the applause, the affection, and adoption of every nation which is yet a stranger to it."

So from the far-seeing wisdom and foresight of Washington has grown a nation, based upon the principles he advocated, unsurpassed in world history. As it increases in strength and influence his name will likewise be the more enshrined in the hearts of countless thousands yet unborn who will revere him as "The Father of His County."

These brief references I have made prove that the American people have been true to the memory of Washington the man, the patriot, the general, and the President.

So far as I know, there was only one occasion when he acted in a dual capacity as President and as a Mason. This was at the laying of the corner stone of the Capitol on September 18, 1793. For a brief period the President of the United States became the grand master pro tempore of Maryland, laying the corner stone of the Capitol with the dignified rites of the order.

That this event has not been forgotten is evidenced by the exercises held on the one hundredth anniversary of that occasion. A few days ago it was my privilege to see the bronze tablet in the southeast corner—rather than the northeast—which was erected following the one hundredth anniversary exercises under President Grover Cleveland.

The inscription on the tablet reads as follows:

"Beneath this tablet the corner stone of the Capitol of the United States of America was laid by George Washington, first President, September 18, 1793. On the hundredth anniversary, in the year 1893, in presence of the Congress, the Executive, and the judiciary and a vast concourse of the grateful people of the District of Columbia commemorated the event."

President Cleveland, who acted as chairman of ceremonies, said in his address:

"Those who suppose that we are simply engaged in commemorating the beginning of a magnificent structure devoted to important public uses have overlooked the most useful and improving lesson of the hour. We do, indeed, celebrate the laying of a corner stone from which has sprung the splendid edifice whose grand proportions arouse the pride of every American citizen, but our celebration is chiefly valuable and significant because this edifice was designed and planned by great and good men as a place where the principles of a free representative government should be developed in patriotic legislation for the benefit of free people."

It is unfortunate from the sentimental point of view that the original corner stone laid by Washington is buried far below the present grade, so that, according to former Clerk William Tyler Page, it has not been seen for a long period of years.

The city of Washington itself is a perpetual memorial to the man whose name it bears. Located and designed by Major l'Enfant under Washington's guidance, it continues to grow in beauty and attractiveness, and every change that is made but adds to the honor we pay the founder of the city and of the Nation.

Originally the monolithic shaft arising in stately majesty for 555 feet was a silent monument to Washington. In later years, as great improvements have been made in the city, it would seem to me that every stone and every building speaks to his memory.

If Washington can now visualize the city of Washington, his modesty and humility in life might be overcome by a realization of what he did for future generations of American citizens. We are building a beautiful capital city worthy of the name it bears and the country that it typifies.

To-day we are especially proud of the new bridge recently completed, leading as it does to what will be the most beautiful memorial boulevard in the world. Millions of dollars have been expended for this most useful memorial. To-day thousands upon thousands have traversed the highway leading from the Capital City to Washington's former home and his tomb.

Let me pause to say that the congressional appropriation through which this beautiful boulevard was constructed was obtained by the influence and strenuous efforts of one of our former colleagues, the Hon. R. Walton Moore, who ably represented this section of Virginia in the National House of Representatives for several terms.

There is just one discordant note in my mind in this whole picture, and that is the fact that the world's greatest shrine, Mount Vernon, does not belong to the Nation which Washington founded. Last evening I attended the beautiful Wakefield masque, symbolic of the birth of Washington. Wakefield, where he was born, is a marvelous example of Government control and regulation. How much more in keeping would it be if Mount Vernon, too, were United States property.

Last spring a replica of Mount Vernon was made for the Paris Exposition. Strange, is it not, that this Government's exhibit at that exposition was a copy of something which is not its own property?

The patriotic women who have so carefully preserved Mount Vernon through a private organization could, in my opinion, show no greater patriotism than by cooperating with the Federal Government to the end that actual title to the property could be in the name of the United States.

At Shooters Hill, just at the outskirts of Alexandria, is being completed the Masons' own memorial to Brother Washington. Probably nine-tenths of the great body of Masons in this country have contributed to this structure, to which Alexandria-Washington Lodge will soon transfer the priceless relics now in its lodge room having to do with the life of Washington as a Mason and master of the lodge.

As the Washington Monument is a token of the love of citizens of this country for the memory of Washington, so is the memorial on Shooters Hill a token of the brotherly affection and respect of the Masons of this country for him.

So far I have referred to occasions where Washington was honored as a man, a patriot, a soldier, and a public servant.

Now let me recall to your memories a few of the outstanding events of his life as a Mason.

I say recall to your memories, because again there is embarrassment in any effort to offer anew any thoughts of Washington as a Mason to members of Alexandria-Washington Lodge.

In token of his early appreciation of the tenets of Masonry we have seen Washington an applicant for the degrees before his twenty-first birthday. Now and again question has been raised both as to the correctness of his initiation and the authenticity of his birth date. To-day it is well established that a candidate knocking at the door must have reached his twenty-first birthday, but if we look back over 175 years and realize that Masonry was then just taking root in this country it is very easy to understand that the by-laws of lodges were doubtless just in the making.

It is even more gratifying to appreciate that at that early age Washington had already been anxious to see the light. The lodge in Fredericksburg has the honor of having conferred upon Washington the three degrees of Masonry. It was located some 50 miles from his home. In later years scoffers at Masonry brought up the question of his nonattendance at regular communications, but we of to-day can appreciate the inconveniences of travel, which must have been connected with attendance.

I also believe a letter is in existence in which Washington makes reference to not having sat in a lodge for 30 years. This is readily explained when we recall that at one time there was a distinction between the provincial lodges of this country and the mother lodge of England.

However, to us Masons of to-day no defense of Washington or his Masonic career is needed. His entire life speaks louder than our words in conveying the acceptance on his part of the ideals and tenets of the ancient landmarks of the craft.

I delight in thinking of his humility. How well it is illustrated in the brief extract I read to you from his Farewell Address to the American people. Prepared over a period of years, evidently not certain in his own mind that it was a document worthy of publication, he handed it informally to a newspaper friend with the statement that if worth while it could be given out.

In this Farewell Address his effort was to have the people feel that they were responsible for his great victories and successes.

And so it was with his Masonic career. On June 23, 1777, representatives of five lodges of this State assembled at Williamsburg for the purpose of organizing a grand lodge. These delegates offered the office of grand master to Brother Washington, which he promptly declined, principally because he had never been master or warden of a chartered lodge.

With all due respect to Masons to-day, how many brethren would have declined such a great honor as that of being grand master?

It is also an established fact that Washington was twice asked to become general grand master, an office which he declined with modesty and humility. What might have been the outcome of his acceptance of such office on the history of Masonry in the United States is hard to conceive. We now have 49 grand jurisdictions dealing together in harmony and brotherly love. If a central body had been established, it could well have led to rivalry and dissensions, which would have been fatal to the wonderful growth of Masonry in this country.

A native-born Massachusetts citizen and associated with the Grand Lodge of Massachusetts for more than 25 years, I am sure you will pardon my natural pride in the relationship between our grand lodge and some of its distinguished officers and Brother Washington.

It is stated with authority that Thomas Oxnard, provisional grand master of Massachusetts under the jurisdiction of the Grand Lodge of England, issued the warrant under which the lodge at Fredericksburg, Va., was established, in which lodge Washington received his degrees.

In the proceedings of the Grand Lodge of Massachusetts, under date of March 13, 1797, a vote was recorded that the grand master of the State and other brethern should draft an address to Brother Washington on the occasion of his retiring from the Presidency. Other evidences of his relationship with the Grand Lodge of Massachusetts continue to the time of his death.

It is interesting to note that the grand master of Massachusetts at that time was one of our great Revolutionary War heroes, Paul Revere, whose famous ride through Concord and Lexington is one of the outstanding historical events of our country.

In no place has greater reverence been paid to Washington as a Mason than in the Grand Lodge of Massachusetts. Paul Revere was a metal worker and engraver. He made for the grand lodge an urn, in which was deposited a lock of Washington's hair, donated to our grand lodge by Brother Washington's widow.

There is no more impressive ceremony in any organization of which I have knowledge than that of transferring this urn from grand master to grand master. This is a part of the installation ceremonies, wherein the retiring grand master charges his successor with the careful preservation of this precious relic.

So to-night, coming from that jurisdiction, let me in my humble way add my word of thanksgiving as a Mason for the life of George Washington.

RADIO ADDRESSES OF HON. SOL. BLOOM, ASSOCIATE DIRECTOR UNITED STATES GEORGE WASHINGTON BICENTENNIAL COMMISSION

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to insert in the RECORD several speeches made by myself, and to include therein an article on the exact birthday of George Washington.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The addresses are as follows:

MOTHER'S DAY PROGRAM IN CONNECTION WITH GEORGE WASHINGTON BICENTENNIAL CELEBRATION

[Broadcast from Washington, D. C., May 10, 1931]

To-day, throughout our country, we are celebrating Mother's Day.

Upon this beautiful and solemn anniversary our hearts respond to a common impulse of devotion. From many homes, from many varied occupations, from many conditions of life that occupy our daily thoughts, we experience to-day upon this sacred occasion the exaltation of the finest of human sentiments.

While we think of motherhood as universal, yet in each one of us there is treasured a shrine of love for that one being to whom we owe our individual homage—our mother.

The heroism of a mother's love—her distinct and individual influence—differs from anything else God ever thought of, for it fixes in permanent outline the future hope of us all.

The honoring of mothers is as old as the human race. We sometimes think of Mother's Day in our country as being something new, yet festivals and ceremonies of similar kind were common in the dawning period of our civilization. Long before the Christian era something closely corresponding to Mother's Day was introduced through Greece into Rome, where it was known as the Festival of Hilaria, and, appropriately enough, was a spring festival. At any rate, we can not claim monopoly of this fine and noble filial sentiment.

This afternoon there will be a ceremonial in beautiful Arlington Cemetery to honor motherhood, but more particularly to honor the motherhood which has laid its choicest sacrifices upon the altar of our country. The American War Mothers will assemble to commemorate those sacrifices and to rededicate our hearts to that transcendent patriotism which has found most appropriate expression in that organization.

As I contemplate the sacrifices and the sufferings of these and all other war mothers, I can not refrain from dwelling upon that first American war mother who gave her noble son to the service of his country.

Upon a beautiful monument in the city of Fredericksburg, Va., are carved these simple words, "Mary, the Mother of Washington." Beneath that monument lie the ashes of that remarkable woman who gave to us the rich heritage of our greatest American. It is to the mother of George Washington that this Nation owes its existence to-day as a land of liberty and of opportunity.

Not only did Mary, the mother of Washington, bring into the world a son of rare heredity and character but we know from research that from his infancy this boy was trained and taught in those high principles of truth, courage, and honor which equipped him perfectly for the great task to which he was to come.

Perhaps, had there been no George Washington, some other man would have arisen who could have carried forward the gigantic task of liberating our country and establishing our form of government. But the one thing we know is that George Washington did fulfill this destiny and that he could not have done so had it not been for the training given him by his mother.

I speak of Mary Ball Washington, the mother of George Washington, as the first American war mother. My authority for this is the fact that while there were colonial troops in the field before Washington was appointed Commander in Chief, the point is that there was no American Army until George Washington was appointed by Congress to organize it.

Mary Washington lived through those eight years of Revolutionary struggles to witness the final triumph of her son at Yorktown and to meet him again at Fredericksburg on his way from that victorious campaign.

How beautiful and how characteristic was that meeting. George Washington, the hero, the conqueror, the liberator, with his staff of officers stopped at Fredericksburg on their way north from Yorktown especially for the purpose of seeing George Washington's mother. Upon their arrival it was characteristic that Mrs. Washington should have remained at home and sent for George to come and see her. Of that meeting in her modest home we have scant record. But we do know that upon the special request of the foreign officers, among whom were Lafayette, Rochambeau, De Grasse, Von Steuben, and others, Mrs. Washington consented to visit the inn, where she was received by these distinguished foreigners with all the deference due to her noble womanhood. There has come down to us that impressive toast attributed to Lafayette on this occasion, when after meeting Mrs. Washington he declared:

"If such are the matrons of America, well may she boast of illustrious sons."

These foreign officers were anxious to meet the mother of their chief. Their devotion to George Washington naturally created a desire to meet her, who, above all others, had contributed most to his character. We have this description of that meeting:

"They were prepared to expect in the mother that glitter and show which would have been attached to the parents of the great in the countries of the Old World. How they were surprised when, leaning on the arm of her son, she entered the room dressed in the very plain yet becoming garb worn by the Virginia lady of the time. Her address, always dignified and imposing, was courteous, though reserved. She received the complimentary attentions which were paid to her without evincing the slightest elevation, and, at an early hour wishing the company much enjoyment of their pleasures, observed that it was high time for old folks to be in bed and retired, leaning as before on the arm of her son."

Here we have a glimpse through the veil of time into that simple scene which brings us into touch with the first American war mother.

She did not boast of his achievements; she did not speak of his heroic deeds; she did not refer to any great act of his which drew the admiration and devotion of the world to him. To her he was George, the son, and in all the histories of that time we find but one small reference to any compliment she paid him, and that was when she said:

"George was always a good boy and deserves well of his country."

How modest, how retiring, how beautiful is this renunciation, but we may be sure that love and pride and beautiful attachment warmed the heart of this noble woman when, after her immortal contribution to the world, she rested for a time in the glory of life's setting sun and passed on.

To-day we do well to honor war mothers. To-day we bring to them the Nation's thanks and devotion, and it is well that we do so. Every gold star in that glorious constellation of womanhood represents all that could be given—all that could be sacrificed.

But let us not forget those other mothers who have made sacrifices that the world might be made better.

And among those glorious mothers let us exalt that mother who brought into the world the man whose two hundredth birthday anniversary the Nation celebrates in the greatest event of its kind ever held in this or any other country.

The mothers of men are the link between heaven and earth. When we think of our mothers whose noble, unselfish, tireless devotion to us is never dimmed, never destroyed, no matter how far our footsteps wander from the course which they marked out, we are close to the great Creator of us all.

The constancy of mother love is the divine light which shines upon the world. It is the one trustworthy, unfailing guide that leads us all safely home.

The memory of our mothers is a treasure that grows more beautiful with the years. It is the one thing that we can not forget. It is the one thing that we would not forget if we could.

Whatever the buffetings of fate may be, whatever the sorrows and disappointments we encounter in our life struggle, we can always be sure that somewhere there is one who, although she may be sitting in the shadows, yet waits and watches and prays for our return.

Among all true men and women, every day is mother's day. And if we remember her precepts and are guided by her example, the world will be full of beauty and unselfishness.

To all mothers everywhere let us pay that heart tribute which is due them, but which we more especially owe to ourselves, for no thought of motherhood can come to us without lifting us nearer to God.

THE OBSERVANCE OF FLAG DAY, IN CONNECTION WITH GEORGE WASHINGTON BICENTENNIAL CELEBRATION

[Broadcast from the home of Betsy Ross, Philadelphia, June 14, 1931]

To-day I have the rare pleasure of bringing my great radio audience to a house and to a room forever enshrined in the patriotic hearts of the American people.

I am speaking to you from the house of Betsy Ross, on Arch Street in the city of Philadelphia.

In the room where I am standing there was brought into being just 154 years ago the glorious flag of our beloved country.

Here almost at this hour, on June 14, 1777, George Washington, the Commander in Chief of the Continental forces of America, handed to Betsy Ross, the Quaker seamstress, a design for a flag which was to become immortal.

Within these walls was enacted a scene of which little record is left, but that scene will live forever in the spirit of our country.

It was a practical errand which brought General Washington here. He arrived without ceremony, without military display.

Congress had approved the general plan for an American flag. Up to that time our troops had many flags. But our country had none.

The records of Congress disclose no debate upon the question of a flag. We do know, however, the actual wording of the resolution which brought the flag into being.

That resolution stated:

"*Resolved*, That the flag of the 13 united States be 13 stripes, alternate red and white, that the union be 13 stars, white in a blue field, representing a new constellation."

In these simple words authority was given to General Washington as commander in chief to design the flag, and upon the same day a visit was made to this house and to this very room. There are many conflicting opinions as to the exact date of the event, but I have taken the one that seems backed by the best authority.

When George Washington entered the portals of this modest house, he found Betsy Ross busy at her nedlework, which was her regular occupation. As she worked, she hummed a song softly, so that she could listen for the tiny tinkle of the bell of her shop door in front of this house.

George Washington entered with two companions. One was George Ross, who signed the Declaration of Independence and was an uncle of Betsy's deceased husband. The other was Robert Morris, the great patriot.

As they entered General Washington said:

"Mistress Ross, we have come to-day to ask you to help in making a flag for our country. We do not feel pleased with the grand union flag because of the King's colors in the canton, so we have planned another."

"You can make it, can't you?" asked her husband's uncle.

"To be sure she can," spoke up Robert Morris. "No one could do it any better than she does. Does anyone make finer neckwear?"

"It's different making a flag, but I would like to try. Tell me the idea," said Betsy Ross.

Then George Washington took from his leather pocketbook a small piece of paper on which was a rough drawing of a flag. It had 13 stripes, but a circle of white stars on a blue field took the place of the King's colors.

"What do you think of it?" asked General Washington.

"I think it will be beautiful," exclaimed Betsy Ross. "I shall be honored to make it. But, General, hast thou considered that those 6-pointed stars are not as they are in heraldry? Those are 5-pointed. I will show you."

With one snip of the scissors she cut a paper she had folded and, opening it, showed it to them. It was a star with five perfect points.

For a few minutes they talked over the design of the flag, and when they left Betsy Ross had dropped them another curtsy, and she promised to make them a flag as quickly as she could.

Thus was born that flag which to-day flies above the greatest nation of the earth. That flag means more than an emblem of sovereignty. It means human freedom, equal opportunity, and liberty throughout the world.

To-day we have come to this sacred place. To-day I am speaking within the walls that echoed that brief interview which brought our flag into being.

In the silence of this room come the echoing whispers of a bygone day. Here in these ancient surroundings I send to the Nation that feeling of devotion and of reverence which falls like a garment upon me.

As we look back behind the veil of history, the whole event of which I speak appears in its true American simplicity.

But what dignity, what grandeur, what momentous influences came from that apparently simple incident in this room so many years ago.

As I think of the great expanse of our national domain, as I think of the 123,000,000 of American citizens who are to-day living under the protection of our flag, as I vision in my mind the folds of that beautiful symbol flying from thousands of standards, I feel what little we of to-day can do to honor the memory of George Washington and his compatriots, or to remember with due appreciation the humble part played by that gentle Quaker seamstress, Betsy Ross.

What could be more appropriate upon this great national anniversary than to recall the making of that flag? What could be more appropriate—yes, more truly important—than for a nation to give a thought to-day not only to those who sustained the flag through the blood and tears of a hundred battlefields, but also to Betsy Ross, who represented the loyal womanhood of her day and of all succeeding days in our national history?

As I speak I seem to hear voices calling from the past, voices that tell me strange and wonderful things. These spirit voices can not be truly interpreted to any mortal ears, but I know that from this historic shrine there goes forth a message to Americans everywhere, calling upon them in the name of our beloved America to defend that flag, to honor that flag, and to preserve that flag as long as time shall be.

It is fitting that upon the eve of the great nation-wide celebration of the two hundredth anniversary of the birth of George Washington next year that we should to-day reconsecrate ourselves to our flag and to all it stands for.

It is fitting that there should be a revival in the hearts of all our people of those patriotic impulses that have always, from the very beginning, actuated noble men and women to sacrifice their fortunes and their lives for liberty.

Wherever our flag flies to-day those who gaze upon its protecting folds must realize that in its creation there was brought into being not only a new constellation of States but a new principle of government. It represented a new thought in a world of strife, in a world of oppression, in a world of selfishness—a thought for the betterment of mankind through political freedom.

When that flag was born, there was not a true republic upon the face of the earth. To-day the principles which actuated George Washington and his fellow patriots have extended to the uttermost parts of the world.

Some flags have been flown only for the vanity of kings.

Some flags have been hated by millions of people because of the spirit of conquest and oppression which they represented. Most of the cruelties, the injustices, the prejudices that men have visited upon each other have been wrought under the sanction of a flag.

But your flag and my flag, fellow countrymen, that flag which George Washington gave to us, is the first bright banner of unstained honor to float over a people destined for a vast new freedom.

Upon all the glorious pages of our national history that flag has never been dishonored, nor has it ever been lowered to the enemies of our country.

That flag is a living symbol of the true spirit of America. That flag must stand as long as liberty prevails throughout our land.

This is my interpretation of those whispering voices, to transmit over the silent spaces of the air, in a message to my countrymen.

What was it that first called those early patriots to Washington's side?

What was it that took them from their comfortable homes, from the love of their families, from the security of their occupations to face physical danger and personal ruin?

What was it but some sacred spark of the spirit, something outside themselves, something larger and finer than they, some vision of a better world which only their children might enjoy?

We need to ask ourselves this question and find the answer in our own hearts. We need to kindle in ourselves that same fire of the spirit. We are the children who enjoy what these patriots fought for. The vision which came to them as a far ideal is realized among us who live at this time.

The flag which George Washington designed for us symbolizes the spirit of sacrifice, the courage, and the devotion of those men and women of long ago who gave us the priceless heritage which our country enjoys to-day.

I am convinced in my heart that in the history of our country Almighty God has been at the helm. I feel certain that in the beauty, the dignity, and the significance of our flag as it flies over you and me to-day there is the guiding hand of that protecting Providence which has willed that all should be well with this homeland.

Gone are the patriots of long ago. Gone is Betsy Ross. But what they did and what they left for us will live as long as the hearts of men beat true.

I can not translate the message of those silent voices that come to me in this place, but I can carry to you the thoughts that come to me as I look about me and feel the spirit of that day when George Washington gave to Betsy Ross the design for Old Glory.

INDEPENDENCE DAY OBSERVANCE IN CONNECTION WITH GEORGE WASHINGTON BICENTENNIAL CELEBRATION

[Broadcast from Independence Hall, Philadelphia, July 4, 1931]

I am standing in Independence Hall, Philadelphia, in what is perhaps the most historic room in America. At the table before me was adopted and signed the Declaration of Independence.

The words I speak on this birthday of the Nation come to you from a microphone standing on the very spot where this Nation of ours was born.

Here, on the anniversary of that day, in this hall where so many remarkable events have taken place, I am permitted to look back from this day of peace and security, of enormous social and political progress, and measure the immense consequences that have arisen from that momentous event that occurred in this room a little more than a century and a half ago.

This extraordinary honor has been accorded me as associate director of the United States George Washington Bicentennial Commission, created by Congress to organize among the American people the celebration of the two hundredth anniversary of the birth of George Washington, the man who did more than any other to translate the Declaration of Independence into terms of living reality, the man who did more than any other to place the 13 struggling Colonies on a firm foundation and build them into one great Nation of 123,000,000 people.

It is impossible to conceive of a more direct and dramatic linkage between the present and the past—between this Fourth of July of vast fulfillment and that Fourth of July of gigantic political adventure.

As I stand here where this greatest and strongest Nation in the history of the world had its birth and these beginnings, I am swept with reverence and awe.

I am lost in wonder as I think of the imperishable pages of history that were written here, and the mighty forces of progress that were released here by the wise and steadfast men who shaped at this table before me a new charter of human liberties, and

brought into being a new era in human affairs that to-day is the hope of humanity throughout the world.

Beneath the flag of our country we Americans must pause and realize in our hearts what that flag stands for. It is the living symbol of the blood and tears of those men and women of a bygone age who went gloriously to their graves that our country might live.

Beneath its sheltering folds the dying eyes of countless heroes grew dim and closed forever, a prayer upon their lips for its preservation.

It is for us to carry forward those sacrifices and those ideals. Who knows but what we say to-day and what we do to-day may not be translated to that far shore where are gathered the heroes of long-gone years? Who knows but that our account is being written as to how well and how worthily we have kept the faith as Americans?

May God help us to act well our part. May God give us some portion of the courage and devotion which created our country, that we may defend its liberties.

In our enjoyment of these liberties let us remember what they cost. The act performed here by these patriots required more than wisdom, great as it was. It called for another quality which they possessed, and which, please Providence, they have handed on. It called for the utmost in moral and physical courage.

In establishing this Nation they had to fling their defiance in the face of a powerful foe. They knew the risk they took, and that risk was real. On the heads of the men who signed the immortal Declaration of Independence, on the heads of every member of their families, the angry Government they defied placed a price.

Benjamin Franklin's jest was far more grim and truthful than humorous when he warned his fellow signers that "We must all hang together, or assuredly we shall all hang separately."

Yet, reckless of what it might cost them, these patriots pledged to the cause all that they had, and all that they were—"their lives, their fortunes, and their sacred honor."

If, in the list of great names they attached to the Declaration of Independence, we miss the greatest of all—the name of George Washington—it is for good and sufficient reason.

While these men wrote at this table George Washington, as Commander in Chief of the Continental Army, was already far away on the field of battle.

Already he was fighting the cause of independence before these others had pondered the terms in which that cause should be proclaimed to the world.

Now, we living Americans are witnesses as to how well those patriots planned. The full and rich life we live to-day attests the greatness of the purpose for which they fought and struggled then.

For the sake of that cause which has made us so great they endured every loss, every danger, and every sacrifice.

And yet, in this vast democracy of Americans to-day, self-ruled as the patriots planned, far richer than they dreamed, and happy and privileged beyond any people that ever lived, I believe the fathers would find their plans justified, their struggles rewarded, their dreams come true.

Here on this table before me were shaped those liberties and privileges which you and I possess to-day as citizens of these United States. As I realize this, never have those rights and privileges seemed to me so sacred, so precious, and so real.

If I can, I want to bring you into this room and give you a sense of the feelings this scene inspires. I want you to see the vision I see, called up in this birthplace of our country, on this, the anniversary of its birth.

I speak to you through a miracle of modern science, an instrument that symbolizes all our marvelous advances since 1776. Yet I speak in profound humility.

These very advances we have achieved make it all the more needful that we ask ourselves, on this July 4, how well we have kept the moral courage of that 4th of July of 1776—how far are we ready to pledge to our country to-day "our lives, our fortunes, and our sacred honor?"

I am one who believes we can answer that question with pride and respect of self.

I believe we can listen to the whispering voices that echo from these ancient walls without self-reproach. I can but dimly repeople this historic room. Yet my heart beats with new devotion, new love for my country and my fellow Americans, as there passes before my inner vision that procession of patriots.

Here, in this very chair, sat John Hancock, President of the Congress. There, in rows, many others upon that everlasting roll of honor. Fifty-six in all! Immortals! Americans!

Before them I bow in humble respect because of the sacrifice they made. But, my fellow Americans, I am one who believes we have guarded well the great trust they placed in our hands. I believe we have fought the good fight; I believe we have kept the faith.

We live in a day when it is common to hear that our country has lapsed in patriotism. It is said by many to have fallen from the lofty ideals of the founders. It is thought that because we have grown rich we must have grown corrupt.

It is said of us that we are lost in material gain; that we are dead to the spirit that first breathed life into the Nation and is vital to its very existence.

I am not one who believes all patriotism perished here in this sacred hall where it was born. I am not one who believes that all self-sacrifice and devotion to country disappeared with the men who here first practiced those virtues 155 years ago.

I believe these United States of America have grown to be the great Nation they are because we have had throughout the years of our history unfailing generations of patriots. I believe these succeeding generations have always defended American rights and liberties in a way that would earn them the blessings of the patriots of 1776.

We complain that disaffection is abroad in our land. There are those who carp at this Government, which has achieved so much. They would rip it to pieces and set up another. It is taken as one more sign that we have slipped from the standards of our fathers.

If we have indifference toward the public interest to-day, let us remember that in the days of its infancy the cause of liberty had its way to make against a sea of the same troubles.

Valley Forge is the epic story of men who endured every visible hardship for the sake of an invisible cause. Yet now we know that the worst of Valley Forge might have been prevented by men who should have been true to their duties and instead were not.

Even in those heroic days of the Declaration of Independence, when men of lofty character were winning liberties for future generations at every cost to themselves, there were men who were willing to profit by the sacrifices of these others.

In the dark days of that winter of 1777, John Adams, whose name stands high on the list of Signers of the Declaration of Independence, wrote home from Philadelphia to his devoted wife the bitter and despairing words, "I am ashamed of the times in which I live."

Would John Adams be more ashamed of the Americans of 1812, the Americans of 1861, of 1898, of the Americans who lie in the fields and the forests of France to-day?

I can not believe it. The truth of it is that here in this room where I stand the founding of our country was not finished but only begun. Ever since that immortal day we have been busy in founding our Nation. We are still founding our Nation. The great men who shaped the immortal document that once lay on this table before me were not the only ones who have signed it.

The Declaration of Independence is being signed at this very moment by millions of Americans. It is being signed in spirit by every American with a spark of love for his native land. It is being signed in spirit by every American who labors and plans for the larger good of the country. It is being signed in spirit by any American who contributes any humble thing, be it only the digging of a ditch, to the good and comfort of his fellows.

Wherever a devoted American mother toils and denies herself for the preservation and progress of her family she defies an invisible oppressor and writes her own charter of freedom.

I can not believe that the patriots of old would belittle the moral height of that mother and the thousands of Americans she represents. I can not believe we have lapsed so far.

I will not believe that the men who sat here on July 4, 1776, would be deeply ashamed of the record we bring back to them here on July 4 of this year.

These are some of the feelings inspired by the great memories that will lurk in this chamber forever.

If we have done thus well with the Nation that the fathers placed in our hands, it is only because we have gone back, faithfully and often, and refreshed ourselves at the fountains of inspiration they left us in their deeds and their character.

If this Nation is to go on to a future without an end, it will be only as we and our children come back, again and again, to these memories of the fathers, to their teachings, and to their examples.

It should be our only purpose in celebrating the Fourth of July and the signing of the Declaration of Independence. This year, next year, and forever it should be the day when we check our course and set our national compass by that glorious star of patriotic purpose which they set in the eternal heaven of human affairs.

As I speak these words our people are in the midst of material difficulties. We are plagued with personal worries. We are afflicted with discontent and threatened suffering. Because of these discomforts we have turned upon each other in bitter recrimination. It is a time that gives rise to violent differences in politics, in business. Our entire system of life is under fire of criticism.

But even in this we only repeat the experiences of the fathers. They also knew what it was to be vexed with divided counsels and violent clashes of interest.

But in the midst of their perplexities they knew what it was to turn to the calm, serene, steadfast courage and judgment of George Washington. And in 1932, I believe, we are going to turn again and rally about him.

I believe that in 1932 the spirit of George Washington will rise from his tomb in Mount Vernon and bring us together again as the living Washington stilled the storms that swept over the days when he lived in the flesh.

I believe this celebration of the two hundredth anniversary of the birth of George Washington is going to afford the American people the greatest national rallying point they ever have had.

I can see this coming. For more than a year the United States George Washington Bicentennial Commission has been guiding and gathering up the Nation's slumbering interest in its greatest man. I have watched that interest come to life and breathe the fire of enthusiastic vitality.

I see in this a Nation swept with a single emotion. It is an impulse on the part of 123,000,000 Americans to forget their differences and rally as one about the rock of this great American's character.

I predict George Washington will repeat in spirit the great work that a century and a half ago he performed in fact. He will

summon all Americans away from their bickerings and their discontents. He will bid them forget themselves and remember their country. He will bid them rededicate themselves to the giving of self for the good of all.

Out of our deathless love for him he will ask us to reconsecrate ourselves to the great and simple principles upon which he and the framers of the Declaration of Independence built this Nation, to last as long as we keep burning the sacred fires of their example and their leadership.

Out from the moving shadows of this impressive room there comes the spirit of courage and peace. That divine influence which guided the heroes of the past still lives, still exerts its potent guardianship.

The God, our Father, who placed his benediction upon the founders, will not neglect those of succeeding generations if they remain true to American ideals. The shadows whisper this message; this ancient room bears witness to its truth.

To you, my fellow Americans, I appeal over the distances of space to carry this message as I hear it in the mysterious murmurings of this place. Let us live true, let us guard the heritage these signers of the declaration have left to us.

Let us honor and preserve all that they stand for, their memories ever strong in our minds, their spirit ever active in our hearts. Thus, in confidence may we look forward to a united America, strong and enduring among the nations of the earth.

FORT NECESSITY GROUND-BREAKING CEREMONY, COMMEMORATING GEORGE WASHINGTON'S FIRST EXPERIENCE IN BATTLE

[Broadcast from Fort Necessity, Pa., September 29, 1931]

We are here to break ground for a national monument long neglected, to perform a duty long overdue.

It pleases me to think that the motive leading us now to the building of this monument comes from the approaching world-wide celebration of the two hundredth anniversary of the birth of George Washington, an enterprise which I have had the honor to advance as associate director of the United States commission created by Congress for that purpose.

The entire Nation is aroused to a feeling that the coming anniversary will serve not only as a measure of George Washington's greatness but as a measure of our progress as his countrymen. In that feeling we are turning to Washington with a new and burning interest in everything he did, and with a new sense of the great debt we owe him.

So I can say with excellent reason that amid all we do in George Washington's honor the dedication of this monument at Fort Necessity will be one of the most appropriate and outstanding tributes we can pay him.

For here on this sacred soil, once reddened with patriot blood, George Washington began his labors in our behalf. We of the United States to-day who stand here represent the results of what he here began.

In this place George Washington opened the eyes of the world to North America and stirred two great nations to possess it.

Here he first inspired the colonies to possess it for themselves.

Where we now stand a boy of 22 changed the map of the world and altered the course of history.

All our own struggles for freedom for the right to go our own way came 20 years later. But to this point we may trace all those threads of influence that culminated in the War of the Revolution.

Here, in reality, began the United States of America. And here, in a forge of fire, was welded the courage and the character of the man who chiefly made us what we are.

If ever a few acres of American soil deserves to be marked out forever, it is this site of young George Washington's "Fort Necessity."

With all my heart I congratulate the people of this community, of this State, and of the Nation, in liberally contributing to this splendid enterprise. You have allowed no discouragement to stand in your way. Next year we shall dedicate the fruits of your patriotic self-sacrifice in your gift of this monument to the Nation.

But we are here for a purpose beyond ourselves. It is our privilege on this occasion to rewrite American history, as George Washington himself wrote it here in deeds of blazing valor.

For years historians have regarded Washington's fight at Fort Necessity as a defeat. Washington himself was unaware at the time of the real significance of what he had done and wrote to his brother that he was "soundly beaten."

Now the events that then confused him have cleared. Not only that—we have found long-buried contemporary records which I am here giving to the country for perhaps the first time.

I am straining no terms of language, I am twisting no facts of history in pronouncing this fight at Fort Necessity not only a great moral victory for George Washington but an actual military success.

To understand what he did let us take ourselves back 177 years. Let us stand here at George Washington's side, facing the tremendous odds that we now know he defied.

It is 1754. Pioneering American settlers have penetrated this region, and so have wakened England and France to what this great wilderness is worth. Now both these nations are reaching for the prize. The French are driving our settlers out and fencing the region off with a line of forts from Quebec to New Orleans.

Virginia's governor intends to stop this, and the year before has sent George Washington, a youth of 21, and almost alone, to warn the French out of this, our territory. It is a miracle for him to come out of the wilderness alive, but he brings back word that the French are determined to stick.

It alarms the Colonies. Some of them act at once. Virginia sends Captain Trent to build a fort of her own at the forks of the Ohio. Ample forces are to back him up.

George Washington, now a lieutenant colonel and second in command, heads the vanguard of a few hundred men. He is ordered to stick to defense, but fight if he must. Soon his superior officer dies of an accident, and Washington is in sole command of the expedition at 22, the age of a West Point cadet.

Early in April he strikes across the Maryland line and over the mountains, cutting his road as he goes for the supporting artillery that never arrives. Reenforcements of more than 1,000 men are promised him and only a handful ever reach him.

It takes him two months to get a little beyond this place. His food runs short. The only plentiful thing is alarming news.

He learns that the little Virginia fort at the forks of the Ohio has been taken by the French. The meaning of that is war—with George Washington a boy never before in battle, 60 miles from his base of supplies, in a wilderness crowded with enemies, while his provisions vanish, his men tire, and no adequate reinforcements appear. Only the French receive substantial reinforcements.

A hundred of his men are sick. The woods are full of spies who tell the French of his weakness. And he learns that the French are now 900 strong, with 700 Indians and cannon.

Against such odds retreat would not have been a disgrace. Washington chose to fight it out.

It may be that the amazing sense of clear judgment he possessed compelled him to stand. Retreat would have meant the loss of his Indian allies and perhaps the desertion of his men. But I think that what settled the matter was the Washington spirit. Again he was there on a definite errand, and it was the Washington habit to do what he set out to do.

He wrote to his governor, "I doubt not if you hear I am beaten, but you will at the same time hear that we have done our duty in fighting as long as there was a possibility of hope."

Those words alone justify this monument here.

On a previous alarm he had taken the precaution to throw up intrenchments here where we stand in Great Meadows. A little beyond this place he encounters a scouting party of French and wins the skirmish. A lone survivor of the enemy escapes to tell the tale. Soon Washington hears that the entire French force is on the move against him, 900 strong, with 700 Indian allies and cannon—five times Washington's little band of 300 men.

By June 1 he had his fort palisaded. He had a month to await the attack, while his supplies ran low. No wonder he called this "Fort Necessity." Even his Indian allies deserted, seeing how weak he was against such numbers.

Military engineers of to-day have criticized Washington for planting his fort here in the open, surrounded by woods on higher ground.

He knew his business. He knew the French and Indians fought from behind trees. He knew the range of their muskets. He planted himself where his enemies, in order to hit him, must leave their shelter and be hit themselves.

Precisely this happened. But only now do we learn the full facts from accounts at the time, some of them supplied by Washington himself, as published in a remote colonial newspaper and buried from sight until now.

On July 3 at 11 o'clock in the morning one of Washington's sentinels opened fire. It is reported that he killed three Frenchmen before hurrying to the fort. The action was on.

Washington drew up his forces before the trenches, ready to die to the last man, but alert not to be fooled.

At first the enemy kept at long range, hoping to draw Washington's fire. It must have amazed the young colonel not to be charged by an enemy of such strength. Finally he ordered his men behind the trenches to shoot it out, wherever an enemy left his shelter.

For nine hours of a rainy day, until 8 o'clock at night, his men did shoot, and only now do we know that every man in his command accounted for one of the foe. This old newspaper tells us that 300 French and Indians were killed and large numbers were wounded.

That is why Washington was further amazed when the French twice called him to parley. Twice he declined, suspecting a trick. Twice he declined the terms presented him and compelled a change. Finally, at midnight, in a driving rain, he did agree to terms that he largely shaped himself.

Washington lost some 30 men killed and 70 wounded, but, again the old newspaper tells us, all that night and part of the next day his enemies were secretly burying their dead and removing their wounded.

In the morning they marched away to the north with all their remaining numbers, while George Washington and his little band trooped south, their drums beating, their flags flying. He had stood off five times his number and sent them away, glad to be gone.

Can that be called a defeat?

The immediate consequence of the fight that happened where we stand was to make young Colonel Washington a man discussed all over Europe. The ultimate consequences of what he did here were the retirement of the French, our war for independence, and the creation of the United States.

Can that be called a defeat?

Do we not rather see the hand of destiny asserting itself even thus early in the life of the Nation, in the fact that George Washington marched his men proudly away from this fort on the date later to become more memorable still—the Fourth of July?

Did I say the hand of destiny? It was the hand of Almighty God. For never in my heart have I been more convinced of an intervening Providence in the affairs of men than in the conviction which has come to me through a study of the life of George Washington.

From boyhood until he passed beyond this life George Washington was an instrument chosen by the Ruler of us all for a career which shaped the history of the world.

Through all his trials, perils, sufferings, and sacrifices he was upheld by that strong consecration to duty which comes only to those chosen of God. In my heart of hearts I know that the unseen hand of divine Providence guided the career of this most useful of mortals, and in paying tribute to the life and character of George Washington we acknowledge the source of his greatness and of his power.

George Washington never met defeat. His was a triumphant and successful career always. What we may term defeats were mere incidents in a chain of sublime achievements.

It is high time we took this Battle of Great Meadows out of the shadows of defeat and placed it in the glorious light of triumph and military success.

In raising this monument we are commemorating more than the glory of arms. We are for the first time truly interpreting the genius of a man and the genius of a people.

It is twice hallowed soil where we stand. George Washington thought so much of these consecrated acres that 15 years after the battle he bought Great Meadows and kept it until his death.

Next year on this historic ground we shall dedicate a monument of stone. Around it, throughout the land and throughout the year, we shall raise a still greater monument—the monument of a nation's gratitude felt in a nation's heart.

Yet even this is not all we shall have built in George Washington's memory. The greatest of all memorials to George Washington is spoken of by a forgotten biographer in words that I wish to repeat:

"There is a greater Washington monument, still unfinished but appropriate and significant in all its parts. It covers an area bounded by the Lakes and the Gulf, the Atlantic and the Pacific. Its final completion may be delayed for centuries, but the quantity of treasure lavished upon it and the number of workmen employed increases from year to year; for expense is no object while the country is persuaded that it is perfecting a monument to Washington after Washington's own plans—the United States of America."

So we the people are the real memorial to George Washington. Let us see, next year and forever, that we worthily wear his name engraved upon our hearts. Let us truly live according to his precept and example, that the glory of our country may never be dimmed, that our flag may never be dishonored, and that a free, enlightened, and happy people may rightfully claim kinship with the immortal George Washington.

FROM THE HOME OF MARY BALL WASHINGTON, THE MOTHER OF GEORGE WASHINGTON

[Broadcast from the home of George Washington's Mother, Fredericksburg, Va., January 1, 1932]

I am speaking to the people of the United States from a shrine made sacred by its immortal memories.

I am in the home of Mary Ball Washington, mother of George Washington, in historic Fredericksburg, Va. Beside me is an object of special reverence. It is the most precious timepiece in all America. This beautiful grandfather's clock belonged to Mary Washington and solemnly tolled the passing hours when George Washington and his mother met here in that exalted communion of mother and son.

In a few minutes this clock of artistic design and fully 8 feet tall will strike for the mothers and sons of our country the 12 strokes that will mark the first high noon of 1932, the two hundredth anniversary year of George Washington's birth.

You will hear over the infinite spaces of the air the resonant tones of the very clock that voiced the hour when our greatest American opened his eyes to a waiting world. Those first sweet notes of an historic hour will reecho through the universe. They will never die away, but will continue on and on until the end of recorded time. The impulses of those vibrations surround us to-day, after 200 years, and will exert their invisible influences upon us as long as America lives.

When this clock strikes again, it will be the voice of history and destiny itself, calling us back to our own.

I know of no more significant expression of this solemn hour. And surely there could be no more appropriate setting where this reverential act could be staged, than in this bedroom, with the hush of the years upon it, yet vibrant with the echoes of the past.

They crowd upon me—those sweet voices of the dead. I am oppressed and confused by the voices so long silent, that strive to speak again. For every article in this low-ceilinged room bears witness to those touching and dramatic scenes that were enacted here.

I face the colonial fireplace where comfort glowed and which symbolizes the beautiful provision the dutiful George Washington made for his aged and ailing mother. By its side is the low chair where she sat those many, and ofttimes lonely hours, thinking of her boy, leading his tattered troops in war. Can we not read in these contemplations the anxiety, the fears, the love, and the prayers of that mother who gave to humanity so great a son and who sent him forth with noble self-sacrifice to serve his fellow men.

Here by this window I look out upon scenes perhaps little changed from that day when Mary waited for her son's return.

Out through the garden door I see the colonial kitchen with its utensils for domestic concerns much as they were when Mary, with her own hands, prepared her boy's favorite cakes. Beyond, through the serene beds of old Virginia flowers, I see the box-bordered walks that led to beautiful Kenmore, the mansion home of George's sister, Betty, who kept careful watch upon her mother's comfort when he was far away.

And as soon as he was able, he bought for his mother this modest house, among her friends in Fredericksburg, amid the scenes and the people she loved. Here, in this quaint old house in which I speak, he placed her to live out her days in peace.

So our return to this house is sanctified by some of the most beautiful memories of American history. The walls of this house are witness to the most sacred hours in George Washington's life, the hours when he was at his greatest and best—the hours when he came back from war and chambers of state, from stress and turmoil of public life to seek counsel at the knees of his adored mother. This same clock, which you will hear, measured those precious hours.

When the notes come to you, the memory of these scenes in George Washington's life can not fail to inspire in each heart an exalted feeling of gratitude and love for the mother and the son.

Hardly had George Washington grown to manhood before his countrymen realized his qualities of leadership and gave him important duties and responsibilities, greater perhaps than were ever placed upon the shoulders of mortal man.

I know that the women of America, in whose breats beats the universal heart of motherhood, can realize how Mary Washington longed for her boy. Mothers of America who have lost sons in battle know with what trembling, with what prayerful anxiety, Mary Washington sat here waiting for his home-coming. I know that the mothers of Americans everywhere join with me in the conviction that those prayers which were uttered here in this room to the God of infinite mercy had their answers then as they have now.

Those prayers gave George Washington to the world. They saved him in time of peril and they have preserved his spirit which surrounds us all at this moment. Here in this house where he placed her to live in comfort, he always returned as often as he could.

He came to see her in sickness and in health. He came to ask as to her comfort. Even when mountainous cares of state came to burden George Washington's mind, and crowded his life with labor, he always found time for a visit to his mother. May we not think with truth that this great man returned here for that spiritual guidance that so influenced his eventful career. May we not feel that he came here because at his mother's knee he felt closer to God.

George Washington resembled his mother in many ways. Mary Washington gave more than a great son to the world—she gave herself.

Something of George Washington, the boy, lived on in George Washington, the man. He never went away on an errand of great importance without first visiting his mother to receive her blessing.

And for the unselfish sacrifice of Mary Washington God rewarded her as no other American mother has ever been rewarded. She saw that son grow tall and strong and she saw him raised to greatness that no other man of our country has ever surpassed. She saw him acclaimed by all the world, adored by his fellow men. And yet to her he was always the son, the boy—her George.

At last it was permitted Mary Washington to greet her son at the end of his physical danger. For here he came after Yorktown. He had won the War of the Revolution. He had made America independent. He had made these United States of ours forever free. He stood at the pinnacle of his greatness—a colossal figure in the world.

Many a victorious warrior has tasted the fruits of popular acclaim and has done so as a natural thing. George Washington put all that behind him. His first thought was of his mother, and the final victory of the Revolution had hardly been won when he came to Fredericksburg to see her.

He rode into the city at the head of the staff of the victorious army. He came with a score of generals, most of them distinguished foreigners who had shared with him the dangers of battle.

Yet when he came to Fredericksburg, crowned with the laurels of success, his mind went back to the days when he was a little boy and he and his mother were impoverished and obscure. He came here to this house—not with the pomp and glory of the mighty warrior, not as a hero of a grateful people, but as the son. He came alone on foot.

He had discarded the trappings of command. He was the son. Here at this window through which I am now looking sat the mother, waiting, as she had done so many times before, for those familiar footsteps.

Here in this room where I am now standing, with this clock ticking away their all too brief time together, they met again. Upon that meeting the veil of time has closed as too sacred a thing for other eyes to witness. But we know that upon her son's urgent invitation Mary Washington set forth from this house on her last public appearance, when she consented to appear for a brief time at the historic reception here in Fredericksburg to celebrate the great victory at Yorktown.

We are told of her quiet and modest dignity there. We are told how eager the foreign officers who aided Washington were to meet the mother of their leader. And with the same dignity she retired from the brilliant scene upon the arm of her son with the simple words that it was time for one so old as herself to be in bed.

When George Washington saw his mother for the last time, it was in this room and he was still a greater man, for the people of the United States had demanded with one voice that he be their first President.

Yet he could not assume this office given him with such overwhelming public trust without first coming here to Fredericksburg to this little house to receive the blessing of his now fast-failing mother. It was probably the sweetest reunion of their lives, and it was God's will that this meeting should be their last.

Mary Washington knew it. Bravely she sought to conceal it. A wasting disease was eating her life away. In vain her great son tried to put away her fears, and looked forward to seeing her again and again. Mary Washington stilled him with this immortal blessing: "You will see me no more; my great age and disease warn me that I shall not be long for this world. I trust in God that I may be somewhat prepared for a better. But go, George, fulfill the high destinies which Heaven appears to have intended for you; go my son, and may Heaven's and a mother's blessing be with you always."

The words were only too true. It was not long after this scene that Mary Washington died to the ticking of this old clock.

The whispering voices still crowd upon me. The solemnity of this scene chockes my voice. I can only bow my head in reverence and ask my countrymen everywhere to join in tribute to the memory of the great mother and the immortal son.

SUNDAY REFLECTIONS AT OLD POHICK CHURCH, WHERE GEORGE WASHINGTON AND FAMILY WORSHIPED

[Broadcast from Pohick Church, Virginia, February 21, 1932]

On a lovely, rolling hill characteristic of northern Virginia is one of the most beautiful and historic shrines associated with the life of George Washington. I am privileged to-day to stand within the ancient walls of Pohick Church, which is as intimately connected with the life of George Washington as Mount Vernon itself.

Here in the reverential stillness of this sacred place I come as a humble pilgrim, and from this place I have been permitted to broadcast to the Nation the thoughts and impressions that come to me.

Virginia is unusually rich in its religious history. Dotted over its area are scores of historic churches dating back from the earliest colonial days. Of all of these fine mementos of the time of the established church in the Old Dominion, this building is notable, and one of the outstanding landmarks which the hundreds of thousands of tourists who visit this country during the period of the celebration of the two hundredth anniversary of the birth of George Washington should visit. The celebration begins to-morrow and extends until Thanksgiving Day this year.

We are told that the present Pohick Church is located on land selected and purchased by George Washington in 1767, and is successor to the old Pohick Church, a frame building which stood on King's Highway, leading to Occoquan Ferry, a few miles south, which was built about 1690. It is not only a finely preserved type of colonial brick edifice, but it has a history romatic and fascinating. Truro Parish was established in 1732, the year of George Washington's birth, and continued to use the old church until about 1767, when it was decided to build a new one some distance from the old.

The new Pohick Church was ready for occupancy by the congregation in 1772. George Washington drew the plans for this church, and as in other similar plans, he went into great detail, not only designating the proportions, the character, and the material, but also the decorations and church furniture. We may be sure that he exercised a potent influence in these matters, since he had himself purchased the land upon which Pohick Church is located.

When it was proposed to erect this so-called new church the argument over its location waxed strong, but Washington ended it by making a survey so complete that it indicated the exact distance which each of the parishioners had to travel as between the new and the old sites. In Washington's surveys this location was shown to be nearer and most convenient for the larger number of the church members.

It must be recalled that George Washington was vestryman of this parish at this time. As in all things with which he was concerned, George Washington took a deep and active interest in the building and the conduct of this church from the time it was planned until his death.

It must be recalled also that the position of vestryman of a parish in Virginia during the time of the established church was a position of considerable civic as well as religious importance.

However, it is not with this side of the church history that we are concerned to-day. Our whole attention is centered upon the church itself and the intimate relation which it bore to George Washington, his friends, and neighbors.

Pohick Church occupies a site directly upon the highway between Washington and Richmond. It is located about three miles beyond the point where the old road branches off from the highway to Mount Vernon. Within the churchyard surrounded by a brick wall there is about an acre and a half of ground in which are the tombs of the parishioners of long ago.

There is an atmosphere of serene tranquillity about this edifice which impresses us like a benediction, and the gentle breezes move through the old oak trees and whisper of the mystery of time. What a colorful, what a romantic, what beautiful setting for the quiet and dignified events that took place here during the youth of our country.

One can not come to this placid old house of God without drawing aside in his imagination the curtains of time to look backward to the days when George Washington, his dear family, his friends, and neighbors gathered here to worship.

As I look out through the open doorway to the burying ground that holds the ashes of some of the noblest personages of Virginia's great history, to my mind comes back again that pageant of beauty, of citizenship, and of neighborly kindness which was witnessed here on those Sunday mornings long ago.

Let us within the limitations of our fancy place ourselves as members of the Mount Vernon family preparing to come to this meeting place nearly 175 years ago.

It was customary for the family at Mount Vernon to attend church regularly, and for the usual guests, of whom there were always from two or three to a dozen, to attend with the family, although none was urged to go. Carriages were, of course, provided, and an early breakfast was the rule, because it consumed practically a day to attend church and return.

Pohick Church is about 6 miles from Mount Vernon over the old road, but this 6 miles, which now can be traversed upon a beautiful roadway in a few minutes by automobile, was a formidable journey 175 years ago.

Only those who are familiar with the primitive Virginia roads can realize what traveling meant in those days. The road led through the wood and partly swamp ground. In winter it was usually deep in clay, rutted, and difficult of passage except by carriages drawn by from four to six horses. In summer it was dusty and rough, as little care was given to roadways in those days, for water transportation among the plantations along the Potomac was in common usage for transporting goods and produce.

So that the coaches going from Mount Vernon to Pohick Church were sturdily built. Sometimes there were three or four coach loads of family and friends. Men, women, and children of the household and guests, in what we would consider somewhat gay attire for such an occasion, went by coach. The servants and retainers of the estate usually traveled horseback following the coaches, ready to lend assistance in case of need.

The great Washington himself with his beloved Martha and the adopted children of Mrs. Washington usually occupied a carriage by themselves. We the house guests, intermingle among the other guests in the two or three carriages of this pilgrimage, and we alight with relief at the gate of this ancient church yard.

Here, as General Washington and his party arrive, are gathered many men, women, and children who are upon terms of familiar intimacy with the Mount Vernon family. Walking around to the sourthern entrance, which is in reality the original front, we mark the lovely pedimented portals in gray sandstone.

As we pass through the lovely portal of the church we observe the box-pew arrangement drawn by Washington, and note the great pulpit standing at the head of the cross aisle in the middle of the north wall of the church. Proceeding to this point of advantage we inspect the more striking details of the church, and we turn to the altarpiece.

We are told that if we could see this in its original condition—for the interior of the church has suffered from the ravages and devastations of war—we would mark the gold-lettered creed, Lord's Prayer and the Ten Commandments in gold leaf, and the ornaments in the tabernacle and the capitols of the pilasters also covered with gold leaf. The palm leaves and festoon design on the pulpit are also covered with gold leaf furnished by George Washington and his dear friend, George William Fairfax.

Immediately in the center of the cross aisle stands the original font, made by William Copein. This was taken out of the church during the Civil War and was secreted upon a near-by farm. If we follow the Washington family along the west aisle toward the altarpiece, we pause at pews 28 and 29 and know that these pews were owned and occupied by Washington and his family on all occasions of public worship.

The form of that worship then resembled closely the form of worship still familiar to the people of this congregation. The Washington family go sedately to the ancient box pew in which we take our seats. This pew and all others of the church has comfortable cushioned benches partitioned off in rectangular form, so that there were seats on three sides and a small gate leading into the aisle. Upon that gate is still a silver plate bearing the name of George Washington.

We now assume that the beautiful service has closed. The congregation has filed sedately into the outer yard, where for an hour or so there will be pleasant neighborhood gossip and much comment upon the affairs of the vicinity. Soon all are gone and we stand alone in the hush of this sacred place, and the shadows come creeping into the corners and back into the gallery which was reserved for humble worshippers.

I wish it were in my power to convey through the miracle of radio the impression of beauty, of stillness, of solemnity, that enfolds me. Again do I people this beautiful room with the images of those long gone. Again do I hear in imagination the whisperings of those who gathered here to worship an everlasting God, who knows not neither time nor place. Again do I see those kneeling figures and heads bowed in prayer that echoes back through the years as though t'were yesterday.

Again do I see the mighty form of General Washington, the Father of his Country, kneeling in humble supplication to his Father on high. In simplicity, in childlike faith, the great man bows in prayer. The soft music of forgotten hymns seems to come to me as the echo of an angel's song, and I feel that my humble presence here is as it were a ghost that intrudes upon another era, another state of social order, another age when our history as a Nation was beginning.

Gone are those mighty souls who left their indelible impress upon our history and our culture. Gone is the romance, the color, the drama of their sumptuous lives. Gone is the rich bounty of old Virginia, although the inheritance of its hospitality will never fade.

Here I feel that exaltation and an emotion that I can not express in words. Here lingers within walls hallowed by memory the very scent of the old-fashioned flowers.

To Americans everywhere I would that I had the power of bringing you in spirit to my side. To Americans everywhere I would that they could feel this sacred presence as I feel it now. To the hearts of all humanity I would convey the meaning of this place and this moment, that we could all unite in a common impulse of devotion to our God; to a sense of that ancient neighborly friendliness which was actually part of the old-time religion.

I would that we could join together in the simple hymns they sang; be impressed by the devotions of their day and dedicate ourselves to the sincerity, the simplicity, and the beauty of their lives. They are not far away. They seem to be here at my side, and the rhapsody of memory exalts my soul to their worship and to mine, in humility in the presence of our common Creator.

We need it, fellow Americans. We need a return, not only to the wisdom, the courage, and the character of George Washington, but we need a return to his calm faith in the God of human destiny. We need a new consecration to that morality which guides and stimulates the acts of our daily lives. We need a devotion that surmounts difficulties, that overcomes opposition, that triumphs in the relationship of men with men.

These devoted people who builded this church, who worshiped here in these inspirational surroundings, who set us an example of good living, fine companionship, and steadfast honor, would bring us back again into the stream of life as they knew it.

We need the calm, sobering influence of practical religion by which we may set our course, and we need to reexamine these landmarks of public and private decency which point out the undeviating course of justice and kindness and love.

The lessons of this hour are the lessons of simplicity, the lessons of childlike faith, the lessons of the immortality of the soul. Mark it well, "Lest we forget, lest we forget."

I seem to feel, as George Washington felt, the influence of all these great sermons that were preached here by men of God. I seem to feel that from every word they spoke there continues an echo that swells into a glorious chorus of divine praise.

Here the greatest American found companionship with God. Here he received those sacraments that strengthened his character, steadied his purpose, and fitted him for the momentous part he played in the epic drama of his time. And there at beautiful Mt. Vernon, a few miles away, he sleeps, beside his beloved Martha, to the requiem of immortal adulation of all mankind.

This is God's house, and here we know we are close to our Creator, and as we go hence a glorious recessional of the ancient faith must ring always in our hearts.

Reluctantly I turn to go. The spell is still upon me. In this midwinter afternoon the shadows gather early, and, as I slowly walk toward the world and its concerns, the words of that sweet poem come back to me with a new revelation of truth: "Standeth God within the shadows keeping watch above his own."

WHEN THE GEORGE WASHINGTON BICENTENNIAL CELEBRATION BEGAN

]Broadcast from Washington, February 23, 1932[

The great celebration of the bicentennial of the birth of George Washington has been formally opened, and from now on interest in the observance of this historic event will gather momentum until its climax and the end of the celebration on Thanksgiving Day of this year.

Yesterday witnessed the opening of these nation-wide, I should say world-wide, plans which have been maturing for the past two years. We of the United States George Washington Bicentennial Commission, of which I have the honor to be associate director, are proud of the overwhelming response of the people of the United States to the work which we have been doing. We are gratified beyond all measure of expression at the cooperation, the sympathetic helpfulness, and the deep patriotic feeling that have been exemplified in every part of our beloved land.

I speak from the heart when I say that all of us who have been concerned in this momentous work are deeply touched at the appreciation which has been given to our humble efforts, and we are inspired by the obvious fact that the people of the United States everywhere have rallied to the spirit and purpose of this occasion beyond anything that could have been anticipated.

The events of the past two years have occupied our minds, our hearts, and our hands beyond any similar work that was ever undertaken. The beginning of this celebration yesterday was marked by observance in thousands of towns and cities throughout the Nation and in millions of homes and schools and churches. From one end of the country to the other, in our insular possessions, in foreign lands, wherever Americans reside, there has been exhibited an interest and a whole-hearted sentiment of the true American spirit which should hearten every real American living under the protection of our flag.

The nations of the world joined with us yesterday in paying homage to our great Washington. In practically all foreign countries radio broadcasts were made by heads of government, statesmen, and patriots, so that the name of Washington resounded throughout the earth.

The celebration in the National Capital naturally was the center of immediate interest, because here the Government itself, in the most formal, dignified, and magnificent way, paid its tribute to Washington with solemn and beautiful ceremony.

The address of the President of the United States and the singing of America by a grand chorus of the entire Nation was carried by the miracle of radio to every part of the world. Yesterday the man who still is and ever will be to us the Father of our Country reached the hearts of his people as never before. To-day the press of the world tells us how the hearts of humanity responded.

To-day it is my proud privilege, through the courtesy of this great broadcasting system, to thank the 120,000,000 of Americans who responded so magnificently to this call of a great man to a great occasion.

On behalf of the United States George Washington Bicentennial Commission I tender the thanks of this Government to our people everywhere and to those across the seas for their interest and their help in this fitting testimonial to the memory of our greatest American.

I can hardly realize what has come to pass. The celebration has begun in a manner that overwhelms me. It is not only the greatest event of its kind ever held in the history of the world but it is impossible now to conceive how anything could have been added to this mighty tribute of the peoples of all countries. The words I speak are hopelessly inadequate to express what I, an American citizen and lover of George Washington, would like to convey to my fellow Americans.

No precedent guided us, for no such celebration was ever attempted by any nation at any time. We set to work with energy and enthusiasm, which have not abated during all these months and years of effort.

We were sustained by an unfaltering confidence that Americans were eager to participate in this form of tribute. That confidence grew with the passing of time and with the thousands upon thousands of letters that came to the commission from all over the world, and especially all over our own country. We were inspired with new confidence, new faith, and new energy. I may say truthfully that I do not believe any organization of the Government, in time of war or peace, has ever given such unstinted service, loyalty, and talent as have those who have aided me in the conduct of this mighty enterprise. On behalf of Americans everywhere I want to express my appreciation of this service, which is as truly a tribute to Washington as any ceremony or any material monument.

What we witnessed here in the National Capital yesterday was an awakening that gives encouragement to all of patriotic heart and mind.

When the President of the United States stood in the National Capitol and delivered his wonderful tribute to the memory of George Washington, I felt a thrill I can not describe. It was what we had worked for, planned for, hoped for all these years. It was the greatest historical celebration in the life of our country and not at least for another hundred years will there be anything like it. Our dream was realized, our hopes fulfilled, and I know that George Washington received the tribute that he would have liked to receive, because it was not in the form of a new monument or material evidence of our growth but was an expression from the hearts and minds of his people—the people of the United States.

I say this with the pride of an American. I say it with a heart full of gratitude to those who have joined with us in the planning of this great celebration. We Americans have always loved George Washington, but to-day we love him with a new revelation of understanding. We love him because we know more about him, and knowing more about him we realize the mighty stature of the man.

What the United States George Washington Bicentennial Commission needed to do was to awaken the love of our people to this new understanding of Washington. It was a mighty task, and we are proud to feel that with the support of the people themselves the task has been well done.

Eight years ago far-sighted men in Congress had a vision of just what we witnessed yesterday and took steps to prepare for it.

The program which was launched was broad and comprehensive. It ramified to every corner of the earth and reached every stratum of humanity. When we began our work, George Washington was something of a myth, to many a cold impersonal figure of history, remote and almost unknown. To-day there is hardly a man, woman, or child in this land of ours but knows a great deal about George Washington. They know something of his mighty character, they know of his services, his sacrifices, his victories, and his triumphs of statesmanship. But more than that, they know of George Washington as the man. They feel a different sentiment toward him, a nearness, an understanding, a personal love.

From the least known of Americans George Washington has become one of the best known. We have succeeded in large measure at least in making him familiar to Americans for what he

really was, a simple farmer, like millions of other American farmers, a business man, like many other American business men, a friend worshiped by troops of friends, a father to all the children he knew, a devoted husband, a mighty conqueror without the glamour of ambition, a statesman without selfishness—the ideal American.

I believe that if this celebration had served no other purpose than in making George Washington understood and loved, it would have been worth all the planning and all the effort.

So I have reason not only to thank the American people for their cooperation but to congratulate them from the depths of my heart for the long, earnest, self-giving efforts they themselves have put forth to make this memorial to George Washington what it should be.

During these two years of active preparation 60,000,000 people—half the population of the United States—with half a million committees to lead them, have found the time, the willingness, and the initiative to plan the great tribute which opened in the National Capital yesterday, and in cities, towns, and hamlets all over our beloved land.

But it is the 35,000,000 young Americans in our schools and colleges who have touched my heart most profoundly. It was the patriotism of these future generations of American citizens that we wished to awaken first of all to a response in love of country that has stirred me deeply.

The United States George Washington Bicentennial Commission has found it almost impossible to meet the demands for school studies of Washington. We have, however, placed his picture in every one of the 850,000 schoolrooms of the country. We have supplied these schools with literature of all kinds touching every phase of the life of George Washington. These young people have enrolled themselves with the same enthusiasm in the contests we have arranged through the year for excellence in essay, declamation, and oratory on the subject of George Washington and the Americanism he lived and taught.

Nothing could have pleased and touched George Washington himself so much as this overwhelming tribute of affection from these young Americans of to-day. Childless himself, he loved all the children that he could draw near him. Yesterday the children of a later American paid him the same homage of love in song, in parades, in every form of exercise.

This tribute from those who will love Washington all their lives and strive to be like him was one of the finest touches to the whole celebration, and I am proud to have had a hand in bringing about a stirring of hearts so deep, so fine, and so patriotic.

No greater distinction or self-satisfaction could come to any man, woman, or child than to have had a part in this inspiring work.

Throughout the months to come there will be thousands upon thousands of celebrations of all kinds throughout our country. For the most part these will be simple, inexpensive forms of tribute—the kind George Washington himself would most like. I ask the people everywhere, and especially the boys and girls, to become active in these celebrations, for everyone will have his opportunity.

Let us upon all appropriate occasions find ways of joining in these manifestations of honor to the great American, for in honoring George Washington we honor ourselves; in teaching George Washington, we are doing the most important work in the preservation of our common country.

EXPLANATION OF THE DATE AND DAY OF GEORGE WASHINGTON'S BIRTH, FEBRUARY 11, 1731, AND HOW IT CORRESPONDS WITH FEBRUARY 22, THE DATE WE CELEBRATE

Mr. BLOOM. Mr. Speaker, as we celebrate the two hundredth anniversary of the birth of George Washington, it may be of interest to consider certain points with reference to our calendar, inasmuch as they have a direct bearing upon the date on which the celebration is to be held.

The use of the Julian calendar in Great Britain and her colonies, including the United States, ended with December 31, 1751, in accordance with an act of Parliament. A part of this act, as contained in Henning's Statutes at Large, Laws of Virginia, volume 1, page 394, is as follows:

So much of the act of Parliament of Twenty-fourth George II, chapter 23, as relates to the establishment of the new style, is in the following words: "Throughout all His Majesty's dominions in Europe, Asia, Africa, and America, subject to the Crown of Great Britain, the supputation according to which the year of our Lord beginneth on the 25th of March shall not be made use of after the last day of December, 1751, and the 1st day of January next following the said last day of December, shall be deemed the first day of the year of our Lord 1752, and so on, the 1st day of January in every year shall be deemed the first day of the year. And after the said 1st day of January, 1752, the days of each month shall be reckoned in the same order; and the feast of Easter, and other movable feasts thereon depending, be ascertained according to the same method, as they now are, until the 2d of September in the said year 1752, inclusive; and the natural day next immediately following the said 2d of September shall be called the 14th of September, omitting for that time only the 11 intermediate nominal days of the common calendar; and the natural days following the said 14th of September shall be numbered forward in numerical order from the said 14th of September, according to the order now used in the present calendar; and all acts, deeds, writings, notes, and other instruments executed or signed upon or after the 1st day of January, 1752, shall bear date according to the said new method of supputation, etc." The section then goes on to provide for the sessions of courts, and so forth, according to the new method.

With respect to leap years, the second section declares, "that the years 1800, 1900, 2100, 2200, 2300, or any other hundredth year of our Lord, except only every fourth hundredth year, whereof the year 2000 shall be the first, shall not be bissextile or leap years, but shall be common years, consisting of 365 days and no more; and the years of our Lord 2000, 2400, 2800, and every other fourth hundredth year of our Lord, from the year 2000, inclusive, and all other years of our Lord, which by the present supputation are bissextile or leap years, shall be bissextile, or leap years consisting of 366 days."

It is seen from the above that the year 1751 was a short year, in that it began with March 25, and ended with December 31; 1752 was also a short year, in that 11 day dates were omitted in September of that year. That is, no days were designated as September 3 to September 13, inclusive. The day immediately following Wednesday, September 2, was designated Thursday, September 14. There was no interruption of the regular succession of the days of the week.

From the foregoing, and from consideration of a known error in the Julian leap year rule, it is apparent that on bringing into our present calendar events that occurred between February 29, 1700, and September 2, 1752, both dates inclusive, and "old style," a correction of 11 days must be made because of the 11 dates omitted from September, 1752, and in addition, if the event occurred between January 1 and March 24, inclusive, the year date must be increased by one. For example, George Washington was born on February 11, 1731, according to the calendar in use in Great Britain and her colonies at the time of his birth, but on extrapolating our present calendar back to that time the date becomes February 22, 1732, and we shall celebrate the two hundredth anniversary of his birth on February 22, 1932.

Having been born on February 11, 1731, Washington was 19 years old on February 11, 1750, and 20 years on February 11 of the year following. This would have been 1751, under the old calendar, but the year 1751 ended with December 31, and the following February became February, 1752. Washington's twentieth birthday was, therefore, celebrated on February 11, 1752. In the following September, 1752, 11 day dates were omitted, so that Washington's twenty-first birthday was celebrated on February 22, 1753. From that time onward February 22 has been counted as the anniversary of his birth, and February 22, 1932, will be correctly celebrated as the two hundredth anniversary of his birth.

For many years both before and after the adoption of the Gregorian calendar in this country the practice of "double dating" was customary, or, at least, not uncommon, and sometimes led to confusion. Thus George Washington himself writing to Sir Isaac Heard, Garter King-of-Arms, May 22, 1792, thus recorded his own birth:

"Augustine then married (Mary) Ball, March 6th, 1730; by whom he had issue George, born February 11th (old style), 1732"; meaning 1731/32. This slip has caused some people to claim that he was born in 1732/33.

This practice of double dating was necessary before the adoption in order to avoid uncertainty in official records, correspondence, and especially in documents relating to foreign trade, because of the fact that the Gregorian calendar was in use in Catholic countries from 1582 onward and its use in these countries was recognized in Great Britain and her colonies, although it was not put into effect in Great Britain and her colonies until January 1, 1752. After the adoption, double dating was also used, presumably to eliminate all possibility of confusion which might have resulted from inertia in changing calendars, but the practice soon died out.

Of special interest in this connection is the fact that the Washington family Bible, now at Mount Vernon, records the birth of George Washington in the following manner:

George Washington, son of Augustine and Mary, his wife, was born ye 11th day of February, 1731/2.

ECONOMY COMMITTEE

Mr. POU. Mr. Speaker, I call up House Resolution 151.

The Clerk read the resolution, as follows:

House Resolution 151

Whereas the annual operating expenses of the Federal Government have increased approximately $1,000,000,000 within the span of the last decade; and

Whereas the industrial depression under which the country, its industries, and its people are now and have been suffering has substantially reduced the revenue accruing to the United States; and

Whereas in addition to a cumulated deficit of over $3,000,000,000 for the years 1931 and 1932 there is an estimated deficit of $1,250,000,000 for the year 1933, exclusive of debt-retirement requirements; and

Whereas the estimated deficit for 1933 must be eliminated and the Budget balanced not only by increasing the tax burden but also by the practice of economy and the elimination of appropriations for objects not now necessary and essential to the orderly and requisite activities of government: Now, therefore, be it

Resolved, That the Speaker of the House of Representatives be, and he is hereby, authorized to appoint a select committee of seven Members of the House of Representatives, to be known as the Economy Committee, to consist of the chairman and at least one minority member of the Committee on Appropriations, and the chairman and at least one minority member of the Committee on Expenditures in Executive Departments, and the remainder at his discretion, for the purpose of investigating the economies in the Federal Government which may be effected without impairing the necessary functions of government; be it further

Resolved, That said Economy Committee shall conduct its investigations in cooperation with the Committee on Appropriations and the Committee on Expenditures in Executive Departments, shall submit its recommendations of economies to be effected and its recommendations, if any, on the organization of government to the House of Representatives on or before April 15, 1932; be it further

Resolved, That said Economy Committee shall have the authority to use as assistants employees of the Federal Government, to take testimony, to call upon the heads of the various executive departments, bureaus, commissions, and their employees for information, and shall be authorized to sit during sessions of the House of Representatives.

With the following committee amendment: Strike out all of the preamble.

Mr. POU. Mr. Speaker, I wish to yield to the gentleman from Indiana one-half of the time, to be in turn yielded by him. I yield to myself eight minutes.

Mr. Speaker, during the 50 working days in this Congress we have passed the so-called moratorium, the Reconstruction Finance Corporation measure, the Steagall-Glass bill, and the Jones bill for the relief of agriculture and livestock corporations.

The resolution before the House might be considered supplemental to the program which has already been enacted into law. The bill provides for the creation of a committee of seven, and the formula under which that committee will work is the investigation of economies in the Federal Government which do not impair the necessary functions of the Government. The jurisdiction conferred is therefore very broad.

I believe that this committee will find on the very threshold of their work that they have a Herculean job before them. It has been found to be easier to vote money out of the Treasury than it is to abolish useless and unnecessary offices.

Almost 30 years ago I heard Senator Aldrich in the Senate make the statement that if the Government were administered in a business manner $300,000,000 a year could be saved. Since that time there have been repeated efforts made toward effecting economies, but steadily the cost of Government has mounted, and this committee will find that there will be many unforeseen obstacles in the way of the work that has been cut out for them in this resolution.

It will take courage to do this job, but I believe that this committee of seven that the Speaker will appoint will be equal to the emergency, and that they will come back here with a report, no matter whom it hurts, by the 15th of April which will save this Government many millions of dollars. [Applause.] Mr. Speaker, I reserve the balance of my time.

Mr. PURNELL. Mr. Speaker, I hope it is unnecessary for me to state that we on this side of the aisle are just as anxious as those who bring in this resolution to effect substantial economies in Government.

I hope it is unnecessary to state that we are willing to go to any reasonable length to bring about that which we all so earnestly desire, namely, a balanced Budget.

I voted for this resolution in the Rules Committee, and I shall vote for it to-day. I do so, however, with a feeling of sincere regret. Any fair-minded Member must realize that this is little more than another gesture. I shall vote for it because it is the only proposal we shall have an opportunity to vote upon.

Just what is proposed? This resolution authorizes the appointment by the Speaker of a select committee of seven to be known as the Economy Committee. It is charged with the duty of investigating economies in the Federal Government, which may be effected without impairing necessary functions of the Government. It is also charged with the duty of making recommendations touching upon the reorganization of Government. Under the terms of the resolution this select committee must report its findings and submit these recommendations not later than April 15, 1932. I submit that no seven men in the country working night and day can hope to intelligently deal with both of these questions and make a report in six weeks' time.

If we must have a congressional committee make this investigation I submit that it would be preferable to have a joint committee of the two bodies of Congress rather than a special committee from either branch. When this committee of seven shall have completed its work, that which they recommend, that which they seek to accomplish, must not only be reconsidered by legislative committees of this House, but the work must also be reviewed and considered by the Senate. A joint committee answerable to both bodies and representative of both bodies would, in my judgment, bring final action more quickly than can possibly be hoped for under this proposal.

Personally, I should prefer to see the President given the authority which he has asked for and permit him to effect such economies and reorganization. He has stated plainly that if given the power he would do it.

Much has been said lately concerning the attitude of the President upon the subject of economy and reorganization of the executive departments. There is no confusion on this side of the aisle as to his purposes and desires. In order that those who pretend to hold some doubt as to his position I wish to call attention to the following extracts from addresses and messages made by the President from time to time since 1920 upon the question of the reorganization of the Government.

From an address before the American Institute of Mining Engineers, Minneapolis, Minn., August 26, 1920:

The second step is to determine that our Government will be a government of cooperation, limiting profits surely, but holding to individual initiative as the single hope of human development. In order that we shall have some central point in the Federal Government where these problems may be adequately considered, from which they can be ventilated for the verdict of public opinion, where the business brains of the country can be called into conference and cooperation with the Government, and therefore with the people, the engineers of the United States have proposed time and time again that a Cabinet department should be established in Washington, either new or to replace the Interior Department, to which should be assigned the whole question of public works. You are familiar enough with the advantages of such a department from an everyday administration point of view, and enormous saving to the Government from the duplication or competition of the six or seven departments now engaged in engineering construction work of this character, but on this occasion I wish to call your attention to the fact that such a department has become an essential from the point of view of proper consideration and presentation to the American people of these broader national engineering problems upon which the next generation must depend if our country is to march forward.

From an address at the Engineers' Council dinner, Philadelphia, April 16, 1921:

There is one problem of the new administration that has received the attention and thought of the organized engineers of America for many years past. This is the problem of the reorganization of the Federal Government. The inadequacy, the wastefulness, and the inefficiency of our Federal organization was

evident enough under pre-war conditions. These inadequacies, these inefficiencies, these wastes were exhibited to the country during the war at the cost of millions.

To any student of Federal organization, one sweeping and fundamental necessity stands out above all others, and that is that the administrative units of the Government must be regrouped so as to give each of the great departments more nearly a single purpose. The hodgepodge of aims in certain administrative branches is scarcely believable when we consider our national pride and skill in organization. Such functions as public domain, public works, assistance to veterans, public-health functions, aids to navigation, to industry, to trade, purchasing of major supplies, are each and every one scattered over from four to eight departments, most of which are devoted to some other major purpose.

We have also some confusion between executive, advisory, and semijudicial functions. One of the tendencies of Government, both local and national, during the last 20 years has been to add executive functions to commissions and boards created primarily for advisory or regulatory purposes. It requires no argument with our business public that the executive functions can not rise to high efficiency in the hands of Government boards where from the very nature of things each member has a separate responsibility to the public and is primarily engaged in a semijudicial function.

Furthermore, during the last few years, there has been a great growth of independent agencies in the Government reporting directly to the President until his office is overburdened almost beyond the point of endurance. The original and sound conception was that the executive functions should be reported up to the President directly through his Cabinet officials. Not only do these outside functions to-day overburden the President, but they render coordination with executive departments extremely difficult. It is neither possible nor advisable to place all these outside organizations into the departments, but much could be done to mitigate the situation.

Letter to Mr. Walter F. Brown, Joint Committee on Reorganization of Administrative Branch of the Government, Washington, D. C., April 7, 1924:

I understand the question before your committee is as to the transfer of the whole of the Shipping Board functions to the Department of Commerce. In this memorandum you will see that I have suggested a separation of the Shipping Board functions into those of semijudicial regulatory order and those of purely executive or administrative order, which I have suggested should be transferred to the Emergency Fleet Corporation; that the Emergency Fleet Corporation should be equipped with a president selected by the President of the United States, a board of directors that would secure coordination of the different branches of the Government.

Extracts from testimony at the hearings before the Joint Committee on the Reorganization of the Administrative Branch of the Government, January 22, 1924:

There are certain essential principles that should be laid down as to administrative relations in these governmental activities.

First, administrative and executive functions can not be carried out by boards. The proper and useful functions for boards are in semijudicial, regulatory or advisory, nor can advisory functions as to administrative matters be carried out by the same board as regulatory functions without destroying both values.

Second, the actual business of operating ships to be economical and successful must be concentrated in the usual form of business organization with a responsible president at the head and with a board of directors of advisory character.

Third, the other Government relations to merchant marine, such as aids to navigation, governmental control of ships and crews, safety and promotion functions in relation to the American merchant marine as a whole should be concentrated so as to stop overlap, waste, and unnecessary drain upon the industry.

II

The Shipping Board should have its functions reduced to purely regulatory functions over rates, combinations, and discriminations. It should act impartially toward all ships private or public and have the same independence as the Interstate Commerce Commission. It should have no advisory or administrative functions in relation to Government fleet or the administration of it.

III

There should be created an under secretary of merchant marine in the Department of Commerce. The following bureaus and functions of the Government should be transferred to a new division of merchant marine with an under secretary of the merchant marine, in the Department of Commerce. The following bureaus and functions of the Government should be transferred to this new division:

1. Coast and Geodetic Survey (now in Commerce).
2. Bureau of Navigation (now in Commerce).
3. Steamboat Inspection Service (now in Commerce).
4. Bureau of Lighthouses (now in Commerce).
5. Hydrographic Office (now in Navy Department).
6. National Observatory (now in Navy Department).
7. Life-saving stations (now a portion of the Coast Guard).
8. Steamship anchorage control (now in War Department).
9. Great Lakes Survey (now in War Department).
10. Marine division of customs houses (now partly under Treasury and under Commerce).
11. Admeasurement of vessels (now in Treasury).
12. Commerce statistics (now in War Department).
13. Inland barge service (now in War Department).

Authority should be given to the Secretary of Commerce to consolidate any of the above functions and to redistribute any of them in new bureau grouping. Activities of these bureaus in their contacts with ships should be concentrated as nearly as possible under one official at each port. An immediate saving of more than a million dollars a year could be made in administration costs by the elimination of duplication, but this is of trivial importance compared to the expense now imposed upon the shipping industry through the necessity to maintain contact and secure directions and service from all these bureaus. For instance, this concentration of functions would permit masters of vessels to attend at one office in each port to make contact with 9 or 10 separate officials as is now necessary.

There must obviously be some well-defined and accepted principle as the basis for any plan of reorganization. It is also a certainty that the administrative reorganization must be based purely on practical considerations. The sole end is the accomplishment of the greatest efficiency and economy. Thus it appears to me that the major principle in reorganization must be the grouping of Government functions solely according to their major purpose. If all of the different functions that are driving toward some particular service, whether the Army, Navy, public health, public works, agricultural production, public domain, or merchant marine, can be put into groups, cheek by jowl with each other under the same control, then the overlaps can be planed out, but it can be done in no other way. This is in fact the most primary principle of organization and exists in practically every other institution in the United States except the Federal Government.

I wish to emphasize that in reorganization the important thing is to assemble the various functions of Government relating to the particular purpose in the groups. Some of these groups will be large enough to comprise an entire department, such as the Army or Navy, the Treasury or the Department of Justice, the Department of State or the Post Office or Agricultural production. Others of these groups are not large enough to warrant the establishment of special departments with the accompanying addition to the Cabinet. It is, therefore, necessary to establish three or four of the lesser-sized groups in some of the departments. It is entirely secondary as to what Cabinet officer these groups are placed under. The important thing is to have the functions and fractions of functions in the Government brought together in groups according to their purpose. As I have said, if they are brought cheek by jowl together, it is then possible to consolidate them into large bureaus, wiping out their overlaps, and to place them under single-headed direction.

These secondary groups should be headed by an assistant secretary or an under secretary for the group. These men would in the ordinary course be chosen because of their fitness for that sort of group. Men of experience and national standing would be available for undersecretaryships. They would greatly strengthen the whole organism both in administration and in assistance to Congress in general policies.

It would appear to me, therefore, that the first process in reorganization would be to strip the Treasury Department, the War and Navy Departments, and the Department of Agriculture of all of the functions which do not pertain to their major purpose as their major purpose is sufficiently large to tax the capacity of any one organization. There are perhaps some independent activities that should be added to these departments as being a part of their major purpose.

The second step in conception of reorganization would seem to me to be to take all of the functions that would be thus removed from the above departments, together with all of the functions in the Departments of the Interior, Commerce, and Labor, and all of the independent executive establishments which can be placed under departmental control and to divide them into groups according to the major purpose of such groups. It will be found that they naturally fall into certain groups not large enough to comprise each one in itself a department but in which departments can be created of three or four groups having some general affinity in purpose between groups.

In view of the accumulation of resistance which will come from Government officials to any grouping, obvious from the hearings before this committee and the propaganda in the country by interested bureaus against such groupings and reorganization, it will be extremely difficult to secure a precise set-up by congressional action. Plausible arguments are made pro and con which can only confuse the Members of Congress who are not able to give the time and attention necessary to get to the bottom of these questions. Furthermore, a complete rearrangement of organization to-day would require amendment again to-morrow. New functions and new activities are constantly under creation by Congress to meet the tides of necessity.

I would, therefore, like to make a suggestion as to the method by which this matter could be handled with more certainty of success and assurance of accuracy not only at the present moment but for the future. This suggestion is that Congress should give authority to the President to make such changes within the limits of certain defined principles as may be recommended to him by an independent commission to be created by Congress and clothed with these authorities. The broad principle of grouping by major purpose could be laid down by legislation, and the major purposes of the departments could be likewise defined. The groups according to major purpose could be enumerated by legislation and

the groups assigned to departments. Then the details of transfer of individual bureaus and functions to meet these principles could be left to the President, upon the recommendation of such a commission.

Address before the Thirteenth Annual Meeting of the Chamber of Commerce of the United States, May 21, 1925:

Over many years our people have been striving to better the Federal administration. We have succeeded in two major steps; we still have a third equally important and perhaps more difficult one to accomplish. The first step was the establishment of Government employment based upon merit; the second was the establishment of adequate control of appropriations through the Budget system. There still remains the third and even more important step to relieve the taxpayer of a greater but more obscure waste—that resulting from faulty organization of administrative functions. And the first two steps will never reach the full realization without the third.

In recent years, under the leadership of the President and with the cooperation of Congress, we have been successfully slashing Federal expenditures by the elimination of extravagances and unnecessary personnel. But for lack of legislative authority we have not been able to reach into what I believe is an even larger waste and larger drain on the taxpayer than extravagance and the inflation of pay rolls—the waste which arises from the swamp of bad organization.

On the executive side of the Federal Government we have grown to have more than 200 different bureaus, boards, and commissions with a total of 550,000 employees. For the most part they have been thrown hodgepodge into 10 different executive departments, under Cabinet officers. But there are more than 40 independent establishments either directly under the President or directly under Congress.

As these 200 bureaus and agencies are now grouped and organized there are two primary streams of confusion and waste. There is a confusion of basic principles; there is a grouping of Federal bureaus which divides responsibility. There consequently arises a lack of definite national policies, and direct wastes arise from overlap and conflict. Indirectly large costs are imposed upon citizens by this scattering of functions, and I may add, by the undue complexity of our laws and regulations of independent agencies. There are too many floating islands in this dismal swamp. They are technically anchored to the President, but really responsible to nobody. With all this division of authority there continues and multiplies a self-propelled urge for expansion of Federal activities in every direction.

The Shipping Board—to cite a glaring case—was originally created as a body to regulate rates and abolish discrimination in ocean-going traffic. These are semijudicial functions that quite properly were intrusted to a board. Political jealousies and sectional jealousies, however, resulted in a bipartisan body selected from different parts of the country although it was to perform an expert judicial function. Then this structure was suddenly loaded with the most difficult of administrative jobs—the actual construction and operation of the greatest single merchant fleet in history. The losses and waste which have resulted from this blunder of assigning executive and administrative functions to the joint and equal minds of a wrongly constructed semijudicial body have amounted to perhaps a few hundred millions out of the three billion we have lost on shipping, but beyond this the impossibility of a continuous merchant-marine policy has worked great losses upon our privately owned merchant marine. Nor can we properly blame the individual member of the Shipping Board. Not even two geniuses of equal authority could administer a competitive business, let alone seven. There are other breeds of this same sort of confusion between individual and joint responsibility. The Federal Board for Vocational Education, the Federal Power Commission, and other agencies likewise are mixed functions.

Every single department, bureau, and board in the entire Government should be placed upon the operating table and a clean-cut separation established between semijudicial and semilegislative functions on the one hand and of administration on the other. The former rightly belongs to boards or commissions, the latter to individuals. For instance, the semijudicial and semilegislative functions arising from the navigation laws should be transferred to a properly constituted Shipping Board, leaving matters of administration of such decisions to the Department of Commerce.

DIVISION OF AUTHORITY IN ADMINISTRATIVE AGENCIES

Our other greatest weakness in organization is the division of authority over services directed to the same major purpose by scattering them through unrelated groups. Needless to say some of the 10 executive departments are fairly homogeneously devoted to a particular major purpose—notably the Department of Justice, the Navy Department, the State Department, the Department of Agriculture, and the Post Office Department. But all the others, and even some of these, contain functions that should be transferred elsewhere. And there is hardly a department that should not, when it gives up these functions which are without relation to its major purpose, receive in exchange functions which properly belong in its jurisdiction but which are now performed by other departments.

To illustrate my point, I have made a partial collection of misfits and in so doing I have taken no account of either incidental functions or semilegislative or semijudicial agencies, except so far as they have administrative functions.

	Number of bureaus or agencies	Number of departments or independent agencies in which they are located
Public works construction	14	9
Conservation of national resources	8	5
Direct aids to industry	5	2
Direct aids to merchant marine	14	6
Direct aids to education	6	3
Direct aids to veterans	4	4
Government of territories and dependencies	4	3
Public health	4	2
Purchase of $250,000,000 of supplies annually	(1)	(1)

[1] In every bureau of the Government.

It is not necessary that each of these groups should become a whole executive department, each under a Cabinet officer; but it is entirely feasible to place each one of them under the supervision of a special assistant secretary, and if we were truly intelligent we would class him as an expert and outside selection on political grounds. It is entirely secondary what department these groups are in. The big thing is to bring these kindred agencies together under one leadership, so that their overlapping edges can be clipped and their fights stopped. No one familiar with the internal workings of the departments will deny the direct waste which comes from overlap and friction as the result of the present lack of coordination of activities. Coordination is feasible when some one person is responsible; with divided authority among the different branches of government it is a hypothesis that evaporated soon after the perennial conferences of Cabinet officers on the subject. It all costs somebody money. One of the favorite indoor sports of our newspaper correspondents is to ventilate these conflicts.

The divided responsibility with absence of centralized authority prevents the constructive and consistent development of broad national policies in these special branches of governmental activity, for there is by necessity of this division constant conflict of view within the Government itself. Under the present system we have different bureau policies, department policies, board policies, and commission policies. We have a bundle of divergent ideas without focus; lumber piled together does not make a house. The treatment of our national resources furnishes a good instance. If anything is certain, it is that the Government should have a continuous, definite, and consistent policy directed to intelligent conservation and use of national resources. But it can have no such policy so long as responsibility is split up among half a dozen different departments. The recent occurrences in oil leases are a fair example of what may happen by the lack of single-headed responsibility in such matters. No policy of real guardianship of our reserve resources will exist until we put all conservation business in the hands of an under secretary for conservation, with the spotlight of public opinion continuously upon him.

THE INDEPENDENT AGENCIES

The 40 governmental agencies which are now supposed to function directly under the President present another problem. Here we have four breeds which might be classified according to the functions they perform: The semijudicial, the semilegislative, the service bureaus to all departments, and the straight administrative. Often enough they are mixed. They are supposed to act under the direct supervision of the President, but it is preposterous to expect that, with his multitude of higher obligations, the President can give them anything like adequate supervision. As a matter of fact, these independent establishments conduct their activities with very little supervision or coordination. The last group, the straight administrative, expend nearly half a billion a year—as much as the total of five of the departments under Cabinet officers. If for no other reason, this group should be placed directly in the departments, in order that the President may exercise, through his Cabinet, the guidance and control of the administrative arm of the Government. And the President, already overworked in major policies, must be relieved of detail.

IN GENERAL

What we need is three primary reforms: First, to group together all agencies having the same predominant major purpose under the same administrative supervision; second, to separate the semijudicial and the semilegislative and advisory functions from the administrative functions, placing the former under joint minds, the latter under single responsibility; and third, we should relieve the President of a vast amount of direct administrative labor.

Every President from Roosevelt to Coolidge has urged upon Congress a reorganization of the executive arm of the Government; commissions have been appointed, congressional committees have investigated, reports have been made, confirming all this. Cabinet officers express their feelings in spirited annual reports with a circulation of a few hundred copies. More than once a complete program of reorganization has been formulated and put forward as a basis for general consideration.

But practically every single item in such a program has invariably met with opposition of some vested official, or it has

disturbed some vested habit, and offended some organized minority. It has aroused the paid propagandists. All these vested officials, vested habits, organized propaganda groups, are in favor of every item of reorganization except that which affects the bureau or the activity in which they are specially interested. No proposed change is so unimportant that it is not bitterly opposed by some one. In the aggregate, these directors of vested habits surround Congress with a confusing fog of opposition. Meantime, the inchoate voice of the public gets nowhere but to swear at "bureaucracy."

Nor will we ever attain reorganization until Congress will give actual authority to the President or some board, if you will, or a committee of its own members to do it. It is of no purpose to investigate again and report. We have had years of investigation and every investigation has resulted in some recommended action. Congressional committees have for many sessions and even so late as the last session reported out important recommendations. What is needed is the actual delegation of authority to act. Congress courageously removed the civil service from politics; created the Budget; it established the classification. The remaining great step is to authorize somebody to reorganize the administrative arm of the Government.

Nor is Congress to be blamed for this situation, as it is impossible for such an overworked body to study directly and act upon the overwhelming detail involved. Nor is it possible for a great body like this to determine the right and wrong of a thousand clamors. I do not expect that the Federal Government will ever be a model of organization, but I have aspirations to see it improve.

From the address of acceptance of the Republican nomination for President, August 11, 1928:

One of the greatest difficulties of business with government is the multitude of unnecessary contacts with Government bureaus, the uncertainty and inconsistency of Government policies, and the duplication of governmental activities. A large part of this is due to the scattering of functions and the great confusion of responsibility in our Federal organization. We have, for instance, 14 different bureaus or agencies engaged in public works and construction, located in 9 different departments of the Government. It brings about competition between Government agencies, inadequacy of control, and a total lack of coordinated policies in public works. We have eight different bureaus and agencies charged with conservation of our natural resources, located in five different departments of the Government. These conditions exist in many other directions. Divided responsibility, with the absence of centralized authority, prevents constructive and consistent development of broad national policies.

Our Republican Presidents have repeatedly recommended to Congress that it would not only greatly reduce expenses of business in their contacts with government but that a great reduction could be made in governmental expenditure and more consistent and continued national policies could be developed if we could secure the grouping of these agencies devoted to one major purpose under single responsibility and authority. I have had the good fortune to be able to carry out such reorganization in respect to the Department of Commerce. The results have amply justified its expansion to other departments and I should consider it an obligation to enlist the support of Congress to effect it.

Message to Congress, June 6, 1929:

To the Congress of the United States:

In order to secure the utmost expedition in the reorganization and concentration of responsibility in administration of the Federal bureaus connected with prohibition enforcement, so greatly needed to improve their effectiveness, I recommend that Congress appoint a joint select committee to make an immediate study of these matters and to formulate recommendations for consideration at the next regular session.

I shall be glad to appoint a committee from the departments to cooperate with such a committee of the Congress. The National Commission on Law Observance and Enforcement will also cooperate through their studies of the departmental organizations.

The subject involves the transfer of parts of various bureaus and agencies from certain departments to others and it includes as well the necessity for the unification and strengthening of our border patrols, both in connection with prohibition and illegal entry of aliens. As the question embraces numerous laws and regulations in several bureaus, it will require extensive consideration, which if given jointly by such committees of the Congress and the departments prior to the regular session will save many months of delay.

From the message to Congress of December 3, 1929:

DEPARTMENTAL REORGANIZATION

This subject has been under consideration for over 20 years. It was promised by both political parties in the recent campaign. It has been repeatedly examined by committees and commissions—congressional, executive, and voluntary. The conclusions of these investigations have been unanimous that reorganization is a necessity of sound administration, of economy, of more effective governmental policies, and of relief to the citizen from unnecessary harassment in his relations with a multitude of scattered governmental agencies. But the presentation of any specific plan at once enlivens opposition from every official whose authority may be curtailed, or who fears his position is imperiled by such a result; of bureaus and departments with which to maintain their authority and activities; of citizens and their organizations who are selfishly interested, or who are inspired by fear that their favorite bureau may, in a new setting, be less subject to their influence or more subject to some other influence.

It seems to me that the essential principles of reorganization are two in number: First, all administrative activities of the same major purpose should be placed in groups under single-headed responsibility; second, all executive and administrative functions should be separated from boards and commissions and placed under individual responsibility, while quasi legislative and quasi judicial and broadly advisory functions should be removed from individual authority and assigned to boards and commissions. Indeed, these are the fundamental principles upon which our Government was founded, and they are the principles which have been adhered to in the whole development of our business structure, and they are the distillation of the common sense of generations.

For instance, the conservation of national resources is spread among eight agencies in five departments. They suffer from conflict and overlap. There is no proper development and adherence to broad national policies and no central point where the searchlight of public opinion may concentrate itself. These functions should be grouped under the direction of some such official as an assistant secretary of conservation. The particular department or cabinet officer under which such a group should be placed is of secondary importance to the need of concentration. The same may be said of educational services, of merchant marine aids, of public works, of public health, of veterans' services, and many others, the component parts of which are widely scattered in the various departments and independent agencies. It is desirable that we first have experience with these different groups in action before we create new departments. These may be necessary later on.

With this background of all previous experience I can see no hope for the development of a sound reorganization of the Government unless Congress be willing to delegate its authority over the problem—subject to defined principles—to the Executive, who should act upon approval of a joint committee of Congress or with the reservation of power of revision by Congress within some limited period adequate for its consideration.

From the statement at the newspaper conference of July 8, 1930:

One of the most important steps taken in reorganization of the Federal Government was the legislation carrying out my recommendation for a consolidation of all veterans' agencies—that is, the Veterans' Bureau, an independent establishment, the Pension Bureau from the Department of the Interior, and the Soldiers' Home from the War Department.

From the message to Congress of December 8, 1931:

REORGANIZATION OF FEDERAL DEPARTMENTS

I have referred in previous messages to the profound need of further reorganization and consolidation of Federal administrative functions to eliminate overlap and waste and to enable coordination and definition of Government policies now wholly impossible in scattered and conflicting agencies which deal with parts of the same major function. I shall lay before the Congress further recommendations upon this subject, particularly in relation to the Department of the Interior. There are two directions of such reorganization, however, which have an important bearing upon the emergency problems with which we are confronted.

SHIPPING BOARD

At present the Shipping Board exercises large administrative functions independent of the Executive. These administrative functions should be transferred to the Department of Commerce, in keeping with that single responsibility which has been the basis of our governmental structure since its foundation. There should be created in that department a position of assistant secretary for merchant marine, under whom this work and the several bureaus having to do with the merchant marine may be grouped.

The Shipping Board should be made a regulatory body, acting also in advisory capacity on loans and policies, in keeping with its original conception. Its regulatory powers should be amended to include regulation of coastwise shipping so as to assure stability and better service. It is also worthy of consideration that the regulation of rates and services upon the inland waterways should be assigned to such a reorganized board.

REORGANIZATION OF PUBLIC WORKS ADMINISTRATION

I recommend that all building and construction activities of the Government now carried on by many departments be consolidated into an independent establishment under the President to be known as the public works administration, directed by a public works administrator. This agency should undertake all construction work in service to the different departments of the Government (except naval and military work). The services of the Corps of Army Engineers should be delegated in rotation for military duty to this administration in continuation of their supervision of river and harbor work. Greater economies, sounder policies, more effective coordination to employment, and expedition in all construction work would result from this consolidation.

From the statement at the newspaper conference of December 29, 1931:

The most constructive direction for economy in Federal expenditure beyond a rigid reduction of appropriations and the resolute

opposition to new appropriations lies in the consolidation of Government bureaus and general reorganization of the Federal Government. I have recommended this reorganization in public addresses, reports, and messages to Congress throughout the past 10 years.

I particularly emphasized this necessity as the basis of constructive economy in my message to the second session of the Seventy-first Congress. I again referred to it in the message to the third session of that Congress, and in my message to the present Congress I again traversed the subject. Some of my recommendations have been carried out, the most notable one being the consolidation of all veterans' activities into the Veterans' Administration. As a result, General Hines reports that we are saving somewhere from ten to fifteen millions a year in this service alone.

Outstanding amongst these reorganizations would be consolidation of all construction activities of the Government under an administrator of public works, to serve all the departments. Other cases are the consolidation of all Merchant Marine activities into the Department of Commerce; the consolidation of the conservation activities of the Government; of the public-health services, of educational activities, and numerous other groups on the same major purpose under single-headed responsibility. Such action would result in the elimination of many expensive agencies and overlap, resulting in very great economies. These economies would run into many millions.

In addition to the actual economy by concentrated administration and elimination of overlap, further great economies would be brought about through the curtailment of the self-expanding capacity of scattered bureaus which could be much better controlled if they were grouped together. It would enable policies in connection with different Government activities to be better developed and better directed.

The subject is an old one and now that economy absolutely must be the first order in Government, it is an appropriate time for Congress to take up this question and bring it to conclusion. Such action would comprise a major accomplishment of the present session of Congress.

A careful reading of the above must convince the most skeptical that the President has been and still is in dead earnest in his desire to bring about a workable reorganization with an attendant reduction in governmental expenditures.

That we must have more economy in Government is no longer debatable. No government can long endure whose budget remains out of balance. It is our immediate duty to find the best method by which we can balance our own. With that thought in our minds we on this side of the aisle shall join with you on the other side of the aisle in every honest effort you may make looking toward a reduction in governmental expenditures and a reorganization of the Government.

Mr. POU. Mr. Speaker, I yield seven minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN of Missouri. Mr. Speaker, before proceeding with a discussion of this resolution I refer briefly to the remarks of the gentleman from Tennessee [Mr. BYRNS]. I will state that the Committee on Expenditures in the Executive Departments has held hearings upon the bill to create a Department of National Defense. It was only introduced January 5. The hearings were closed last Thursday. On Saturday an executive session was held. Suggestions were made at the hearings which the committee thought should be considered, and very properly so. After discussing the matter at some length the committee voted to refer the two bills to a subcommittee of five, to make such changes, if any changes are necessary, and report the bills back to the full committee.

It matters not to me whether the Speaker of the House or the chairman of the Committee on Appropriations are for this legislation. I do not propose to railroad such a bill through the committee. I do not propose to destroy the future usefulness of that committee by taking such action. [Applause.] I want this bill to be properly considered, and I want every member of the committee who is opposed to it to have a fair opportunity, in executive session, to speak their views upon the bill. That is orderly procedure.

If gentlemen will wait just a few days, I think we will have a vote upon the bill in the committee.

They are asking a committee to do something in 6 weeks that certain Members of Congress have been trying to do for 30 years, and I think it is unfair to try to rush us in the consideration of that measure.

I am in favor of the bill, and I think if properly administered it will, as the gentleman from Tennessee [Mr. BYRNS] says, save this country millions upon millions. I am convinced that there is duplication and overlapping that can be eliminated by proper administration; but, Mr. Speaker, this bill does not affect two small bureaus of the Government, it affects two great departments of the Government; and while hearings have been held on similar bills on many occasions in the past members of this committee were not present at those hearings. Why, the hearings have not as yet been received from the printers. They have just been sent there and will be ready by Saturday. Even if the bill was in, it would not displace the appropriation bill that is waiting and is booked for consideration. Just let us handle this matter in a proper way; and, I think, if you do the bill will get along better when it reaches the floor. This committee has a duty to perform, and it desires to perform it in an orderly way. It has some responsibility in this matter.

Mr. Speaker, every Member of Congress recognizes the necessity of reducing Government expenditures. I favor the passage of this resolution because I feel it will enable the Congress to secure information that will help the House to act intelligently upon this important question. [Applause.]

My purpose in rising here this morning, however, is to direct the attention of the Members to what is going on behind the scenes. The official spokesman in this House of the President on matters affecting appropriations, Mr. WOOD, of Indiana, told us last week that he was authorized to say that the President stood squarely behind the Appropriations Committee in its action in further reducing appropriations below the estimates of the Bureau of the Budget. That was most pleasing information, but at the time Mr. WOOD was making this statement we find the Secretary of Agriculture and his aides before the Senate Committee on Appropriations making an argument which resulted in that committee eliminating from the agriculture appropriation bill the proviso that would have resulted in reducing the personnel by preventing the filling of vacancies and preventing promotions which would have saved the Government millions of dollars.

I call attention now to the activities of two other members of the President's Cabinet by reading an editorial printed last week in a great metropolitan newspaper, a responsible newspaper, the St. Louis Star:

PROPAGANDA AGAINST ECONOMY

A queer spectacle is presented at Washington, with President Hoover and Congress trying to save money while Cabinet members and subordinates in the departments flood the country with propaganda in opposition to the economy program.

The day's mail brings the Star a press release from the Department of the Interior telling how Secretary Wilbur is protesting against the $500,000 saving in appropriations for the "survey of the public domain." He seems to think the country will go to pot if a surveying job which began in 1785 and has been in progress for 147 years is slowed down for a year or two. The work, he says, "is largely in the wild country where the chuck wagon and the pack mule still survive." Better turn the pack mule out to graze. It'll be better off than a lot of taxpayers.

The same mail brings a form letter from the War Department asking for an editorial protest against the temporary suspension of citizens' military training camps by the President and Congress, and containing the gentle suggestion that such training is particularly needed just now because of "the undercurrent of unrest." What does the War Department have in mind, to train young civilians to shoot the unemployed when they get too hungry? These training camps perform a fine service in their normal activities, but why insist on them in a year when the National Treasury faces a $2,000,000,000 deficit?

Incidentally, the Federal departments could save a little money by ceasing to send out propaganda against economy.

Think of it, Mr. Speaker, the taxpayers' money being used for the purpose of undermining the efforts of the President and Members of Congress who seek to reduce Government expenditures. Three Cabinet officers within a week using their efforts to set aside the will of their chief.

Mr. Speaker, yesterday in every corner of our country exercises were held commemorating the anniversary of the birth of Gen. George Washington. Orators spoke of his many fine qualities, but his outstanding achievements resulted from his ability to lead and in possessing the courage to bring to a successful conclusion the policies that he advocated. [Applause.]

Washington was faced with the same situation when he became President that confronts us to-day. He was re-

quired to find ways to place the country on a sound financial footing. He had as advisers the great Hamilton and the great Jefferson, but when the final decision was reached it was Washington's decision. What would have happened in those hectic days had our first President permitted his Cabinet to oppose his efforts?

Mr. Speaker, what we need to-day is leadership backed by courage, and if the President will assume that leadership and he has the courage to serve notice on his Cabinet officers that they must back his and the Congress's action on appropriations, the objective, a reduction in Government expenditures, will be much easier accomplished. [Applause.]

The same applies to the reorganization of Government departments. Here, like on appropriations, we find recommendations coming from the White House and opposition from the Cabinet. How long is such a deplorable state of affairs going to be permitted to exist? [Applause.]

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, as far as the general purpose of this resolution is concerned, I am just as much in favor of it as any Member of the House. If there is any possible way whereby we can do away with duplication or overlapping of work and duties in the various executive departments and bureaus, I am absolutely in favor of it. During my entire service in this House I probably have voted more often against the creation of extra bureaus and extraneous appropriations than any other man, so that I do not have to take any different position to-day from what I have always taken on the floor of the House.

The resolution as presented at the present time, I think, is much better than the original resolution presented by the gentleman from Tennessee [Mr. BYRNS], because this resolution does to a certain extent recognize the Committee on Expenditures in the Executive Departments, which committee was set up as a standing committee of the House for the distinct purpose of doing just exactly what you want this special committee to do at the present time. If we had adopted the original resolution, it would have been necessary for this Congress to say that the standing committee of the House was absolutely incompetent to do that for which it was specially set up, and to a certain extent you have overcome that by recognizing the chairman of that committee and at least one minority member of it, which really is only a gesture; but, as has been stated by the gentleman from Indiana [Mr. PURNELL], if you want to accomplish the object of this resolution, you should provide for a joint committee of the House and Senate, because it is absolutely impossible to change the law, and to do that you are seeking to do without the cooperation of the Senate. These bureaus and independent offices were set up by statute, and you must repeal some of the laws to do away with them.

Let us see what the resolution provides: In line 16, on page 2, we find that this committee—

> shall submit its recommendations of economies to be effected and its recommendations, if any, on the organization of Government to the House of Representatives on or before April 15, 1932.

After that is done, the natural thing to do is to refer the recommendations to the Committee on Expenditures in the Executive Departments. In other words, we must take those recommendations and put them right back where it is proper for them to have been commenced at the present time. That committee then must go over them, examine them, and present bills to the House to carry out these recommendations before you can accomplish your purpose.

In other words, we must have the recommendations reviewed by the regular standing committee. If the Committee on Expenditures in the Executive Departments is not the proper committee to make the investigation at the present time, it is certainly not the proper committee to look over the recommendations and present a bill to the House carrying out the same.

Mr. SCHAFER. Will the gentleman yield?

Mr. SNELL. Not just now.

The President sent a special message to the House in which he said there was duplication and overlapping of jurisdiction and work; that there were many remedies that could be made. He said in that message that if you gave him the power to do it he would do it. Now, if you really mean what you say and you want to cut down this duplication and overlapping, why not give the President the power that he asks for and put the proposition squarely on his doorstep and demand that we get results? That, it seems to me, is the proper method of procedure. That is one procedure we can follow out that will put the responsibility where it belongs.

This is an executive matter. Let us put it up to the President and say to him, "You have told us this can be done if you have the authority to do it, and we give you that authority and we want you to show results."

If we will do that, we will get some definite results; but in this program it is absolutely impossible to accomplish anything during this session.

It may be possible to get something passed through the House, but the only thing to do is to follow the recommendation of the President and ask him to do what he says he can do. [Applause.]

[Here the gavel fell.]

Mr. POU. Mr. Speaker, I yield one minute to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER of Tennessee. Mr. Speaker, I am asking the indulgence of the House at this time for the purpose of raising my voice in support of this resolution.

I had prepared a resolution on this subject and was in the act of introducing it when I found that my colleague the gentleman from Tennessee [Mr. BYRNS] had just introduced a resolution on the same subject. Naturally I withheld the resolution prepared by myself.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include this brief resolution prepared by myself.

The SPEAKER pro tempore (Mr. BYRNS). Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

There was no objection.

Mr. COOPER of Tennessee. Mr. Speaker, my resolution provided that a special committee of seven Members of the House of Representatives be appointed by the Speaker to investigate the various departments, bureaus, commissions, agencies, and activities of the Federal Government, with the view of reporting to the House of Representatives as soon as practicable and recommending such consolidations, changes, transfers, and eliminations as may be deemed wise, expedient, and to the public interest; and that said committee be authorized to call upon any and all departments and agencies of the Government for such information and assistance and for such clerical help as in the discretion of said committee may be necessary.

The centralization of power in the Federal Government, contrary to the fundamental principles of our Government, and the ever-increasing number of bureaus and commissions present question that is now challenging the thoughtful attention and consideration of Congress. In this Government, supposed to be a government by the people, we have more than 600,000 Federal employees and less than 600 of them are chosen or elected by the people. The number of these employees has increased some 68,000 during the last eight years and the cost of the Federal Government has increased about a billion dollars during the last decade.

At this time, when the matter of economy in Government is recognized on every hand as imperative, when we are bending every effort to balance the National Budget, I feel that the most important question in this connection is the matter presented by the pending resolution. In its far-reaching consequences to the matter of economy in our Government, I think this resolution is one of the most important measures considered at this session of Congress.

Mr. POU. Mr. Speaker, I yield two minutes to the gentleman from Oklahoma [Mr. MCCLINTIC].

Mr. McCLINTIC of Oklahoma. Mr. Speaker, I am heartily in accord with this program. I have felt for a long time that there was much duplication on the part of our Government departments. I know we can save a great deal of money if some of the departments are consolidated.

I have introduced a resolution which, if enacted into law, will allow a committee to be appointed for this purpose. I sincerely hope that legislation of this kind can be passed so that we can go ahead in the performance of our duty, thereby assuring to the taxpayers that we are looking after their welfare in the proper way.

I yield back the balance of my time, Mr. Speaker.

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Arizona [Mr. DOUGLAS].

Mr. DOUGLAS of Arizona. Mr. Speaker, I was very much interested in the remarks of the distinguished gentleman from New York, the minority leader [Mr. SNELL], in which the gentleman referred the House to the language in line 16, page 2, of the resolution, and drew the conclusion that by reason of that language any recommendations of the so-called economy committee would, of necessity, be referred to the Committee on Expenditures in the Executive Departments.

In reply, may I call the attention of the gentleman from New York to the fact that the language reads as follows:

> Shall submit its recommendation of economies to be effected, and its recommendations, if any, on the organization of government, to the House of Representatives on or before the 15th day of April.

There are, therefore, two propositions. First, cuts in appropriations that can be made, and, secondly, consolidations of bureaus, abolishment of bureaus, or curtailment of activities of bureaus. It is not necessary to point out to the gentleman from New York that under the first category the Committee on Appropriations would receive the recommendations, nor is it necessary to point out that under the first category and under the power of the Committee on Appropriations, bureaus may be abolished or may be curtailed in their activities by the simple procedure of denying appropriations or curtailing appropriations.

Mr. SNELL. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. SNELL. Then the gentleman does not intend to abolish, by law or by new legislation, or transfer these bureaus? The gentleman would just kill them off by defeating appropriations. Is that the purpose?

Mr. DOUGLAS of Arizona. To curtail is one of the purposes. That remains to be seen.

Mr. SNELL. I supposed the committee would work out the whole scheme and combine the departments. If that is done it would necessarily have to be referred to the Committee on Expenditures in the Executive Departments.

Mr. DOUGLAS of Arizona. The recommendation having to do with the consolidation of bureaus in the Government would be referred to the Committee on Expenditures in the Executive Departments for the necessary legislative action, but I call attention to the fact that there are two propositions—one requiring legislative action and one requiring appropriation action, one somewhat overlapping the other, but overlapping only in the cases in which legislation is necessary but not overlapping in the cases in which legislation is not necessary.

Mr. SNELL. Then, from the gentleman's standpoint, the Appropriations Committee at the present time, without additional authority, can cut those appropriations where that committee thinks it is proper to do so?

Mr. DOUGLAS of Arizona. I am convinced that the Committee on Appropriations has so far done an excellent job in its reduction of appropriations, but I think that the chairman of the Committee on Appropriations will concede that even more can be cut off our annual appropriation bills.

The gentleman from New York and the gentleman from Indiana claim it would be infinitely preferable were there to be a joint committee appointed to accomplish the objects sought to be accomplished by the resolution now under consideration. I call the attention of the gentleman from New York and the attention of the Members of the House to the fact that, in so far as appropriations are concerned—and bear in mind that one of the objects to be accomplished by the resolution is the curtailment of appropriations—the power to originate is vested, under the Constitution, in the House of Representatives. Moreover, I call the attention of the House to the fact that if we attempt to accomplish the things sought to be accomplished by means of a joint resolution, undue delay necessarily follows.

This is no time for delay. This is a time in which speed is absolutely necessary—in which we must work with such rapidity that we will before this session of Congress adjourns have effected very substantial reductions in the cost of operating the Government. [Applause.]

[Here the gavel fell.]

Mr. POU. Mr. Speaker, I yield one minute to the gentleman from Missouri [Mr. FULBRIGHT].

Mr. FULBRIGHT. Mr. Speaker, I rise to voice my approval of the pending resolution. On February 1, of this year, I introduced a bill (H. R. 8690) providing for a survey commission to make a similar investigation, a commission to be composed of outstanding economists of the country with power to make a thorough and scientific investigation of the Federal Government with the view of eliminating useless boards, commissions, and bureaus and the consolidation of such governmental functions as might be found practical. It is stated by gentlemen on the minority side of the Chamber that the resolutions recently introduced and the one now pending are mere gestures and were proposed about the same time the President addressed his message to Congress. I desire to say that I introduced H. R. 8690 more than two weeks before the President's message was presented to the Congress and before he had exhibited any more than passing interest in such reform. As a matter of fact, it was stated on the floor of the House that several days before the President sent his message to Congress on this subject, February 17, dealing with reorganization of the Federal Government, he distributed copies to the newspapers of the country to be released at such time as he might transmit his message to the Congress. If this be true, I am wondering if it was intended more for political purposes than a real desire for economy and reform.

The bill I proposed recognizes the need for a careful and specialized study of the entire problem of reorganization, with special consideration of the functions, responsibilities, and activities of every establishment. It proposes to establish in the Bureau of Efficiency a survey board for the purpose of making a survey in order to determine what action should be taken to increase efficiency and reduce the costs of administration, with respect to (1) eliminating useless boards, bureaus, commissions, and other agencies; (2) merging or consolidating boards, bureaus, commissions, or other agencies whose functions are related, overlapping or duplicating; and (3) modernizing, systematizing, and standardizing the departments and agencies of the Federal Government.

This bill proposes that the Chief of the United States Bureau of Efficiency shall be a member and chairman ex officio of the survey board, consisting of five members, the other four members to be political economists of outstanding ability. The bill provides further that this board shall report the result of its survey to Congress within one year after the date the bill shall become a law. In this way its tenure will be limited and it will pass out of existence automatically.

The proposal that the Chief of the United States Bureau of Efficiency be chairman of the survey board seems to be logical and in the interest of economy because that is the only establishment of the Federal Government whose duties and functions for nearly 20 years have related to problems of organization and procedure. The bureau is an independent establishment purely of a service character whose work, and the knowledge already acquired by its specially trained force, will provide a most valuable source of information and assistance to the proposed survey board.

No survey of this kind has been made within the past 10 years, and it seems to me most essential that this great

problem be approached in this way in order that the Congress may be in a position to proceed intelligently with the consideration of any bills which may be introduced to accomplish the reorganization of the executive departments of the Government.

It seems to me that this problem of reorganization is of such magnitude that it would be impracticable to consider in one bill the reorganization of the entire executive establishment. It will be most practicable to consider separate bills affecting similar functions; but without a survey and report, such as that proposed in my bill, our consideration of separate bills would be fraught with difficulty and lack of understanding, due to the absence of basic and necessary current information showing the nature and scope of the activities of each establishment and its peculiar functions.

I believe that careful and orderly procedure in approaching a subject of such magnitude as the reorganization of the administrative departments of the Government should be followed, but the pending resolution provides a method whereby effective action may be had with little delay. I therefore hope to see the resolution adopted and that as a result thereof a decided step may be taken in the elimination of useless boards, bureaus, and commissions, and in the consolidation of related, duplicating, and overlapping governmental functions, to the end that there may be a substantial saving to the taxpayers of this country in the administration of Government. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, we are all agreed on one thing, and that is that we must have more economy in Government. It is just a question as to how we are going to proceed to bring about that result. I favor this resolution. I voted for it in the Rules Committee, and I am going to vote for it to-day. But, gentlemen, this resolution, if enacted into law—and mark my words—will be but a gesture. Why? Because there is but one way that we can effectuate economy, so far as consolidation in the departments is concerned, and that is by legislation. In order to legislate we must enact legislation in the House. It must then be enacted in the Senate. It must then be approved by the President.

We have to-day, as has been said, a committee set up for this specific work. We are now creating another committee to do the same kind of work. After that committee has considered the matter it reports to the legislative committee; then the legislative committee must go over the whole thing again and give the recommendations of the select committee its approval or disapproval. Then, assuming the legislation goes through the House, it goes to the Senate. After the legislation reaches the Senate the Senate must refer it to its legislative committee or a select committee. That committee must give consideration, and then after the two bodies have agreed, it must go to the President. Is there a man here so credulous as to believe there is not going to be investigation and consideration in the Senate?

If the House wants to pass something and lay it on the doorstep of the Senate and then go home and say, "We consolidated, but the Senate would not agree," that is one thing; but if we want to get results it seems to me the thing to do is to pursue the course which every intelligent and experienced legislator knows must be pursued if we are going to get results.

What is going to happen? The chairman of the Committee on Expenditures in the Executive Departments, Mr. COCHRAN of Missouri, who appeared here, tells us that his committee is to-day considering these very things. We are going to delay the work of that committee. We are going to take the chairman and the ranking minority member from that committee and we are going to put them on a special committee and stop the work of the regular committee until when? Until April 15, 1932. Then their select committee is going to report back to the regular committee and then the matter will proceed in the usual way.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. MICHENER. For a question; yes.

Mr. DOUGLAS of Arizona. If the resolution is as weak as the gentleman claims it to be, why does the gentleman say he is going to support it?

Mr. MICHENER. The gentleman is saying he will support it because he believes in economy and on its face this resolution appears to attempt to bring about economy, and the gentleman does not want to be misunderstood. In the Rules Committee I urged the very reasons I have given here. I stated to the Rules Committee that this was a mere gesture on the part of the House of Representatives, but that I was not going to place an obstacle in the way of anything that might point toward economy, even though I thought another method more certain of accomplishment.

We hear much talk about paring appropriations to the bone. The Committee on Appropriations has done splendid work and it has pared to the bone. But we must have something besides paring to the bone in these days. We must have some major economies; we must cut off some of these bureaus and some of these commissions; we must limit them in every particular where it can be done without absolute detriment to the Government at this time.

I am sure that so far as this side of the House is concerned and so far as every Member of the House is concerned, regardless of party affiliations, that is the feeling. I am going along with this thing to-day because it is the best thing we can get. In my judgment, this action on the part of the House will be about as effective as action of the House was on the so-called tariff bill. A short time ago the House enacted a piece of legislation which the country was led to believe would have some effect on the present tariff law. A new office was created, a new bureau set up, no rates were changed, and the word went to the country that the House of Representatives had speedily passed a tariff law. That legislation is still in the Senate, and, if I mistake not, will never see the statute books, at least in its present form. The announcement to the country that the Congress had passed a tariff law may deceive some people, but the results in the end will count.

The President can not consolidate the departments without authority of law, and if we were to give him that authority, inasmuch as this is an executive function, he could proceed according to directions, and it seems to me that the results could be much sooner obtained. However, if we do not want to part with the authority which the Congress has over these matters, then let those responsible in the House and who have within their power to have legislation reported from legislative committees call upon the Committee on Expenditures in the Departments to report out consolidation legislation now pending before the committee. I am sure that no trouble will be encountered in obtaining a rule, and the House can very shortly have before it something specific. If another committee is to be set up, it surely should be a joint committee. That is, if time is of the essence of this matter. I am sure that it is immaterial to the country at whose suggestion this legislation originates. It is curtailment of the expense of the Government that the taxpayers are interested in and not who is entitled to the credit for the enactment of such legislation. There has been a splendid spirit of cooperation in the House since convening, and let us hope that this spirit will continue, and let us all join hands in the most expeditious way in which this economy program may be put into effect. This resolution under the rule is not subject to amendment, and we must vote for it, without any changes, or vote against it, and for reasons above indicated I shall vote for it. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, the purpose of this resolution is perfectly apparent. It is a mere make-believe. It is another gesture. Who can take it seriously?

The two major offensives of its own initiation of the Democratic organization in this House since its organization on the first of December have resulted in sham battles, pure and simple. One was the passage of the Democratic so-called tariff bill and the other is this resolution. In my

judgment, this resolution will fall as flat, or flatter, if anything, than the so-called tariff bill has fallen.

The gentleman from Tennessee says that it is a Herculean task that this committee is going to be charged with. I will go further and say it is an impossible task. The committee is charged with the duty of investigating economies in the Federal Government which may be effected without impairing the necessary functions of government. Who thinks that any committee can make an intelligent investigation of that kind within six weeks? How can this committee determine within that time whether it is recommending economies that will impair the services of the Government or not? It is perfectly impossible. The committee will be obliged either to accept the work which others have heretofore done or to make an investigation of the most superficial character.

Furthermore, as suggested by my colleague the gentleman from Michigan [Mr. MICHENER], the Committee on Appropriations is now making the appropriations for the next year. By the 15th of April practically all the appropriation bills will have passed the House. Will there be any possibility of further reducing the appropriations for the next fiscal year? Of course not. It is not the purpose of this resolution to bring about economy. It is only to make a bluff at it.

This resolution would place the duty of making this investigation, among others, upon the chairman of the Committee on Appropriations, who for the next six weeks will have more work, with his regular committee work, than any one man can possibly do without having these additional duties put upon him.

The experience of the gentleman from Tennessee [Mr. BYRNS], as he has given it here this morning, is some illustration of the obstacles that will be placed in the way of any recommendation of a substantial nature that a committee may make looking toward a reorganization of any of the executive departments. Any suggested changes will be fought by every interest affected. It will be absolutely impossible between the 15th of April and the close of this session of Congress to get any important bill through this body and the Senate to reorganize the executive departments so as to accomplish any substantial economies or any substantial savings or to prevent and eliminate waste and duplication in the Government service.

I say again, this resolution is a mere make-believe, it is a mere sham, and it can not be taken seriously by anyone.

Mr. BARBOUR. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. BARBOUR. If this special committee is necessary, why could we not write into the resolution a provision that this special committee should report to the House, by bill or otherwise?

Mr. MAPES. Of course, that should be done if it was intended to accomplish anything real by the resolution. In my judgment, it is not expected that it will accomplish any substantial results. The House organization may be able to force something through the House of Representatives, but everybody knows that no measure of any importance on this subject can be put through the House and the Senate both before the adjournment of Congress unless it is started at once, and without waiting to act until after the 15th of April.

Mr. BARBOUR. If the committee had that power, then on April 15 the House could have something definite before it to act upon.

Mr. MAPES. Certainly; but the framers of this resolution, in my judgment, do not want the committee to have that power. It would be depriving the resolution of its make-believe character. That would be making it a real resolution. The committee would then be called upon to do something substantial. That would destroy the present purpose of the resolution.

To use the language of a distinguished Democratic Member of another body, if you desire to do anything further than to render lip service in this matter of governmental economy, then you should leave it in the hands of some one man to reorganize the executive departments; and, to quote further from that distinguished Democratic Senator, What one man is better equipped to do that than the President of the United States? [Applause.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, the deficit in our Treasury is not due to excessive appropriations but the falling off of expected or anticipated revenue. Naturally we must balance the Budget, but in so doing we must not destroy the efficiency of the Government. This question of economy is being made the handmaiden of every interest that is seeking to destroy Government supervision and Government control over their particular industry.

Let us be perfectly frank about it. Gentlemen who are going to be caught in this whirl of economy will rue the day. I believe in orderly parliamentary procedure, and the way to effect economy is to take each department separately and permit the legislative committee having jurisdiction over that department to give it study, consideration, and bring their definite recommendations to the House. There is great danger that under the spell for economy many useful departments of Government may come under unjust assault.

I can point out now the bureaus that may be the targets for this so-called economy.

1. The Bureau of Mines: Certainly, every big mining interest does not want any supervision of safety for their employees.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. LAGUARDIA. In just a moment.

Certainly, the large mining interests would prefer no publication by the Government bureau of statistics as to mineral resources.

2. The Pure Food Bureau of the Department of Agriculture: Certainly, every fake manufacturer, improperly labeling his commodities, does not want such jurisdiction and supervision. Many are the protests against this department, which was founded and established in the face of most obstinate opposition—by the interests which thrived on the sale of adulterated, impure, and misbranded foods and drugs.

3. The Bureau of Animal Industry: Surely the packers would indeed be happy to see it abolished. But recall Theodore Roosevelt's fight for this supervision, following the scandalous conditions exposed by Upton Sinclair in his book, the Jungle.

4. The Children's Bureau of the Department of Labor: Certainly every mill employer of children of tender years does not want the Children's Bureau on their backs all the time. They would be happy to see it abolished.

5. The Woman's Bureau in the Department of Labor seems to be objectionable to some—more about that another day.

6. The Federal Trade Commission would be the target of many on the ground of "economies," and certainly the Power Trust has been most active against this commission since the commission rendered such valuable public service in exposing the Power Trust.

7. The Board of Mediation and the Bureau of Labor Statistics would be other targets of the so-called economy. Why, there are people who strenuously object to the truth-telling data of the Bureau of Labor Statistics.

A great deal of this talk about balancing the Budget, where does it come from? From the very people who resent and who have been resenting proper governmental supervision or necessary governmental restraint of their improper activities. I know many of my colleagues are sincere in their efforts to reduce expenses. I only wish to caution them of insidious and selfish interests using their efforts to destroy many useful and necessary safeguards and protections which the sad experience of the past made necessary.

I am not going to be caught by a false cry of economy and be a party to any plan to eliminate many necessary Federal departments exercising jurisdiction for the protection of the people, and which bureaus it has taken years to create, and only after great battles by the people against entrenched and powerful interests.

Under this proposition there is great danger that legislation that has not been well thought out will be enacted.

I was talking with several Members, and it is clear to see that many Members who are shouting the loudest for economy have each some bureau that he wants to put out of commission. You will find that as we go on. Let anyone preaching economy take an appropriation bill and cut it further, but not begin to weaken the Federal Government at this time.

Mr. TILSON. The gentleman from New York would like to see one particular bureau weakened, would he not? [Laughter.]

Mr. LAGUARDIA. That can only be done by proper constitutional amendment or proper legislation.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Oh, I do not want to get into a discussion on prohibition. That is coming up later. Now, if I am not in favor of the resolution, I do not hesitate to express my opposition.

Mr. BLANTON. Is the gentleman in favor of leaving the question of reorganization and consolidation entirely to the President?

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. HOLADAY].

Mr. HOLADAY. Mr. Speaker, a few days ago Congress received a message from the President of the United States calling for economy. About the same time a movement on the Democratic side of the House was started as a gesture toward economy. On Friday, February 19, I introduced, without consulting anyone in the House or outside of it, House Joint Resolution No. 302, which if passed, will result in real economy.

I provide in that resolution that Congress give to the President the unusual power, I will admit, to abolish, combine, and consolidate any of the commissions, boards, bureaus, and departments of the Government, with a provision that he report back to the House the Executive orders which he may have issued to carry the economies into effect.

There was only one reservation, and that was a guaranty to the taxpayers of this country that there would be a reduction in the cost of Government. That resolution provides that where the President by Executive order had abolished, combined, or consolidated any of the agencies of the Government, as the result of that action, he must show a decrease of 20 per cent in personnel and 20 per cent in total cost.

That is the way to get real economy. You are not getting anywhere with this resolution.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. PURNELL. Mr. Speaker, I ask unanimous consent that all gentlemen who have spoken, or may speak, on the resolution have five legislative days within which to extend their remarks in the RECORD.

The SPEAKER. Is there objection?

Mr. JOHNSON of Washington. Mr. Speaker, reserving the right to object, will not the gentleman make it all Members? I do not think that would be an imposition.

Mr. PURNELL. I would rather the gentleman submit that request separately.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent that all Members have five legislative days in which to extend their remarks in the RECORD on this subject.

The SPEAKER. Is there objection?

There was no objection.

Mr. PURNELL. Mr. Speaker, I yield one minute to the gentleman from Kansas [Mr. HOCH].

Mr. HOCH. Mr. Speaker, I have time in one minute only to call attention to one matter to which reference has not been made. Lines 20 and 21, on page 2, read as follows:

That said Economy Committee shall have the authority to use as assistants employees of the Federal Government.

That language enforces the argument that this should be a joint committee and not merely a House committee. What power has the House alone to take the employees of the Federal Government, holding statutory positions, away from the work to which they are assigned and use them in the work of this committee? Obviously we have no such power. On the other hand, if this were a joint committee, we would have before us a joint resolution which has the full force of law. A joint resolution would give the power to take employees, in cases where thought wise, and assign them to the work of this committee. In the provision to which I have called attention attempt is made to do something which no House resolution passed by the House alone has power to make effective. I would like to have seen a committee clothed with full power to use Government employees in its work and every possible means of doing its work most effectively.

Mr. PURNELL. Mr. Speaker, I yield the remainder of my time of the gentleman from Illinois [Mr. CHINDBLOM].

The SPEAKER. The gentleman from Illinois is recognized for one minute.

Mr. CHINDBLOM. Mr. Speaker, there is only one way in which any substantially large reduction in Federal expenditures can be made, and that is by the absolute elimination of many services and activities which have grown up during the years that have passed. Paring a few millions here and there will not do it. A major operation must be performed. Carving, not whittling, is necessary. The Federal Government is engaged to-day in activities which do not belong to the Federal Government, but which properly belong to the States and local authorities. Some of them are of the character mentioned by the gentleman from New York [Mr. LAGUARDIA]. We have, in addition, the system of giving aid to the States, taking money out of the Federal Treasury for the purpose of "matching" or supplementing some appropriation by the States for purely State purposes. The Government of the United States should return to the original purpose of being merely a Federal or central Government, and not of performing and duplicating all the functions of the State and local governments within the 48 sovereign States that compose the Union. When we do these things we can reach some measure of substantial reduction in expenditures. [Applause.]

Mr. Speaker, most of these activities and services are not, strictly speaking, of a governmental character. Many of them have been established under a broad interpretation of the "general-welfare" clause of the Constitution. They probably all serve excellent purposes. Most certainly they have been urged by large groups of citizens, who have succeeded in compelling Congress to yield to their demands. In many cases these services and activities were intended to stimulate the States in the performance of good works. The States in their turn, finding the Federal Government embarking upon some of their activities, have relinquished these fields, in the hope and to the end that the Federal Government may continue to perform functions which under our system of local self-government should have remained under the exclusive jurisdiction of the States and local communities. Even now, with the reduction of Federal income and the necessity of retrenchment in expenditures and of the imposition of new and additional taxes, we are being importuned to enlarge present functions and to undertake new responsibilities. The Congress must have the courage to withstand these pressures. Some of us know by not too pleasant experience that refusal to accede to these requests and to support appropriations in the interests of special groups will bring opposition and hostility, but in these times, which may truthfully be said to "try men's souls," we must devote ourselves to the greatest good for the greatest number. The situation that confronts us is above all financial and economic. Many useful and beneficial services must be abandoned or postponed until we have put our financial house in order. The Federal Budget must be balanced, expenditures must be held to a minimum, borrowing must cease, and revenues must be provided sufficient to cover the necessary cost, but only the necessary

cost, of the maintenance of our Government and its institutions. In brief, Government must practice the same economy which the householder finds necessary when income has been lessened.

Mr. POU. Mr. Speaker, I yield seven minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker, although the distinguished leaders on the Republican side say that they are in sympathy with this resolution, I have never heard a proposition raised here that was damned with so much faint praise by these gentlemen as this. The Democratic Party, by the confidence of the country, is in control of this House by a very meager majority. If I know anything about what the Democratic Party and its organization has in mind with reference to conducting the affairs of this country, it is that that party is resolved by all legitimate means, in the ultimate interest of the taxpayers of the country, to really cut down the national expenditures and try to cut out some of these unnecessary departments and bureaus. [Applause on the Democratic side.]

The gentleman from Michigan [Mr. MAPES], who has lately assumed the attitude of chief apologist of the Executive for the failure in 10 years to do anything along this line, now rises in his place and asks the Congress of the United States why we do not lay this question at the doorstep of the Executive. It has been lying there at the doorstep of the Executive for three years and never has yet been carried into the interior of the White House. We propose, if we can do so, to take it off his doorstep and lay it on his table for action.

Mr. WILLIAMSON rose.

Mr. BANKHEAD. I decline to yield. It is confessedly the law of this country to-day that the President of the United States has the power, as was clearly pointed out by the distinguished gentleman from Tennessee [Mr. BYRNS] a few days ago, and he has had it during the three years that he has been in control of this Government, to consolidate these bureaus himself, to take the initiative in cutting out some of this duplication and overlapping and all that sort of thing. It is said that for 10 long years he has had a consistent record of recommending propositions of this sort. What the Democratic Party in this House has resolved to do, if we have the power to do it and the courage and the brain to do it, which I think we have, is to present something here that will force action upon the Executive of this country in undertaking to remedy this very distressed situation. [Applause on the Democratic side.]

Mr. GARBER. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. No. I have only a few minutes, and there are some matters which have been injected into this debate that I think ought to receive an answer. The gentleman from Michigan [Mr. MAPES] says this is a mere gesture. What of all these long 10 years of protestation on the part of the President with reference to action along this line? How does the gentleman designate those maneuvers?

Mr. MAPES. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. No. With all of his power, with all of his opportunities, with all of his solemn convictions on this great remedial process, has he brought anything to the doorstep of Congress, because Congress must finally act upon this question? Has he come here with any definite, concrete proposition of economy and reform in the reorganization of our Government departments? If so, I ask you to point them out to me. Has anything been sponsored by any of the Republican leaders seeking to effectuate the gestures the President has been vainly making for 10 years?

I think I am speaking within the record. I want to say further with reference to what is going on in the family of the Executive himself there is undisputed evidence that at least four of his Cabinet within the last few days have left their desks in the Cabinet of the President and journeyed up to Capitol Hill to undertake to use their personal and official influence against propositions pending in the various committees of this House seeking real economy in public expenditures.

Moreover, as was read to the House by the gentleman from Missouri [Mr. COCHRAN] a few moments ago, they are not only doing that but the Cabinet officers are sending out private communications to the great newspapers of the country, urging them to engage in an editorial crusade against the Congress of the United States, which is undertaking in good faith to bring about some real economy in the administration of the public affairs of the country.

Mr. MICHENER. Will the gentleman yield?

Mr. BANKHEAD. Does the gentleman who now rises deny the accuracy of those statements which the gentleman from Missouri read? They are made upon the solemn responsibility of a great newspaper in the city of St. Louis. Does the gentleman apologize for it? Does the gentleman commend that sort of activity upon the part of Cabinet officers of the President when that President is sending word here urging Congress to practice economy?

Mr. MICHENER. In answer to the gentleman, may I ask the gentleman if he does not know that no Cabinet officer has appeared before any committee of this Congress unless invited by the committee, which is headed by a member of the Democratic Party?

Mr. BANKHEAD. Oh, yes; unless invited; but they have been there, whether they got there by invitation or by volunteering to come. What I am complaining about is that they are using their official and personal influence to try to destroy the efforts of the Congress of the United States, particularly the Democratic Party, to carry out some real reforms in economy.

Mr. BYRNS. Will the gentleman yield?

Mr. BANKHEAD. I yield.

Mr. BYRNS. Three Cabinet officers have given interviews to the newspapers, attacking the Committee on Appropriations for reducing their estimates.

Mr. BANKHEAD. Exactly. I commend to the thoughtful consideration of your great President, for whom personally, of course, I hold great respect, that if he expects the Congress of the United States, on our side and on your side, in good faith, to undertake to carry out his recommendations, he should put his own house in order first and keep this official meddling away from Capitol Hill. [Applause.]

[Here the gavel fell.]

The SPEAKER. All time has expired.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. The gentleman from Alabama [Mr. BANKHEAD] referred to "your President." Is that proper language? Is he not the President of all the people of the United States?

The SPEAKER. The Chair does not think that is a proper parliamentary inquiry.

Mr. POU. Mr. Speaker, I move the previous question on the resolution to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the passage of the resolution as amended.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 215, noes 22.

So the resolution as amended was agreed to.

EXTENSION OF REMARKS—ECONOMY COMMITTEE

Mr. WILLIAMS of Missouri. Mr. Speaker, strict economy in all branches and departments of government, national, State, local, and municipal, is one of the urgent needs of the time. The financial condition of many of the large cities of the country is desperate. Scarcely a county or local government unit has funds sufficient to meet its current expenses. Many of the States are in financial straits and the National Government is facing a deficit of over $2,000,000,000. While local, State, and national income and expenditures have increased many times over during the last quarter century, the machinery of government remains essentially the same and has now become antiquated and broken down. It is a fact

universally known and recognized that the affairs of government are not administered as efficiently and as economically as those of private enterprise. No great business or industrial organization could long survive bankruptcy attempting to carry on with the clumsy, cumbersome, confusing, and worn out, antique methods that are used in the conduct of public affairs. In our own State, Missouri, the income and expenditures are to-day over fourteen times what they were 30 years ago. While there has been an enormous increase in the expense of collecting and disbursing the revenues, there has been little change in the methods.

One of two things is evident, either those who are charged with responsibility for the management of governmental business have not the foresight and ability to set in operation a modern, highly efficient, a skillful, and an economical organization to carry on the public business, or those same persons having the ability have not the courage and determination to set up such an organization because of political pressure, temporary expediency, or absolute indifference to the welfare of the people. A man who has not the ability to set up such machinery should not occupy a place of responsibility. A man who has the ability and who fears to use it because of political expediency, or who is indifferent to the reckless expenditure of public funds, should acknowledge his unfitness for public office and resign at once.

In the Republican national platform of 1920 there is found the following:

> We advocate a thorough investigation of the present organization of the Federal departments and bureaus, with a view to securing consolidation, a more businesslike distribution of functions, the elimination of duplications, delays, and overlapping of work, and the establishment of an up-to-date and efficient administrative organization.

That sounds splendid. It reads fine; investigate, eliminate, consolidate, and make efficient. That is glorious. But what was done?

In the Republican national platform of 1924 one reads:

> We favor a comprehensive reorganization of the executive departments and bureaus along the lines of the plan recently submitted by a joint committee of the Congress which has the unqualified support of President Coolidge.

Here is a reorganization plan along a definite line. Notwithstanding that there was nothing of importance done. The leaders of this party were so well pleased with their elimination, consolidation, and efficient reorganization of the executive departments and bureaus that not a word was said on the subject in the platform upon which Mr. Hoover was elected in 1928. They contented themselves merely with the statement, "Economy has been raised to the dignity of a principle of government." In view of these platform promises and this bold declaration of economy, it is entirely fit and proper to look at the record.

In determining the actual operating cost of the Government many items of expenditure must be eliminated, the largest of which are payment of interest on our national debt and granting pensions to the veterans of the various wars and their dependents. Discarding everything except the actual operating expenses of the Government, what becomes of the claims made by our Republican friends that the bureaus and departments of the Government have been consolidated and efficiently and economically reorganized? It would hardly be fair to compare the expenses of some of the boards and departments for the years immediately following the war, because there were still at that time many war activities being carried on.

To begin with, the number of Federal employees increased 68,000 between 1920 and 1930. For the purpose of comparing the cost of Government the period from 1925 to 1930, inclusive, may be taken. The bare operating expenses of the 10 departments of Government, the Cabinet positions, increased during that period from $872,178,000 in 1925 to $1,116,050,000 in 1930, or 28 per cent. The mere running expenses of the various commissions, boards, and bureaus, independent administrative establishments, increased during that period from $69,879,000 to $124,891,000, or 79 per cent. Four years of Coolidge constructive economy and two years of Hoover smug complacency brought us a 79 per cent increase in the cost of bureaus and commissions.

The expenses of the executive branch of the Government, the salary of the President and Vice President, the expense for the travels and for the clerical force for the President and for maintaining the White House and grounds; in other words, the expenses of the office of President increased from 1925 to 1930 over 45 per cent.

Under this same efficient and economical management the total expenses of Government for the year 1931 were $602,833,000 greater than they were for 1926. This is economy with a vengeance. In 1925 the United States Government had a surplus of $402,632,000 in income over and above expenditures, while under the careful and extremely frugal direction of this and the preceding administration at the close of 1931 the excess of expenditures over receipts was $1,501,919,000, and this deficit is growing greater day by day. What excesses and extravagances have been engaged in under the name economy! This word has been used as a smoke screen to conceal the saturnalia of riotous and excessive expenditure of public funds.

During this same period the value of farm lands, farm products, and income from farm production materially decreased until at the present time they have almost reached the vanishing point. During this time the wholesale and retail commodity prices declined 25 or 30 per cent and since that time have gone much lower. At the present time, with our foreign commerce vanishing, with farm products selling much below the cost of production, and with farms being sold for taxes and interest, with our mines and factories shut down or working only half time with limited force, with banks and business enterprises by the thousands closing their doors in bankruptcy and failure, with the wages of those who are at work being reduced and taxes being increased, with 7,000,000 men out of employment, with hunger marchers making a pilgrimage to Washington to present their claims to the Government and to demand relief, with poverty, destitution, want, and suffering abroad in the land it does seem that the time is here to stop the lavish and riotous expenditure of money in the Nation's Capital. Following these large expenditures an unheard-of deficit in the Treasury has developed, and the Ways and Means Committee is now busy day and night striving to devise some plan to remove the deficit, and balance the Budget. This can only be done in the end by taxation. Thus we go around the unending and vicious circle—increased expenses and increased taxes.

It has been suggested that the salaries of the Representatives and Senators be cut as a start on the road to economy. That may not be a wise policy, but so far as I am concerned it may be done at once. However, that would be but as a grain of sand on the seashore in a real economy program. It may be interesting to know that if the entire legislative branch of Government could be wiped out, including both branches of Congress—435 Representatives and 96 Senators, all clerks and secretaries, as well as heating, lighting, maintaining, and operating the Capitol Building and Grounds—if by one stroke of the pen they could all be eliminated from the pay roll this hour, the expenditures of the Federal Government would be reduced only thirty-five one-hundredths, or a little over one-third of 1 per cent.

There is a Missourian holding the position of Secretary of Agriculture, a department which is supposed in some measure to assist, advise, and encourage the agricultural industry of the Nation. He has been devoting considerable time to the preparation and delivery of rabid, partisan speeches until at last he ran amuck, and now, somewhat to our chagrin, he has been dubbed "a turnip head" by the brilliant Senator from Virginia [Mr. GLASS]. As Secretary, he is ex officio member of the Farm Board, a creature of this administration and an organization that has been roundly condemned and thoroughly repudiated; a board whose half-baked and ill-advised policies have led to the wasteful and extravagant expenditure of money at the expense and to the detriment of the farmer. It is informative to learn that according to the statement of the United States Treasury of February 15, 1932, for the last six months of 1931, the Department of Agriculture alone cost the United States Government over

$248,370,000, almost a quarter of a billion dollars for six months and more than sixteen times as much as the entire legislative branch of the Government cost for the same period of time. This is economy "raised to the dignity of a principle."

It is said that we have the Department of Commerce housed in a stately building that cost the handsome sum of seventeen and one-half million dollars, and that at the cost of $190 per month there is maintained in that building a private elevator to shield that distinguished Secretary from the gaze of the public and the touch of the rabble.

We are now told that fine, expensive, beautiful, comparatively new and modern Government buildings must be torn down because their particular form of architecture is not in harmony with certain artistic designs and plans. There seems to be a mad, frenzied effort to see how lavishly and extensively money can be spent.

There is not a great business concern in this entire country from Maine to California and from the Lakes to the Gulf; no transportation system, no financial institution, no mine, mill, or factory, no wholesale or retail house, no industrial organization, no farm association, or activity that has not in recent months reduced its overhead and cut down its operating expenses. Out of all the agencies and activities of the entire country, it has remained for the United States Government alone to fail to put its house in order and reduce expenses; but, to the contrary, it has been the insistent, constant, and persistent policy of those in power to increase the cost of government.

An earnest effort is now being made by Congress to reduce the cost of government and reorganize the departments and bureaus on an economical and efficient basis. The appropriation bills already passed by the House have reduced appropriations below the Budget estimate about $60,000,000. There has been opposition to these reductions from different sources, but they have been made. A number of bills and resolutions have been introduced to consolidate bureaus and commissions, one by my distinguished colleague, Mr. FULBRIGHT, of Missouri.

A movement has been set on foot to consolidate the military and naval departments into one department, national defense. About 55 cents of each dollar of the operating cost of government goes for military services. In my opinion, it is necessary to provide reasonable and proper national defense, but it is evident that there can be an immense saving by a reorganization of these departments. Still, it is openly stated that Cabinet officers are busy using their high official positions and influence to prevent the consolidation.

House Resolution 151, introduced by the able Member from Arizona [Mr. DOUGLAS], provides for the appointment of a committee of seven Members of the House to investigate and submit recommendations as to economies in the Federal Government that may be effected without impairing the necessary functions of government. It further provides that the chairman of the Appropriations Committee, the brilliant, capable, and fearless gentleman from Tennessee [Mr. BYRNS], and the chairman of the Committee on Expenditures in Executive Departments, the tireless worker, the skilled and efficient Member, my distinguished colleague [Mr. COCHRAN of Missouri], shall be members of this committee. With their intimate knowledge of governmental affairs, by their assistance and efforts and under their direction and leadership, it is confidently expected that a real reorganization program will be presented and that substantial economies will be effected.

It is said that suggestions for reorganization have been made by this administration. If so, they were heard in silence and not talked about above a whisper. What the country needs is a leadership that will speak in thunder tones that can be heard from coast to coast that there must be and there shall be a real, scientific, efficient reorganization of the agencies of the Government, and that there must be and there shall be real and substantial economies effected, not a pale, weak, milk-and-bread, mollusklike policy but one of iron and courage.

There is no longer any reason or excuse for these antiquated, inefficient, worn-out, lumbering, and costly agencies of government. The time has come to step out in front, burn the bridges behind us, set our hands to the plow, turn our faces toward the future, and, regardless of political jobs and musty precedents, set up the machinery of government upon an efficient and economical basis in the interest of the taxpayers of the country. To not do so is to acknowledge our inability or to confess our lack of courage.

ORDER OF BUSINESS

Mr. OLIVER of Alabama. Mr. Speaker, the House has fixed a limitation of two hours in the discussion of the prohibition item carried in the appropriation bill and all amendments thereto.

I now wish to ask unanimous consent that the two hours' time so fixed be divided equally between the gentleman from Pennsylvania [Mr. SHREVE] and myself, with the understanding that the gentleman from Pennsylvania will yield one-half of his time to the gentleman from Pennsylvania [Mr. BECK] or such Members as he may suggest, and I will yield one-half of my time to the gentleman from Maryland [Mr. LINTHICUM] and such Members as he may suggest.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. OLIVER of Alabama. Mr. Speaker, there is one other controversial item in the appropriation bill. Following disposition of the item carrying the appropriation for prohibition enforcement, the committee will take up the item carrying an appropriation for the Employment Service in the Department of Labor. Interest has been expressed in that item. I therefore ask unanimous consent that debate on that item be limited to one hour, one-half of the time to be controlled by the gentleman from Pennsylvania, Mr. SHREVE, and one-half by myself, with the understanding that the gentleman from Pennsylvania will yield one-half of his time to those who are opposed to committee amendments, and I will also yield one-half of my time to those opposed to such amendments.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MAPES. Will the gentleman yield for a question?

Mr. OLIVER of Alabama. I yield.

Mr. MAPES. Does the gentleman propose to have the debate on the prohibition item immediately upon the House resolving itself into the Committee of the Whole House on the state of the Union, or does the gentleman propose to finish the reading of the bill first?

Mr. OLIVER of Alabama. The debate on the prohibition appropriation will be the first item to be taken up.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. CHINDBLOM. Is it proposed to take a vote on the appropriation bill to-day?

Mr. OLIVER of Alabama. Yes. I will state that it is the hope of the committee to finish the bill by 5.30.

DEPARTMENTS OF STATE, COMMERCE, JUSTICE, AND LABOR APPROPRIATION BILL

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9349, the State, Justice, Commerce, and Labor Departments appropriation bill, with Mr. MCREYNOLDS in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Salaries and expenses: For expenses to enforce and administer the applicable provisions of the national prohibition act, as

amended and supplemented (U. S. C., title 27), and internal revenue laws, pursuant to the act of March 3, 1927 (U. S. C., Supp. V, title 5, secs. 281-281e), and the act of May 27, 1930 (46 Stat. 427), including the employment of executive officers, attorneys, agents, inspectors, investigators, supervisors, clerks, messengers, and other personnel in the District of Columbia and elsewhere, to be appointed as authorized by law; the securing of evidence of violations of the acts; the cost of chemical analysis made by other than employees of the United States and expenses incident to the giving of testimony in relation thereto; the purchase of stationery, supplies, equipment, mechanical devices, newspapers, periodicals, books, including law books and books of reference, and such other expenditures as may be necessary in the District of Columbia and the several field offices; costs incurred in the seizure, storage, and disposition of liquor and property seized under the national prohibition act, including seizures made under the internal revenue laws if a violation of the national prohibition act is involved and disposition is made under secton 3460, Revised Statutes (U. S. C., title 26, sec. 1193); costs incurred in the seizure, storage, and disposition of any vehicle and team or automobile, boat, air or water craft, or any other conveyance seized pursuant to section 26, Title II, of the national prohibition act, when the proceeds of sale are insufficient therefor or where there is no sale; purchase of passenger-carrying motor vehicles at a total cost of not to exceed $50,000, including the value of any vehicles exchanged, and the hire, maintenance, repair, and operation of motor-propelled or horse-drawn passenger-carrying vehicles for official use in field work; and for rental of quarters; in all, $11,369,500, of which amount not to exceed $370,120 may be expended for personal services in the District of Columbia.

Mr. LINTHICUM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LINTHICUM. Must we introduce the different amendments we want to introduce at this time or may they be introduced at any time during the discussion of two hours?

The CHAIRMAN. They can be offered at any time and read for information, but they should be disposed of after general debate is concluded.

Mr. LINTHICUM. Mr. Chairman, I offer an amendment for information.

The CHAIRMAN. The gentleman from Maryland offers an amendment for information, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LINTHICUM for information: On page 38, line 3, after the word "Columbia," insert "*Provided, however,* That no part of said appropriation shall be used for the expense of what is commonly known as wire tapping."

Mr. SHREVE. Mr. Chairman, in order to carry out the unanimous-consent agreement made a few minutes ago, I desire to yield 30 minutes to the gentleman from Pennsylvania [Mr. BECK].

The CHAIRMAN. The gentleman from Pennsylvania will be recognized for 30 minutes.

Mr. BECK. Mr. Chairman, under the privilege of allotting these 30 minutes, which we owe to the courtesy of the gentleman from Alabama, I yield 7 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Chairman, as a member of the subcommittee of the Appropriations Committee which reported the appropriation bill now before the committee, I wish to bring to the attention of the committee the following interesting facts:

The 1933 estimates for the four departments—State, Justice, Commerce, and Labor—called for an appropriation of $129,784,136.89; the Committee on Appropriations recommends $124,713,818.12, a decrease of $5,070,318.77.

The reductions from the Budget estimates made by the committee for the four departments follow, item by item:

Department of State

Domestic:	
Secretary's office, salaries, including temporary employees	$59,460.00
Contingent expenses and miscellaneous expenses	11,000.00
Printing and binding	18,600.00
Passport bureaus	1,000.00
Foreign Service (Diplomatic, Consular, and Foreign Service):	
Chargés d'affaires ad interim	5,000.00
Clerk hire, Foreign Service	76,000.00
Contingent expenses, foreign missions	50,000.00
Foreign Service inspectors, expenses of	10,000.00
Contingent expenses, United States consulates	75,000.00
Relief and protection, American seamen	5,000.00
Foreign Service officers, salaries of	66,500.00
Foreign Service (Diplomatic, Consular, and Foreign Service):	
Transportation of Diplomatic, Consular, and Foreign Service officers	$82,000.00
Emergencies arising in Diplomatic and Consular Service	200,000.00
Allowance to widows or heirs of Diplomatic, Consular, and Foreign Service officers who die abroad	1,000.00
Transportation of Diplomatic, Consular, and Foreign Service officers	50,000.00
Foreign Service buildings fund	450,000.00
Representation allowances	100,000.00
Rent, heat, fuel, and light, Foreign Service (includes $480,000 for 1932 in deficiency)	50,000.00
International obligations, commissions, etc.:	
Boundary Commission, United States and Mexico	1,000.00
Boundary treaty of 1925 between United States and Great Britain	2,000.00
International Prison Commission	1,600.00
Seventh International Conference of American States, Montevideo, Uruguay	40,000.00
International Arbitration, Bureau of Interparliamentary Union for Promotion of	4,000.00
Agriculture, International Institute of, Rome, Italy	5,660.00
International Railway Congress	800.00
International Radiotelegraphic Convention, Madrid, Spain	30,000.00
International Joint Commission, Waterways Treaty, United States and Great Britain	40,000.00
International Research Council	5,042.77
Protection of Industrial Property, International Bureau of	50.00
General Claims Commission, United States and Panama (second deficiency act)	34,000.00
International Fisheries Commission, United States and Great Britain	5,000.00
Foreign Service, judicial:	
Prisons for American convicts	2,000.00
Bringing home criminals	3,000.00

Department of Justice

Attorney General's office, salaries	15,460.00
Stationery, furniture, etc	2,000.00
Customs cases, conduct of	4,400.00
Judicial offices, examinations of	6,340.00
Bureau of Prisons, salaries and expenses, office of	16,040.00
Judicial:	
Supreme Court of the United States—	
Printing and binding	2,500.00
Salaries of judges	10,000.00
Court of Customs and Patent Appeals, printing and binding	400.00
Marshals and their deputies	79,540.00
District attorneys, assistants to district attorneys, regular	40,980.00
Clerks of courts, salaries of	21,500.00
Fees of commissioners and justices of the peace	40,000.00
Fees of jurors and witnesses	150,000.00
Bailiffs and criers	60,000.00
Miscellaneous expenses	90,000.00
Penal and correctional institutions:	
Medical and hospital service	39,529.00
Penitentiary, Leavenworth, Kans	80,040.00
Penitentiary, Atlanta, Ga	43,360.00
Penitentiary, McNeil Island, Wash	40,000.00
Penitentiary, northeastern section	75,000.00
Federal Industrial Institution for Women, Alderson, W. Va	2,040.00
United States Industrial Reformatory, Chillicothe, Ohio	226,960.00
Penitentiary, southwestern section	1,168,000.00
United States Hospital for Defective Delinquents	270,000.00
Federal jails	110,000.00
Support of prisoners	250,000.00

Department of Commerce

Secretary's office, contingent expenses:	
Contingent and miscellaneous items	6,500.00
Printing and binding	75,000.00
Federal Employment Stabilization Board (deficiency)	28,800.00
Enforcement of wireless communication laws	8,500.00
Air-navigation facilities	75,000.00
Foreign and Domestic Commerce, Bureau of:	
Promoting commerce in Europe and other areas	10,000.00
Promoting commerce in South and Central America	5,000.00
District and cooperative offices, maintenance	10,000.00
Export industries	35,000.00
Domestic-commerce and raw-materials investigations	15,000.00
Customs statistics	25,000.00
Directory of foreign buyers	7,000.00
Traveling expenses to and from posts of duty, etc	10,000.00
Census Office, compiling and publishing Fifteenth Decennial Census	75,000.00

Lighthouses, Bureau of:	
Lighthouse vessels, salaries	$10,000.00
Retired pay	50,000.00
Aids to navigation, establishing public works	100,000.00
Coast and Geodetic Survey:	
Pay and allowances, commissioned officers	17,687.00
Office force, salaries	1,380.00
Patent Office, salaries	10,000.00
Bureau of Mines:	
Testing fuel	1,580.00
Helium production and investigation	10,000.00
Department of Labor	
Immigration, Bureau of, regulating immigration	137,570.00
Employment Service (including $500,000 for 1932 in second deficiency)	17,500.00

In other words, reductions were made in 83 items of the bill.

It will be noted that there was a reduction made for "enforcement of wireless communication laws," and a reduction also for enforcement of the immigration laws.

However, there is one bureau of one of these four departments which has not suffered the reduction of one cent from the Budget estimates, the Bureau of Prohibition, in the Department of Justice. The 1933 estimates for the Bureau of Prohibition were $11,369,500 and the committee recommends the appropriation of this amount, notwithstanding that for 1931 the bureau had an unexpended balance of more than $170,000.

The Bureau of Prohibition would seem to be the Government's sacred cow. Nothing must be deducted from the appropriation for this bureau; the sustenance of the sacred cow must not be curtailed in any particular. The protestations of the urgent need for economy are completely negatived in this direction.

Let us dissect this sacred cow. We find it employs 3,122 employees drawing salaries aggregating $7,956,804, including a director at $9,000, three administrators receiving $27,000, an assistant administrator at $7,500, and a head of a legal division at $7,000.

But this is not the worst that we have to report on the sacred cow. It calls for an appropriation of $160,000 for "stool pigeons," who are designated as "special employees," and $217,350 for "special and miscellaneous current expenses," which expenses constitute for the most part the purchase of liquor and incidental expenses, such as the purchase of meals, hotel charges, and the like. According to the department, in 1931, $134,342 were expended for the purchase of liquor and $46,223 for expenses incident to procuring evidence, such as lunches and meals, a total of $180,565.

These are unclean items. If the next Congress is controlled by those who are opposed to prohibition, pressure will be brought to bear to prevent the appropriation of any money for enforcement. To defend future appropriations of money it behooves this Congress to make as clean and economical a bill as possible.

I wish to draw particular attention to another item, a small item, to be sure, only $700, for "Emergency purchases of stationery and office supplies in the open market by field organizations performing undercover work," and to quote the denouncement of the circuit court of appeals for the Indianapolis district of the use made last year in that district of funds of a somewhat larger sum appropriated for the same purpose:

> We think there is a vast difference between the use of decoys for the purpose of detecting crimes and apprehending criminals and the use of decoys to induce others to join in unlawful conspiracy originated by the Government for the purpose of securing the violation of laws by others.
>
> It is unnecessary to the due administration of the criminal laws and it shocks the court's sense of justice to permit a prosecution to proceed where the evidence shows the offender was innocent of wrongdoing and free of evil intent prior to his acquaintance with the Government or State representatives who, in the professed cause of law enforcement, proceed, first, to corrupt the accused's mind by possibilities of profit and gain through violation of the statutes, and then, surrounded by accomplices as witnesses, await the downfall and ignominy of the victim.
>
> Although it [the Government] be a sovereign, it should not be permitted to adopt means which are condemned by the courts when practiced by its citizens.
>
> Such a situation is not dissimilar to the case where one arranges through a third party for a robbery to be committed upon himself with a view of receiving a reward, or a case of burglary, where the entry was made through the assent of those who were in the occupancy or control of the building burglarized.

I wish also to draw attention to the fact that unless a limitation is placed on wire tapping, any part of the appropriation for the Bureau of Prohibition may be used for this nefarious practice, denounced by a member of the Supreme Court of the United States as "dirty business." Let me add that the Department of Justice refused to inform the Appropriations Subcommittee how many wires had been tapped during the last fiscal year, notwithstanding the only information requested was the number of wires tapped, not a list of the cases or the districts or even the States in which the wire tapping occurred. For all the country knows, there may be thousands of wires tapped daily in the United States.

It is my intention to offer an amendment in the form of a limitation forbidding the expenditure of any appropriation for the Bureau of Prohibition for wire tapping.

Mr. Chairman, with unanimous consent, may I have the right to revise and extend my remarks?

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, I yield seven minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, during the past two weeks the newspapers that have been subsidized by the liquor traffic have heralded that this was to be a field day for the wets. They have advised us in advance about how many different fights the gentleman from Massachusetts would wage against the appropriation for prohibition enforcement, and the many ways he would attempt to restrict and limit the appropriation.

And it has been broadcast that an assault would be made upon the enforcement appropriation led by the distinguished gentleman from Pennsylvania [Mr. BECK] on the Republican side of the aisle, and by the distinguished gentleman from Maryland [Mr. LINTHICUM] on the Democratic side.

And so portentious appeared the battle array that a unanimous agreement was reached in the House last week that the debate would not occur until to-day, and that two hours should be allotted for the discussion, one half to be used by the wets and the other half by the drys.

And the wets are here now in full force, with their banners streaming. But the main wet-or-dry test vote is not to come on the amendment offered by the gentleman from Maryland [Mr. LINTHICUM] to stop wire tapping, because many drys will vote for that amendment, but the test vote, wet or dry, is to come on the amendment to be sponsored by our distinguished friend from New York [Mr. BOYLAN] to reduce the appropriation for prohibition enforcement, because no drys will vote for it and all wets will support it.

It has been contended here in running debate for several months that only churchmen who want to preach morality into men against their wishes are in favor of prohibition. It is likewise contended that prohibition crowds our penitentiaries. I want to quote from a famous agnostic who wrote what I quote long before we ever dreamed of national prohibition, who gives us a vivid picture of saloons and the liquor traffic—more vivid than words now will portray. It is from Col. Robert G. Ingersoll I now quote. I want you to note specially what he says about the liquor traffic—in preprohibition days—"filling jails" and "crowding penitentiaries." Here is what he said:

ROBERT G. INGERSOLL ON ALCOHOL

> I am aware that there is prejudice against any man engaged in the manufacture of alcohol. I believe that from the time it issues from the coiled and poisonous worm in the distillery until it empties into the hell of death, dishonor, and crime it demoralizes everything that touches it from its source to its end.
>
> I do not believe that anyone can contemplate the object without prejudice against the liquor crime. All we have to do, gentlemen, is to think of the wrecks on either banks of the stream of death, of the suicides, of the insanity, of the poverty, of the ignorance, of the destitution, at the little children tugging at the faded and withered breasts of weeping and despairing mothers,

of the wives asking for bread, of the men of genius it has wrecked, and man struggling with imaginary serpents. I believe every thoughtful man is prejudiced against this damned stuff that is called alcohol!

Intemperance cuts down youth in its vigor, manhood in its strength, and age in its weakness. It breaks the father's heart, bereaves the doting mother, extinguishes natural affections, erases conjugal love, blots out filial attachments, blights parental hope, and brings down mourning age in sorrow to the grave. It produces weakness, not strength; sickness, not health; death, not life. It makes wives widows, children orphans, fathers fiends, and all of them paupers and beggars. It feeds rheumatism, nurses gout, invites cholera, imparts pestilence, and embraces consumption.

It covers the land with idleness, misery, and crime. It fills our jails, almshouses, and asylums. It engenders controversy, fosters quarrel, and cherishes riots. It crowds our penitentiaries and furnishes victims for the scaffold. It is the lifeblood of the gambler, the element of the burglar, the prop of the highwayman, and the support of the midnight incendiary.

It countenances the liar, respects the thief, esteems the blasphemer, it violates obligations, reverences fraud, and honors infamy. It defames benevolence, hates love, scorns virtue, slanders innocence.

It incites the father to butcher his helpless offspring, helps the husband to massacre his wife and the children to grind the parricidal ax. It burns up men, consumes women, detests life, curses God, and despises heaven. It suborns witnesses, nurses perjury, defiles the jury box, and stains the judicial ermine. It degrades the citizen, debases the legislature, dishonors the statesman, and disarms the patriot.

It brings shame, not honor; terror, not safety; despair, not hope; misery, not happiness—and with the malevolence of a fiend it calmly surveys its frightful desolation and, unsatiated with havoc, it poisons felicity, kills peace, ruins morals, blights confidence, slays reputations, and wipes out national honor—then curses the world and laughs at its ruin.

It does all that and more—it murders the soul. It is the sum of all villainies, the father of all crimes, the mother of abominations, the devil's best friend, and God's worst enemy.

It was not prohibition, Mr. Chairman, that filled the jails in the time Robert Ingersoll wrote the above. It was saloons and the liquor traffic. It was not prohibition that "crowded our penitentiaries and furnished victims for the scaffold" in Robert Ingersoll's time—long before prohibition. It was saloons and the infamous liquor traffic. Ingersoll said "it murders the soul." Ingersoll said "it is the sum of all villainies." Ingersoll said "it is the father of all crimes." Ingersoll said "it is the mother of abominations." Ingersoll said "it is the devil's best friend and God's worst enemy." And when Ingersoll said all that he was talking about saloons and the liquor traffic, and not about prohibition.

Now, Mr. Chairman, because I want to refer to certain recommendations made by the Wickersham Commission relative to the Congress furnishing adequate money to enforce prohibition, I want to remind the House of the first four conclusions agreed to by the Wickersham Commission. These four conclusions were signed by each and all of the members of the commission except Mr. Lemann. Here are the four conclusions they agreed to:

1. The commission is opposed to repeal of the eighteenth amendment.
2. The commission is opposed to the restoration in any manner of the legalized saloon.
3. The commission is opposed to the Federal or State Governments, as such, going into the liquor business.
4. The commission is opposed to the proposal to modify the national prohibition act so as to permit manufacture and sale of light wines and beer.

The above conclusions are signed by George W. Wickersham, chairman; Harry W. Anderson, Newton D. Baker, Ada L. Comstock, William I. Grubb, William S. Kenyon, Frank J. Loesch, Paul J. McCormick, Kenneth Mackintosh, and Roscoe Pound. Only Mr. Monte Lemann did not sign same.

From his separate statement signed by Mr. George W. Wickersham, chairman of the commission, I quote from page 284 the following:

The older generation very largely has forgotten, and the younger never knew, the evils of the saloon and the corroding influence upon politics, both local and national, of the organized liquor interests. But the tradition of that rottenness still lingers, even in the minds of the bitterest opponents of the prohibition law, subsantially all of whom assert that the licensed saloon must never again be restored.

From the separate statement signed by Mr. Roscoe Pound, I quote from page 281 the following:

Federal control of what had become a nation-wide traffic and abolition of the saloon are great steps forward which should be maintained.

From the separate statement signed by Mr. Paul J. McCormick, I quote from page 273 the following:

From the evidence before the commission I have reached the conclusion that the outstanding achievement of the eighteenth amendment has been the abolition of the legalized open saloon in the United States. Social and economic benefits to the people have resulted, and it is this proven gain in our social organization that has justified the experiment of national prohibition.

Then again on page 275 he says:

Absolute repeal is unwise. It would, in my opinion, reopen the saloon. This would be a backward step that I hope will never be taken by the United States. The open saloon is the greatest enemy of temperance and promotes corruption. These conditions should never be revived.

Take the report of Mr. Henry W. Anderson, which is the first one privately given. The following is a crumb of value in it:

The abolition in law of the commercialized liquor traffic and the licensed saloon operated entirely for private profit was the greatest step forward ever taken in America looking to the control of that traffic. The saloon is gone forever. It belongs as completely to the past as the institution of human slavery.

We must not lose what has been gained by the abolition of the saloon. The time has come when in the interest of our country we should lay aside theories and emotions, free our minds from the blinding influence of prejudice, and meet the problem as it exists. Forgetting those things which are behind, we must bring into action against existing failures the great reserve of American common sense. By this means we shall advance the cause of temperance and achieve an effective solution of the liquor problem.

We all knew how Ada L. Comstock would report when she was appointed. I quote from what she says the following:

As I still hope that Federal regulation of the liquor traffic may prove more effective than that of the States, I favor revision of the amendment rather than its repeal.

They are all against leaving it to the States except Mr. Newton D. Baker. Those of us who were here during the war, those of us who were compelled to override the veto of our own President, Mr. Wilson, in the passage of the Volstead law, knew how Mr. Newton D. Baker stood as one of the leading members of the Cabinet of Woodrow Wilson.

Let me read you an excerpt from the signed statement of W. I. Grubb:

Prohibition is conceded to have produced two great benefits, the abolition of the open saloon and the elimination of the liquor influence from politics.

Remission to the States would assure the return of the open saloon, at least in some of the States, and the return of the liquor interests to the politics of all of them. Revision of the amendment by vesting in Congress the exclusive control of the liquor business would make certain the return of the liquor influence in national politics and possibly the return of the open saloon in all of the States.

Those of us who served here when Judge Kenyon was a Member of the Senate all knew exactly how he stood on this and other questions. What additional information do we get from his report? None. But here is his crumb of value:

Many prohibition agents have lost their lives in attempting to perform their duties, concerning which little reference is made in the press.

Then again he says:

There was drinking in the colleges before prohibition. It is not clear how any system that might make liquor easier to procure would remedy that situation. * * * The abolition of the saloon has been a mighty movement for the betterment of the Nation. The saloon was in partnership with crime. It was the greatest aid in political corruption. It never did a good thing or omitted to do a bad one. Nothing good could be said of it, and it is notable that very few people advocate its return. The open saloon in this country is dead beyond any resurrection. People are prone to forget the picture of conditions before prohibition.

Speak-easies, so prevalent in large cities, are not entirely a product of prohibition. They existed prior thereto. Interesting is the following account from a Pittsburgh paper of November 15, 1900:

"At the meeting of the retail liquor dealers yesterday the statement was made that there are in Allegheny County 2,300 unlicensed dealers who sell liquor, in violation of the law, every day in the year, Sundays and election days included. This is a decidedly startling assertion, for while it is notorious that speakeasies exist and are to some extent tolerated by the authorities, there has been no visible reason to suppose that illicit traffic was being conducted on so large a scale. The district attorney of the county and the public-safety director of the city ought to be heard from on this head. If the law is being violated so extensively as the licensed dealers claim, it is manifest that there must be a wholesome neglect of duty in official quarters."

Senator Kenyon well quoted Miss Evangeline Booth, then commander in chief of the Salvation Army of the United States, as follows:

You can hush every other voice of national and individual entreaty and complaint! You may silence every other tongue—even those of mothers of destroyed sons and daughters, of wives of profligate husbands—but let the children speak! The little children, the wronged children, the crippled children, the abused children, the blind children, the imbecile children, the dead children. This army of little children! Let their weak voices, faint with oppression, cold and hungry, be heard! Let their little faces, pinched by want of gladness, be heeded! Let their challenge—though made by small forms, too mighty for estimate—be reckoned with. Let their writing upon the wall of the Nation—although traced by tiny fingers, as stupendous as eternity—be correctly interpreted and read, that the awful robbery of the lawful heritage of their little bodies, minds, and souls is laid at the brazen gates of alcohol!

The people of the United States get a crumb of value from the following excerpt which I quote from the signed statement of Mr. Frank J. Loesch, page 265, to wit:

Even if it were a possibility of accomplishment in the near future, it would be unwise to repeal the eighteenth amendment.

Such repeal would cause the instant return of the open saloon in all States not having state-wide prohibition.

The public opinion as voiced in the testimony before us appears to be unanimous against the return of the legalized saloon.

Let me now give you an excerpt from the signed statement of Mr. Kenneth Mackintosh, quoted from page 272:

The fact should not be overlooked that the eighteenth amendment has marked a long step forward.

Now, let me quote some excerpts from the separate report signed by Mr. Monte M. Lemann, from Louisiana, he being the only member of the Wickersham Commission who failed to sign the four conclusions already quoted. Here are excerpts from Mr. Lemann:

The machinery of enforcement may, in my judgment, without disproportionate expense, be made adequate to cope with the industrial alcohol and smuggling aspects of the enforcement problem.

I do not favor the theory of nullification, and so long as the eighteenth amendment is not repealed by constitutional methods it seems to me to be the duty of Congress to make reasonable efforts to enforce it. * * * The additions to the field forces and equipment which are set out in detail in the Dennison-Sawyer study appear to be a moderate proposal in this direction and would involve no seriously disproportionate expense for the effort at prohibition enforcement, as compared with moneys otherwise expended for governmental operation. I therefore concur in the recommendations that the number of prohibition agents, inspectors, storekeeper-gagers, warehousemen, investigators, and special agents should be increased as recommended—

And so forth.

I do not think that any improvement in enforcement of the eighteenth amendment would result from an amendment of the national prohibition act so as to permit the manufacture of so-called light wines and beer. If the liquor so manufactured were not intoxicating, it would not satisfy the taste of the great majority of those who are now drinking intoxicating liquors, and if it were intoxicating, it could not be permitted without violation of the Constitution.

Elsewhere in his signed statement Mr. Lemann says—quoted from page 259:

Without considering the validity of the objections and reasons thus stressed, as to which opinions will widely differ, it seems to me clear that they do not justify failure to observe the law.

He says—quoted from page 260:

I do not think that to substitute for the eighteenth amendment a provision leaving the matter to Congress is any solution. * * *

The suggestion that the matter be referred to Congress seems to me not to dispose of the problem or to make any substantial advance in its disposition. Moreover, this proposal would mean that the liquor question would play a large part every two years in the election of Congress, that a fixed national policy of dealing with it would never be assured, and that all the political influence of the liquor interests would be introduced actively into our national affairs. It is suggested that this would be preferable to having these interests active with each State legislature, but relegation of the matter to Congress would carry no assurance even of this accomplishment, since Congress doubtless would not undertake to force any State to be wet which desired to be dry—

And so forth.

I can not see how any of our "wet" friends can get much consolation from the findings of the Wickersham Commission. There is plenty of good prohibition doctrine in the excerpts I have quoted above from the individual findings of each member of the commission.

Mr. Chairman, from the time the Attorney General of the United States appeared before our committee on January 19 until the gentleman from Massachusetts [Mr. TINKHAM] got through with him three days and a half thereafter there were many disappointments to our friend from Massachusetts. I want to say that the answer to every question he propounded during those three and a half days was a great disappointment to him.

Now, the gentleman from Massachusetts [Mr. TINKHAM], with our friend from Pennsylvania [Mr. BECK], who is the brains of the wets, and our friend from Maryland [Mr. LINTHICUM], who is ably managing his side of the wet question, have all from time to time quoted from the report of the Wickersham Commission.

The Wickersham Commission made recommendations to your President, who caused them to be appointed, that greater appropriations be made for the enforcement of the law; and in accordance with those recommendations, your Attorney General made requests for appropriations and your President's Budget denied them, and I shall show that that is one very valuable contribution the gentleman from Massachusetts made to these hearings of several hundred pages, because he brought that out himself.

If you will look on page 23 of the hearings, Mr. TINKHAM, in questioning the Attorney General, propounded these questions:

What was the amount asked from the Budget Bureau in excess of what the Budget Bureau allowed you for the Prohibition Unit?

Mr. MITCHELL. The sheet here shows that the department estimates for the Bureau of Prohibition were $13,635,415, and the Budget's allocation was $11,369,500.

Mr. TINKHAM. What was the difference in dollars between what you asked for and what you received?

Mr. MITCHELL. Two million two hundred and sixty-five thousand nine hundred and fifteen dollars.

The Attorney General showed that the reason he asked for this sum, which the Budget did not allow him, was following the recommendations of the Wickersham Commission.

Now, the President ought to back up his commission. When he has a commission appointed that costs the people $500,000, and they make recommendations, he ought to let his Budget uphold them in their recommendations. The President's Budget is the creature of the President, it is his Budget, it is to carry out his financial program. The Wickersham Commission was his commission, he appointed every member of it, and yet when the Attorney General, following the recommendations of that Wickersham Commission, asked for $13,635,415 the President's Budget cut them down and gave them only $11,369,500, and refused to give them $2,265,915.

Why did not my friend from Massachusetts tell the House that? Why did he not tell the House that the President's Budget has already cut the enforcement appropriation down by $2,265,915?

Mr. IGOE. Will the gentleman yield?

Mr. BLANTON. I am sorry, but the gentleman got me into the newspapers so much the other day I want to keep out of them. [Laughter.]

I wish all of our friends would read these 150 pages that our friend from Massachusetts caused to go into these hearings.

I was surprised the other day on the floor when he admitted here that he is not a profound lawyer. I thought he was. He had a trial brief about this thick [indicating] before our committee. Some lawyer prepared it for him. I

do not know who. I am constrained to believe it must have been "the brains of the wets" that put that into his hands. He sat there for three days and a half with that lawyer's brief, asking every kind of question that a wet lawyer could ask a semiwet Attorney General of the United States, trying to hamstring this enforcement bureau, and he could not budge him.

I take my hat off to the Attorney General of the United States. He is a splendid gentleman. He is an outstanding lawyer. He is a man who believes in upholding the law of his land when he takes an oath of office. I am for your Republican Attorney General of the United States. I am for Colonel Woodcock. Every question our friend from Massachusetts, ingeniously as he framed them, and he did frame them ingeniously—every question he asked, that Attorney General knocked the black out, and I never saw a man as disappointed in my life as was Mr. TINKHAM.

Mr. BOYLAN. Will the gentleman yield?

Mr. BLANTON. I am sorry I can not yield. I have just a few minutes.

If you will read these 150 pages here and read the questions he asked him and read the answers that Colonel Woodcock gave, and the answers of the Attorney General, you will see why our friend from Massachusetts had to confine his remarks to generalities here on the floor and not lodge any of them specifically against any part of the enforcement unit.

Why, his fight is over. His attacks have ceased. His mouth is closed. He has been hushed up by the Attorney General of the United States, and now he has to leave it to the ingenious former Solicitor General of the United States to handle the wet cause here on the floor.

Even as to wire tapping, the Attorney General showed the necessity of wire tapping sometimes to catch wet crooks. If you can get a warrant and go into a man's home and search every crevice of the castle where he lives, why can you not tap his wires, if it is necessary to catch a crook? If it is necessary to catch a crook, the kind of crooks that stand at the top of this liquor traffic, why can you not tap their wires if you can get a warrant and go into their homes? He showed him it was necessary sometimes to do this.

Why, you do not hear any more from Brother TINKHAM on that. You know, Brother TINKHAM will be voting dry inside of two more years. [Laughter.] If he will use three more days and a half asking questions of the Attorney General and Colonel Woodcock, their answers will convert him, as sure as he lives, and he will be the strongest advocate of prohibition we have on the floor. [Laughter.] And you watch the test wet and dry vote that is to come on the Boylan amendment. It will show how few wets there are here.

I wish I could make the Solicitor General that is going to handle the wet cause read all these hearings. I wish the gentleman from Maryland [Mr. LINTHICUM] would read them. They are convincing. They are unanswerable.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield 30 minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I ask unanimous consent to read a short editorial from the New York Herald Tribune.

The CHAIRMAN. Without objection, it is so ordered.

Mr. O'CONNOR. Mr. Chairman, I shall read an editorial from the New York Herald Tribune of February 16, 1932, because it expresses, I believe, the sentiments of the country much better than I could express them myself. It is headed "One Comfort in Paying Increased Taxes" and proceeds:

The House Appropriations Committee yesterday cut down the budget for the major activities of the State, Justice, Commerce, and Labor Departments. The committee, however, disregarded the request of the wets that it apply the economy rule to prohibition enforcement along with other Federal activities. It explained its course thus: "The majority of the committee felt that as this appropriation is for the enforcement of a law which presents unusual difficulties, at times, in its enforcement, the appropriation should not be reduced." (Don't you love that "at times"?) What a great comfort this is going to be to all of us in paying our heavily increased taxes to the Government next year! How delighted we are going to be in the remembrance that no matter how much our Army and Navy have been cut down, the holy band of prohibition agents is to go on with unreduced strength in its successful work of keeping every single drop of intoxicating liquor outside the borders of the United States.

We very well know that the political influence of the organized forces in behalf of prohibition, the McBrides and the Cannons, are still operating as threateningly as ever. They still intimidate the Committee on Appropriations, irrespective of the politics of the members of that committee, who still timidly cast their eyes heavenward and see the "sword of Damocles" hanging over them. After gazing on this "vision," they weaken in their avowal of inflexible economy in every department. They dare not fulfill their promises of "paring to the bone." Their political future is at stake. I understand that only one member of the subcommittee in charge of this bill for appropriations for the Departments of State, Justice, Commerce, and Labor had the temerity to suggest a reduction in the appropriation for prohibition enforcement.

I sincerely hope there will not be any vote on these collateral matters here to-day. We have only to wait until the 14th of March, when we shall ascertain where every Member in this House stands on the prohibition question.

As you have been advised, the Linthicum House Joint Resolution 208, which is identical with the Beck House Joint Resolution 209 and my Resolution 212 and similar resolutions introduced by many other Members, has been denied a favorable report by the Committee on the Judiciary. Those resolutions contain in their first five lines the identical language recommended by the entire 11 members of the Wickersham Commission—to restore to the States their fundamental right to deal with the liquor question, at the same time giving protection to those States which desire to retain prohibition.

On next Thursday, February 25, 1932, immediately after the Chaplain's prayer, there will be filed at the Clerk's desk in this House a petition to discharge the Committee on the Judiciary from further consideration of this joint resolution. Under the newly adopted discharge rule, as soon as 145 Members shall have signed that petition the same goes in the calendar, and on the second or fourth Monday of any month after the same shall have been on the calendar for seven days it may be called up for consideration.

It is therefore our plan and program to bring before this House on the 14th of March, 1932, the question of resubmission of the eighteenth amendment to the people of the country at conventions called in the States for that purpose.

A subcommittee of the two wet groups in the House, of which I have been acting as chairman, have drafted a "beer" bill to be introduced within a few days after its approval as to detail by both groups. If that bill be not favorably reported by the committee to which it shall be referred within 30 days, a petition to discharge that committee will also be promptly filed so that an early vote on a "beer" bill may be had at this first session of the Seventy-second Congress. We shall, therefore, have two votes at this session—first, a vote on resubmission of the eighteenth amendment, and after that a vote on a "beer" bill.

The proposed "beer" bill is as follows:

A bill to provide additional revenue, and for other purposes

Be it enacted, etc.—

SECTION 1. That in order to provide an additional and substantial source of revenue to defray the expenses of Government and to relieve other industries and subjects of taxation from existing and additional burdens there shall be levied and collected on all beer, lager beer, ale, porter, stout, and other malt, brewed and fermented beverages containing one-half of 1 per cent of alcohol by volume and not more than 2.75 per cent of alcohol by weight, which maximum percentage is hereby declared to be nonintoxicating in fact, brewed or manufactured and hereafter sold, or removed for consumption or sale within the United States by whatever name such beverages may be called, in lieu of the internal-revenue taxes now imposed thereon by law, a tax of 3 cents per pint, to be collected under the provisions of existing laws: *Provided*, That cereal beverages containing less than one-half of 1 per cent of alcohol by volume may be manufactured and sold free of tax under the existing provisions of the national prohibition act as amended.

SEC. 2. Such beer, lager beer, ale, porter, stout, and other malt, brewed and fermented beverages containing one-half of 1 per cent of alcohol by volume and not more than 2.75 per cent of alcohol by weight shall be sold only in bottles, which bottles shall be filled at the brewery or place of manufacture, and shall not be sold to be consumed on the premises or in the building where sold, except where sold with meals in a regularly established dining room of a hotel, restaurant, or a duly incorporated club with membership, paying annual dues of not less than $15 per year, and the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall have power to prescribe and enforce rules and regulations carrying this section into effect, together with all the provisions of chapter 6 of title 26 of the United States Code, as amended and supplemented, and any other provisions of said title 26 as applicable to malt, brewed, or fermented liquors or beverages, and all provisions of existing laws relative to the licensing, registering, filing of returns, and payment of tax by manufacturer, brewer, wholesalers, and retailers in brewed, malt, or fermented liquors, and their agents and employees, are made applicable hereto and shall be enforced by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, under proper rules and regulations. Every brewery shall be assigned a number by the collector of internal revenue, which number shall not be held at the same time by any other brewery in his district, nor thereafter be changed except for reasons approved by the Commissioner of Internal Revenue, and such number, one-half inch in size, shall appear on the label of each bottle. No license shall be granted or continued hereunder to any person who has been convicted of a felony under the laws of the United States or the laws of any State or Territory, and the collector of internal revenue shall revoke any license held by a person who shall continue to employ any person after knowledge that such person has been convicted of a felony under the laws of the United States or the laws of any State or Territory.

SEC. 3. No license shall be issued, granted, or continued by the Commissioner of Internal Revenue to any brewer, manufacturer, wholesale or retail dealer, or other person to make, distribute, or sell such beer, lager beer, ale, porter, stout, or other malt, brewed, and fermented beverages containing one-half of 1 per cent of alcohol by volume and not more than 2.75 per cent of alcohol by weight, in any State or Territory in which the laws of such State or Territory prohibit the manufacture, transportation, sale, or use of such beverages, or in any political subdivision thereof wherever, under constitutional provision or law granting local option, such political subdivision has duly prohibited the manufacture, transportation, sale, or use of such beverages.

SEC. 4. The national prohibition act, as amended and supplemented, is hereby amended by striking out the words "and is otherwise denominated than as beer, ale, or porter" in subdivision (1) of section 1 of Title II of that act, and no provision of that act shall apply to beer, lager beer, ale, porter, stout, or other malt, brewed, and fermented beverages containing not more than 2.75 per cent of alcohol by weight.

SEC. 5. Nothing herein contained shall be construed to authorize the shipment, transportation, or importation of such beverages into the United States from any other country or place, nor into any State or Territory or political subdivision thereof, whenever the manufacture, sale, transportation, or use of such beverages is prohibited by the constitution or laws of such State, Territory, or political subdivision, and such shipment, transportation, and importation is hereby expressly prohibited, and all existing laws applicable thereto and in force on the date of the approval of the national prohibition act are hereby declared to be in full force and effect.

SEC. 6. (a) No grain or other ingredients suitable for use in the manufacture of beer, lager beer, ale, or porter, stout, or other brewed, malt, or fermented beverages may be imported into the United States or any place subject to the jurisdiction thereof, or withdrawn from bonded warehouse for domestic consumption, if it is to be used in the manufacture of beer, lager beer, ale, porter, stout, or other brewed, malt, or fermented beverages.

(b) This section shall be enforced as part of the customs laws, and the Secretary of the Treasury is authorized and directed to prescribe such rules and regulations as may be necessary for such enforcement.

SEC. 7. Any offense in violation of, or any right, obligation, or penalty, or any seizure or forfeiture, based upon any provisions of the national prohibition act, as amended and supplemented, or upon any regulation or permit issued thereunder, committed, accruing, or incurred, respectively, prior to the time this act takes effect, may be prosecuted or enforced in the same manner and with the same effect as if this act had not been passed.

SEC. 8. If any provision of this act or the application thereof to any person or circumstance be held invalid, the validity of the remainder of this act and of the application of such provisions as to other persons and circumstances shall not be affected thereby.

SEC. 9. This act shall take effect on the thirtieth day after its approval.

A careful reading of this proposal will disclose that its main purpose is to raise revenue in these days of a national deficit of $2,000,000,000; to relieve industry and business, already overburdened with taxation, from additional burdens. The latest proposal of some of the leaders of the House is to enact a tax on "manufactures," an evasive phrase meaning a sales tax. What that obnoxious tax will raise no one dares even estimate. There is no machinery for its enforcement and no past experience as to its possible yield. From exact statistics, based on past experience, it can be safely estimated that a tax of 3 cents per pint on beer will yield five hundred millions of revenue per year to the National Government, with many times additional revenue to the States and localities which sorely need additional sources of revenue.

Take your choice, Mr. Manufacturer and Mrs. Consumer, between a "sales tax" and a "beer tax," each raising the same amount of revenue.

It will be noticed that the proposed "beer" bill permits the sale of beer containing 2.75 per cent of alcohol by weight. In the cases before the Supreme Court of the United States and in lengthy hearings before the Committee on the Judiciary of the House this percentage has been found to be nonintoxicating in fact and not in violation of the eighteenth amendment.

The bill also restricts the sale of the beer to bottles, and thus abolishes the saloon. Saloons are only necessary or possible where the beer is sold in kegs or barrels, with the accompanying necessary bar and apparatus for drawing the beer. No saloon could exist selling beer in bottles.

It will also be noticed that the bill prohibits the sale of the beer to be drunk on the premises except with meals in dining rooms of hotels, restaurants, or legitimate clubs. No convict can obtain a license to sell the beer or keep a convict in his employ. This provision disposes of the gangster and the racketeer.

The bill not only protects the dry State against the invasion of the beer against its laws but also protects the local community which has gone dry by local option from the sale of the beer within its confines. What more could any true believer of States' rights, local option, or temperance ask?

The bill also expressly prohibits the importation of beer into the United States. But what is probably one of the outstanding features of the bill is contained in section 6, wherein the importation of grains or other ingredients for the making of beer is expressly prohibited. This provision should especially appeal to the agricultural sections of our country, so sorely tried—yes, ruined—by a surplus of grain. It is estimated that 150,000,000 bushels of barley and corn will be used each year in the manufacture of this beer. Surely this use of purely domestic cereals will help to reduce our surplus and restore a fair commodity price to our farmers. Can anyone say this program is not worth while?

A copy of this bill has been sent to each Member of the House. The committee invites the comment of every Member.

The people of the country will then know exactly how many Representatives in Congress are in favor of resubmitting the question to the people, how many Members are still dry, and how many Members favor modification or repeal. There will be no dodging the issue. A dry Member may well sign the petition, because his signing merely means he is willing that the House consider the question of resubmission, but no wet Member can refuse to sign the petition and still pose as a champion of repeal or modification. By refusing to sign he or she forever is branded as a dry, unwilling that the people voice their sentiments on this greatest of all national issues.

Resubmission of the eighteenth amendment to the people is a new question in this House. Of 435 Members, there are in the House only 81 men who voted for or against the submission of the eighteenth amendment. There are now in this House only 60 men who voted to submit the eighteenth amendment and 21 who voted against its submission. There are, therefore, 350 men in the House who have never had an opportunity to vote on the eighteenth amendment.

The editorial which I read at the beginning of my remarks brings to my mind that old slogan of the dry fanatics, "If necessary, call out the Army and the Navy and the marines to enforce prohibition." Times have not changed nor the

fervor of the drys. But now the slogan is "We shall spend countless millions in attempt to enforce this noble and unenforceable experiment, though we bankrupt the United States." [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. BECK. Mr. Chairman, I yield five minutes to the gentleman from Kentucky [Mr. FINLEY].

Mr. FINLEY. Mr. Chairman, criticism has been leveled at the Committee on Appropriations because the bill they framed, and which is now under consideration, while proposing to reduce appropriations for this, that, and the other purpose, does not propose to reduce the appropriation for the Prohibition Enforcement Service.

That criticism was to be expected, of course, from a small group of professional wet propagandists who happen to be Members of this House at this time, and was discounted in advance.

In order to assuage the indignation of these duly appointed critics of everything and everybody that will not bow down to the liquor traffic, let me suggest that the committee might have had a reason for what they did.

For instance, perhaps the committee believed that there are 35 or 40 organizations in this country, financed by profligate, predatory, and sinister wealth, whose sole and common purpose is to obstruct and prevent enforcement of the prohibition laws, and whose spokesmen and propagandists, both outside this Chamber and on this floor, incite, encourage, and foment violation and nullification of those laws. And who shall say there are not grounds for that belief?

Perhaps the members of the committee, as loyal Americans, felt that the suppression of such a conspiracy and the enforcement of our laws—all our laws—is a duty they owe to their country.

And if that was their reason, what law-abiding, patriotic American citizen will criticize them, either outside this Chamber or in it?

The fathers of some members of that committee fought under the Stars and Bars; of others, under the Stars and Stripes. Those fathers never surrendered to an inferior force. And they never declined the gage of battle when tendered by the other side.

Perhaps the members of the committee felt that they would prove themselves ignoble sons of worthy sires should they surrender to or retreat before a band of bushwhackers and freebooters, which carries no flag, acknowledges no allegiance anywhere, and whose sole object is rapine and plunder.

And if that was their reason what self-respecting son of an honored sire will criticize them, either outside this Chamber or in it?

Perhaps the members of that committee knew that the organized liquor traffic has no bowels of compassion and never had the semblance of a soul. Perhaps they knew that liquor has dug more human graves than war, pestilence, or famine. Perhaps they knew that it has destroyed more property than earthquake, fire, flood, or storm. Perhaps they knew that it has quenched more genius, clouded more intellects, and blasted more careers than all of human maladies. Perhaps they knew that it has built more scaffolds, peopled more prisons, almshouses, and insane asylums, blighted more lives, broken more hearts, destroyed more homes, and caused more crime, misery, degradation, poverty, and shame to the human family than all other agencies of the devil combined. Perhaps they believed that while the abhorred communists across the sea would drag God from the heavens the advocates and emissaries of the liquor traffic would, if permitted, enthrone Satan and establish hell on earth.

Perhaps the committee knew or believed those things, and believed that the Nation's money could not be spent to nobler purpose than to destroy the Nation's deadliest foe and this grisliest enemy of God and man.

And if they did, where is the God-fearing, country-loving American citizen who will criticize them either here or elsewhere?

Perhaps the memory of some members of the committee, like the wild bee to its hive, winged its way back across the void of intervening years to the childhood home and the mother, who, when her day's work was done, taught him to kneel at her knee and lisp that prayer which has bent a shield around the hearts of ten thousand times ten thousand boys during all the after years—that prayer which maybe some Congressmen still humbly and sincerely offer: "Our Father who art in heaven, hallowed be Thy name; Thy kingdom come; Thy will be done on earth as it is in heaven."

Perhaps the members of the committee felt that no man can offer that prayer, claim Almighty God as his father, acknowledge all men as his brethren, then temporize or compromise with the most monstrous enemy of both God and man without proving himself such a hypocrite as should be pilloried to the scorn and execration of all mankind.

And if they did so feel, shall the flickering, forked tongue of venomous criticism be darted at them by those destitute of like ideals and impulses? [Applause.]

Mr. BECK. Mr. Chairman, I yield myself eight minutes. I shall not accept the invitation of my distinguished friend from Texas [Mr. BLANTON] to read the hearings before the committee, which he thinks would convince me of the beneficence of wire tapping, because I am not fond of light literature. Moreover, even the authority of the Attorney General of the United States, for whom I have very great respect, would not reconcile me to anything so un-American and invidious as wire tapping, especially as I have a greater authority than even the present incumbent of that high office.

Justice Holmes, that venerable Justice of the Supreme Court, whose retirement from the bench a few months ago the Nation deeply regretted, probably the most philosophic of the Justices of that great tribunal in our generation, with his characteristic terseness of expression summed up the question in two words when he said that wire tapping was "dirty business." You can not add anything to that expression of Justice Holmes. Nor shall I discuss the remarkable fact that with the Government in a very grave fiscal crisis and when a sincere attempt is being made to reduce Government expenditures in every direction the only appropriation that seems to be sacrosanct, and upon which the hand of economy can not possibly be laid is the appropriation for the systematic manufacture of self-respecting Americans into criminals. I was surprised last Saturday when my genial friend from Alabama [Mr. OLIVER], not, I am sure, expressing his own choice of arguments but acting as the spokesman of the Prohibition Unit of the Department of Justice, sought to audit in dollars and cents the alleged benefits of prohibition enforcement. He quoted the Prohibition Unit as claiming that such enforcement had netted this Government $4,000,000 in the Treasury in dollars and cents, and that if one were to count the property that has been seized and destroyed the balance of trade in favor of the Prohibition Unit would be about $11,000,000 annually. I have no taste or desire to question the accuracy of the audit, although if I were more of a mathematician I might suggest, as the Attorney General himself admitted, that one-half of all the expenses of the Department of Justice goes to enforce this unenforceable law, and that, therefore, it might be fair to bring into the calculation one-half of the overhead of the department, which would make the balance of trade decidedly against prohibition enforcement.

But, Mr. Chairman, this question rises much higher than mere dollars and cents, and it is to demean a great controversy when we reduce it to the question of whether the appropriation for prohibition results in a return to the Public Treasury of a few millions of dollars. There is a great human element in this question that I wish I had time impressively to bring to the attention of this House. You must include in your audit the cheapened manhood of the people. Never does a policeman's hand rest upon a man that that man, however excellent he might have been in other ways, does not lose a little of his self-respect; never is a man arraigned in a criminal court, and is obliged to plead not guilty, even if subsequently acquitted, that some

measure of his proud self-respect as an American citizen has not been lost; and never is a man convicted and sent to prison that his self-respect does not suffer a fatal impairment. In the 12 years of prohibition, how many American citizens have thus had their manhood cheapened? I can not tell you the exact figures, but it must be considerably in excess of 500,000 American citizens. At the present rate of grist of the Federal criminal courts over 60,000 men and women, and in some cases young boys, annually feel the hand of the law upon their shoulders and have been arraigned in the criminal courts in the vain attempt to enforce an unenforceable law. I spoke yesterday from the east portico of the plaza, and I imagine that in front of me were possibly at the most about 50,000 people. You would have to take that vast audience and magnify it tenfold before you could visualize this ghastly destruction of the self-respect of many Americans who have been indicted in the attempted enforcement of this iniquitous and foolish law.

Mr. OLIVER of Alabama. Mr. Chairman, will the gentleman yield?

Mr. BECK. Yes.

Mr. OLIVER of Alabama. I will yield the gentleman one minute while I call his attention to what I have in mind. The gentleman referred to my statement in reply to questions asked, and I shall read what I stated in the hearings, which will be found on page 207, in respect to the matter of which the gentleman spoke:

Mr. OLIVER. I do not think we should put law enforcement on the basis of whether the bureau charged with the law enforcement is self-sustaining or not.

May I add that I share the views expressed by Colonel Woodcock, that it would be a great mistake to determine whether you shall enforce the law by the returns that flow from the enforcement of the law, in the way of money paid into the Treasury. If a law is to continue on the statute books, it should be enforced, as far as we can enforce it, within the limits of the appropriations that Congress grants.

Mr. BECK. I am very glad to hear the statement of the gentleman. It is worthy of him.

[Here the gavel fell.]

Mr. BECK. Mr. Chairman, I yield myself two additional minutes.

I am sorry I did not get far enough to outline what I believe will be the program of the wets without respect to party affiliations. We realize that a majority of this House has not yet seen the light. They will see it. Many of them are already well on the road to Damascus [applause], and before very long, certainly after the next presidential election, many a dry Saul will become a very devout and wet Paul, in my judgment. [Laughter and applause.] Therefore the final solution of this problem may only come in another Congress, and all we can do now is to indicate the grounds and the reasons for what will be the redemption of this Nation from an intolerable system of moral bondage.

When I was speaking from the east portico of the Capitol on the subject of Washington, I could not but recall the fact that the great architect of the Capitol, Latrobe, in his delightful autobiography, tells us that he dined at Mount Vernon, and that at the dinner he noticed that when General Washington had taken a glass of wine some of his taciturnity passed away and he became more genial. If Latrobe had said to him, "Now, General, I am something of a prophet. I see that you drink wine, and I see beyond your home are the fields in which you grow the grain from which you brew beer and the vineyards from which you distill the very wine you are drinking. I am a prophet. The time is coming, and it will come in a little more than a century, when the American people in a moment of aberration, which to another generation will seem amazing, will make it a crime to even possess a glass of Madeira or to brew beer or to distill the genial fruits of the grape." If Latrobe had said that, the old general would never have believed him, because it would have been inconceivable to Washington or Franklin or any of the founders of this Republic that any such intolerable system of moral bondage as the eighteenth amendment could ever become the fundamental law of the American people.

[Here the gavel fell.]

Mr. SHREVE. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Chairman, the course of the discussion this afternoon has taken a different turn than most of us had expected. I had anticipated a general field day on this whole prohibition question. In fact, so certain was I of the turn that I expected the debate would take that I extended an invitation to a number of our educational friends to hear our distinguished friends upon the other side of this question present some of their arguments.

As you know, there are within the boundaries of the city of Washington at this time a splendid group of our citizens who make up a division of the National Educational Association. I refer to the annual meeting of the superintendents of that great organization. Newspaper accounts relate the fact that there are something like 15,000 of those splendid men and women now guests of the Capital City.

If any of them were on the Plaza yesterday afternoon and had the opportunity to hear that matchless address of our distinguished colleague, the gentleman from Pennsylvania [Mr. BECK], and then, perchance, if they have been within this Chamber this afternoon and have listened to the remarks the gentleman has just made, I regret the striking contrast they surely note between the sublime eloquence of yesterday afternoon and the sorry exhibition before us just a few minutes ago. [Applause.]

My recollection is that one year ago, upon Washington's Birthday, we were likewise privileged to hear from this same colleague one of the most eloquent addresses upon the Father of our Country to which I have ever been privileged to listen. I declare to you that I would go a great many miles to hear him on that theme, and whatever might have been the number of times I had previously had the pleasure of listening to him, I would travel the distance gladly and be dead sure I would be amply rewarded for the sacrifice of time and money I had made. Then, as to-day, within a few hours after he had moved us deeply by his eloquent tribute to Washington and his references to the Constitution, he stood in this same public forum, forgetting the incongruity of it all, and sought by innuendo if not by direct attack to discount and belittle a part of the great document which he always loves to defend with that matchless eloquence of his. In the wide range of his study on Washington I wonder if he ever chanced upon this striking statement of the Father of our Country bearing directly upon the proposition now under discussion, namely, adequate enforcement of law:

Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political system is the right of the people to make and to alter their constitutions and government. But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presupposes the duty of every individual to obey the established government.

Mr. Chairman and members of the committee, bearing in mind the lofty sentiments just quoted from the Father of our Country, it seems clear to me that the real test of patriotism at the present moment, and in connection with the particular item under consideration, is not the use of eloquent words but the performance of sworn duty. In the vote we are about to cast we are to reflect not only our personal views but are charged with the responsibility of expressing in addition thereto the voice of the thousands of people whom we are representing, and in a still larger sense the thought of the people of the whole United States. In that connection it seems timely to me to set out the oath of office taken by every Member of the House of Representatives:

I * * * do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.

In my opinion, Mr. Chairman, the situation now before us involves far more than the sum of money involved in the

appropriation. It goes to the very fundamentals of the Government itself. Speaking as one member of the committee, I believe it to be my duty to support the request of the administrative officer directly responsible for law enforcement for the amount carried for this item, and likewise to support the very capable subcommittee which favorably reported the item after the most complete hearings referred to earlier in the debate. In this connection it seems to me there is a special obligation resting upon the membership of this House who are attorneys, and, therefore, in a larger sense accountable for proper enforcement of the law.

I have just been advised that the action to be taken by the opponents of the proposition under discussion is not to be directed to the whole appropriation but to one single item, and for this concession I am glad to commend them. However, I regret exceedingly that men of the very high legal standing of those thus far appearing in opposition, should stand upon the floor and by their attacks upon one single item, make more difficult the discharge of enforcement responsibilities. To me such action is a strange response to the solemn oath of office taken by all Members before the Speaker of the House on the opening day of Congress.

In another respect the position assumed seems entirely contradictory. Upon every occasion, when discussion upon this question occurs in this chamber, repeated references are made to lack of enforcement of the law, and bitter complaints are registered by the very people who by their utterances as well as by their votes, are seeking to make enforcement more difficult. It is my opinion that if one-half the energy and one-half the eloquence devoted to opposition to the law and its proper enforcement, had been placed squarely behind the law, long before this time we would have had a satisfactory standard by which we might judge results. I regret exceedingly that one of my colleagues has referred to it as an "unenforceable law" and another as an "iniquitous law."

Before my time expires I want to refer again to the splendid group of men and women who are guests of the Capital City as members of the department of superintendents of the National Education Association. If a referendum were desired from the whole country upon this enforcement proposition, I wish we might have, as indeed I hope we will have before the week is over, an expression of opinion from this splendid army of men and women in direct charge of the training of the boys and girls of the land. [Applause.] If we could have such a referendum from these men and women who are in such vital touch with the real problem, not only in its particular relationship to the young men and women of the land but also as it relates to their particular communities, I would be willing to rest the whole case upon the outcome of such an expression of views. I desire to congratulate them upon the fine leadership they have shown in this particular matter and the splendid spirit of patriotism they have always manifested in teaching the youth of the land proper reverence for the Constitution and sincere respect for all laws.

In conclusion, as one member of the committee, I want to accept cheerfully the challenge implied in the remarks of my friend, the gentleman from New York [Mr. O'CONNOR], who seems to believe there are some who hesitate to meet the issue which he assures us will be presented on March 14.

So far as I am concerned it will not be necessary to postpone the vote that long, nor to resort to the procedure indicated to secure an expression of my opinion. Indeed, I would have been glad if we could have finally disposed of the matter before this time so that the attention of Members might be given to legislative propositions of far greater significance and importance. I welcome the opportunity which is to come to us on March 14 through the resolution suggested by the gentleman from New York. [Applause.]

Mr. LINTHICUM. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, I offer an amendment, which I would like to have read now for information.

The Clerk read as follows:

Amendment offered by Mr. BOYLAN: Page 38, line 1, after the word "all," strike out "$11,369,500" and insert "$8,369,500."

Mr. BOYLAN. Mr. Chairman, in these days when we are trying to exercise every possible means of economy, there is no reason, to my mind, why we should not exercise economy in the Prohibition Department.

During the preliminary debate last week I asked the question what departments in this bill had not been reduced in their appropriations, and I was told there were only three departments, the Prohibition Department and two other departments. I brought out the fact that these three departments are engaged in the very laudable (?) business of sending people to jail.

I would now suggest as a new slogan for the prohibition forces represented here and elsewhere a slogan as follows: "We hereby pledge ourselves to the construction of better and handsomer and more commodious jails."

The Attorney General stated in the hearings that of his large appropriations of $55,000,000, between 50 per cent and 60 per cent of the total amount is to be spent for the enforcement of prohibition. This being the case, why should not prohibition take a cut in this era and age of economy together with every other department of Government? Is it, as the distinguished gentleman from Pennsylvania has said, sacrosanct? Is it above and beyond the law? Is it on a pedestal by itself, that we should exclude it from all the departments in which an effort is being made to make a saving in this hour of need?

The gentleman from Massachusetts [Mr. TINKHAM] at the hearings brought out the fact that there were 13 civilians killed during the year 1931 as against 9 prohibition officers, and the distinguished gentleman from Texas [Mr. BLANTON] said:

That would indicate that the bootleggers are better shots than our prohibition agents. I would suggest to Colonel Woodcock that he have them trained a little bit in the use of firearms. Whenever they go after a man they ought to arrest him. If it requires killing him, they ought to kill him, in my judgment.

Mr. BLANTON. Mr. Chairman, will the distinguished gentleman from New York yield?

Mr. BOYLAN. I yield to the gentleman.

Mr. BLANTON. What would my friend from New York have him do—lay down?

Mr. BOYLAN. Further, the gentleman from Massachusetts [Mr. TINKHAM] said:

Well, I do not assume that the honorable Representative from Texas would want any unnecessary killing.

Mr. BLANTON. When a police officer goes to arrest a man, I think he ought to arrest him.

Mr. BLANTON. I think he ought to.

Mr. BOYLAN. Is it not a nice statement for a Member of this House to favor the killing of men, women, or children for mere minor violations of this wonderful prohibition law.

Mr. BLANTON. I am not in favor of anybody being killed. But when officers of the United States arrest hardened criminals, and such thugs attempt to kill such officers, I want the Government officers to effect the arrest even if they have to kill the criminal to defend their own lives. That is my position.

Mr. BOYLAN. My amendment provides for a reduction in the appropriation for the Prohibition Bureau of $3,000,000. On account of the business slump, we could easily dispense with the services of at least 1,000 enforcement officers. Their salaries would approximate the amount of the proposed reduction.

I would like to call the attention of the House to the fact that the sentiment of the country has changed about this "noble experiment." Every special election held for a congressional seat has resulted in the election of a wet. You gentlemen should see the error of standing up for a law that is universally discredited and that will in a short time be wiped off our statute books.

For 11 years every species of oppression has been used to secure its observance. The most sacred rights of the indi-

vidual have been violated; homes have been entered without due process of law; telephone wires have been tapped; property has been destroyed; men, women, and even little children have been shot down on the highways of our country; all these atrocities have been perpetrated upon our citizens—all in the "sacred cause" of prohibition.

I appeal to you dry Members to rise and assert your rights without fear of any enforcement organization and support my amendment for a fair and reasonable cut in the appropriation for the Prohibition Bureau. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. RAGON].

Mr. RAGON. Mr. Chairman, I am not here to express any particular views on the prohibition question. I will say, however, in my eight years of experience in the House, in which time I have had a splendid opportunity to visualize the assault upon and the defense of the prohibition law, I have about come to the conclusion that it is the most securely fool-proof law there is on all the statutes of the United States, because in this time it has successfully placed a granite front to all the bitter and unrelenting attacks of the gentlemen who classify themselves as wets as well as withstood the support of a few of its fool friends.

I am not interested this afternoon in discussing the merits or demerits of prohibition, but I am vitally interested this afternoon in the question of enforcement of the prohibition law. In our enthusiasm for either the prohibition side or the wet side of the question it ill behooves Representatives of the people of the United States in Congress here assembled to forget the purposes to which this present phase of the bill is directed, which is a proper enforcement of the prohibition law.

Mr. MAAS. Will the gentleman yield?

Mr. RAGON. I would prefer not to yield. If it is an urgent question, I will yield; but I have only five minutes.

Mr. MAAS. I consider it an urgent question. Does the gentleman consider it more important to enforce this law than to feed American citizens who are hungry?

Mr. RAGON. No; of course not.

Mr. MASS. But you are appropriating all the money they have asked for this law.

Mr. RAGON. Yes; and I would even go farther. Be seated; I can not yield to the gentleman for any of these wet speeches. Give the enforcement of this law a square deal. It has never had one. You may be a wet or you may be a dry; but whatever you are, give the mandates of your country's Constitution a square deal.

I have seen these little challenges come up about a proper appropriation for carrying on the enforcement of this law. If it is a bad law, the best way for you fellows to get rid of it is to properly enforce it. That will kill it, if it is a bad law, quicker than anything else; will it not?

Mr. LINTHICUM. But you can not do it.

Mr. RAGON. All right; if you can not do it, then trust to the people who sent you here to have sense enough to know that they can not do it; but I say to you gentlemen this is the only law I have heard since I have been in Congress here attacked day in and day out on the floor of this House, and they have even carried it to the point of trying to dwarf the money we appropriate to enforce it. Why, it is so all-important that the wets of the two parties here in the House can not enlist their services under one man as floor leader, but must have a twin leadership under the gentleman from Maryland [Mr. LINTHICUM], representing the Democratic side, and the distinguished gentleman from Pennsylvania [Mr. BECK] to properly represent the Republican ideas. Some of us wonder if legislative strategy is the only reason for this.

So, with gentlemen like that, with their astuteness and their broadness of intellect, fighting this law day in and day out, I say to you I do not wonder there is some sentiment somewhere in the United States that this law ought to be violated at the discretion of the individual. We may differ in our opinions on prohibition, but we can not differ, as Americans, on the propriety of enforcement.

My friend, Mr. MAAS, has just interposed a question here that I think if he had read the report he perhaps would not have asked; and that is, Why give such importance to the enforcement of the prohibition law, and why not diminish the present amount given in this bill as we have reduced every other item? In this he is incorrect.

I am sure, gentlemen, if you will take the time to look at the report on page 12, you will find that similar action is taken with respect to the enforcement of the antitrust laws and immigration laws. This is due to the difficulty in enforcement. We have numerous laws difficult of enforcement, and prohibition is one of them. A Government that can within a few months organize 4,000,000 men and raise $26,000,000,000 to bring the most potent foreign military force ever organized to its knees in a comparatively short time can not enforce a criminal statute when it sets itself seriously to the task of doing so? I do not care what you say or believe, I think it can.

All right. If my friend from New York [Mr. O'CONNOR] is going to get up here and appeal for economy to reduce this appropriation for prohibition, why is he not likewise interested in the reduction of the appropriation for the enforcement of the antitrust law and the immigration law? [Applause.]

Mr. O'CONNOR. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. O'CONNOR. I want to say that I am for the reduction of the appropriation in both of those items. [Applause.]

Mr. RAGON. That is a good answer, but my friend got up, and with considerable vehemence, took the floor inveighing against the enforcement of the prohibition law, and said at the time that we were not keeping step with the economies of the program when we did not reduce this appropriation for the enforcement of prohibition and yet failed to say anything in favor of reducing the appropriation for strict enforcement of immigration laws and the strict enforcement of the antitrust law. So I say that my friend from New York, with all due respect, should be consistent in the matter.

So I say you should vote to-day to enforce the Constitution of the United States and the laws enacted under it in this provision we are considering now.

Let us forget the question of whether we are for or against the amendment, let us not make a display here when the galleries are crowded with people, who, as my friend from Michigan says, represent the educational forces of America. When we sit here in the presence of these people who are instructing the youth of this country on the Constitution and Government, the legislative and executive system of our country, let us not inveigh against the enforcement of a law that was given them as a solemn mandate in the Constitution of the United States.

Bring on your referendum for repeal, bring on your bill for a modification of the Volstead Act, let us meet them on their merits, but in the name of all that is good, do not stand up here and say in the face of the Constitution that you will not enforce the law. [Applause.]

Mr. BECK. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, the gentleman from Arkansas makes an appeal for law enforcement, and criticizes Members for calling attention to the fact that of all the reductions in the appropriation bill there is no reduction in the item for the enforcement of prohibition.

I agree with the gentleman from Arkansas as to the enforcement of this law, and would like to see prohibition enforcement commence right in those sections of the country which pretend to be for it—it would be wholesome and useful. Let prohibition commence at home. [Applause.] I would be willing to add to the appropriations for enforcement right in the gentleman's own State. [Applause.] But it is, Mr. Chairman, the squandering of millions of dollars on a law—not that the wets in Congress refuse to enforce but a law that the majority of the American people do not want enforced, and do not respect or obey. We would not have the thousands and thousands of bootleggers if we did

not have hundreds of thousands and millions of individuals who buy their wares. It is the universal demand for liquor that creates this situation. It is the universal demand and consumption of liquor which makes enforcement hopeless. It is the universal desire on the part of the people to obtain and consume liquor in all and every State of the Union which makes enforcement impossible. We surely are within our rights to refer to these conditions and endeavor to bring an end to this impossible law, thereby saving millions and millions of dollars to the taxpayers.

I ask the gentleman from Arkansas [Mr. RAGON], I ask any outstanding dry, and will even include the newly elected loud-speaker for the drys, my good friend, Mr. BLANTON, from Texas, to point out one other law which American gentlemen, almost without exception, will witness the violation of without resentment. Is there any American gentleman who would witness a violation of our counterfeiting laws without protest? Is there any American citizen who would engage in a nation-wide acquiescence in the violation of any other law such as there is in prohibition? Then why continue this legalized mockery? Let us put an end to it. I will go one with the gentleman from Arkansas. I will stand here and vote for every cent that he will recommend for the enforcement of prohibition at the present time, now a part of the Constitution, if he will stand up and vote for the equal enforcement of laws to carry out the intent of the fifteenth amendment. [Applause.] It is just as much a part of my Constitution as is the eighteenth amendment.

In considering this matter from a dollars-and-cents standpoint, at this time we should consider not only the appropriations provided for in this bill for enforcement but we should add to them the additional cost of our penal institutions, then to that the additional cost of the Federal courts, and then the additional cost of the marshals and the personnel that are necessary under attempted prohibition enforcement, and the money so appropriated, together with the loss in taxes, would amount to over $750,000,000. That is the cost of prohibition without enforcement. If gentlemen really want to reduce expenses and reduce taxes, repeal prohibition, which runs into hundreds of millions of dollars, instead of seeking to abolish the Children's Bureau in order to make economies so as to balance the Budget. In addition to that, I should add the amount of money involved in the loss to the States and the municipalities through loss in license and excise taxes, assuming we take the definition of liquor as given by the gentleman from Kentucky [Mr. FINLEY]. If it is so bad as he says, if it is so dangerous, then let us put it under proper Government control and not leave it under the control of racketeers and criminals. I say we must face this issue. I admit we can not face it on an appropriation bill, but you gentlemen who have been sitting with us for the last 10 years see that the American people are protesting and that each year the protest increases in this House. [Applause.] We are certain of success, because prohibition has proved to be a failure and the American people will not continue an unsuccessful experiment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SHREVE. Mr. Chairman, I yield six minutes to the gentleman from Nebraska [Mr. SIMMONS].

Mr. SIMMONS. Mr. Chairman, I came to this discussion this afternoon with the distinct understanding that I had gotten from reading the stories in the daily press that we were here to be confronted with a movement on the part of the wets to reduce this appropriation for prohibition enforcement. When I came into the Chamber, I went to the Clerk's desk and asked to see the amendment that had been offered to find out how much it was proposed we should reduce the appropriation for prohibition enforcement and was told that no amendment was pending. Then I went to several of my wet friends on the floor of the House and said, "How much do you men want to cut this appropriation?" and not one man was willing to say that he was ready to take a chance to move to cut the appropriation one penny until Mr. BOYLAN broke away from the rest of the wets and had the courage to say that he would move to cut the appropriation.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. BOYLAN. The reason that no amendment was offered is due to the fact that by agreement of the House this particular section of the bill was not to be taken up until to-day.

Mr. SIMMONS. But the discussion has been carried on here to-day, and the gentleman from New York has been the only man willing to say that he wanted to cut it one penny.

A MEMBER. Oh, no.

Mr. SIMMONS. One other gentleman says "no" and leaves the Chamber.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. If the gentleman is willing to say how much he is willing to cut it.

Mr. MAAS. I am willing to eliminate it entirely. I would not vote a dollar for it. [Applause.]

Mr. SIMMONS. That is all I yielded for.

Mr. MAAS. That is enough.

Mr. SIMMONS. Here is a man in this House, sworn to uphold the law and enforce the Constitution, who says that he is ready to render it absolutely inoperative in a matter that he does not like. I think we have reached a time in the House when we ought to find out whether or not men sworn in this body to enforce the law are willing to see that it is enforced and enforced properly. [Applause.] Then the gentleman from New York [Mr. O'CONNOR] takes the floor and says that the committee are guilty of cowardice, because they do not cut this appropriation. How long since is it that men in this body have the right to judge others in that manner? I think I know something of the men who handled this bill, something of the men who studied it, and the charge of cowardice leveled against any member of that subcommittee is absolutely unjustified. Then he would have branded the rest of the membership of the House with cowardice when he says, "Oh, yes; the time is coming when we will find out how men stand on this floor, because on the 14th of March you are going to say where you stand, for then we are going to compel you to go on record." I say to the gentleman from New York that there may be men who believe as he does who fear to go on record in this House, and I say to you now that you need not wait until the 14th of March to find out how I am going to vote. I am going to vote against the resubmission of the eighteenth amendment. And there are a great many others. If the gentleman has the courage that he charges men with not having on the floor of this House, let me say to him that there are a number of us here who are ready this day to go on record and vote on this issue, if you will only make your motion to cut the appropriation.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. If the gentleman is willing to say how much he wants to cut this appropriation.

Mr. O'CONNOR. If the gentleman heard my entire remarks, he would have heard me say that I believe there should not be a vote on what I call collateral issues, such as this, until we get to the fundamental vote on resubmission. I would not vote on a collateral issue such as this at this time.

Mr. SIMMONS. The gentleman is ready to come in here and get his newspapers to carry his wet speeches, but does not have the courage to submit any one of these issues to this Congress.

I am ready to vote to-day with you on the question of whether or not the House of Representatives is ready to vote the money needed to enforce the prohibition laws of this country. I am ready to help the gentleman get a record vote on it. If there are other wets who are ready to say they will vote on that and say how much they want to cut this appropriation, I am ready to vote on it.

I am talking to you wet people, who are always perfectly willing to take advantage of every opportunity to spread your views; you have told the country you are going to cut

this appropriation for prohibition enforcement; there is only one gentleman, the gentleman from New York [Mr. BOYLAN], who is ready to offer an amendment to cut the appropriation, and one other gentleman who says that he would cut it all out.

Mr. BOILEAU. I will vote to cut it all out.

Mr. SIMMONS. I will say to the gentleman from Wisconsin what I said to the gentleman from Minnesota. The gentleman from New York said something about bankrupting the United States to enforce prohibition. How absurd. This appropriation amounts to but 9 cents per capita per year.

[Here the gavel fell.]

Mr. SCHAFER. Will the gentleman yield?

Mr. SIMMONS. My time has expired.

Mr. SCHAFER. Twenty-nine States in the Union have laws against wire tapping. Will the gentleman support the enforcement of those laws?

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. LINTHICUM. Mr. Chairman, I yield four minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Chairman, opposition to adequate appropriations for the enforcement of criminal law means but one thing—the encouragement of anarchy. On the other hand, submission to a law which one is convinced violates the wishes of a substantial majority of the people and is unnecessarily oppressive is but a tolerance of tyranny. The action of the Judiciary Committee of this Congress in refusing to allow the people of the States to vote their sentiments on the repeal of the eighteenth amendment, together with the ever-growing appetite of the dry bloc for more and greater appropriations, has, I submit, made the choice between these two odious things unescapable.

Nor should that choice be difficult for those who inherit the traditions of the Boston tea party. The path toward anarchy will by comparison be smooth and pleasant. With that purpose in mind, as long as Congress arrogates to itself the prerogative of telling the people, who own this Government, that they shall not be permitted to vote on what they desire in our basic law, I for one shall not vote for any appropriation bill that provides one dime to enforce the prohibition law.

With those in Congress favoring a resubmission of the eighteenth amendment slightly in the minority, this proposal may not appear at all threatening. However, there are few appropriation bills that do not produce opposition on many other grounds, and it is not too much to hope that in time combined opposition may require this deluge of prohibition-enforcement waste to be set forth alone for public inspection in all its silly and profligate detail. For example, the $100,000 which we voted for the other day to enforce prohibition among the Indian tribes all tucked away in the Interior Department bill will be placed where it belongs and added to the total. We may even be able to allocate the cost of maintenance of our vast army of unemployed bootleggers in United States penitentiaries.

If and when Congress permits the people to exercise their franchise on this subject, pending that verdict, I should favor granting the Anti-Saloon League and its handmaiden, the present Republican administration—as distinguished from the Republican Party—all the funds they crave to demonstrate in finality the utter hopelessness and futility of their program. This proposition should by no means be distasteful to them because they proclaim with great vehemence that the people will never tolerate the repeal of the eighteenth amendment. Therefore, if this Congress should adopt that policy, the dry forces will have for all time to come plenty of revenue to enforce their pet theory of paternal government.

The problem of alcohol is about as old as the Aryan race; and if we fail to solve it in this decade, future generations may forgive us for our stupidity.

However, our American experiment in democracy is still but an infant in history. If we pursue an erroneous course in government for a comparatively short period, we mold customs and establish precedents that may well bring upon us the curse of future generations. I submit that the persistent attitude of this Congress in refusing to allow the people to vote on a proposition which even in this financial cataclysm continuously calls for more attention and discussion than any other question in our civilization is establishing a precedent directly opposite to the conception of the founders of our Government.

When the United States Constitution emerged from the convention it fully satisfied no one. Both the large and the small States feared it, and John Quincy Adams critically called it "a bundle of compromises." The one provision that finally made it acceptable to the people of the States was the apparent ease with which it could be amended. This provision for amendment, Article V, was the one contribution to the Constitution made by the patron saint of the Republican Party, Alexander Hamilton. James Madison, destined later to become one of democracy's shining lights, in commenting on this section, said:

> The people were in fact the fountain of all power; by resorting to them all difficulties were gotten over. They could alter the Constitution as they pleased.

That statement would be true to-day if it were not for the development and functioning of political parties and blocs which the founders of our Government seemed wholly unable to foresee. None of us, I am sure, would criticize party government to-day. It is necessary, and those countries in which it operates most successfully enjoy the greatest freedom. But, I submit, we should all be equally zealous to keep the amendment of our Constitution close to the people and free from entanglement with other party issues. This was in the hearts of the framers of the Constitution when it was said:

> We, the people of the United States, in order to form a more perfect union—

And so forth.

It was in the mind of James Madison when he said:

> The people were in fact the fountain of all power. They could alter the Constitution as they pleased.

A number of States have attempted to bring constitutional amendments closer to the people by a referendum on State legislative action in approving constitutional amendments, but our Supreme Court has nullified such efforts. The progressive platform of 1912 contained a pledge to provide a simpler and more direct method of constitutional amendment. A number of State political platforms have contained similar proposals.

Reduced to final terms our present difficulties are due to the fact that as to constitutional amendment Congress is no longer a deliberative body. Its Members are so bound up with blocs and party issues and the parties themselves are so helpless in the hands of these organized blocs that there is no freedom of thought for deliberation. When the fact is gone why perpetuate the fiction?

At least until some other method of constitutional amendment is devised, providing the people with a real referendum on their fundamental law, I submit there is just one way to restore the Constitution to the people, and that is for Congress to determine just two facts pertaining to any proposed amendment:

First. Is the subject matter of the proposal a fundamental rule of government and not merely a statute?

Second. Do approximately half of the population desire a vote on the question involved?

If both of these questions are answered in the affirmative, then congressional responsibility should consist in phrasing the proposal in good English and in handing it to the people. In this respect the fact that the proposed repeal of the eighteenth amendment happens to touch the question of prohibition should make no difference in principle. It is simply a question of fairness in government and preserving the spirit of democracy. It should have the same appeal to all citizens who believe in fair play, whether they be as wet as the Pacific Ocean or as dry as Death Valley.

The Hon. MORRIS SHEPPARD, reputed to be the author of the eighteenth amendment, on July 30, 1917, said:

> The Member of Congress who will not vote for the submission of a constitutional amendment to the decision of the States, where it belongs, unless he personally believes it should become a part of the Constitution, usurps the function of the States, arrogates to himself and the Federal Government a prerogative that belongs to the States, and violates the very essence of their sovereignty.

The Hon. WESLEY L. JONES, author of the famous and foolish "5 and 10" enforcement law, on July 31, 1917, said:

> I believe it to be my duty as a Senator to vote to submit an amendment to the State legislatures when there is a strong, matured, widespread sentiment and demand from the people for such an amendment. To refuse to do so is to act as the master rather than the representative of the people.

Is there such a demand on the part of the people? Observe for a moment those congressional districts in the last election which were normally Republican and where prohibition was not an issue—the first and ninth Ohio and the thirtieth Pennsylvania districts. In spite of the tremendous drift away from the policies, or rather lack of policies, of this administration those districts remained safely Republican. Gaze again at three equally strong Republican districts where prohibition was an issue—the third and twelfth Ohio and eighth Michigan districts. There the people voted for and elected antiprohibition Democrats.

Nine States have in one manner or another directly repudiated national prohibition. They are Massachusetts, Rhode Island, Nevada, Illinois, New York, Wisconsin, Connecticut, Maryland, and Montana, States containing over one-fourth of our population and paying three-fifths of our Federal income tax. The three polls of the Literary Digest show a progressive national revulsion against this fatuous and oppressive law. The members of the American Bar Association, the American Medical Association, the American Federation of Labor, and the American Legion have all expressed themselves as opposed to our present prohibition effort. Where could we find a more representative cross section of American citizenship?

Nine of the ten signers of the Wickersham report declared themselves either in favor of the submission of the question of repeal or modification of the eighteenth amendment to the people. Here is what they said:

> Henry W. Anderson: "It is proposed * * * that the eighteenth amendment be modified or revised."
> Newton D. Baker: "A submission of the amendment * * * would test the present sentiment of the country."
> Ada L. Comstock: "I * * * favor an immediate attempt at change."
> William S. Kenyon: "The feeling of the people on the subject should be registered by a referendum."
> Monte M. Lemann: "I see no alternative but repeal of the amendment."
> Frank J. Loesch: "Steps should be taken immediately to revise the amendment."
> Paul J. McCormick: "I favor and recommend such action (submission of the eighteenth amendment.)"

We paid these specialists a half million dollars to prepare and deliver their opinion. Shall we now repudiate their advice and follow that of the Rev. Scott McBride and the notorious James Cannon, jr.?

The other day a number of us voted to submit to the people the so-called "lame-duck" amendment with but a fraction of the evidence of a popular demand which is manifest for a vote on the eighteenth amendment. Many of us thought that this "lame-duck" amendment at best was of no value and possibly even harmful, yet we voted to submit it to the people, as there was some substantial evidence of a popular wish to have the question submitted.

There is no more reason for perpetually reenacting this anachronistic farce in which an all-wise, nonpartisan Congress is supposed to deliberate on the expediency of trusting a constitutional amendment to popular vote than there is of operating the Electoral College in its originally conceived capacity as a deliberative body.

Just now it is not a question as to how the people should vote on this repeal. The important question is: Shall they have the privilege of voting, or shall Congress, under the dominance of a group of smug, self-satisfied reformers, say to the people, "We alone know what is best for you; we got what we want into the Constitution, and now, by the powers, you shall not have a vote on a change"? These are not imaginary words. They very closely paraphrase an editorial of William Allen White, the dry Republican mouthpiece of Emporia, Kans. They epitomize the basic doctrines of bigotry and tyranny from the dawn of history. They would well have become the tongue of Lord North, and were, no doubt, in the mind of Louis XIV when he said, "L'état c'est moi."

To combat such a spirit drastic methods are necessary. If we may judge from the scandal-strewed pathway of this noble experiment, putting a knot in the purse strings is the most effective one possible. This will not disturb the idealist talking from his pulpit, but the "practical prohibitionist" will soon lose interest. [Applause.]

Mr. LINTHICUM. Mr. Chairman, I yield four minutes to the gentleman from Illinois [Mr. KARCH].

Mr. KARCH. Mr. Chairman, it is unfortunate that a Member of Congress is required to limit his discussion of an important question to a comparatively short period of time. It is difficult to make a logical argument on a subject of such vast importance as the prohibition question within the time a Member can reasonably expect to be accorded him in this House.

I am not finding fault with the system that prevails here of limiting the time of a Member in which he may discuss a proposition, because I realize that on account of our very large membership of approximately 435 and the very large number of subjects and measures that deserve the attention of the House it is both unjust and impracticable to extend any one Member unlimited time to address the House.

I only wish to express my regret that such a situation prevails, and request the indulgence of my fellow Members in what may appear to be a summary presentation of an argument on this very important and far-reaching problem, and the apparent omission of facts and circumstances which should, in the arraignment that I am about to make against prohibition, be stated to support in logical sequence the charges that I shall inveigh against this nefarious institution.

I dare say that there has not been a question before the American people since the Civil War, which has been so widely and voluminously spoken upon and written about and agitated by the citizens at large, as has the prohibition question. That fact alone stamps that question with great magnitude and transcending importance.

I do not wish to have you gentlemen, who have not yet learned to know me well, believe that I am obsessed with the subject—prohibition. I wish you all to know that I have given this question careful thought for many years, and that I have, at all times, considered it with an open mind and aside from my own native predilections, with no end in view except the welfare of our Republic and the weal and virtue of its citizenship.

If I could be convinced that the welfare of this Nation required an absolutely abstemious people, and that this new and anomalous system of prohibition under which we are operating had accomplished or would ever accomplish that end, I, as a loyal citizen and a sincere humanitarian, would most cheerfully subscribe to and abide by this kind of prohibition.

But is there a man within hearing of my voice—is there a man within the borders of this Nation—fair to himself, fair to his country, and fair to his conscience who can say that the two things which I have just mentioned do in fact exist?

If they do exist, then why this tremendous agitation and this overwhelming protest? Twelve years is a long period in the affairs of one's life and in the affairs of a nation. Prohibition has had a trial, and a fair trial. The Government has been earnest and generous in its efforts to make it a success.

There has not been a time when the administration of prohibition has not been in the hands of those who wrought this reform, who believe in it, and who have strained the uttermost resources of our Government, within the law and beyond the law, to demonstrate its feasibility.

Prohibition has been administered under the régimes of three Presidents who were, at heart and soul, prohibitionists. The drys not only furnished all of the personnel, from chief down to the lowest agent charged with its enforcement administratively, but, I here make the charge, that their voice was heard and that their voice was obeyed in the selection of the United States attorneys and United States marshals and United States judges under whose function the final execution of the law has hitherto been reposed.

The Government of the United States, backed by a patient and loyal citizenship, up to this hour has sacrificed, directly and indirectly, $7,000,000,000 of the taxes of a hard-pressed and struggling people in order that prohibition should have a fair trial. Courts have gone to excess in procedure and in penalties to enforce prohibition. This law is the most drastic law on the statute books of any nation in the world. The fourth and fifth amendments to the Constitution of the United States have been practically abrogated. What was an innocent act of a human being since the dawn of creation has been denominated and has been treated as a heinous felony; forfeitures and attainder have been superimposed upon the specific penalties which themselves under any standard of classified crime and under our constitutional inhibitions against excessive penalties are both obnoxious and unconscionable.

The pursuit of a murderer or a kidnaper, or even a traitor to his country, is attended by no more drastic authority than is the pursuit and apprehension of a citizen suspected of having violated the Volstead Act.

We have judges in this country and we have legislators in this House who have publicly announced that it is entirely just and proper and within the law to shoot and kill a subject, suspected of having violated the Volstead Act, fleeing from or resisting arrest by a prohibition agent—mark you, my friend—for an offense which is innocent per se and by every reasonable standard only a misdemeanor.

When and where, I ask you gentlemen who justify the slaughter of our citizens clothed with the presumption of innocence under our humane institutions, was it the law that the apprehending officer possessed the right to kill a fleeing or a resisting suspect of any offense under the grade of common-law felony, except where the officer was in imminent danger of his life or great bodily harm? When and where, I ask you gentlemen, was there a law confiscating the goods and the chattels and the homesteads of the citizens or of a subject guilty of no greater offense than to make or possess home-brew beer? Time forbids me here to enumerate further the violence and the tyranny which have been invoked and which the friends and administrators of prohibition justify and condone in the execution of this law.

Therefore I say that the prohibition laws and the regulations of this country for the enforcement of prohibition are the most drastic that could be devised in the name of an enlightened democracy, and yet they have proved impotent to thwart the desire and determination of the citizen of high and low degree to violate the prohibition act with scorn and impunity.

Who says that prohibition can be enforced? The press of the Nation says that it can not be enforced. The members of the American Bar Association, typifying the intelligence and the patriotism and the conservatism of our country, say that it can not. The American Federation of Labor, representing millions who toil for the Nation, who are imbued with the loftiest patriotism, says that it can not be enforced and that it ought not to be enforced. The American Medical Association, whose members have consecrated their lives for the good of humanity, says that it can not be enforced and that it ought not to be enforced. The American Legion, speaking for every veteran who offered his life that this Nation might live and that democracy should be safe everywhere and for all time, says it can not be enforced. The economists of our country tell us that prohibition has been a failure. The heads of the colleges and schools of our country tell us that prohibition has been a disaster and a failure. Yes; and every mother and every father in this country proclaims it a failure and prays that it may be repealed to save our boys and girls from the maelstrom of depravity into which they are drawn daily by the hundreds and the thousands.

I say that nobody says that prohibition is being enforced except the zealots and the fanatics and the dogmatists and the intolerant and the blue-law crusaders and the Ku-Klux Klan and the moochers and grafters and racketeers who seek to mollify their nefarious avocations in the name of a sanctified cause.

Prohibition has not been a success in any country in which it has ever been tried. But that experience alone does not persuade me, because I do not know just what kind of prohibition they had and what particular elements are at work in these foreign countries—about whose forms and systems I know very little—militating against the success of their prohibition.

But I say prohibition will never be tolerated in the United States because it is contrary to the genius of our kind of democracy. I am assuming that it is conceded that the American people by nature abhor sumptuary legislation and anything that savors of paternalism. That peculiar attribute of the American people has been termed by the distinguished gentleman from Pennsylvania [Mr. BECK] as the ethos of American society.

Furthermore, we have concrete proof that the American people will not tolerate prohibition—not only by their conduct of ruthless disobedience but by their expressed will in a series of referenda which have been conducted recently, both through elective machinery of our States and the Literary Digest poll, one of which is in progress at this very hour, each of these methods revealing that at least two-thirds of our adult electorate are dissatisfied with prohibition.

The result of a poll conducted by the Birmingham American Legion Post is announced and shows a big majority for out and out repeal. Considering that this occurred in the South it is regarded as indicative of a great change in sentiment in this entire section. Analysis of the poll shows that 84 per cent of the lawyers are for repeal and 85 per cent of the business men are of the same opinion. Forty-one of forty-four physicians favor modification or repeal. Only the ministers want a continuance, and they voted 44 to 1 for "better enforcement."

And now Bradstreet's declares that American business leaders are wet and have so indicated. Having questioned a number of them—two or three in each community—Bradstreet's reports that 55 per cent believe business would be helped by repeal of the Volstead Act, while 14 per cent believe it would be helped by modification. Early in 1930, the Du Pont poll indicated that Delaware voters favor the repeal of their State enforcement act. The Harvard Crimson's poll of 14 eastern and midwestern colleges went wet by three to one.

Finally, in referenda connected with the 1930 elections, Rhode Island voted for repeal of the eighteenth amendment, Massachusetts and Illinois for repeal of their State enforcement acts and the latter for repeal of the Volstead Act and the eighteenth amendment.

Eighty-four per cent of the ballots received in the first tabulation by States in the Nation-wide prohibition poll of the Literary Digest now being conducted are in favor of repeal of the eighteenth amendment, it was announced last night.

The 1932 tabulation, in detail, was as follows:

State	Amendment	For repeal	Total
Georgia	1,664	3,588	5,252
Illinois	493	2,961	3,454
Indiana	1,909	3,540	5,449
Maryland	2,208	10,616	12,824
New York	32,338	224,877	257,215
North Carolina	4,999	7,142	12,141
Virginia	1,669	4,477	6,146
Total	51,285	272,265	323,550

As stated at the outset, I regret to make bald statements without following up with a specific verification of them. But I will take time at this juncture to invoke some basic authority, limited as it may be, to demonstrate my contention that no law which does not fundamentally emanate from the sovereign, that does not comport with the individual's conception of his inate liberty which he exercised many generations by, so to speak, prescription, will command his respect, nor will it endure.

Aristotle, one of the wise men of ancient Greece, and the greatest political philosopher known in all history, discovered this law, and the statement of it runs through all of his works. This is the doctrine of Aristotle:

The suppression of long-established habits brings the overthrow of innovating governments, because the old habits persist among the people; characters are not so easily changed as laws. If a constitution is to be permanent, all the parts of a society must desire it to be maintained.

Woodrow Wilson had in mind the same principle enunciated by Aristotle when he said:

In all matters having to do with the personal habits and customs of large numbers of our people we must be certain that the established processes of legal change are followed. In no other way can the salutary object sought to be accomplished by the great reforms of this character be made satisfactory and permanent.

Wilson upon another occasion said:

You can not regulate the morals and habits of a great cosmopolitan people by placing unreasonable restrictions upon their liberties and freedom. All such attempts can only end in failure and disappointment. In the last analysis, in these matters that seek to regulate personal habits and customs, public opinion is the great regulator.

It is impossible to divorce the problem of enforcement from that of enforceability. (P. 1 Wickersham Commission report, p. 1, reprint.)

It (prohibition) remains one of acrimonious debate, with the most zealous adherents of the latest solution compelled to admit grave difficulties and serious resulting abuses. (P. 5 commission report, p. 3, reprint.)

Settled habits and social customs do not yield readily to legislative fiats. (P. 6 commission report, p. 4, reprint.)

The proponents of the law paid no heed to the admonition that "no law can be effectively enforced except with the assistance and cooperation of the law-abiding element." On the contrary, the passage of the act and its enforcement were urged with a spirit of intolerant zeal that awakened an equally intolerant opposition, and the difficulties now being experienced in rallying public sentiment in support of the eighteenth amendment result largely from that spirit of intolerance.

From a sermon delivered by Henry Ward Beecher in Plymouth Church, Brooklyn, December 3, 1882, I read:

Any law that takes hold of a man's daily life can not prevail in a community unless the vast majority of the community are actively in favor of it.

To attempt to create morality by law is of all things supremely and superbly foolish. Morality can create law, and may help in its execution; but law can not create morality. The feeling must be in existence first, and give itself form, substance, and power afterwards. The law must be an expression of the foregoing state of conscience and judgment, and not a means by which to create that judgment and that conscience. If we could create moral feeling by law, we could get, now and then, a whole legislature which would have all men converted in a year; but we can not.

In America a law with no popular public sentiment behind it, or with no active good will behind it, is like a gun with no powder in it.

Next comes the question of the right of the law to determine whether a man shall or shall not drink. On that subject I am in favor of men's not drinking unless you tell them they shall not drink.

Forget not, I pray you, the rights of personal freedom, self-government is the foundation of all our political and social institutions. Seek not to enforce upon your brother by legislative enactment the virtue that he can possess only by the dictates of his own conscience and the energy of his will. (John Quincy Adams.)

LINCOLN ON THE CONSTITUTION AND LAW ENFORCEMENT

(From p. 209, Carl Sandburg's Lincoln)

I should not care to be the candidate of a party having as its only platform "the Constitution, the Union, and the enforcement of the laws." The Constitution, as we understand it, has been the shibboleth of every party or malcontent from the Hartford convention that wanted to secede from slave territory and the "blue light" burners, who were in British sympathy in 1812, to John C. Calhoun and the South Carolina nullification. No law is stronger than is the public sentiment where it is to be enforced.

By Arthur Twining Hadley, president emeritus, Yale University

Oone of the greatest dangers which now confront us is the increasing demand for ill-considered legislation, and the increasing readiness of would-be reformers to rely on authority rather than on public sentiment for securing their ends. When the Republic was first founded we had more to fear from the lawbreakers than from the lawmakers, from the absence of authority than from its overexercise. People believed in individual liberty and even sometimes inclined to carry that idea to extremes. But this love of liberty has gradually given place to a zeal for standardization. The new democracy, in the words of Lord Farrer, is passionately benevolent and passionately fond of power. To-day it is from the lawmaker rather than from the lawbreaker that our American traditions of self-government have most to fear.

Now, my friends, let us be men. Let us have the courage to meet a true situation. Let us disillusion ourselves. Let us stop patronizing to these forces of prejudice and fanaticism and, to a very large extent, provincialism.

The time has come when people no longer will temporize on this subject. They are in no good humor to await our tardy realization of what is the notorious aspect of the public mind.

Is anyone deceiving himself in the belief that any of our major political parties will prevail at the next election without an unequivocal expression in its program for the repeal of the eighteenth amendment? Is there anyone here who even hopes that his political party will declare for adherence to the eighteenth amendment and the prohibition that we have by virtue of it? Do any of you gentlemen seriously believe that either of the two old parties will nominate a dry for the Presidency? Universally as it appears to be conceded that Mr. Hoover will be nominated by the Republican Party next June, let me make this prediction, and I wish you all to remember it: That Mr. Hoover will not be nominated for the Presidency of the United States by the Republican Party unless he is willing to accept a platform declaring unequivocally for a resubmission of the eighteenth amendment to the people.

The political leaders of those sections of our country, heretofore known to be dry, have already accepted the candidacy of Franklin D. Roosevelt as the Democratic nominee who would not accept—and could not expect to receive—the nomination unless he and the Democratic platform would promise the people, in no uncertain terms, that the eighteenth amendment would be resubmitted, and that, in the meantime, his administration be committed to legislation legalizing beverages not intoxicating in fact, to be burdened with a revenue that will rehabilitate the solvency of our Nation. If eventually we must abandon prohibition, why not now?

Let me make another prediction which I know will come true: Do you gentleman know that there is in the making right now a new party—a third party—which is suspending its decision to enter the field—only to await whether any of the old parties will declare for a progressive program, including a declaration for the resubmission of the eighteenth amendment?

My prediction is that unless either the Republican Party or the Democratic Party declare in convention for the progressive things that the progressive people—who are made up of the common people, and who are in the majority—demand, this new party to which I refer, sponsored by the League for Independent Political Action, will step into the breach with its program including, as I have stated, the resubmission of the eighteenth amendment. If the exigencies arise which would draw this new party into action, it will prevail at the election, and this country might for the first time in many a generation, if ever, have a government by a plurality instead of a government by a majority.

We are asked here to vote these eleven or more million dollars for the enforcement of prohibition, when we know that it is only that many more millions thrown to the winds. Director Woodcock has as much as confessed in his testimony before the Senate committee the other day that prohibition can never be enforced within the full purview of

the law; that there are classes of violations that can never be reached by the law; that the volume of the violations is so great and so devious that the best he can do is to select and single out those transactions which he will prosecute and those transactions which he will not prosecute, those individuals whom he will prosecute and those individuals whom he will not prosecute.

There is an axiom in fundamental law, effective alike in monarchies and democracies, that the criminal law must within its own terms define the act to be condemned, and that it must operate equally upon all the individuals of the realm, the high and the low, the weak and the strong; the law must be complete, and the prosecutor must have no choice in proceeding against the transgressor.

A fine example is here furnished by the United States Department of Justice, to which every American citizen looks as the exemplar of right, and from which, it is expected, emanate only the highest standard of professional conduct and judicial procedure.

What true American will tolerate a law affecting the lives and the liberties and the property of the people which applies only to those whom the prosecutor will select—opening the door for the exercise of favoritism as well as of reprisal and vengeance? What true American will defend a law which can not and does not stand up on its own bottom; that can not be enforced, on the confession of the Attorney General of the United States, and upon the findings of the Wickersham Commission, the highest and most solemn authority that has ever spoken upon this subject.

I oppose this appropriation because it is a useless expenditure of money, and because it is an indefensible drain upon our financial resources at a time when our Government is trembling before imminent prospects of insolvency and danger of financial collapse. The Nation demands that the situation be reversed and that the accustomed beverages be restored, subject to the imposition of an excise tax that will reach at least one-half billion dollars annually, and save the country from its financial debacle. I am not in favor of voting for one dime of this appropriation, and if that be nullification, make the best of it and I will take the consequences.

Again I say, my friends, that I am not moved here by an obsession; I do not plead my personal privilege to drink beer and whisky, as I have been accustomed to do, nor to promote the brewery and distillery interests of the land. I plead for those millions who are now victimized under the election of the Attorney General of the United States—the poor and the lowly and the meek millions, the laboring masses of the Nation—so that they may enjoy the same privilege to do that which the rich and the influential, the lawyers and the judges, and the Senators and the Representatives, even Presidents, have done and will continue to do with impunity. [Applause.]

Mr. CLANCY. Will the gentleman yield?

Mr. KARCH. I yield.

Mr. CLANCY. The gentleman has heard the wet Members of the House denounced in unmeasured terms to-day by some dry Members. Does the gentleman not think that same bitter criticism of the dry Members applies to the American Legion, the American Federation of Labor, the American Bar Association, the American Medical Association, the American Bankers Association, and other patriotic and professional organizations which are just as wet as the wet Members of this House and which have declared emphatically against the eighteenth amendment?

Mr. KARCH. It applies to 85 per cent of the people of the United States. [Applause.]

Mr. LINTHICUM. Mr. Chairman, I yield three minutes to the gentleman from Ohio [Mr. SWEENEY].

Mr. SWEENEY. Mr. Chairman, when I first came to this Congress in December I made the statement that I thought the paramount issue before this assembly was Federal relief to the unemployed of this country. I am still of that conviction.

I read the very able and comprehensive survey of the liberal Senator from Wisconsin, Senator ROBERT LA FOLLETTE, Jr., a survey that, in my opinion, indicts this Congress; a survey that, in my opinion, indicts the President of the United States unless we take action to relieve misery and distress. This survey discloses that there are children dying to-day because of the lack of proper food. Many are suffering from tuberculosis because of malnutrition and undernourishment. Thousands of men, women, and children are emaciated because of present conditions. Eight million three hundred thousand human beings are out of employment; 16,600,000 arms are reaching out in supplication, looking for relief.

To-day we are confronted with the spectacle of an appropriation bill asking for millions of dollars to enforce a law that, in my opinion, can not be enforced. This money to be expended in wire tapping, snooping, the hiring of the youth of the land to act as decoys in the purchase of liquor to obtain convictions. The other day a young girl 17 years of age in Akron, Ohio, accused a prohibition agent of hiring her to go out as a decoy and purchase liquor to be used as evidence. He received a year in the penitentiary, according to the dispatch from the Cleveland Press, which I hold in my hand. Let us be honest about this proposition; let us look to the real agency behind the attempt to enforce prohibition legislation.

Ex-Governor Cox, of Ohio, the former standard bearer of the Democratic Party in 1920, expressed a great deal of courage at the Jackson Day dinner at the Mayflower Hotel in this city last month when he said, "Drive back the political ecclesiastics to their pulpits." Of course our friends, the dry Members of this Congress, criticize Governor Cox, but his sentiment is sweeping the land.

I hold in my hand a clipping from the Washington Herald of to-day, dated Sacramento, Calif., February 22, charging the Sacramento Church Federation devotes one-half of its meetings to prohibition. Rev. Lawrence Wilson, pastor of the Memorial Congregational Church, took it severely to task when he said, "I do not believe the church should be made an agency for the enforcement of the laws."

That is the sentiment of all honest-to-God preachers to-day. I will not vote for any appropriation bill carrying with it the expenditure of public money to further attempt to enforce this law.

[Here the gavel fell.]

Mr. BECK. Mr. Chairman, I yield three minutes to the gentleman from Wisconsin [Mr. SCHAFER]. [Applause.]

Mr. SCHAFER. Mr. Chairman, in three minutes I can but barely scratch the surface of this fundamental question. I listened to the speech of our distinguished friend from Michigan. He comes from a State which raises about $2,000,000 a year under an excise tax levied on brewers wort which the racketeers use to make wild-cat beer, having an alcoholic content of over 9 per cent in alley breweries. It is well known that brewers wort can only be used to manufacture beer. His argument was that under the eighteenth amendment of the Constitution an individual citizen could not even advocate a change in the amendment.

One listening to his speech and the speech made by the dry gentleman from Nebraska [Mr. SIMMONS] would come to a conclusion that the eighteenth amendment specified one-half of 1 per cent as the maximum, the holy of holies, and that the exact amount carried in this appropriation bill must be appropriated for the enforcement of prohibition or we would nullify the eighteenth amendment and our Constitution.

To my Democratic friends on this side of the House who talk much in favor of law enforcement and much in opposition to nullification let me say that I well remember your votes on the census and apportionment bill. When the gentleman from Massachusetts [Mr. TINKHAM] offered an amendment which would enforce the fourteenth amendment to the Constitution, an amendment which, if enforced, would reduce the number of drys in this House by about 30, you stood up practically en masse and voted against it. You did not care about the Constitution then. You forgot all of your opposition to nullification.

The fourth and fifth amendments to the Constitution, which affect the rights and liberties of the American people,

were embodied in the Constitution many years before the eighteenth amendment.

The fourth amendment to our Constitution resulted from two abuses practiced by the British Government—the use of general warrants and the use of writs of assistance, authorized under the British Parliament act of 1767. The use of these writs soon led to great opposition, particularly in the Commonwealth of Massachusetts and, the abuses being fresh in the minds of our colonial statesmen, resulted in the fourth amendment to the Constitution. The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches as provided in the fourth amendment and the right that they shall not be compelled in any criminal case to be a witness against themselves as provided in the fifth amendment is absolutely ignored when we permit Federal law enforcement agents to tap telephone and telegraph wires. Under the practice of tapping these wires, the very sanctity of the home is destroyed, and the person and his house invaded secretly and without warning, subjecting the very privacies of the lives and households of our people to public scrutiny and permitting the testimony of our citizens, obtained in this manner, to be used against them in criminal cases. Twenty-nine States of the Union wrote into their statutes provisions making it a misdemeanor or felony to tap telephone or telegraph wires, and they did not include in such legislation invisible language exempting from the provisions of the prohibitory statutes Federal law enforcement agents, be they engaged in enforcing the prohibition or any other Federal law.

The Supreme Court decision, in the case of Olmstead *v.* United States (277 U. S.), was rendered not on the question of wire tapping being lawful or unlawful, as the order granting certiorari confined the hearing to the question whether the use in evidence of private telephone conversations intercepted by means of wire tapping violated the fourth and fifth amendments to the Constitution. The decision of the court on this question was a 5-to-4 decision. In delivering the majority opinion, Chief Justice Taft stated:

> Whether the State of Washington may prosecute or punish Federal officers violating this law and those whose messages were intercepted may sue them civilly is not before us.

I submit to my Democratic colleagues, particularly those who have been opposing the pending amendment, for your thought and consideration the words of an eminent American citizen, the last paragraph of the dissenting opinion of Justice Brandeis in the wire-tapping case of Olmstead against the United States, which reads as follows:

> Decency, security, and liberty alike demand that Government officials shall be subjected to the same rules of conduct that are commands to the citizens. In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our Government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy. To declare that in the administration of the criminal law the end justifies the means—to declare that the Government may commit crimes in order to secure the conviction of a private criminal—would bring terrible retribution. Against that pernicious doctrine this court should resolutely set its face.

I wish I had the time to read the entire opinion of this noble American. [Applause.]

[Here the gavel fell.]

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent, in view of the limited time, to extend my remarks in the RECORD by incorporating that really true American democratic principle as expressed by Justice Brandeis in that dissenting opinion.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SHREVE. Mr. Chairman, I yield six minutes to the gentleman from Illinois [Mr. ADKINS]. [Applause.]

Mr. ADKINS. Mr. Chairman, owing to the limited time I shall not yield for any questions. I have as a general rule followed the recommendations of committees with reference to items for law enforcement. I know the chairman of the subcommittee and also the ranking member of it. I know the care with which they look into the necessary appropriations which they bring before this House, and I have generally found their judgment mighty good. I find that it takes more money to enforce some of these laws than it takes to enforce others, and with the multitudinous other duties I have to perform I am willing to take their recommendations in connection with these bills and in connection with the enforcement of these various laws. I am willing to believe that they have recommended the necessary appropriations to properly execute such laws.

This seems to be a sort of general field day on prohibition. One gentleman gets up and boasts, by implication, of the courage he had in voting wet. Well, if my district were as wet as his district is, I do not think it would take any courage to vote that way. Then he talks about the lack of courage on the part of the man who fails to vote as he votes. Let me say to that gentleman that if his district were as dry as my district is, he would not have the courage to stand up here and make the speeches he makes, because if he did he would not come to Congress.

I take it that other men here in Congress are striving to represent the sentiment in their districts as honestly as I am on this question.

Another gentleman spoke about the large number of people who are unemployed and how the making of beer would provide a market for our grains. My God, friends, back in the nineties, when we were passing through this sort of a time, I was overseer of the poor in my home township. We had a saloon on every corner and I failed to see those who were on charity drink themselves rich at that time. [Applause.] Nor did I see the farmer get rich in selling his grain out of which to make booze. Corn sold for 18 and 20 cents per bushel. It was my business to look after the poor children.

I never let a child stay out of school for want of clothes or of shoes. I would see their weak fathers go to the corner saloon, tank up during the summer time, and then we would have to take care of his child during the winter in order to keep it in school, keep it warm, and all that sort of thing.

I have lived through those times, and I remember very well the difficulties of enforcement. If the gentleman from Pennsylvania will go back and look up the record, he will see the great complaint that the saloonkeepers themselves made of the lack of enforcement of the law in the city of Philadelphia. The speak-easies were so numerous that they interfered with the legitimate saloon men. Take Pittsburgh or any other large city, and you would find that the lawbreaking element that interfered with the legitimate saloon business at that time was just as prevalent as it is to-day.

They talk about how bad a thing it is to have a respectable citizen brought into court because he has violated the liquor law. They say what a terrible thing that is; but just stop and think about it. We have just as stringent laws against gambling, and we have some right good fellows that like to play poker and like to gamble a little. Of course, it is humiliating when you bring in one of those fellows and make him pay a fine.

In our town, I think, we enforce the liquor law and the antigambling law as well as in any other city of 60,000 people, but about every month we find somebody in some loft running a gambling house and they break it up and fine the fellows—and there are some pretty good fellows, mind you, that play poker; do not forget that. It is just as humiliating to fine those fellows as it is to fine the man who is caught with a little booze in his hand whom they bring in and fine for violating the prohibition law, but, nevertheless, we do it.

There is not anybody here that gets up and says that we ought to abolish the law against gambling. We want to keep the violation down and we want to hold it in check so that we can live with it, the same as the liquor traffic, but I do not care how you handle the liquor traffic, you are going to have trouble with it, and its enforcement is going to be distasteful to some people.

Now, they talk about voting on the question. I was in the legislature when we were in the minority, and we farmers used to ask them to let us say whether we should have a saloon in every township where they would get our hired men drunk and then send them to our homes, where they would puke all over the place, and, of course, our wives would not stand for that and we would have to discharge them, and they would say, "Oh, no; we are not going to let you have a vote. We have got you where we want you and we are going to force this onto you."

We farmers got very tired in those days of having our homes used for an inebriates asylum for the towns which had saloons, and especially those of us who had our help sent home to us drunk sometimes. The best we can do is to keep these liquor violations, gambling, and some other vices down where we can live with them, because we will always have some of them.

So do not come here and make that kind of argument to me. I do not care anything about a vote, so far as I am concerned, and I do not think it requires any courage for me to stand up here and vote dry when every county in my district is dry. But I am not here saying anything about how courageous I am to vote dry. I am not going to embarrass my fellow Member here, who has a very evenly divided district, and I think it ill becomes a man who lives in an overwhelmingly wet district to come here and bullyrag the fellow that lives in a close district when there is nothing to be accomplished by it, because he does not want to go on record with respect to the liquor traffic. [Applause.]

[Here the gavel fell.]

Mr. LINTHICUM. Mr. Chairman, I yield three minutes to the gentleman from Oregon [Mr. MARTIN].

Mr. MARTIN of Oregon. Mr. Chairman, I am not going to deliver a speech here on Ten Nights in a Barroom. We all know, and there is no use deceiving ourselves that no constitutional amendment nor supporting law can be enforced which does not have public sentiment behind it, and we know that there are large sections of this country where the sentiment against the eighteenth amendment and its supporting laws is almost unanimously against them.

I was very much interested in hearing my Republican friend from Wisconsin talk to my Democratic friends. As their friend I want to drop this remark to them.

Some 45 or 50 years ago in recurring discussions in this House and in the Senate there was an attempt made to enforce the fourteenth amendment in the Southern States—the so-called force bill. You resisted that because you felt it would have been an infamous and outrageous thing to have turned you over to the negroes, but that measure was kept up here year after year until at last some liberal Republicans from the Northern States joined with you and together you forever killed that measure in this House.

Now, we in the North who come from the liberal sections of the North are just as earnest and as much opposed to prohibition as you were to being ruled by negroes, and we ask that you show the same liberality to us and join with us to put this eighteenth amendment in limbo to-day as is the fourteenth amendment.

Fortunately, I can be very brave on this question, because I came here after a test on the matter in my district.

This Congress and the country for some time have been ruled by the Anti-Saloon League. Its rule has had the effect in all the Northern States of breaking down minority parties because, like Gould's old Erie Railroad in New York, in Democratic States the Anti-Saloon League is Democratic, in Republican States it is Republican, but it is always Anti-Saloon League. In my State of Oregon each candidate who ran for office there submitted to its tyranny—every one—Democrats and Republicans alike. The other Democrats were so gullible they did not know that they were being led right into a trap; but I defied them, and here I am.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MAAS. The gentleman from Nebraska spoke about the violation of the Constitution, and I would like to ask the Chair if it is any violation of the Constitution to refuse to vote for any specific appropriation?

The CHAIRMAN. The Chair does not think that is a parliamentary inquiry.

Mr. MAAS. Neither did I. [Laughter.]

Mr. LINTHICUM. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, the story I will tell you briefly is a twice-told tale, but I am sure it will bear repetition. It is about a stranger coming into Washington. He asks the police officer, "Where can I get something to drink?" The police officer says, "Walk down two blocks, turn to the right, and there you will see a barber shop. That is the only place in town where you can't get it." [Laughter.]

That reflects the sentiment that exists over the land in every village and every hamlet and every town and city in this country, because people are not in favor of the legislation, because it has no public sanction, and that is why you can not enforce it. It is an attempt to enforce something that is unenforceable.

I remember in the early days when we had this question before us, Wayne B. Wheeler and others said that it was going to reduce crime, that we could empty the jails. But we get no peep of that sort now from the Anti-Saloon League and its cohorts, because crime has increased since prohibition. We are making prisoners faster than we can make jails to harbor them.

We have passed bills in this House increasing the number of Federal prisons all during the time of prohibition, and many States have been compelled to increase their penal institutions. Crime, instead of decreasing, has increased. There is a crime commission appointed in well-nigh every State to study methods to bring about a curtailment of crime. In England, where there is no prohibition, several jails and prisons have been closed for lack of business. What a different story to tell in this country.

Prohibition is called a noble experiment. I ask you this, What right has an experiment in the Constitution? The Constitution is the place to embed well-tried, age-worn doctrines, fundamental principles, sound and enduring theories of government; but what right has an experiment in the Constitution?

I am opposed to prohibition because of its besetting sins. It has brought in its train evils far worse than the very vice it sought to cure. It has brought the informers, the snoopers, the undercover men; and what about the use of school children as spies, college girls and boys as stool pigeons? What about the legal recognition of bootleggers by taking an income tax from them? What about the "dirty business" of wire tapping? The famous wire-tapping case is Olmsted *v.* United States (277 U. S. 438). The brief minority opinion of Justice Holmes is often quoted, but there is also a fine minority opinion of Justice Brandeis. He, too, vigorously opposed wire tapping, and, among other things, he said:

"We must never forget," said Mr. Chief Justice Marshall, in McCulloch *v.* Maryland (4 Wheat. 316, 407), "that it is a constitution we are expounding." Since then this court has repeatedly sustained the exercise of power by Congress under various clauses of that instrument over objects of which the fathers could not have dreamed. * * * Time works changes, brings into existence new conditions and purposes. Therefore a principle to be vital must be capable of wider application than the mischief which gave it birth. * * * In the application of a Constitution, therefore, our contemplation can not be only of what has been but of what may be. * * * Protection against such invasion of "the sanctities of a man's home and the privacies of life" was provided in the fourth and fifth amendments by specific language. But "time works changes, brings into existence new conditions and purposes." Subtler and more far-reaching means of invading privacy have become available to the Government. Discovery and invention have made it possible for the Government, by means far more effective than stretching upon the rack, to obtain disclosure in court of what is whispered in the closet. * * * The progress of science in furnishing the Government with means of espionage is not likely to stop with wire tapping. Ways may

some day be developed by which the Government, without removing papers from secret drawers, can reproduce them in court and by which it will be enabled to expose to a jury the most intimate occurrences of the home. * * * As a means of espionage writs of assistance and general warrants are but puny instruments of tyranny and oppression when compared with wire tapping.

Do you wish to place your liberty in the hands of every petty officer, every prohibition agent? I shall vote in favor of the amendment to be offered to-day excluding the use of any money for purposes of wire tapping. No officer can open or tamper with my mail. That would be an invasion of my personal security and privacy. Why should they have the right to tamper or tap or intermeddle with my telephone? When they tap my wire they also interfere with your rights, because they intercept not only my messages but every message that you may care to send to me over the wires. Indeed, the telephone is just as much a part of my home as my room or my private desk, and the agents can not open my desk nor search my room, under the fourth and fifth amendments, without a search warrant. [Applause.]

Mr. LINTHICUM. Mr. Chairman, I yield to myself the balance of the time, and I would like to know how much time it is.

The CHAIRMAN. The gentleman is recognized for three minutes.

Mr. LINTHICUM. Can the gentleman from Alabama give me two minutes more?

Mr. OLIVER of Alabama. I can not; but I will give the gentleman one minute.

Mr. LINTHICUM. Mr. Chairman and Members of the committee, you can readily recognize that there is not much one can say in three minutes, even if he has an additional minute.

I want to call the attention of the House to what the gentleman from Oregon has said, that you can not enforce a law which is against the will of the people. You can not enforce a law against the sentiment of the people. If you will look at the Literary Digest, you will find that in some places the sentiment of the people is 10 to 1 against the law. Other places, 5 to 1; other places, 3 to 1. It is demonstrated that the great, overwhelming majority of the people of the United States are against this law.

The gentleman from New York [Mr. LAGUARDIA] announced some time ago that he was going to favor all of the appropriations that were proposed, because he wanted to demonstrate that although you have all the money you need or say you need, you can not enforce this law. That has been easily demonstrated. You have had all the money that you needed, and things are getting "easier" than they ever were. Look at the map of the city of Washington as it is dotted with places where speak-easies exist. It looks as though it had innumerable flyspecks upon it—hundreds of speak-easies. The gentleman from Georgia the other day said that he was in favor of this law, when he knew himself that there are more speak-easies in the State of Georgia than in any other State in the whole Union. All of you gentlemen know that although the saloon has passed away, there are more speak-easies in the country to-day than there were saloons at any time. The drink bill of this country is $28,000,000,000, whereas in years gone by it did not assume any such amount.

All kinds of speeches are made. The gentleman from Arkansas [Mr. RAGON] said that the Immigration Bureau had not been cut down. I find that, according to the report filed hereon, it has been cut down $14,700,000. He said the antitrust enforcement had not been cut down. I find that it has been cut $10,300,000. Of the 82 items, there is not one that has not been cut except that for the enforcement of prohibition. I am not complaining, because I know that if we gave you all the money in the Union, unless we could stop the fermentation of grapes, unless we could stop the fermentation of rye and corn, you could not enforce prohibition. It is a matter which nature is going to take care of and which you can not stop.

As I say, you can not enforce a law which is against the sentiment and will of the people. Since January, 1920, to July 30, 1931, in your endeavor to do so, you have arrested nearly 700,000 people; you have convicted 500,000; you have seized liquor, mash, and so forth, to the extent of over 266,000,000 gallons; collected fines of $60,000,000; and seized property of $231,000,000.

You have employed and employed men to enforce the law until you have dropped from the service over 12,000, because they were unfit or because they themselves had violated the law. It is a great travesty upon justice this prohibition amendment and Volstead Act.

We are now suffering from a deficit of more than two billions, and yet we have expended in that time three hundred and seventy millions for enforcement, have lost revenue of $10,984,000,000, and yet the drink bill of the country is over twenty-eight billions of dollars. That is not the worst of it. It has debased the morals of our people and made hypocrites of many of the best of society. No one regards this law as they do other statutes. No one blames others for drinking; to get good liquor has become a game in which all are interested except a very small number.

I am as strongly opposed to saloons returning as any man, and would not have them come back for any consideration; if I thought they could come back, I should sooner renounce my opposition to prohibition, but I know the American people will never allow them to appear again. The Anti-Saloon League was organized to eliminate saloons. They have done so. Why can not they help us out by the passage of proper legislation, help us eliminate speak-easies, which are far worse.

On Thursday of this week we shall offer an opportunity for those opposed to the eighteenth amendment to sign a petition to discharge the Judiciary Committee. I sincerely trust we shall have enough people interested in bringing our country back to its senses to sign this petition. This is not a war for a day nor for a year; it is a war until the American people, through their own efforts, can throw off the shackles of fanaticism and regain their liberties assured them under the Constitution of the United States.

We do not seek to violate the Constitution but do seek to so amend it that it will not be violated as it is to-day. [Applause.]

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. BECK. Mr. Chairman, I yield one minute to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, I rise merely for the purpose of referring to the attitude of my colleague from Michigan [Mr. KETCHAM]. He attempted to severely tongue lash the wets of the House to-day, and particularly our eminent constitutional lawyer and leader, the gentleman from Pennsylvania [Mr. BECK]. The gentleman from Michigan has been badly worried lately by the fact that many of the Michigan delegation in the House seem to be going wet. Nine or ten out of the thirteen Members from Michigan may vote for a referendum or resubmission of the eighteenth amendment. Probably the gentleman is also much shaken and is made almost hysterical by the disappearance from this body of two of the great Anti-Saloon League leaders on the Republican side, Mr. Hudson and Mr. Cramton, both from Michigan, who formerly lectured us wets vehemently on our prohibition stand, and who were defeated mainly because of their scoldings. Gentlemen excitedly quoted the Constitution to us wets and presumed to tell us what our oaths of office are, but I have always found it a sufficient answer to this gentleman and to others of the 100 per cent dry type to ask them if they are in favor of the enforcement of the fourteenth and fifteenth amendments, and particularly of that clause of the Constitution which orders a reapportionment. I have found that because the wets gain by this enforcement most drys oppose reapportionment.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BECK. Mr. Chairman, I yield the remainder of my time to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, the will of the people is the law of the land. That is a political axiom that reflects the hope of democracies. State after State has been passing, by referendum votes, laws to forbid State enforcement

of prohibition. District after district, in recent congressional elections, has been turning out drys as Members of this House, and supplanting them with wets. I challenge any dry to cite one instance in the history of recent congressional elections, where the issue was wet and dry, where the wet was defeated and the dry was successful. Take the sixth, the seventh, and the eighth districts of Michigan. They all went wet—and the sixth district was represented in this House by Mr. Louis Cramton, the official voice of the Anti-Saloon League on this floor in the last Congress. Every one of those dry Members has been superseded by a wet. I ask the gentleman from Arkansas [Mr. RAGON] whether he will say that the people of the first New Hampshire district belied their high purpose in expressing their will at the election by electing that distinguished Democrat, Mr. ROGERS, on the main issue of wet over dry? Have not the people of this country a right in this controversy to express their views?

Oh, it is easy for you dry apologists to appeal to the superintendents of schools who are here from dry districts, but if the superintendents of schools from wet industrial districts are sincere they will recall that to-day students are carrying flasks and are entering into illegitimate trade in the purchase of gin, which was not the case in any instance when you and I went to high school, long before the days of prohibition. The youth of the land is being debauched by this unenforceable law. It is not the illicit-liquor interests that are changing the complexion of this House. It ill becomes a Democrat to chide an electorate for turning out a dry Republican and putting in a wet Democrat, thus condemning the will of the people on that issue.

The liberals of this House, both Republican and Democratic, will presently submit to you, through the discharge rule, an amendment that will recognize the dry sentiment where it is dry and the wet sentiment where it is wet, and shortly after a modification bill permitting the manufacture and sale of 2¾ per cent beer, that will recognize also the same principle of State rights and local option.

The time is here when the people will no longer tolerate the present intolerable conditions. They demand immediate rectification of the evils consequent on the unregulated liquor traffic. The people will have their way regardless of constitutional impediments.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I value the friendship and respect the views of my colleagues on both sides of the aisle who entertain very different opinions as to the prohibition law from those held by me. I will purposely avoid discussing matters to which allusions have been made and which are not pertinent to the issue now before the House. I am always willing, when time permits, to discuss pertinent issues very frankly with my friends, but when we come to consider an appropriation item for law enforcement I think the discussion should be confined to those matters that are pertinent thereto. Is this law being well administered; are the funds appropriated being efficiently expended? These are pertinent inquiries.

What are the results of the efforts of the officers charged with the administration of this appropriation. Do they show progress? I say to you that no man can read the hearings on this bill and not be satisfied, first, that there is a capable man at the head of this service; that he is seeking to enforce it impartially and fairly in every way and in every section. He seeks only to discharge honestly and fearlessly the high duties devolving on him in his important official position. [Applause.] He is doing it, my friends, in a decent way. Nothing perhaps could illustrate it more clearly than a letter recently written to his agents. I speak, of course, of Mr. Woodcock. This is a letter which he wrote to his agents after there had been some just criticism called to his attention with reference to the employment of women to purchase liquor. Said he:

> The use of any Federal funds to pay women for services in the purchase of liquor, directly or indirectly, is forbidden.
>
> No Federal funds will be used, directly or indirectly, to purchase liquor for women.
>
> Agents when seeking to purchase liquor for use as evidence will not be accompanied by women.
>
> This order should not be taken as a check upon initiative. It is issued to prevent abuses that have brought discredit upon the bureau and trouble to individual agents in the past. Intelligent effort upon a higher plane is bound to produce better results in the long run. I do not believe there is any problem in enforcement which you can not solve within these restrictions. If there is such a problem, bring it to my attention by letter.
>
> I ask your cheerful and hearty compliance with the letter and spirit of this order.

That is indicative of the decent way the law is being administered.

Some reference has been made to the fact that in the gallery may be many leaders of the youth of our land. I want them to carry back to their homes this message: Carry to the youth of the land that this law is being enforced. [Applause.] Its enforcement is progressing steadily and better in every section of the country, and this year you will see, my friends, an educational campaign inaugurated that will arouse the patriotism and the love of both old and young for this country of ours as never before, and there will be evidenced a higher type of loyalty to the flag and to the Constitution than we have witnessed in many years. [Applause.]

I say to my learned friend from Pennsylvania, whom I greatly respect and admire, that he is wrong in concluding that this law can not be enforced. Why do I say the gentleman is wrong? Doubt is not a student, and he is. Doubt is not a dreamer, and he is. Doubt is not a worker, yet he is. Doubt is not a builder. I hope he will prove to be. [Applause.] Doubt is the first cousin of ignorance, and is the deadly enemy of knowledge and of faith and of courage, and I acquit him of ignorance. [Applause.]

My friends, I was surprised to find that not a speaker who spoke for what we term the wet cause had read the hearings, because they are men who would not intentionally misquote the record, and their failure to read the record, to read the report, led to inaccuracies in some of their statements, like my friend, the gentleman from Maryland, who made bold to declare that we had reduced all law enforcement measures but one, namely, the prohibition amendment. We made no reduction in the antitrust appropriation, as recommended by the Budget, even though it appeared there would be an unexpended balance at the end of the year of from twenty to thirty thousand dollars. We made no reduction in the enforcement of the immigration law, and yet were told that at the end of the present fiscal year there would be an unexpended balance of $60,000 or more. The committee felt that here were three outstanding laws—prohibition, antitrust, and immigration—and even though there might be some few who did not want to see these laws enforced and might favor no appropriation whatever therefor, yet the people of America, my friends, we knew stood for the enforcement of all three of those laws. [Applause.]

Your committee was but voicing the sentiment of America in carrying full funds for the enforcement of these laws. It is my belief they will be efficiently enforced.

I have no desire to discuss in making appropriations for the enforcement of the prohibition law questions as to whether prohibition is right or wrong. There may be—yes, will be, I assume—a proper time to discuss that, and I trust it can be discussed without the loss or estrangement of friendships. It should be discussed on a dignified plane in such way as to carry a real constructive message to the 120,000,000 people whom we represent. Appeals to prejudice and hate win no arguments. It is only when you rise above selfishness, above greed, above appetite, above the hope of reward or the fear of punishment that you find the road to the human soul. [Applause.]

I hope that that will be the character of arguments we may later hear from distinguished Members of the House on both sides of the aisle in reference to all controversial questions that lay at the base of law enforcement. [Applause.]

Mr. CONNERY. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Alabama has expired.

All time has expired.

Mr. LINTHICUM. Mr. Chairman, I am informed that a bill prohibiting wire tapping has been introduced by my colleague the gentleman from Wisconsin [Mr. SCHAFER].

The CHAIRMAN. All time has expired. The bill is open for amendment.

Mr. BOYLAN. Mr. Chairman, I have offered an amendment, which has been read for information.

The CHAIRMAN. The gentleman from New York [Mr. BOYLAN] offers an amendment, which the Clerk will report.

The Clerk again reported the Boylan amendment.

Mr. BOYLAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BOYLAN. As I have offered this amendment, I believe I am entitled to five minutes in support of it?

The CHAIRMAN. All debate on this section and all amendments thereto was closed by unanimous agreement in the House.

Mr. BOYLAN. This is the only amendment pending, and I think I should explain the amendment to the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 74, noes 133.

So the amendment was rejected.

Mr. SCHAFER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SCHAFER: On page 38, in line 3, after the word "Columbia," strike out the period, insert a colon, and add the following: "*Provided*, That no part of this appropriation shall be used for the tapping of telephone or telegraph wires."

Mr. BANKHEAD. Mr. Chairman, I make the point of order against the amendment that it is not germane to the section of the bill to which it is offered.

Mr. SCHAFER. Mr. Chairman, it is merely a limitation.

The CHAIRMAN. Does the gentleman from Alabama desire to be heard on the point of order?

Mr. BANKHEAD. No.

The CHAIRMAN (Mr. MCREYNOLDS). The Chair holds that the amendment is a limitation and is in order. Therefore the point of order is overruled. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 95, noes 137.

Mr. SCHAFER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. SCHAFER and Mr. OLIVER of Alabama.

The committee again divided, and the tellers reported that there were—ayes 103, noes 132.

So the amendment was rejected.

Mr. TIERNEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TIERNEY: On page 38, line 3, strike out the period, insert a colon, and add the following: "*Provided*, That no moneys appropriated in this act for the enforcement of the prohibition amendment shall be expended in any State the legislature of which declines to directly appropriate a sum equal to the amount appropriated of the Federal appropriation estimated to be expended in said State for the enforcement of the prohibition amendment and laws applicable thereto."

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is not germane either to the section to which it is offered or to the bill. It is legislation on an appropriation bill not authorized by law and is a change of existing law.

Mr. TIERNEY. Mr. Chairman, I believe my amendment is a limitation of the appropriation bill. I believe it falls into the category of the amendment that was placed on the Army appropriation bill of last year, which provided that no money should be expended for Army purchases unless the goods were made in America. I think it also comes within the precedent created in connection with the act for public roads of this year, which provided that no Federal money should be spent on Federal roads in any State of the Union which uses convict labor. I think they are two good precedents for the support of this amendment, and I think the amendment is a limitation of an appropriation and not legislation so called.

Mr. LAGUARDIA. Mr. Chairman, this same amendment was offered to a previous appropriation bill. I offered it, and at that time a point of order was raised but it was overruled.

Mr. BLANTON. Mr. Chairman, this amendment interferes with the discretion of the executive power that expends this appropriation. It requires the executive to go out and gain information, which is always improper, with respect to limitations. It will require the eliciting of information as to what legislatures have done in every State, and in that way it interferes with the executive power.

The CHAIRMAN. The Chair is ready to rule. The Chair holds that the point of order is not well taken; that the amendment is germane and is a limitation. Therefore the Chair overrules the point of order.

The question is on the amendment offered by the gentleman from Connecticut.

Mr. TIERNEY. Mr. Chairman, this amendment refers to and is a limitation on the proposed $11,000,000 appropriation to the Department of Justice for prohibition enforcement, which, by the way, is the only one of the administration's appropriation bills that has not been cut in the interests of savings and helping the poor.

In view of the Wickersham-report information and what seems to me to be the strong sentiment of the country at large against prohibition enforcement, I think we are just about throwing away $11,000,000 of taxpayers' money if we vote this appropriation.

However, if the majority of the House vote for it, I will not be one of them. Let us apply such enforcement as we pretend to have only to such States who will meet the Government's portion of the appropriation allocated to such States by a like amount from their own coffers duly voted by their legislatures.

If a State does not want to pay, either because they do not believe in liquor enforcement by the Government or because they do not want to stand their fair share of this alleged protection, then, on the old doctrine of State rights, they do not obtain enforcement through the channels of that rare type of public official known as prohibition director and enforcement agent.

May I state that as far as my own State of Connecticut is concerned there is little likelihood of our legislature voting any such funds. We have never approved the eighteenth amendment and by a very large majority we look forward to the day when we can vote to wipe it off the statute books.

Mr. Chairman, I like the views of Matthew Woll, chairman of our 2,000,000 Federation of Labor modification group.

That Congress, in the adoption of prohibition, or the Volstead Act, indicated by the language used the belief that the question is one where the Nation and the States would use concurrent power in the enforcement of the law.

That if that be true, then the States of the Union, especially those States the Senators and Representatives of which in Congress believe in the continued attempt to enforce this law, which every fair-minded American must admit has been proven after 12 years of bitter experience to be unenforceable, should not appropriate any more of the American taxpayers' money unless their own States indicated their interest in the continuance of this law by the States themselves appropriating public funds to attempt at least to enforce this unenforceable law.

We understand that of late years there are 31 States represented in the Senate by 32 of the 47 Democratic Members and 29 of the 48 Republican Members, in addition to the 1 representative of the Farmer-Labor Party, and 148 of the 212 Republican Members of the House and 140 of the Democratic Members of the House, in addition to the 1 Farmer-Labor Member, which 31 States do not appropriate any money for the enforcement of this hishonest law.

This being true, should the Congress of the United States, in these days when economy is supposedly the watchword, appropriate any more funds to be spent in those States

wherein the State legislatures, who are real close to the wishes and the wants of the people, refuse to appropriate any of their taxpayers' money to enforce this law?

Incidentally it might be well to call attention to the fact that in 31 States, according to the tabulation of votes as shown on page 241 of the Congressional Directory issued December, 1931, a total of more than 17,000,000 American citizens exercised their suffrage rights. This vote in the majority of cases refers to the votes cast in what is termed "an off year."

The total vote cast in the last national election was 36,724,823.

The following-named constitute the 31 States I have referred to which either do not or will not contribute to Federal enforcement directly: Arizona, Arkansas, California, Connecticut, Delaware, Florida, Georgia, Illinois, Iowa, Kentucky, Louisiana, Maine, Maryland, Mississippi, Minnesota, New Jersey, New York, North Carolina, North Dakota, Oklahoma, Pennsylvania, Wyoming, Massachusetts, Missouri, Montana, Nebraska, Nevada, Rhode Island, South Dakota, Utah, Wisconsin.

This amendment, if carried, would settle the whole enforcement question and restore to the States their full constitutional rights.

The question was taken; and on a division (demanded by Mr. TIERNEY) there were—ayes 79, noes 176.

So the amendment was rejected.

Mr. FINLEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FINLEY: Strike out the period after the word "Columbia" in line 3, insert a colon and the following words: "No plan for, or method of, obtaining evidence against violators of the prohibition laws shall be put in force or followed by the Department of Justice unless and until approved by a convention of bootleggers and moonshiners."

[Laughter.]

Mr. STAFFORD. Mr. Chairman, I make the point of order that the amendment is special legislation, as more applicable to the gentleman's district than any other district in the country, and the further point of order that it is legislation on an appropriation bill.

Mr. FINLEY. Mr. Chairman, I withdraw the amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

The Clerk read as follows:

To enable the Secretary of Labor to foster, promote, and develop the welfare of the wage earners of the United States, including juniors legally employed, to improve their working conditions, to advance their opportunities for profitable employment by regularly collecting, furnishing, and publishing employment information as to opportunities for employment; maintaining a system for clearing labor between the several States; cooperating with the Veterans' Administration to secure employment for veterans; cooperating with and coordinating the public employment offices throughout the country, including personal services in the District of Columbia and elsewhere; traveling expenses, including expenses of attendance at meetings concerned with the work of the Employment Service when specifically authorized by the Secretary of Labor; supplies and equipment, telegraph and telephone service, and miscellaneous expenses, $802,500; of which amount not to exceed $54,930 may be expended for personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be expended for the establishment or maintenance of any employment office unless suitable space therefor is furnished free of rent by State, county, or local authority, or by individuals or organizations: *Provided further*, That no part of this appropriation shall be used to pay any salary in any field employment office at an annual rate in excess of $2,000.

The CHAIRMAN. Under the agreement entered into in the House, debate on this paragraph is limited to one hour, one-half to be controlled by the gentleman from Alabama [Mr. OLIVER] and one-half to be controlled by the gentleman from Pennsylvania [Mr. SHREVE].

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: On page 122, line 1, after the word "by," insert the word "Federal."

The amendment was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: On page 121, line 21, strike out "$802,500" and insert in lieu thereof "$383,780."

The amendment was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, I have three amendments which I ask the Clerk to report.

The CHAIRMAN. Without objection, the Clerk will report the amendments for information.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: Page 121, line 21, after the word "expenses," strike out "$802,500" and insert in lieu thereof "$820,000."

Mr. OLIVER of Alabama. Mr. Chairman, I reserve a point of order on that amendment.

The CHAIRMAN. The gentleman from Alabama reserves a point of order on the amendment when offered by the gentleman from Massachusetts.

Mr. CONNERY. Mr. Chairman, may I have the other two amendments reported?

The Clerk read as follows:

Second amendment offered by Mr. CONNERY: Page 121, line 23, after the word "Columbia," strike out all of lines 23, 24, and 25, and on page 122, strike out all of line 1 and in line 2 the words "by individuals, or organizations."

Third amendment offered by Mr. CONNERY: Page 122, line 2, after the word "organizations," strike out all of lines 2, 3, 4, and 5.

Mr. LAGUARDIA. Mr. Chairman, there was so much confusion in the Chamber that we could not hear. Did the gentleman from Alabama offer an amendment reducing the amount of $802,500, on page 121, to $383,000?

Mr. OLIVER of Alabama. Yes.

Mr. LAGUARDIA. Well, we did not know what was going on.

Mr. SWING. Would not that make it impossible now to do the very thing that the unanimous consent was given us yesterday to do?

Mr. OLIVER of Alabama. I will ask unanimous consent that the vote by which the amendment which I sent to the desk was adopted be vacated. I understand that a number of the Members were not aware of what the amendment was. [Applause.]

The CHAIRMAN. Without objection, the proceedings by which the amendment was adopted will be vacated.

There was no objection.

Mr. CONNERY. Mr. Chairman, the membership of the House is, I believe, entirely cognizant of what my amendments call for. In the confusion I did not understand the amendment offered by the gentleman from Alabama, the proceedings in adopting which have just been vacated. The Bureau of the Budget recommended $820,000, and by taking out $17,500 it cuts down the Employment Service. My first amendment restores the appropriation to $820,000.

The second amendment provides for striking out the proviso that "no part of this appropriation shall be expended for the establishment or maintenance of any employment office unless suitable space therefor is furnished free of rent by the State, county, or local authority, or by individuals or organizations."

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. LAGUARDIA. The gentleman will see that the amendment of the gentleman from Alabama cuts out $500,000 more.

Mr. CONNERY. Yes; the amendment would cut $500,000 from the $802,000. I hope that amendment will be defeated.

Now, what we want to do is to restore the amount recommended by the Bureau of the Budget. Then we want to strike out the provision demanding that the offices seek free rent, and strike out the provision that no employee in the employment offices shall receive more than $2,000 a year.

This affects every employment office in the United States under the Department of Labor and forbids them paying more than $2,000 for salaries. It affects the 48 States in the Union. Some of these men get $4,000, some between two thousand and four thousand, and it would cut them all down to $2,000.

I could well stop at this time, because I think it is entirely clear to the House what my amendment will do. As I say, we want to put the $17,500 back, and make the sum $820,000, as recommended by the Bureau of the Budget. Secondly, we want to strike out that provision which would make the United States Government act as beggars, asking free rent for a Government office, and third, we want to strike out that provision restricting the salaries to $2,000.

Mr. KVALE. And hardly any of these directors get over $2,400.

Mr. CONNERY. That is true; and this will cut them down $400.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. TABER. Am I to understand that the way this bill stands at the present time it provides a cut in the pay that is now being paid to men who are working in these employment offices?

Mr. CONNERY. Yes.

Mr. TABER. How much of a cut does it provide?

Mr. CONNERY. It cuts anywhere from $400 to $800 or $900 on some salaries and from a thousand to two thousand dollars on other salaries.

Mr. TABER. Does the gentleman think there is a difference between cutting an individual's salary in an individual place and a general cut that will be applied proportionately to everybody?

Mr. CONNERY. This affects every State director.

Mr. TABER. It affects only those under this particular bureau?

Mr. CONNERY. Yes.

Mr. TABER. It does not affect those under the other bureaus?

Mr. CONNERY. No; they did this only to the Department of Labor, but not to the other departments, and that in a time of unemployment. In such a time are we going to cut out the service that will at least help people to get work?

Mr. ARENTZ. And the reason the gentleman is trying to get this provision changed is because he wants these men kept there on the job?

Mr. CONNERY. Yes.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. LANHAM. Personally it seems to me that in this time of unemployment it is unwise to restrict employment agencies. In the present financial and economic condition of the country, are not States and cities and counties less likely to be able to furnish quarters free than heretofore? In addition to that, when so many men are seeking employment agencies, would it not be unwise, where they have been established in centers and long operated, to change the place of operation?

Mr. CONNERY. Yes. In answer to the gentleman's first question, it seems to me it would be unwise to restrict the employment agency. Besides, there are 22 of these offices whose sole duty is to get jobs for unemployed service men, and this is going to cut them down.

Mrs. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes; I yield to my distinguished colleague the lady from Massachusetts.

Mrs. ROGERS. A good many veterans are employed in these offices, are they not?

Mr. CONNERY. I think there are at least 22. I think the director of every veterans' employment service is a veteran.

Mrs. ROGERS. Of course, the work the American Legion is now doing does not in the least take the place of these offices, because these are permanent offices.

Mr. CONNERY. Yes.

Mrs. ROGERS. Whereas the Legion work is temporary, an emergency measure. It is a splendid movement, but fine as it is, legionnaires can not give the necessary time to permanent work of this kind.

Mr. CONNERY. No. And these are permanent offices. I do not desire to take up any further time, because I want to yield to some of my colleagues. I think the membership understands what we are trying to do. We are trying to put back $17,500, recommended by the Bureau of the Budget, and not have the Government go out looking for rent-free places.

I think it is a disgrace to ask the Government to do that. In the next place, we do not want to have cuts in these salaries. The House will remember that I asked the distinguished chairman of the Committee on Appropriations before Christmas, when they brought in this supplementary provision for $120,000 for additional offices, if this cut in the salaries at that time would affect the permanent offices, and he said by no means.

Mr. BLANTON. The gentleman will remember that last week I put into the RECORD certain places where rent is now being paid?

Mr. CONNERY. Yes.

Mr. BLANTON. And the contract in respect to which will expire July 1. There are only a few of those. Does the gentleman think that provision could not be made in those places, in the chambers of commerce or in the Federal building, for rent-free offices?

Mr. CONNERY. I do not think the United States Government, when running an Employment Service, should be running around to mayors and chambers of commerce and asking them to find a rent-free place for it.

Mr. BLANTON. In my own State the offices are furnished free.

Mr. CONNERY. But the Government is running its own Employment Service and ought not to go begging around the States and cities for quarters. If we are as cheap as that, it would be better to abolish the whole thing. I yield three minutes to the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, first I call attention to what the object of this bill really is.

I quote from the bill itself to see what its object is and to ask the committee to consider its own official statement of the object. I quote:

EMPLOYMENT SERVICE

To enable the Secretary of Labor to foster, promote, and develop the welfare of the wage earners of the United States, including juniors legally employed, to improve their working conditions, to advance their opportunities for profitable employment by regularly collecting, furnishing, and publishing employment information as to opportunities for employment; maintaining a system for clearing labor between the several States; cooperating with the Veterans' Administration to secure employment for veterans.

Yet the chairman of this committee, and this committee, come here and ask that we take all the power away from the Secretary of Labor to carry out the very object of the bill which they have themselves brought in. There are 8,000,000 idle men in America, and this Congress so far has not turned its hand to help these idle men. How can we answer, as we will be compelled to, when we go out and face the voters in our districts when they put the question to us? We had better be able to answer. I do not mean that as a threat, but as an inspiration and appeal to humanity that we give the idle men of America a chance to get work, to get employment, to do something, to serve, and no longer to starve.

I am not able to understand how the chairman of this committee, or any member of it, could stand for such an amendment as the chairman has offered to this bill, much less one that he will propose later on, to cut half a million dollars from the appropriation, because if that is done, it would completely and entirely nullify the very object that is declared for this bill.

Eight million men are standing out in the open asking for jobs, and yet we come here attempting to save $17,500 by the amendment under consideration, to keep them from getting jobs. We can not answer a man that is idle by denying him the only opportunity now in reach. I warn you now that 8,000,000 idle men in America are not going to remain idle, and it is the duty of this Congress to see that they do not remain idle. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and to insert some excerpts to which I wish to refer.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Chairman, I have asked the privilege of extending my remarks in the RECORD, and to insert in connection therewith excerpts from evidence brought before our subcommittee of the Committee on Appropriations, presided over by our distinguished colleague from Missouri [Mr. CANNON], to show just how the rights of the people are handled by the Public Utilities Commission of the District of Columbia.

On January 6, 1932, the gentleman from Tennessee [Mr. BYRNS] passed in the House of Representatives without a single vote against it the following resolution:

[House Resolution 90, Seventy-second Congress, first session]

In the House of Representatives, January 6, 1932. Mr. BYRNS submitted the following resolution; which was agreed to.

Resolution

Resolved, That it is the sense of the House of Representatives, unanimously expressed, that Commissioner Patrick, of the Public Utilities Commission, should rescind immediately his order requiring taxicabs in the District of Columbia to be placed upon a meter basis, it being the intention that visitors coming to the Nation's Capital during 1932 shall have taxicab service at the very lowest rate possible.

The passage of the above Resolution No. 90 by the House of Representatives appears on page 1398 of the daily CONGRESSIONAL RECORD for January 6, 1932. It was passed unanimously. It would be well for Gen. Mason M. Patrick, chairman of the Public Utilities Commission of the District of Columbia, to familiarize himself with the expressions voiced from the floor by different Members against the order, which without rhyme or reason, he has attempted to put into effect, to run all independent taxicabs in Washington out of business by establishing meters. Everyone knows that the organized taxicab monopolies here are behind this proposed meter proposition for two purposes, the first to destroy all competition, and the second to rob and mulct the public with charges of 90 cents to $1.50 for the same service independents are now rendering for 20 cents. He will find some of these expressions on pages 1386 and 1387 of the RECORD for said January 6, 1932.

When General Patrick was before our committee the other day he admitted that not a Member of Congress had attended his so-called hearing, and that few citizens, who are busy daily about their business, had been heard. He attempted to support his order attempting to require meters by claiming that hundreds of independent taxi drivers, wholly disconnected with the "Whites and Blacks," the "Yellows," the "Diamonds," and other monopolies, had filed with him their indorsement of requiring meters. When we pinned him down for their names and addresses the following list is that which he filed with our committee, and I am informed that this list is propaganda, pure and simple, and that most of the names on this list are not independent taxi drivers wholly disconnected from said monopolies. That the real independents may know just how their interests have been propagandized before the Public Utilities Commission, I am giving these names and addresses herewith, to wit:

TAXICAB DRIVERS IN FAVOR OF PUBLIC UTILITIES COMMISSION ORDER 956

William F. Martu, 1120 Trinidad; Robert I. Tiller, 1113 Harvard NW.; George F. Kyle, 4118 Gault Street NE.; W. S. Jenkins, 1105 Ninth Street NW.; H. T. Hoff, 244 Fourteenth Street SE.; A. W. Garrison, 218 Eighth Street NE.; Alfred B. Pierotte, 316 Fourteenth Place NE.; Charles Fred Hines, 826 L Street NE.; S. W. Murray, 616 Third Street NW.; M. Atchison, 779 Twentieth NE.; W. J. Chesser, 765 Twentieth Street NE.; H. L. Blackman, 500 Sixth SE., No. 304; H. S. Sweeney, 1272 New Hampshire Avenue NW.; Robert A. Dugan, 1726 Wisconsin Avenue NW.; Joseph E. Kelly, East Falls Church; W. E. Shipley, 3538 Alton Place; F. M. Owen, 1444 Harvard Street; O. S. Gibbs, 3827 Thirty-first Street NE. (Botts (Inc.)); C. B. Cole, 816 Connecticut Avenue; David I. Muschlitz, 1321 Belmont; R. O. Fletch, 1215 Tenth Street NW.; W. E. Guard, 115 I Street NW.; William Southern, 3715 Macomb Street; Arthur Gibson, 703 Tenth Street NE.; H. S. Kaylor, 1320 Harvard Street NW.; William A. Frye, 3301 Du Bois Place SE.; C. M. Jessie, 622 I Street SE.; B. B. Picono, 808½ Twelfth Street NW.; A. Castro, 1104 Eighteenth Street NW.; August Grabis, 805 Massachusetts Avenue NE.; John O. Behnke, 625 Florida Avenue NE.; J. H. Schiller, 2913 M Street NW.; A. B. Dean, 1321 Eleventh Street NW.; R. L. Allen, 615 Seventh Street SW.; Dane Sitnick, 909 Decatur Street NW.; E. A. Riley, 2404 Pennsylvania Avenue NW.; George Zuil, 1013 East Capitol Street; Theodore W. Carlson, Capitol Heights, Md.; Ben A. Inman, 35 Anacostia Road NE.; Louis H. Parker, 508 B Street SE.; L. P. Hettenkemer, 413 Oglethorpe Street NW.; Fr. Urban, 924 Tenth Street SE.; G. H. Hottle, 113 Rock Creek Church Road; G. M. Ashton, 1110 Quinn Street NE.; J. E. Norton, 655 F Street NE.; James F. Horan, 1116 First Street SE.; Joseph Toland, 1203 Eleventh Street NW.; Gus R. Day, 1617 Seventeenth Street NW.; Donald H. Merrill, 1135 New Hampshire Avenue NW.; Norman C. Turner, 1405 Good Hope Road; Willie Brown, Berwyn, Md.; P. C. Murphy, 1415 D Street NE.; L. A. White, 1417 East Capitol Street; Louis A. Harris, 216 Spruce Avenue, Takoma Park, Md.; Arthur Jacobson, 1434 Geranium NW.; Ralph W. Knight, 1024 Eighth Street NW.; Joseph H. Fowler, 820 E Street SE.; C. T. Carpenter, 2435 Eighteenth Street NW.; W. P. Peterson, 2209 Eye Street; Joe Dobbs, 607 Fourth Street NW.; Douglass A. Hall, 1334 Vermont Avenue; Harry W. Wolfe, 3303 Seventeenth Street NE.; Eugene F. Thrailkill, 1421 Twelfth Street NW.; John Pahinale, 1354 Eleventh Street SE.; D. A. Boatwright, Seat Pleasant, Md.; H. T. Dixon, 814 Eighth Street NE.; J. L. Smith, Northbrooke Courts; J. H. Faust, 1449 Rhode Island Avenue NW.; E. E. Naud, Riverdale, Md.; L. D. Bradbury, 1017 Seventeenth Place NE.; M. S. Blair, 731 Second Street NE.; James P. Brumbaugh, 104 Maryland Avenue, University Park, Md.; R. C. Baker, 210 Eighth Street NE.; Oden Catherten, 637 S Street SE.; I. C. Simmons, 312 Ninth Street SE.; Nathan Edelman, 4723 Eighth Street NW.; Walter Jackson, 1115 East Capitol Street; John L. Berno, 1321 Belmont Street NW.; F. D. Stone, 425 Sixteenth Street SE.; D. J. Smith, 1107 Irving Street NW.; E. Barnall, 906 Irving Street NE.; R. H. Gerhardt, 3153 Mount Pleasant Street NW.; E. L. Martin, 5112 Connecticut Avenue; R. P. Myers, 1735 Fourteenth Street NW.; James F. Reingruber, 18 Klondyke Street, Rosslyn, Va.; R. F. Messersmith, 828 Longfellow Street NW.; Charles J. Bury, 1109 B Street NE.; M. H. Snyder, 920 Grant Place NW.; Charles H. Deskin, 1660a Avon Street; John E. Fletcher, 5508 Colorado Avenue; C. O. McInturff, Hume Springs, Va.; H. J. Cunningham, 1227 Eleventh Street NW.; George Hall, 48 B Street SW.; Roy L. Brown, 915 North Carolina Avenue SE.; B. A. Thomas, 3008 Thirteenth Street NW.; T. J. Levitt, 713 C Street NE.; Joseph Lamonto, 123 C Street NW.; Charles A. Fauest, 334 Fourteenth Place NE.; Atho M. Hammon, 806 Eye Street NW.; P. M. Cross, 133 Pennsylvania Avenue NW.; T. F. Betts, 523 Third Street NE.; R. King, 810 K Street SE.; S. R. Bayne, 1356 Quincy Street NW.; H. H. Coleman, 716 F Street NE.; D. Sullivan, 1328 Harvard; G. H. Pennell, 1324 Eighteenth Street NW.; B. Adelman, 1618 Nineteenth Street NW.; G. Williams, 69 L Street NE.; W. C. Needlinger, 204 Leyton, Silver Spring, Md.; Karl Maske, 1215 L Street NW.; Charles K. Beavers, 1310 L Street NW.; T. G. Talbert, 207 Bates Street NW.; James R. Porter, 1448 Girard Street NW.; R. A. Scroggs, 524 Varnum Street NW.; W. H. Turner, 1014 North Carolina Avenue SE.; Edw. Hines, 409 B Street NE.; A. R. Phillips, 441 Newton Place NW.; R. L. Edwards, 3409 Holmead Place NW.; James Alexander, 303 C Street SE.; Roy S. Coffman, 619 New Jersey Avenue NW.; Rowland E. Darling, 514 D Street SE.; J. Koelkebeck, 323 Kentucky Avenue; W. E. Campbell, 718 Sixth Street SW.; W. H. Jones, 454 Third Street, Clarendon, Va.; Sam Adelman, 1618 Nineteenth Street NW.; L. P. Menter, 1238 Rhode Island Avenue NE.; Max Sommerville, 3614 Connecticut Avenue NW.; O. W. Rison, 60 Eye Street NW.; M. E. Feltenberger, 442 Emerson Street NW.; A. Finlayson, 801 B Street SE.; F. G. Oliver, 1641 R Street NW., apartment 3; Hanely Tinsley Shelton, 128 Eleventh Street SE.; Frank F. Ready, 1134 Twenty-fifth Street NW.; M. E. Genlbaultt, 1333 Belmont Street NW.; J. Patoka, 1525 S Street SE.; G. W. Singleton, 4 Schley Avenue, Hyattsville, Md.; A. E. Summers, 1461 Rhode Island Avenue NW.; W. L. Tippett, 1330 Four-and-a-half Street SW.; John B. Pearsall, 2900 Connecticut Avenue; Claud O. Weaver, 1629 West Virginia Avenue NE.; A. B. Green, 319 W Street NE.; H. F. Graf, Twenty-fifth and Altamount Place SE.; Earl J. Pathsor, 640 Eleventh Street NE., apartment 4; J. M. Suit, 412 Seventh Street SW.; F. C. Walters, 1700 Lyman Street NE.; A. T. McAllister, 14a Bates Street NW.; Charles S. Hunt, 1240 Evarts Street NE.; Fred S. Taylor, 220 Pedant Avenue, Highland, Va.; W. A. Van Winkle, 109 V Street NW.; E. E. Bell, 1736 Columbia Road NW.; S. D. Rawden, 3217 N Street NW.; E. D. Douslen, 1311 Emerson Street NE.; S. H. Greenberg, 300 New York Avenue NW.; J. Bowers, 1420 R Street NW.; Lewis Mulligan, 1544 Thirty-third Street NW.; John Amanti, 1230 Thirty-sixth Street NW.; E. L. Cook, 3035 Vista Street NE.; C. M. Foltz, 416 Wilkes Street, Alexandria, Va.; J. H. Prillaman, 1228 Pennsylvania Avenue SE.; Sam Harrat, 610 Lincoln Road; Louis E. Wood, 334 Fourteenth Street NE.; C. O. Palmer, 4020 Garrison Street NW.; E. J. Youmans, 426 Fif-

teenth Street NE.; E. Dixon, 1436 Foxall Road; Furney Lough, 103 Second Street NE.; L. B. Daniel, 1026 D Street NE.; Bernard L. Henning, 907 E Street SE.; William I. Griggs, 1352 Longfellow Street NW.; Philip Mixsell, 5111 Thirteenth Street NW.; Fred W. Jones, 1004 Twelfth Street SE.; John W. Alexander, 303 C Street SE.; D. R. Mason, 118 Fifth Street SE.; William F. Hanmer, 2017 Thirteenth Street SE.; Charles Scandove, 1231 North Capitol Street; J. L. Griffith, 1701 L Street NE.; Ralph A. Wall, 775 Twentieth Street NE.; Lester Philips, 611 Eighth Street NE.; B. B. Newton, 1008 Will Place NE.; C. W. Sampson, 910 Lawrence Street NE.; C. W. Offenbacher, 5 Quincy Place NE.; George F. Eimer, 233 Kentucky Avenue SE., No. 2; F. H. Johnson, 1524 Thirty-fourth Street NW.; P. F. Crabill, 1116 Staples Street NE.; J. W. Goodman, 1203 Eye Street SE.; Harry Dobkin, 1414 V Street NW.; S. Racoosin, 701 N Street NW.; A. G. Hixon, 1133 Twelfth Street NW.; Fred J. Dosher, 1742 L Street NE.; C. A. Kensinger, Rosslyn, Va.; R. B. Smith, 220 Cromwell Terrace NE.; Edgar A. Baker, 1748 L Street NE.; Leroy H. Suhl, 324 Pennsylvania Avenue SE.; John D. Mellick, 1925 Eye Street; B. S. Gould, People's Service Station; I. L. Armentrout, 2006 Fourth Street NE.; James Charles Rollins, 1600 E Street SE.; K. L. Hoffman, 4899 Potomac NW.; E. G. Hunter, 2439 Monroe Street NE.; R. L. Robey, 1748 L Street NE.; Leo Y. Love, Hyattsville, Md., R. F. D. No. 1; Morris W. Askin, 1794 Columbia Road; George H. Shaw, 3317 M Street NW.; S. A. Wilkinson, 309 Whalon Avenue, Clarendon, Va.; E. M. Snakenberg; C. F. Hughes, 711 Thirty-second Street SE.; J. G. Dobson, 2924 Twelfth Street NE.; Nelson Howell, 711 Fifth Street NW.; R. E. Pope, 116 Eleventh Street NE.; R. Murray, 4027 Kansas Avenue; Chester G. Green, 118 Carroll Street SE.; A. Davis, 119 Penn Street NE.; George McVay, 37 L Street NE.; K. O. Grempler, 102 Fourteenth Street NE.; Albert F. Ilse, 1454 Newton Street NW.; John M. Tholl, 807 Tuckerman Street NW.; R. A. Evans, 3315 Seventeenth Street NW.; M. Miller, 1116 Fourth Street SE; N. M. Campbell, 1336 Emerson Street NE.; G. F. Wright, 2305 Nicholson Street SE.; Thomas F. Lynch, 1007 Fourteenth Street SE.; B. R. Salter, 1018 Eye Street SE.; L. Dean, 4161 Alabama Avenue SE.; G. M. Oliver, 706 A Street SE.; Carter R. Crooke, 631 North Carolina Avenue SE.; Joseph W. Williams, 1685 Gales Street NE.; C. C. Harp, 310 Fifth Street NE.; F. C. Roberts, 818 C Street NE.; E. G. Stanley, 824 Upshur; W. Wilsman, 733 E Street SE., No. 1; Joseph R. Slovensky, 824 Delafield Place NW.; V. G. Mulhoan, 209 F Street NE.; James M. Brown, 218a Bates Street NW.; W. C. Ball, 1002 K Street NW.; Samuel Gordon, 1304 Monroe Street NW.; J. E. Fowler, 1762 Pennsylvania Avenue NW.; Raymond Shackleford, 1334 Four and one-half Street SW.; Young, 735 Third Street NW.; Fr. H. Hanson, 612 Eighth Street SW.; J. G. Bromley, 1919 Thirty-fifth Place NW.; Harry A. Winters, 1619 E Street SE.; James L. Patton, 1011 Fourth Street NE.; Forrest W. Harler, 1918 Eighteenth Street NW.; B. F. Lambert, 2005 First Street NW.; R. A. Carter, 1417 Massachusetts Avenue SE.; J. E. Young, 129 Webster Street NW.; Warren A. Gorrell, 1250 Jackson Street NE.; William R. Ackerman, 1300 F Street NE.; James Oliver Johnson, 626 Ninth Street NE.; Victor Smith, 828 Twelfth Street NW.; W. E. Payne, 322 Raleigh Street SE.; O. J. Wood, 1352 K Street SE.; J. B. Graybral, 1043 Quebec Place NW.; J. E. Garner, 1413 Girard Street NW.; C. V. Johnson, 5219 Kansas Avenue NW.; C. L. Bancroft, 5015 Seventh Street NW.; P. V. Nelson, 1458 Columbia Road NW.; William A. Grumwald, 529 Lamont Street SW.; C. S. Johnson, 307 I Street NE.; C. K. Andress, 502 E Street NE.; C. A. Hinkle, 1470 Clifton Street NW.; E. Collins, 1406 Good Hope Road SE.; Joseph A. Martin, 1425 West Virginia Avenue NE.; Luther H. Hancock, 1945 Calvert Street; E. A. Long, 614 Franklin Street NE.; Charles E. Cashion, 500 E Street NW.; R. W. Kirk, 1328 E Street NE.; F. Pucci, 540 Irving Street NW.; M. W. Bryant, 738 Fifth Street NE.; F. A. Allen, 1210 Wilson Boulevard, Clarendon, Va.; M. J. Jenkins, 1205 Thirtieth Street NW., No. 300; M. G. Long, 1368 Irving; William T. Dugan, 1217 Kennedy Street NW.; Harold T. Pyke, 1223 M Street NW.; B. P. Moss, 1321 Rhode Island Avenue; F. J. Deegan, 1217 Kennedy Street NW.; C. V. Castle, 1332 Harvard Street NW.; J. T. Harty, 1418 W Street; F. S. Colman, 1811 Lawrence NE.; John Coyle, 3241 Second Street; Lewis E. Mudd, 1205 I Street SE.; James E. Wood, 1007 Eleventh Street SE.; Carroll E. Newman, 140 C Street SE.; R. M. Stollings, 111 Second Street NW.; H. E. Bell, 315 H Street NW.; B. G. Potter, 3561 Eleventh Street NW.; N. H. Wiggs, 702 Third Street NW. (Bell); J. W. West, 844 Jefferson Street NW. (City); Robert A. Shackelford, 1118 Fourth Street SE.; Leroy M. Hanback, 625 Sixth Street SW.; William A. Nimmo, Capitol Heights, Md.; L. W. Noell, 108 Rircker Place, Alexandria, Va.; F. Pfiefer, 409 Fourth Street NE.; M. Tippett, 1208 First Street SE.; C. L. Gross, 1208 Holbrook Street NE.; W. C. Wheeler, 1343 H Street NE.; R. M. Biggs, 1917 K Street NW.; C. J. Morris, 515 L Street NW. (Irwin); C. W. Crawford, 1728 L Street SE.; C. B. Canaday, 1347 G Street SE.; M. L. Everhart, 1322 Twelfth Street NW.; J. S. Woods, R. F. D. No. 1, Vienna, Va.; L. E. Simons, 454 Second Street SW.; E. T. Corry, 1128 Fourth Street SE.; J. C. Precour, 647 B Street NE.; C. B. Klopfer, 231 C Street NE.; A. Clift, 1205 K Street NW.; Eddie Fox, 138 Sixth Street NE.; W. C. Adams, 611 Seventh Street SW.; Cod Thonn, 3 Goodman Avenue, Hyattsville, Md.; G. H. Young, 1470 Clifton; H. E. Clunner, 1002 Pennsylvania Avenue NW.; E. H. Chilson, Takoma Park, D. C.; J. Cockrill Poole, G Street NW.; R. C. Detwiler, 2145 N Street; Joseph Simms, 1638 Massachusetts Avenue SE.; Charles P. Kales, 1226 Ingraham Street; W. S. Conner, McLean, Va.; R. J. Rooney, 418 B Street NE.; Henry F. Hinckley, 201 Anacostia Road NE.; H. E. Elliott, 2413 Second Street NE.; James E. Heavner, 1215 L Street NW.; J. A. Heflin, 531 Fifth Street SE.; Otis Fist, 2500 Third Street NE.; Daniel Spalding, 614 L Street SW.; W. W. Cunningham, 1227 Eleventh Street NW.; J. D. McPherson, 1735 Fourteenth Street NW.; Joseph W. Cryer, 219 A Street NE.; C. E. Mettler, 909 G Street NE.; H. R. Carr, 2121 H Street NW.; V. P. Kitchen, 1315 Belmont Street; Benjamin Greenfield, 4916 Seventh Street NW.; A. E. Bunn, 1332 Belmont Street NW.; D. C. Judas, 1411 T Street SE.; R. K. James, 445 Irving Street NW.; Paul C. Sullivan, 1307 Twelfth Street NW.; Charles Leonberger, 1735 Fourteenth Street NW.; B. F. Comer, 2141 K Street NW.; D. W. Winters, 434 Sixteenth Street SE.; A. E. Pacheo, 629 F Street NE.; James Foley, 9 H Street NW.; James A. Barnes, 1735 Fourteenth Street NW.; Charles E. Patterson, 264 Sixteenth Street SE.; D. B. Wright, 3008½ R Street NW.; J. A. Fonoroff, 402 G Street SE.; S. A. McManus, 1341 Montague; O. Ottenberg, 1138 Seventh Street NW.; W. G. Cooksey, 1342 D Street SE.; Louis B. Cross, 5511 Thirteenth Street NW.; J. C. Presnell, 307 East Allen Avenue; Rolfe M. Leedy; Leonard Carrigan, 1729 D Street SE.; Edward Flagg, 1349 C Street SE.; R. G. Meyer, 1212 Staples Street NE.; Thomas Ruppert, 1825 Hamlin Street NE.; H. W. Parsons, R. F. D. 5, Alexandria, Va.; William Padgett, 216 E Street NW.; George A. Robinson, 1143 Third Street NE.; L. O. Sullivan, 1303 Fairmont Street NW.; G. S. Ewell, 500 Virginia Avenue SE.; William P. Flaherty, 200 Massachusetts Avenue NW.; C. M. Dutdue, 493 E Street SW.; J. W. Forwell, 3940 Thirty-fourth Street NE.; H. Winters, 1619 E Street SE.; W. B. Collier, 1236 New Hampshire Avenue; W. G. King, 3022 Wisconsin Avenue, No. 27; J. W. Bradley, 121 Thirteenth Street NE.; W. C. Coleman, 2435 Eighteenth Street; W. H. May, 1610 Sixteenth Street NW.; H. P. Altwine, 1332 Eye Street NW., No. 615; H. E. Wilkins, 2035 H Street NW.; C. E. Reich, 1862 Ontario Place NW.; M. N. Webster, 1209 Thirtieth Street NW.; F. C. Holtzclau, 920 Seventh Street NE.; E. J. McCormack, 1602 Sixteenth Street NW.; H. S. Clark, 1908 N Street; Q. E. Smith, 1908 N Street; R. E. Bradley, 121 Thirteenth Street NE.; C. Larner, Maryland Park, Md.; G. Hale, 701 Fourth Street NW.; N. F. Simpson, 3040 R Street; H. C. Mason, 1221 Twelfth Street NW.; N. W. Sweeney, 471 Eye Street SW.; John J. Turner, 1241 Potomac Street; Edward L. Kneessi, jr., 3221 Connecticut Avenue; S. N. Bauman, Clarendon, Va.; R. Mercillrott, jr., 502 ———; J. C. Price, 1729 B Street SE.; G. E. Lee, Falls Church, Va.; M. H. Williams, 1820 Kalorama Road NW.; Charles A. Columbus, 3249 N Street; Elmer A. Dwyer, Bon Air, Va.; Paul P. Dwyer, Bon Air, Va.; Earl Richardson, 2416 G Street NW.; Russell Phelps, 2523 Fourteenth Street NW.; James Oliver, 1641 R Street NW.; R. Page, 1210 K Street NW.; L. F. Redmon, 2820 N Street NW.; William Waters, Cabin John, Md.; H. D. Williams, 30 Sixth Street SE.; K. L. Allen, 1402 Fifteenth Street NW.; Horace A. Reardon, 2618 L Street NW.; William Fisher, 125 South Walnut Street, Lyon Park, Va.; M. D. McCormick, 3919 Forty-fourth Street NW.; A. T. Hall, 4118 Gault Place NE.; J. C. Mason, 4505 Wisconsin Avenue NW.; E. F. Bokman, 1143 New Hampshire Avenue; Alexander W. Horne, 922 Twenty-third Street NW.; R. H. Hanson, 411 Second Street NW.; G. S. Ruder, 2101 New Hampshire Avenue NW.; C. Case, 2 Logan Circle; R. V. Wheeler, 105 Colorado Avenue, East Riverdale, Md.; W. A. Thompson, 3346 Prospect Avenue, NW.; J. C. Davis, 928 Fourteenth Street, NW., No. 1; A. G. Doyle, 248 Eighth Street SE.; M. R. Hutchinson, 112 Fourth Street SE.; L. E. Sponer, 750 Third Street; A. Paglioichini, 610 Maryland Avenue SW.; R. D. Walker, East Falls Church, Va.; L. G. Ruark, 317 Second Street SE.; R. H. Elliott, 110 Fourth Street NE.; G. W. Keesee, 1009 Eye Street NE.; William H. Coursen, 629 Allison Street NW.; Daniel B. Gallatin, 1811 Fairlawn Avenue SE.; M. Jackowski, Route 1, Benning, D. C.; C. W. Derryberry, 605 Twenty-first Street NW.; H. Glenn, jr., The Portner, Fifteenth and You Streets NW.; J. L. Luyster, 3714 Thirty-first Place NE.; Joseph L. Cansey, 952 Shepherd Street NW.; Jack Kitts, 225 T Street NE.; S. Howell, 1108 Orren Street NE.; John G. Behvin, 217 F Street NW.; H. J. Knott, 700 Sixth Street SE.; and W. E. Marshall, 1418 Ames Place NE.

Mr. Chairman, it does not mean so much to General Patrick whether there is a 20-cent taxi rate or whether the monopolies may charge the people 90 cents to $1.50 under meters for the same service. He is paid $7,500 salary as chairman of the Public Utilities Commission and, in addition, he receives retirement pay of $6,000 per annum as a retired general, and he is permitted to buy everything carried from Army stores at Government cost, and he is furnished free an automobile, and he is also furnished a chauffeur paid for by the Government.

But as little as it means to General Patrick, it does mean everything to the 500,000 people living in Washington, and to the hundreds of thousands of our constituents who are to visit Washington this year, and whom we are not going to permit to be robbed by heartless taxicab monopolies. I would like for each one of the drivers whose names are given above who are not in favor of meters to advise my office in writing, and whether or not he is an ex-service man, and what is his average daily net income.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. I understand we are now proceeding under unanimous consent for one hour, and it was my understanding that one-half the time should be controlled by those opposed to the present provision and one-half to those in favor of the bill.

Mr. OLIVER of Alabama. Mr. Chairman, I think it would be better for me to make a statement about this at this time, and I will yield five minutes to myself.

The CHAIRMAN (Mr. BANKHEAD). Permit the Chair to make a statement. As the present occupant of the chair understood the unanimous-consent agreement, it was that there should be one hour debate upon this section, one-half to be controlled by the gentleman from Alabama [Mr. OLIVER] and one-half to be controlled by the ranking minority member of the committee, with the understanding that the gentleman from Alabama [Mr. OLIVER] should yield to the gentleman from Massachusetts control of 15 minutes of the one-half hour.

Mr. OLIVER of Alabama. And the gentleman from Pennsylvania [Mr. SHREVE] would yield 15 minutes of his time to some one on that side who might be opposed to the recommendation of the committee.

Mr. LAGUARDIA. The statement made by the gentleman from Alabama is satisfactory if we can have it carried out.

Mr. OLIVER of Alabama. Mr. Chairman, this is a far-reaching amendment, and I want the House to understand that your subcommittee was perfectly frank and fair in presenting it for your determination. In the report it was stated that while it was felt that reductions could be here made, yet in view of the fact that the House just before the holiday voted an additional $120,000 for this service, the committee did not feel justified in taking any action of its own accord, but felt that the matter should be simply reported by way of suggestion to the House so that the House might feel free to exercise its own judgment without reference to any action by the committee. In other words, you are the sovereigns. Your committee wishes only to suggest how, in its judgment, you can provide for a substantial saving without real hurt to this service. If I felt you were accomplishing with the appropriation what my good friend from Massachusetts [Mr. CONNERY] feels is being accomplished with it, I would not vote for reduction nor for a single additional limitation.

The appropriation that was recommended by the Bureau of the Budget was approximately $820,000. We have not reduced that. We have brought it back for you to determine whether it should be reduced. We imposed upon that appropriation two conditions.

Mr. CONNERY. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. CONNERY. The gentleman's committee did reduce it from $820,000 to $802,000.

Mr. OLIVER of Alabama. That was only because of the rent limitation which I will now mention. We reduced it some seventeen thousand-odd dollars because of the attached proviso that there should be no rent paid after July 1 next. The rent now being paid is about $17,000, which was deducted from the Budget estimate.

Then we provided a further limitation, that after July 1 no salary should be paid in excess of $2,000. The reason we put those limitations on was that we felt we were justified from the action taken in the House just before the holidays. You established 54 offices with the $120,000 carried in the deficiency bill, and in authorizing those offices to be established you provided that no rent should be paid at a single office and no salary in excess of $2,000 should be paid at any of the 54 offices. The position of the committee was that if the House denied to the 54 offices, authorized to be established between December 27 and July 1, 1932, any rentals, and limited the maximum salary to $2,000, that might be paid to any office manager, the committee was doing no violence to the attitude of the House by suggesting like limitations after July 1 next. The limitation you placed, it is proper to say, did not limit the salaries prior to that time, but only salaries at the new offices to be established under the $120,000 appropriation.

Mr. LEAVITT. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. LEAVITT. Does the gentleman recall that when the temporary bill, to which the gentleman has referred, was before the House, containing this $2,000 limitation, I offered an amendment to strike out that limitation, and the gentleman said at that time, as I recall, that that had to do only with the temporary matter?

Mr. OLIVER of Alabama. I have just stated that to the House.

[Here the gavel fell.]

Mr. LEAVITT. But that could not be considered then as establishing a precedent by the House?

Mr. OLIVER of Alabama. Mr. Chairman, I reserve the balance of my time.

Mrs. ROGERS. Is there not a difference? In the first place, the temporary offices come under the new provision.

Mr. OLIVER of Alabama. I recognize that the lady feels that there is a difference, but I will later suggest reasons for your consideration as to whether the reasons are sound.

Mrs. ROGERS. You are wiping out existing offices—offices that have been in existence for several years.

Mr. OLIVER of Alabama. The lady is probably correct in her statement.

Mrs. ROGERS. And I think it is unfair to do that, particularly in these times.

Mr. HOPKINS. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. HOPKINS. Should this $500,000 reduction be made, how many employment offices now in existence would have to be cut out?

Mr. OLIVER of Alabama. It is very probable none will be cut out unless the appropriation is reduced.

Mr. HOPKINS. The gentleman has offered an amendment to reduce the amount by $500,000.

Mr. OLIVER of Alabama. I reduce it to the amount carried in the regular appropriation bill for the present fiscal year.

[Here the gavel fell.]

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I yield myself two minutes for the present. I want to call the attention of the committee to the parliamentary situation. First, we have the bill before us calling for an appropriation of $802,500. The gentleman from Massachusetts [Mr. CONNERY] gave notice to the committee that he would move to raise this amount to $820,000, the amount recommended by the Bureau of the Budget on the estimates of the Secretary of Labor. Now, much to our surprise, there is an amendment pending offered by the distinguished gentleman from Alabama reducing the $802,000 to a little over $300,000. So let us not be confused. We have, first, the proposition of the chairman of the committee itself reducing the amount recommended by the Appropriations Committee. I am sure that all Members of the committee are not in accord with that. Let me say that the Committee on Appropriations had already reduced the amount recommended by the Bureau of the Budget. I want to clarify the situation, because the amendment was offered at a time when everybody was going out of the Chamber and excited about the prohibition debate. The gentleman from Alabama, always fair, moved to rescind that vote, so the amendment is now pending.

Now, Mr. Chairman, we all must know that in these times of stress private employment agencies are exploiting the misery of the unemployed. Not only are exorbitant fees demanded but private employment agencies are the means of unduly reducing wages. The private employment agency secures the good will of employers by constantly offering new workers for less wages. The agency profits come from fees collected. The employee and not the employers pay the fee. The United States Department of Labor is endeavoring to establish a permanen Employment Service throughout the

United States. It will take time, of course, to perfect such an organization. Good, active, competent, and conscientious men and women are required for this service. The department should not be limited at this time by a further reduction of appropriations. It is manifestly unfair to reduce salaries in this service. I will reserve the balance of my time and I sincerely hope the gentleman from Alabama [Mr. OLIVER] will reconsider the matter and withdraw his amendment.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I yield two minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman, in line with the argument developed by the gentleman from New York, these are times of stress. We need this Employment Service more than ever before. A few minutes ago we acted favorably upon a proposal to hold the appropriation for the Prohibition Bureau to the amount of the Budget recommendation. I supported that motion. It seems to me the least we can do in this instance is to hold these employment figures to this same level, and everyone who supported the former proposal should support this amendment.

Now, here you have two groups of men, the directors of this Employment Service and managers of the veterans' employment service. They are not only clerical employees, they do not only receive applications for employment, but they are also responsible for the more important work of the finding of jobs for these desperate men. They have got to go out and cooperate with industrial employment managers; they must go out and cooperate with employers themselves; they have to speak to Lions Clubs, Kiwanis Clubs, and other social, civic, and luncheon clubs; they must necessarily give their positions a consecration and devotion which certainly can not be measured in the terms of the salaries they receive, and we can not expect these men to continue the unselfish work they are doing if we cripple those agencies in the way it is proposed to do.

Mr. SHREVE. Mr. Chairman, I yield two minutes to the gentleman from Kentucky [Mr. THATCHER].

Mr. THATCHER. Mr. Chairman, I very much dislike to disagree with the subcommittee on these items, and as a member of the Appropriations Committee I feel a good deal of diffidence in interposing any objection to the program which they have proposed. I commend them for the admirable work they have done on this bill, but I do believe that these items of authorized expenditure, under the conditions which obtain in the country, ought to be preserved and that these provisos should be stricken out.

I fail to understand why in all the lines of employment under the Labor Bureau and the other departments embraced by this bill, this particular branch of the service is singled out for the paring knife.

I want to emphasize what has been said in regard to this subject, that if there is any branch of the service of the Government that ought to be maintained to its full capacity at this time, it is that of this Employment Service. You can not get the type of men to carry on this work, in my judgment, if you restrict them to mere clerk's salaries. It will be money wasted to make the arbitrary restrictions proposed by the subcommittee, and I for one would rather strike the whole item out of the appropriation bill than to carry on this work in a crippled and haphazard way. For that reason I favor the amendments offered by the gentleman from Massachusetts. [Applause.]

Mr. SHREVE. Mr. Chairman, I feel it my duty at this time to say a word. We must remember that this committee has handled the appropriations for the Department of Labor for the last 10 or 12 years. We started in a very small way, and we have gone on until last year we increased their appropriations about $1,000,000.

I feel this committee is competent to judge their needs and requirements, inasmuch as not a single representative of the Department of Labor has been to see me or said a word about it to any member of the committee that I had the honor of being chairman of so long. They are perfectly satisfied, so far as I know, with the bill as it is, and I say the bill should remain intact and should go out of this House just as we brought it in. This means there should not be any increases and there should not be any reductions.

As far as the salaries are concerned, you must remember that salaries are being reduced all over the United States in various ways in every manufacturing plant, and $2,000 is a very fair salary, and so far as I know there has been no complaint to me or to any other member of the committee regarding it.

Mr. KELLER. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. KELLER. I would like to know what would have been the gentleman's report if a lot of the men affected had been coming before his committee and asking that this be not disturbed. What report would the gentleman then have made?

Mr. SHREVE. We had the Department of Labor before our committee for a week.

Mr. KELLER. And the gentleman found nobody asking more than they are getting here?

Mr. SHREVE. We found in some cases they wanted more money, but we came to this agreement.

Mr. KELLER. Who came to the agreement?

Mr. SHREVE. The committee.

Mr. KELLER. Yes; the gentleman's committee.

Mr. SHREVE. Yes; we have handled this job long enough to know something about it, I may say to the gentleman.

Mr. KELLER. I hope the gentleman does.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. SHREVE. I yield.

Mr. OLIVER of Alabama. In order that the House may have an absolutely fair opportunity of voting on the amendment of the gentleman from Massachusetts [Mr. CONNERY], I may say that I shall withdraw the amendment seeking to decrease the amount.

Mr. SHREVE. That is certainly fair.

Mr. OLIVER of Alabama. Then there can be no misunderstanding.

Mr. CONNERY. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. CONNERY. The gentleman speaks about the $2,000 salary. We did not do that on any other appropriation bill. We just picked out the Department of Labor to put in that proviso.

Mr. SHREVE. This is a new proposition.

Mr. CONNERY. What is good for one department should be good for another.

Mr. SHREVE. The gentleman will recall that last year I went to the Director of the Budget and got an increase recommended to take care of this Department of Labor.

Mr. KELLER. How many idle men did we have last year?

Mr. SHREVE. We had about as many as we have now.

Mr. KELLER. I understand the increase to be two or three million.

Mr. BLANTON. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. BLANTON. May I suggest to the chairman of the subcommittee that he limit the $2,000 to all except State directors?

Mr. OLIVER of Alabama. The gentleman means one State director in each State?

Mr. BLANTON. Yes; and exclude those positions of State directors from the $2,000 provision. Then State directors may draw over $2,000 after July 1. I understand, then, the gentleman from New York will go along with the committee?

The CHAIRMAN. May the Chair address an inquiry to the gentleman from Alabama [Mr. OLIVER]? In the confusion the Chair could not hear what the gentleman stated. Does the Chair understand the gentleman wishes to withdraw the amendment which he offered and which is now pending at the Clerk's desk?

Mr. OLIVER of Alabama. The amendment reducing the amount of the appropriation.

The CHAIRMAN. Does the gentleman desire to submit that request at this time?

Mr. OLIVER of Alabama. Yes; I make that request, Mr. Chairman.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that the pending amendment proposed by him be withdrawn. Is there objection?

There was no objection.

Mr. SHREVE. Mr. Chairman, I yield five minutes to the gentleman from Washington [Mr. JOHNSON], former chairman of the Committee on Immigration.

Mr. JOHNSON of Washington. Mr. Chairman, I am pleased to learn that an adjustment is taking place in the Committee of the Whole House by which nearly everyone will be satisfied. I am glad that the hard-working gentleman from Alabama [Mr. OLIVER] proposes to withdraw his principal amendment that would still further reduce this item. In the meantime, I believe that an amendment by which the State directors may continue to have the pay of an executive director will be fair, and that it will be accepted.

I want to go along as far as possible with all these committees in an effort to reduce Federal expenditures, but I believe we will all agree that it is a mistake to make a key point of reduction of appropriations for the Department of Labor at one of the smallest and weakest places.

When we get back to our various districts this summer and fall Members from all parts of the country are going to be met with the charge of Federal extravagance and with a tremendous demand that all bureaus and all Federal departments be reduced and curtailed. Well, how did they happen to grow so large? Why this ever-increasing Federal activity? Why, the answer is that the income-tax system paved the way. All Congresses since the income-tax enactment have gone along encouraging larger and larger Federal activities and the necessary appropriations to make the activities function. How would the bills be paid? Why, by the income tax. And now we suddenly find that there is not so much left in that pot of gold at the rainbow's end; in fact, we find a shortage, a deficit of nearly four billions of dollars, and painfully we realize that every billion is one thousand million.

This is one of the problems you are going to have to discuss when you get home, but in the general discussion, inasmuch as we are trying to assist business to recover, I think it would be poor policy to try to trim a few thousand dollars at the very point of contact for unemployed labor, a large number of whom are itinerants, depending on these agencies which we have heretofore set up.

Mr. KVALE. Will not the gentleman then try to prevail upon the chairman and the committee to accept the increase of $18,000, yield on this point, as it is late in the afternoon? Few Members are present, and I say frankly that more should be here unless this is done.

Mr. JOHNSON of Washington. Yes. I think that will be done. Now, a word to the committee. The chairman and the former chairman are hard-working members. This bill deals with appropriations for four great departments, and of all the departments that come before the committee, the Labor Department comes with the cleanest hands asking for the fewest increases. The gentleman from Pennsylvania says they asked an increase of a million dollars for immigration recently, but that was on account of the then new immigration laws, and that increase was met in a large measure by the increased immigration fees.

Mr. TILSON. Will the gentleman yield?

Mr. JOHNSON of Washington. Certainly.

Mr. TILSON. Is it not a fact that, with the withdrawal of the amendment offered by the gentleman from Alabama, there is now only about $17,000 involved, and that this is merely a question of rent? Even as to this it is a question of fact whether it is needed or not. If it is needed, the amount should be in the bill and if it is not needed, it should come out.

Mr. JOHNSON of Washington. I presume that if a city is large enough to have a Federal employment agency, there are enough vacant places, so that the city could give one of these offices free rent.

Mr. CONNERY. That is all right, but why have in the bill a provision that requires the Government to go out and ask for free rent?

Mr. JOHNSON of Washington. Well, every bureau or organization or city that gets Federal aid of any kind never wants to yield a nickel's worth of it.

Mr. CONNERY. There are employment agencies where they could not find a place for an office.

Mr. JOHNSON of Washington. Well, I do not care, but I hope we have not reached the stage where we begin to trim by picking on a chance to even slightly help the great army of the unemployed. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. SWING].

Mr. SWING. Mr. Chairman, the distinguished gentleman from Washington said that when we went home we would be charged by our constituents with Federal extravagance. If such a charge is made by any person it will be made by some uninformed person who has not read what has been going on in Congress. We have cut deep on every item of every appropriation bill.

But an economy program can be abused as well as used. You can have destructive economy as well as constructive economy.

I am one of those in the House who has advocated since this session began that organized society, of which the Federal Government is a part, should as far as possible help provide jobs for the unemployed; that the Federal Government ought, by expanding the public-building program, to give employment to the unemployed and stimulate flagging business.

We have not been able to get any response to that proposition. Every public-building item has been cut. The Budget has smothered the request of the Treasury Department for $100,000,000 to carry on the public-building program. The appropriation for public roads has been cut. Every item for construction has been cut. The Federal Government has actually contributed to the existing unemployment.

Since we have denied men opportunity to work where we could have offered it by an enlarged Federal construction program, since we ourselves have refused our citizens chances to work by not speeding up jobs which we are going to do anyway in the next five or six years, we should not here cut down an item which is intended to furnish a clearing house for the unemployed, where they may go to seek employment. It is proposed to make a cut in this item below what the Budget has recommended and hamper the Federal employment agency with other provisions. I think the least that Congress can do, the least that the Federal Government can do, if it is not going to expand its building plans, is to furnish a clearing house, a Federal employment service, where the unemployed can be brought into contact with opportunities for work. We ought not to cripple in any way this proposal to continue the Federal Employment Service.

Mr. CONNERY. Mr. Chairman, I yield two minutes to the gentleman from Montana [Mr. LEAVITT].

Mr. LAGUARDIA. Mr. Chairman, I yield three minutes to the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Chairman, I shall approach this subject not only from the standpoint of the emergency in respect to unemployment, which has been so well established in the debate and in our own knowledge of the situation, but also from the standpoint of the value of a permanent service such as existed in fine form during the war period and which was then allowed to go by the board. The importance of it was not recognized for a number of years because we were in a period of such prosperity that there was no great difficulty on the part of laboring men in finding employment. But there is a permanent value to this employment service from the standpoint of the Federal Government.

I am opposed to the proposal which says that these employment offices shall be established nowhere except where through local or State funds quarters shall be furnished. That is one of the mistakes we ought not to make at this time.

During the period of the war one of the tasks assigned to me was the organization and conduct in the State of Montana of a war emergency employment service. I organ-

ized and directed 13 offices in various parts of that State to handle men during the period of war emergency, and I discovered something of the value of this kind of service being conducted by the Federal Government. Take the itinerant laborers, for example, two or three million of them, who move back and forth across this country more or less continually, for harvest work and for work in lumber camps, going from place to place, establishing no residence, being entirely at the mercy of what they can find as they go from one community to another. What touch do they have with their Government? Ordinarily the touch they have is that whenever they go into a community they are told by some policeman to move on to the next place. If they are put in jail because they do not move, what do they find?

They look out of the window and they see the Government operating for every other class of people. They see it operating for the protection of our homes, for the protection of our business. They see it operating in every way for the benefit of other people, but for themselves they have had no contact with the Federal Government which has been beneficial to them. Here was a service built up as a result of the war emergency, meant to take care of their problem, which was the problem of employment, under conditions reasonable and fair to them. I saw men who came into the employment offices in the State of Montana as I went from one place to another in my capacity as director, who came in without any pride in themselves or in their appearance, looking for a job. We treated those men well. We had people in charge of those offices who were capable of a conception of the difficulties under which those men lived and who understood the place that that sort of service ought to take in our national life. They saw to it that when those men were placed in employment they were given a square deal. I have seen those same men, who had first come into the office in an unkempt condition, return wearing a necktie, having their hair cut, and taking pride in themselves and in their appearance. They were glad to come into the office of the Government that was operating for their benefit, just as other branches of the Government were operating for the benefit of other people. That service had a marked and valuable effect during the brief period of its existence upon the state of mind of the working people of the country who had to depend upon that kind of service to get a square deal. We now have an opportunity during another emergency to establish that sort of service.

When we do get it established, I appeal to you, let us establish it in such a way that it may continue to render the sort of service it is capable of rendering, putting into the minds of these men a new conception and appreciation of their Government.

I am also opposed to the idea of limiting the salaries to be paid to any of the field men to $2,000. That is not a matter of economy. That is a mere proposition of making it certain that in some of the key places you will not be able to get men who have a proper conception of their duty. There should be no such limitation as that written into this bill. Further, there should be no limitation that there shall be no office except where the rent is given free. I think we should support every amendment of the gentleman from Massachusetts [Mr. CONNERY]. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield one minute to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, I merely want to state, before the gentleman from Alabama concludes, that I hope the House will vote for the three amendments which I have offered. I made it clear what they stand for. I hope the House will vote in favor of those three amendments and stop putting these employment offices out of existence, practically, because that is what it will do the way the bill stands now. In other words, bring back the appropriation to $820,000 as the Bureau of the Budget wanted it. Do not make us go around looking for rent-free offices. I ask the membership to vote for these three amendments.

Mr. LAGUARDIA. Mr. Chairman, it is my understanding that an agreement would be reached, and, therefore, I did not want to take the time of the committee.

Mr. OLIVER of Alabama. Mr. Chairman, I have withdrawn my amendment, and I am willing that the bill carry the $820,000. [Applause.] I will insist on the $2,000 limitation as to all except 1 manager in every State and 23 employment managers. I will offer also the rent amendment.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. SCHNEIDER. Are there not two directors in some States, one who has charge of veterans' employment?

Mr. KVALE. If the gentleman will permit me; yes. The veterans' employment service managers are paid $2,400. The others are from three to four thousand.

Mr. SCHNEIDER. I just wanted to get that clear.

Mr. OLIVER of Alabama. I have just stated that I thought 1 director in each State and 23 employment-service managers will be excepted from the $2,000 limitation.

Mr. TABER. Will the gentleman yield for a question?

Mr. OLIVER of Alabama. I yield.

Mr. TABER. How many will that affect in the offices that are now established? How many will it reduce and to what extent?

Mr. OLIVER of Alabama. I would say, perhaps, 40.

Mr. TABER. And where are they located, largely?

Mr. OLIVER of Alabama. I am sorry not to be able to give you that information without examining the tables further, which appear in the hearing.

Mr. TABER. Would it be in the larger centers?

Mr. OLIVER of Alabama. Yes.

Mr. LAGUARDIA. Mr. Chairman, there seems to be a disagreement as to the policy of this bureau between the gentleman from Massachusetts and the distinguished chairman of the committee, the gentleman from Alabama, in charge of the subcommittee having the bill under consideration. If we are agreed on the amount, I submit in all fairness that it is hardly just at this time to bring in a limitation on salaries in the one bureau of all the departments of the Government.

Permit me to say there are private employment agencies at this time that are exploiting the unemployed. I called the attention of the House several weeks ago to a recent decision of the United States Court for the Southern District of New York, wherein our State law was held unconstitutional. That law compelled a private employment agency to return the fee if employment was not found. Now, just think of that! A man in dire need of employment, with a family in want, applying to an employment agency, with a promise of work, paid a registration and service fee, under duress of necessity and perhaps hunger, only to learn that there is no job available. Under our State law the private agency was compelled to return the fee if no employment was actually provided. That protection under our State law to get that fee back if employment was not furnished is now declared void, and applicants in search of work are at the mercy of such private agencies. That law has now been declared unconstitutional, and unscrupulous private employment agencies thrive on the exploitation of the unemployed. There is great need of a free service furnished by the Government.

We have established Federal employment agencies. Let us provide for them properly. I know it is difficult for the service at this time to find employment when there is no employment, but as we get out of this crisis employment will start, and the offices are now establishing their contact so that men and women can find employment without paying fees.

I submit that in States like New York, where there are one or two branch offices, we can not afford to say that the man in charge of the employment office shall receive no more than $2,000. It may be a good investment to have a man who is big enough to compete with the private employment office in charge of this work in order to protect

men and women requiring such service. I hope the gentleman from Alabama will not insist upon his amendment.

At this time, Mr. Chairman, many contractors enjoying the benefits of Government work are attempting to disregard the provisions of the prevailing rate law. It can easily be imagined the pressure of wage reduction to which workers are now subjected. I am quite sure that there are people in this country who are so greedy and selfish as to hope that poverty and need will create such competition in the labor market as to greatly reduce standards of wages and the American standard of living. A good, efficient national employment service is needed in this country more now than ever before.

If the gentleman from Alabama has generously consented to restore the amount to $820,000, I hope he will go the whole way and remove all the unsatisfactory provisions now in the section. [Applause.]

Mr. CONNERY. If the gentleman will permit me, I want to clarify this situation as far as I am concerned. I appreciate the concessions that the gentleman from Alabama is trying to make, but I want to ask this House to vote on these three amendments that I have offered. I can not see any reason why any limitation should be put on the Labor Department that does not apply in the Commerce, Agriculture, Justice, and every other department in this bill and other appropriation bills.

Mr. LAGUARDIA. As to the rent, that is a matter of administration. In many instances it may be possible to find a suitable office in a suitable place. For instance, in New York City we found a place for the main office in the Government building on Washington Street. For a branch office I was successful through the generous cooperation of Mr. August Hecksher, founder of the Hecksher Foundation, to give the service space in their splendid building uptown. It is in this building where the foundation carries on its activities, such as family relief, care of children, and social work, and it is an ideal and suitable place for our Employment Service branch office. But the Members can readily see that many offers of space may not be suitable. For instance, suppose there is an industry having labor trouble; surely we would not want them to offer space to the United States Employment Service or an offer of space by any large employer of labor known to be unfair to labor; surely we would not want our office in such a place.

With that I hope the gentleman from Alabama will withdraw his objection to the amendments. I submit the matter to the House.

Mr. OLIVER of Alabama. Mr. Chairman, the House has been very kind about this matter. I want the House to understand that the subcommittee did not bring this in with any view of asking that the House vote either for the provisos or for any cut in the appropriation, unless in the opinion of the House it could be done without hurt to the worthy purposes sought to be accomplished.

I have a tentative understanding with some Members to this effect: That I will amend the limitation as to $2,000 so as to exclude therefrom one manager in each State, whose salary shall not exceed $3,000, and 23 employment managers, whose salaries shall not exceed $2,400.

Mr. CONNERY. The gentleman is not addressing his remarks to me, but to the gentleman behind me, the gentleman from Minnesota.

Mr. OLIVER of Alabama. I will offer that amendment as soon as I finish.

Now, gentlemen, let us see what we have? The Secretary of Labor, when he asked for a deficiency appropriation in December, made this statement:

> I have been pretty hard-boiled on that rent proposition all the way through. If the communities are not interested enough to furnish this space rent free, I doubt the propriety of putting any office in such a place.

Then again he said:

> I think the local community should furnish quarters rent free, and if they do not furnish them I question the propriety of establishing an office in such a place.

If you will read the hearings you will find that was the feeling of the committee and that was the way this House felt when it favored the $120,000 appropriation, because you placed a limitation on that expenditure to this effect, that no part of this appropriation shall be used to pay any rent. And what were you seeking to do? You were seeking to establish 54 new offices, and you likewise placed a limitation on all salaries of, to wit, $2,000, that could be paid out of the $120,000 thus appropriated.

I have excepted from the limitation as to salaries one manager in every State, whose salary will not exceed $3,000, and 23 employment managers, whose salaries shall not exceed $2,400.

In view of the statements made by the Secretary, and in view of the action taken by the House as to the 54 offices that have been established with funds appropriated in December, I can see no sound reason why after July 1 next we should continue to pay rent anywhere. What sound reason can be offered why at any office, after the beginning of the next fiscal year, higher salaries should be paid than you fixed for the 54 new offices between January 1, and July 1, 1932?

I do not believe that one place should be favored over another.

Mr. CONNERY. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. CONNERY. The gentleman will remember—though he may not have been present—that when that matter came before the House I asked the gentleman from Tennessee [Mr. BYRNS] about this matter, and I said, "Now, positively you do not intend that this shall apply to the permanent offices?" And he said, "Absolutely not."

Mr. OLIVER of Alabama. I have just made that statement. The gentleman has evidently not caught the line of my reasoning, or perhaps I may not have convinced him. I know my friend from Massachusetts has one of the biggest hearts in the world. He would vote all of the money in the Treasury to some poor, suffering man, if in his judgment the man's needs required it.

Mr. CONNERY. To some unfortunate, broken-down man; yes.

Mr. OLIVER of Alabama. That is a beautiful and fine spirit, but we can not afford, when we are representing 120,000,000 people, to manifest such liberality, since—well let us in a spirit of charity say, because like liberality could not be shown to all who are in need.

Now, frankly, this is the trouble: The gentleman is insisting that the offices he happens to know of should not be affected in the slightest; he insists that his acquaintances must not be reduced, oh, no; but as to the 54 offices we created since January 1 last, it is all right to declare limitations as to both rent and salaries. All right to limit the salary to $2,000 at such offices. All right that no rent be paid by the 54 offices, but let such rent limitation be applied at no other office. Now, gentlemen, when you come to appropriate and expend money on that kind of a basis it is favoritism. I believe that every place after July 1 should be placed on exactly the same basis as to rent. If you are going to pay rent at one place, pay it everywhere. However, I do not think we should pay it anywhere, and that is the proposition that will be submitted to the committee.

Now, let us come to the real crux of this question. What has happened? The Legion, if you have been listening in on the radio, has organized a force, not of paid men and women, but of volunteers, a force made up of business men, legionaires, members of the Federation of Labor, members of church and civic organizations, and what are they doing? First they seek no money from the Federal Government nor from any State or city, nor from any other source. They have volunteered their services to make a survey of their own cities and towns, just as was done in Rochester, N. Y., and as other cities and communities throughout the Nation are now being organized to do. The slogan in these places is, "We propose that in our city, in our county, in

our State, to see that jobs are found for our unemployed." It is a self-reliant, a real American doctrine, and the Legion is the proper organization to direct a great national volunteer movement like that. If you had heard that wonderful message from the director of these volunteer forces on Sunday night last you would know that it started first with a group of about 20, but it has now swollen to a force of more than 1,000,000 strong. Within less than 60 days, we are told, there will be 6,000,000 volunteers engaged in this work. They tell us that jobs in less than six days have been found for 66,000 of the unemployed.

They further declare there will be no let-up until jobs have been found for more than a million.

You tell me then that the Government should continue to expend large sums of money to rent offices and pay large salaries after July 1. Gentlemen, it is not right. It is not in keeping with the spirit of self-reliance that the Legion is striving to inspire in our people, not in keeping with the unpaid, unselfish service of these citizen volunteers. We are living in a day and time when we value human service, and now that communities are aroused to the importance of following the Legion's leadership, why should a limited few demand pay while a million volunteers ask only for the privilege to serve. If you could witness right now that wonderful picture, The Man Who Played God, and catch therefrom the spirit of the Legion, my belief is there would be few votes recorded against the limitations for rent and salaries.

Gentlemen, if we are to meet the Budget, we must make some sacrifices. Why should we select a few who are not in the classified service, men gathered here and there, and say, "We will give you a pay job while millions work, without pay, as volunteers."

Mr. Alpine, the head of this service is an excellent gentleman, most sympathetic, and I have no criticism to make of him. It is the plan and the policy, based on the idea of pay for a humane social service to our fellows, that I complain of.

The CHAIRMAN (Mr. McREYNOLDS). The time of the gentleman from Alabama has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I accept the amendment of the gentleman increasing the amount to $820,000, which is the amount the Budget recommended.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: On page 121, line 21, strike out "$802,500" and insert in lieu thereof "$820,000."

The amendment was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: On page 122, line 5, after the amount "$2,000" insert a comma and the following: "Except one director in each State, whose salary shall not exceed $3,000, and 23 managers of the Veterans' Employment Service, whose salary shall not exceed $2,400."

Mr. CONNERY. Mr. Chairman, a parliamentary inquiry. Would my amendment, which affects that same section, go on as a substitute amendment or as an amendment to the amendment? I have an amendment to strike out that provision.

Mr. LaGUARDIA. The gentleman will accomplish his purpose by voting down the amendment and then pressing his amendment.

Mr. CONNERY. But can I not offer my amendment as an amendment to the amendment?

Mr. Chairman, a parliamentary inquiry. The amendment of the gentleman from Alabama must go as an amendment to my amendment which I have already offered. Is not the amendment of the gentleman from Alabama a substitute for my amendment?

The CHAIRMAN. The amendment of the gentleman from Massachusetts [Mr. CONNERY] was read for information.

Mr. CONNERY. When I asked that the amendment be read I intended that as an offer of the amendment. That was my intention at the time.

Mr. OLIVER of Alabama. Mr. Chairman, my amendment is a perfecting amendment.

Mr. STAFFORD. Mr. Chairman, under the rules of the House, if the Chair will permit, there can be only one amendment pending at one time. The amendments of the gentleman from Massachusetts were offered and read for information.

The CHAIRMAN. The only amendment pending is the amendment of the gentleman from Alabama [Mr. OLIVER]. The question is on the amendment offered by the gentleman from Alabama.

Mr. CONNERY. Then I offer my amendment as a substitute amendment for the amendment of the gentleman from Alabama and ask that it be reported.

The Clerk read as follows:

Amendment offered by Mr. CONNERY as a substitute for the amendment offered by Mr. OLIVER of Alabama: On page 122, line 2, after the word "organizations," strike out all of lines 2, 3, 4, and 5.

Mr. STAFFORD. Mr. Chairman, I make the point of order the amendment is not a substitute.

The CHAIRMAN. The Chair sustains the point of order.

Mr. CONNERY. I offer it as an amendment to the amendment, or a substitute.

The CHAIRMAN. The gentleman's amendment is a motion to strike out certain words of the bill, and can not be offered as a substitute.

Mr. CONNERY. If the amendment of the gentleman from Alabama is voted down, it will be in order for me to offer the amendment to strike out.

The CHAIRMAN. Yes. The question is on the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. CONNERY) there were 78 ayes and 50 noes.

So the amendment was agreed to.

Mr. CONNERY. Now, Mr. Chairman, I offer my amendment.

The Clerk read as follows:

Page 122, line 2, after the word "organization," strike out the remainder of line 2 and all of lines 3, 4, and 5.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. OLIVER of Alabama) there were 73 ayes and 51 noes.

So the amendment was agreed to.

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent to return to page 47 for the purpose of offering an amendment. There was a misunderstanding on my part that all sections of the Department of Labor would be taken up to-day.

Mr. OLIVER of Alabama. I prefer to finish the bill, and then I shall have no objection to returning to page 47, as the gentleman suggests.

The Clerk proceeding with the reading of the bill, read as follows:

SEC. 2. No appropriation under the Departments of State, Justice, Commerce, and Labor, and the Judiciary, available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act (1) to increase the compensation of any position within the grade to which such position has been allocated under the classification act of 1923, as amended, (2) to increase the compensation of any position in the field service the pay of which is adjustable to correspond so far as may be practicable to the rates established by such act as amended for the departmental service in the District of Columbia, (3) to increase the compensation of any position under such act through reallocation, (4) to increase the compensation of any person in any grade under such act through advancement to another position in the same grade or to a position in a higher grade at a rate in excess of the minimum rate of such higher grade unless such minimum rate would require an actual reduction in compensation, or (5) to increase the compensation of any other position of the Federal Government under such departments and the Judiciary, other than commissioned officers of the Coast and Geodetic Survey; and so much of the acts of February 23, 1931 (U. S. C., Supp. V, title 22, sec. 3a), and February 21, 1931 (U. S. C., Supp. V, title 8, sec. 109), as

provides automatic increases of salary, respectively, for Foreign Service officers and immigrant inspectors shall not be operative during the period between the date of the approval of this act and June 30, 1933: *Provided*, That no additional credits for service shall be allowed to any commissioned officer in the Coast and Geodetic Survey for purposes of base or period pay, or for longevity pay before July 1, 1933; any increase of base or period pay for length of service, or longevity pay, which would have been authorized under existing law before that date, shall become effective July 1, 1933, and not earlier, notwithstanding the provisions of any other act. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of the amounts so impounded for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session.

Mr. OLIVER of Alabama. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 124, line 23, strike out the period after the word "act," insert a colon and the following: "*Provided further*, That from the date of this act, including June 30, 1933, payment for personal services made in accordance herewith shall constitute payment in full for such services."

The question was taken, and the amendment was agreed to.

Mr. LAGUARDIA. Now, Mr. Chairman, I move to strike out all of section 2.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. LAGUARDIA: Beginning on page 123, line 14, strike out all of section 2.

Mr. LAGUARDIA. Mr. Chairman, this is the amendment that I have offered on every appropriation bill, and shall continue to do so for the reason that I believe the provision is unfair, unjust, and unnecessary, and does not carry out any economy at all. I believe that the efficiency of the service will be so impaired if this provision is carried out as to offset any apparent saving. In addition to that, there is in this provision automatic increases, the same as applies to the Post Office, to the Army and the Navy, where the pay is fixed by law with automatic yearly increases, particularly in respect to the Coast and Geodetic Survey. I am going to leave that part of the section to the gentleman from Michigan [Mr. MAPES]. Added to the section in this bill makes the limitation even more objectionable. If by this method we are going to cut off salaries fixed by law, it will be manifestly unfair to all of these employees who are entitled to these yearly increases. It is part of their pay. I have been voted down on this amendment in every other bill, but by no means is this provision yet accepted by the Congress. Another body has to act upon it and a committee of that body has already stricken out this limitation from the agricultural appropriation bill.

Mr. McCORMACK. May I say to the gentleman he is not alone in this proposition; that I am with him?

Mr. LAGUARDIA. Yes; and I hope the gentleman and others who are with me will not be discouraged. The method employed is not right and we must continue the fight.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. KVALE. If I understood the amendment that was shoved across so quickly a moment or two ago, I believe its effect will be to automatically eliminate any appeal that might be made later. In other words, I think the amendment stated that all payments made to the end of the next fiscal year would be in full for services, and that automatically stopped an appeal later on.

Mr. LAGUARDIA. If we strike out the whole section, as my amendment provides, of course that vicious amendment will go out also. Here is something fixed by law, something that is a solemn contract, establishing the salaries of these employees, with yearly automatic fixations. It is an attempt not only to cut them off but to take away their legal rights.

Mr. FITZPATRICK. And those employees are looking forward to these increases.

Mr. LAGUARDIA. Yes; these increases are a part of their pay. Let us vote the section out of the bill and carry out what the Senate Committee on Agriculture has done.

Mr. MAPES. Mr. Chairman, I move to strike out the last word and should like to have the attention of the chairman of the committee for a moment. I direct the attention of the committee to the language on page 124, line 16, after the word "*Provided*," down to and including the word "act" in line 23, particularly to that part which reads, in line 16, after the word "*Provided*," as follows:

That no additional credits for service shall be allowed to any commissioned officer in the Coast and Geodetic Survey for purposes of base pay, or period pay, or for longevity pay before July 1, 1933; any increase of base or period pay for length of service or longevity pay, which would have been authorized under existing law before that date, shall become effective July 1, 1933.

Of course this increase on account of longevity was provided for in the so-called pay act of the different services passed in 1922. As I understand it, the Coast and Geodetic Survey is the first of those services to be affected by any appropriation thus far passed by the Committee on Appropriations. Has the full Committee on Appropriations taken a vote or adopted what may be termed a "policy" to have this rule apply to all of the other services as the appropriation bills come in?

Mr. OLIVER of Alabama. Yes. This amendment will apply to the other services to which the gentleman has referred, to wit, the Public Health Service, the Army, the Navy, the Marine Corps, and the Coast Guard. It is not the purpose of the committee to have any limitation carried in one bill that does not apply to all other similar services.

Mr. MAPES. I thank the gentleman for the information. I desire, however, to call the attention of the committee to just what this limitation does so far as the Coast and Geodetic Survey is concerned. It is in language which apparently covers the entire service, but I am told by members of the Coast and Geodetic Survey that it really touches only 42 per cent of the officer personnel of the Coast and Geodetic Survey. I am also told that the principal saving to be effected by this limitation will be borne by the men in the junior grades, the men who receive the least compensation. The 58 per cent not affected by this provision have been promoted, according to their longevity, from time to time before this, and it is now proposed to withhold promotions from those who would otherwise be entitled to it between now and July 1, 1933, or at least during the fiscal year beginning July 1, 1932, and ending June 30, 1933. The entire saving, as I am told, would amount to $11,276 for the fiscal year 1933. Over one-half of this amount will be borne by those who can least afford it, and over one-third will be borne by the officers who at present are drawing the lowest pay in the service, namely, $1,719 per year, and the amount which will be taken from each one of those officers will be $239 per year.

Mr. BYRNS. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. BYRNS. Conceding that the amount saved by this particular provision is not particularly large, does the gentleman think that any discrimination should be shown in the passage of these bills with reference to the compensation between the various services of the Government?

Mr. MAPES. Personally I have never understood just how these advances were made in the civilian service, but it seems to me that there must be some distinction between those and the officer personnel in the Army, the Navy, and the Coast and Geodetic Survey.

Mr. BYRNS. I will say to the gentleman that the same provisions of law apply to all of the various military and semimilitary services, and I am sure the gentleman does not want to discriminate in favor of one and against the other.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

Mr. OLIVER of Alabama. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes. I will ask for half of the time, and will yield to the gentleman from Michigan one-half of the time.

The motion was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I yield to the gentleman from Michigan two minutes.

Mr. MAPES. Mr. Chairman, I simply want to emphasize what I have already said, that the bulk of this saving will be borne by the men in the service who receive the least compensation, and I would like to call the attention of the committee to this point, in addition to what I have already said, that the pay act of 1922 authorized readjustments of the allowance for quarters and rations by the President or by some official of the Government, according to the commodity price indices, and that these same officers will also undoubtedly have to suffer a decrease in the allowance in this respect.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, the gentleman has correctly stated the law. The law provides for an automatic increase, because of longevity pay, in the six services mentioned; but, as the chairman of the committee, Mr. BYRNS, stated, this amendment will apply to all of the other services, and it would be unfair to except the Coast and Geodetic Survey or any other service, since this limitation has already been imposed on the classified employees. They, under existing law, are given seasonal increases, but their increases have been suspended. So it is but proper and consistent that we adopt this amendment in line with what we have heretofore done.

Let me say, further, in this bill an amendment was previously adopted in reference to the Immigration Service. The inspectors get an automatic increase, and the amendment which the committee adopted denied to them $113,000 increase. That action has already been taken. It would be altogether unfair, if we are to adopt a rule that no one shall have an increase, to except a certain class.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

All time has expired.

Mr. MAAS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MAAS: On page 124, line 16, strike out all of lines 16, 17, 18, 19, 20, 21, 22, and through the word "act" in line 23.

Mr. MAAS. Mr. Chairman, a parliamentary inquiry.

Mr. LAGUARDIA. Mr. Chairman, there is an amendment pending to strike out the entire section.

Mr. TILSON. The amendment offered by the gentleman from Minnesota is an amendment to the text, which would have to be acted upon before the amendment offered by the gentleman from New York.

The CHAIRMAN. The Chair thinks that the amendment offered by the gentleman from Minnesota [Mr. MAAS] is a perfecting amendment and should be acted upon first.

Mr. MAAS. Mr. Chairman, a parliamentary inquiry. The debate was limited to five minutes. I understand only four minutes have been used.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York, which the Clerk will report.

The Clerk again reported the LaGuardia amendment.

The amendment was rejected.

Mr. OLIVER of Alabama. Mr. Chairman, the Clerk seems to have made a mistake with reference to certain amendments offered by the gentleman from Massachusetts [Mr. CONNERY] and myself, and the gentleman from Massachusetts and I have reached an agreement looking to the correction of the same, so I will ask unanimous consent that the vote by which the amendment offered by the gentleman from Massachusetts carried be vacated.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CONNERY. Mr. Chairman, the Clerk unintentionally mixed the two amendments, and the result would be exactly different from what the House desired by its vote.

So, in order to straighten out the record, I ask unanimous consent that the proceedings agreeing to the amendment, on page 122, that on line 2, after the word "organizations," we strike out all of lines 2, 3, 4, and 5, be vacated.

I also ask unanimous consent that the following amendment be considered as being agreed to in accordance with the will of the committee: On page 121, line 23, after the word "Columbia," strike out all of lines 23, 24, and 25, and on page 122, strike out all of line 1, and in line 2 the words "by individuals or organizations."

The CHAIRMAN. Without objection, the gentleman's request will be agreed to.

There was no objection.

The Clerk read as follows:

SEC. 3. No appropriation under the Departments of State, Justice, Commerce, and Labor, and the judiciary available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act to pay the compensation of an incumbent appointed to any position under the Federal Government which is vacant on the date of the approval of this act or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply to absolutely essential positions the filling of which may be approved in writing by the President of the United States. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: On page 125, line 16, strike out the period after the word "States" and insert a comma and the following: "or, in the case of the positions of officers paid out of the appropriations for the Supreme Court of the United States, by the Chief Justice of the United States."

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. No part of any money appropriated by this act shall be used for purchasing any motor-propelled passenger-carrying vehicle (except busses, station wagons, and ambulances) at a cost, delivered and completely equipped for operation, in excess of $750, including the value of a vehicle exchanged where exchange is involved; nor shall any money appropriated herein be used for maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes, and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary, and then only when the same is approved by the head of the department. This section shall not apply to any motor vehicles for official use of the Secretary of State, the Attorney General, the Secretary of Commerce, and the Secretary of Labor.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word. I rise to express what I feel is in the minds of all members of the committee, a feeling of admiration for the very able and gentlemanly manner in which the gentleman from Alabama [Mr. OLIVER] has handled and engineered the passage of this bill through the committee. [Applause.] His conduct has been gentlemanly in the most trying circumstances, and I feel my brief statement reflects the collective opinion of the entire membership of the committee. [Applause.]

I want to say to the gentleman that the people in his district should be congratulated upon having such an able Representative. [Applause.]

Mr. JOHNSON of Texas. I am sure the gentleman would be glad to include the Chairman of the Committee of the Whole.

Mr. McCORMACK. Yes. I compliment Judge McREYNOLDS for the very able manner in which he has presided over the committee during the consideration of this bill.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: On page 126, after line 16, insert a new section, as follows:

"SEC. 5. No part of any appropriation made by this act shall be used to pay the actual expenses of subsistence in excess of $6 each for any one calendar day or per diem allowance for subsistence in excess of the rate of $5 for any one calendar day to any officer or employee of the United States, and payments accordingly shall be in full, notwithstanding any other statutory provision."

Mr. STAFFORD. Mr. Chairman, a point of order. The gentleman from Michigan [Mr. PERSON] desires to offer a perfecting amendment to section 4.

Mr. LAGUARDIA. Mr. Chairman, I make a point of order against the amendment offered by the gentleman from Alabama.

Mr. OLIVER of Alabama. Mr. Chairman, I offer this as a new amendment.

Mr. STAFFORD. But the gentleman from Michigan wishes to offer his amendment to section 4.

Mr. OLIVER of Alabama. Then, Mr. Chairman, I will ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. PERSON. Mr. Chairman, I move to strike out section 4.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PERSON: Beginning on page 125, line 24, strike out all of section 4.

Mr. PERSON. Mr. Chairman, I realize that nothing I can say at this time will change your predetermination in reference to this automobile amendment as is provided in section 4. However, I feel I would be neglecting my community if I did not call your attention to some of the things that this section seems to involve.

The section would seem to limit the expenditure of any money as provided by this bill for automobiles to $750 per car. I have here Automobile Topics, a trade authority, of January 30, 1932, which gives, on pages 1024 and 1025, the prices of the lowest and the highest of all the automobiles manufactured in the United States, and I desire that this be presented and printed in the RECORD by unanimous consent, so that I will not be compelled to read it, and I now submit that request.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PERSON. It will be noted that the American Austin can be bought for $330, the Ford for $490, the Chevrolet for $545, the Plymouth for $575, the Rockne 65 for $585, the Willys-Overland 6–90 for $615, the DeVaux 80 for $685, the DeSoto Six for $695, the Pontiac for $695, the Essex for $705, the Rockne 75 for $735, and the Graham Six for $765.

Mr. GOSS. Will the gentleman yield?

Mr. PERSON. Yes.

Mr. GOSS. Are those prices f. o. b. the factory?

Mr. PERSON. These prices are f. o. b. the factory.

Mr. GOSS. And has the gentleman any information about freight rates to the various sections of the country?

Mr. PERSON. The freight rates to the various sections I can not give the gentleman, but I can say that there are several sections in the United States, having in mind this price, to which no car but the Austin can be delivered for the price included in this provision.

Then let us see further what kind of automobiles this bill we are now discussing provides for the use of. Page 7 of the bill states that automobiles shall be purchased for the embassies and the legations. It tells the amount of money that shall be spent for automobiles for the embassies and the legations, and then you amend it by saying you can not have an automobile that costs more than $750. No American automobile, not even the Austin, with the freight added, can be bought in any foreign legation or embassy for the money provided by this provision.

Then the next section provides for automobiles for the consulates. No American automobile, not even the Austin, can be bought in any of the consulates, except possibly in Canada and Mexico, for the amount provided by this amendment; and do you expect to provide your embassies, your legations, and your consulates with Austins and Ford cars under this amendment?

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. PERSON. No; not just now.

Then a later section provides for automobiles for the International Waterways Commission between the United States and Mexico, and a later section provides for the purchase of automobiles for the use of the International Joint Commission between the United States and Great Britain. Are these cars to be only Austins or Fords? A later section provides for the purchase of cars for the Department of Justice and under the heading "For detection of crime."

[Here the gavel fell.]

Mr. SNELL. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. PERSON. Under the heading "For the detection of crime and the protection of the President of the United States," the bill provides for the purchase of automobiles, and then provides the limitation as to price of $750. I wonder how you are going to detect crime and protect the President of the United States in Fords and Austins.

Then a later paragraph provides cars for the Bureau of Prohibition. In our State of Michigan, if you are going to use Austin and Ford cars to chase the racketeers and the bootleggers between Detroit and Chicago, your success will be about what it has been in the past. [Laughter.]

Then a later paragraph provides, among other things, for equipment for the carrying out of the immigration law, and makes an appropriation for automobiles. As in the enforcement of the liquor laws the enforcement of the immigration laws requires large and powerful cars.

Now, I want to say that this provision is a political gesture. When I took a stand on the liquor question I decided to face the facts, and I intend to face them on any other question that comes along.

I submit that to leave no discretion in anybody as to the particular car to purchase for a particular purpose is an effort at economy which in the end may prove to be costly. It is "penny-wise and pound foolish."

I realize that this section was not in the bill as originally drawn, but was added to it by the committee, and as I review the enormous amounts carried by this bill as appropriations for various purposes, including the appropriation for the enforcement of the liquor laws, the immigration laws, and various other regulatory provisions, and then see this picayune provision as to automobiles, I conclued that the committee may have "strained at a gnat and swallowed a camel."

It will be noted that the bill under consideration makes appropriations for the purchase by the various departments of almost everything from newspapers to airplanes, and in no place does it make a limitation on the amount to be expended for an individual item except in the case of automobiles.

It will be further noted that the provision in reference to automobiles is intended to save, and actually does save, no money, for the reason that the gross amount of the appro-

priation is not cut and has not been cut. By decreasing the amount to be expended for each individual car you but increase the number of cars that can be bought with the total appropriation.

I realize that there is no intention of enforcing this provision. It is assumed that there will be chicanery to get around it, but I think we ought to face it squarely.

If employees are misusing their privileges in reference to automobiles and are defrauding the Government by their misuse and abuse, then the rules of the civil-service regulations ought to cover the case, and one of two things ought to happen: Either the employee ought to be let out by the head of his department, or if the head of the department refuses or neglects to discipline the employee, then he, the head of the department, ought to go.

A devious device like this in question surely leads to evasion and secret violation like many others of similar nature. I advise that the situation be met and solved by other means than subterfuge.

(Herewith are added pages 1024 and 1025 of the publication above referred to, and printed herewith by unanimous consent.)

Automobile Topics' table of passenger-car selling points

[From Automobile Topics, January 30, 1932]

5-passenger closed car	Price	Wheelbase	Engine																						
			Make	Size and number of cylinders		Compression ratio	Displacement, cu. in.	Displacement, 100 lbs.	Taxable h. p.	Maximum h. p., @ r. p. m.	H. p. cu. in.	Revs., mile	Valve arrangement	Cam drive	Piston make	No. main bearings	Crankshaft counterbalance	Vibration damper	Relief valve open, lbs.	Oil cleaner	Carburetor	Air cleaner	Gas filter	Gas feed, type, and tank capacity
American Austin†	$330	75	O	2 2x3	-4	5.00	45.6	4.03	7.8	13-3, 200	.225	4,070	1	g	O	2	N	N	4	N	Ti	N	N	O-G 5
Ford	490	103½	O	3⅞x4¼	-4	4.22	200.5	8.35	24.0	40-2, 200	.200	2,725	1	°	°	3	N	N	5	N	Ze	N	N	O-G 11
Chevrolet	545	109	O	3⅜ex3¼	-6	5.20	194.0	7.43	26.3	60-3, 000	.238	2,706	h	°	----	3	Y	Y	12	N	Ca	AC	AC	AC-p 11
Plymouth	575	109⅜	O	3⅜x4¾	-4	4.90	196.1	7.18	21.0	56-2, 800	.286	3,122	1	c	O	3	N	N	40	N	Ca	Y	Y	----p 12
Rockne "65"	585	110	O	3⅛x4½	-6	5.15	189.8	------	23.4	65-3, 200	.342	3,047	1	m	O	4	Y	Y	----	N	St	N	SW	SW-p 12
Durant "621"	600	112	C	3¼x4	-6	5.32	199.0	7.05	25.4	71-3, 300	.296	2,811	1	m	B	4	N	Y	13	AC	Ti	AC	AC	AC-p 12
Willys-Overland "6-90"	615	113	O	3¼x3⅞	-6	5.26	193.0	6.99	25.3	65-3, 400	.337	3,247	1	b	O	4	Y	Y	35	Fo	Ti	AC	AC	AC-p 13
De Vaux "80"	685	114	O	3⅛x4	-6	5.20	214.7	7.55	27.3	75-3, 600	.325	3,192	1	m	P	4	N	Y	13	------	Ti	AC	SW	SW-p 15
De Soto "6"	695	109⅜	O	3¼x4¼	-6	5.35	211.5	------	25.3	75-3, 400	.354	3,275	1	----	O	4	Y	Y	40	N	Bb	Y	Y	----p 12
Pontiac	695	114	O	3⅛ex3⅞	-6	4.90	200.0	------	26.3	60-3, 000	.300	3,224	1	m	O	3	Y	Y	25	N	Ma	AC	AC	AC-p 13
Durant "622"	700	116	C	3¼x4	-6	5.32	199.0	7.09	25.4	71-3, 300	.296	3,128	1	m	B	4	N	Y	13	AC	Ti	AC	AC	AC-p 12
Essex	705	113	O	2⅛⅛ex4¾	-6	5.50	193.1	------	20.7	70-3, 200	.362	3,291	1	m	O	3	Y	Y	3	N	St	N	SW	SW-V 12
Rockne "75"	735	114	C	3¼x4½	-6	5.00	205.3	------	25.4	72-3, 200	.350	3,351	1	w	O	4	Y	Y	27	N	St	N	SW	SW-p 14
Graham Six	765	113	O	3⅛x4½	-6	5.45	207.0	6.67	23.4	70-3, 200	.338	3,106	1	b	B	7	N	N	50	N	Sc	Y	Y	z-p 12
Nash "960"	795	114¼	O	3⅛x4⅜	-6	5.00	201.3	7.35	23.4	65-3, 200	.298	3,600	1	a	B	7	N	Y	20	AC	Ca	AC	AC	AC-p 12
Dodge "6"	845	114¼	O	3¼x4⅜	-6	5.35	217.7	7.06	25.3	79-3, 400	.362	3,259	1	----	O	4	Y	Y	40	N	Ca	Y	Y	-p 15½
Pontiac "V8"	845	117	O	3⅛ex3⅜	-8	5.00	251.0	------	37.8	85-3, 400	.338	2,990	r	b	O	3	Y	N	35	N	Ma	AC	AC	AC-p 15
Willys-Knight "95"	845	113	O	2⅛⅛ex4⅜	-6	5.55	177.9	5.96	20.7	60-3, 400	.337	3,503	s	b	°	7	N	Y	35	SK	Ti	AC	AC	AC-p 13
Oldsmobile "F-32"	875	116½	O	3⅛ex4⅛	-6	5.80	213.3	------	26.3	74-3, 200	.347	3,231	1	w	O	4	Y	Y	33	AC	St	AC	AC	AC-p 16
Studebaker Six "55"	890	117	O	3¼x4⅝	-6	5.00	230.0	------	25.4	80-3, 200	.348	3,025	1	w	O	4	Y	Y	27	N	St	N	SW	SW-p 15
Auburn "8-100"	895	127	L	3x4¾	-8	5.26	268.6	------	28.8	98-3, 400	.365	2,962	1	w	B	5	N	Y	15	Mi	St	N	N	SW-p 25
Chrysler "6"	895	116	O	3⅛x4½	-6	5.35	223.9	7.43	25.3	80-3, 400	.356	3,259	1	----	A	4	Y	Y	40	N	Sc	Y	Y	-p 15½
Willys-Overland "8-88"	895	121	O	3¼x4	-8	5.26	245.4	7.55	31.2	80-3, 200	.326	3,124	1	b	O	5	Y	Y	35	Fo	Ti	AC	AC	AC-p 16
Nash "970"	955	116¼	O	2⅞x4⅜	-8	5.00	227.2	7.57	26.4	78-3, 300	.330	3,531	1	d	B	9	N	Y	20	AC	St	AC	AC	AC-p 15
Oldsmobile "L-32"	975	116½	O	3x4¼	-8	5.90	240.3	------	28.8	87-3, 350	.362	3,231	1	w	O	5	Y	Y	35	AC	St	AC	AC	AC-p 16
Buick "50"	995	114	O	2⅛⅛ex4¼	-8	4.65	230.4	8.12	27.6	78-3, 200	.337	3,259	h	g	O	5	Y	Y	35	AC	Ma	AC	AC	AC-p 16
Hupmobile "216"	995	116	O	3⅜x4¼	-6	5.00	228.1	------	27.3	75-3, 200	.328	3,221	1	w	B	4	Y	N	50	°	St	AC	SW	SW-V 15¼
Reo Flying Cloud "6-21"	995	121	O	3⅜x5	-6	5.30	268.3	7.36	27.3	85-3, 200	.316	2,737	1	m	A	7	N	Y	30	Hc	Sc	Un	N	Va-p 21
Hudson "8"	1,025	¶	O	3x4½	-8	5.80	254.4	7.96	28.8	101-3, 600	.396	3,291	1	m	O	5	Y	Y	3	N	Ma	Y	SW	SW-V 16
Studebaker "Dictator 62"	1,030	117	O	3⅛ex3¾	-8	5.00	221.0	------	30.0	85-3, 200	.386	3,351	1	C	O	9	Y	Y	30	Mi	St	AC	SW	SW-p 15
Graham "Blue Streak 8"	1,045	123	O	3⅛x4	-8	6.50	245.4	6.97	31.2	90-3, 400	.366	2,900	1	b	B	5	N	Y	50	N	DE	Y	AC	z-p 18
Dodge "8"	1,145	121½	O	3⅛x4¼	-8	5.40	282.1	8.09	33.8	90-3, 400	.318	2,757	1	----	O	5	Y	Y	45	Y	St	Y	Y	--p 15½
Reo Flying Cloud "8-21"	1,195	121	O	3x4¾	-8	5.37	268.6	7.18	28.8	90-3, 300	.335	3,122	1	b	A	5	Y	Y	40	Hc	Sc	Un	AC	AC-p 21
Hupmobile "222"	1,295	------	O	2⅛⅛ex4½	-8	5.40	250.7	7.00	27.6	93-3, 200	.371	3,089	1	m	R	5	Y	Y	50	Mi	St	AC	SW	SW-p 20½
Nash Twin Ignition "980"	1,295	121	O	3x4¼	-8	5.25	240.0	7.14	28.8	94-3, 400	.354	3,140	h	d	B	9	N	Y	30	AC	St	AC	AC	AC-p 16
Buick "60"	1,310	118	O	3⅛ex4⅜	-8	4.63	272.6	6.85	30.0	90-3, 000	.378	3,069	h	g	O	5	Y	Y	35	AC	Ma	AC	AC	AC-p 19
Studebaker "Commander 71"	1,350	125	O	3⅛ex4¼	-8	5.15	250.4	------	30.0	101-3, 200	.403	3,180	1	C	B	9	Y	Y	30	Mi	St	AC	SW	SW-p 17
Auburn "12-160"	1,395	133	L	3⅛x4¼	-12	5.50	392.0	------	46.9	160-3, 400	.408	2,592	1	w	B	5	N	Y	15	Mi	St	N	SW	SW-p 25
Marmon "125"	1,395	125	O	3¼x4¾	-8	5.50	315.2	7.47	33.8	125-3, 400	.397	3,295	1	d	P	5	N	Y	40	Fo	St	AC	AC	Kn-V 20
Willys-Knight "66-D"	1,395	121	O	3⅜x4¾	-6	5.50	255.0	6.75	27.3	87-3, 200	.341	2,967	s	b	°	7	N	Y	35	Mi	Ti	AC	Ti	SW-V 16
Chrysler "8"	1,475	125	O	3¼x4½	-8	5.20	298.6	7.75	33.8	100-3, 400	.335	2,988	1	°	O	5	Y	Y	45	Y	St	Y	Y	--- p 19½
Nash Twin Ignition "990"	1,565	¶	O	3¼x4½	-8	5.25	298.6	7.47	33.8	115-3, 600	.385	2,970	h	d	B	9	Y	Y	35	AC	St	AC	AC	AC-p 20
Reo Flying Cloud "8-25"	1,565	125	O	3x4¾	-8	5.37	268.6	6.92	28.8	90-3, 300	.298	2,737	1	b	A	5	Y	Y	40	Hc	Sc	Un	Y	AC-p 24
Hupmobile "226"	1,595	------	O	3⅛ex4¾	-8	5.47	279.9	7.45	30.0	103-3, 200	.361	2,932	1	m	R	5	Y	Y	50	Mi	St	AC	SW	SW-p 20
Stutz "LAA"	1,620	127½	O	3⅜x4½	-6	5.50	241.5	5.57	27.3	85-3, 100	.352	3,078	h	b	B	7	N	N	50	Mi	Ze	AM	AC	Kn-V 20
Studebaker "President 91"	1,690	135	O	3½x4⅜	-8	5.10	337.0	------	39.2	122-3, 200	.362	2,793	1	°	B	9	Y	Y	40	Hc	St	AM	SW	SW-p 20½
Packard "Light 8"	1,750	128	O	3⅛ex5	-8	6.00	320.0	7.52	32.5	110-3, 200	------	------	1	m	B	9	Y	Y	50	Mi	O	AC	St	SW-p 20
Buick "90"	1,785	134	O	3⅛ex5	-8	4.40	344.8	7.73	35.1	104-2, 900	.304	2,692	h	g	O	5	Y	Y	35	AC	Ma	AC	AC	AC-p 22
Franklin	1,795	132	O	3½x4¾	-6	5.31	274.0	6.49	29.4	100-3, 100	.365	2,980	h	w	A	7	Y	Y	40	AC	St	AC	AC	AC-p 20
Jordan "80"	1,795	120	C	2⅝x4¾	-8	5.10	246.7	6.78	26.4	80-3, 000	.304	3,204	----	b	B	5	Y	Y	40	SW	St	AC	SW	SW-p 17½
Chrysler "Imp'l Eight"	1,945	§	O	3½x5	-8	5.20	384.8	8.16	39.2	125-3, 200	.326	2,656	1	----	O	9	Y	Y	60	Y	St	Y	Y	------ p 19½
Reo Royale "8-31"	1,985	131	O	3⅜x5	-8	5.30	358.0	8.31	36.5	125-3, 300	.346	2,443	1	m	A	9	Y	Y	30	Hc	Sc	O	Y	AC-p 24
Peerless "De Luxe Master"	1,995	125	O	3⅜x4½	-8	5.00	322.0	7.38	36.4	115-3, 200	.358	2,884	1	b	B	5	N	Y	25	Mi	Sc	AC	AC	AC-p 24
Marmon "88"	2,200	¶	O	3¼x4¾	-8	5.50	315.2	7.22	33.8	125-3, 400	.396	2,803	1	d	R	5	N	Y	40	AC	St	AC	AC	AC-p 22
Packard "Standard 8"	2,250	¶	O	3⅜ex5	-8	6.00	320.0	7.52	32.5	110-3, 200	.313	2,753	1	m	B	9	Y	Y	50	Mi	O	AC	St	SW-p 25
Jordan "90"	2,295	125	C	3 x4¾	-8	5.10	268.6	7.17	28.9	85-3, 200	.315	2,859	1	b	B	5	Y	Y	40	SW	St	AM	AC	SW-p 17½
Cord	2,395	137½	L	3¼x4½	-8	5.25	298.6	6.62	33.8	125-3, 500	.417	2,772	1	b	B	5	Y	Y	40	Mi	Sc	N	AC	AC-p 20
Reo Royale "8-35"	2,445	135	O	3⅜x5	-8	5.30	358.0	7.96	36.5	125-3, 300	.346	2,443	1	m	A	9	Y	Y	30	Hc	Sc	O	Y	AC-p 24
LaSalle	2,495	¶	O	3⅛x4¹⁵⁄₁₆	-8	5.38	353.0	7.60	36.4	115-3, 000	.283	2,971	1	m	O	3	Y	N	11	AC	O	N	Ba	SW-V 30
Pierce-Arrow "54"	2,495	¶	O	3½x4¾	-8	5.00	366.0	7.67	39.2	125-3, 000	.341	2,784	1	m	B	9	N	Y	60	Mi	St	Un	AC	AC-p 22
Packard "902"	2,685	136½	O	3⅛ex5	-8	6.00	320.0	7.20	32.5	110-3, 200	.313	2,852	1	m	B	9	Y	Y	50	Mi	O	AC	St	SW-V 25
Stutz "SV-16"	2,695	¶	O	3⅜x4½	-8	5.50	322.0	6.55	36.4	113-3, 300	.351	2,748	h	b	B	9	N	N	50	Mi	Ze	AM	AC	Kn-V 20
Cadillac "V-8"	2,895	¶	O	3⅜x4¹⁵⁄₁₆	-8	5.38	353.0	7.62	36.4	115-3, 000	.283	2,971	1	m	O	3	Y	N	11	AC	O	N	Ba	SW-V 30
Peerless "De Luxe Custom"	2,985	138	O	3⅜x4½	-8	5.10	322.0	7.62	36.4	120-3, 200	.372	2,884	1	d	B	5	N	Y	40	Mi	Sc	AC	AC	AC-p 24
Lincoln "8"	3,100	136	O	3½x5	-8	5.23	384.8	------	39.2	125-2, 900	.325	3,080	1	m	O	5	Y	Y	40	N	St	AC	AC	AC-p 28
Franklin†	3,200	144	O	3¼x4¾	-12	------	------	------	------	150-3, 100	------	------	------	------	------	------	------	------	------	------	------	------	------	------
Packard "De Luxe 8"	3,245	¶	O	3½x5	-8	4.85	384.8	8.46	39.2	135-3, 200	.358	2,669	1	m	B	9	Y	Y	50	Mi	O	N	St	SW-p 25
Pierce-Arrow "53"	3,295	¶	O	3¼x4	-12	5.05	398.0	------	50.7	140-3, 200	.351	------	1	w	B	7	Y	Y	60	Mi	St	Un	AC	AC-p 30
Cadillac "V-12"	3,595	¶	O	3½x4	-12	5.30	368.0	7.06	46.9	135-3, 400	------	3,024	h	m	O	4	Y	Y	14	AC	O	N	Ba	SW-V 30

Automobile Topics' table of passenger-car selling points—Continued

5-passenger closed car	Price	Wheelbase	Engine: Make	Size and number of cylinders	Compression ratio	Displacement, cu. in.	Displacement, 100 lbs.	Taxable h. p.	Maximum h. p. @ r. p. m.	H. p., cu. in.	Revs., mile	Valve arrangement	Cam drive	Piston make	No. main bearings	Crankshaft counterbalance	Vibration damper	Relief valve open, lbs.	Oil cleaner	Carburetor	Air cleaner	Gas filter	Gas feed, type, and tank capacity
Stutz "DV-32"	$3,695	¶	O	3⅜x4½	-8	5.00	522.0	6.19	36.4	156-3, 900	.484	2,900	h	b	B	9	N	N	50	Mi	Sc	AC	St	SW-p 20
Packard "Twin Six"	3,745	¶	O	3⅜x3½	-12		320.0		54.6	150-3, 600			l	m	B	9	Y	Y	50	Mi	O	AC	St	SW-V 25
Pierce-Arrow "52"	3,995	¶	O	3⅜x4	-12	5.05	429.0		54.6	150-3, 200	.349		l	w	B	7	Y	Y	60	Mi	St	Un	AC	AC-p 30
Lincoln "12"	4,400	145	O	3¼x4½	-12	5.25	448.0	8.45	50.7	150-3, 400	.335	2,797	l	m	O	7	Y	Y	40	N	St	AC	AC	AC-p 28
Cadillac "V-16"	4,595	¶	O	3 x4	-16	5.35	452.0	7.88	57.5	165-3, 400	.365	2,830	h	m	O	5	Y	Y	14	AC	O	N	Ba	SW-V 25
Marmon "16"	5,700	145	O	3½x4	-16	6.00	490.8	10.2	62.4	200-3, 400	.407	2,312	h	d	R	5	N	Y	40	Fo	St	AC	AC	AC-p 29
Cunningham	9,600	142	O	3¾x5	-8	5.00	442.0	8.50	45.0	140-2, 800	.317	2,510	l	g	D	3	Y	N	30	Cu	St	Am	N	SW-V 24

5-passenger closed car	Engine: Radiator	Radiator shutter	Temperature control	Engine mounting	Electrical system	Battery and capacity	Transmission: Clutch and number of plates	Gear set and number of speeds	Type of gears	Synchronizing clutches	Free wheeling: Make and type	Free wheeling: Location and number of speeds	Universal joint	Chassis: Axle and type	Spring lengths: Front	Spring lengths: Rear	Shackles	Brakes, type, per cent on rear	Brake diameter	Parking brake location	Steering gear	Type and number of turns, full swing	Chassis lubrication and type
American Austin‡	Hr	N	Th	Ri	AL	US 43	O 1	O 3	Sr	-----	-----	-----	S	Sa ½	28⅞	22⅞	O	zi 50	8	X	O	Ww 1½	Ap
Ford	O	N	Sp	O	O	80	O 3	O 3	Sr	-----	-----	-----	O	O ¾	Tr	Tr	O	zi 60	11	X	K	Ws 2½	Ap
Chevrolet	Ha	N	Th	Fr	DR	° 90	O 3	O 3	Sr	Y	OSp	Bg3	O	O ½	36	54	t	zi 60	11½	T	O	Wm ---	Ag
Plymouth	-----	N	Th	Fr	DR	Wi 84	--- 3	--- 3	Hl	-----	OR	Bg3	-----	O ½	35½	53⅜	Mb	Hi 50	11	T	-----	Ws ---	Ap
Rockne "65"	Mc	N	Th	Fr	AL	Wi 102	BB 3	O 3	Hl	Y	OR	Bg3	v	S ½	35½	54	t	zi 50	11	X	Z	Cr ---	Ap
Durant "621"	Mc	N	Th	Rr	AL	US 106	BB 2	WP 3	Hl	-----	-----	-----	S	Ad ½	36	55	t	zi 50	11	X	O	Ws 3	Ap
Willys Overland "6-90"	Fe	N	Th	Fr	AL	US 102	O 1	O 3	Sr	-----	WGR	Bg3	S	O ½	36½	51	t	zi 55	12	X	O	Wm 2½	Ag
De Vaux "80"	Fe	N	Th	Fr	AL	Pr 119	BB 1	WP 3	Hl	-----	WP	Bg3	S	Ad ½	36	54¼	t	zi 50	11	X	WP	Ws 4½	Ap
De Soto "6"	-----	N	Th	Fr	DR	Wi 84	--- 3	O 3	Hl	-----	OR	Bg3	-----	O ½	35 1/16	53⅜	Mb	Hi 50	11	T	-----	Ws ---	Ap
Pontiac	Ha	N	Th	Fr	DR	De 86	O 1	O 3	Sr	Y	OR	Bg3	v	O ½	36	54	e	zi 60	12	X	Ss	Ws 3 1/16	Ap
Durant "622"	Fe	N	Th	Rr	AL	US 106	BB 2	WP 3	Hl	-----	-----	-----	S	Ad ½	36	55	t	zi 50	11	X	O	Ws 3	Ap
Essex	Ha	N	N	Fr	AL	Ex 105	O 1	O 3	Hl	Y	WGR	Bg3	S	O ½	36	54⅝	O	zi 50	11	X	K	Ws 2½	Ag
Rockne "75"	Lo	N	Th	Fr	AL	Wi 102	Lo 3	O 3	Hl	Y	OR	Bg3	v	O ½	36	54	t	zi 50	12	X	Z	Cr 2¾	Ap
Graham Six	Lo	N	Th	Ri	DR	Wi 84	Lo 1	WG 3	Sr	-----	WGR	Bg3	U	½	36	54	e	Hi 50	12	T	Z	Cr 3	Ag
Nash "960"	Mc	N	Th	Fr	AL	US 105	BB 1	O 3	Hl	Y	DER	Bg3	O	O ½	36	50⅞	e	zi 50	12	X	Z	Cr 2¾	Ag
Dodge "6"	-----	N	Th	Fr	DR	W 84	O 3	O 3	Hl	-----	OR	Bg3	-----	O ½	35 1/16	54⅞	Mb	Hi 50	12	T	K	Ws 2¾	Ap
Pontiac "V8"	Ha	f	Th	Rr	DR	De 100	O 1	Mu 3	Hl	Y	OR	Bg3	v	O ½	36	54½	e	zi 60	13	X	Ss	Ws 4 3/16	Ap
Willys Knight "95"	Fe	f	Th	Fr	AL	US 127	O 1	O 3	Sr	-----	WGR	Bg3	S	O ½	36½	51	t	zi 55	12	X	K	Ws 2¾	Ag
Oldsmobile "F-32"	Ha	O	N	Fr	DR	De 86	BB 3	Mu 3	Hl	Y	OR	Bg3	S	O ½	35½	54½	t	zi 50	12	X	Ss	Wr 4	Ag
Studebaker Six "55"	Mc	N	Th	Fr	DR	Wi 102	Lo 3	O 3	Hl	Y	OR	Bg3	S	O ½	36	54	t	zi 50	12½	X	Z	Cr 2¾	Ag
Auburn "8-100"	Ja	N	Th	Rr	DR	US 104	Lo 2	DE 3	Hl	Y	LSJ	Bg3	U	Co ½	37	56¾	O	zi 50	13	X	Z	Cr 3¾	Bl
Chrysler "6"	-----	N	Th	Fr	DR	Wi 100	3	O 3	Hl	-----	OR	Bg3	-----	O ½	35 1/16	53⅜	Mb	Hi 50	12	T	-----	Ws	Ap
Willys Overland "8-88"	Fe	N	Th	Fr	AL	US 148	BB 1	O 3	Sr	-----	WGR	Bg3	S	O ½	39	56	t	zi 55	13	X	Z	Cr 2¾	Ag
Nash "970"	Mc	N	Th	Fr	AL	US 120	BB 1	O 3	Hl	Y	DER	Bg3	S	O ½	36	50⅞	e	zi 50	12	X	Z	Cr 2¾	Ag
Oldsmobile "L-32"	Ha	O	N	Fr	DR	De 98	BB 3	Mu 3	Hl	Y	OR	Bg3	S	O ½	35½	54½	t	zI 50	12	X	Ss	Wr 4	Ag
Buick "50"	Ha	Ha	As	Fr	DR	De 100	O 2	O 3	Hl	Y	OBV	3	O	O ½	35	56	O	zi 50	12	X	Ss	Ws 3¼	Ap
Hupmobile "216"	Mc	N	Th	Rr	AL	Wi 121	BB 1	WG 3	Hl	Y	WGR	Ig3	v	S ½	36½	53	t	zi 50	12	X	Z	Cr ----	Ap
Reo Flying Cloud "6-21"	Ha	N	Th	Rr	DR	Wf 110	Lo 2	O 3	Hb	-----	-----	-----	DE	O ½	37¼	55⅜	t	Hi 50	14	T	Z	Cr 2½	Ap
Hudson "8"	Ha	N	N	Fr	AL	Ex 105	O 1	O 3	Hl	Y	WGR	Bg3	S	O ½	36	54⅝	O	zi 50	12	X	K	Ws 2½	Ag
Studebaker "Dictator 62"	Lo	N	Th	Fr	DR	Wi 102	Lo 2	O 3	Hl	Y	OR	Bg3	S	O ½	36	54	t	zi 45	12½	X	Z	Cr 2¾	Ag
Graham "Blue Streak 8"	Lo	N	Th	Rr	DR	Wi 100	Lo 1	WG 3	Hl	Y	WGR	Bg3	S	Sa ½	36	54	Ea	HI50	13	T	Z	Cr 3½	Ag
Dodge "8"	-----	Y	Th	Fr	DR	Wi 117	O 3	O 3	Hl	-----	OR	Bg3	-----	O ½	35 1/16	55	Mb	Hi 50	13	T	K	Ws -----	Ap
Reo Flying Cloud "8-21"	Ha	N	Th	Rr	DR	Wi 110	Lo 2	O 3	Hb	-----	-----	-----	S	O ½	37¼	55⅜	t	Hi 50	14	T	Z	Cr 2½	Ap
Hupmobile "222"	Mc	N	Th	Fr	AL	Wi 121	BB 1	WG 3	Hl	Y	WGR	Ig3	U	O ½	40	57½	e	zi 50	14	X	K	Wr -----	Ap
Nash Twin Ignition "980"	Mc	N	Th	Fr	AL	US 120	BB 1	O 3	Hl	Y	DER	Bg3	O	O ½	38	55	Rr	zi 50	13	X	K	Wr 3	BI
Buick "60"	Ha	Ha	As	Fr	DR	De 120	O 1	O 3	Hl	Y	OBV	3	O	O ¾	36⅞	55¾	O	zi 50	14	X	Ss	Wr 3	Ap
Studebaker "Commander 71"	Lo	N	Th	Fr	DR	Wi 136	Lo 2	O 3	Hl	Y	OR	Bg3	S	O ½	36	56	x	zi 45	13½	X	Z	Cr 3½	Ap
Auburn "12-160"	Ja	N	Th	Fr	DR	US 121	Lo 3	DE 3	Hl	Y	LSJ	Bg3	U	Co ½	37	56¾	O	zi 50	14	X	Z	Cr 3¾	Bl
Marmon "125"	Fe	N	N	Fr	DR	--- 140	--- 2	WG 3	Sr	Y	WGR	Ig2	S	S ½	38	57	t	zi 50	14	X	Z	Cr 3¼	Ap
Willys Knight "66-D"	Fe	f	Th	Fr	AL	US 170	RF 1	O 3	Sr	-----	WGR	Bg3	S	O ½	39	56	t	zi 55	13	X	Z	Cr 2¾	Ag
Chrysler "8"	-----	Y	Th	Fr	DR	Wi 117	BB 3	O 4	Sr	-----	-----	-----	-----	O ½	38¼	54⅝	Mb	Hi 50	13	T	K	Wr ---	Ap
Nash Twin Ignition "990"	Mc	N	Th	Fr	AL	Ex 152	BB 1	O 3	Hl	Y	DER	Bg3	O	O ½	39½	57⅛	Rr	zi 50	16	X	K	Wr 3½	Bl
Reo Flying Cloud "8-25"	Ha	N	Th	Rr	DR	Wi 111	Lo 2	O 3	Hb	-----	-----	-----	S	O ½	37¼	55¾	O	HI50	14	T	Z	Cr 2¾	Ap
Hupmobile "226"	Mc	N	Th	Fr	AL	Wi 121	Lo 1	DE 3	Hl	Y	DER	Ig3	U	O ½	40	57½	e	zi 50	14	X	K	Wr 3	Ap
Stutz "LAA"	Pe	f	As	Rr	DR	Pr 145	BB 3	DE 4	Sr	-----	-----	-----	U	Sa ½	38	60	j	Hi 50	14	T	K	Wr 3½	Bo
Studebaker "President 91"	Lo	N	Th	Fr	DR	Wi 136	BB 3	O 3	Hl	Y	OR	Bg3	S	O ½	38	60	O	zi 50	15½	X	Z	Cr ---	Ap
Packard "Light 8"	Mc	O	Th	Fr	Dy	Pr 152	Lo 3	O 4	Hl	Y	OBV	3	v	O ½	40	56	O	zi 50	15	X	O	Ws 3½	Bl
Buick "90"	Ha	Ha	As	Fr	DR	De 135	O 5	O 3	Hl	Y	OBV	3	O	O ¾	37⅝	58⅞	O	zi 50	15	X	Ss	Wr 3½	Ap
Franklin	Ai	Gl	As	Ri	DR	Na 135	BL 2	WG 4	Hl	-----	-----	-----	S	O ½	36	42	N	Hi 50	14	T	K	Wr 3¼	Ap
Jordan "80"	Ja	f	As	Rr	AL	Wi 105	Lo 3	WG 3	Sr	-----	-----	-----	c	Co ½	37	55¾	o	HI50	14	T	K	Ws 2½	Ag
Chrysler "Imp'l Eight"	-----	Y	Th	Fr	DR	Wi 153	O 3	O 4	Sr	-----	-----	-----	-----	O ½	39½	57½	Mb	Hi 50	15	T	K	Wr -----	Ap
Reo Royale "8-31"	Ha	Y	Th	Fr	DR	Wi 128	Lo 2	O 3	Hb	-----	-----	-----	DE	O ½	38½	57½	O	Hi 50	15	T	Z	Cr 2¾	Ap
Peerless "De Luxe Master"	Fe	f	As	Fr	AL	Wi 129	RF 3	WG 4	Sr	-----	-----	-----	S	Sa ½	42	60	e	zi 50	14	X	Z	Cr 3	Ag
Marmon "88"	Mc	f	As	Fr	DR	Ex 158	Ru 1	DE 3	Hl	-----	WGR	Ig2	S	Sa ½	42	60	e	zi 50	15	X	Z	Cr 3¾	Ap
Packard "Standard 8"	Mc	O	Th	Fr	Dy	Pr 160	Lo 3	O 4	Sr	Y	-----	-----	v	O ½	42	60½	O	zi 50	16	X	O	Ws 3½	Bl
Jordan "90"	Ja	f	As	Rr	AL	Wi 105	Lo 3	WG 3	Sr	-----	-----	-----	u	Co ½	37	55¾	o	HI50	14	T	K	Wr 2½	Ag

Automobile Topics' table of passenger-car selling points—Continued

5-passenger closed car	Engine						Transmission							Chassis											
											Free wheeling				Spring lengths										
	Radiator	Radiator shutter	Temperature control	Engine mounting	Electrical system	Battery and capacity	Clutch and number of plates	Gear set and number of speeds	Type of gears	Synchronizing clutches	Make and type	Location and number of speeds	Universal joint	Axle and type	Front	Rear	Shackles	Brakes, type, per cent on rear	Brake diameter	Parking-brake location	Steering gear	Type and number of turns, full swing	Chassis lubrication, type
Cord	Mo	f	Th	Ri	DR	US 104	Lo 3	DE *	Sr	----	----	----	U	Co2-2	26	62	O	Hi 40	†2	X	K	Wr 3¾	Bc
Reo Royale "8-35"	Ha	Y	Th	Fr	DR	Wi 128	Lo 2	O 3	Hb	----	----	----	DE	O ½	38½	57½	O	Hi 50	15	T	Z	Cr 2¾	Fa
LaSalle	Ha	O	M	Rr	DR	De 130	O 5	O 3	Hl	Y	OBV	3	S	O ¾	39	58	O	zi 50	15	X	O	Ws 3⅝	Ag
Pierce-Arrow "54"	Fe	f	At	Fr	DR	Wi 140	Lo 4	O 3	Hl	Y	OR	Ig2	S	O ½	38	61	x	zi 50	16	X	Z	Cr 3¼	Ap
Packard "902"	Mc	O	Th	Fr	Dy	Pr 160	Lo 3	O 4	Sr	Y	----	----	v	O ½	42	60½	O	zi 50	16	X	O	Ws 3½	Bl
Stutz "SV-16"	Pe	f	As	Ri	DR	Pr 145	Lo 2	MU 3	Hl	Y	----	----	v	td ½	40	62¼	O	Hi 45	16	T	K	Wr 3½	Bc
Cadillac "V-8"	Ha	O	M	Fr	DR	De 120	O 5	O 3	Hl	Y	OBV	3	S	O ¾	39	58	O	zi 50	15	X	O	Ws 3⅝	Ag
Peerless "De Luxe Custom"	Fe	f	As	Fr	AL	Wi 129	RF 3	WG 4	Hl	----	WGR	Ig2	S	Sa ½	42	60	e	zi 50	15	X	Z	Cr 3½	Ag
Lincoln "8"	Mc	f	Th	Fr	AL	Ex 135	Lo 5	O 3	Hl	Y	OR	Ig2	S	td 2-2	42	62	O	zi 50	16	T	O	Wr 3	Ag
Franklin†																							
Packard "De Luxe 8"	Mc	O	Th	Fr	Dy	Pr 160	Lo 5	O 4	Sr	Y	----	----	v	O ½	42	60½	O	zi 50	16	X	O	Ws 3½	Bl
Pierce-Arrow "53"	Lo	f	At	Ri	DR	Wi 160	Lo 2	O 3	Hl	----	OR	Ig2	S	O ½	38	61	x	zi 50	16	X	Z	Cr 3¼	Ap
Cadillac "V-12"	Ha	O	M	Fr	DR	De 160	O 5	O 3	Hl	Y	OBV	3	S	O ¾	40	58	O	zi 50	15	X	O	Ws 3½	Ag
Stutz "DV-32"	Pe	f	As	Ri	DR	Pr 145	Lo 2	Mo 3	Hl	Y	----	----	v	td ½	40	62¼	O	HI45	16	T	K	Wr 2½	Bc
Packard "Twin Six"	Mc	O	Th	Fr	Dy	Pr 160	Lo 3	O 4	Hl	Y	OBV	3	v	O ½	42	60½	O	zi 50	16	X	O	Wr 3½	Bl
Pierce-Arrow "52"	Lo	f	At	Ri	DR	Wi 160	Lo 2	O 3	Hl	----	OR	Ig2	S	O ½	38	61	x	zi 50	16	X	Z	Cr 3¼	Ap
Lincoln "12"	Mc	f	Th	Fr	AL	Ex 135	Lo 5	O 3	Hl	Y	OR	Ig2	S	td 2-2	42	62	O	zi 50	16	T	O	Wr 3	Ag
Cadillac "V-16"	Ha	O	M	Fr	DR	De 190	O 5	O 3	Hl	Y	OBV	3	S	O ¾	42	60	O	zi 50	16½	X	O	Ws 3½	Ag
Marmon "16"	Fe	f	As	Fr	DR	Ex 170	Ru 2	Mu 3	Hl	Y	----	----	S	Sa ½	42	50⅛	e	zi 50	16	X	Z	Cr 3¾	Ap
Cunningham	Fe	f	Th	Ri	te	Wi 135	O 14	O 3	Sr	----	----	----	S	td ½	40	62	O	zi 60	16	X	Z	Cr 3	Ag

KEY TO SYMBOLS

A—Aluminum Co. a—Celeron
AC—AC Spark Plug Ad—Adams
Ag—Alemite Gun Al—Air Cooled
AL—Electric Auto Lite Al—Allen
Am—Air Maze
Ap—Alemite Push Type System
As—Automatic Shutter.
At—Automatic Shutter and Thermostat
B—Bohn Aluminum b—Link Belt
Ba—Bassick BB—Borg & Beck
Bb—Ball & Ball
Bc—Bijur Central Station
Bg—Behind Gear Box
Bi—Bijur Automatic
BV—Bendix Vacuum Clutch Control
C—Continental c—Cleveland
Ca—Carter Co—Columbia
Cr—Cam and lever Cu—Cuneo
d—Diamond DE—Detroit
DER—Detroit Roller De—Delco
Dy—Dyneto E—Dole
Ea—Eaton
e—Rubber Shock Insulators Ex—Exide
F—Fulton syphon f—Pines
Fa—Farval Fe—Fedders
Fo—Float-O Fr—Rubber Front and Rear
G—Gravity
g—General Electric-Textolite
Gl—Globe H—Hydraulic
h—Valve in Head Ha—Harrison
Hb—Herringbone Gears
Hc—Handy Cleaner
Hl—Helical Gears Hr—Hexcel
Hs—Hand Shutter I—External
Ig—Inside Gear Box i—Internal
J—Spring j—Standard Spring Steel
Ja—Jamestown Jo—Johnson
K—Gemmer k—Formica
Kn—Kingston L—Lycoming
l—Valve at Side Lo—Long
LS—L-G-S. LSJ—L-G-S. Spring
M—Bishop & Babcock m—Morse
Ma—Marvel Mc—McCord
Mb—Metal bushings; all frame joints rubber bushed
Mi—Motor Improvements-Purolator
Mo—Modine
Mu—Muncie N—None
Na—National NP—New Process
O—Own OR—Own Roller
o—O-N Spring P—Aluminum Industries
p—Mechanical Pump-Pressure
Pe—Perfex
Pr—Prest-O-Lite Q—Clifford
R—Roller r—Horizontal Valve
RF—Rockford Ri—Rigid
Rr—Rubber Rear Ru—Russell
S—Spicer s—Sleeve Valve
Sa—Salisbury Sc—Schebler
Se—Special Sk—Skinner
Sp—Springs Sr—Spur Gears
St—Stromberg SW—Stewart-Warner
T—Transmission t—Tryon
td—Timken Detroit
te—North East Ignition and Delco Remy Lighting
Th—Thermostat Ti—Tillotson
U—Universal Products
Un—U. S. Air Compressor US—U. S. L.
V—Vacuum v—Mechanics Machine
Va—Van Sicklen W—Belflex
w—Whitney Wa—Brandenburg
WG—Warner Gear
WGR—Warner Gear Roller
Wi—Willard
Wm—Worm and Gear
Wn—Worm and Nut
WP—Warner Ws—Worm and Sector
Wr—Worm and Roller
Ww—Worm and Wheel X—Wheels
x—Fafnir Y—Yes
Z—Ross z—Mechanical
Ze—Zenith †2—15 Rear 12 Front
1/2—½ or semi floating 3/4—¾ Floating
2/2—Full Floating °—Various
*—Front Drive
¶—For Wheelbase see Section 1
‡ Lowest price in the line

Mr. OLIVER of Alabama. Mr. Chairman, I ask permission to speak for two minutes. The gentleman from Michigan was unfortunate in his mention of the Prohibition Unit, for the reason that the provision in the bill provides for the purchase of cheap cars for the Prohibition Unit. The Director of Prohibition insisted that he wanted the cheap-class cars. He said they were more economical to operate and met the needs of his service. This amendment is in line with the amendment heretofore adopted, except that we have liberalized it. It was never intended that it should apply to Cabinet officers, and they have been excepted, and we provide that the department heads may permit field officers to go from their homes to their field work in Government cars.

Mr. MAAS. Does that include the freight?

Mr. OLIVER of Alabama. There is nothing said about freight. They can pay the freight out of contingent expenses if found to be necessary.

The CHAIRMAN. The Clerk will read the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Beginning on page 125, line 24, strike out all of section 4.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

Mr. OLIVER of Alabama. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 126, after line 11, insert:

"SEC. 5. No part of any appropriation made by this act shall be used to pay actual expenses of subsistence in excess of $6 for any one calendar day, or per diem allowance for subsistence in excess of the rate of $5 in any one calendar day to any officer or employee of the United States, and payment accordingly shall be in full, notwithstanding any other statutory provision."

The amendment was agreed to.

The Clerk read as follows:

Amendment proposed by Mr. OLIVER of Alabama: Page 54, line 25, after the colon, insert the following: "*Provided further*, That no part of the appropriation herein made shall be used to pay any probation officer a salary in excess of $2,600 per annum."

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, I offer that amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to return to page 47 for the purpose of offering an amendment. It was through a misunderstanding as to the program to-day that the amendment was not offered when the section was reached.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment, which I send to the desk:

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 47, line 17, at the end of the section strike out the period, insert a colon, and add the following: "*Provided*, That no money herein appropriated shall be used to operate or maintain in operation any automatic filling machine or any labor-saving machine in any factory conducted in any Federal penal institution where convicts are assigned to work."

Mr. LAGUARDIA. Mr. Chairman, it seems almost unbelievable in this period when all industry and labor is disturbed with labor-saving machines that we would find labor-saving machines in the penitentiaries. The theory of operating factories in connection with our penal institutions is to give work to the inmates and teach them a trade, to keep them busy, and not to operate an industry for profit in competition with legitimate business and free labor. We authorized and appropriated for a brush factory in the penal institution at Leavenworth, and it was operating successfully in keeping with our theory of institutional care and vocational training. They have now installed labor-saving devices in the brush factory in the penitentiary at Leavenworth.

They have installed there automatic filling machines which fill the tufts in the brush. I have here a brush that is made by hand. The filling in of the tuft is by hand and takes time. The automatic machine will do the work of about 16 men. The brush with the red back which I now exhibit is a machine-filled brush.

Mr. OLIVER of Alabama. The brush the gentleman has just exhibited is made by hand. The only brush that we make by machine is a paint brush.

Mr. LAGUARDIA. The one with the white back that I have here is a brush made by manual labor filled by hand labor. The other is made on an automatic brush machine, with a solid block, which I have described, with a staple board and filled with the same machine.

Mr. OLIVER of Alabama. Are those brushes the gentleman has exhibited made in the penitentiary?

Mr. LAGUARDIA. That is my information.

Mr. OLIVER of Alabama. I have this statement from the director, which I know is correct:

> In making those floor sweeps like Mr. LAGUARDIA has on the table, we do not use one single bit of machinery. All of our floor sweeps are wire-drawn by hand. Each tuft is set individually. Outside concerns use machinery on this brush entirely.

Mr. LAGUARDIA. If they do not use machines, then there is no objection to my amendment.

Mr. OLIVER of Alabama. I want to make a statement about that amendment.

Mr. LAGUARDIA. I say that it is a ridiculous situation to have a Federal penal institution at Leavenworth making brushes by machines, and it can not be denied that they are using machines and filling those tufts and competing against industry employing free labor. The American Brush Manufacturers' Association informs me that it is impossible for them to compete with any Federal department in selling their brushes, when they have to compete not only with the convict-made brushes, but with convict machine-made brushes. It is manifestly unfair. If we are going to employ prisoners let them pass their time by filling in these things by hand, but by no means permit the use of these labor-saving devices.

Mr. CONNERY. And this is the evil that we tried to correct when we passed the convict labor law.

Mr. LAGUARDIA. Exactly, and we had assurances then that the work would be so conducted as not to compete with free labor. Convict-made brushes in Leavenworth have a preference in the Federal departments, but I submit in all fairness to free labor that it should not be met with competition by convict-made machine brushes. I ask the committee to support my amendment.

Mr. CONNERY. And one of the propositions put out of business was the blind people who made brooms.

Mr. LAGUARDIA. That is true.

Mr. OLIVER of Alabama. Mr. Chairman, the bill under which the Bureau of Prisons installed the few machines they have is a bill that was passed, I am informed, with the full approval of the Federation of Labor.

I will not have time to read from the hearings further than a few excerpts with reference to the brush machine of which the gentleman has spoken.

I think every Member of Congress has received letters with reference to brushes made in the Federal prisons. When the gentleman from New York exhibited the samples on the table, I asked the Director of Prisons whether brushes of that kind were made by hand or by machinery in the Federal prisons. He said they were made by hand in the Federal prisons, and that only two kinds of brushes are made in the Federal prisons by machinery. They are required to make these by machinery because there is no market value for handmade brushes of this type.

I would like you to understand the number of prisoners employed. There are 90 engaged in making brushes and only 60 of these are assigned to the machines.

I read from the hearings:

> We have manufactured wherever possible a type of brush which will utilize to the maximum hand labor. Of our total production of $159,028.94, we produced $63,614.40 worth of what is known as wire-drawn and pitch-set brushes, which are made entirely by hand. The brush maker in manufacturing a wire-drawn brush weaves each tuft of hair into the block by hand. * * *
>
> In manufacturing paint and varnish brushes it is necessary to mix the different kinds and lengths of hair which go into the brush in such a manner that the different lengths of bristles will be evenly distributed.

Those are the only two types. In other words, neither the Navy nor the Army could use these brushes unless manufactured by machinery. It is impossible to make the proper inset of hair by hand in paint and varnish brushes. That is why they are required to use the machines in making the limited quantity of these brushes which are manufactured in the prisons.

I do not think you will find anyone who has visited the Federal prisons who will not state that under the direction of Mr. Bates they have followed strictly the spirit of the agreement had with the committee at the time these bills were reported and unanimously passed by the Congress. They have well distributed the industries at the prisons so as not to bring prison goods in competition in any large way with the trade. They sell nothing on the outside, and they meet Government market prices. These bills had the approval of the American Federation of Labor, because it was recognized that it was absolutely essential to provide some work for our prison population.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. LAGUARDIA. Certainly it was never contemplated that in giving employment to these inmates we should install machines in the brush factory at Leavenworth?

Mr. OLIVER of Alabama. Oh, there were some machines there for making shoes that everyone understood had been installed some time ago, but the amount they turn out is limited.

The prison labor is more in competition with that of farmers than anybody else. Prisons have dairies; they raise fine hogs; they raise everything to eat. Still you never hear complaints from the farmers, because they recognize that the cost of maintaining our prisons comes out of the Federal Treasury; that it is absolutely essential to provide work for prisoners, and, as pointed out, we now have a system whereby we pay to the personnel a small amount, and if the prisoner has a dependent family, a part of his pay is sent to his family, and this practice is in keeping with the spirit of the Hawes and Cooper bill. I think Members may have read the statement recently published by Senator HAWES and Congressman COOPER, analyzing the underlying principles and purposes of this bill, which soon becomes effective.

Mr. DYER. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. DYER. The purpose of the legislation to provide for the making of the things which are made in the prisons was primarily to give employment to the inmates?

Mr. OLIVER of Alabama. Yes.

Mr. DYER. Of course, I take it there is not any more machinery being installed than is absolutely necessary?

Mr. OLIVER of Alabama. No.

Mr. DYER. I would not favor it, because a big majority of the prisoners have no employment whatever.

Mr. OLIVER of Alabama. I am very glad the gentleman from Missouri interrupted me, because the gentleman was acting chairman of the committee at the time these bills were considered.

I was very much interested less than two weeks ago in reading the statement by Mr. HAWES and Mr. COOPER as to the purpose of that legislation.

[Here the gavel fell.]

The CHAIRMAN. The Clerk will report the amendment.

The Clerk again reported the LaGuardia amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The amendment was rejected.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that the Clerk be allowed to make any necessary changes in totals and to correct any typographical errors.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that all Members who spoke on the bill have five legislative days in which to extend their remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAAS. Mr. Chairman, I ask unanimous consent to extend my remarks on the amendment I offered.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAAS. Mr. Speaker, I moved to amend House bill 9349—State, Justice, Commerce, and Labor appropriation bill—by striking out the following proviso:

That no additional credits for service shall be allowed to any commissioned officer in the Coast and Geodetic Survey for purposes of base or period pay, or for longevity pay, before July 1, 1933; any increase of base or period pay for length of service, or longevity pay, which would have been authorized under existing law before that date, shall become effective July 1, 1933, and not earlier, notwithstanding the provisions of any other act.

The effect of the above provision is to freeze pay of commissioned officers of the Coast and Geodetic Survey in so far as any increase in pay based on length of service is concerned. Since the Coast and Geodetic Survey is paid under the pay act of 1922, which also applies to the Army, Navy, Marine Corps, Public Health Service, and Coast Guard, similar provisions, no doubt, will be included in the appropriation bills pertaining to each of these services. Consequently, each of these services is vitally interested in securing the elimination of the provision in House bill 9349 as the line of departure in the fight to keep it out or eliminate it from the other appropriation bills which pertain to these services which are still to be reported.

Among the objectionable features of the provision may be enumerated the following:

First. It infringes upon the prerogatives of the legislative committee concerned. In effect, it holds in abeyance a portion of the provision of the pay act of 1922 until July 1, 1933.

Second. The savings effected are comparatively trifling, amounting for the Coast and Geodetic Survey to about $12,000 in pay and $3,000 or $4,000 in allowances. If this amount were spread over the entire commissioned personnel of the Coast and Geodetic Survey, namely, 171 officers, in proportion to the pay and allowances they are now receiving, the injustice of the provision would be limited to singling out one group for pay reduction. But as now proposed its effect is much worse. The entire burden of the saving is borne by a minority of 73 out of 171 officers. And among these 73 officers the maximum portion of the burden is borne by those in the lower grades; in other words, by those least able to shoulder it, as evidenced by the following tabulation of those affected:

Grade	Number	Amount of loss
Commander	1	$193
Lieutenant commanders	8	1,214
Lieutenants	38	3,826
Lieutenants, junior grade	26	6,283
Total	73	11,516

Thirty-seven officers lose less than $100; 24 officers lose between $100 and $200; 2 officers lose between $200 and $300.

All of these are junior officers: Four officers lose between $300 and $400; 2 officers lose between $500 and $600; 2 officers lose between $600 and $700; 1 officer loses $1,168; 1 officer loses $1,263.

Ten officers at the bottom will lose a total of $5,000.

Third. In the other services involved the injustice is even greater. In the Army, for example, the total saving effected will not exceed $600,000, or less than one-half of 1 per cent of the appropriation for pay. This loss, for it is a loss, is borne by the following:

Grade	Number	Amount of loss
Second lieutenants	215	$160,000
Do	253	12,000
First lieutenants	94	43,240
Do	65	14,720
Do	180	6,840
Captains and majors	[1] 200	55,815
Lieutenant colonels	142	1,917
Generals and colonels	------	Nothing.
Nurses	------	54,156
Longevity pay	------	250,759

[1] Estimated.

The last item (longevity pay) affects less than one-third of the officers, and only those below lieutenant colonels of 30 years' service.

From the foregoing it clearly appears that—

Only a comparatively trifling saving is effected, less than one-half of 1 per cent.

The glaring injustice is that about $400,000 of the $600,000 saving, or more than 65 per cent, will be borne by lieutenants and nurses, and about $300,000 of this $400,000, or one-half of the whole $600,000, is borne by about 400 lieutenants and the nurses.

Fourth. To further illustrate this injustice in the Army, the effect of the provision would be to single out certain Military Academy classes and deny to them what all other classes get and what the law plainly held out to them they likewise would get. The class of 1927 (174 second lieutenants), who graduated on June 14, 1927, under the law would pass into the second pay period on June 14, 1932; that is, upon completion of five years' service. Since the appropriation bill no doubt will be approved prior to June 14, 1932, this class alone of all classes since 1922 would be denied this advance, which is the most vital advance in their Army career. These young men now range in age from 26 to 30, the normal time in life to enter the marital state. Many of them, relying upon the promise of the Government that they would receive this advance, have married and incurred proper and natural obligations, which they could have cared for if the situation remained as they were entitled to believe it would remain. Now to find themselves faced with these obligations and denied the means to take care of them is a blow the consequences of which reach most serious proportions.

Of like effect, with only slightly less serious results, is the application of the provision to the class of 1922 and the officers appointed from other sources in that year, who will reach the third pay period on 10 years' services in 1932.

Fifth. An additional injustice is imposed on 215 second lieutenants, who compose the Military Academy class of 1927 and appointments from civil life on dates near the time of graduation of this class, in that the 1927 Naval Academy class, due to the system of promotion in the Navy, were promoted three years after graduation, or in June, 1930, and upon such promotion went into the second pay period, thus attaining the advance which the provision being discussed would deny these 215 second lieutenants after five years' service.

It can not be believed, after being informed of the actual results of this provision and the serious injustices which it visits upon such a relatively small number, and that small number made up almost entirely of junior officers and nurses, that Congress will want to accomplish the comparatively small saving in the manner proposed.

Another feature is that since the various appropriation bills will be approved on different dates, and these provisions for freezing pay will become effective on approval, there results a further inequality as between the services. It would seem that a matter of this kind should be included in one bill, if submitted at all, and considered by the legislative committees and not included in the different appropriation bills. While the Pou resolution probably authorizes this, it is believed that Congress considered that this freezing process would be spread proportionately throughout the services involved. Such a spread is far from the facts. A very limited number of juniors stand practically the entire burden.

We are dealing with a temporary condition, and the amount saved is more political than economic. But the serious effect will be more permanent. It will discourage the highest type of young men from entering the military and semimilitary services, and in the end decreased efficiency will more than offset any trifling saving in pay or allowances now.

Mr. OLIVER of Alabama. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. OLIVER of Alabama. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. CANNON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CANNON. I am, in its present form.

Mr. LINTHICUM. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LINTHICUM. Is that sufficient opposition to a bill, that the gentleman is opposed to it as it stands?

The SPEAKER. The gentleman says he is opposed to the bill.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CANNON moves to recommit the bill to the Committee on Appropriations, with instructions to report the same back forthwith with the following amendment: On page 52, at line 16, strike out the figures "$775,000" and insert in lieu thereof the figures "$1,050,000."

Mr. OLIVER of Alabama. Mr. Speaker, I would like to ask that the House adjourn, and take the vote on the motion to recommit to-morrow. I gave some assurance to Members that if there was to be a roll call the vote would not be taken this afternoon.

The SPEAKER. Let the Chair state to the gentleman from Alabama that if the previous question is ordered the vote on the motion to recommit would come on next Thursday. It would be the unfinished business on Thursday. To-morrow is Calendar Wednesday.

Mr. OLIVER of Alabama. Mr. Speaker, I withdraw the request.

Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 1, noes 198.

Mr. SCHAFER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SCHAFER. Is this procedure correct? The gentleman from Missouri, a member of the Appropriations Committee, made a motion to recommit and thereby prevented other Members who had bona fide motions to recommit from offering them.

My parliamentary inquiry is whether the spirit and the letter of the rules are complied with by denying a Member who is not a member of the Appropriations Committee and who has a motion to recommit—who is opposed to the bill in its present form and will vote for his motion to recommit—the right to do so?

The SPEAKER. The gentleman from Wisconsin propounds a parliamentary inquiry. The gentleman from Missouri [Mr. CANNON] is a member of the Committee on Appropriations. The gentleman stated he is opposed to the bill. The gentleman has preference, under the custom and rules of the House, to make the motion to recommit.

Mr. SCHAFER. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. The gentleman from Wisconsin makes the point of order there is not a quorum present. The Chair will count. [After counting.] One hundred and ninety-seven Members present; not a quorum.

ADJOURNMENT

Mr. OLIVER of Alabama. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 18 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 24, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Wednesday, February 24, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

To clarify the contract-labor provisions of the immigration laws to actors (H. R. 8877).

COMMITTEE ON PATENTS

(9.30 a. m.)

Motion pictures.

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(10 a. m.)

Alaskan fisheries (H. R. 6483).

General inquiry into the American Merchant Marine, the United States Shipping Board, and Merchant Fleet Corporation affairs.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Railroad holding companies (H. R. 9059).

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

Postgraduate school of the United States Naval Academy.

EXECUTIVE COMMUNICATIONS, ETC.

452. Under clause 2 of Rule XXIV, a letter from the Secretary of the Interior, transmitting a report of the investigation made in accordance with the act of June 14, 1930 (46 Stat. 588) (H. Doc. No. 258), was taken from the Speaker's table, referred to the Committee on the Public Lands, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GREENWOOD: Committee on Rules. H. Res. 150. Resolution amending clause 3 of Rule XIII and clause 6 of Rule XXIV of the Rules of the House of Representatives;

without amendment (Rept. No. 592). Referred to the House Calendar.

Mr. LEAVITT: Committee on the Public Lands. H. R. 4752. A bill for establishment of the Waterton-Glacier international peace park; with amendment (Rept. No. 593). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BLACK: Committee on Claims. H. R. 8343. A bill for the relief of Norman C. Brady; without amendment (Rept. No. 594). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 9599. A bill for the relief of Ben D. Showalter; without amendment (Rept. No. 595). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SWEENEY: A bill (H. R. 9636) to authorize the Postmaster General to permit railroad and electric car companies to provide mail transportation by motor vehicle in lieu of service by train; to the Committee on the Post Office and Post Roads.

By Mr. BOILEAU: A bill (H. R. 9637) to amend section 114 of the Judicial Code, to provide for terms of District Court for the Western District of Wisconsin to be held at Wausau, Wis., and for other purposes; to the Committee on the Judiciary.

By Mr. HAWLEY: A bill (H. R. 9638) to reduce international double taxation; to the Committee on Ways and Means.

Also, a bill (H. R. 9639) to afford permanent protection to the watershed and water supply of the city of Coquille, Coos County, Oreg.; to the Committee on the Public Lands.

By Mr. CABLE: A bill (H. R. 9640) relative to the citizenship of minor children, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. LEWIS: A bill (H. R. 9641) to provide for the restoration of the first monument erected in memory of George Washington; to the Committee on Military Affairs.

By Mr. ALMON: A bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction with a view to increasing employment; to the Committee on Roads.

By Mr. DOXEY: A bill (H. R. 9643) to amend the Judicial Code to provide that jurors shall be returned from the division wherein the term of the court is held; to the Committee on the Judiciary.

By Mr. COOKE: A bill (H. R. 9644) extending the classified civil service to include special-delivery messengers; to the Committee on the Civil Service.

By Mr. DOXEY: A bill (H. R. 9645) to amend the Judicial Code to provide that presentments, indictments, and trials of crimes and offenses shall be in the division wherein such crimes and offenses were committed; to the Committee on the Judiciary.

By Mr. SUTPHIN: A bill (H. R. 9646) to amend the act entitled "An act for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age," approved March 2, 1929; to the Committee on Military Affairs.

By Mr. CARTER of California: A bill (H. R. 9647) for the relief of the State of California; to the Committee on the Judiciary.

By Mr. PATTERSON: A bill (H. R. 9648) to amend paragraph "b" of section 502 of the World War adjusted compensation act, and to provide for payment of adjusted-service certificates immediately upon issuance, and for other purposes; to the Committee on Ways and Means.

By Mr. SUTPHIN: Resolution (H. Res. 159) authorizing the issuance of a special stamp commemorative of the one hundred and fiftieth anniversary of the Block House Battle at Toms River, N. J.; to the Committee on the Post Office and Post Roads.

By Mr. EVANS of Montana: Joint resolution (H. J. Res. 314) to provide for levying and collecting an import duty upon copper in various forms, copper ores, and concentrates, alloys, or combinations of copper, and other copper products; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 9649) granting a pension to Mary Elizabeth Hubbard; to the Committee on Invalid Pensions.

By Mr. BARTON: A bill (H. R. 9650) granting a pension to Mary Ann Eskew; to the Committee on Invalid Pensions.

By Mr. BUCKBEE: A bill (H. R. 9651) granting an increase of pension to Hattie K. Weir; to the Committee on Invalid Pensions.

By Mr. BOLTON: A bill (H. R. 9652) for the relief of Rose Burke; to the Committee on Claims.

By Mr. DRIVER: A bill (H. R. 9653) for the relief of Grace P. Stark; to the Committee on Claims.

By Mr. CABLE: A bill (H. R. 9654) for the relief of Charles Herring; to the Committee on Military Affairs.

By Mr. COCHRAN of Missouri: A bill (H. R. 9655) for the relief of Julius Wurzburger; to the Committee on Military Affairs.

Also, a bill (H. R. 9656) granting a pension to Sarah Stephenson; to the Committee on Invalid Pensions.

By Mr. CROSSER: A bill (H. R. 9657) for the relief of the Champion Rivet Co., Cleveland, Ohio; to the Committee on Claims.

By Mr. FINLEY: A bill (H. R. 9658) for the relief of Willis F. Spradlin; to the Committee on Military Affairs.

By Mr. GILBERT: A bill (H. R. 9659) granting an increase of pension to Frederick J. Conn; to the Committee on Pensions.

Also, a bill (H. R. 9660) granting an increase of pension to Roscoe Tarter; to the Committee on Pensions.

Also, a bill (H. R. 9661) granting a pension to Emily Cecil; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9662) granting an increase of pension to Margaret Hubble; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 9663) granting a pension to Harrison Mosenkosket; to the Committee on Pensions.

By Mr. HESS: A bill (H. R. 9664) granting a pension to Florence Tebbenhoff; to the Committee on Pensions.

By Mr. HOPKINS: A bill (H. R. 9665) granting a pension to Mollie Lynch; to the Committee on Invalid Pensions.

By Mr. JEFFERS: A bill (H. R. 9666) for the relief of St. Paul's Episcopal Church, Selma, Ala.; to the Committee on War Claims.

By Mr. JENKINS: A bill (H. R. 9667) granting an increase of pension to Mary Ann McClellan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9668) granting a pension to Merrill T. Bryant; to the Committee on Pensions.

By Mr. LINTHICUM: A bill (H. R. 9669) for the relief of Horacio de Jesus Castillo; to the Committee on Foreign Affairs.

By Mr. McFADDEN: A bill (H. R. 9670) granting a pension to Margaret A. Richardson; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 9671) to direct the removal of the body of First Lieut. William Butler Bonham to Arlington National Cemetery; to the Committee on Military Affairs.

By Mr. MITCHELL: A bill (H. R. 9672) for the relief of James R. Mansfield; to the Committee on Claims.

By Mr. MOORE of Kentucky: A bill (H. R. 9673) granting a pension to Annie Lewis; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 9674) granting a pension to Fannie Wiseman; to the Committee on Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 9675) granting an increase of pension to Mary E. Anthony; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9676) granting an increase of pension to Susan F. Atwater; to the Committee on Invalid Pensions.

By Mr. PARKER of Georgia: A bill (H. R. 9677) for the relief of Margaret Doyle, administratrix of the estate of James Doyle, deceased; to the Committee on Claims.

By Mr. PRALL: A bill (H. R. 9678) for the relief of Edward C. Burke; to the Committee on Claims.

Also, a bill (H. R. 9679) granting a pension to Grace C. Marvin; to the Committee on Pensions.

By Mr. SCHAFER: A bill (H. R. 9680) granting a pension to Christopher F. Sheehan; to the Committee on Pensions.

By Mr. SHREVE: A bill (H. R. 9681) granting an increase of pension to Mary Schmidt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9682) granting an increase of pension to Phoebe M. Lamphier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9683) granting an increase of pension to Sarah Jane Ash; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 9684) granting an increase of pension to Susannah Patterson; to the Committee on Invalid Pensions.

By Mr. SWANK: A bill (H. R. 9685) granting a pension to Minnie Cantlon; to the Committee on Pensions.

By Mr. SWICK: A bill (H. R. 9686) granting an increase of pension to Rose A. Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9687) granting an increase of pension to Ada L. Vance; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 9688) granting a pension to Hannah Low; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 9689) granting an increase of pension to Adelaide Thacker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9690) granting an increase of pension to Mary E. Harris; to the Committee on Invalid Pensions.

By Mr. WHITLEY: A bill (H. R. 9691) granting an increase of pension to Martha Bostwick; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2602. By Mr. ALDRICH: Resolutions adopted by Point Judith Sunday school, Narragansett; Quidnessett Grange, No. 44, North Kingstown; and Narragansett Parent-Teacher Unit, Narragansett, all of the State of Rhode Island, opposing resubmission of eighteenth amendment and favoring adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2603. By Mr. ANDREWS of New York: Resolution adopted by Buffalo Paint, Oil and Varnish Club, indorsing the early passage of House bill 6090; to the Committee on Banking and Currency.

2604. Also, petition of Division 4, Ancient Order of Hibernians, urging support for passage of legislation granting to States the power to control the manufacture and sale of liquor within their borders; to the Committee on the Judiciary.

2605. Also, resolution adopted by 150 people of the Wilson Baptist Church, protesting against the repeal of the prohibition law; to the Committee on the Judiciary.

2606. Also, resolution adopted by 450 people of the Lyndonville Methodist Episcopal Church, protesting against the repeal of the prohibition law; to the Committee on the Judiciary.

2607. Also, petition of the Warrens Corners Thursday Study Club, supporting the prohibition law; to the Committee on the Judiciary.

2608. Also, petition of John C. Johnston, secretary of Central Labor Council of Buffalo and vicinity, urging support of Connery bill, H. R. 7926; to the Committee on Labor.

2609. By Mr. BACHARACH: Petition of sundry citizens of Cape May County, N. J., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2610. By Mr. BACON: Petition of members of Moriches (N. Y.) Woman's Christian Temperance Union, opposing the resubmission of the eighteenth amendment, and urging adequate appropriations for law enforcement; to the Committee on the Judiciary.

2611. Also, petition of Smithtown Branch (N. Y.) Woman's Christian Temperance Union, opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2612. Also, petition of Mrs. George C. Relyea, president of the New York County Woman's Christian Temperance Union, opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2613. Also petition of Woman's Foreign Missionary Society of the Methodist Episcopal Church, Port Jefferson, N. Y., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2614. Also, petition of What-so-Ever Club of the Baptist Church, Port Jefferson, N. Y., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2615. By Mr. BEAM: Memorial of Group No. 1689, National Polish Alliance, memorializing Congress to enact House Joint Resolution 144 directing the President to proclaim October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

2616. By Mr. BOYLAN: Letter from the New York State Nurses' Association, New York City, N. Y., favoring the Bankhead bill, H. R. 7525, for the reestablishment of Federal aid for maternity and infancy work in States under the Children's Bureau; to the Committee on Labor.

2617. By Mr. BRIGGS: Petition of citizens of Chambers County, Tex., urging enactment of farmers' relief bill; to the Committee on Banking and Currency.

2618. By Mr. BRUNNER: Petition of religious, civic, and educational organizations in the communities of Far Rockaway, Inwood, Lawrence, Cedarhurst, Woodmere, and Hewlett, Long Island, N. Y., to the Congress of the United States for limitation of armaments; to the Committee on Foreign Affairs.

2619. By Mr. BUCKBEE: Petition of Mrs. O. G. Wolfrum, 1302 East State Street, Rockford, Ill., president Central Union Woman's Christian Temperance Union, protesting against the resubmission, repeal, or modification of the eighteenth amendment to the Constitution of the United States; to the Committee on the Judiciary.

2620. By Mr. CAMPBELL of Iowa: Petition of 21 voters of Sac County, Iowa, favoring the passage of House bill 1, providing for the payment of the adjusted-compensation certificates; to the Committee on World War Veterans' Legislation.

2621. By Mr. CLARKE of New York: Petition of 41 members of the Methodist Brotherhood Class, Sidney, N. Y., protesting against the repeal, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

2622. Also, petition of 38 members of the Woman's Christian Temperance Union, Sidney, N. Y., protesting against the repeal, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

2623. Also, petition of Mrs. C. Christensen and 25 residents of Laurens, N. Y., protesting against the repeal, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

2624. Also, petition of 40 members of the Ladies' Aid Society and 20 members of the Woman's Christian Temperance Union, Springfield Center, N. Y., protesting against the repeal, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

2625. Also, petition of Harriet English and 25 residents of Springfield Center, N. Y., protesting against the repeal, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

2626. By Mr. CURRY: Petition of California Highway Commission, urging passage of Senate bill 36 and House bill 4716, relating to Federal aid to highways; to the Committee on Roads.

2627. Also, petition of citizens of California, supporting the maintenance of the prohibition law and of its enforcement; to the Committee on the Judiciary.

2628. By Mr. DE PRIEST: Petition signed by employees of Chicago branch United States Radiator Corporation; C. M. Baumgardner, 602 Michigan Avenue, Chicago, Ill.; and 13 other citizens of Illinois, protesting against the burden of present and proposed Federal taxation; to the Committee on Expenditures in the Executive Departments.

2629. By Mr. DRANE: Petition of citizens of Charlotte County, Fla., protesting against the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2630. By Mr. EATON of Colorado: Resolution of the Colorado Gasoline Tax Evasion Committee, Denver, Colo., protesting against the imposition of a Federal tax upon the sale of gasoline; to the Committee on Ways and Means.

2631. By Mr. FULBRIGHT: Memorial of Presbyterian Sabbath school, Crane, Mo., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2632. Also, memorial of Oak Ridge Baptist Church, Oak Ridge, Mo., opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2633. By Mr. GIBSON: Petition of the Woman's Christian Temperance Union of Newfane, Vt.; to the Committee on the Judiciary.

2634. Also, petition of Marsena E. Roberts and certain other World War veterans, urging passage of legislation providing payment of adjusted-service compensation certificates issued to World War veterans; to the Committee on the Judiciary.

2635. By Mr. HILL of Washington: Petition of Women's Club of the Presbyterian Church of Davenport, Wash., opposing repeal, resubmission to the States, or modification of the eighteenth amendment; to the Committee on the Judiciary.

2636. Also, petition of English Congregational Church of Odessa, Wash., opposing repeal, modification, or resubmission to the States of the prohibition question; to the Committee on the Judiciary.

2637. Also, petition of Nettie B. Lilly and 75 other citizens of Bridgeport, Wash., opposing repeal, modification, or resubmission to the States of the eighteenth amendment; to the Committee on the Judiciary.

2638. By Mr. JOHNSON of Texas: Petition of J. G. Burr, director of Texas Education and Research, Game, Fish, and Oyster Commission, Austin, Tex., indorsing House Concurrent Resolution 10; to the Committee on the Judiciary.

2639. Also, petition of W. S. and S. G. Orr and E. J. Brown, of Hillsboro, Tex., opposing repeal of Federal farm marketing act; to the Committee on Agriculture.

2640. By Mr. KELLER: Petition of citizens of Coulterville, Ill., supporting and voting for the Patman bill (H. R. 1); to the Committee on Ways and Means.

2641. Also, petition of the citizens and legal voters of Franklin County, Ill., urging the payment of the adjusted-service certificates; to the Committee on Ways and Means.

2642. Also, petition of the national legislative committee of the American Legion, Washington, D. C., favoring the appropriation for the national rifle matches and the small arms firing school to be contained in the current Army appropriation bill; to the Committee on Appropriations.

2643. Also, petition of United Mine Workers of America, Local Union No. 303, Orient, Ill., demanding the repeal of all criminal syndicalist laws; to the Committee on the Judiciary.

2644. Also, petition of the Illinois State Senate of the Fifty-seventh General Assembly, at the first special session thereof, the house of representatives concurring therein, that the President of the United States and the Senate and House of Representatives of the present Congress be memorialized to enact legislation repealing the recapture provisions of the 920 transportation act, ab initio, and returning the sum of such recapture fund already collected from the railroads to its contributors; to the Committee on Interstate and Foreign Commerce.

2645. Also, petition of Perry County Council of the American Legion, Illinois, favoring the conducting of the citizens' military training camps throughout the year 1932; to the Committee on Appropriations.

2646. By Mr. KVALE: Petition of Farmers' Union, Local No. 99, Renville, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

2647. Also, petition of Farmers' Union, Local No. 99, Renville, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

2648. Also, petition of Farmers' Union, Local No. 99, Renville, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

2649. Also, petition of Litchfield Creamery Co., Litchfield, Minn., urging unfettered trade relations between this and other nations; to the Committee on Interstate and Foreign Commerce.

2650. Also, petition of the board of directors of the Junior Chamber of Commerce of Duluth, Minn., approving the national defense budget for 1932–33 as recommended by President Hoover; to the Committee on Appropriations.

2651. Also, petition of Carl A. Hanson Post, No. 321, American Legion, Elbow Lake, Minn., urging enactment of insurance plan of benefits for ex-soldiers; to the Committee on World War Veterans' Legislation.

2652. Also, petition of city council of Minneapolis, Minn., expressing appreciation to Corps of Army Engineers, and opposing the subordination of this organization to any department; to the Committee on Military Affairs.

2653. Also, petition of Minnesota Bird Club, Minneapolis, Minn., urging enactment of House bill 5063; to the Committee on the Public Lands.

2654. By Mr. LAMBERTSON: Resolution of the Tonganoxie public schools, of Tonganoxie, Kans., representing 400 pupils and 18 teachers, opposing any measure of resubmission to the States of the eighteenth amendment, and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2655. Also, petition of Wilson R. Meyers and 42 other ex-service men of Tonganoxie, Kans., urging the passage of the bill for the full payment of the veterans' adjusted-compensation certificates; to the Committee on Ways and Means.

2656. Also, petition of Ella Williamson and 51 other people of Denison, Mayetta, Valley Falls, and Holton, Kans., urging the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

2657. By Mr. MEAD: Petition of Polish National Alliance, Group No. 412, urging passage of House Joint Resolution 144; to the Committee on the Judiciary.

2658. Also, petition of the Woman's Christian Temperance Union of Eden, N. Y., opposing the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2659. By Mr. MICHENER: Petition of sundry citizens of Ann Arbor, Mich., favoring the prohibition law and its enforcement, etc.; to the Committee on the Judiciary.

2660. By Mr. NIEDRINGHAUS: Petition of J. Mahon and 20 other citizens of St. Louis, Mo., asking support for House bills 4719 and 5110, substitute relief measures for postal employees; to the Committee on the Post Office and Post Roads.

2661. Also, petition of J. M. Lobmaster and nine other citizens of St. Louis, Mo., asking support for House bills 4719 and 5110, substitute relief measures for postal employees; to the Committee on the Post Office and Post Roads.

2662. By Mr. PARKER of Georgia: Petition of Nina Anderson Pape and 19 other citizens, of Savannah, Ga., urging the passage of House bill 5063, providing for the establishment of Everglades national park in Florida; to the Committee on the Public Lands.

2663. By Mr. RAMSEYER: Petition of voters and bona fide farmers of Jasper and other counties of Iowa, urging the passage of House bills 128 and 7797 and Senate bills 1197 and 2487; to the Committee on Agriculture.

2664. By Mr. RICH: Petition of residents of Carter Camp, Pa., opposing Senate bill 1202; to the Committee on the District of Columbia.

2665. By Mr. ROBINSON: Petition signed by Mrs. H. B. Hunt, president, and Ethel Davis, secretary, of the Ladies' Auxiliary of Friends Church, New Providence, Iowa, adopted by the Providence Township Farm Bureau, representing about 100 people, on February 16, 1932, and signed by Wilson H. Hadley, president, and Paul M. Walter, secretary, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging that Congress vote against any such resolution and vote for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2666. Also, resolution sent in by Delmar D. Latham, secretary of the Dunbar Consolidated School Board, which resolution was adopted by the Dunbar Parent-Teacher Association, representing 250 people, on February 17, 1932, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging that Congress vote against any such resolution and vote for adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2667. Also, petition of A. R. Miller and 17 other members of Farmers' Union No. 2165, of Janesville, Iowa, urging the passage of legislation helpful to the farmers of the Middle West and agriculture generally, and stating that the present situation calls for immediate relief and the passage of legislation to accomplish this purpose; to the Committee on Agriculture.

2668. By Mr. ROMJUE: Petition of Allied Postal Employees of St. Louis and vicinity, opposing any action at this time to reduce the wages of Government employees; to the Committee on Ways and Means.

2669. By Mr. SHREVE: Petition of the Hydetown Woman's Christian Temperance Union, representing 100 members, of Hydetown, Pa., opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

2670. By Mr. SUMNERS of Texas: Petition of several hundred citizens of California, urging support and maintenance of the prohibition laws; to the Committee on the Judiciary.

2671. By Mr. SUTPHIN: Petition presented by Star Council, No. 56, Sons and Daughters of Liberty, supporting House bill 1967; to the Committee on Immigration and Naturalization.

2672. By Mr. SWIČK: Petition of Central Union Woman's Christian Temperance Union, New Castle, Lawrence County, Pa., opposing the resubmission of the eighteenth amendment to the State legislatures or conventions for repeal; to the Committee on the Judiciary.

2673. Also, petition of Neshannock Presbyterian Church, New Wilmington, Lawrence County, Pa., Rev. W. F. Byers, pastor, opposing the resubmission of the eighteenth amendment to the State legislatures or conventions for repeal; to the Committee on the Judiciary.

2674. By Mr. SWING: Petition of citizens of Santa Ana, Calif., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2675. Also, petition of 69 residents of Colton, Calif., protesting against compulsory Sunday observance and the passage of Senate bill 1202; to the Committee on the District of Columbia.

2676. By Mr. TABER: Petition of Sara M. Harrington, of Victor, N. Y., and others, opposing the resubmission or modification of the eighteenth amendment; to the Committee on the Judiciary.

2677. Also, petition of Mrs. John E. Bennett, of Holcomb, N. Y., and others, opposing resubmission or modification of the eighteenth amendment; to the Committee on the Judiciary.

2678. By Mr. TEMPLE: Petitions of Woman's Christian Temperance Union, Monongahela, and the First Baptist Church of Cannonsburg, Pa., supporting the eighteenth amendment and protesting against the submission of an amendment to the States repealing the eighteenth amendment; to the Committee on the Judiciary.

2679. By Mr. WARREN: Petition of the Woman's Christian Temperance Union of Elizabeth City, N. C., protesting against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

2680. By Mr. WATSON: Resolution of the Slatington Chamber, No. 6, Order Knights of Friendship, favoring House bill 8921 for the erection of a veterans' hospital in the vicinity of Slatington, Pa.; to the Committee on World War Veterans' Legislation.

2681. By Mr. WEST: Petition of 84 World War veterans of Richland County, Ohio, favoring payment of the bonus certificates; to the Committee on Ways and Means.

2682. By Mr. WHITLEY: Petition of citizens of Rochester, N. Y., favoring maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

2683. By Mr. WHITTINGTON: Petition of Woman's Bible Class, Capitol Street Methodist Church, Jackson, Miss., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2684. Also, petition of the Character Builder Class, Capitol Street Methodist Church, Jackson, Miss., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2685. Also, petition of Wesley Adult Class, No. 3, Capitol Street Methodist Church, Jackson, Miss., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2686. Also, petition of Men's Bible Class, Capitol Street Methodist Church, Jackson, Miss., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

SENATE

WEDNESDAY, FEBRUARY 24, 1932

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Eternal One, by whose Spirit we are made sons and heirs of the living God; grant us by the same Spirit to hear Thy voice speaking within us, in the sense of duty, in the ideals of righteousness, in the principle of love opposing selfishness, in the nobler thought disturbing our contentment with that which is unworthy. Abide with us this day, and when we seem to fail, suffer the burden of our weakness to remain till we touch, not the dust and ashes of despair but the healing waters of repentance, that by Thy mercy we may be lifted into realms of new resolve and greater endeavor in the service of our country and our God. We ask it through Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Brookhart	Costigan	George
Austin	Broussard	Couzens	Glass
Bailey	Bulow	Cutting	Glenn
Bankhead	Byrnes	Dale	Goldsborough
Barbour	Capper	Davis	Gore
Bingham	Caraway	Dickinson	Hale
Black	Carey	Dill	Harrison
Blaine	Connally	Fess	Hastings
Borah	Coolidge	Fletcher	Hatfield
Bratton	Copeland	Frazier	Hawes

Hayden	McGill	Robinson, Ark.	Trammell
Hebert	McNary	Robinson, Ind.	Tydings
Howell	Metcalf	Schall	Vandenberg
Hull	Morrison	Sheppard	Wagner
Johnson	Neely	Shipstead	Walcott
Jones	Norbeck	Smith	Walsh, Mass.
Kean	Norris	Smoot	Walsh, Mont.
Kendrick	Nye	Steiwer	Watson
Keyes	Oddie	Stephens	Wheeler
King	Patterson	Thomas, Idaho	White
La Follette	Pittman	Thomas, Okla.	
Logan	Reed	Townsend	

Mr. JOHNSON. I announce that my colleague the junior Senator from California [Mr. SHORTRIDGE] is still detained from the Senate by illness. This announcement may stand for the day.

Mr. LOGAN. I desire to announce the absence of my colleague the senior Senator from Kentucky [Mr. BARKLEY] on public business. I ask that this announcement stand for the day.

Mr. GEORGE. I wish to announce the absence of my colleague the senior Senator from Georgia [Mr. HARRIS] because of continued illness. I request that this announcement may stand for the day.

Mr. SHEPPARD. I was requested to announce that the junior Senator from Illinois [Mr. LEWIS] is necessarily detained in his home State on public matters.

Mr. HULL. I wish to announce that the senior Senator from Tennessee [Mr. MCKELLAR] is necessarily detained from the Senate by a death in his family. I will let this announcement stand for the day.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

TWO HUNDREDTH ANNIVERSARY OF WASHINGTON'S BIRTH

The VICE PRESIDENT laid before the Senate a cablegram from the president of the Hungarian Upper House at Budapest, Hungary, which was ordered to lie on the table and to be printed in the RECORD, as follows:

BUDAPEST, *February 21, 1932.*

The Hon. CHARLES CURTIS,
President of the Senate, Washington, D. C.:

On the occasion of your first President's bicentennial allow me to assure you and the Senate of the participation of the Hungarian Upper House in honoring his exalted memory. May his ideas continue to guide the destinies of your great Nation.

Baron WLASSICS,
President of the Hungarian Upper House.

THE 9-POWER TREATY—LETTER FROM THE SECRETARY OF STATE

Mr. BORAH. Mr. President, I ask to have printed in the RECORD a letter which I have just received from the Secretary of State.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, February 23, 1932.

MY DEAR SENATOR BORAH: You have asked my opinion whether, as has been sometimes recently suggested, present conditions in China have in any way indicated that the so-called 9-power treaty has become inapplicable or ineffective or rightly in need of modification, and if so, what I considered should be the policy of this Government.

This treaty, as you of course know, forms the legal basis upon which now rests the "open-door" policy toward China. That policy, enunciated by John Hay in 1899, brought to an end the struggle among various powers for so-called spheres of interest in China which was threatening the dismemberment of that empire. To accomplish this Mr. Hay invoked two principles (1) equality of commercial opportunity among all nations in dealing with China, and (2) as necessary to that equality the preservation of China's territorial and administrative integrity. These principles were not new in the foreign policy of America. They had been the principles upon which it rested in its dealings with other nations for many years. In the case of China they were invoked to save a situation which not only threatened the future development and sovereignty of that great Asiatic people but also threatened to create dangerous and constantly increasing rivalries between the other nations of the world. War had already taken place between Japan and China. At the close of that war three other nations intervened to prevent Japan from obtaining some of the results of that war claimed by her. Other nations sought and had obtained spheres of interest. Partly as a result of these actions a serious uprising had broken out in China which endangered the legations of all the powers at Peking. While the attack on those legations was in progress, Mr. Hay made an announcement in respect to this policy as the principle upon which the powers should act in the settlement of the rebellion. He said:

"The policy of the Government of the United States is to seek a solution which may bring about permanent safety and peace to China, preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese Empire."

He was successful in obtaining the assent of the other powers to the policy thus announced.

In taking these steps Mr. Hay acted with the cordial support of the British Government. In responding to Mr. Hay's announcement, above set forth, Lord Salisbury, the British Prime Minister, expressed himself "most emphatically as concurring in the policy of the United States."

For 20 years thereafter the open-door policy rested upon the informal commitments thus made by the various powers. But in the winter of 1921 to 1922, at a conference participated in by all of the principal powers which had interests in the Pacific, the policy was crystallized into the so-called 9-power treaty, which gave definition and precision to the principles upon which the policy rested. In the first article of that treaty the contracting powers, other than China, agreed:

1. To respect the sovereignty, the independence, and the territorial and administrative integrity of China.

2. To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government.

3. To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China.

4. To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly states, and from countenancing action inimical to the security of such states.

This treaty thus represents a carefully developed and matured international policy intended, on the one hand, to assure to all of the contracting parties their rights and interests in and with regard to China, and on the other hand to assure to the people of China the fullest opportunity to develop without molestation their sovereignty and independence according to the modern and enlightened standards believed to maintain among the peoples of this earth. At the time this treaty was signed it was known that China was engaged in an attempt to develop the free institutions of a self-governing republic after her recent revolution from an autocratic form of government; that she would require many years of both economic and political effort to that end; and that her progress would necessarily be slow. The treaty was thus a covenant of self-denial among the signatory powers in deliberate renunciation of any policy of aggression which might tend to interfere with that development. It was believed—and the whole history of the development of the open-door policy reveals that faith—that only by such a process, under the protection of such an agreement, could the fullest interests not only of China but of all nations which have intercourse with her best be served.

In its report to the President announcing this treaty, the American delegation, headed by the then Secretary of State, Mr. Charles E. Hughes, said:

"It is believed that through this treaty the 'open door' in China has at last been made a fact."

During the course of the discussions which resulted in the treaty the chairman of the British delegation, Lord Balfour, had stated that—

"The British Empire delegation understood that there was no representative of any power around the table who thought that the old practice of 'spheres of interest' was either advocated by any government or would be tolerable to this conference. So far as the British Government were concerned, they had in the most formal manner publicly announced that they regarded this practice as utterly inappropriate to the existing situation."

At the same time the representative of Japan, Baron Shidehara, announced the position of his Government as follows:

"No one denies to China her sacred right to govern herself. No one stands in the way of China to work out her own great national destiny."

The treaty was originally executed by the United States, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, and Portugal. Subsequently it was also executed by Norway, Bolivia, Sweden, Denmark, and Mexico. Germany has signed it, but her parliament has not yet ratified it.

It must be remembered also that this treaty was one of several treaties and agreements entered into at the Washington conference by the various powers concerned, all of which were interrelated and interdependent. No one of these treaties can be disregarded without disturbing the general understanding and equilibrium which were intended to be accomplished and effected by the group of agreements arrived at in their entirety. The Washington conference was essentially a disarmament conference, aimed to promote the possibility of peace in the world not only through the cessation of competition in naval armament but also by the solution of various other disturbing problems which threatened the peace of the world, particularly in the Far East. These problems were all interrelated. The willingness of the American Government to surrender its then commanding lead in battleship construction and to leave its positions at Guam and in the Philippines without further fortification was predicated

upon, among other things, the self-denying covenants contained in the 9-power treaty, which assured the nations of the world not only of equal opportunity for their eastern trade but also against the military aggrandizement of any other power at the expense of China. One can not discuss the possibility of modifying or abrogating those provisions of the 9-power treaty without considering at the same time the other promises upon which they were really dependent.

Six years later the policy of self-denial against aggression by a stronger against a weaker power, upon which the 9-power treaty had been based, received a powerful reinforcement by the execution by substantially all the nations of the world of the pact of Paris, the so-called Kellogg-Briand pact. These two treaties represent independent but harmonious steps taken for the purpose of aligning the conscience and public opinion of the world in favor of a system of orderly development by the law of nations, including the settlement of all controversies by methods of justice and peace instead of by arbitrary force. The program for the protection of China from outside aggression is an essential part of any such development. The signatories and adherents of the 9-power treaty rightly felt that the orderly and peaceful development of the 400,000,000 people inhabiting China was necessary to the peaceful welfare of the entire world and that no program for the welfare of the world as a whole could afford to neglect the welfare and protection of China.

The recent events which have taken place in China, especially the hostilities, which, having been begun in Manchuria, have laterally been extended to Shanghai, far from indicating the advisability of any modification of the treaties we have been discussing, have tended to bring home the vital importance of the faithful observance of the covenants therein to all of the nations interested in the Far East. It is not necessary in that connection to inquire into the causes of the controversy or attempt to apportion the blame between the two nations which are unhappily involved, for regardless of cause or responsibility, it is clear beyond peradventure that a situation has developed which can not under any circumstances be reconciled with the obligations of the covenants of these two treaties, and that if the treaties had been faithfully observed such a situation could not have arisen. The signatories of the 9-power treaty and of the Kellogg-Briand pact who are not parties to that conflict are not likely to see any reason for modifying the terms of those treaties. To them the real value of the faithful performance of the treaties has been brought sharply home by the perils and losses to which their nationals have been subjected in Shanghai.

That is the view of this Government. We see no reason for abandoning the enlightened principles which are embodied in these treaties. We believe that this situation would have been avoided had these covenants been faithfully observed, and no evidence has come to us to indicate that a due compliance with them would have interfered with the adequate protection of the legitimate rights in China of the signatories of those treaties and their nationals.

On January 7 last, upon the instruction of the President, this Government formally notified Japan and China that it would not recognize any situation, treaty, or agreement entered into by those governments in violation of the covenants of these treaties, which affected the rights of our Government or its citizens in China. If a similar decision should be reached and a similar position taken by the other governments of the world, a caveat will be placed upon such action which we believe will effectively bar the legality hereafter of any title or right sought to be obtained by pressure or treaty violation, and which, as has been shown by history in the past, will eventually lead to the restoration to China of rights and titles of which she may have been deprived.

In the past our Government, as one of the leading powers on the Pacific Ocean, has rested its policy upon an abiding faith in the future of the people of China and upon the ultimate success in dealing with them of the principles of fair play, patience, and mutual good will. We appreciate the immensity of the task which lies before her statesmen in the development of her country and its government. The delays in her progress, the instability of her attempts to secure a responsible government, were foreseen by Messrs. Hay and Hughes and their contemporaries and were the very obstacles which the policy of the open door was designed to meet. We concur with those statesmen, representing all the nations, in the Washington conference who decided that China was entitled to the time necessary to accomplish her development. We are prepared to make that our policy for the future.

Very sincerely yours,

HENRY L. STIMSON.

The Hon. WILLIAM E. BORAH,
United States Senate.

PETITIONS AND MEMORIALS

Mr. JONES presented the petition of the pupils of the seventh and eighth grades of the public schools of Nooksack, Wash., praying that "Miss Columbia" be nominated as a fitting mate for Uncle Sam and that hereafter the patronymic saints of this country be known as Uncle Sammy and Aunt Columbia, which was referred to the Committee on the Judiciary.

Mr. KEAN presented a memorial of sundry citizens of Wildwood, N. J., remonstrating against the proposed modification, resubmission to the States, or repeal of the prohibition measure, which was referred to the Committee on the Judiciary.

Mr. BLAINE presented resolutions adopted by Groups Nos. 563 and 730 of the Polish National Alliance, of Milwaukee, Wis., favoring the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

Mr. BROOKHART presented a petition of sundry citizens of Harlan, Iowa, praying for the immediate payment in cash of adjusted-service compensation certificates (bonus), which was referred to the Committee on Finance.

Mr. DICKINSON presented a memorial of sundry citizens of Iowa City, Iowa, remonstrating against the proposed imposition of a 10 per cent amusement tax on theater admissions, which was referred to the Committee on Finance.

Mr. FRAZIER presented a petition signed by 210 members of the faculty and student body of the State Teachers College at Mayville, N. Dak., praying for a drastic reduction in armaments of all kinds, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented the petition of Walter Johnson and George P. Sacks, of Bethesda, Md., praying for the passage of legislation regulating the closing of barber shops on Sunday in the District of Columbia, known as the Copeland Sunday health bill, which was referred to the Committee on the District of Columbia.

Mr. NORBECK presented memorials numerously signed by sundry citizens of Sioux Falls, Rowena, Mitchell, Dell Rapids, Huron, Belvidere, Schamber, White River, Belle Fourche, Hudson, Parker, Alexandria, Fulton, Artesian, Hurley, Centerville, and Viborg, all in the State of South Dakota, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. SHIPSTEAD presented a resolution adopted by Group No. 1033 of the Polish National Alliance, of South St. Paul, Minn., praying for the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's memorial day, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Alexandria, Minn., praying for the maintenance of the prohibition law and its enforcement, and protesting against any measure looking toward its modification or repeal, which was referred to the Committee on the Judiciary.

Mr. COSTIGAN presented memorials of 33 citizens of Pueblo, Colo., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented resolutions adopted by the Woman's Society of the First Avenue Presbyterian Church of Denver; the Woman's Club of Fort Collins; the Hesperus P. T. A., of Hesperus; and the Woman's Christian Temperance Union of Fort Lewis, all in the State of Colorado., protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and for education in law observance, which were referred to the Committee on the Judiciary.

Mr. CAPPER presented petitions numerously signed by sundry citizens of the District of Columbia, praying for the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, known as the Copeland Sunday health bill, which were referred to the Committee on the District of Columbia.

He also presented petitions numerously signed by citizens, being retail grocers, in the State of Kansas, praying for the passage of legislation providing for restrictions in radio broadcasting to prevent its use for the direct sale of commodities, which were referred to the Committee on Interstate Commerce.

He also presented petitions of sundry citizens of Baldwin and Junction City, both in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the regular service of the First Baptist Church of Parsons, and local chapters of the Woman's Christian Temperance Union of Baldwin and Junction City, in the State of Kansas, protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and for education in law observance, which were referred to the Committee on the Judiciary.

Mr. WALCOTT presented the memorial of the Putnam Hill Chapter, Daughters of the American Revolution, of Greenwich, Conn., remonstrating against the passage of the so-called Griffin bill relating to the citizenship of certain aliens, which was referred to the Committee on Immigration.

He also presented the petition of Plumbers' Local Union, No. 345, United Association of Journeymen Plumbers and Steam Fitters, of Willimantic, Conn., praying for the passage of the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, which was ordered to lie on the table.

He also presented a resolution adopted by Group No. 2067 of the Polish National Alliance, of Hartford, Conn., favoring the passage of legislation requesting the President to proclaim Octotber 11 in each year as General Pulaski's memorial day, which was referred to the Committee on the Judiciary.

He also presented letters in the nature of petitions from James Palache Post, No. 53, of Farmington; Gray-Dickinson Post, No. 59, of Windsor; and Danbury Post, No. 60, of Danbury, all of the American Legion, in the State of Connecticut, praying for the passage of Senate bill 51, to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties; also the establishment of a World War veterans' committee of the Senate and opposing any reduction in the Regular Army, the National Guard, the Reserve Officers' Training Corps, or the citizens' military training camps, which were referrred to the Committee on Rules.

He also presented petitions and papers in the nature of petitions from Hatheway-Miller Unit, No. 62, of Ellington; the Fairfield County District No. 3, of Stamford; Treadway-Cavanaugh Unit, No. 64, of East Hampton; Richard W. Ibell Post, No. 61, of Deep River; Greenwich Unit, No. 29, of Greenwich; Robert O. Fletcher Post, No. 4, of Norwich; Russell K. Bourne D. S. C. Post, No. 23, of Wethersfield; James J. Shea Unit, No. 19, of Willimantic; Morgan Weir Post, No. 27, of Litchfield; Seicheprey Unit, No. 2, of Bristol; Rau-Locke Post, No. 8, of Rocky Hill; Dilworth-Cornell Unit, No. 102, of Manchester; Eddy-Glover Unit, No. 6, of New Britain; and H. H. Post, No. 66, of Clinton, all units of the American Legion Auxiliary, in the State of Connecticut, praying for the passage of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties, and also the establishment of a World War veterans' committee of the Senate, which were referred to the Committee on Rules.

Mr. COPELAND presented a petition of sundry citizens of Syracuse, N. Y., praying for the passage of the so-called Sparks-Capper stop alien representation amendment, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Bronxville (N. Y.) Women's Club, favoring an amendment to the tariff law and the criminal code relative to supplies and medical literature on the subject of birth control, etc., which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by groups of the Polish National Alliance of Batavia, Middleville, Amsterdam, Yonkers, and Jamaica, Long Island, all in the State of New York, favoring the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's memorial day, which were referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Buffalo (N. Y.) Paint, Oil, and Varnish Club, favoring the passage of legislation providing for home-loan discount banks, which was referred to the Committee on Banking and Currency.

He also presented resolutions adopted by the Fleet Reserve Association, Branch No. 44, of Suffolk County, and Branch No. 26, of the Fleet Reserve Association, of New York City, both in the State of New York, favoring the prompt passage of legislation providing for the construction of all naval vessels necessary to bring the Navy up to the full strength permitted under existing treaties, which were ordered to lie on the table.

He also presented a resolution adopted by the American Paper and Pulp Association, New York City, N. Y., favoring the making of appropriation for the paper division of the forest products laboratory at Madison, Wis., which was ordered to lie on the table.

He also presented a petition of members of the Manufacturers' Association, of Jamestown, N. Y., praying for a reduction of the Federal salary and wage scale and the elimination of duplicating positions, functions, and bureaus in the Government service, which was referred to the Committee on Expenditures in the Executive Departments.

He also presented a resolution adopted by Starry Flag Council, No. 123, Sons and Daughters of Liberty, in the State of New York, favoring the passage of legislation to deport alien communists from the country, which was referred to the Committee on Immigration.

He also presented a resolution adopted by Frank L. Simes Post, No. 146, the American Legion, of Rochester, N. Y., opposing the proposal to reduce appropriations for the national defense, which was referred to the Committee on Appropriations.

He also presented memorials of sundry citizens in the State of New York, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of Brooklyn, N. Y., praying for the passage of legislation to prohibit experiments upon living dogs in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented memorials and papers in the nature of memorials from sundry citizens and organizations in the State of New York, remonstrating against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures and favoring the making of adequate appropriations for law enforcement and for education in law observance, which were referred to the Committee on the Judiciary.

THE FAR EASTERN CRISIS

Mr. WALSH of Massachusetts. Mr. President, upon request, I present a petition signed by A. Lawrence Lowell, president of Harvard University, and others, with reference to the Far Eastern crisis, which I ask may be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the letter of transmittal and accompanying petition were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

NATIONAL PRESS BUILDING,
Washington, D. C., February 20, 1932.

Senator DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: I have the honor of transmitting to you, on behalf of President A. Lawrence Lowell, of Harvard University, and his cosigners, the inclosed petition with reference to the Far Eastern crisis.

Will you be good enough to bring this petition to the attention of the Senate.

Very respectfully yours,

RAYMOND T. RICH.

To the United States Senate:

The events in Manchuria, and still more at Shanghai, have shown that protests by other governments and the public opinion of the world will not alone restrain the use of armed force to attain national ends.

China has asked for an extraordinary session of the Assembly of the League of Nations to consider the acts of Japanese troops upon her soil. If it shall be found that Japan has resorted to war without submitting the dispute to arbitration, judicial settlement, or to the council—none of which has been done—it will be the covenanted duty of all the members of the league to prohibit trade and financial relations of their countries with the covenant-breaking state, and to prevent all intercourse with that state by the people of any other state, whether a member of the league or not.

Obviously this can not in fact be done in the case of Japan without the concurrence of the United States; nor will any steps be taken toward it without assurance that, if taken, this country will concur. The United States is not a member of the league, but it is a party to the Kellogg-Briand pact of Paris, and there can be no doubt that Japan, contrary to that pact, has sought to settle a dispute by other than pacific means. What will our Government do? Will it refuse to sever commercial relations and thereby prevent almost all the rest of the world from bringing to bear economic pressure which will certainly stop the present bloodshed; or will it act in harmony with other nations to stop it?

We, the undersigned, appeal to the President and Congress to signify to the league that we will concur in economic measures it may take to restore peace.

A. LAWRENCE LOWELL,
President Harvard University.
WILLIS J. ABBOT,
Editorial Board, Christian Science Monitor.
NEWTON D. BAKER,
Cleveland, Ohio.
LIVINGSTON FARRAND,
President Cornell University.
EDWARD A. FILENE,
Boston, Mass.
GUY STANTON FORD,
Acting President University of Minnesota.
HARRY A. GARFIELD,
President Williams College.
ERNEST MARTIN HOPKINS,
President Dartmouth College.
CHESTER ROWELL,
Fresno, Calif.
ALEXANDER G. RUTHVEN,
President University of Michigan.
KENNETH M. SILLS,
President Bowdoin College.

LIST OF UNIVERSITY PROFESSORS WHO HAVE SIGNED PETITION INITIATED BY PRESIDENT LOWELL

CONNECTICUT

Connecticut College, New London: Robert C. Foster, department of history and political science; Henry W. Lawrence, department of history and political science; Hannah G. Roach, department of history and political science.

Trinity College, Hartford: Ramsen B. Ogilby, president.

Wesleyan University, Middletown: S. H. Brockunier, department of history and government; Kossuth M. Williamson, department of economics and social science.

Yale University, New Haven: Wallace Notestein, department of history.

DELAWARE

University of Delaware, Newark: James A. Barkley, department of history and political science.

WASHINGTON, D. C.

American University: W. M. Gewehr, department of history.

Howard University: Walter Dyson, department of history; Charles H. Wesley, department of history.

George Washington University: William C. Johnstone, jr., school of government.

KANSAS

University of Kansas, Lawrence: Frank Strong, department of law.

ILLINOIS

Illinois Wesleyan University, Bloomington: C. L. Hoag, department of history and political science.

MARYLAND

Goucher College, Baltimore: Jean I. Brookes, department of history; Naomi Riches, department of history.

Johns Hopkins University, Baltimore: Kent R. Greenfield, department of history.

St. John's College, Annapolis: R. Avelmenulen; Ford K. Brown; Julian S. Duncan; Paul E. Gray; Louis C. Hunter, department of social sciences and philosophy; M. McClaren; G. C. Nedova; V. J. Wyckoff.

University of Maryland, College Park: Eugene B. Daniels, department of economics and sociology.

MASSACHUSETTS

Amherst College, Amherst: Phillips Bradley, department of political science; E. Dwight Salmon, department of history.

Clark University, Worcester: S. J. Brandenburg, head department of economics and sociology; Philip H. Churchman, department of romance languages; Dwight E. Lee, department of history and international relations; J. A. Maxwell, department of economics; Carey E. Melville, department of mathematics; P. W. Shankweiler, department of sociology.

Harvard University, Cambridge: James P. Baxter, 3d, department of history; Paul H. Buck, department of history; J. Harold DeNike; William Y. Elliott, department of government; H. L. Elsbree; Rupert Emerson, department of government; Merle Fainsod; Sidney B. Fay, department of history; C. E. Haines; C. H. Haring, department of history; E. Pendleton Herring; Bruce C. Hopper, department of government; W. P. Maddox; Dale Pontius; Charles W. Putnam; Emmet S. Redford; Eugene H. Reed; A. M. Schlesinger, department of history; F. W. Taussig, department of economics; P. S. Wild, department of government; R. F. Wright, jr.

Massachusetts Agricultural College, Amherst: A. Anderson MacKinnie, department of social sciences.

Mount Holyoke, South Hadley: Ellen D. Ellis, department of history and political science; Bertha H. Putnam, department of history and political science.

Simmons College, Boston: G. Nye Steiger, department of history and government.

Smith College, Northampton: William D. Gray, department of history; S. Ralph Harlow, department of religion and biblical literature; Alice M. Holden, department of government.

Tufts College, Medford: Ruhl Jacob Bartlett, department of history; Raymond Phelan, department of economics.

Wellesley College, Wellesley: Edward E. Curtis, department of history; Louise Overacker, department of history.

Wheaton College, Norton: Elsie E. Gulley, department of history and political science; Clifford C. Hubbard, department of history and political science.

Williams College, Williamstown: Donald C. Blaisdell, department of political science; Charles Fairman, department of political science; Charles Roy Keller, department of political science.

MICHIGAN

Michigan State Teachers College (Central), Mount Pleasant: Van Lieu Minor, department of history and social science.

NEW HAMPSHIRE

Dartmouth, College, Hanover: Frank Maloy Anderson, department of history; Harold R. Bruce, department of political science; John G. Gazley, department of history.

University of New Hampshire, Durham: William Yale, department of history; David H. Chapman; Philip G. Neserius, department of political science.

NEW JERSEY

Rutgers University, New Brunswick: Irving S. Kull, department of social sciences.

NEW YORK

Alfred University, Alfred: R. J. Bennett, department of history and political science; J. Nelson Norwood, department of history and political science.

Colgate University, Hamilton: Freeman H. Allen, department of social sciences.

College of the City of New York: J. Salwyn Schapiro, department of history.

Columbia University: Larrabee Albertson; Nelson Beeman; Cedric Callander; R. C. Carroll; John M. Case; Shepard B. Clough, department of contemporary civilization and department of history; Frank H. Cousins; Cullen A. Cregan; Frederick E. Croxton; William E. Kunkman, department of banking; Carleton J. H. Hayes, department of history; Samuel G. Inman, department of government and public law; Carliss Lamont, department of contemporary civilization; Harlan B. Livengood; Harold P. Martin; George W. McCall, jr.; George Sinclair Mitchell; John J. Naughton; Michael J. O'Brien; John C. Odink, jr.; John O'Keefe; Cyrus H. Peake, department of political science; Nathaniel Peffer, department of government and public law; James H. Potter; J. Russell Smith, department of geography; Vincent H. Strohsahl; Roy E. Stryker, department of contemporary civilization; Thomas Walsh; Howard L. Williams; James R. Williams.

Elmira College, Elmira: Edith A. Farnham, department of history.

Hamilton College, Clinton: Milledge Louis Bonham, department of history.

Hobart College, Geneva: Leonard A. Lawson, department of history.

New York University: Alexander Baltzly, department of history; Ray F. Harvey; Huntington Hill, department of history; Charles Hodges, department of history; John Musser, department of history; William Warner Moss, jr., department of government; Wallace S. Sayre; Hurschel V. Thornton.

Russell Sage College, Troy: R. Stanley Thomson, department of history.

St. Lawrence University, Canten: Richard L. Power, department of history; Henry Reiff, department of government.

Skidmore College, Saratoga Springs: Kathryn H. Starbuck, department of social and political sciences.

Syracuse University, Syracuse: Ernest S. Griffith, department of political science.

Union College, Schenectady: Gordon Dewey, department of political science.

University of Rochester, Rochester: Donald W. Gilbert, department of economics.

Vassar College, Poughkeepsie: James F. Baldwin, department of history; Eloise Ellery, department of history.

OHIO

Baldwin-Wallace College, Berea: Albert B. Storms, department of history and government.

University of Cincinnati, Cincinnati: H. M. Vinacke, department of political science.

Ohio State University, Columbus: W. H. Siebert, department of history; Henry R. Spencer, department of political science.

PENNSYLVANIA

Albright College, Reading: L. E. Smith, department of history and social science.

Bryn Mawr College, Bryn Mawr: William Roy Smith, department of history.

Lafayette College, Easton: E. P. Chase, department of government; William W. Eddy, department of history.

Muhlenberg College, Allentown: J. E. Swain, department of history.

University of Pittsburgh: Elmer D. Graper, department of political science.

Swarthmore College, Swarthmore: Troyer S. Anderson, department of history; Herbert F. Fraser, department of economics.

Temple University, Philadelphia: Thomas D. McCormick, department of history and social sciences.

RHODE ISLAND

Brown University, Providence: Bruce M. Bigelow, acting director of admissions; Theodore Collier, department of history; Leland M. Goodrich, department of social and political science; Chester Kirby, department of history.

VERMONT

Middlebury College, Middlebury: E. B. Cornwall, department of political science.

University of Vermont, Burlington: D. B. Carroll, department of political science; Melvin H. Laatsch.

VIRGINIA

Sweet Briar College, Sweet Briar: Jessie Melville Fraser, department of history; Perry Laukhuff.

William and Mary College, Williamsburg: Theodore S. Cox, department of jurisprudence.

WISCONSIN

Milwaukee-Downer College, Milwaukee: Aleida J. Pieters, department of government.

Mr. GORE. Mr. President, in connection with the remarks just submitted by the Senator from Massachusetts [Mr. WALSH] I would like to have printed in the RECORD and appropriately referred a manifesto by the Chinese Students League of Greater New York.

There being no objection, the matter was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

THE SHANGHAI CRISIS—ALL EYES LOOK TO AMERICA

How it started: As a result of Japan's occupation of Manchuria, the Chinese people refused to buy Japanese goods as a means of passive resistance. Japan concentrated her navy at Shanghai and delivered an ultimatum to the Chinese municipal government on January 27 demanding the immediate suppression of Chinese boycotting activities. Japan threatened drastic action in case the demands were not accepted. Desiring to maintain peace at all cost, the mayor of Shanghai accepted every one of the Japanese demands. But immediately after the Japanese consul-general pronounced the Chinese reply "satisfactory," Japanese marines bombarded the unfortified and densely populated metropolitan area of Chapei with heavy artillery and six bombing planes. Japan has made war on China without declaration.

Accomplishments of the Japanese Navy: Ten thousand homes were demolished on the night of January 28 alone. Thousands of civilians, mostly women and children who are defenseless, were either burned or buried alive. More than a million people were driven away from their homes. Fire set to the buildings of Chapei by Japanese bombs devoured whatever the shells had left. Since January 28 the Japanese kept up their bombardment almost daily. Even cultural institutions, including schools and libraries, have not been spared.

Chinese soldiers made heroic resistance: Under the heavy bombardment and onslaught the Chinese soldiers have not flinched. They have been fighting against all odds, but they are determined to defend their fatherland to "the last man and the last round of ammunition." Up to February 4 they have repelled their invaders seven times.

An unfair advantage: The Japanese troops are using the International Settlement as their base of operation. The Chinese can not return fire without jeopardizing American and European interests. The powers do not allow Chinese soldiers to enter the settlement, but they allow the Japanese to hold a neutral area from which they can attack the Chinese without fear of being attacked.

All eyes turn to America: America has stood for the "open door policy" in the Far East since the days of John Hay. America called the Washington conference in 1922 to protect China's territorial and administrative integrity. Secretary Kellogg is one of the originators of the pact of Paris. The world to-day is looking to America to uphold world peace, justice, righteousness, and the sanctity of international treaties.

Aside from idealistic reasons, it is hoped that America will act for self-defense purposes. More than a billion dollars of American money are now invested in China. If Japan should control China, a severe blow will be dealt to American trade in the Orient. Moreover, with China subdued, Japan will soon extend her greedy hands to the Philippines and the Hawaiian Islands.

Note writing ineffective: Since the beginning of the Sino-Japanese conflict Secretary of State Stimson has spared no pains in protesting to Tokyo. The Chinese people are highly appreciative of his efforts, but these American protests have fallen on deaf ears. Japanese militarism can not be stopped by diplomatic protests. The day of note writing has passed. More drastic measures are necessary to save the situation.

No fear of a world war: We do not want to involve this country or any other powers in a world war against Japan. We have decided to fight our battles ourselves. We only request that you will use your tremendous military, naval, and economic power to remove the following handicaps under which we are operating:

1. Maintain the strict neutrality of the International Settlement. Allow neither Chinese nor Japanese to march through it or use it as a base from which to launch an attack.

2. Place an embargo upon the export of arms and ammunition to Japan. Your arms are being used to kill thousands of our civilians, women and children.

3. Place an embargo on the sale of cotton to Japan. From your cotton the Japanese make explosives that have demolished our peaceful cities and slaughtered thousands of noncombatants without warning.

4. Do not contribute to the Japanese war chest by purchasing Japanese silk and other Japanese goods.

This is all the help we ask. You can give it to us without the slightest loss to the United States, because the moment the embargo is declared Japan would have to yield to the peace proposals of the western powers which she now stubbornly rejects. Neither would she contemplate war against the United States, for she can not afford to lose her profitable foreign trade with this country. Won't you write to your President, Secretary of State, or Member of Congress asking them to take immediate action like the above to save an old civilization from being destroyed and 400,000,000 of your friends from being ruthlessly slaughtered?

THE CHINESE STUDENTS LEAGUE OF GREATER NEW YORK,
500 Riverside Drive, New York City.

REMONETIZATION OF SILVER

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Gov. George W. P. Hunt, of Arizona, a letter from the Pekin (N. Dak.) Cooperative Elevator Co., and a letter and a petition from Ionia, Mich., signed by sundry citizens, indorsing my bill for the remonetization of silver. I ask that the documents be referred to the Committee on Finance and printed in the RECORD.

There being no objection, the letters were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE, STATEHOUSE,
Phoenix, Ariz., February 16, 1932.

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have read your bill and speech with much interest and satisfaction. There is always a day of settlement. The Bourbons never learned anything and never forgot anything. In my opinion, if they do not yield to common sense this time, the general public will not waste any more patience on them. A public that is now willing to meet them half way is far different from a public that will act without considering them at all.

There is no question at all but that the depreciation of silver since 1926 has given its contribution to the present depression. Expansion of bank credit is a beneficial moratorium, but it will not restore the purchasing power of half the people of the earth who have had their wealth in silver destroyed, nor will it restore the export trade of this country.

The reason silver did not win in 1896, aside from the unprecedented campaign fund, was the ignorance of so large a part of the people. I believe we should have this in mind at the outset of the campaign this time and take effective steps to educate the public. With this in mind, I am inclosing a paper on the subject prepared by Mr. C. M. Zander, of my official family, and carried to the silver conference at Denver by John E. Russell, Arizona's representative to the conference. Will you kindly give me your feeling with respect to the suggestion offered in this paper. I am moved by the thought that if the Senate would develop the facts, the subject would be lifted from the weakness of mere assertion to the impressiveness of new discoveries.

I hope and trust much good will come from your efforts.

With best wishes, I remain, sincerely yours,

GEO. W. P. HUNT,
Governor.

PEKIN, N. DAK., *February 16, 1932.*

Hon. BURTON K. WHEELER,
Senate Office Building, Washington, D. C.

DEAR SENATOR: The following resolution was adopted by our board of directors at their meeting February 15, 1932:

"*Resolved*, That we are strongly in favor of Senator WHEELER's bill (S. 2487) to establish a bimetallic system of currency, and sincerely trust you will be able to secure the passage of this bill during the present session of Congress."

Sincerely yours,

PEKIN CO-OPERATIVE ELEVATOR CO.,
By L. O. FREDRICKSON, *Secretary*.

IONIA, MICH., *February 15, 1932*.

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.

DEAR SIR: During the campaign last fall in this eighth congressional district I frequently heard the remark, "Bryan was right in 1896, mankind is being crucified upon a cross of gold," and having taken an active part in that campaign I became curious to learn how much sentiment favorable to a restoration of the free coinage of silver there was among the younger generation of voters in this vicinity. Last Saturday I took the inclosed typewritten sheets and made a 3-hour canvass among the shoppers on our main street. It was not a selective canvass. Every person I encountered, who was not busily engaged, was handed a sheet. Invariably, on reading it, they would reach for my pencil saying: "Yes; I want to sign this." I was surprised to see how eager and glad they were to have the opportunity to express their approval. I only found seven or eight who demurred. Most of these signers are farmers, several are professional and business men, and a few are workingmen. Judging from this hit-and-miss canvass I infer that a very large majority of the voters in this vicinity are emphatically in favor of a return to bimetallism. Another thing that impressed me was the frequently expressed opinion that our banking laws should be revised and depositors protected and assured from loss by the Government. All were skeptical of the success of Mr. Hoover's appeal to the people to return to the banks their savings that they had drawn out and were hoarding. The people have certainly lost confidence in banks and bankers and are looking as never before to Congress for leadership and constructive legislation.

Respectfully yours,

L. P. BROCK,
409 Union Street, Ionia, Mich.

Hon. BURTON K. WHEELER,
United States Senator, Washington, D. C.:

The undersigned citizens of Ionia, Mich. (Republicans and Democrats), hereby express their hearty approval of your bill to restore bimetallism by providing for the free coinage of both gold and silver and urge that you press its speedy enactment into law.

A. A. BAXTER,
L. P. BROCK
(And sundry other citizens of Ionia, Mich.).

REPORTS OF COMMITTEES

Mr. HALE, from the Committee on Naval Affairs, to which was referred the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties, reported it with an amendment and submitted a report (No. 280) thereon.

Mr. REED, from the Committee on Finance, to which were referred the following bills, submitted adverse reports thereon:

S. 791. An act for the relief of Clarence J. Burris (Rept. No. 286);

S. 792. An act for the relief of Nancy Catherine McBride (Rept. No. 287);

S. 793. An act for the relief of Mildred F. Evans and W. A. Evans (Rept. No. 288);

S. 794. An act granting an increase of compensation to Tryphosa E. Abrams (Rept. No. 289);

S. 828. An act granting compensation to David Samuel Goldstein (Rept. No. 281);

S. 1103. An act to extend the benefits of the World War veterans' act, 1924, and acts amendatory thereof to Thomas Beverly Campbell (Rept. No. 282);

S. 1156. An act for the relief of Lyda F. Foster (Rept. No. 283);

S. 1157. An act for the relief of Catherine McLinden (Rept. No. 284); and

S. 1158. An act for the relief of Cordelia Evangeline Mitchell (Rept. No. 285).

Mr. TOWNSEND, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2827) to amend the act known as the "Perishable agricultural commodities act, 1930," approved June 10, 1930, reported it with an amendment and submitted a report (No. 291) thereon.

He also, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 165) to pay to Julia Rieg a sum equal to six months' compensation of the late John Rieg, reported it without amendment.

Mr. FESS, from the Committee on the Library, to which was referred the bill (S. 290) to establish a memorial to Theodore Roosevelt in the National Capital, reported it with an amendment and submitted a report (No. 292) thereon.

He also, from the same committee, to which was referred the bill (S. 3506) authorizing the selection of a site and the erection thereon of a suitable monument indicating the historical significance of the Chesapeake & Ohio Canal, reported it without amendment and submitted a report (No. 293) thereon.

Mr. SMOOT, from the Committee on Finance, to which was referred the bill (S. 323) granting compensation to Harriet M. MacDonald, reported it with an amendment and submitted a report (No. 294) thereon.

He also, from the same committee, to which was referred the bill (S. 695) authorizing additional hospital and domiciliary facilities for veterans of all wars, reported it with amendments and submitted a report (No. 295) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 694. An act to authorize the sale of interest in lands devised to the United States under the will of Sophie Chanquet (Rept. No. 296); and

S. 1528. An act for the relief of the State of Indiana (Rept. No. 297).

Mr. SMOOT also, from the Committee on Finance, to which were referred the following bills, submitted adverse reports thereon:

S. 103. An act for the relief of Joseph C. Shaw (Rept. No. 298);

S. 104. An act for the relief of Frederick Roland Hickey (Rept. No. 299);

S. 140. An act to extend certain benefits to Robert Smith Watson and William La Velle Watson (Rept. No. 300);

S. 505. An act for the relief of Walter S. Rodgers (Rept. No. 301); and

S. 623. An act providing for the payment by the Government of attorneys' fees in certain suits growing out of governmental insurance policies issued to service men or ex-service men (Rept. No. 302).

Mr. HEBERT, from the Committee on the Judiciary, to which was referred the bill (S. 2232) to amend section 126 of the Judicial Code, as amended, reported it with amendments and submitted a report (No. 303) thereon.

Mr. CAREY, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2853. An act to provide for the commemoration of the Battle of Wagon Box, in the State of Wyoming (Rept. No. 305); and

S. 2854. An act to provide for the commemoration of the Battle of Dull Knife, in the State of Wyoming (Rept. No. 306).

Mr. FLETCHER, from the Committee on Military Affairs, to which was referred the bill (S. 3014) to provide for the commemoration of the landing of Ponce de Leon in the State of Florida, reported it without amendment and submitted a report (No. 307) thereon.

Mr. BINGHAM, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 307) to approve act No. 256 of the Session Laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the districts of North Kona and South Kona, on the island and county of Hawaii, Territory of Hawaii," reported it without amendment and submitted a report (No. 290) thereon.

He also, from the Committee on Finance, to which were referred the following bills, submitted adverse reports thereon:

S. 1310. An act granting compensation to John Frost (Rept. No. 308);

S. 1387. An act granting an increase of compensation to Abbie Doty (Rept. No. 309);

S. 1403. An act for the relief of Rhetta H. Guild (Rept. No. 310);

S. 1488. An act granting compensation to Charles A. Bussard (Rept. No. 311);

S. 1602. An act for the relief of George Harry Stranahan (Rept. No. 312);

S. 1670. An act granting Harry P. Cooper the privilege of filing application for benefits under the emergency officers' retirement act (Rept. No. 313);

S. 1835. An act granting disability allowance to Harvey Wilson (Rept. No. 314); and

S. 2826. An act for the relief of Benjamin F. Johnson (Rept. No. 315).

Mr. VANDENBERG, from the Committee on Commerce, to which was referred the bill (H. R. 5064) authorizing Vernon W. O'Connor, of St. Paul, Minn., his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Rainy River at or near Baudette, Minn., reported it with an amendment and submitted a report (No. 316) thereon.

SALARIES OF MEMBERS AND EMPLOYEES OF FARM BOARD

Mr. GEORGE. From the Committee on Civil Service I report favorably with amendments the bill (S. 2493) to amend section 2 of an act known as the agricultural marketing act, passed and approved June 15, 1929, relating to salaries of members and employees.

I invite the attention of the senior Senator from Idaho [Mr. BORAH], the author of the bill, to an amendment which is reported by the committee.

I should like to say, Mr. President, that this bill proposes to reduce the salaries of the members of the Farm Board. The amendment places a limitation upon the right and power of the board to use Federal funds in any organization where the salaries are in excess of the maximum fixed by the bill.

The VICE PRESIDENT. The bill will be placed on the calendar.

JULIA RIEG

Mr. WALSH of Montana. I ask unanimous consent for the present consideration of Senate Resolution 165, which has been reported by the Senator from Delaware [Mr. TOWNSEND].

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Julia Rieg, mother of John Rieg, late a page in the Senate Chamber, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

EXECUTIVE REPORTS OF THE COMMITTEE ON NAVAL AFFAIRS

As in executive session,

Mr. HALE, from the Committee on Naval Affairs, reported favorably sundry nominations of officers in the Navy, which were placed on the Executive Calendar.

NOTICE OF CONFIRMATION OF AMBASSADOR TO JAPAN

Mr. BORAH. A few days ago the Senate confirmed the nomination of Joseph C. Grew, to be ambassador extraordinary and plenipotentiary to Japan. Since that time we have not had an executive session. I desire to ask, as in executive session, that the President be notified of the confirmation.

The VICE PRESIDENT. In the absence of objection, it will be so ordered, and the President will be notified.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COSTIGAN:

A bill (S. 3781) to authorize the reconditioning of the buildings at the United States Veterans' Administration hospital at Fort Lyon, Colo.; to the Committee on Finance.

A bill (S. 3782) for the relief of the confederated bands of Ute Indians, located in Utah, Colorado, and New Mexico; to the Committee on Indian Affairs.

By Mr. BORAH:

A bill (S. 3783) granting a pension to George W. Stoddard (with accompanying papers); to the Committee on Pensions.

A bill (S. 3784) to add certain lands to the Idaho National Forest, Idaho; to the Committee on Public Lands and Surveys.

By Mr. GORE:

A bill (S. 3785) to amend the World War adjusted-compensation act, 1924, as amended; to the Committee on Finance.

By Mr. FESS:

A bill (S. 3786) to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1933, and to authorize an appropriation to assist in meeting the expenses of the session; to the Committee on Foreign Relations.

By Mr. BARBOUR:

A bill (S. 3787) to provide for the commemoration of Middlebrook Heights near Bound Brook, N. J., where George Washington was in camp at the time of the adoption of the United States flag by Congress, June 14, 1777; to the Committee on Military Affairs.

By Mr. STEPHENS:

A bill (S. 3788) granting an increase of pension to Ethel B. Sutherland; to the Committee on Pensions.

A bill (S. 3789) for the relief of Benjamin Wright; to the Committee on Naval Affairs.

By Mr. TYDINGS:

A bill (S. 3790) to reimburse the city of Frederick, Md., for moneys paid to a Confederate army on July 9, 1864, under penalty of burning such city; to the Committee on Claims.

A bill (S. 3791) to give status of an enlisted man in the Navy of the United States and an honorable discharge therefrom to John Peter Jens Duhn, an operative in naval intelligence of the Navy Department from December 1, 1916, to March 1, 1919, and for hospitalization and medical treatment, and to place him on the emergency officers' retired list; to the Committee on Naval Affairs.

A bill (S. 3792) to amend sections 5 and 6 of the act of June 30, 1906, entitled "An act to prohibit the killing of wild birds and wild animals in the District of Columbia," and thereby to establish a game and bird sanctuary of the Potomac River and its tributaries in the said District; to the Committee on the District of Columbia.

By Mr. CAPPER:

A bill (S. 3794) granting an increase of pension to Mina Beckley (with accompanying papers); and

A bill (S. 3795) granting an increase of pension to Hannah Morrison (with accompanying papers); to the Committee on Pensions.

By Mr. CUTTING:

A bill (S. 3796) granting compensation to Reuben R. Hunter; to the Committee on Claims.

A bill (S. 3797) granting compensation to Mary Griffin; and

A bill (S. 3798) granting compensation to Farrel E. Plymate; to the Committee on Finance.

By Mr. FLETCHER (by request):

A bill (S. 3799) providing for liquidating the affairs of certain national banks now in the hands of receivers and/or those hereafter placed in the hands of receivers; to the Committee on Banking and Currency.

By Mr. COPELAND:

A bill (S. 3800) to provide for cooperation with the several States and Territories in the physical restoration, education, vocational guidance, and vocational education of physically handicapped children and their placement and follow-up in

employment, and for other purposes; to the Committee on Education and Labor.

By Mr. ROBINSON of Indiana:

A bill (S. 3801) granting a pension to Jane Baile (with accompanying papers); and

A bill (S. 3802) granting a pension to Mary J. Brooks (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 3803) for the relief of Edward N. Jerry; to the Committee on Finance.

By Mr. DILL:

A bill (S. 3804) to prevent discriminations against American ships and ports, and for other purposes; to the Committee on Finance.

A bill (S. 3805) to aid the several States in constructing post roads; to the Committee on Post Offices and Post Roads.

By Mr. BROOKHART:

A bill (S. 3806) for the relief of Lottie Naylor; to the Committee on Claims.

A bill (S. 3807) for the relief of the Des Moines & Central Iowa Railroad; to the Committee on Interstate Commerce.

By Mr. SHIPSTEAD:

A bill (S. 3808) to provide for carrying out the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of date November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of the St. Paul Foundry Co., St. Paul, Minn.; of the American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; to the Committee on Claims.

By Mr. ROBINSON of Indiana:

A bill (S. 3809) granting uniform pensions to widows and children of certain persons who served the United States in time of war, and for other purposes; to the Committee on Pensions.

By Mr. JONES and Mr. DILL:

A joint resolution (S. J. Res. 111) providing for a survey for a standard highway in the Mount Baker National Forest Reserve, Wash.; to the Committee on Agriculture and Forestry.

CROP INSURANCE

Mr. SHEPPARD. Mr. President, I introduce a bill to aid in determining the practicability of crop insurance, and I ask that the bill may be set out in the RECORD, together with a brief analysis of it which I have prepared.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill (S. 3793) to aid in determining the practicability of crop insurance was read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

A bill (S. 3793) to aid in determining the practicability of crop insurance

Be it enacted, etc., That in order to test the practicability of crop insurance the Federal Farm Board, created under the agricultural marketing act, approved June 15, 1929, is hereby authorized, in its discretion, to enter into reinsurance or excess loss reinsurance contracts with mutual, cooperative, and/or other insurance organizations approved by the board, which insure or may hereafter insure growing crops against groups or combinations of hazards to which growing crops are usually subject, to an amount equal at least to a substantial part of the cost of producing any crop, as determined by the Federal Farm Board. The total amount of such reinsurance shall not exceed $50,000,000. Such reinsurance contracts shall contain such terms and conditions and be written for such premiums as may be prescribed from time to time by the Federal Farm Board: In the event of a loss arising on account of any such reinsurance contract entered into as aforesaid, the amount thereof shall be paid from the revolving fund provided for in said agricultural marketing act on vouchers approved by the chairman of the Federal Farm Board, as provided for in said act, and all premiums paid for such reinsurance contracts shall be covered into said revolving fund.

SEC. 2. That when the Federal Farm Board is of the opinion that a satisfactory test has been made as to whether crop insurance and reinsurance of crop insurance may be successfully written by private enterprise, the Federal Farm Board shall so report to Congress and thereafter shall not enter into any additional reinsurance contracts, but until the submission of such a report the Federal Farm Board shall annually report to Congress the work done under this act, with such recommendations as may be deemed advisable.

The analysis of the bill was ordered to be printed in the RECORD, as follows:

ANALYSIS OF PURPOSE OF ABOVE BILL PREPARED BY SENATOR SHEPPARD

Practically every other process of modern production is insured against physical calamities and hazards except the process of producing field crops. It is this factor that constitutes one of the principal causes of the tragic instability and uncertainty of farming, the occupation on which the world depends for its food and clothing. The farmer is thus condemned to carry the chief economic burden of our present civilization. Science and progress have left him, so far as his growing crops are concerned, almost as much as ever at the mercy of physical calamities and hazards. This is a situation which should not be permitted if it can be avoided.

The object of this bill is to determine the practicability of the insurance of growing crops by private enterprise through an experimental system of excess loss insurance or reinsurance contracts by the Farm Board with cooperative and ordinary business organizations for a sufficient time to permit a thorough study and a practical trial of the subject to be made. Reports of progress are to be made from time to time to Congress, and when a complete and satisfactory trial has been made Government cooperation ceases.

PROPOSED ANTI-INJUNCTION LEGISLATION—AMENDMENTS

Mr. HEBERT submitted sundry amendments intended to be proposed by him to the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. ODDIE submitted an amendment intended to be proposed by him to House bill 8397, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 73, line 7, strike out "$45,000" and insert "$146,000," so as to read:

"*Provided*, That of this fund not to exceed $146,000 shall be available for the erection, operation, and maintenance of necessary school buildings and appurtenances on the Boulder Canyon project Federal reservation, and for the purchase and repair of required desks, furnishings, and other suitable facilities; for payment of compensation to teachers and other employees necessary for the efficient conduct and operation of schools on said reservation."

ADDRESSES BY PRESIDENT HOOVER AND REPRESENTATIVE BECK

Mr. FESS. Mr. President, it is my understanding that the House will pass a concurrent resolution to print as a document the proceedings on Monday last commemorating the two hundredth anniversary of the birth of George Washington, which includes the addresses of President Hoover and Representative JAMES M. BECK, of Pennsylvania. I therefore ask that the order made by the Senate on yesterday to print these two addresses as a document be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

GOVERNMENT FOR AMERICAN SAMOA

Mr. JONES. A few days ago I entered a motion to reconsider the vote whereby the bill (S. 417) to provide a government for American Samoa had passed the Senate. It is a bill to provide a government for American Samoa. I will state first the reason why I desire to have the vote whereby the bill was passed reconsidered, and I think there will be no objection to my request. The bill contains a provision under which the coastwise laws are not extended to the Samoan Islands. I desire to propose to that provision of the bill an amendment reading in this way:

Until the President of the United States, after a full investigation of the local needs and conditions, shall, by proclamation, declare that an adequate shipping service has been established to such islands and fix a date for going into effect of the same.

The amendment, if agreed to, would suspend the coastwise laws as to the Samoan Islands until the conditions mentioned are complied with. That is why I ask for the reconsideration of the vote whereby the bill was passed.

Mr. BINGHAM. I hope the request of the Senator from Washington may be granted, Mr. President. I have no objection to it.

The VICE PRESIDENT. In the absence of objection, the votes whereby the bill was ordered to be engrossed for a third reading, read the third time, and passed will be reconsidered. The bill is now before the Senate.

Mr. JONES. I offer the amendment which I have read.

The VICE PRESIDENT. The Senator from Washington proposes an amendment to the bill, which will be stated.

The CHIEF CLERK. After the word "States" in line 16, page 6, it is proposed to strike out the period and insert a comma and the following:

Until the President of the United States, after a full investigation of the local needs and conditions, shall by proclamation declare that an adequate shipping service has been established to such islands and fix a date for going into effect of the same.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Washington.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TARIFF ON COPPER

Mr. ASHURST. Mr. President, I ask unanimous consent to recur to the order of morning business relating to the presentation of petitions and memorials. I wish to speak for a few moments.

The VICE PRESIDENT. Without objection, the Senator from Arizona is recognized.

Mr. ASHURST. Mr. President, unemployment and continued business depression—the most distressing calamities that could happen to a State—have come to Arizona. The financial structure of the State of Arizona is built upon and around the copper industry. This one industry, directly and indirectly, pays over 50 per cent of the taxes raised in the State and supports about one-third of the population. The collapse of copper mining in Arizona literally means bankruptcy for that State. Copper is mined in 19 of the States of the Union. Arizona is the largest producer, with about one-half of the total output.

Thousands of American copper miners and smelter men in Arizona are now and for many months past have been without employment. Although these men and their families have met this unemployment crisis with brave hearts, it is sadly true that misery and despair all too soon descend upon persons who are long unemployed, and this distress in the copper-producing industry is the result of free trade on copper.

For more than a generation opponents of the Democratic Party have attempted to staple to that party the epithet "free trade." The Democratic Party never was for free trade. It was James Madison—a great Democrat, who assisted in writing the Federal Constitution, who was eight years Secretary of State under President Thomas Jefferson, and who was afterwards for eight years President of the United States—who piloted through the First Congress of the United States the first bill ever passed, and it was a tariff bill. The preamble of that tariff bill, guided, as I said before, through the Congress by the genius of James Madison, recited substantially the following:

Whereas it is necessary for the support of government, for the discharge of the debts of the United States, and the encouragement and protection, etc., that duties be laid on goods, wares, and merchandise imported.

Democrats should assert themselves and vehemently to point out these facts. The lack of a tariff on copper is one of the results of free trade against which I inveigh upon every proper opportunity. Our copper mines are shut, owing partly to the unprecedented rise in foreign production. Our American copper miners and smelter men can not, and should not be required to try to, compete with the cheap insensate copper production of foreign countries such as Africa and South America.

The Republican Party is now in some distress, occasioned partly because it has advocated tariffs to protect the products of the factory, but it has refused in most instances to advocate tariffs to protect the products of the mines, the farm, the field, and the ranch. That party will be further debilitated unless it fairly stands for tariffs on the products of the mines, the farm, the field, and the ranch as well as on the products of the factory.

Mr. President, on the 16th of last June, before the Globe (Ariz.) Chamber of Commerce, my colleague, Senator HAYDEN, delivered an address showing the necessity for a tariff on copper and pointing out the absurdity and the injustice of free trade in copper. I need not do more than to say that when the superb intellect of my colleague gives attention to a subject what he says is well worth the perusal of every attentive and discerning person in the United States, and I ask unanimous consent at this point to have printed in the RECORD the pertinent features of that able address which my colleague delivered showing the necessity for a tariff on copper.

There being no objection, the address by Senator HAYDEN was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

AN ADDRESS ON THE NECESSITY FOR A TARIFF ON COPPER BY SENATOR CARL HAYDEN, BEFORE THE GLOBE CHAMBER OF COMMERCE, GLOBE, ARIZ., TUESDAY, JUNE 16, 1931

It would be a waste of effort to present arguments here to show why a tariff on copper is now needed. Every well-informed person in Arizona knows that all of our mines which produce the red metal are either shut down or operating at greatly reduced capacity, that miners are out of work, that the flow of money which was distributed from the mining camps throughout the State has about ceased.

There is no need to tell the story of our distress to men and women who are already feeling its effects. The place to make such a plea is before those who have power to remedy our plight, the United States Tariff Commission, which can officially find the facts, and before the Congress, which can act after the facts are thus formally established. It is, therefore, my purpose to confine these remarks to a plain statement of what has thus far been accomplished, what is now being done, and what remains to be achieved if copper is to be given equal treatment with other metals and manufactures under the national customs laws.

The first question that naturally arises is why copper, as a raw material, does not now enjoy at least some protection from foreign competition. The answer is that for more than a generation no one with authority to speak for the industry has asked for a tariff while tariff bills have been under consideration by Congress.

I have taken part in three general revisions of the tariff. I was a Representative in Congress when the Underwood-Simmons Act of 1913 was passed in the Wilson administration and the Fordney-McCumber Act was passed in the Harding administration. As a Senator I was present during more than a year that the Hawley-Smoot bill was under discussion before President Hoover gave that measure his approval.

At no time when any of these bills were being formulated did any witness appear in person before the Committee on Ways and Means of the House or the Finance Committee of the Senate and ask for a tariff on copper. These are the committees which actually make tariff bills, yet no one even took the trouble to mail in a brief to be included in the record suggesting that Congress grant protection to copper mined in the United States.

There were two controlling reasons for this entire lack of interest. The price of copper from 1912 to 1929 was fair and for a part of the time exceedingly high. Consequently there was no general incentive to seek a better price. So far as the Underwood law is concerned, if a tariff had been granted, it would have had no effect because the World War dominated all markets and the normal courses of trade were set aside. Raw wool was on the free list, yet war prices prevailed.

The second reason was that during all the 16 years following 1913 the United States was producing more copper than could be consumed in our own country. It is axiomatic that an import duty can not affect the internal market value of any commodity the surplus of which must be exported. In all such cases the amount received abroad fixes the price at home. Perfect proof of this is found in the drop in the price of wheat, of which the United States produces a surplus, from $1.25 to 60 cents a bushel, notwithstanding that there exists an import duty of 42 cents a bushel. Such tariffs are political, not practical.

The tariff is a tax. Congress does not impose tax burdens unless reasons are advanced for doing so. It is indeed a rare industry that has ever been given the advantage of tariff protection without asking for it. Personally I know of no such instance.

The only way that an import duty beneficial to any commodity can be secured is for those interested to make and present a case that justifies their request. The industries that have benefited most by the protective-tariff system have not allowed modesty to interfere with their demands. Silence is unknown to them when tariff legislation is pending in Congress.

The tariff is a tax. But import duties have been levied by Congress under each and every kind of political administration from the very beginning of the American Government. This source of revenue will, no doubt, continue to be utilized until long after we who live to-day have passed away. There never was a tariff bill enacted by Congress which did not have some

measure of protection in it, either intentional or incidental. Therefore, it is vain to oppose all tariffs unless one is willing to say that no such kind of a tax can be justified.

The American people do not want to be robbed, but the great mass of them have no objection to paying a fair price for what they buy. Eight cents is an unfair price for copper. It can not be produced at that figure and allow those who mine it to live under the same standards of comfort and decency as other Americans. If, by levying an import duty, the price can be raised to a fair level so that the industry may prosper, the consuming public in the United States will not protest against such a tax.

We should approach the consideration of a tariff on copper neither as rabid protectionists or rank free traders. Protection gone mad, as in the case of the Hawley-Smoot Act, injures the industries of the country as a whole and when all are suffering that part represented by the production of copper must of necessity also suffer. The present tariff wall has been built so high that goods which Americans produce for export can not be paid for in other goods from nations who would otherwise be our best customers. The balance of trade has been so disturbed that the scales can not be righted and our home market is glutted with goods that would normally have gone abroad.

Absolute free trade, upon the other hand, is neither to be expected nor desired. The American market, which is the greatest in the world, should not be made the dumping ground for commodities produced in all parts of the earth, without regard to decent living conditions, by labor greatly underpaid and sometimes working on terms that approach so near to slavery as to be indistinguishable from it.

Let me also repeat that there always has been and probably always will be revenue collected at the customhouses on imported goods. Revenue can not be raised from any imported article, of which enough is not produced in the United States to supply the domestic demands, without automatically granting protection to those who produce it here. Favors of this kind should be extended equally. If there is to be a duty on clothes, there should also be a duty on the wool of which the cloth is made. The purpose of all that I have said is to prove that nothing is to be accomplished by going to extremes either toward protection or free trade.

The sane and common-sense way to remedy the crisis which now confronts the American copper-mining industry is to agree, first, that all imports of copper are just as legitimate a source of revenue as any other commodity which a ship can bring to our shores; and, second, that if any other product of labor in the United States is to be given the advantage of protection from foreign competition, then copper is entitled to the same measure of benefit. This rule is and should be applicable regardless of what theory the makers of a tariff bill may have in mind as a justification for its enactment.

I am no recent convert to this doctrine. In the National Capitol I have successfully argued that it should apply to long-staple cotton and dates produced in southern Arizona; to the raw wool, the cattle, and the hides of our stockmen; to activated clay in the northern part of our State. The same reasoning was advanced, but not with the same success, in the support of import duties on the crude asbestos of Gila County, the sodium sulphate of the Verde Valley, on manganese and strontium ores, and other products of our State, where discrimination was evident. No one, therefore, can charge me with inconsistency in now saying that the copper which comes from the mines and smelters of Arizona must be considered on a parity with every other product of American industry.

I did not urge that a copper tariff be adopted while the Hawley-Smoot Act was in the making, because it would have been futile to do so. Eighteen-cent copper could not be used as an argument that the industry was depressed and suffering from foreign competition. The price of copper did not drop below 18 cents a pound until after the tariff bill had passed both the House and Senate and was no longer subject to amendment.

It is now generally recognized that pegging the price of copper at 18 cents was an economic mistake which had at least three distinct disadvantages: First, overproduction in the United States was encouraged until a surplus of copper was accumulated which the country could not consume. Next, the development of new mines in Africa and elsewhere, which the world does not need, was speeded up. Lastly, that price effectively stood in the way of any organized effort to obtain a tariff while the Hawley-Smoot bill was under consideration by Congress. The opportunity to secure an import duty in that legislative measure was thus lost.

It goes without saying that Senator ASHURST, Congressman DOUGLAS, and I will welcome the active aid and assistance of any delegation that may come to Washington next winter authorized to appear before the committees in behalf of a tariff on copper. Without that kind of help we will be greatly handicapped. Such is not only the usual but the proper way to present a request for a revision of the tariff. We shall see that those from Arizona who desire to appear as witnesses have an opportunity to be heard if any hearings at all are granted.

I believe that the best way to proceed is to seek the enactment of a special act which will fix an import duty on copper. I have always said that every tariff schedule should be considered on its own merits, irrespective of every other rate which may be proposed. Logrolling is abhorrent. The practice of trading votes is of long standing, but now there is a greater sentiment than ever in Congress against it.

I shall urge the passage of a separate bill or joint resolution based upon the findings of the Tariff Commission with respect to copper. I shall do everything possible to insist that the duty on this one product be discussed and acted upon without regard to politics; that merit alone shall determine the measure of relief which shall be granted.

The next complete revision of the tariff will be generally downward, but that does not mean that some rates will not be raised. The demand will be for an equalization of benefits, not the abolition of all duties. Senators and Congressmen are usually fair-minded and want to do what is right. If the case for copper is properly prepared, if the truth is made obvious, I have every confidence that Congress will do justice to Arizona's greatest industry and grant an equitable import duty—I hope, by a special act, but in any event as a part of some more general bill.

I believe that those who mine copper in Arizona and elsewhere within the Union have an equitable claim for a tariff. If there is to be a tariff for one, there should be a tariff for all. The present injustice and discrimination—which, whether foreseen or not, undoubtedly exists—must be removed and copper placed upon a parity with other metals and commodities that now enjoy protection. The cause is so just that I have faith it will succeed. As a Senator from a State so vitally affected it is my duty, and as heretofore I shall take pride in performing that duty, to see that everything possible is done so that the present tariff law may be changed and relief granted to our copper-mining industry.

Mr. ASHURST. Mr. President, last May, whilst I was accompanying the subcommittee of the Senate Committee on Indian Affairs on their visit to the various Indian reservations in Arizona—and I wish now to thank that subcommittee for the able work they did during their visit to Arizona—I, when in the field, received a telegram inviting me to attend a conference called by Governor Hunt, of Arizona, to discuss a copper tariff. The governor's telegram to me was as follows:

I cordially invite you to attend and to participate in the copper tariff conference called by me at the house chambers, Capitol Building, Phoenix, Monday, May 11, at 2 p. m.

As I said before, I was in the field when I received this telegram, and no stenographer and no typewriter were, for the moment, available. I preserved, however, as is my habit, the notes which I then made of a message I sent in reply to the governor's invitation.

In order that the clerk may be spared the task of attempting to decipher my somewhat illegible handwriting, I shall myself now read from my original notes my reply to the governor's telegram:

Hon. GEORGE W. P. HUNT,
Governor of Arizona:

Your telegram received. Please accept my congratulations upon your vigor and vision in calling the copper tariff conference. It is the birthright of every American citizen to have an opportunity to earn a livelihood and it is the duty of governments, national and State, to take measures that will offer and afford to citizens a fair and reasonable opportunity to earn such livelihood. Our copper-producing industry must not be allowed to languish, for when this prime industry suffers a serious decline in the price of its output not only the producers but also all other citizens of the State are distressed either directly or indirectly.

With assurances of my continued advocacy of a proper tariff on copper.

Sincerely yours,
HENRY F. ASHURST.

In conclusion I wish to say that we shall at the proper opportunity offer to such bills as will be found to be eligible, amendments providing for a tariff on copper. Permit me further to say that my colleague [Mr. HAYDEN], the junior Senator from Michigan [Mr. VANDENBERG], and the junior Senator from Montana [Mr. WHEELER] introduced a resolution which was adopted by the Senate calling upon the Federal Tariff Commission to set forth the facts respecting copper. The Tariff Commission, in obedience to that resolution, submitted its report, which was highly technical in character, but demonstrating to any man who will think into things instead of around things, that the copper industry will languish—indeed, will perish—unless there shall be imposed a tariff on copper.

The able Representative in Congress from Arizona [Mr. DOUGLAS] has introduced in the House of Representatives (in which particular body of Congress under the Constitution such legislation must originate) the appropriate resolution asking for a tariff duty on copper.

Mr. PITTMAN. Mr. President, I want to confirm what the Senator from Arizona [Mr. ASHURST] has said. I should like to state further that a tariff on copper at the time the last tariff bill was prepared was opposed by what I may

say are the dominating copper interests of the United States. Conditions, however, have changed materially since that time. Enormous copper deposits have been opened up in Africa. They are not only what we term "porphyry deposits," which are the cheapest in the world to operate, but the grade of ore is very high, and labor there is exceedingly cheap. This copper is partially owned by a government, and that government owns railroads. It is operating those mines beyond the normal demand for the market at home and is dumping their copper into the United States under the ordinary theory under which dumping takes place—mass production and taking care of its railroads. It has been discovered now that, in the face of that particular character of competition, it is impossible for our copper mines to operate.

We have had duties on two metals, lead and zinc, by reason of conditions that justified them. This condition with reference to copper is of recent development, however. I am assured that the leaders in the House of Representatives—that body having the right to initiate revenue measures—are giving the matter very careful study, and, in my opinion, they will act.

Mr. ASHURST. I thank the Senator.

Mr. BINGHAM. Mr. President, may I ask the Senator from Arizona a question?

Mr. ASHURST. Certainly.

Mr. BINGHAM. May I say that I welcome him into the ranks of those who desire to protect the industries of their States? May I ask him also whether he will be willing, in case he secures that which he is attempting to get—namely, an adequate tariff on raw copper—to grant those who use it in the manufacture of articles into which copper enters a compensatory tariff?

Mr. ASHURST. Mr. President, I thought that my 20 years of service here had demonstrated that I was a fair man, without having to be asked such a question.

Mr. BINGHAM. The Senator has always been fair.

Mr. ASHURST. I could never ask a privilege or a right and in the same breath deny to others that same right. Certainly I should be happy to do so.

Mr. BINGHAM. I am delighted. I thank the Senator.

Mr. ASHURST. Does the Senator desire to ask me another question?

REORGANIZATION OF GOVERNMENT

Mr. LOGAN. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial appearing in the Lexington (Ky.) Herald of Saturday, February 20, 1932, entitled "The President's Plan for Reorganization of the Government."

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

THE PRESIDENTS PLAN FOR REORGANIZATION OF THE GOVERNMENT

It is just two weeks less than three years since Herbert Hoover took the oath as President of the United States of America. In the campaign that resulted in his election one of the main grounds upon which he and his advocates advised the American people to vote for the Republican ticket was that Mr. Hoover was a great engineer, a great organizer, and a great economist, and would reorganize and consolidate the departments of the Government so as to reduce expenditures.

During the first two years of his administration Mr. Hoover had an overwhelming majority in the House of Representatives and a decisive majority in the Senate. During those two years the expenses of the Government increased enormously. Not only was there no consolidation or reduction of commissions and bureaus, but an inexcusable and unjustifiable increase in the number of commissions and in the expenditures of the Government.

Income-tax returns for 1930 were made to the Treasury Department in March, 1931. Those returns revealed clearly that there would be a terrific decrease in the income of the Government. The result of those returns were tabulated by the Treasury Department and Mr. Hoover must have known the result within a short time after the returns were made.

The Secretary of the Treasury and the President ought to have known, and it must be presumed did know, what were the expenses of the Government. They ought to have known not later than the middle of April, 1931, that the country faced a deficit and that there was imperative need to cut expenses and increase the revenue of the Government unless that deficit was to amount to staggering figures.

The President did nothing to reduce expenses. Earnest efforts were made, urgent advice given to the President to call Congress into session so that it might take action. He refused to do so. Misleading and erroneous estimates of the deficit faced by the Government were issued by the Secretary of the Treasury. In spite of the deficit that faced the Government, that now amounts to over a billion and a half dollars, in defiance of the urgent pleading of business men, economists, bankers, and politicians, the President refused to call Congress into session or to take any action to reduce expenditures so as to bring the expenses in line with the income.

Congress met, as provided by the Constitution, in December, 1931. The Democratic majority in the House of Representatives and the Democrats in the Senate fulfilled the forecast made by the leaders of the Democratic Party after the election of 1930, that they would give prompt support to every measure proposed that was for the good of the country and would not let any partisan purpose control their action. They united in the approval of the moratorium that President Hoover had declared in June without authority and without calling Congress together. They passed the act creating the Reconstruction Finance Board, modeled as it was after the War Finance Board organized under a Democratic President by a Democratic Congress, which President Hoover and his advocates adopted as a method of relieving the desperate distress of the country. They gave conclusive proof of the fact that had the President called Congress together last April, as he should have done, there would have been prompt action taken to relieve the depression. The Democrats put country above party and supported every proper recommendation made by the President in spite of the fact that Mr. Hoover has shown petty and persistent partisanship, even vetoing the Wagner law because it was sponsored by a Democrat.

The Democratic majority of the House made plans to have a survey made of the operations of the Government and report a plan for reorganization that would lead to greater economy and greater efficiency.

Now, President Hoover, who during the two years when his party had absolute control of the Government took no step to have the Government reorganized and expenses decreased, sends a message to Congress proposing and urging a reorganization of the Government.

It is evidently a hastily prepared, ill-considered plan, lacking in definite recommendation or in any evidence of consideration for the benefit of the public. Judging from the accounts published in the newspapers, the plan proposed by the President is not only ill-considered and ill-advised but contains the possibility of sinister purpose.

After three years, during two of which he had complete control of Congress, the President's message now can be accepted only as an effort to prevent the reorganization of the Government for the benefit of the people as a result of the plans of the Democrats who are in control of Congress.

The President truly says:

"The need for reorganization is obvious."

It was just as obvious during the compaign of 1928. It is no more obvious now than it has been every day since President Hoover took the oath of office. But he did nothing to bring it about while his party was in control.

President Hoover says further:

"In the present crisis the absolute necessity for the most drastic economy makes the problem one of paramount importance."

That is true. But there was just as much need for drastic economy in 1930 and 1931 as there is in 1932. All intelligent persons recognized the need for drastic economy by the Government after the income-tax returns for 1930 were made last March. Why did the President not call Congress in session then and have these drastic economies put into effect?

Upon receipt of the message Speaker GARNER properly pointed out that the Democratic Party had sponsored a survey to determine what bureaus and commissions could be eliminated and called attention to the fact that the President's message contained no definite recommendation for abolishing any specific Federal activity in the interests of economy.

Mr. Hoover is so obsessed with the desire to be reelected that every act he does, every word he utters, seems prompted by the thought of how he can best assure his nomination and secure a reelection.

His nomination, of course, depends upon the machine of Federal officeholders. According to reports from Washington, he opposes a reduction in the salaries of Federal officeholders for fear that they might not perform according to his wishes in the State conventions that send delegates to Chicago.

From the summary of his message published in the newspapers, if his recommendations were followed, there would be additional Federal officers with additional power to aid his ambition to be renominated and reelected. The most careful examination of his message possible from the synopsis so far published in the papers available indicates clearly that there are other motives than the reduction in expenditures and service to the public that prompted the message.

We have approved the action of the Democrats in passing the Reconstruction Finance Corporation and the Glass-Steagall bills. We indorsed his effort to stop hoarding and put idle dollars to work. We would approve any action taken by the President or anyone else that would be of service. But we hope every Democrat in Congress will rebuke by his vote the palpable effort of the

President to take political advantage of the present dire circumstances to have a reorganization of the Government that would inure to the benefit of the Republican Party without benefit to the country.

We have the same faith in the statements made by the President in this message as we have in his statement made August 11, 1928, when in recommending himself for the Presidency he said:

"Unemployment, in the sense of distress, is widely disappearing. We in America to-day are nearer to the final triumph over poverty than ever before in the history of any land. The poorhouse is vanishing from among us. We have not yet reached the goal, but given a chance to go forward with the policies of the last eight years, and we shall soon, with the help of God, be in sight of the day when poverty will be banished from this Nation."

Any statement by the President now is entitled to the same confidence as the statement by Mr. Hoover on September 17, 1928:

"When we (the Republican Party) assumed direction of the Government in 1921 there were five to six million unemployed men upon our streets. Wages and salaries were falling and hours of labor increasing. The Republican administration at once undertook to find relief to this situation. At once a nation-wide employment conference was called. Within a year we restored these 5,000,000 workers to employment. But we did more; we produced a fundamental program which made this restored employment secure on foundations of prosperity."

There is just as much reason to have confidence in the verity of any statement made by Mr. Hoover now as there is in his statement made October 25, 1929:

"The fundamental business of the country, that is production and distribution of commodities, is on a sound and prosperous basis."

As Patrick Henry said, the only lamp to guide one is the lamp of experience, so the standard to measure the accuracy and verity of statements by any man is his past record. A statement by President Hoover to-day as to the purpose and the effect of his recommendations may be judged by the accuracy of his statement made May 1, 1930, at the annual dinner of the Chamber of Commerce of the United States, when he said:

"While the crash only took place six months ago, I am convinced we have now passed the worst and with continued unity of effort we shall rapidly recover."

Any statement made by Mr. Hoover, any message sent to Congress by him should be scrutinized and the effect of his recommendations determined in the light of his past record and his present obsession for renomination and reelection. If he makes a recommendation that, after examination, is believed to be good for the country, the Democrats in Congress should support it whole-heartedly. If he makes such recommendations as he does in his special message, they should be rejected absolutely.

EFFECT OF IMPORTS OF PULP AND PAPER

Mr. JONES. Mr. President, I have before me a copy of the Pacific Pulp and Paper Industry of the issue of February, 1932, containing an article which is headed "47,000 Jobs—The Paper Industry's Chief Export." I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FORTY-SEVEN THOUSAND JOBS—THE PAPER INDUSTRY'S CHIEF EXPORT

(The value of an industry to a nation is the ability of that industry to provide employment for the citizens of the nation. When imports are encouraged that deprive workmen the opportunity of fabricating domestic resources into needed commodities, then the industry permitting such imports is not fulfilling its place in national economy.)

The paper industry of the United States is one of the Nation's chief exporting industries. It exports annually something like 250,000,000 good, solid dollars worth 100 cents each, and, in addition, full-time year-around jobs for 47,000 American citizens willing and anxious to work.

Our world's largest gold reserve reposing in the bank vaults of the Nation tells us that we can more or less snap our fingers at an annual export of a quarter of a billion dollars, but 47,000 full-time jobs! There's an item, particularly in these times when countless agencies are scratching their heads for ways and means of reestablishing the severed connections between men and pay rolls.

Let us inquire into this. It may be that the prestige which the industry holds as an exporter is only a shell without the oyster.

In terms of round averages prevailing in the two years immediately preceding the great headache, the paper industry of the United States shopped around in foreign markets and bought 1,500,000 cords of pulpwood, 1,800,000 tons of wood pulp, and 2,400,000 tons of paper. The figures are in terms of annual purchases. For these commodities the United States sent over its boundaries $15,000,000 for the wood item, $85,000,000 for the pulp item, and $150,000,000 for the paper item. In all, that's $250,000,000.

There is nothing new about these figures. They have been growing upon us for 20 years, but the growth has been reasonably steady. The condition has come upon us as fat comes upon a man. He realizes he is getting a little heavy, but he disregards the condition, until some day he steps on the scales and the doctor suddenly brings his degeneration into sharp relief.

Those 47,000 jobs! Aren't they rather intangible?

Not at all. Take the item of 1,500,000 cords of wood. The trees must be severed at the stump, barked, cut to length, and otherwise processed before they are acceptable as pulpwood at the mill. It takes a lot of labor to dress up 1,500,000 cords of wood during the year; enough labor, in fact, to keep 5,000 men busy for the 12 months doing nothing else. The 5,000 men who are now cutting this item of wood are not Americans receiving American dollars in pay and recirculating those dollars in American channels of trade.

Take the item of 1,800,000 tons of wood pulp. It requires 3,300,000 cords of pulpwood to fill the order. Once more workmen other than Americans go out into the timber with axe and saw, and it will take 11,000 men the entire year to cut enough wood to fill the pulp order.

In this case the wood is not to be exported in the raw. The foreign manufacturers have decided in this instance that they might just as well get some manufacturing profit out of the deal. They can send pulp into the United States market with no handicap of tariff, so why not? So, after 11,000 men have worked all year to cut wood for the foreign pulp mills, another crew of 6,000 men get busy and convert that stack of 3,300,000 cords of wood into 1,800,000 tons of pulp of different grades.

Let's see, now. So far we have established jobs for 22,000 men—jobs that will give them 300 days of employment in the year. And the calculations are only half finished.

Take the item of 2,400,000 tons of paper. This requires more wood. It will take something like 2,700,000 cords to fill this order. This will take more men, some 9,000 of them, and the job will take a full 12 months to do.

However, this new crew of 9,000 men will not be enough. The wood must be converted to pulp. So, if the order is to be filled, another 8,000 men must be put on the pay roll for the full year. This second crew merely performs the intermediary service of converting the pulpwood into something that can be put over the paper machines. They will not have any time to take care of the actual paper making. That last manufacturing step will require another 8,000 men.

The big order from the United States for all three items, pulpwood, woodpulp, and paper has now been filled. Checking back over all the crews of men necessary, we find that it has taken 47,000 men, working the full year, to perform the necessary direct labor, 47,000 foreign workmen taking the jobs of 47,000 American workmen.

To meet this foreign pay roll the paper industry sanctions the export of $250,000,000 annually. In distributing this sum to the 47,000 foreign workmen the per capita ratio works out to the tune of $5,300. Obviously, in terms of average wages, and particularly lower foreign wage scales, this ratio is too high, much too high.

The ratio engenders suspicion as to the correctness of the whole argument. Two explanations are open. First, the number of workmen employed by the paper industry in foreign lands may be grossly underestimated in this discussion. It is not presumed that the figures given, totaling 47,000 jobs, are absolutely correct. They are but averages. It is believed that they are sufficiently correct as indices. Only direct jobs are concerned.

The second explanation lies in an estimate of the other somewhat indirect services that must be employed. These, too, are services performed by foreign workmen, all of whom draw their pay out of that quarter billion gold dollar pool that annually flows across the United States borders.

What are these auxiliary services? To begin with, there are axes and saws needed in the woods. Some one must make these tools and get paid for the work. Inquiry has not been made, but it is much doubted if these axes and saws are made from American steel, originating with American ore. The 25,000 men needed to cut the total requirements of pulpwood do not deliver that wood. Transportation is necessary to get the wood to the mill, and this requires railroad cars, boats, horses, engines, services of many kinds, all of which must be paid for.

The 14,000 men making pulp in the mills can not do the job with their bare hands. They must have electric power, motors, pulpstones, buildings, digesters, control instruments, screens, chemicals, steam, wires, felts, and a host of items. Somebody has to manufacture or produce these requirements, and they must be paid for. Some portion of these necessaries may originate in the United States, requiring the employment of American workmen, but it is quite safe to say that the proportion is small. In any event, were the United States to produce the pulpwood, pulp, and paper now imported, that benefit would still accrue to American workmen.

The 8,000 men making paper in foreign mills to ship into the United States market must also have some tools to work with. They must have paper machines, steam, electric power, motors, pumps, instruments, pipe, wire, glue, office desks, time clocks, and many other things, all of which some one has to manufacture or produce and get paid for.

Then there's the item of transportation. Whether pulpwood, pulp, or finished paper, all commodities have to be moved from camp or mill to mill or consumer on the other end. Did you ever stop to figure the number of railroad cars, vessels, barges, and trucks that are required to move 1,500,000 cords of wood, 1,800,000 tons of pulp, and 2,400,000 tons of paper? Did you ever stop to figure how many men this transportation job would employ as railroad engineers, switchmen, freight agents, car repairmen, sec-

tion hands, telegraph operators, tugboat captains, deckhands, stevedores, marine engineers, and cooks?

These auxiliary services of transportation and of supplying equipment and materials to the camps and mills provide jobs by the thousand. They are services that are closely allied to the primary jobs of cutting the wood, manufacturing the wood into pulp, and making the pulp and paper.

Job and capital exports of the United States paper industry

[Annual averages based on 1928-29]

Commodity imported	Quantity	Pulpwood required (cutting denied American forests)	Value (export of capital)	Employment necessary (jobs exported—full-year basis)
		Cords		
Pulpwood	[1] 1,500,000	1,500,000	$15,000,000	To cut wood, 5,000 men.
Wood pulp	[2] 1,800,000	3,300,000	85,000,000	To cut wood, 11,000 men. To manufacture into pulp, 6,000 men.
Paper	[2] 2,400,000	2,700,000	150,000,000	To cut wood, 9,000 men. To manufacture into pulp, 8,000 men. To manufacture into paper, 8,000 men.
Pulpwood equivalent imported.	----------	7,500,000	----------	
Capital exported	----------	----------	250,000,000	
Total number of jobs exported (300 days of work per year).	----------	----------	----------	47,000 men.

[1] Cords. [2] Tons.

NOTE.—The jobs cited in this table are only those providing direct or primary employment in cutting pulpwood, working the pulp mill, or working the paper mill. No cognizance is taken here of auxiliary services such as transportation and equipment building, nor of the more indirect employment involved in providing the necessities and luxuries of life for this army of workmen.

However, the money used to pay the 47,000 primary workmen and the thousands of secondary workmen does not end its circulation here and then head again for American bank vaults. It continues to flow in a trade-building stream through these foreign lands to other men, who gain a livelihood by providing clothes and food and radios to the men who do the more direct jobs. But it would take a skilled economist with lots of time at his disposal to work out the complete foreign travel of those two hundred and fifty million American dollars. Right now there is neither time nor necessity to pursue that point further.

It is sufficient to know that the paper industry has exported 47,000 year-around, full-time primary jobs. It is sufficient to know that the $250,000,000 annually sent out of the country to purchase a necessity to our business and social life, a necessity that could be supplied in its entirety by American workmen and American materials, would provide a mighty fine nucleus for a substantial domestic trade ranging from apples to zinc paint.

CONCERTED ACTION LACKING

How is it that the paper industry has permitted 47,000 employees to be taken off the direct pay roll? The truth is that the paper industry was not exactly to blame at the beginning. Some "friends" of American industry, the newspaper publishers, one of whom was a brother to a President, succeeded in lifting the tariff walls sufficiently to permit the cream of the newsprint business and the wood-pulp business to flow to other lands—and come sweeping back in a destructive tidal wave. But it is also true to charge the industry with a lack of concerted action in reestablishing protection for all parts of the American paper industry when it became evident what chaos had been injected into the domestic industry when pulp and newsprint were left fully exposed to the inroads of foreign competition.

From the Bureau of Customs, Treasury Department, it is learned that wood pulp and printing paper were dutiable under the tariff acts of 1883 and 1909. Under the tariff act of 1913 wood pulp was permitted to enter free of duty, and the law was so worded that newsprint got in under the wire also.

A LITTLE HISTORY

Here is a little light on events of two decades past, taken from A History of Paper Manufacturing in the United States, 1690-1916 (pp. 316, 317, 318), by Lyman Horace Weeks:

"In 1907 agitation developed among newspaper publishers on account of the higher prices asked for newsprint. The Government was appealed to for prosecution of the so-called Paper Trust and for the repeal of tariff duties on paper and pulp. President Roosevelt in his annual message advocated the repeal of the duty on pulp provided an agreement could be secured with Canada that there should be no export duty on pulpwood from that Dominion. Nothing came from this immediately, but in 1910 consideration of a general trade reciprocity with Canada resulted in the appointment of commissioners of the two countries, who worked out a tentative agreement, which in January, 1911, was submitted to Congress by President Taft.

"In this agreement paper, pulp, and pulpwood were placed on the free list, except when they came from countries that had placed an export duty on them. At that time pulp came into the United States free of duty or with countervailing duties, pulpwood was free, and paper bore moderate duties. The reciprocity treaty passed Congress and was signed by the President, but it was rejected in the Canadian Parliament. One section of the measure was so framed that even with the refusal of Canada to accept the treaty as a whole pulp and paper valued at not over 2½ cents per pound were to come into this country free of duty. Thus our market was opened to all the pulp and paper producing countries of the world, and especially to Canada by reason of her nearness and abundance of pulpwood.

"The immediate effect of this legislation was to injure the trade in the United States, especially in sections contiguous to Canada, and to encourage paper manufacturing in that dominion.

"The Underwood-Simmons tariff bill of 1913 operated to repeal the section of the reciprocity act of 1911 that related to pulp and paper, but the burdens that the American industry complained of were not removed. Free entry was given to printing paper worth not more than 2½ cents a pound and a tax of 12 cents ad valorem was placed on print paper worth more than 2½ cents."

What is the answer? The tide of imports is rising. As American newsprint mills have been forced out of competition on news they have by necessity shifted to other grades and caused disruption to run like a wave down through other parts of the industry. Whenever the pulp price goes down the paper price goes down with it. No one is helped, not even the final consumer, for what advantage is it to this theoretical final consumer if his neighbor is out of a job and can buy nothing?

There is another point: Some one is certain to mention that there is much American capital invested in the paper industries of other lands. True. In fact, too true. But do these foreign investments employ American workmen, contribute in taxes to the United States Government, purchase American machinery and supplies manufactured or produced by American workmen, utilize domestic forests? They do not. Their chief contribution is toward unemployment in the United States. They are to a large degree responsible for the export of 47,000 primary jobs that might be held by American workmen.

STATEMENTS BY ADMINISTRATION ABOUT DEPRESSION

Mr. DILL. Mr. President, I ask leave to have printed in the RECORD an article from the New York Democrat of the 20th instant on Statements Made About Depression by the Administration.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

STATEMENTS MADE ABOUT DEPRESSION BY THE ADMINISTRATION

Here is a partial list of statements made by President Hoover and members of his administration since the stock market crash in October, 1929. A comparison with conditions as they have existed from time to time during this period of depression will show what value may be attached to these predictions and pronouncements.

They were recently published in the Webster (S. Dak.) Journal in the editor's column entitled "Apple Sauce":

October 29, 1929: "The fundamental business of the country is on a sound and prosperous basis."—Mr. Hoover.

November 3, 1929: "We have come to see more clearly that the stock market is not the principal barometer of business, and that our American prosperity is deeply and firmly rooted."—Doctor Klein.

November 4, 1929: "The only possible effect recent fluctuations in the stock market will have upon general business will be to curtail the buying power, especially of luxuries, of those who suffered losses in the market crash."—Secretary Lamont.

November 21, 1929: "There is no reason why business should not be carried on as usual."—Mr. Hoover.

November 24, 1929: "American business is healthy and vigorous and promises to be more so. The eager and loyal cooperation evidenced so splendid by American business men in their talks with the President is nothing less than a certificate of prosperity insurance."—Doctor Klein.

December 3, 1929: "We have reestablished confidence. Wages should remain stable. Industrial unemployment has been prevented."—Mr. Hoover.

December 4, 1929: Mr. Mellon estimated a Treasury surplus of $122,783,966 for the fiscal year. (Note: The fiscal year closed with a deficit of $903,000,000.)

January 1, 1930: "I have every confidence that there will be a revival of activity in the spring and that during the coming year the country will make steady progress."—Mr. Mellon.

"One may confidently predict a continuance of prosperity and progress."—Secretary Lamont.

"We are justified in feeling an abiding, if perhaps not an exuberant, optimism."—Doctor Klein.

January 10, 1930: "We are going to have some rough sledding, but the turn will come about March or April for the country as a whole."—Doctor Klein.

January 13, 1930: "Conditions are very satisfactory. The outlook is generally good."—Secretary Lamont.

March 8, 1930: "The crisis will be over in 60 days."—Mr. Hoover.

May 1, 1930: "We have now passed the worst."—Mr. Hoover.

May 19, 1930: "Business operations in the United States are about 6 per cent below what might be considered normal."—Secretary Lamont.

May 21, 1930: "If President Hoover accomplishes nothing more in all of his service to the Government, that one outstanding thing of his administration—no reduction in wages—will be remembered forever."—Secretary Davis.

May 21, 1930: "Normal conditions should be restored in two or three months."—Secretary Lamont.

May 21, 1930: "A healthy revival of business by the end of September may be expected."—Doctor Klein.

June 28, 1930: "We can look for reasonable prosperity within the next year."—Secretary Davis.

August 8, 1930: "The mental and material resources of this great country of ours are already swinging us on the road to recovery."—Secretary Davis.

August 22, 1930: "The depression is rapidly drawing to a close."—Secretary Davis.

September 11, 1930: "I repeat that we have hit the bottom and are on the upswing."—Secretary Davis.

September 22, 1930: "Business on the whole has ceased its marked decline."—Secretary Lamont.

September 22, 1930: "We should be out of the depression by the end of October."—Doctor Klein.

October 2, 1930: "The depression is but a temporary halt in the prosperity of a great people. The income of a large part of our people has not been reduced."—Mr. Hoover.

October 4, 1930: "The end is approaching to this process of shrinking values."—Doctor Klein.

December 2, 1930: "There are many factors which give encouragement. We have already weathered the worst of the storm."—Mr. Hoover.

December 29, 1930: "During the opening months of the new year conditions will steadily improve all along the business front."—Doctor Klein.

December 31, 1930: "We have reached a point where cessation of further declines and beginning of recovery may be expected."—Secretary Lamont.

March 18, 1931: "There is pretty good evidence that an appreciable degree of recovery is in sight."—Doctor Klein.

April 29, 1931: "The corrective influences are at work and business is responding to the stimulus."—Secretary Lamont.

June 9, 1931: "The bottom of the depression was hit in January. We are now in a valley. The depression has ended. The valley usually runs across six or seven months. If history repeats itself, this means that in July up we go."—Doctor Klein.

THE JUNIOR SENATOR FROM OKLAHOMA, MR. GORE

Mr. THOMAS of Oklahoma. Mr. President, I ask permission to have printed in the RECORD an article relating to my colleague entitled "The Broad Highway," by Charles Brooks Smith, published recently in the Wheeling (W. Va.) Intelligencer.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BROAD HIGHWAY

By Charles Brooks Smith

WASHINGTON, February 18.—GORE, blind Senator, speaking, presents a miracle of the human mind. His a storage house of knowledge whose capacity can not be gaged. It pours out as he needs it in a fluent flow, never rising to the shrill of a torrent nor falling to the indistinguishable murmur of a drought-reduced brook. Each word fits into the sentence as though selected with a discrimination almost exquisite; as if it were especially ordered, shaded, weighed, and fashioned for a particular mosaic design.

He stands at his desk when he speaks, his right hand resting on his cane, the fingers of his left hand tapping the desk, an inaudible but noticeable gesture of emphasis. He throws his head back and his sightless eyes seem gazing at the line of skylight well above the high dais from which the Vice President looks down at the Senators. When his words are meant for some particular Senator or group, he swings round in their direction. Should a colleague arise to request him to "yield," he seems to know it by some uncanny sense. He will turn in the direction of the colleague, pause, it seems seconds, before the "Will the Senator yield?" is spoken.

It is a most astounding exhibition of mystery, hinting of supernatural and psychic forces—and it is "creepy."

HUMOR, SATIRE, SERIOUSNESS

The blind GORE is master of a mild humor which ripples along like the laughter of a child and a satire which is effective without sting. For instance, he said, "A suggestion has been made that the amount be increased to a billion dollars. Why not? It has even been intimated here, if I understood the course of debate, that a State should be allowed to replenish its treasury or to reimburse its own expenditures from the appropriations for these benevolent humanitarian objects. Why not? Unless that be done there is a danger that possibly some of this money might be left in the Treasury of the United States."

He moved to strike out of the Costigan-La Follette bill (now defunct) the words "money or commodities" and insert the words "food, fuel, and clothing."

"I believe," he said, "that all social workers recommend that food, fuel, and clothing, or orders on grocery stores be given instead of giving money outright. * * * I have had this incident called to my attention by a person who was, I believe, on the welfare board in Detroit. There they issued checks or gave money, as I understand, and one individual who was arrested for speeding turned in his relief check in part payment of his fine.

"That showed a great deal of ingenuity, thrift, and adaptation to circumstances, showing that he could meet occasions as they arose."

Here is a sample of his serious vein—delivered with a dramatic reading which lost nothing of its studied effect, because it was restrained and subdued, which is the opposite of the popular school of dramatics in Congress which teaches cracking the ceiling and splitting the eardrums:

"So we have seen illustrated here the dangerous tendency of this kind of legislation (so-called 'dole'). I do not know what governors have overwhelmed the Senate with their requests for Federal charity. It seems to me that Senators are rather outrunning themselves to thrust this donation upon unsoliciting States. We begin here in a spirit of philanthropy and of charity. We will continue it under an imperious demand—I will not say duress—when the beneficiaries become organized. Senators know what I mean."

To see, to hear, this blind Senator arise during the consideration of a complicated measure and move to strike out in section blank, paragraph blank, line so-and-so, certain words, and to substitute in lieu thereof certain other words, is to feel the inexplicableness of mysterious ways and wonders; and to recall certain lines of Wordsworth—

"And when a damp
Fell round the path of Milton, in his hand
The thing became a trumpet; whence he blew
Soul-animating strains—alas! too few."

THE CALENDAR

The VICE PRESIDENT. The morning business is closed. The calendar is in order.

Mr. McNARY. Mr. President, I ask unanimous consent that we proceed to the consideration of unobjected bills on the calendar under Rule VIII, and commence with Order of Business 213, which follows the last bill considered on the last call of the calendar.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The clerk will report the first bill on the calendar under the unanimous-consent agreement.

The bill (S. 2062) for the relief of Adam Augustus Shafer was announced as first in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER (Mr. FESS in the chair). The bill will be passed over.

The bill (S. 2058) for the relief of William C. Rives was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2059) for the relief of Albert Ross was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2060) for the relief of Otto Schluter was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

HAROLD I. JUNE

The bill (S. 432) granting permission to Harold I. June to transfer to the Fleet Reserve of the United States Navy was considered by the Senate and was read, as follows:

Be it enacted, etc., That Harold I. June, chief aviation pilot, United States Navy, shall, in recognition of the assistance rendered by him as an assistant to Rear Admiral Richard E. Byrd, United States Navy, in his nationally recognized record flight over the South Pole, be permitted to transfer to the Fleet Reserve of the United States Navy at such time as he may request, while he is serving in the regular Navy of the United States, and shall, after transfer in accordance with this provision, receive the same pay, allowance, or other compensation as is now or may hereafter be authorized by law for enlisted men of the United States Navy who are transferred after 16 years' service in the regular Navy of the United States.

Mr. KING. Mr. President, I should like to have an explanation of this bill.

Mr. BINGHAM. Mr. President, this bill passed the Senate at the last session. It will be remembered that June was

a member of Admiral Byrd's Antarctic expedition, and he desires to transfer to the Fleet Reserve. The Navy has no objection to it. The bill passed the Senate at the last session, but too late to be passed by the House.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BIG SANDY RIVER BRIDGE, WEST VIRGINIA AND KENTUCKY

Mr. NEELY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NEELY. I address myself particularly to the senior Senator from Oregon [Mr. McNARY]. Will there be an opportunity to return to the beginning of the calendar to-day?

Mr. McNARY. Providing we conclude the call of the calendar. I could not say as to that; but if we finish the orders under the unanimous-consent agreement we will commence at the beginning of the calendar and go until the hour of 2 o'clock has arrived.

Mr. NEELY. Mr. President, Order of Business 160, Senate bill 2915, is a measure in which West Virginians are interested. This bill was passed over some time ago with the consent of its author, the senior Senator from West Virginia [Mr. HATFIELD], with the understanding that it would be taken up at an early date. I do not know my colleague's present wishes, but I suggest that, in the circumstances, he should be afforded an opportunity to pass his bill.

Mr. HATFIELD. Mr. President, I was just asking the Senator from Oregon whether or not we will reach this bill to-day, and he assures me that we will. However, I shall be very glad to have the bill taken up at the present time, and ask the indulgence of the Senate for its immediate consideration.

I ask unanimous consent to take up Senate bill 2915, Order of Business 160, at the present time. It is a bridge bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate resumed the consideration of the bill (S. 2915) authorizing A. A. Lilly, M. B. Collinsworth, and A. E. Booth, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Big Sandy River at or near where it enters into the Ohio River, and between the cities of Kenova, W. Va., and Catlettsburg, Ky.

The PRESIDING OFFICER. This bill was passed by the Senate on February 5 and reconsidered on the same day. The question is on the passage of the bill.

Mr. LOGAN. Mr. President, I do not desire to object to the consideration of the bill at this time, but my colleague [Mr. BARKLEY], who is absent, requested me to make a statement in his behalf. He had taken up the matter with the State Highway Commission of Kentucky, and he thought he ought to follow the advice of that body. He received from the State highway commission a letter, which I ask to have read and printed in the RECORD as a part of these remarks.

I have no objection to make. I am making this statement because of the request of my colleague.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Chief Clerk read as follows:

COMMONWEALTH OF KENTUCKY,
STATE HIGHWAY DEPARTMENT,
Frankfort, February 15, 1932.

Hon. ALBEN W. BARKLEY,
United States Senator, Washington, D. C.

DEAR SIR: Your telegram of February 10 was brought to the attention of the commission, and the commission again went on record as opposed to the granting of congressional permits to private parties or companies for constructing toll bridges across any streams within the State or any border streams.

Yours very truly,

STATE HIGHWAY COMMISSION
By BEN JOHNSON, *Chairman.*

Mr. NEELY. Mr. President, there is a committee amendment which ought to be adopted.

The PRESIDING OFFICER. The amendment has been agreed to. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill authorizing A. A. Lilly, M. B. Collinsworth, and A. E. Booth, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Big Sandy River at or near where it enters into the Ohio River, and between the cities of Kenova, W. Va., and Catlettsburg, Ky."

LOUIS SOLURI

The bill (S. 2242) granting six months' pay to Louis Soluri was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to pay, out of the appropriation "Pay of the Navy, 1932," to Louis Soluri, father of the late Felix Soluri, seaman first class, United States Navy, an amount equal to six months' pay at the rate said Felix Soluri was receiving at the date of his death.

NELS D'ARCY DRAKE

The Senate proceeded to consider the bill (S. 1096) for the relief of N. D'A. Drake, which had been reported from the Committee on Naval Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to pay to Nels D'Arcy Drake, midshipman, United States Navy, out of any money in the Treasury not otherwise appropriated, the sum of $4,000 in full satisfaction of all claims against the United States on account of injuries received in the line of duty, August 7, 1928, while serving on board the U. S. S. *Florida*.

Mr. JONES. Mr. President, I think there should be a brief explanation of this bill.

Mr. TRAMMELL. Mr. President, this claimant was a midshipmen at the Naval Academy and was assigned to duty during the summer on the U. S. S. *Florida*. During that time he suffered an accident whereby he lost three of his fingers. The naval authorities conducted an examination, and found that he was physically incapacitated for continuation in the service. Thereupon he was dropped from the service on account of physical disability. This bill is to compensate him for the accident and injury and disability which he experienced while in the service on the U. S. S. *Florida*.

Mr. JONES. Mr. President, what I am interested in is knowing whether or not this accident occurred in the line of duty. It might have occurred while he was in the service and not in line of duty.

Mr. HALE. Mr. President——

Mr. TRAMMELL. The chairman of the committee is present. He will tell the Senator the facts in that regard.

Mr. HALE. Mr. President, this bill has already passed the Senate in the last session, and died in the House. It relates to the case of a midshipman who was on active duty on a battleship. An officer who has received an injury such as this man received would have been retired from the service on three-quarters pay; but this man, being a midshipman, had no such right, and there is no other way of taking care of his case.

The matter has been put up to the department, and they have suggested a remedy in the nature of a pension. The bill gives the man $4,000 to reimburse him for the injury.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Nels D'Arcy Drake."

BILL PASSED OVER

The bill (S. 2375) for the relief of Roscoe Meadows was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

ESTABLISHMENT OF NAUTICAL SCHOOL, NEW ORLEANS, LA.

The bill (S. 1470) providing a nautical school at the port of New Orleans, La., was considered by the Senate, and was read, as follows:

Be it enacted, etc., That the Secretary of the Navy, to promote nautical education, is hereby authorized and empowered to furnish, upon the application in writing of the governor of the State, a suitable vessel of the Navy, with all her apparel, charts, books, and instruments of navigation, provided the same can be spared without detriment to the naval service, to be used for the benefit of any nautical school, or school or college having a nautical branch, established at the port of New Orleans, La., upon the condition that there shall be maintained at such port a school or branch of a school for the instruction of youths in navigation, steamship-marine engineering, and all matters pertaining to the proper construction, equipment, and sailing of vessels or any particular branch thereof.

SEC. 2. That a sum not exceeding the amount annually appropriated by the State of Louisiana or the city of New Orleans for the purpose of maintaining such a marine school, or school or the nautical branch thereof, is hereby authorized to be appropriated for the purpose of aiding in the maintenance and support of such school: *Provided, however*, That the appropriation for any one year shall not exceed $25,000.

SEC. 3. That the President of the United States is hereby authorized, when in his opinion the same can be done without detriment to the public service, to detail proper officers of the Navy as superintendent of or instructors in said school: *Provided*, That if said school shall be discontinued, or the good of the naval service shall require, such vessel shall be immediately restored to the Secretary of the Navy and the officers so detailed recalled: *And provided further*, That no person shall be sentenced to or received at said school as a punishment or commutation of punishment for crime.

SEC. 4. That all laws and parts of laws in conflict herewith are hereby repealed.

Mr. JONES. Mr. President, I should like to have that bill explained. I should like to have a statement of what the expense is likely to be.

Mr. BROUSSARD. Mr. President, an existing general law provides for the establishment of these schools. There are only four now. They are at Boston, New York, Philadelphia, and San Francisco. The law provides that the municipality or the State must pay one-half of the expense. There is no such school in the South, and the people of Louisiana have made provision for cooperating with the Government in the establishment of this school. There is a limitation here that the appropriation for any one year shall not exceed $25,000.

Mr. JONES. Mr. President, while as a general rule I do not want to see bills passed that are liable to bring about increased appropriations, yet I recognize the importance of a school of this character, and also the interest in the subject of a community that is willing to put up half the expense. I remember that several years ago we sought to have schools of this kind established and, in fact, passed general legislation under which probably this school is proposed to be created. Considerable encouragement was given in different localities to the establishment of these schools, but it was not done; and some of those that were established were not continued. If a community is willing to put up its part of the expenditure with reference to a school of this kind at this time, I am not disposed to object to the bill.

Mr. WALSH of Massachusetts. Mr. President, there is a nautical school in Boston. It is a very useful and very successful one, but my impression is that it is supported by the State government. I do not know how it was originally brought into being—whether it was through cooperation with the Federal Government or not.

Mr. BROUSSARD. I may inform the Senator that the report of the Secretary of the Navy states that there is such a school at Boston, established by the Federal Government under the existing general law. That is the one the Senator has in mind, I am sure.

Mr. WALSH of Massachusetts. Is the Senator proposing that the same action be taken in New Orleans that was taken in the establishment of this school at Boston?

Mr. BROUSSARD. Yes, sir.

Mr. WALSH of Massachusetts. Following the same precedent?

Mr. BROUSSARD. Absolutely, under the same law.

Mr. WALSH of Massachusetts. The school at Boston has been very beneficial in training young men for nautical service.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALLEGHENY FORGING CO.

The Senate proceeded to consider the bill (S. 466) for the relief of the Allegheny Forging Co., which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of the Allegheny Forging Co. for steel ingots and steel billets shipped to Balboa, Canal Zone, under Panama Canal contract entered into in October, 1919, and to allow in full and final settlement thereof the sum of not to exceed $914.55. There is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $914.55, or so much thereof as may be necessary for the payment of said claim.

Mr. JONES. Mr. President, I think there should be an explanation of the bill.

Mr. REED. Mr. President, the bill provides for the payment of certain steel shipped to Panama which complied with specifications, admittedly, and also the payment of an amount for steel which was shipped which the Government claimed was not in accordance with specifications.

The steel which the Government rejected as not in accordance with the specifications was sold by the Government to the highest bidder at Panama, and a very trivial amount was realized. The amount of the grant made by the bill is for the admitted amount due for the steel which was in accordance with the specifications, plus the amount realized by the Government at public sale of the steel which was rejected. The bill has the full approval, in its present form, of the Comptroller General.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LIABILITY TO INDIAN PUEBLOS

The bill (S. 2914) to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and the liability of the United States to non-Indian claimants on Indian pueblo grants whose claims, extinguished under the act of June 7, 1924, have been found by the Pueblo Land Board to have been claims in good faith; to authorize the expenditure by the Secretary of the Interior of the sums herein authorized and of sums heretofore appropriated, in conformity with the act of June 7, 1924, for the purchase of needed lands and water rights and the creation of other permanent economic improvements as contemplated by said act; to direct the issuance of a patent to the Pueblo of Taos for certain lands described herein, and for other purposes, was announced as next in order.

Mr. BRATTON. Let that go over.

The PRESIDING OFFICER. The bill will be passed over, on the suggestion of the Senator from New Mexico.

WAIVER OF PROSECUTION

The bill (S. 2655) providing for waiver of prosecution by indictment in certain criminal proceedings was announced as next in order.

Mr. BLAINE. Let the bill go over.

Mr. ROBINSON of Arkansas. Mr. President, this is an important bill. It seeks to effect a material change in procedure relating to criminal cases, and I think it should receive very careful consideration.

Mr. BRATTON. Mr. President, I will make a brief statement of the measure.

Mr. BLAINE. Mr. President, I suggested that the bill go over.

Mr. BRATTON. Very well.

The PRESIDING OFFICER. The bill goes over, under the suggestion of the Senator from Wisconsin.

MONTGOMERY BLAIR PORTAL

The Senate proceeded to consider the joint resolution (S. J. Res. 4) to provide for the naming of Montgomery Blair Circle, which had been reported from the Committee on the District of Columbia with amendments, on page 1,

line 3, to strike out the words "the reservation intended for park purposes" and to insert in lieu thereof the words "Sixteenth Street and the adjacent park reservation"; on line 7, after the word "Blair," to strike out the word "Circle" and to insert in lieu thereof the word "Portal," so as to make the joint resolution read:

Resolved, etc., That the portion of Sixteenth Street and the adjacent park reservation lying within the District of Columbia at the intersection of Sixteenth Street, North Portal Drive, Eastern Avenue, and the District line, shall be known as Montgomery Blair Portal, in commemoration of the public service of the late Montgomery Blair, Postmaster General in the Cabinet of President Lincoln.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution to provide for the naming of Montgomery Blair Portal."

INCORPORATION OF CREDIT UNIONS

The bill (S. 1153) to provide for the incorporation of credit unions within the District of Columbia was announced as next in order.

Mr. DICKINSON. Mr. President, with the consent of the Senator from Kansas [Mr. CAPPER] I ask that this bill go over.

Mr. CAPPER. It will be agreeable to have the bill passed over.

The PRESIDING OFFICER. The bill will go over on the suggestion of the two Senators.

J. G. SEUPELT

The Senate proceeded to consider the bill (S. 2982) for the relief of J. G. Seupelt, which was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the completion of the homestead entry of J. G. Seupelt on the Colville Indian Reservation authorized by the act approved April 14, 1924 (43 Stat. L. 1362), the Secretary of the Interior be, and he is hereby, authorized and directed to make a new appraisal of the value of the property therein referred to and accept settlement therefor on the basis of such new appraisal as the appraised price of the said property.

THOMAS C. LAFORGE

The Senate proceeded to consider the bill (H. R. 4145) for the relief of Thomas C. LaForge, which was ordered to a third reading, read the third time, and passed.

BENJAMIN SPOTTEDHORSE AND HORSE SPOTTEDHORSE

The Senate proceeded to consider the bill (H. R. 4150) authorizing issuance of patents in fee to Benjamin Spottedhorse and Horse Spottedhorse for certain lands.

Mr. KING. Mr. President, in view of the fact that the Committee on Indian Affairs has been making a rather comprehensive study of Indian legislation, needed legislation, which study involves the question as to whether or not fee titles should be passed to the Indians at this time, I ask the Senator from North Dakota [Mr. FRAZIER], chairman of the Committee on Indian Affairs, whether this bill, in his judgment, should be enacted into law.

Mr. FRAZIER. Mr. President, this is a House bill. It was recommended by the Secretary of the Interior and is a so-called administration bill. It simply provides that these Indians be given patents in fee in order that they may sell the land affected so they may improve other lands which they now control, own, and operate. They are considered to be the best farmers on their reservation and are doing exceptionally good work, according to the department. There was no objection to the bill in the committee.

Mr. KING. Mr. President, the Senator knows, of course, that in many instances where the title has passed to the Indians without restriction, through the exploiting of the white men the Indians have been deprived of their lands. I have many cases brought to my attention where the white men have obtained deeds to the property just as soon as the patents passed to the Indians, as soon as their title ripened, without proper consideration. It does seem to me, in view of the fact that the committee is making a comprehensive study of the question as to whether or not title should pass to the Indians, and, if so, what restriction should be imposed, that measures of this kind ought to be passed with considerable reluctance. There ought to be some hesitation about it.

Mr. FRAZIER. Mr. President, I agree with the Senator in opposition to anything like a general grant of patents in fee to the Indians. As the Senator from Utah has stated, there are many cases in which there has been great injustice to the Indians. But from the information we have, this seems to be an exception to the general rule, and I believe the bill is proper and should be passed.

Mr. KING. I accept the judgment of the chairman of the Committee on Indian Affairs.

The bill was ordered to a third reading, read the third time, and passed.

CAPT. JACOB M. PEARCE

The bill (S. 1003) for the relief of Capt. Jacob M. Pearce, United States Marine Corps, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

GEORGE EDWIN GODWIN

The bill (S. 1009) for the relief of George Edwin Godwin was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

MEDAL OF HONOR TO THE LATE HENRY CLAY DREXLER AND GEORGE ROBERT CHOLISTER

The Senate proceeded to consider the bill (S. 2200) to authorize the presentation of a medal of honor posthumously to the late Henry Clay Drexler, which had been reported from the Committee on Naval Affairs with amendments, on page 1, line 5, after the word "Navy" and the comma, to strike out the words "for his heroic action in endeavoring to submerge a charge of powder in an immersion tank on the occasion of a fire in the forward turret of the U. S. S. *Trenton*, wherein he met his death in a supreme effort to save his shipmates," and to insert in lieu thereof the words "and the late George Robert Cholister, boatswain's mate, first class, United States Navy, for their heroic action in endeavoring to submerge a charge of powder in an immersion tank on the occasion of a fire in the forward turret of the U. S. S. *Trenton*, wherein they met their death in a supreme effort to save their shipmates," so as to make the bill read:

Be it enacted, etc., That the President is authorized to present, in the name of Congress, a medal of honor, posthumously, to the late Henry Clay Drexler, former ensign, United States Navy, and the late George Robert Cholister, boatswain's mate, first class, United States Navy, for their heroic action in endeavoring to submerge a charge of powder in an immersion tank on the occasion of a fire in the forward turret of the U. S. S. *Trenton*, wherein they met their death in a supreme effort to save their shipmates.

Mr. HASTINGS. Mr. President, I should like to say a word in explanation of this bill. It provides that a medal of honor, posthumously, shall be presented to the late Henry Clay Drexler, former ensign, United States Navy, by the President.

This young man graduated from Annapolis on June 5, 1924, and on the 4th day of October of the same year was assigned to the U. S. S. *Trenton*.

The records of the Navy Department show that 16 days later, on October 20, at 3.35 in the afternoon, while the *Trenton* was preparing to fire trial installation shots from the two 6-inch guns in the forward twin mount of that vessel two charges of powder ignited. Twenty men were trapped in the twin mount. Four died almost immediately and 10 later from the burns and inhalation of flame and gases. The six others were severely injured.

Ensign Drexler, without thought for his own safety, on seeing that the charge of powder for the left gun was ignited, jumped for the right charge and endeavored to put it in the immersion tank. The left charge burst into flame and ignited the right charge before Ensign Drexler could accomplish his purpose. He fell on the spot where he was making a supreme effort to save his shipmates. When found, Ensign Drexler was dead.

The matter was referred to the Navy Department, and the department on January 28, 1931, said this:

The purpose of this bill is to authorize the President to present, in the name of Congress, a medal of honor, posthumously, to the late Henry Clay Drexler, former ensign, United States Navy, for his heroic action in endeavoring to submerge a charge of powder in an immersion tank on the occasion of a fire in the forward turret of the U. S. S. *Trenton*, wherein he met his death in a supreme effort to save his shipmates.

The bill S. 5481, if enacted, will result in no additional cost to the Government.

In view of the above, the Navy Department interposes no objection to the enactment of the bill S. 5481.

Inasmuch as the heroic conduct of the late George Robert Cholister, boatswain's mate, first class, United States Navy, was almost identical with that of the late Ensign Henry Clay Drexler, United States Navy, on the same occasion and at the same time, the Navy Department suggests that his name be included in the bill S. 5481.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the presentation of a medal of honor, posthumously, to the late Henry Clay Drexler and the late George Robert Cholister."

INDIAN TRUST ESTATES

The Senate proceeded to consider the bill (S. 1839) to authorize the creation of Indian trust estates, and for other purposes, which had been reported from the Committee on Indian Affairs with amendments, on page 1, line 5, after the word "Indian," to insert the words "except members under the supervision of the Quapaw Indian Agency located at Miami, Okla"; on line 9, after the word "Interior," to insert the words "in Oklahoma"; on page 2, line 5, to strike out the words "That the trustee shall be located in the State or Territory of the residence of the Indian creating the trust or in which the lands from which such funds or property originated may be located"; on page 3, line 8, after the word "to," to insert the word "taxation"; on line 16, after the word "shall," to strike out the words "during the restriction period provided by law"; on line 21, to strike out the words "prior to the date of the expiration of the restriction period provided by law" and to insert the words "during the period provided in such trust agreement or contract," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to permit, in his discretion and subject to his approval, any Indian except members under the supervision of the Quapaw Indian Agency located at Miami, Okla., over the age of 21 years, having restricted funds or other property subject to the supervision of the Secretary of the Interior, in Oklahoma, to create and establish, out of the restricted funds or other property, trusts for the benefits of such Indian, his heirs, or other beneficiaries designated by him, such trusts to be created by contracts or agreements by and between the Indian and incorporated trust companies or such banks as may be authorized by law to act as fiduciaries or trustees: *Provided*, That no trust company or bank shall be trustee in any trust created under this act which has paid or promised to pay to any person other than an officer or employee on the regular pay roll thereof any charge, fee, commission, or remuneration for any service or influence in securing or attempting to secure for it the trusteeship in any trust.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized, upon the execution and approval of any trust agreement or contract as herein provided, to transfer, or cause to be transferred, to the trustee, from the individual restricted or trust funds or other restricted property of the respective Indian, the funds or property required by the terms of the approved agreement, and the funds or property so transferred shall in each case be held by the trustee subject to the terms and conditions of the trust agreement or contract creating the trust.

SEC. 3. That none of the restrictions upon the funds or property transferred under the terms of any such trust agreement or contract shall be in any manner released during the continuance of the restriction period now or hereafter provided by law, except as provided by the terms of such agreement or contract, and neither the corpus of said trust nor the income derived therefrom shall, during the restriction period provided by law, be subject to alienation, or encumbrance, nor to the satisfaction of any debt or other liability of any beneficiary of such trust during the said restriction period. The trustee shall render an annual accounting to the Secretary of the Interior and to the beneficiary or beneficiaries to whom the income for the preceding year, or any part thereof, was due and payable.

SEC. 4. That trust agreements or contracts executed and approved as herein provided shall be irrevocable except with the consent and approval of the Secretary of the Interior: *Provided*, That if any trust, trust agreement, or contract be annulled, canceled, or set aside by order of any court, or otherwise, during the period provided in such trust agreement or contract, the principal or corpus of the trust estate, with all accrued and unpaid interest, shall be returned to the Secretary of the Interior as restricted individual Indian property.

SEC. 5. If, after the creation and approval of any trust, it is found that said trust was procured in violation of any of the provisions of this act, it shall be the duty of the Attorney General to institute appropriate proceedings in the Federal courts for the cancellation and annulment of said trust by court decree, and upon decree of annulment and cancellation, which shall be at the cost of the trustee, and after accounting, but without the allowance of any fee, charge, or commission for any services rendered by the trustee, all funds held by the trustee shall be paid to the Secretary of the Interior as restricted funds, and the Federal courts are hereby given exclusive jurisdiction of all actions involving an accounting under any trust created under the provisions of this act, and all actions to cancel, annul, or set aside any trust entered into pursuant to this act.

SEC. 6. That the Secretary of the Interior is hereby authorized to make rules and regulations for the purpose of carrying into effect the provisions of this act, and that the trust agreements and the trusts under this act shall be subject to such terms and conditions as the Secretary of the Interior may prescribe.

Mr. JONES. Mr. President, I would like to have a brief explanation of the bill.

Mr. THOMAS of Oklahoma. Mr. President, this bill passed the Senate on a former occasion. We have in Oklahoma about 5,060 Indians who have vast sums of money to their credit. At the present time these moneys are being dissipated. Unfortunately, the Indians get into difficulty, suits of every kind and class are brought against them, and for some reason the Department of the Interior can not keep from paying those claims and judgments.

This bill merely authorizes the department to give an Indian the same privilege a white man enjoys, if he desires to create a trust, to put his money beyond the purview of suits and claims. There is nothing directory; it just gives the Indians that privilege.

The main thing is that in the event a trust is created, and for any reason thereafter it is broken, the money will revert to the Department of the Interior under restrictions.

Mr. KING. Mr. President, if this bill had been enacted into law, would it have prevented the transfer of a large amount of money from an Indian, under seductions of others, to some church or some charitable institution, which gift has recently been passed on by the courts, which, as I recall, have ordered the restoration of the money?

Mr. THOMAS of Oklahoma. The money would go back to the department. If for any reason the trust is broken, the money would revert to the custody of the department for further control and management.

Mr. KING. I was wondering if it would go further, and protect the Indians from the blandishments and wrongs of others in obtaining their money.

Mr. THOMAS of Oklahoma. That is the purpose of the bill. If it does not do that, it will not do anything. It is the purpose of the bill to protect the large estates in the hands of incompetent Indians, and permit the Indians to create trusts, to be handled by responsible companies, just as white men put their property in trust to protect their dependents.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF UNUSED INDIAN CEMETERY RESERVES

The bill (S. 3409) authorizing the Secretary of the Interior to sell certain unused Indian cemetery reserves on the Wichita Indian Reservation in Oklahoma to provide funds for purchase of other suitable burial sites for the Wichita Indians and affiliated bands was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to advertise and sell to the highest bidder for cash, at not less than the appraised value,

the following-described tracts of land on the Wichita Indian Reservation in Oklahoma: Southeast quarter southeast quarter, section 3, township 9 north, range 10 west, Indian meridian, in Oklahoma, 40 acres; and north half northeast quarter northwest quarter and southeast quarter northeast quarter northwest quarter, section 10, township 7 north, range 10 west, Indian meridian, in Oklahoma, 30 acres: *Provided*, That the proceeds derived therefrom shall be used by the Secretary of the Interior in purchasing suitable tracts of land more conveniently situated, which may be desired by the Wichita and affiliated bands of Indians for cemetery purposes.

BILL PASSED OVER

The bill (S. 2883) prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore, and for the purpose of promoting the safety of navigation, was announced as next in order.

Mr. TYDINGS. Mr. President, I do not want to object to the bill. I understand, I believe, what the Senator from California [Mr. JOHNSON] is trying to accomplish by the bill. However, some navigation interests in my State have written to me about it. I have not had a chance to examine it carefully. I am sure we can adjust later on whatever differences there may be. For that reason I ask that it may be passed over at this time.

Mr. JOHNSON. Very well.

The PRESIDING OFFICER. The bill will be passed over.

I. L. LYONS & CO.

The bill (S. 1473) to authorize an appropriation for the relief of I. L. Lyons & Co. was considered. The bill had been reported from the Committee on Claims, with an amendment, on page 2, line 6, before the word "liquor," to insert the word "identical," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to I. L. Lyons & Co. the sum of $3,793.07 in full settlement of all claims against the Government of the United States by said company for certain liquors sold to it by order of the United States district court authorizing the marshal for the eastern district of Louisiana and the Customs Service, port of New Orleans, to make such sale, and which liquors were later found and held to be unfit for medicinal purposes and not salable by the said I. L. Lyons & Co. as permittee wholesale druggist.

SEC. 2. That the payment directed under section 1 of this act shall not be made until the identical liquor involved is surrendered to the Federal prohibition administrator at New Orleans for destruction. The liquor to be surrendered and returned for destruction is identified as follows: 269 gallons Old Lewis Hunter Rye whisky; 548.25 gallons Old Boone whisky; 233.25 gallons Cedar Brook whisky; 123.61 gallons Scotch whisky; 523.90 gallons wine; and 20.75 gallons assorted liquors.

The amendment was agreed to.

Mr. JONES. Mr. President, there certainly ought to be some explanation of the bill and why the Government should pay the claim.

Mr. BROUSSARD. Mr. President, the bill passed the House in 1930. At the last session the Congress adjourned before the Senate could act on the House bill.

Under orders of the Federal court, certain seized liquors were sold at auction. I. L. Lyons & Co. bought the liquors. After the sale had been made and subsequently thereto the Treasury Department ruled that the liquors could not be used for medicinal purposes and issued an order against the sale. Lyons & Co. had paid the United States Treasury for them and were not permitted to sell them. They have been for three years trying to get their money back from the Government.

Mr. JONES. Very well.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DELAWARE RIVER JOINT COMMISSION

The joint resolution (S. J. Res. 41) granting consent of Congress to a compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River Joint Commission and specifying the powers and duties thereof was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas, pursuant to act No. 200 of the Commonwealth of Pennsylvania, approved June 12, 1931, and chapter 391 of the Laws of New Jersey, approved June 30, 1931, the Commonwealth of Pennsylvania and the State of New Jersey have entered into a certain compact or agreement, which said compact or agreement has been duly executed and delivered by the Governor of the Commonwealth of Pennsylvania on behalf of said Commonwealth, and by the New Jersey Interstate Bridge Commission on behalf of said State; and

Whereas the aforesaid agreement or compact is in substantially the following form, that is to say:

"Whereas the Commonwealth of Pennsylvania and the State of New Jersey are the owners of a certain bridge across the Delaware River between the city of Philadelphia, in the Commonwealth of Pennsylvania, and the city of Camden, in the State of New Jersey; and

"Whereas the Pennsylvania commission, existing by virtue of act No. 338 of the Commonwealth of Pennsylvania, approved July 9, 1919 (Pamphlet Laws, 814), and acts amendatory thereof and supplementary thereto, and the New Jersey Interstate Bridge Commission, existing by virtue of chapter 271 of the Laws of New Jersey of 1929, and acts amendatory thereof and supplementary thereto, are acting jointly under the name of the Delaware River Bridge Joint Commission in connection with the operation and maintenance of said bridge; and

"Whereas the interests of the people of the two States will be best served by consolidating the two commissions in corporate form, and granting additional powers and authority thereto with reference to the said bridge, and to other and further means of communication between the two States in the vicinity of Philadelphia and Camden; and

"Whereas additional transportation facilities between the two States in the vicinity of Philadelphia and that part of New Jersey opposite thereto will be required in the future for the accommodation of the public and the development of both States; and

"Whereas both States have mutual interests in the development of the Delaware River from Philadelphia and Camden to the sea, and particularly in developing the facilities and promoting the more extensive use of the ports of Philadelphia and Camden by coastwise, intercoastal, and foreign vessels; and

"Whereas it is highly desirable that there be a single agency of both States empowered to further the aforesaid interests of both States: Now, therefore

"The Commonwealth of Pennsylvania and the State of New Jersey do hereby solemnly covenant and agree each with the other, as follows:

"ARTICLE I

"There is hereby created a body corporate and politic to be known as the Delaware River Joint Commission (hereinafter in this agreement called the 'commission'), which shall constitute the public corporate instrumentality of the Commonwealth of Pennsylvania and the State of New Jersey for the following public purposes, and which shall be deemed to be exercising an essential governmental function in effectuating such purposes, to wit:

"(a) The operation and maintenance of the bridge owned jointly by the two States and the city of Philadelphia, as its interests may appear, across the Delaware River between the city of Philadelphia in the Commonwealth of Pennsylvania and the city of Camden in the State of New Jersey, including its approaches, and the making of additions and improvements thereto.

"(b) The effectuation, establishment, construction, operation, and maintenance of railroad or other facilities for the transportation of passengers across the said bridge, including extensions thereof to the vicinity of Race Street and Eighth Street in the city of Philadelphia, and to the vicinity of Carman Street and Haddon Avenue in the city of Camden.

"(c) The investigation of the necessity for additional means of communication between the Commonwealth of Pennsylvania in the vicinity of Philadelphia and the State of New Jersey opposite thereto, and between the ports of Philadelphia and Camden and the sea, and making of such studies, surveys, and estimates as may be necessary to determine the feasibility and cost of any such additional means of communication, whether the same be by bridge, tunnel, canal, or otherwise.

"(d) Cooperation with all other bodies interested or concerned with or affected by the promotion, development, or use of the Delaware River.

"(e) The procurement from the Government of the United States of any consents which may be requisite to enable any project within its powers to be carried forward.

"(f) The promotion of the Delaware River as a highway of commerce between Philadelphia and Camden and the sea.

"(g) The promotion of increased commerce on the Delaware River, both freight and passenger, and, for this purpose, the publication of such literature and the adoption of such means as may be deemed appropriate.

"(h) To study and make recommendations to the proper authorities for the improvement of terminal, lighterage, wharfage, warehouse, and other facilities necessary for the promotion of commerce on the Delaware River.

"(i) Institution, through the attorneys general of Pennsylvania and New Jersey, of or intervention in any litigation involving rates, preferences, rebates, or other matters vital to the interests of the ports of the Delaware River.

"(j) Any other functions which may be of mutual benefit to the Commonwealth of Pennsylvania and the State of New Jersey, in so far as concerns the promotion and development of the ports of Philadelphia and of Camden, and the use by commercial vessels of their facilities.

"ARTICLE II

"The commission shall consist of 16 commissioners, 8 resident voters of the Commonwealth of Pennsylvania, and 8 resident voters of the State of New Jersey, who shall serve without compensation.

"The first eight commissioners for the Commonwealth of Pennsylvania shall be the governor of the Commonwealth, the auditor general, the State treasurer, the mayor of the city of Philadelphia, and the four additional persons now serving as members of the Pennsylvania commission, existing by virtue of Act No. 338 of the Commonwealth of Pennsylvania, approved July 9, 1919 (Pamphlet Laws, 814), and acts amendatory thereof and supplementary thereto.

"The first eight commissioners for the State of New Jersey shall be the eight individuals now holding office, as members of the New Jersey Interstate Bridge Commission, existing by virtue of chapter 271 of the laws of said State of 1929, approved May 6, 1929, and acts amendatory thereof and supplementary thereto, which said eight individuals are hereby appointed by said State as such commissioners, who shall serve for their unexpired terms as members of the New Jersey Interstate Bridge Commission. Succeeding commissioners shall be elected by the legislature to serve for terms of five years.

"For the Commonwealth of Pennsylvania, the governor, the auditor general, the State treasurer, and the executive head of the city of Philadelphia, in office at the time, shall always be members of the commission, and, in addition thereto, there shall be four members appointed by the governor, who shall be known as appointive members. Whenever a vacancy occurs in the appointive membership of the commission, the governor shall appoint a member to serve for a term of five years from the date of his appointment.

"For the State of New Jersey, whenever a vacancy in the office of commissioner shall occur, such vacancy shall be filled for the unexpired term by the legislature. If the legislature shall not be in session when the vacancy occurs, such vacancy shall be filled by the governor, and such appointee shall hold office until the legislature convenes.

"All commissioners shall continue to hold office after the expiration of the terms for which they are appointed or elected unless and until their respective successors are appointed and qualified, but no period during which any commission shall hold over shall be deemed to be an extension of his term of office for the purpose of computing the date on which his successor's term expires.

"ARTICLE III

"The commissioners shall have charge of the commission's property and affairs, and shall, for the purpose of doing business, constitute a board, but no action of the commissioners shall be binding unless a majority of the members of the commission from Pennsylvania and a majority of the members of the commission from New Jersey shall vote in favor thereof.

"ARTICLE IV

"For the effectuation of its authorized purposes, the commission is hereby granted the following powers:

"(a) To have perpetual succession.

"(b) To sue and be sued.

"(c) To adopt and use an official seal.

"(d) To elect a chairman, vice chairman, secretary, and treasurer, and to adopt suitable by-laws for the management of its affairs. The secretary and treasurer need not be members of the commission.

"(e) To appoint such other officers and such agents and employees as it may require for the performance of its duties, and fix and determine their qualifications, duties, and compensation.

"(f) To enter into contracts.

"(g) To acquire, own, hire, use, operate, and dispose of personal property.

"(h) To acquire, own, use, lease, operate, and dispose of real property and interests in real property, and to make improvements thereon.

"(i) To grant the use of, by franchise, lease, or otherwise, and to make charges for the use of, any property or facility owned or controlled by it.

"(j) To borrow money upon its bonds or other obligations either with or without security.

"(k) To exercise the right of eminent domain.

"(l) To determine the exact location, system, and character of, and all other matters in connection with, any and all improvements or facilities which it may be authorized to own, construct, establish, effectuate, operate, or control.

"(m) In addition to the foregoing, to exercise the powers, duties, authority, and jurisdiction heretofore conferred and imposed upon the aforesaid Pennsylvania Commission and upon the aforesaid New Jersey Interstate Bridge Commission, severally, or upon both of said commissions jointly, by the Commonwealth of Pennsylvania or the State of New Jersey, or both of the said two States; and

"(n) To exercise all other powers, not inconsistent with the constitutions of the two States or of the United States, which may be reasonably necessary or incidental to the effectuation of its authorized purposes or to the exercise of any of the foregoing powers, except the power to levy taxes or assessments, and generally to exercise, in connection with its property and affairs and in connection with property within its control, any and all powers which might be exercised by a natural person or a private corporation in connection with similar property and affairs.

"ARTICLE V

"If for any of its authorized purposes (including temporary construction purposes), the commission shall find it necessary or convenient to acquire any real property in the Commonwealth of Pennsylvania or the State of New Jersey, whether for immediate or future use, the commission may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for public use, and, upon such determination, the said property shall be deemed to be required for a public use until otherwise determined by the commission, and, with the exceptions hereinafter specifically noted, the said determination shall not be affected by the fact that such property has theretofore been taken for or is then devoted to a public use, but the public use in the hands or under the control of the commission shall be deemed superior to the public use in the hands or under the control of any other person, association, or corporation.

"If the commission is unable to agree with the owner or owners thereof upon terms for the acquisition of any such real property in the Commonwealth of Pennsylvania for any reason whatsoever, then the commission may acquire such real property in the manner provided by Act No. 338 of the Commonwealth of Pennsylvania, approved July 9, 1919, and acts amendatory thereof and supplementary thereto, for the acquisition of real property by the aforesaid Pennsylvania commission.

"If the commission is unable to agree with the owner or owners thereof upon terms for the acquisition of any such real property in the State of New Jersey for any reason whatsoever, then the commission may acquire and is hereby authorized to acquire such property, whether a fee simple absolute or a lesser interest, by condemnation or the exercise of the right of eminent domain, either under and pursuant to the provisions of the act of the State of New Jersey, entitled 'An act to regulate the ascertainment and payment of compensation for property condemned or taken for public use' (revision of 1900, approved March 20, 1900), and acts amendatory thereof and supplementary thereto, or under and pursuant to the provisions of an act entitled 'An act concerning and regulating acquisition and taking of lands by the State of New Jersey, or any agency thereof; providing a procedure therefor, and the manner of making compensation for lands so taken,' approved April 21, 1920, and the various acts amendatory thereof and supplementary thereto.

"The power of the commission to acquire real property by condemnation or the exercise of the power of eminent domain in the Commonwealth of Pennsylvania and the State of New Jersey shall be a continuing power and no exercise thereof shall be deemed to exhaust it.

"The commission and its duly authorized agents and employees may enter upon any land in the Commonwealth of Pennsylvania or the State of New Jersey for the purpose of making such surveys, maps, or other examinations thereof as it may deem necessary or convenient for its authorized purposes.

"However, anything to the contrary contained in this compact notwithstanding, no property now or hereafter vested in or held by any county, city, borough, village, township, or other municipality, or port district shall be taken by the commission without the consent of such municipality or port district unless expressly authorized so to do by the Commonwealth or State in which such municipality or port district is located. All counties, cities, boroughs, villages, townships, and other municipalities, and all public agencies and commissions of the Commonwealth of Pennsylvania and the State of New Jersey, notwithstanding any contrary provision of law, are hereby authorized and empowered to grant and convey to the commission upon its request, but not otherwise, upon reasonable terms and conditions, any real property which may be necessary or convenient to the effectuation of its authorized purposes, including real property already devoted to public use.

"The Commonwealth of Pennsylvania and the State of New Jersey hereby consent to the use and occupation by the commission of any real property of the said two States, or of either of them, which may be or become necessary or convenient to the effectuation of the authorized purposes of the commission, including lands lying under water and lands already devoted to public use.

"The term 'real property' as used in this compact, includes lands, structures, franchises, and interests in land, including lands under water and riparian rights, and any and all things and rights usually included within the said term, and includes not only fees simple absolute but also any and all lesser interests, such as easements, rights of way, uses, leases, licenses, and all other incorporeal hereditaments, and every estate, interest, or right, legal or equitable, including terms of years and liens thereon by way of judgments, mortgages, or otherwise, and also claims for damage to real estate.

"ARTICLE VI

"The control, operation, tolls, and other revenues of the aforesaid existing bridge across the Delaware River between the city of Philadelphia and the city of Camden, and of all real and personal property appurtenant thereto or used in connection therewith, shall vest in the commission on the 1st day of July, 1931, and the terms of the members of the aforesaid Pennsylvania Commission and the aforesaid New Jersey Interstate Bridge Commission shall cease and terminate on that date.

"On or before the 30th day of June, 1932, or as soon thereafter as practicable, the commission shall pay to the Commonwealth of Pennsylvania, the State of New Jersey, and the city of Philadel-

phia the following sums out of moneys raised by said commission on its bonds or other obligations:

"(a) An amount equal to the moneys contributed by the Commonwealth of Pennsylvania toward the cost of acquiring property for and constructing said bridge and the approaches thereto, and expenditures incident thereto, with interest at the rate of 4 per cent per annum, such interest to be computed from the dates on which installments of such funds were paid to the Delaware River Bridge Joint Commission by the said Commonwealth of Pennsylvania, as shown by the records of its State treasurer, less, however, the amount returned to the Commonwealth of Pennsylvania from the net revenues of the bridge between July 1, 1926, and June 30, 1931, and less interest, at the rate of 4 per cent per annum, upon such amount computed from the dates of repayment to the Commonwealth of Pennsylvania.

"(b) An amount equal to the moneys contributed by the State of New Jersey toward the cost of acquiring property for and constructing said bridge and the approaches thereto, and expenditures incident thereto, with interest theretofore actually paid by the State of New Jersey or accrued upon the bonds issued by said State to borrow money to pay its share of the cost of acquiring property for, and construction of, said bridge and the approaches thereto, and all expenditures incident thereto, less, however, the amount returned to the State of New Jersey from the net revenues of the bridge between July 1, 1926, and June 30, 1931, and less interest at the rate of 4¼ per cent per annum, upon such amount computed from the dates of repayment to the State of New Jersey.

"(c) An amount equal to the moneys contributed by the city of Philadelphia toward the cost of acquiring property for and constructing said bridge and the approaches thereto, and expenditures incident thereto, with interest theretofore actually paid by the city of Philadelphia or accrued upon the bonds issued by said city to borrow money to pay its share of the cost of acquiring property for and construction of said bridge and approaches thereto, and all expenditures incident thereto, less, however, the amount returned to the city of Philadelphia from the net revenues of the bridge between July 1, 1926, and June 30, 1931, and less interest at the rate of 4¼ per cent per annum, upon such amount computed from the dates of repayment to the city of Philadelphia.

"(d) As soon as is practicable subsequently to July 1, 1931, the commission shall determine with the Commonwealth of Pennsylvania, the State of New Jersey, and the city of Philadelphia the net amounts due to each, respectively, as of the 1st day of July, 1931, and from that date until the date of payment interest shall be paid by the commission to the Commonwealth of Pennsylvania at the rate of 4 per cent per annum and to the State of New Jersey and to the city of Philadelphia at the rate of 4¼ per cent per annum.

"(e) The amount payable by the commission to the Commonwealth of Pennsylvania, as aforesaid, shall be paid to the State treasurer of the Commonwealth of Pennsylvania upon a voucher signed and audited by said State treasurer, who is hereby authorized to consummate the said transaction. The amount payable to the State of New Jersey shall be paid to the comptroller of said State upon a voucher signed and audited by said comptroller, who is hereby authorized to consummate the said transaction. The amount payable to the city of Philadelphia shall be paid to the treasurer of the said city upon a voucher signed and audited by said treasurer, who is hereby authorized to consummate the said transaction. Upon the receipt of the proper payment each of said officials shall certify to the Delaware River Joint Commission that all moneys payable by the Delaware River Joint Commission to the Commonwealth, State, or city, as the case may be, have been duly paid.

"(f) Nothing herein contained shall be construed to affect, diminish, or impair the rights and obligations created by, or to repeal any of, the provisions of chapter 352 of the Laws of New Jersey of 1920, and chapter 262 of the Laws of New Jersey of 1924, and chapter 336 of the Laws of New Jersey of 1926, and chapter 33 of the Laws of New Jersey of 1927, and chapter 64 of the Laws of New Jersey of 1928.

"(g) Of the money paid to the State of New Jersey under the provisions of this agreement, there shall be paid to the sinking fund commission, created by the provisions of the foregoing statutes (chapter 352 of the Laws of New Jersey of 1920 and chapter 262 of the Laws of New Jersey of 1924), such sum or sums as said sinking fund commission may deem necessary to meet the then existing indebtedness and obligations set forth in said statutes, together with such interest and other charges as may be due or may grow due. The amount thus to be paid to the sinking fund commission shall be arrived at and determined by said sinking fund commission within 90 days after payment is made to the State of New Jersey pursuant to the provisions of this agreement. The moneys to be paid to and received by said sinking fund commission are hereby appropriated by the State of New Jersey and are to be used for sinking-fund purposes according to law.

"(h) No failure on the part of the commission to make the aforesaid payments to the Commonwealth of Pennsylvania, to the State of New Jersey, or to the city of Philadelphia, shall affect, diminish, or impair the rights of the holders of any bonds or other securities or obligations of said commission, as security for which the tolls and other revenues of the said bridge may be pledged.

"ARTICLE VII

"Notwithstanding any provision of this agreement, the commission shall have no power to pledge the credit of the Commonwealth of Pennsylvania, or the credit of the State of New Jersey, or the credit of any county, city, borough, village, township, or other municipality of said Commonwealth or of said State, or to create any debt of said Commonwealth or of said State or of such municipality.

"ARTICLE VIII

"The commission is hereby authorized to make and enforce such rules and regulations, and to establish, levy, and collect (or to authorize by contract, franchise, lease, or otherwise the establishment, levying, and collection of) such tolls, rents, rates, and other charges in connection with the aforesaid existing bridge across the Delaware River, and any other properties which it may hereafter construct, erect, acquire, own, operate, or control, as it may deem necessary, proper, desirable, and reasonable, which said tolls, rents, rates, and other charges shall be at least sufficient to meet the expenses thereof, including interest and sinking-fund charges; and the commission is hereby authorized and empowered to pledge such tolls, rates, rents, and other revenues, or any part thereof, either presently received or to be received in the future, or both, as security of the repayment, with interest, of any moneys borrowed by it or advanced to it for any of its authorized purposes and as security for the satisfaction of any other obligation assumed by it in connection with such loans or advances.

"ARTICLE IX

"The Commonwealth of Pennsylvania and the State of New Jersey hereby covenant and agree with each other and with the holders of any bonds or other securities or obligations of the commission for which there may or shall be pledged the tolls, rents, rates, or other revenues, or any part thereof, of any property or facility owned, operated, or controlled by the commission (including the said bridge across the Delaware River and the facilities for the transportation of passengers across the said bridge), that (so long as any of said bonds or other securities or obligations remain outstanding and unpaid, and unless and until adequate provision is made by law for the protection of those advancing money upon such obligations) the Commonwealth and the said State will not diminish or impair the power of the commission to own, operate, or control said properties and facilities, or to establish, levy, and collect tolls, rents, rates, and other charges in connection with such properties or facilities.

"The Commonwealth of Pennsylvania and the State of New Jersey hereby covenant and agree with each other and with the holders of any bonds or other securities or obligations of the commission for which the tolls, rents, rates, or other revenues, or any part thereof, of the aforesaid existing bridge across the Delaware River shall have been pledged that the said Commonwealth and the said State will not authorize or permit the authorization of the construction, operation, or maintenance of any additional vehicular bridge or tunnel or any additional bridge or tunnel having railroad or other facilities for the transportation of passengers between the said Commonwealth and the said State over or under the Delaware River by any other person or body than the commission, within a distance of 10 miles in either direction from the said bridge measured along the boundary line between the said Commonwealth and the said State.

"ARTICLE X

"The bonds or other securities or obligations which may be issued by the commission for any of its authorized purposes, and as security for which there may be pledged the tolls, rents, rates, and other revenues, or any part thereof, of any properties or facilities owned, operated or controlled by the commission (including the aforesaid existing bridge across the Delaware River and the aforesaid facilities for the transportation of passengers across the said bridge), are hereby made securities in which all State and municipal officers and bodies of the Commonwealth of Pennsylvania and State of New Jersey, all banks, bankers, trust companies, savings banks, saving and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees, and other fiduciaries, and all other persons whatsoever, who are now or hereafter may be authorized to invest in bonds or other obligations of the Commonwealth of Pennsylvania or of the State of New Jersey, may properly and legally invest any funds, including capital belonging to them or within their control; and said bonds or other securities or obligations are hereby made securities which may properly and legally be deposited with and received by any State or municipal officer or agency of the Commonwealth of Pennsylvania or the State of New Jersey for any purpose for which the deposit of bonds or other obligations, either of the Commonwealth or of the State, is now or may hereafter be authorized.

"ARTICLE XI

"The effectuation of its authorized purposes by the commission is and will be in all respects for the benefit of the people of the Commonwealth of Pennsylvania and the State of New Jersey, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and since the commission will be performing essential governmental functions in effectuating said purposes, the commission shall not be required to pay any taxes or assessments upon any property acquired or used by it for such purposes, and the bonds or other securities or obligations issued by the commission, their transfer, and the income thereof (including any profits made on the sale thereof) shall, at all times, be free from taxation within the Commonwealth of Pennsylvania and the State of New Jersey.

"ARTICLE XII

"The commission shall make annual reports to the Governors and Legislatures of the Commonwealth of Pennsylvania and the State of New Jersey, setting forth in detail its operations and transactions, and may make such additional reports, from time to time, to the governors and legislatures as it may deem desirable.

"Whenever the commission, after investigation and study, shall have concluded plans, with estimates of cost, and means of financing any new project, other than those described in article 1, subdivision (b) hereof, for transportation across or under the Delaware River within the area hereinbefore described, any new project for the improvement of the Delaware River's port facilities, or any other project for the mutual advantage of Pennsylvania and New Jersey and coming within the purposes for which it is created, the commission shall make to the legislatures of each State a detailed report, dealing only with the contemplated project, and shall request of said legislatures authority to proceed with the project described; and it shall not be within the power of the commission to construct, erect, or otherwise acquire any facility or project, except those described in article 1, subdivision (b) hereof, unless and until the legislatures of both States shall have authorized the commission to proceed with the project outlined in its special report thereon.

"In witness whereof, this 1st day of July, anno Domini, 1931, Gifford Pinchot has affixed his signature hereto as Governor of the Commonwealth of Pennsylvania and caused the great seal of the Commonwealth to be attached hereto.

"[SEAL.] GIFFORD PINCHOT,
"*Governor Commonwealth of Pennsylvania.*

"And on this 1st day of July, anno Domini, 1931, the New Jersey Interstate Bridge Commission by its members, pursuant to law, has signed this agreement for and on behalf of the State of New Jersey.

"JOHN B. KATES.
"ARTHUR C. KING.
"THOMAS J. S. BARLOW.
"BARTON F. SHARP.
"ALFRED COOPER.
"FRANK L. SUPLEE.
"LUCIUS E. HIRES.
"I. NORWOOD GRISCOM.

"Witnesses:
"DAVID J. SMYTH.
"JOSEPH K. COSTELLO.
"T. HARRY ROWLAND."

Now, therefore, be it

Resolved, etc., That the consent of Congress is hereby given to the aforesaid compact or agreement, and to each and every term and provision thereof: *Provided*, That nothing herein contained shall be construed to affect, impair, or diminish any right, power, or jurisdiction of the United States or of any court, department, board, bureau, officer, or official of the United States, over or in regard to any navigable waters, or any commerce between the States or with foreign countries, or any bridge, railroad highway, pier, wharf, or other facility or improvement, or any other person, matter, or thing, forming the subject matter of the aforesaid compact or agreement or otherwise affected by the terms thereof: *And provided further*, That the right to alter, amend, or repeal this resolution or any part thereof is hereby expressly reserved.

The preamble was agreed to.

CLOSING UPPER WATER STREET, DISTRICT OF COLUMBIA

The joint resolution (S. J. Res. 50) to authorize the Commissioners of the District of Columbia to close upper Water Street between Twenty-second and Twenty-third Streets, was considered. The bill had been reported from the Committee on the District of Columbia with amendments, on page 1, line 6, after the word "square," to strike out "62" and insert:

62: *Provided*, That the consent in writing of the owners of three-fourths of all private property on the south side of square 62 is first had and obtained.

On page 2, line 5, after the words "District of Columbia," to insert:

Provided further, That the said commissioners be, and they are hereby, authorized to enter upon said closed area at all times for the purpose of maintenance and repair of all existing sewers and sewer purtenances.

On page 2, line 19, after the word "area," to insert:

And in the construction of said building the said association shall take such steps as are necessary to insure the safety of existing sewers and sewer appurtenances.

And on page 3, line 3, after the words "Lincoln Memorial," to insert:

Provided further, That the design of the said association's building shall be such as to be approved by the National Commission of Fine Arts, and its use shall be limited to organizations and institutions serving American pharmacy on a nonprofit basis.

So as to make the bill read:

Resolved, etc., That the Commissioners of the District of Columbia are hereby authorized to close upper Water Street, between Twenty-second and Twenty-third Streets NW., lying north of Potomac Park and south of square 62: *Provided*, That the consent in writing of the owners of three-fourths of all private property on the south side of square 62 is first had and obtained; and upon the closing of said street between the limits named the Commissioners of the District of Columbia are authorized to transfer the land contained in the bed of said street to the Director of Public Buildings and Public Parks of the National Capital, as part of the park system of the District of Columbia: *Provided further*, That the said commissioners be, and they are hereby, authorized to enter upon said closed area at all times for the purpose of maintenance and repair of all existing sewers and sewer appurtenances.

SEC. 2. The Director of Public Buildings and Public Parks of the National Capital is authorized to transfer to the American Pharmaceutical Association such an area adjacent to the land owned by the said association, as shall be agreed upon between the association and the two commissions hereinafter named, so that the location and the setting of the association's building will conform to the plan prepared by the National Capital Park and Planning Commission and approved by the National Commission of Fine Arts for the treatment of that area, and in the construction of said building the said association shall take such steps as are necessary to insure the safety of existing sewers and sewer appurtenances: *Provided*, That the American Pharmaceutical Association agrees, contemporaneously with the above transfer to it, to transfer to the United States of America title to a strip of land owned by said association, 17 feet in depth along Twenty-third Street, for the purpose of widening said street as an approach to the Lincoln Memorial: *Provided further*, That the design of the said association's building shall be such as to be approved by the National Commission of Fine Arts, and its use shall be limited to organizations and institutions serving American pharmacy on a nonprofit basis.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. J. J. BRADSHAW

The bill (S. 3095) for the relief of Mrs. J. J. Bradshaw was considered. The bill had been reported from the Committee on Claims with amendments, on page 1, line 4, to strike out "Mrs.," and in the same line after the name "Bradshaw," to insert the words "and Addie C. Bradshaw," and, in line 9, to strike out the word "she" and insert "Addie C. Bradshaw," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay J. J. Bradshaw and Addie C. Bradshaw, out of any money in the Treasury not otherwise appropriated, the sum of $897 in full settlement of all claims against the Government for hospital and medical expenses and physical pain and suffering due to an injury Addie C. Bradshaw received by being struck by a United States naval ambulance in the city of Norfolk, Va., on or about September 10, 1927.

The amendments were agreed to.

Mr. JONES. Mr. President, I should like to have a brief explanation of the bill.

Mr. WHITE. Mr. President, this is a bill introduced by the senior Senator from Virginia [Mr. SWANSON]. It seeks to compensate Mrs. Bradshaw for injuries received by her in a collision between her husband's car, in which she was riding, and a naval ambulance. The evidence before the committee was that the collision occurred on the streets in Norfolk, Va., at an intersection where there were neither lights nor officer nor signals of any sort. It appears that the Navy ambulance was being driven at great speed over wet and slippery streets. The case was investigated by naval authorities and the driver of the naval ambulance was subjected to disciplinary action of some sort.

Mrs. Bradshaw was riding in the rear seat of her husband's car. She suffered very severe injuries and fractures. She was in the hospital for a month. She was confined to her bed in her own home for some three weeks thereafter under the care of a physician and a nurse. I think it perfectly clear that neither Mrs. Bradshaw nor her husband, who was driving the car, was at fault in any respect. I believe it is clear also that the driver of the ambulance was driving at an excessive and reckless rate of speed.

The item is made up of $397 for money paid out for medical services, and then there is an additional sum of $500 added for the pain and suffering endured by Mrs. Bradshaw.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of J. J. Bradshaw and Addie C. Bradshaw."

BILL PASSED OVER

The bill (S. 1469) to authorize certain officers of the United States Navy and Marine Corps to accept such decorations, orders, and medals as have been tendered them by foreign governments in appreciation of services rendered was announced as next in order.

Mr. JONES. I ask that the bill go over.

Mr. HALE. Mr. President, will the Senator tell me what objection he has to the bill?

Mr. JONES. I have not had an opportunity to examine the bill fully. I am opposed to the creation of these special classes in this country. I understand that permission to receive decorations of this kind by members of the Army is no longer granted. I want an opportunity to examine the bill pretty carefully before I consent to its consideration. As a general rule, I am opposed to the accepting of foreign decorations.

The PRESIDING OFFICER. On objection, the bill will go over.

EUGENE B. ELY

The bill (S. 433) to authorize the posthumous award of a distinguished flying cross to Eugene B. Ely was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized to award, but not in the name of Congress, a distinguished flying cross, posthumously, to Eugene B. Ely for extraordinary achievement as a pioneer civilian aviator and for his significant contribution to the development of aviation in the United States Navy. The President may present such flying cross to Nathan Dana Ely, colonel, United States Army, retired, father of the said Eugene B. Ely.

RELIEF OF CERTAIN OFFICERS OF DENTAL CORPS, UNITED STATES NAVY

The bill (S. 462) for the relief of certain officers of the Dental Corps of the United States Navy was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That all commissioned officers now on active duty in the Dental Corps of the United States Navy who, while heretofore on active duty as reserve or temporary commissioned officers, had qualified for appointment to the Dental Corps of the United States Navy pursuant to an examination held at the United States Naval Medical School, Washington, D. C., in January, 1920, and who since that date have continuously served on active duty, shall hereafter be entitled to a position on the precedence list in accordance with that attained in said examination: *Provided*, That such officers of the Dental Corps shall be assigned running mates for promotion purposes in accordance with their precedence as so determined: *And provided further*, That no back pay or allowance shall accrue to any officer by reason of the passage of this act.

SILVER SERVICE OF GUNBOAT "HELENA"

The bill (S. 1047) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Historical Society of Montana, for preservation and exhibition, the silver service which was in use on the gunboat *No. 9, Helena*, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized, in his discretion, to deliver to the custody of the Historical Society of Montana for preservation and exhibition in the city of Helena, in that State, the silver service which was in use on the gunboat, *No. 9, Helena: Provided*, That no expense shall be incurred by the United States for the delivery of such silver service.

WARREN BURKE

The bill (S. 3281) for the relief of Warren Burke was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to place Ensign Warren Burke, United States Naval Reserve, upon the retired list of the Navy with three-fourths of the active-duty pay of his grade: *Provided*, That a duly constituted naval retiring board finds that the said Warren Burke is incapacitated for service by reason of physical disability incurred in the line of duty: *Provided further*, That no back pay, allowances, or emoluments shall become due as a result of the passage of this act.

BILLS PASSED OVER

The bill (S. 1030) for the relief of John A. Pierce was announced as next in order.

Mr. JONES. Mr. President, I would like to have an explanation of the bill.

The PRESIDING OFFICER. The bill was reported by the Senator from Nebraska [Mr. HOWELL], who is not present at the moment.

Mr. JONES. I think the bill had better go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3447) for the relief of John Stratis was announced as next in order.

Mr. JONES. Mr. President, I should like to have an explanation of the bill, but inasmuch as the Senator from Nebraska [Mr. HOWELL] is not here I ask that it may go over. I know he is pretty careful about these bills, but I should like to have an explanation.

Mr. McNARY. May I state that the distinguished Senator from Nebraska [Mr. HOWELL] is absent on official business?

Mr. JONES. I think the bill had better go over.

The PRESIDING OFFICER. The bill will be passed over.

DEGREE-CONFERRING INSTITUTIONS, DISTRICT OF COLUMBIA

The bill (S. 100) to amend section 586c of the act entitled "An act to amend subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia relating to degree-conferring institutions," approved March 2, 1929, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 586c of the act entitled "An act to amend subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia relating to degree-conferring institutions," approved March 2, 1929, be, and the same is hereby, amended by adding at the end of such section the following: "*Provided*, That no institution heretofore incorporated under the provisions of this act, and carrying on its work exclusively in any foreign country with the consent and approval of the government thereof, shall, if otherwise entitled to be licensed by the board of education, be denied the same solely because of the inclusion in its name and as descriptive of its origin of any of the specific words the use of which is by this section forbidden to incorporations under the provisions of this act."

FALSE SWEARING BEFORE TRIAL BOARDS, DISTRICT OF COLUMBIA

The bill (S. 2078) to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan police force and fire department of the District of Columbia, and for other purposes,' approved May 11, 1892," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before the trial board of the Metropolitan police force and fire department of the District of Columbia, and for other purposes,' approved May 11, 1892," is hereby amended to read as follows:

"SECTION 1. That hereafter any trial board of the Metropolitan police force or the fire department of the District of Columbia shall have the power to issue subpœnas in the name of the chief justice of the Supreme Court of the District of Columbia to compel witnesses to appear and testify and/or to produce all books, records, papers, or documents before said trial board: *Provided*, That witnesses other than those employed by the District of Columbia subpœnaed to appear before said trial board shall be entitled to the same fees as are paid witnesses for attendance before the Supreme Court of the District of Columbia, but said fees need not be tendered said witnesses in advance of their appearing and testifying and/or producing books, records, papers, or documents before said trial board.

"SEC. 2. That if any witness having been personally summoned shall neglect or refuse to obey the subpœna issued as herein provided, then and in that event the chairman of the trial board may report that fact to the Supreme Court of the District of Columbia or one of the justices thereof, and said court, or any justice thereof, hereby is empowered to compel obedience to said subpœna to the same extent as witnesses may be compelled to obey the subpœnas of that court.

"SEC. 3. That any willful false swearing on the part of any witness before any trial board mentioned in the preceding sections as to any material fact shall be deemed perjury and shall be punished in the manner prescribed by law for such offense.

"SEC. 4. On and after the passage of this act each member of existing trial boards, and members hereafter appointed shall take an oath to be administered by the chief clerk of the police department for the faithful and impartial performance of the duties of the office."

RESOLUTION AND BILLS PASSED OVER

The resolution (S. Res. 166) to print the pamphlets entitled "Draft of Mooney-Billings Report" and "Appendix Containing Official Documents" was announced as next in order.

Mr. HEBERT. Mr. President, the Senator from Delaware [Mr. HASTINGS] has filed a minority adverse report on the measure from the Judiciary Committee. In his absence, I should like to have the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 2494) to amend section 4 of the legislative, executive, and judicial appropriation act passed and approved March 4, 1925, relating to the compensation of Members of and Delegates to Congress, was announced as next in order.

Mr. BORAH. Mr. President, are we under the 5-minute rule?

The PRESIDING OFFICER. We are.

Mr. BORAH. This bill and the next succeeding bill may be passed over, there being an adverse report on both of them.

The bill (S. 2495) to repeal section 17 of the act passed and approved July 28, 1866, relating to mileage of Members of Congress, was announced as next in order.

The PRESIDING OFFICER. At the request of the Senator from Idaho, both bills will be passed over.

PETER C. HAINS, JR.

The bill (S. 480) for the relief of Peter C. Hains, jr., was considered and was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Peter C. Hains, jr., formerly captain, Coast Artillery Corps, United States Army, shall hereafter be held and considered to have been honorably discharged July 28, 1911, from the military service of the United States: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. KING. Mr. President, will the Senator from Florida give us an explanation of the bill?

Mr. FLETCHER. Mr. President, this is a very meritorious case. The bill was reported favorably at the last session.

The report of the committee discloses that Peter C. Hains, jr., was a captain in the Coast Artillery Corps, United States Army. He had enlisted in 1898 and this incident occurred in 1908. He had had 10 years of service in the Army—good, faithful, and efficient service in every way.

While he was a captain in the United States Army he shot and killed a civilian, William C. Annis, of New York, whom Hains charged with having debauched his wife while he, Hains, was absent on official duty, which business necessitated leaving Mrs. Hains and three small children at his home at Fort Hamilton, N. Y. Hains was tried for murder in a civil court of New York State, found guilty of manslaughter in the first degree, and sentenced to imprisonment in Sing Sing Prison for a minimum of 8 years and a maximum of 16 years. On September 11, 1911, Gov. John A. Dix, of New York, granted Hains a full and complete pardon. On January 21, 1911, Hains submitted to the President his unconditional resignation from the Army.

It was held technically later on that although his resignation was unconditional and was accepted, yet under the practice in the department or the rules or the law the department considered that it was a discharge without honor. That was a rather technical finding. At any rate, the governor's pardon is set out in the report of the committee. Hains was granted a full and complete pardon for the offense which he committed, the killing of a man who had debauched his wife in his absence. In view of the fact that he was granted the pardon and then resigned voluntarily and unconditionally, I think it is perfectly clear that he ought not to have been held to have been discharged without honor.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

ROBERT E. EDGECUMBE

The bill (S. 2437) for the relief of Robert E. Edgecumbe was considered. The bill was reported from the Committee on Claims with amendments, on page 1, line 4, to strike out "Robert E. Edgecumbe" and insert "the estate of Annie Lee Edgecumbe, deceased," and, in line 7, to strike out the words "his wife," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the estate of Annie Lee Edgecumbe, deceased, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 as full compensation for the death of Annie Lee Edgecumbe, on October 17, 1930, on account of having been struck by a United States Navy plane in Pensacola Bay, Fla.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the estate of Annie Lee Edgecumbe, deceased."

ALFRED G. SIMMONS, JR.

The bill (S. 2436) for the relief of Alfred G. Simmons, jr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Alfred G. Simmons, jr., out of any money in the Treasury not otherwise appropriated, the sum of $1,000 as full compensation for injuries received and suffered by him on account of having been struck on October 17, 1930, by a United States Navy plane in Pensacola Bay, Fla.

E. H. FLAGG

The bill (S. 816) for the relief of E. H. Flagg was announced as next in order.

Mr. KING. Mr. President, I ask the Senator from Oregon [Mr. MCNARY], the author of the bill, if he has looked into this measure, and if it is meritorious?

Mr. MCNARY. Mr. President, this bill has been before the department for a great many years and the department has reported favorably upon the bill after very exhaustive research. The bill also has the unanimous report from the committee.

Mr. KING. Then I have no objection to the passage of the bill.

The bill was read, considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. H. Flagg, St. Helens, Oreg., formerly deputy collector of internal revenue, the sum of $1,000, representing one-half the sum of $2,000 paid by the J. S. Kimball Co., in full satisfaction of the claim of the United States and the said E. H. Flagg against said company, for violation of the internal revenue laws of the United States, to the clerk of the United States District Court for the District of Alaska, second division, at Nome, Alaska, on December 3, 1901.

HENRY FLANERY

The bill (S. 1294) for the relief of Henry Flanery was announced as next in order.

Mr. KING. Let that bill go over.

Mr. FLETCHER. Mr. President, will the Senator from Utah allow me very briefly to call attention to the facts involved in that bill?

Mr. KING. Yes; but I notice that the beneficiary of the bill was court-martialed.

Mr. FLETCHER. That is true. He enlisted on June 12, 1900, at St. Louis, Mo.; he was in the service and saw active duty in the Philippines and in China.

Mr. REED. And he was also wounded.

Mr. FLETCHER. And he was quite seriously wounded in China, and he suffers from that wound to-day. After coming back from the Philippines and China, he was absent

without leave; he was court-martialed and given a dishonorable discharge. The fact is that six days after being guilty of the offense of being absent without leave he appeared, surrendered, made no defense at all to the charge. The circumstances were rather peculiar, but he was absent without leave for six days. Then he voluntarily came forward and submitted to his punishment.

Having served for three years in the Philippines and in China, and having been seriously wounded while on active duty in combat in China, and suffering from that wound to-day, I submit that absence without leave, under those circumstances, ought not to preclude him from the benefits of the law.

Mr. KING. I have no objection to the passage of the bill.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs, with amendments, in line 5, before the name "Flanery," to strike out "Henry" and to insert "Harry," and at the end of line 8, after the words "United States," to insert:

Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

So as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Harry Flanery, formerly private, Troop C, Sixth Regiment United States Cavalry, shall hereafter be held and considered to have been honorably discharged July 3, 1903, from the military service of the United States: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Harry Flanery."

JAMES J. JORDAN

The Senate proceeded to consider the bill (S. 3027) for the relief of James J. Jordan, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 9, after the word "Corps," to insert "on February 19, 1901," so as to make the bill read:

Be it enacted, etc., That in the administration of the pension laws and the laws governing the National Home for Disabled Volunteer Soldiers, or any branch thereof, James J. Jordan shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of the Thirty-third Company United States Coast Artillery Corps on February 19, 1901: *Provided*, That no pension shall accrue prior to the passage of this act.

The amendment was agreed to.

Mr. REED. Mr. President, I think the committee has slipped on the wording of that bill. There ought to be a further amendment agreed to in the last line on page 1. I move at that point, after the word "pension," to strike out the words "shall accrue" and to insert "or back pay shall be held to have accrued." That is the form in which the proviso ought always to be inserted.

The PRESIDING OFFICER. The amendment proposed by the Senator from Pennsylvania will be stated.

The CHIEF CLERK. On page 1, line 10, after the word "pension," it is proposed to strike out the words "shall accrue" and to insert "or back pay shall be held to have accrued," so that it will read:

That no pension or back pay shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES MORTON WILSON

The Senate proceeded to consider the bill (S. 1529) for the relief of Charles Morton Wilson, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 7, after the word "been," to strike out "late of" and to insert "enrolled as a private in," so as to make the bill read:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army, their widows, children, or dependent relatives, Charles Morton Wilson shall be held and considered to have been enrolled as a private in Company C, Eighty-fourth Regiment Indiana Volunteer Infantry, on September 12, 1863, to have been honorably discharged on December 31, 1863, and to have served continuously between such dates; but no pension, pay, nor bounty shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

Mr. KING. I should like an explanation of that bill. I see that the Secretary of War says that this man was a civilian; that he was never in the military service of the United States.

Mr. REED. That is true. He tried to enlist, but was about a year under age. However, he was accepted by the captain of the company; he was put into uniform and served faithfully for a considerable time—upward of two years, according to my recollection. He did all the work of a soldier; carried food to the outposts on the very front skirmish line in circumstances of great danger; and, although he was an immature boy, he performed faithful service for a long time in uniform. The only reason he was not on the muster roll as a soldier was the fact that he told his age truthfully.

Mr. KING. May I ask the Senator whether the report would indicate that he was a mere personal attendant, a servant, as the expression is, of some officer?

Mr. REED. Yes; that is what the pay roll indicated, Mr. President; but, as a fact, he served in a uniform at the very front under extreme danger, and performed all the duties of a soldier. We passed a bill last year for a similar reason.

Mr. KING. I think the beneficiary is entitled to the passage of the bill.

Mr. REED. It seemed to the committee to be meritorious.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WAR-TIME COMMISSIONED RANK TO RETIRED ENLISTED MEN

The Senate proceeded to consider the bill (S. 460) to give war-time commissioned rank to retired enlisted men, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That all warrant officers and enlisted men who served in the Army, Navy, Marine Corps, or Coast Guard of the United States during the World War or the Spanish-American War, and whose service during such war was creditable, and who have been or hereafter may be retired according to law, shall on the date of approval of this act or upon retirement in the case of those now on the active lists of the services named herein, be advanced in rank on the retired list to the highest commissioned, warrant, or enlisted grade held by them during such war: *Provided*, That nothing in this act shall entitle any of the personnel described herein while on active duty to any other rank than that in which they were serving at the time of retirement: *And provided further*, That no increase in active or retired pay or allowances shall result from the passage of this act.

Mr. REED. Mr. President, this bill gives a brevet title or rank to some 28 persons who are not now beneficiaries of the general law which we passed giving the right to bear the highest title which was enjoyed during the World War to all officers who served in that war. The fact is that early in the war the War Department gave a number of old sergeants temporary commissions as captains in order to use them in the training of some of the new National Army troops. The experiment was not generally successful, but some of those men served as commissioned officers throughout the war. Some of them had to revert to their enlisted status because they could not make the grade as officers. The purpose of this bill is not to increase their pay or allowances in any way but simply to allow them the brevet title which they earned at that time.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. TRAMMELL. Mr. President, what is the purpose of this bill? I happened to be out of the Chamber a moment ago and did not hear the explanation.

Mr. REED. The purpose of the bill is simply to give a sort of legislative recognition to the fact that certain retired enlisted men did enjoy commissioned rank during the World War. It puts them on the retired list as of the highest rank they held during the war time. It does not give them any additional retired pay or allowances, but merely the familiar brevet title, which is not unusual in the Senator's own State.

Mr. WALSH of Massachusetts. And it involves no financial obligation whatever.

Mr. REED. It involves no financial obligation whatever.

Mr. TRAMMELL. Mr. President, the explanation is very satisfactory, and I hope the bill will pass.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to give wartime commissioned rank to retired warrant officers and enlisted men."

CLAIMANTS IN BALTIMORE AND HARFORD COUNTIES, MD.

The resolution (S. Res. 167) referring Senate bill 3623, for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md., to the court of claims for findings of fact, was announced as next in order.

Mr. KING. Mr. President, will the Senator from Kentucky [Mr. LOGAN] advise us what the provisions of Senate bill 3623 are? We are apparently proposing to give validity to a bill and sending a bill with which we are not familiar—at least I am not, and which is not before us—to the Court of Claims.

Mr. LOGAN. Mr. President, about all we did was to get rid of the preamble of the bill, which was much longer than the bill itself. The purpose of the bill was to have the United States waive certain limitations and allow certain claimants to file suit in the Court of Claims for consequential damages growing out of the taking over by the Government of a testing ground in Maryland. It has been before the committee I understand a good many times. We have little knowledge of the damages or whether there were any damages, and we could not tell about that. So it was the idea of the committee that we should refer the matter to the Court of Claims, and that court through its instrumentalities should ascertain the extent of the damage, and report its finding back to the committee. That was the purpose of the bill; but I understand that the Senator from Maryland [Mr. TYDINGS] has an amendment which he desires to offer to the resolution, and as he seems to be absent, I will ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

TRINITY RIVER BRIDGE, TEXAS

The bill (H. R. 8250), granting authority to the Texas State Highway Commission to maintain and operate, as constructed, a free highway bridge across Trinity River between the counties of Navarro and Henderson, in the State of Texas, was read, considered, ordered to a third reading, read the third time, and passed.

INCOME OF RELIGIOUS AND BENEVOLENT SOCIETIES IN THE DISTRICT OF COLUMBIA

The bill (S. 3634) to amend section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122), be, and the same is hereby, amended by striking out the words "clear annual income from which shall not exceed in value $25,000," and inserting in lieu thereof the following: "income from which shall be applied to the purposes of such society."

BILL PASSED OVER

The bill (S. 95) to amend the second paragraph of section 6 of the civil service retirement act of May 29, 1930 (relating to persons retired for disability), was announced as next in order.

Mr. KING. Let that bill go over. I should like to examine it more carefully.

The PRESIDING OFFICER. The bill will be passed over.

CORNELIA CLAIBORNE

The bill (S. 1088) for the relief of Cornelia Claiborne, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cornelia Claiborne, widow of Hamilton Cabell Claiborne, late American consul at Frankfort, Germany, the sum of $7,000, being one year's salary of her deceased husband.

EDITH TOLERTON LATHROP

The bill (S. 1205) for the relief of Edith Tolerton Lathrop was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edith Tolerton Lathrop, widow of Lorin A. Lathrop, late Foreign Service officer of the United States, retired, and formerly American consul at Bristol, England; Cardiff, Wales; and Nassau, the Bahama Islands, the sum of $3,500, being one year's salary of her deceased husband.

LUCY COBB STEWART

The bill (S. 2269) for the relief of Lucy Cobb Stewart was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lucy Cobb Stewart, widow of Nathaniel B. Stewart, late consul general at Barcelona, the sum of $9,000, such sum representing one year's salary of her deceased husband, who died while at his post of duty.

NEAL D. BORUM

The bill (H. R. 6347) for the relief of Neal D. Borum was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General be, and he is hereby, authorized and directed, notwithstanding the provisions of the act of May 22, 1928 (45 Stat. 697), to credit the accounts of Neal D. Borum, special disbursing officer at the embassy of the United States at London, in the sum of $810.62, representing the amount paid by him for expenses incurred by a member of the delegation to the naval conference at London and his staff when they returned to the United States on a vessel of foreign registry.

WILLIAM GIRARD JOSEPH BENNETT

The bill (S. 860) for the relief of William Girard Joseph Bennett was announced as next in order.

Mr. KING. Let that bill go over, as I should like to examine it.

Mr. WALSH of Massachusetts. Mr. President, I will be glad to explain the bill if the Senator will permit me.

Mr. KING. Very well; I withhold the objection.

Mr. WALSH of Massachusetts. The bill seeks to give the individual named the benefit of an honorable discharge. The petitioner served in the Navy during the World War and was honorably discharged. Later he reenlisted, and was dishonorably discharged for the offense, as I recall, of drunkenness.

It is the policy of the Naval Committee and I think likewise the policy of the Committee on Military Affairs where a veteran has served honorably during the period of the World War and it appears that in a later enlistment he has, for a minor offense, been dishonorably discharged, that, for the purpose of receiving the benefit of his war service, he shall have been considered honorably discharged from it. That is a question of policy that has been recognized for years by both the Military Affairs Committee and the Naval Affairs Committee. It is the only exception made. If a veteran has served honorably during the war period and later reenlists and has a mishap and is given a dishonorable discharge, he shall not be precluded from the benefits of his honorable service during the World War.

Mr. KING. Let me say to the Senator that the report of the Secretary of the Navy states that he deserted, then apparently was arrested and broke arrest.

Mr. WALSH of Massachusetts. The report states:

He surrendered himself to naval jurisdiction, was court-martialed, and suffered a dishonorable discharge.

Mr. KING. He broke arrest after having been arrested, and was tried and convicted by general court-martial and sentenced to be confined for one year and to be dishonorably discharged. It would seem that his offense was more than a little scrape.

Mr. WALSH of Massachusetts. We have a very large number of these personal bills coming before the Military Affairs Committee and the Naval Affairs Committee asking to have military records corrected. As a matter of fact, the record is never corrected. If the men are once dishonorably discharged, they are always dishonorably discharged; but in certain cases, if they have served honorably during the war, permission is granted to them to have the benefits that other veterans enjoy by providing that for the receipt of benefits extended to war veterans they may be treated as if honorably discharged.

I will say to the Senator that there are only a very few of these cases; that the committees have rejected innumerable cases of this character because they do not come within their general rule, which is narrow and restricted; namely, that a veteran who went through the war honorably, and later, in months or years afterward reenlists and then deserts or gets drunk and is given a dishonorable discharge, shall not be precluded from the benefits provided for war service faithfully rendered. A veteran honorably discharged who commits crime after the war is not denied compensation or other war benefits. Why should a reenlisted veteran be denied his war record benefits?

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered by the Senate, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Navy William Girard Joseph Bennett shall be held and considered to have been honorably discharged from the United States Navy on the 29th day of April, 1921: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

CONSTRUCTION OF PIPE LINES IN THE DISTRICT

The bill (S. 2496) to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia was considered by the Senate and was read, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and empowered to grant permission to the Griffith-Consumers Co., a corporation organized and existing under the laws of the State of Delaware, the owner of square 661 in the city of Washington in the District of Columbia, said square being bounded on the north by R Street, on the south by S Street, on the east by Half Street, and on the west by First Street, its successors and assigns, to lay down, construct, maintain, and use not more than 10 pipe lines for the carriage of petroleum and petroleum products from a point or points within said square 661, in and through R Street, due east to Half Street, east, and thence north on Half Street, east, to a point opposite lots 12 or 13 in square east of square 708 (through which said lots the said Griffith-Consumers Co. now has an easement to run said pipe lines), thence through said lots or any other lots in said square east of square 708 which may hereafter be acquired by the said Griffith-Consumers Co. or through which it may secure an easement, and to the pierhead line of the Anacostia River.

SEC. 2. That all the construction and use provided for herein shall be under such regulations and rentals as the Commissioners of the District of Columbia may make and establish in connection therewith.

SEC. 3. That no permission granted or enjoyed hereunder shall vest any title or interest in or to the land within the above-mentioned streets or affect any right, title, or interest of the United States in or to land within square east of square 708.

SEC. 4. That the Congress reserves the right to amend, alter, or repeal this act at any time.

Mr. LA FOLLETTE. Mr. President, I should like to ask for an explanation of this bill.

Mr. CAPPER. Mr. President, the bill authorizes the Commissioners of the District of Columbia to grant permission to the Griffiths-Consumers Co. to lay down not more than 10 pipe lines in southeast Washington, running under the property owned by the company and under adjacent streets and other public lands to a pierhead in the Anacostia River. It has been fully considered, and the District Commissioners have given it their approval.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WASHINGTON SUBURBAN SANITARY COMMISSION

The bill (S. 3222) to amend an act approved March 3, 1917, known as the District of Columbia Appropriation act for the year ending June 30, 1918, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provision of the District of Columbia appropriation act for the year ending June 30, 1918, relating to the supply of water for the Washington Suburban Sanitary Commission by the Commissioners of the District of Columbia, is hereby repealed and reenacted so as to read as follows:

"For the protection of the health of the residents of the District of Columbia and the employees of the United States Government residing in Maryland near the District of Columbia boundary, the Commissioners of the District of Columbia, upon the request of the Washington Suburban Sanitary Commission, a body corporate, established by chapter 313 of the acts of 1916 of the State of Maryland, or upon the request of its legally appointed successor, are hereby authorized to deliver water from the water-supply system of the District of Columbia to said Washington Suburban Sanitary Commission, or its successor, for distribution to territory in Maryland within the Washington Suburban Sanitary District as designated in the aforesaid act, or any amendment thereto, and to connect District of Columbia water mains with water mains in the State of Maryland at such points at or near the District of Columbia line as may be agreed upon from time to time by the Commissioners of the District of Columbia and the Washington Suburban Sanitary Commission, under the conditions hereinafter named, namely:

"That before such connections shall be made the said Washington Suburban Sanitary Commission, or its legally appointed successor, shall secure authority from the legislature of the State of Maryland to enter into an agreement with the said Commissioners of the District of Columbia outlining the conditions under which the service is to be rendered.

"The agreement between the Commissioners of the District of Columbia and the said Washington Suburban Sanitary Commission or its legally appointed successor shall provide, among other things—

"First. That the meters on each of said connections shall be located within the District of Columbia and shall remain under the jurisdiction of the Commissioners of the District of Columbia.

"Second. The rates at which water will be furnished, said rates to be based on the actual cost to the United States and the District of Columbia of delivering water to the points designated above, including an interest charge at 4 per cent per annum and a suitable allowance for depreciation.

"Third. That payments for water so furnished shall be made through the collector of taxes of the District of Columbia at such times as the Commissioners of the District of Columbia may direct, said payments to be deposited in the Treasury of the United States as other water rents now collected in the District of Columbia are deposited.

"Fourth. That at no time shall the amount of water furnished the said Washington Suburban Sanitary Commission or its successor exceed the amount that can be spared without jeopardizing the interests of the United States or of the District of Columbia.

"Fifth. That the Commissioners of the District of Columbia shall have at all times the right to investigate the distribution system in Maryland, and if, in their opinion, there is a wastage of water they shall have the right to curtail the supply to said sanitary district to the amount of such wastage."

EDGAR JOSEPH CASEY

The bill (S. 863) for the relief of Edgar Joseph Casey was considered by the Senate and was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Navy Edgar Joseph Casey shall be held and considered to have been honorably discharged from the United States Navy on the 1st day of September, 1925: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. WALSH of Massachusetts. Mr. President, this bill is similar to the previous one. It is the one exception that the committee makes to the general rule of rejecting all these private bills seeking to set aside the penalties of a dishonorable discharge.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DAVID J. MAHONEY, RETIRED

The bill (S. 879) authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, retired, to chief boilermaker, retired, was considered by the Senate and was read, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to advance on the retired list of the Navy David J. Mahoney, boilermaker, retired, to the rating of chief boilermaker (permanent appointment), retired, with the pay and allowances of that rating: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. WALSH of Massachusetts. This bill is recommended favorably by the department. The report from the Navy Department, if read, will indicate the justice of this legislation.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RETIREMENT OF ACTING ASSISTANT SURGEONS OF THE NAVY

The bill (S. 894) directing the retirement of acting assistant surgeons of the United States Navy at the age of 64 years was considered by the Senate and was read, as follows:

Be it enacted, etc., That acting assistant surgeons of the United States Navy who, on the date of the passage of this act, have reached the age of 64 years shall be placed on the retired list of the Navy with pay at the rate of three-fourths of their active-duty pay.

Mr. KING. Mr. President, does the Senator from Massachusetts think that that is wise legislation?

Mr. WALSH of Massachusetts. Mr. President, this is a bill about which there can be very wide difference of opinion. There is this to be said about it, though, and I think if I review the facts the Senator will agree with the action taken by the committee:

There are two acting assistant surgeons in the United States Navy who are physically disabled. They have reached the age of 64 years. One of two things can be done: The Navy Department can keep them on the pay roll and allow them to draw their salaries, though physically disabled and really unable to do their work as acting assistant surgeons. The other course is——

Mr. KING. Mr. President, will the Senator permit an interruption?

Mr. WALSH of Massachusetts. Yes.

Mr. KING. This is not a general law, then? It merely takes care of two specific cases?

Mr. WALSH of Massachusetts. That is all.

Mr. KING. I have no objection.

Mr. WALSH of Massachusetts. And may I say to the Senator that it is with the understanding that when they are retired no other acting assistant surgeons will be employed to take their places. It is really a humanitarian bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LAWRENCE L. MYATT AND MILLER S. BURGIN

The bill (S. 3051) to reinstate Lawrence L. Myatt and Miller S. Burgin as midshipmen in the United States Naval Academy was announced as next in order.

Mr. REED. Mr. President, this bill is to reinstate two young men who were deservedly dropped from the Naval Academy for smuggling two girls into the cadet mess.

We would not report out such a bill as this from the Military Affairs Committee. It seems to me that to cancel disciplinary action by special act of Congress is destructive of all discipline. I would rather not let the bill pass without a full explanation from the chairman of the committee, or from the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Mr. President, these two young men were duly appointed to the Naval Academy, and in their second year of schooling they committed a serious breach of discipline. On one Sunday evening they brought into the mess hall two young ladies, in the nature of a stunt, having first put upon them the blouses of midshipmen. After they arrived at one of the tables in the mess hall, suspecting that one of the superior officers detected them, they withdrew. A few days later an investigation was made and the authorities of the academy dismissed these young men from the institution.

One of the young men is from my own State. The other, incidentally, happens to be the son of a minister who is now living in Georgia, but who at the time lived in the State of Florida and formerly in Texas.

The record of the young men was creditable except for this incident. The committee went rather thoroughly into the matter of dismissal of midshipmen because of breaches of discipline; and we found that in this case the punishment could not have been more severe if the young men had been accompanied by these young ladies to their rooms, and had entertained them in their own private quarters. Such an act has long been recognized as adequate cause for the dismissal of midshipmen.

There is another offense in which young men at the academy indulge which is known as "taking French leave," which means that after 10 o'clock at night, when everybody is supposed to be in bed, the young men dress, get out of their rooms, jump the wall, go into town, remain out for several hours, come back and return to their rooms. If they are detected—and there have been several cases of the kind—the punishment is to be sent to the "jug" for one month.

The Senators who reviewed this case felt that punishment by dismissal for a "stunt" by two young men of taking into the mess hall, on the impulse of the moment, two young girls whose reputation was beyond question—there is not the slightest question about their being young ladies of good family and of good moral character—was too severe, in view of the policy of the academy of only giving a month in the brig to midshipmen who deliberately plan and work out how they can sneak out, get over the wall, go into the town of Annapolis, go to dances, enjoy themselves, and get back. We felt that that is an offense that is certainly as serious as this.

Because of the good record of these young men, the good character of the young ladies, the fact that it was largely a school stunt, and the fact that it had been done before but nobody had been caught, the committee felt that these boys could not be charged with anything approaching moral turpitude, or anything that was of such a serious nature as to brand them, whenever they seek to take a civil-service examination or whenever they seek to obtain a position in afterlife, as having committed an offense so serious that they were dismissed from the Naval Academy.

One of these boys does not intend to return to the Naval Academy. I doubt if either of them will do so. Both of them immediately entered school elsewhere, one in the school of technology in Georgia, Georgia Tech, and the other entered Massachusetts Tech. They have made excellent school records, but they and their families are sensitive about this matter. They do not want to carry through life the charge of having been dismissed from the academy because on one Sunday afternoon, when two girls stumped them by asking, "Take us into the mess hall," on the spur of the moment, they brought these young ladies who had visited them at the academy Sunday afternoon into the mess hall. We have provided in this bill that the young men may resign if the bill is enacted into law giving them permission to reenter the academy. Let me add that the mental anguish these young men have suffered has been in itself a severe punishment.

Mr. CONNALLY. Mr. President, do I understand that the bill does not restore them to the academy?

Mr. WALSH of Massachusetts. It does restore them to the academy, but they have permission to resign if they see fit.

Mr. CONNALLY. Suppose they do not resign.

Mr. WALSH of Massachusetts. Then they can go to the academy; but I have reason to believe that one of these young men in all probability will not reenter the academy. He desires his record of dismissal removed. We of the Naval

Affairs Committee do not think the breach of discipline sufficient to justify branding these young men for life with a record of dismissal from the Naval Academy.

Mr. CONNALLY. To whom will they be charged? One of these young men is from my State.

Mr. WALSH of Massachusetts. Yes.

Mr. CONNALLY. How does it affect the record as to the quota?

Mr. WALSH of Massachusetts. It has no effect upon that.

Mr. CONNALLY. Is the Senator sure of that? The department indicates to me that if they should be restored they would be deducted from the quota.

Mr. WALSH of Massachusetts. From the personal appointment quota of the Senator who appointed them?

Mr. CONNALLY. Yes.

Mr. WALSH of Massachusetts. I think perhaps that is true. I ask the Senator, however, in view of what I have said, whether he does not think that this is a case for clemency? It is not so serious, at least, as many cases we could conceive of. I refer to one that has been acted upon by the academy with which we are in full accord; namely, that the moment young ladies are taken beyond the mess hall into private quarters, that means dismissal. We agree that that is a sound policy; but if these boys had done even that they could not have received a more severe punishment.

The Senator from New Jersey [Mr. KEAN] has given a good deal of time to this case. Both he and I were on the committee of visitors to the academy. We talked the matter over with the authorities there; and while they feel that we ought to uphold them in the decision they have made, I think they would not consider favorable action by the Congress on this bill as tending to lessen their authority or to indicate we favor laxity in discipline.

The PRESIDING OFFICER. The bill is being considered under the 5-minute rule. The time of the Senator from Massachusetts has expired.

Mr. WALSH of Massachusetts. I ask unanimous consent to continue the consideration of the bill before the Senate for five minutes more.

The PRESIDING OFFICER. Without objection, that may be done.

Mr. WALSH of Massachusetts. One of the reasons for this severe action was that the authorities of the academy wanted to stop a practice that had been going on up there—not a common practice, but something that had happened before—and that very thing, unfortunately, was in part the inducement for these boys to do what they did. They knew it had been done before. Therefore there was a failure to appreciate its seriousness. The committee thought it was pretty hard to have the first two that were detected given this severe penalty.

Mr. KEAN. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from New Jersey.

Mr. KEAN. We went into this matter very carefully with the officers. These boys were nice boys. They stood well. What happened was that these boys drove in an automobile with these girls down to the academy and one of the girls said to them, "I dare you to take me into the mess hall." They had heard that other girls had gone in. The boys said, "All right"; and one of their companions threw a couple of blouses out of the window of the academy and these girls put the blouses over the upper parts of their dresses. They did not change their clothes or anything of the kind, and they walked into the mess hall. That is the extent of the offense.

Mr. REED. Mr. President, that is all very sweet and pretty about their being nice boys and nice girls, but the lives of a great many people are going to depend on the good discipline of these young men if they are reinstated in the Navy, and discipline means obeying orders. I think it is perfectly destructive of discipline for Congress to say that the action of the President of the United States in dismissing these young men from the naval service is to be overridden. I ask the Senate to listen to this part of the report of the Secretary of the Navy, who is opposed to the enactment of this bill. He says:

> Midshipmen Myatt and Burgin, who were equally responsible, knew the seriousness of the offense committed. They did it deliberately and apparently with the intention of flouting the authorities. Even before the matter had been brought to the attention of the Superintendent of the Naval Academy he received several telegrams from Congressmen, Senators, and others, urging clemency. In addition, efforts were made by these young men to have the naval authorities influenced through the daily newspapers. Their conduct throughout the whole affair was such as to make it most apparent that they are not desirable material for midshipmen.

Do we want Navy officers or Army officers who undertake to override the action of their superiors by appeals to Representatives and Senators and newspapers? I say we do not want them in the Army, and I do not think we want them in the Navy.

Mr. BRATTON. Let the bill go over.

Mr. WALSH of Massachusetts. Mr. President, if I may say just one word before the bill goes over. It is only fair to say that there was great agitation in the school about the dismissal of these boys, that their classmates felt very sorry for them and were very strongly opposed to the action of the authorities. I think the Senator from New Jersey [Mr. KEAN] will agree with me that we thought that there was some slight personal feeling on the part of some officers and that part of the personal feeling was due to a feeling of criticism because some similar stunts had been carried on not detected, and talked generally among the boys. We felt the officers in charge lost the sense of impartiality that should have been exercised. The young men were willing to be demoted for a year or given any other severe punishment other than dismissal.

It is true there was a great deal of protest on the part of the classmates of these young men and in the community at Annapolis because of the severity of the punishment. This did not help the case, unfortunately. But the boys were not responsible for the protests of their friends and classmates. Naturally, they appealed to the Senators and Representatives who appointed them for clemency.

I will say that, so far as we were able to observe, the conduct of the young men was all one could expect under the circumstances, and if there was personal feeling it was on both sides.

SEVERAL SENATORS. Regular order!

Mr. FLETCHER. Mr. President, if I may say just a word, I met both these young men. They are perfect gentlemen, high-class young men in every respect, splendid material for the Navy.

My objection to this procedure is that the punishment was too severe. I will grant that they might have been given some punishment—put on board ship for 10 days, or something like that—but to dismiss them entirely and ruin their careers is simply too harsh. I think they ought to be restored. I quite agree with what the Senator from Massachusetts has said.

The PRESIDING OFFICER. Under objection, the bill will be passed over.

BILLS PASSED OVER

The bill (S. 276) for the construction and equipment of a hospital on Crow Indian Reservation was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 278) for the relief of Charles Parshall, Fort Peck Indian allottee, of the Fort Peck Reservation, Mont., was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2987) providing for the construction and equipment of a hospital upon the Blackfeet Indian Reservation in the State of Montana was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

RIO GRANDE PROJECT

The joint resolution (S. J. Res. 55) to amend section 2 of the act of February 25, 1927 (44 Stat. L., pt. 2, p. 336), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That any money appropriated pursuant to the authorization contained in the act approved February 25, 1927 (44 Stat. L., pt. 3, p. 1792), shall not be charged to the construction cost or included as a part of the operation and maintenance charges of the Rio Grande project, nor shall such money be in anywise reimbursable by the water users of said project.

BILLS PASSED OVER

The bill (S. 3654) to authorize turning over to the Indian Service vehicles, vessels, and supplies seized and forfeited for violation of liquor laws was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 7912) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1933, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The bill goes over.

GUILFORD COURTHOUSE NATIONAL MILITARY PARK

The bill (S. 1855) to provide for the care and maintenance of the Guilford Courthouse National Military Park was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter the vacancies existing in the commission in charge of the Guilford Courthouse National Military Park created by the act entitled "An act to establish a national military park at the battlefield of Guilford Courthouse," approved March 2, 1917, shall not be filled, and the duties of the offices thus vacated shall devolve upon the remaining commissioner or commissioners for said park: *Provided*, That when all the offices of commissioner of Guilford Courthouse National Military Park are vacated the duties of such commissioners shall thereafter be performed under the direction of the Secretary of War.

BENTON FIELD MILITARY RESERVATION

The bill (S. 3443) to authorize the Secretary of War to grant a right of way to the Alameda Belt Line across the Benton Field Military Reservation, Alameda, Calif., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered to grant to the Alameda Belt Line, a corporation organized and existing under the laws of the State of California, its successors and assigns, a permanent right of way, in such location and under such terms and conditions as may be approved by the Secretary of War, over and across the Benton Field Military Reservation, Alameda, Calif., for railroad purposes, with full power to locate, construct, and operate railroad tracks, together with necessary spurs and sidings and other railroad appurtenances, appendages, and adjuncts: *Provided*, That the land shall not be used for other than railroad purposes, and when the property shall cease to be so used it shall revert to the United States.

WAR DEPARTMENT APPROPRIATIONS

The Senate proceeded to consider the bill (S. 3514) regulating the use of appropriations for the military and nonmilitary activities of the War Department, which was read, as follows:

Be it enacted, etc., That in the expenditure of appropriations for the military and nonmilitary activities of the War Department, the Secretary of War shall, unless in his discretion the interest of the Government will not permit, purchase, or contract for, within the limits of the United States, only articles of the growth, production, or manufacture of the United States, notwithstanding that such articles of the growth, production, or manufacture of the United States may cost more, if such excess of cost be not unreasonable.

Mr. LA FOLLETTE. Mr. President, I would like to have an explanation of the bill.

Mr. REED. Mr. President, this bill would enact into general law a proviso which is now carried in each of the appropriation bills. At the present time the Army and the Navy and all the departments are bound to do exactly what is provided in this measure. It is working very satisfactorily, and the whole purpose of enacting the bill is to provide just what is carried in the different appropriation bills.

Mr. KING. Mr. President, would it prevent the purchase of necessary supplies and equipment for the Army and Navy in other countries where we might have troops?

Mr. REED. No; it applies only to continental United States.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF PERSONS IN BALTIMORE AND HARFORD COUNTIES, MD.

Mr. TYDINGS. Mr. President, I ask unanimous consent that we return to Senate Resolution 167, referring Senate bill 3623, for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md., to the Court of Claims for findings of fact.

I may say that the object of this resolution is simply to refer a matter from the Committee on Claims to the Court of Claims. I do not think there is any objection to it. The bill which is the subject of the resolution passed the Senate twice in more concise form. The Committee on Claims, however, now wants the facts before they report another bill. I would simply like to have the matter sent to the Court of Claims for adjudication.

Mr. KING. Mr. President, the Senator knows that under the law—and there has been a great deal of criticism—the Court of Claims not only finds facts but pronounces judgment. I would like to know, before I would be willing to refer this to the Court of Claims, whether it may pronounce judgment in the case?

Mr. TYDINGS. The resolution provides "and report to the Senate in accordance therewith."

Mr. KING. That is, in accordance with the present law, and it would permit them to pronounce judgment. I have introduced a bill, which is pending, to deny to that court the right to pronounce judgment, but that they shall make their findings and refer them to the Congress. There has been some legitimate criticism of the decisions of the Court of Claims, and before I would be willing to submit this matter to the Court of Claims I would want to be advised that there was some merit in the claim which is to be submitted.

Mr. TYDINGS. Mr. President, I may say to the Senator that the War Department advises that this claim should be paid. The Committee on Claims twice reported favorably a bill for the payment of the claim, and the bill passed the Senate and received a favorable report from the House committee, but it died in the last few days of the session. I have withdrawn the bill providing that these men shall be paid, and have simply asked that the Court of Claims advise the Committee on Claims what they think are the circumstances.

Mr. KING. If the Senator is sure that the matter is to be referred to the Court of Claims with limitations that it may not pronounce judgment but merely make findings of fact and refer them to Congress, I would have no objection; but if it authorizes the court to enter judgment, I shall be opposed to it.

Mr. TYDINGS. It provides that "they shall proceed * * * in accordance with the provisions of the act and report to the Senate in accordance therewith." This is not a joint resolution of both Houses, but the Senator from Nebraska [Mr. HOWELL] wants the facts before he will report a bill favorably. This is his resolution. I withdraw my bill and substitute this resolution at his request in order that the facts may be brought to the Senate before action is taken.

Mr. SMOOT. Is the Senator quite sure of what he has stated? On line 8, after the year "1911," appears this language:

And the said court shall proceed with the same in accordance with the provisions of such act.

Mr. TYDINGS. Yes; and will the Senator read on?

Mr. SMOOT. "And report to the Senate in accordance therewith." If they proceed in accordance with the provisions of the act, that is virtually a judgment, is it not, and all you have to do is to report it to the Senate?

Mr. TYDINGS. Suppose it were a judgment. If that were the case, the Senate would then have to appropriate the money.

Mr. SMOOT. Not necessarily.

Mr. TYDINGS. Why not?

Mr. SMOOT. Because of the fact that the House would have something to say about it before the appropriation was made.

Mr. TYDINGS. Of course, that is what I mean.

Mr. SMOOT. The Senate may want to know about the details of it, and it may disagree to the report.

Mr. TYDINGS. A similar bill has already passed the Senate twice.

Mr. SMOOT. That may be.

Mr. TYDINGS. I do not mean the resolution; I mean a bill to pay the money. I have withdrawn the bill providing for the payment of the money, and simply ask that in lieu of that we have the facts before the Senate, notwithstanding the fact that twice the Senate has passed a bill to pay the money.

Mr. ROBINSON of Arkansas. This calls simply for information?

Mr. TYDINGS. That is all.

Mr. ROBINSON of Arkansas. An investigation of the facts?

Mr. TYDINGS. That is all.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. The Senator from Maryland moves to add, in line 10, after the word "act," the words "and the representations of the Government made in connection therewith," so as to make the resolution read:

Resolved, That the bill (S. 3623) entitled "A bill for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md.," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance to the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and representations of the Government made in connection therewith and report to the Senate in accordance therewith.

The amendment was agreed to, and the resolution, as amended, was agreed to.

ACQUISITION OF REAL ESTATE BY THE SECRETARY OF WAR

The Senate proceeded to consider the bill (S. 3547) to authorize the Secretary of War to acquire, exchange, transfer, and sell certain tracts of real estate, and for other purposes.

Mr. REED. Mr. President, I would like to say a word in explanation. This bill is not of very great importance, but it will be helpful.

The bill authorizes an exchange of land, acre for acre, with the State of New York, up at West Point. The Government has 300 acres, the State of New York has 300 acres, and they are willing to give theirs in exchange for ours. The Government gains by the exchange. There is an iron mine on the land which we do not want to buy because we do not want to incur that expense. We want to be able to take the land subject to that.

Mr. CONNALLY. Mr. President, this is not a bill for the sale of a lot of forts contemplated to be abandoned?

Mr. REED. No; it has nothing to do with that.

The bill had been reported from the Committee on Military Affairs with amendments, on page 4, lines 15 and 16, strike out "National Capital Park and Planning Commission" and insert in lieu thereof "Director of Public Buildings and Public Parks of the National Capital"; page 4, line 18, strike out the words "said commission" at the beginning of the line and insert in lieu thereof "the National Capital Park and Planning Commission"; page 4, line 21, strike out the words "chairman of" and insert the word "commission," and in lieu of the word "commission" insert "Director of Public Buildings and Public Parks"; page 4, line 25, strike out the entire line and insert in lieu thereof "Director of Public Buildings and Public Parks," so as to read:

Be it enacted, etc., That this act shall be known and may be cited as "Fiscal year 1933 Army real estate act."

ACQUISITION

SEC. 2. That the act to authorize the acquisition for military purpose of land in Orange County, N. Y., for use as an addition to the West Point Military Reservation, approved March 3, 1931, be, and the same is hereby, amended by adding to section 1 of said act the following provisos: *"Provided further*, That the Secretary of War is hereby authorized, upon such terms and conditions as he may deem expedient, to convey to the State of New York the title of the United States to approximately 302 acres of land now comprising a part of said West Point Military Reservation; and to accept in exchange therefor, and for use as an addition to said reservation, the conveyance from said State of approximately 335 acres of land owned by said State: *And provided further*, That title to land acquired under the provisions of this act may be accepted subject to any easements, rights, or reservations which, in the opinion of the Secretary of War, will not interfere with the use of said land for military purposes."

EXCHANGE

SEC. 3. That the Secretary of War is hereby authorized to convey by quitclaim deeds the tracts of real estate now owned by the United States hereafter in this section described, and in exchange therefor to acquire the title to the tracts hereafter in this section described, or rights pertaining thereto or interests therein, for the purposes named:

(a) Approximately 1.017 acres of land of Randolph Field, Tex., in exchange for a like area of land adjoining Randolph Field, for the purpose of straightening the boundary of said flying field.

(b) The lands and buildings known as Fort San Pedro and Warwick Barracks, Cebu, in the Philippine Islands, in exchange for lands or any interest therein now under the control of or hereafter acquired by the governor of the Philippine Islands of equal or less value, and other than lands or interest therein which are subject to reservation by the President; and the President is hereby authorized to set apart for military purposes the lands or interest therein so acquired in exchange: *Provided*, That section 355 of the Revised Statutes shall not apply to exchanges to be made hereunder: *Provided further*, That the value of the lands or interests and buildings thereon to be so exchanged shall be determined by a board of three appraisers, one to be appointed by the Governor General of the Philippine Islands, one by the commanding general Philippine Department, and the third to be selected by the other two, the expenses incident to such appraisement, when approved by the commanding general Philippine Department, may be paid out of current appropriations for contingencies of the Army: *Provided further*, That any excess found to be due the United States by reason of said appraisals shall be a standing credit in favor of the United States to be offset and discharged by future transfers of lands by the government of the Philippine Islands to the United States from time to time, at the discretion of the President, exclusive of lands subject to reservation by the President and subject to appraisals as above provided: *And provided further*, That in the conveyance of the lands herein described to the Philippine government, the free and unrestricted use by the United States Navy of the present wharf, and any wharf which may hereafter be constructed thereon, shall be reserved.

(c) A strip of land comprising part of the quartermaster depot military reservation at Jeffersonville, Ind., lying along the right of way of the Louisville & Jeffersonville Bridge & Railroad Co., for land now owned by said railroad company lying adjacent to the main section of said depot and partly surrounded by portions of the military reservation.

(d) To the Director of Public Buildings and Public Parks of the National Capital the tract of land indicated to be transferred to the Office of Public Buildings and Public Parks on the map of the National Capital Park and Planning Commission approved by its executive officer, dated June 12, 1930, as revised December 15, 1931, entitled "Bolling Field Addition—Highways and Railroad," file No. 42–6; and the said Director of Public Buildings and Public Parks is hereby authorized to transfer to the War Department in exchange the area indicated to be transferred to the War Department on said map; and the Secretary of War and the Director of Public Buildings and Public Parks are each authorized to transfer to the Commissioners of the District of Columbia for street purposes those areas of the new location for South Capitol Street and Overlook Avenue, indicated to be dedicated by the War Department, and by Public Buildings and Public Parks, respectively, on said map, situated within the Bolling Field Addition and the Shepherd Parkway project; and the streets and avenues shown as Firth Sterling Avenue, Portland Street, First Street, and the other streets, avenues, and alleys shown shaded or cross-hatched and/or otherwise indicated to be closed on said map, situated within the Bolling Field Addition and the Shepherd Parkway project, are hereby vacated, abandoned, and closed.

SALE

SEC. 4. That the Secretary of War is hereby authorized, after due advertisement, to sell or cause to be sold, upon such terms and conditions as he deems advisable, but at not less than the

appraised value, the remaining portion of Camp Taylor, Ky., approximately 30 acres, which was not sold under Public, No. 692, Seventy-first Congress, approved February 20, 1931; and he is further authorized, if he deems it advisable, to have said land appraised again, the cost of each appraisal and all other expenses incident to the sale to be paid from the proceeds of the sale; and the net proceeds of such sale shall be deposited in the Treasury to the credit of the military post construction fund.

TRANSFER

SEC. 5. That the Secretary of War is hereby authorized to convey by quitclaim deed to the State of Maine that tract of land ceded to the United States by an act of the General Court of Massachusetts, approved March 12, 1808, and described therein as "Battery Pasture, on which a fortification formerly stood, bounded on the north by a road, on the west by Frollett, on the south by the river, and on the east by Frollett, containing 1 acre and 139 rods, as will appear by a report made to Hon. David Sewall, Esq., agent for the Commonwealth of Massachusetts, by Benjamin Parker, surveyor, about the year 1798," to complete the transfer of the Fort McClary military reservation to said State.

EASEMENTS

SEC. 6. That the provisions of the act of Congress approved May 17, 1926, entitled "An act to authorize the Secretary of War to grant easements in and upon public military reservations and other lands under his control" (44 Stat. 562; U. S. C., Supp. II, 1351), are hereby extended and made applicable to oil and gasoline pipe lines.

CLEARING TITLE

SEC. 7. That the Attorney General is hereby authorized to settle, adjust, and compromise any and all outstanding claims adverse to the claim of the United States to title to lands known as Chapman Field, Fla., including all accretions, relictions, shoals, islands, tidelands, and underwater lands lying seaward of the fast lands included in the United States public-land survey of 1847, and to take such steps as he may deem necessary to remove clouds from the Government's title thereto, and there is hereby authorized to be appropriated the sum of $5,000 for such purpose.

NONMILITARY

SEC. 8. (a) That the Secretary of War is hereby authorized, subject to such conditions as may seem to him proper, to convey by quitclaim deed to the State, county, municipality, or proper agency thereof, the Government owned or controlled approach roads to Kill Devil Hill Memorial Reservation, and upon the execution and delivery of such quitclaim deed the jurisdiction of the United States which was ceded by the State over the roads conveyed shall cease and determine.

(b) That the Secretary of the Treasury is hereby authorized to transfer to the permanent jurisdiction of the Secretary of War for the use of the Alaska Road Commission a plot of land, together with improvements thereon, included in the United States customs reservation in the city of Nome, Alaska, and particularly described as follows:

Beginning at a point 91.8 feet south 43° 46' west from corner south No. 2 of said reservation; thence north 70° west a distance of 63 feet; thence south 20° west a distance of 42.5 feet; thence south 70° east a distance of 58.1 feet; thence north 26° 32' east a distance of 42.8 feet to the point of beginning, such boundaries embracing an area of 2,573 square feet.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EDUCATION OF INDIANS

The Senate proceeded to consider the bill (S. 3110) authorizing the Secretary of the Interior to arrange with States for the education, medical attention, and relief of distress of Indians, and for other purposes, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, in his discretion, to enter into a contract or contracts with any State having legal authority so to do for the education, medical attention, and relief of distress of Indians in such State through the qualified agencies of such State, and to expend under such contract or contracts moneys appropriated by Congress for the education, medical attention, and relief of distress of Indians in such State.

SEC. 2. That the Secretary of the Interior in making any contract herein authorized with any State may permit such State to utilize, for the purposes of this act, existing school buildings, hospitals, and all equipment therein or appertaining thereto, including livestock and other personal property owned by the Government, under such terms and conditions as may be agreed upon for their use and maintenance.

SEC. 3. That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into effect.

SEC. 4. That the Secretary of the Interior shall report to Congress on or before the first Monday in December of each year any contract or contracts made under the provisions of this act, and the moneys expended thereunder.

Mr. BRATTON. Mr. President, I move to amend the bill in line 5, after the word "State," by inserting the words "except New Mexico." Permit me to say in this connection that I think this is an identical bill with one sponsored by the Senator from California during the last session. He accepted an amendment to exclude the States of Arizona and New Mexico.

Mr. HAYDEN. Mr. President, will not the Senator amend his amendment so as to include Arizona?

Mr. BRATTON. I modify my amendment so as to read "except Arizona and New Mexico."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. I would like to inquire whether this bill has the approval of the Committee on Indian Affairs. It is a very important measure.

Mr. FRAZIER. Mr. President, this is a bill similar to the one that was passed at the last session of Congress, as I recall it, with an amendment proposed by the Senator from New Mexico. I have no objection to the amendment.

The bill simply provides that when the State legislature makes provision to cooperate with the Indian Bureau in matters of health or education of the Indians in the State, they shall have authority for the cooperation. I believe it is a good measure.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JAMES L. PATE

The Senate proceeded to consider the bill (S. 207) to correct the military record of James L. Pate, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 8, to strike out the words "pension shall accrue" and to insert the words "pension, back pay, or bounty shall be held to have accrued," so as to make the bill read:

Be it enacted, etc., That in the administration of the pension laws James L. Pate shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private in Company A, Twelfth Regiment Kentucky Volunteer Cavalry, on the 20th day of September, 1862: *Provided*, That no pension, back pay, or bounty shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of James L. Pate."

NELLIE M'MULLEN

The bill (S. 3538) for the relief of Nellie McMullen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the requirements of sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Nellie McMullen, widow of Frank H. McMullen, late rural mail carrier of the Seymour (Ill.) post office.

NATIONAL GUARD TARGET RANGE, ARIZONA

The Senate proceeded to consider the bill (S. 2426) to authorize the Secretary of War to permit the use of a portion of a National Guard target range near Phoenix, Ariz., as a burial plot, which has been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert:

That the Secretary of War is hereby authorized to convey to the State of Arizona not to exceed 1 acre of land within the public lands reserved for military purposes for the use of the National Guard of Arizona by the act of April 7, 1930 (Public, No. 92, 71st Cong.), for use as a burial plot in such manner as the Legislature of the State of Arizona may determine: *Provided*, That the location of the plot shall be such as in the judgment of the Secretary of War will not interfere with the use of such public lands for the purposes for which they were reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of War to convey to the State of Arizona a portion of the National Guard target range near Phoenix, Ariz., for use as a burial plot."

PECATONICA RIVER BRIDGE AT HARRISON, ILL.

The bill (H. R. 8163) granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Pecatonica River at Harrison, in Winnebago County, State of Illinois, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto across the Pecatonica River at a point suitable to the interests of navigation at Harrison, Ill., in section 14, township 28 north, range 11 east, fourth principal meridian, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

KANKAKEE RIVER BRIDGE AT MOMENCE, ILL.

The bill (H. R. 8171) granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Kankakee River at Momence, in Kankakee County, State of Illinois, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto across the Kankakee River at a point suitable to the interests of navigation at Momence, Ill., in township 31 north, between section 24, range 13 east, and section 19, range 14 east, third principal meridian, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

FOX RIVER BRIDGE AT ALGONQUIN, ILL.

The bill (H. R. 8228) to extend the times for commencing and completing the construction of a free highway bridge across the Fox River at Algonquin, in McHenry County, State of Illinois, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a free highway bridge across the Fox River, at Algonquin, McHenry County, Ill., authorized to be built by the State of Illinois by an act of Congress approved February 13, 1931, are hereby extended one and three years, respectively, from February 13, 1932.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

ROCK RIVER BRIDGE AT BYRON, ILL.

The bill (H. R. 8324) granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River, at Byron, in Ogle County, State of Illinois, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto across the Rock River, at a point suitable to the interests of navigation, at Byron, Ill., in section 32, township 25 north, range 11 east, fourth principal meridian, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

ROCK RIVER BRIDGE AT OREGON, ILL.

The bill (H. R. 8327) granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across Rock River, at Oregon, in Ogle County, State of Illinois, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto across the Rock River, at a point suitable to the interests of navigation, at Oregon, Ill., in section 3, township 23 north, range 10 east, fourth principal meridian, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

PROPOSED ANTI-INJUNCTION LEGISLATION

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. The bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes.

DIVERSION OF WATER FROM NIAGARA RIVER

Mr. WAGNER. Mr. President, I am going to take the liberty of interrupting the discussion of the pending unfinished business long enough to make a statement upon a matter in which the people of my State are vitally interested, as is also the Senate, I believe.

Mr. President, on the 28th day of January, 1932, the Senate agreed to a resolution I submitted calling upon the Federal Power Commission to advise the Senate of its action, together with its reasons for such action, on the application of the city of Lockport for a preliminary permit covering 275 cubic feet of water per second on the Niagara River. The commission has responded by transmitting to the Senate its opinion in this matter, which has been printed as Senate Document 10. I have read the opinion; I have examined the statutes which govern this situation, and I am satisfied, Mr. President, that the Senate ought not to let this matter rest where it is. We should at least become aware of the policy which is embraced in the opinion of the commission. If we choose to approve the policy of the commission, let us do so deliberately. Should we disapprove it, we ought to take action before the present decision congeals into precedent and precipitates into vested rights.

A brief recital of history is necessary in order to understand the subject of the controversy which the commission has decided.

Out of all the vast flood which pours down the gorge of the Niagara River the United States is permitted a daily diversion at a rate not exceeding 20,000 cubic feet of water per second. That limitation is contained in the treaty of May 13, 1910, between the United States and Great Britain. Nineteen thousand seven hundred and twenty-five cubic feet per second out of this maximum allotment of 20,000 cubic feet per second is held by the Niagara Falls Power Co. under license No. 16 issued by the Federal Power Commission on March 2, 1921, and amended on October 3, 1925. The remaining 275 cubic feet per second were, until recently, covered by license No. 15, held by a group of licensees including the Hydraulic Race Co.

The sequence of the following few events is important and they will therefore be stated chronologically.

On February 24, 1928, the Niagara Falls Power Co. filed an application for an amendment of its license No. 16 so as to be permitted to divert the 275 cubic feet per second embraced within license No. 15 and accompanied its application with instruments executed by most of the licensees of license No. 15, asking leave to surrender the license and to have it transferred to the Niagara Falls Power Co.

On March 13, 1928, notice of the application of the Niagara Falls Power Co. was advertised.

Almost two months thereafter, namely, on May 3, 1928, the last instrument of surrender by the licensees of the license No. 15 was filed. On May 28, 1928, the surrender by the licensees of license No. 15 was accepted by the commission.

On August 14, 1928, the Niagara Falls Power Co. filed a statement of alleged costs in acquiring license No. 15, pursuant to order No. 27 of the commission. The Niagara Falls Power Co. and the commission did not, however, agree upon the amounts allowable as items of cost to be included in the capital account of the power company.

On September 24, 1928, the Federal Power Commission authorized the issuance to the Niagara Falls Power Co. of a 90-day license, embracing the waters formerly covered by license No. 15. This short-term license was from time to

time extended, and on August 26, 1931, that license was extended to August 31, 1932.

On January 9, 1932, the city of Lockport, N. Y., filed an application for a preliminary permit to cover the same 275 cubic feet per second.

On January 19, 1932, the Federal Power Commission held that it could not entertain the application of the city of Lockport.

Two questions emerge.

First. Was the commission required to entertain the application of the city of Lockport?

Second. Was the city of Lockport entitled to a preference?

The commission has answered both questions in the negative.

Concerning the first question the commission said:

> Under the Federal water power act * * * the Niagara Falls Power Co. has initiated and established a priority as to this 275 cubic feet per second of water.

Concerning the second question the commission said:

> This section of the statute, section 7 of the Federal water power act, can not be successfully invoked in behalf of the city of Lockport under the application it has filed, since the water covered by Lockport's application is already actually under temporary license by the commission * * *.

Let me emphasize the precise limits of the issue which was raised by the application of the city of Lockport. The question was not whether Lockport was entitled to a license. That would depend upon numerous factors, including the approval of its method of utilizing the water. The question was not whether the application of the Niagara Falls Power Co. should then and there be rejected. There was but a narrow question before the commission, namely, Was the city of Lockport entitled to be heard? Had the commission decided that question in the affirmative it would then have faced the next question: Is the city of Lockport, under section 7 of the act, entitled to a preference?

It is important that a clear understanding be had of the procedure contemplated under the Federal water power act. Those desiring to exploit a water-power project were, under the terms of the act, directed to apply to the Federal Power Commission. The Federal Power Commission is authorized under certain circumstances to issue a preliminary permit to the applicant and in certain other circumstances a license. The function of each of these instruments is distinctly stated in the act. The function of the preliminary permit is prescribed in section 4-E of the act. It is intended "For the purpose of enabling applicants for license hereunder to secure the data and to perform the acts required by section 9 hereof." And in section 5 it is stated that each preliminary permit issued under this act shall be for the sole purpose of maintaining priority of application for a license.

The function of the license is described in section 4-D of the act. That is intended "For the purpose of constructing, operating, and maintaining dams, water conduits, reservoirs, power houses, transmission lines, or other project works necessary or convenient for the development and improvement of navigation and for the development, transmission, and utilization of power" in certain cases.

The duration of the rights conferred by each of these instruments is likewise definitely fixed in the act. A preliminary permit confers a priority for a "period or periods, not exceeding a total of three years, * * *." Section 5.

A license may under the terms of section 6 endure for a period not exceeding 50 years.

What was the status of the 275 cubic feet per second for which Lockport applied?

The opinion of the commission refers to the instrument covering the 275 cubic feet per second held by the Niagara Falls Power Co. as a temporary license. Under the act there is no such legal creature as a temporary license. It is either a preliminary permit, a license, or nothing. Licenses, of course, may be either short-term or long-term licenses. That is left to the discretion of the commission and is in certain respects governed by statute.

Let us first assume the less likely interpretation that the instrument held by the Niagara Falls Power Co. for the 275 cubic feet per second in controversy is a preliminary permit. If so, then its maximum duration is three years and all benefit conferred by it expired on September 24, 1931, which was three years after the date the permit was authorized, or at the latest on October 1, 1931, which was three years after the date when the permit was executed.

Briefly, if the instrument is a preliminary permit, its benefits have expired, and the Niagara Falls Power Co. has no priority and no status which is superior to that of the city of Lockport, and the commission should not only have entertained the application of the city of Lockport but have recognized its preferred status under section 7 of the Federal water power act.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Montana?

Mr. WAGNER. I yield.

Mr. WHEELER. Did the commission grant the applicant a hearing in this matter?

Mr. WAGNER. No. The city of Lockport was informed that its application could not be entertained.

Mr. WHEELER. They were granted no hearing of any kind with reference to it?

Mr. WAGNER. No; there was no hearing upon the merits at all, because the commission took the legal view, erroneous in my opinion, as I am trying to develop here, that the city of Lockport was in no position to apply, since the outstanding preliminary license attached a priority to it; that is, it gave the Niagara Falls Power Co. a priority. As a matter of fact, priorities are attached, if I may repeat, to preliminary permits issued under the Federal power act, but those permits last only for a period of three years. If this should be called a preliminary permit, then its time has expired, because it was issued more than three years ago.

We turn now to the other and more likely interpretation that the instrument executed by the commission in favor of the Niagara Falls Power Co. was not a preliminary permit but a license. So the commission regarded it. That is made evident by the fact that it called the instrument a temporary license, that it permitted the holder of the instrument to divert water and to operate a power project and that in its opinion (on page 2 of the Senate Document 10) it said, "At the time of the filing of the application by the city of Lockport the identical 275 cubic feet per second of water covered by the Lockport application was under license to Niagara Falls Power Co., effective until August 31, 1932." Let us, therefore, accept the commission's view concerning the status of the 275 cubic feet per second in question: That the water was under license, that the license would expire August 31, 1932. That being the fact what is the position of a municipal applicant? Is it entitled to be heard? Is it entitled to a preference?

The governing section is section 7 of the Federal Water Power act. That section confers a preference upon municipalities—

> In issuing preliminary permits hereunder or licenses where no preliminary permit has been issued and in issuing licenses to new licensees under section 15 hereof.

The statute, in other words, lists three situations in which a municipality is entitled to a preference. Obviously, as the water is now under a license which is about to expire, the present case fits into the third category, namely, "In issuing licenses to new licensees under section 15," since section 15 governs the issuance of new licenses upon the expiration of the original license.

Upon the expiration of a license the commission is expressly authorized to issue a new license to a newcomer if the United States does not first take the project over.

Section 15 provides—

> That if the United States does not, at the expiration of the original license, exercise its right to take over * * * any project * * * the commission is authorized to issue a new license to the original licensee * * * or to issue a new license * * * to a new licensee.

There is nothing in the act which directs the commission to regard the original licensee as enjoying any priority or preferred status. The commission has perfect freedom

to license a stranger to the original undertaking. Such being the fact it is plain that the commission is at complete liberty to entertain new applications during the pendency of a license and the fact mentioned by the commission, namely, that the water is "actually under temporary license" is no bar at all to its action.

In fact that seems to have been the earlier attitude of the commission in connection with the first application of the Niagara Falls Power Co. for the 275 cubic feet per second in issue. It entertained the application of the Niagara Falls Power Co., it advertised its application, and notified interested public officials of its consideration thereof long before license No. 15, which embraced the same water, was extinguished by surrender and acceptance, and in fact long before all the holders of license No. 15 expressed their willingness to surrender. The commission did not at that time assert the position that because the water was then "actually under license" it was barred from entertaining the application of the Niagara Falls Power Co.

Should the policy be approved that no one will be heard while these so-called temporary licenses are in effect, then the effort of the commission to secure agreement from prospective licensees on capital costs will prove to be exceedingly slow, since the applicant has an impregnable position not subject to interference by any possible competitor.

In the present case it seems that the policy of the law to grant preference to municipalities is being thwarted. The original application of the Niagara Falls Power Co. was advertised, but not in the city of Lockport. The circumstances are such that the Niagara Falls Power Co. has a license which will expire on August 31, 1932. The commission has not yet committed itself to issue a license to the Niagara Falls Power Co. extending beyond that date. Pursuant to its own order No. 27 it has refused to consider the application of the company for a license extending beyond the expiration day of the present so-called temporary license. It has asked the Niagara Falls Power Co. to come to terms concerning the legitimate cost of acquiring the project which may properly be entered in its capital account. The decision of that question is of tremendous significance both from the point of view of the consumers of electricity and from the point of view of the United States, which may desire to exercise its recapture powers upon the expiration of a license. The company has not yet agreed with the commission. It may well be that the Niagara Falls Power Co. will not be able to secure a long-term license for the reason that it will never agree. It may well be that the Niagara Falls Power Co. will not be able to secure a long-term license for the reason that it does not appear that it has complied with section 639 of the conservation law of the State of New York, which would first require the Niagara Falls Power Co. to secure a State license. Section 9 of the Federal water power act makes compliance with the State laws a condition precedent to the issuance of a license by the Federal Power Commission.

I do not propose that the Senate should displace the commission in deciding the applications of the Niagara Falls Power Co. and the city of Lockport upon their merits. I do contend that the city of Lockport is entitled to be heard and is entitled to have its application entertained. If the commission entertains such an application, it may well be that the city of Lockport will present plans for the utilization of power which are superior to the project presented by the Niagara Falls Power Co. When it entertains the application of the city of Lockport the commission may decide that it is desirable to have a small independent power producer on the Niagara River as a yardstick in measuring the performance of the holder of the bulk of the water rights on that river. Other considerations may become pertinent. I do not propose that we should pass upon them here. Of the 20,000 cubic foot-seconds available to the United States in the Niagara River all but 275 is under long-term license to the Niagara Falls Power Co. If it is entitled to that little remainder, then certainly it should have it. I am not here opposing its claims or advocating the claims of any other applicant. All I do insist is that in view of the policy we laid down in law with respect to municipalities and under the circumstances presented to-day the city of Lockport is entitled to have its application considered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On February 20, 1932:

S. 2639. An act to extend the time for the construction of a bridge across the Missouri River at or near Poplar, Mont.

On February 23, 1932:

S. 1588. An act to authorize the Secretary of the Interior to issue patents for lands held under color of title; and

S. 2286. An act authorizing the William Robert Smith Memorial Association, of El Paso, Tex., to construct a memorial in honor of William Robert Smith, former Member of Congress from the sixteenth district of Texas.

PROPOSED ANTI-INJUNCTION LEGISLATION

The Senate resumed the consideration of the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes.

Mr. BLAINE obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to his colleague for that purpose?

Mr. BLAINE. I yield.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Johnson	Schall
Austin	Dale	Jones	Sheppard
Bailey	Davis	Kean	Shipstead
Bankhead	Dickinson	Kendrick	Smith
Barbour	Dill	Keyes	Smoot
Bingham	Fess	King	Steiwer
Black	Fletcher	La Follette	Stephens
Blaine	Frazier	Logan	Thomas, Idaho
Borah	George	McGill	Thomas, Okla.
Bratton	Glass	McNary	Townsend
Brookhart	Glenn	Metcalf	Trammell
Broussard	Goldsborough	Morrison	Tydings
Bulow	Gore	Neely	Vandenberg
Byrnes	Hale	Norbeck	Wagner
Capper	Harrison	Norris	Walcott
Caraway	Hastings	Nye	Walsh, Mass.
Carey	Hatfield	Oddie	Walsh, Mont.
Connally	Hawes	Patterson	Watson
Coolidge	Hayden	Pittman	Wheeler
Copeland	Hebert	Reed	White
Costigan	Howell	Robinson, Ark.	
Couzens	Hull	Robinson, Ind.	

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

Mr. BLAINE. Mr. President, on yesterday the able Senator from Nebraska [Mr. NORRIS], the chairman of the committee reporting the bill now pending, covered several features of the pending bill. I therefore shall endeavor to avoid repetition in so far as it is possible, and where it may not be possible, to approach the various questions from a somewhat different angle.

HOW LABOR FEELS ABOUT INJUNCTIONS

The American Federation of Labor has declared relief from the misuse of injunctions in labor disputes to be its foremost legislative demand. Upon this point labor is absolutely united. There are no conservatives or radicals in the labor movement when it comes to the injunction question. Even the conservatives in the labor movement regard injunctions, as the late Samuel Gompers once characterized them, as "the outrageous, impudent, revolutionary invention of lawless plutocracy." This is strong language; but the truth is that organized labor believes that injunctions deny to workingmen fundamental rights guaranteed by the Constitution and threaten to completely destroy labor unions, as expressed in an editorial in the American Federationist for December, 1927, by President William Green:

Trade unionists are face to face with a condition that menaces the very life of our movement.

Labor is willing to meet industrial problems in the industrial field and to work out solutions with employers, but labor holds that it is manifestly unfair to allow the courts to become the allies of the employers in a partisan struggle.

The injunction is used to make the union illegal and to outlaw its activity by judicial decree—to penalize through equity procedure acts and agencies that are legal according to law as enacted by our lawmaking bodies.

CRITICISMS OF INJUNCTIONS IN LABOR DISPUTES OTHER THAN BY LABOR

It is a serious matter that some three or four million trade-unionists, representing the most skilled and intelligent of the laboring men of this country, should entertain such views regarding injunctions and the courts, particularly the Federal courts. What is yet more serious is that the fears expressed by labor are not groundless and that its complaints are not unwarranted. This has been repeatedly recognized by qualified observers and students of this problem who are neither trade-unionists nor partisans of labor. As long ago as April 27, 1908, President Roosevelt, in a special message to Congress, said:

They are blind, indeed, who fail to recognize the bitterness caused among large bodies of worthy citizens by the use that has repeatedly been made of the power of injunctions in labor disputes.

In the same vein, former Senator George W. Pepper, of Pennsylvania, in an address to the American Bar Association in 1924, said:

I was led recently to make such a review of our industrial history by my desire to account for the growing bitterness of organized labor toward the Federal courts. In the Senate one quickly becomes aware of the existence throughout the country of a sentiment on this subject which, if unchecked, may easily develop into a revolutionary sentiment. * * * Injunction orders have become more and more comprehensive and far-reaching in their provisions, until they culminate in the shopmen's injunction. * * * Every thoughtful lawyer who has not already done so should read that order and meditate upon its significance. In doing so he should have in mind that during the shopmen's strike in 1922—

Referring to the Daugherty injunction—

nearly every one of the 261 Class I railroads and a number of short-line railroads applied for injunctions in the various Federal courts. No applications were denied. In all nearly 300 were issued.

Statements of this kind, recognizing the seriousness of the situation which has been created by the use, or rather abuse, of injunctions in labor disputes, can be multiplied practically without end.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. BLAINE. I do.

Mr. ROBINSON of Arkansas. In connection with the statement just read relating to the number of injunctions issued, it is my recollection that there were 5,500 deputy United States marshals either regularly or specially appointed to serve the writs.

Mr. BLAINE. I understand that to be the fact; and before the debate on this bill is ended I think it will be developed very clearly that the injunction issued in those cases was as harsh as possibly could be conceived by any judge or court or agent of any court.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Wisconsin further yield to the Senator from Arkansas?

Mr. BLAINE. I do.

Mr. ROBINSON of Arkansas. It appeared to be an effort to end the strike by the process of injunction; to make it impossible to carry on the strike by reason of the terms incorporated in the injunction itself.

Mr. BLAINE. Exactly; and the Daugherty injunction was issued by a Federal judge who gave it the characteristics and all the earmarks and all of the authority of an injunction that would reach into every United States district court in the United States, clear beyond the jurisdiction of the court issuing that particular injunction. Injunctions were issued in the several United States district courts; but I am speaking now of the Daugherty injunction issued by Judge Wilkerson.

Suffice it to call attention to the fact that the Outlook—February 29, 1928—and the Chicago Tribune—January 26, 1928—have in editorials declared that the abuse of injunction in labor disputes calls for legislative remedy; and neither the Outlook nor the Chicago Tribune can by any stretch of imagination be called radical or prolabor.

THE CLAYTON ACT AND ITS INTERPRETATION

The abuse of injunctions in labor disputes led Congress, in the Clayton Antitrust Act of 1915, to insert a number of sections whose expressed purpose was to check this evil and to curb the abuses that had grown up. The League of Industrial Rights and the National Manufacturers' Association at the time denounced the action of Congress and claimed that it radically altered the law in favor of a class—namely, labor. No sooner had this act been passed, however, than these organizations contended that Congress had not really changed the law; and they succeeded in convincing the courts, including the United States Supreme Court, that this contention was correct. Whether the courts misconstrued the law or whether the wording of the act of Congress was defective is immaterial in this connection. The important fact is that the labor sections of the Clayton Act—aside from the sections relating to jury trial in cases of indirect criminal contempts where the offense charged is also a crime—have become meaningless and have completely failed of their purpose. In fact, there is some question whether the Clayton Act, as interpreted by the courts, has not made the situation worse by allowing private parties to obtain injunctions in labor disputes under the antitrust laws, where previously only the Government could get such injunctions.

INCREASED USE OF INJUNCTIONS AND THE WARNING OF CHIEF JUSTICE TAFT

For a few years following the passage of the Clayton Act there seem to have been comparatively few injunctions in labor cases by the Federal courts. Then came the injunction which was taken out in the name of the United States by Attorney General Palmer in the United States District Court of the District of Indiana, which required the officers of the United Mine Workers of America to call off the nation-wide bituminous coal strike set for November 1, 1919. William Howard Taft, then in private life, in an article in the Philadelphia Public Ledger of November 20, 1919, approved this sweeping injunction, but also issued a warning against the too frequent resort to injunctions in labor disputes. The former President and late Chief Justice said on this occasion:

The usefulness of the injunction in the coal strike should not mislead reactionary employers into the belief that it is a panacea for labor troubles. It has worked well in this case because public opinion has sanctioned its use by the courts at the instance of the Government in defense of the lives of the whole people. But it was only justified by the great emergency and was only made necessary by the incredible sense of irresponsible power of the strike leaders. Labor troubles are not to be permanently solved in any such way. Government of the relations between capital and labor by injunction is a solecism. It is an absurdity. Injunctions in labor disputes are merely the emergency brakes for rare use and in case of sudden danger. Frequent application of them would shake to pieces the whole machine.

THE "DAUGHERTY INJUNCTION" AND OTHER INJUNCTIONS IN THE RAILROAD-SHOP-CRAFTS STRIKE OF 1922

This warning, unfortunately, was not heeded either by the employers and employers' associations pressing for injunctions in labor cases or by the Federal courts, which issued these writs whenever presented to them for signature and usually in the precise language suggested by the complainants. As a matter of fact, all of the complaints and practically all of the injunctions follow a stereotyped form. The attorneys for the employers, having access to what is known to lawyers as Martin's Modern Law of Labor Unions, merely copy from the forms used principally in that text.

So that the writ of injunction has become in form almost stereotyped in all of these cases. More and more injunctions were issued in labor disputes by the Federal courts. As Senator Pepper reported in his address to the American Bar Association in 1924, there were nearly 300 injunctions

by Federal courts in the railroad-shop-crafts strike of 1922 alone. In that strike also occurred the "Daugherty injunction," which so greatly aroused Senator Pepper, and which, undoubtedly, was the most extreme injunction issued up to that time in any labor dispute by any court. In this injunction, which was issued by Judge Wilkerson in the northern district of Illinois, on motion of Attorney General Daugherty, the Railroad Shop Crafts Federation, its affiliated unions and their officers were enjoined from taking any action whatsoever looking to the further carrying on of this strike.

This "Daugherty injunction" occasioned a storm of protest, not only from labor and progressives, but from leading lawyers and writers on legal subjects. Practically every review published in law magazines condemned this injunction. The general verdict of the legal writers was that expressed by Prof. W. W. Cook, of the Yale Law School, in an article in the Yale Law Journal (vol. 32, pp. 166–171), in which he reviewed the many cases cited by Judge Wilkerson to show that this injunction was in accord with "well-settled law":

> If by "well-settled law" is meant law settled by decisions of the Supreme Court of the United States in cases directly in point, rather than by quotations culled from opinions in cases only more or less analogous, it is believed that not a single one of these propositions can be regarded as a statement of "well-settled law."

RECENT INJUNCTIONS MORE EXTREME

Extreme as was this "Daugherty injunction," injunctions issued since then by Federal courts have been still more extreme. I will cite only a few of these cases, the records upon which were made a part of the hearings on injunctions in labor disputes conducted by the subcommittee of the Committee on the Judiciary.

There has been called to my attention just to-day another injunction somewhat of the character of the injunctions issued in the coal strikes in Pennsylvania and West Virginia. I have in my hand a copy of an injunction issued out of the District Court of the United States for the Eastern District of Kentucky. This injunction was granted on the 28th day of January, 1932.

The defendants in the case in which this injunction was issued, judging from their names, came from the earliest American stock. They had ancestors running back to the very earliest settlement in America. I do not find among the names of those defendants that of a single person who might be regarded as a foreigner, or even the son of an immigrant. Certainly no name among the names of these defendants indicates that a single one of them was a bolshevik, a red, or an anarchist, with one exception, and as to that particular defendant there was no restraining order issued respecting that to which I desire to call the Senate's attention.

Mr. President, all these injunctions are issued in the name of the President of the United States. Every writ is certified under the name of the Chief Justice of the Supreme Court of the United States. It is a document which, whenever it comes to the hand of an individual who is not skilled in the legal profession, at once would cause fear and apprehension in his mind. Therefore the simple paper writ of itself carries with it a certain coercion, and oftentimes these injunctions are issued for no other purpose than for the purpose of coercion, and particularly the injunction to which I now call attention. This injunction says, referring to the defendants:

> And each of them is here and now and hereby enjoined and restrained until the further orders of this court are made known herein from remaining on the property of the complainant or in any house or houses thereon.

Note this provision:

> And each of them is now enjoined to remove from said premises with all his or her effects within 10 days from and after the 26th day of January, 1932.

There is a sample of injunctions issued in labor disputes. The laws of the State of Kentucky provide for evictions, unlawful detainer actions may there be entertained, civil actions may be prosecuted to enforce the rights of the employers, and yet those employers resorted to this unusual measure of coercion. They set at naught the laws of the State of Kentucky. Indeed, sir, the employers who are engaged in obtaining some of these injunctions have no hesitancy in asking a court to set aside the Constitution of the United States. Here there is a horrible situation. These men and women are Americans, through whose veins courses the blood of their ancient ancestors. These men and women are driven out in the very midst of the chill of winter, not according to law, not according to the remedies provided for the employers, but driven out notwithstanding the law and notwithstanding the constitutional guaranties of those citizens. This is but a single instance showing the character and degree of abuse that has been exercised in obtaining relief through injunctive process.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. SHIPSTEAD. What case is the Senator talking about?

Mr. BLAINE. The case I am talking about is Equity No. 1244, in the United States District Court for the Eastern District of Kentucky, in the case of the Straight Creek Coal, Incorporated, complainants, against William Garland et al.

Mr. SHIPSTEAD. Was interference with interstate commerce involved in this controversy?

Mr. BLAINE. Certainly not with respect to the occupancy of the company houses. I was discussing only that feature of the injunction. I think the whole injunction is an outrage, but I wanted to call to the Senator's attention that particular feature, an injunctive process to enforce civil law, a law relating to eviction, for which there is an adequate remedy at law.

Mr. SHIPSTEAD. May I ask the Senator where in this controversy was involved the question of interference with interstate commerce?

Mr. BLAINE. I have not gone into the complaint at all. I know nothing about the complaint. I have not seen it. I have read the provision relating to the eviction of these people to show the abuse which may be made of injunctions, and having nothing whatever to do with commerce.

Mr. SHIPSTEAD. Mr. President, may I ask the Senator another question, in view of what he has stated? Does not the Senator think Congress erred when, in section 4 of the Sherman Antitrust Act, after defining the crime of violation of that act, and fixing a penalty, they gave the courts of equity power and authority to enforce? Does not the Senator think Congress must have some responsibility for injunctions issued under the provisions of section 4 of the Sherman Antitrust Act?

Mr. BLAINE. I would be very glad to answer the Senator directly, but I do not believe it would serve any special purpose in relation to the particular thing I am now discussing, and that is misuse and abuse of injunctions in labor disputes. I would like to proceed along that line, so that I may bring out clearly in a multitude of cases these abuses which are brought about through the injunctive process.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. BLAINE. I yield.

Mr. NORRIS. I am induced to interrupt the Senator because of the question asked by the Senator from Minnesota about that injunction from which the Senator has read having to do with acts in conflict with interstate commerce. If the Senator will permit me, I would like to call his attention to a particular case where the court held that there was interference with interstate commerce through a certain act which it would take much greater stretch of the imagination to hold had anything to do with interstate commerce.

I refer to what occurred where an injunction had been issued in the case of the Chesapeake & Ohio Railroad against the Brotherhood of Railway Clerks. An injunction was issued whereby the defendants were enjoined from abusing, intimidating, molesting, annoying, insulting, and interfering with persons seeking or obtaining employment with the

company. Taliaferro was a barber. He operated a barber shop in the city where this injunction was issued. He put a placard in his window which read, "No scabs wanted here." He was arrested as being in contempt of court by that act; it was held by the judge that his act tended to restrain interstate transportation, and he was fined $200 for contempt of court.

Mr. BLAINE. Mr. President, the decision to which the Senator refers is indeed illuminating. I want to proceed now to a discussion of some of the well-known cases.

CONTEMPT CASE, HITCHMAN COAL & COKE CO. *v.* LEWIS ET AL., NORTHERN DISTRICT, WEST VIRGINIA, 1922

The first of these cases is the extraordinary contempt action which arose in the northern district of West Virginia in 1922 under the injunction allowed in the oft-quoted Hitchman Coal & Coke Co. case. This case began in 1907 and was premised upon contracts which this company compelled its employees to sign, as a condition of remaining in employment, by which they agreed not to join the United Mine Workers of America. Upon the strength of these so-called contracts, which workingmen appropriately call "yellow-dog contracts," this company sought an injunction prohibiting the United Mine Workers from making any attempt to organize its employees. After a 10-year battle in the courts this company finally, in 1917, got the United States Supreme Court to hold these "yellow-dog contracts" to be valid and secured the injunction it sought. Then, in April, 1922, occurred the nation-wide bituminous-coal strike, which was finally settled by the famous Jacksonville agreement. When this strike began the majority of the employees of the Hitchman Coal & Coke Co. laid down their tools and joined the United Mine Workers. Thereupon the Hitchman Coal & Coke Co., through its attorneys, brought contempt proceedings under the injunction first issued in 1907, which was approved by the United States Supreme Court in 1917, against 26 miners, including the general officers of the United Mine Workers of America.

These union officers were charged with contempt because they had not excluded the employees of the Hitchman Coal & Coke Co. from their call for a general coal strike nor instructed their organizers to make no attempts to get the employees of this company to join in the strike. These general officers were never actually brought before the court, because they kept out of its jurisdiction, but 16 local defendants were on September 5, 1922, found guilty of contempt as charged, in a proceeding which was started by allowing the petition to be amended to give it the form of a citation for criminal contempt on motion of the United States district attorney, although otherwise identical with the petition originally filed by Hitchman Coal & Coke Co., without participation by the United States district attorney. These local defendants were charged with having sought to persuade some of the employees of the Hitchman Coal & Coke Co. to join in the strike—nothing more. In the entire petition there was not one allegation of any act of violence or of any threat of violence, only that the defendants tried to induce the employees of the Hitchman Co. to join in the strike. Judge Baker, however, found all of the defendants guilty of having violated the injunction issued so many years before, fined 6 of them $100 to $250 each, required 5 others to furnish bonds in the sum of $2,000 that they would thereafter faithfully observe the injunction, and ordered these 5 defendants committed to jail until these bonds should be furnished, and required all 16 defendants to sign a stipulation to the effect that they would not again try to get the Hitchman Co. employees to go on strike or join the union nor under any circumstances admit any of these employees to membership in the union. Further, the court required the attorney for these defendants to send an account of these proceedings to the United Mine Workers' Journal, with a warning to the effect that the employees of the Hitchman Coal & Coke Co. must be left strictly alone and must not be allowed to join the union. (For the records in this case, bearing out the account here given, see Senate hearings on limiting the scope of injunctions in labor disputes, 1928, pp. 619–624, and Senate hearings on conditions in the coal fields in Pennsylvania, West Virginia, and Ohio, pp. 2122, 2123.)

ARMSTRONG *v.* UNITED STATES, DISTRICT OF INDIANA, 1926

The next case to which I direct attention, like the preceding one, also grew out of a "yellow-dog contract." This is the case of Armstrong against United States, a contempt proceeding under an injunction issued by Judge Baltzell to the Indianapolis Street Railway Co. in 1926. Ten years earlier this company signed all of its employees to individual contracts which obligated them not to join any strike and provided that all differences between the company and its employees should be adjusted by the Indiana Public Service Commission. In consideration for this surrender of their right to strike the company promised employment to the signers, subject to its right to discharge them at any time and for any reason. After 10 years of one-sided contracts of this kind the employees grew tired of them, particularly because the company paid its men far below the scale of other cities of the same size. Some of them appealed to the Amalgamated Association of Street Railway Employees for assistance. In consequence of this appeal two union organizers, Armstrong and Parker, came to Indianapolis in the spring of 1926. As former Governor Grosbeck, of Michigan, said in presenting the facts in this case to the Senate committee, these men were "framed" from the day they reached Indianapolis. In the course of 60 days they were arrested fifty-three times on the charge of vagrancy, only to be dismissed in every case. They stuck to their guns, however, and soon organized a local union, of which most of the employees of the street-car company became members. The man who was elected president of this local union, one Boggs, however, was subsequently proven to have been a "spotter" in the company's employ, as were also two members of the organization committee, named Johnson and Young. By June 2, 1926, the union was strong enough to consider a strike for higher wages, which had been refused by the company. To forestall this, the company on this day, through its attorneys, applied to United States Judge Baltzell for a temporary restraining order to forbid the union from undertaking a strike.

Judge Baltzell stated that he did not wish to issue this order ex parte and asked who represented the union. Upon being told that Frank R. Baker was its attorney, he directed that Mr. Baker be brought in. When this was done, the court, after hearing Mr. Baker very briefly, signed the temporary restraining order as drafted by the attorneys for the company. At the same time, Judge Baltzell directed Attorney Baker, as an officer of the court, to go to the union meeting that evening and warn the men that they must not strike. Baker did as he was directed and the strike was averted for a month. In the meantime, on July 3, 1926, the temporary restraining order was replaced by a temporary injunction, after a brief hearing, at which the point at issue seems to have been whether the court could enjoin the men from going on strike. What Judge Baltzell concluded upon this point of law is not clear, because neither at this stage nor any other in this case did he make any findings of fact or write a decision. He did, however, modify this order to the extent of dismissing the case as to all of the defendants, except the two organizers, Armstrong and Parker. Apparently, the court concluded that the men could not be enjoined from striking, but that the organizers were outsiders who might be prohibited from giving any advice or assistance to the men in connection with the contemplated strike.

Two days later the union held a meeting, at which, as previously advertised, a vote was to be taken upon the question of a strike. At this meeting Armstrong and Parker appeared, read the injunction issued against them, stated that under the injunction they could not advise the men whether they should strike, and then withdrew. Thereafter, Boggs, the company spotter, who was president of the union, made a strong plea for going upon strike. He had wormed his way into the confidence of the union, had been elected its president, a direct agent and employee of the street-railway

company. He it was, not Armstrong and Parker, the labor organizers, but Boggs, the company's spotter, the spy, who made a strong plea for going upon the strike; whereupon the men voted overwhelmingly to strike.

Here were innocent working men, struggling to obtain some degree of economic independence, who were lashed into a strike by an agent and employee of the street-railway company, and yet the court in this case sentenced, not Boggs, not Johnson or Young, the other two spotters and spies and conspirators, but sentenced Armstrong and Parker to jail, men who had not advised the strike but whose very conduct before that meeting indicated that they were opposed to the strike. That strike was brought about by the company itself. Let us see what happened then.

Within a few days thereafter, Armstrong and Parker were arrested for contempt. The evidence against them consisted of their appearance and statements at the meeting on July 5 and testimony given by the two "spotters" who were members of the organization committee that these union organizers had secretly told them after the injunction had been issued that they should bring about a strike, although a written order to the contrary was given them, as they claimed, "to fool the court."

Upon this evidence of betrayers, spotters, and liars, Judge Baltzell sentenced Armstrong and Parker to jail. Is it any wonder that men who are struggling in industrial employment sometimes see red?

Upon this evidence these organizers—Armstrong and Parker—were found guilty of contempt and sentenced to jail. Subsequently this conviction was affirmed by the Circuit Court of Appeals (18 Fed. (2d) 371), and a writ of certiorari sought by the defendants was denied by the Supreme Court (47 Sup. Ct. 571). Armstrong and Parker served their sentences; the strike was lost; the spotter, Boggs, was caught red-handed in acts of violence and sent to jail, though not sentenced to jail because of his participation in lashing these workers to strike; but no charge of contempt of court was ever brought against the company or its officers or agents who had employed these spotters and spies to engineer the strike against the company. So the company, which was primarily responsible, became the beneficiary of this travesty upon justice. (The available records relating to this case are reproduced in the Hearings on Limiting the Scope of Injunctions in Labor Disputes, pp. 225–282, together with testimony by the attorneys for both parties and the United States district attorney.)

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. McGILL in the chair). Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. BLAINE. I do.

Mr. NORRIS. May I suggest to the Senator from Wisconsin that he print as a part of his remarks the speeches made by Armstrong and the other organizer—Parker, I think—to that meeting? I do not ask him to read those speeches—they are both quite long—but, as the Senator knows, there was a stenographer at the meeting, who took down the speeches, and I suggest that the Senator print them as a part of his remarks.

Mr. BLAINE. In accordance with the suggestion of the Senator from Nebraska, I ask unanimous consent that the two speeches mentioned by him may be inserted in the RECORD as part of my remarks immediately following my discussion of that question.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

STATEMENT OF JOHN M. PARKER

Mr. Chairman and brother members, I want to say at the outset that for the information of any of the company stool pigeons who may be assembled in this hall to-night (and there were plenty of them) that I want to serve warning on you one and all to be careful what you report, because we have a court stenographer here taking down every word we are going to say to-night. We are doing that for our own protection so that nobody can go out and make false affidavits about what we have to say.

Now, we are assembled here to-night to make a report to you of what we have tried to do since our last meeting. Since the last meeting was held here a week ago last Wednesday morning, or Thursday morning, we have been to the public-service commission with the cases of 65 discharged men under their so-called agreement, and at that hearing there were, I believe, 31 men who testified that they did not know they had signed an agreement. The attorney general of the State of Indiana, who is the solicitor for the public-service commission of this State, ruled that if the men did not know that they had a contract that there was no contract existed, that there must be a meeting of minds as well as the signing of a paper to constitute a contract, and on those grounds their legal adviser advised the commission they had no jurisdiction to proceed with the case any further unless our attorney, Mr. Baker, would admit that they had a contract. He said he could not do that, because at a vote taken at this meeting or the last meeting held in this hall, there was not anybody who held up their hand saying they had knowingly signed a contract. So that for that reason Mr. Baker would not attempt to recognize the fact that we had a contract.

Now, on coming into this hall to-night—I might state on Wednesday and Thursday we appeared before the public-service commission. On Friday at 10 o'clock, as some of you men well know, we appeared before Judge Baltzell, of the United States court, and heard motions or arguments on motions filed by both the officials and attorneys of the Indianapolis Street Railway Co., and by our attorneys, Mr. Baker and Mr. Bachelder. We had filed two motions, or rather, three motions, one to dismiss the injunction against Brother Armstrong and myself, another to dismiss the one against the Amalgamated Association, of which you men are the members, and another one to dismiss the entire case on account of diversity of citizenship.

So that the judge after hearing the arguments set down next Wednesday for the lawyers of both sides to file briefs, and then give them until the 10th of July to answer each other's briefs and look them over, but after that hearing in court we decided at the suggestion of hundreds of our men that they wanted a meeting to hold a meeting to-night, and immediately the meeting was arranged. Then the company's officials go over to Mr. Baltzell in the Federal court and ask for a hearing yesterday morning, which was granted. Brother Armstrong and myself were sitting in Mr. Baker's office when they called him up to be over at Federal court at 11 o'clock.

So we have tried and exhausted all our efforts to bring about some peaceable settlement for you men. We have been to the governor of the State through the mediator and conciliator of labor, Mr. Dynes; we have been to his worship, Mayor Duvall, on two different occasions. On the last time we were there, last Monday, he dictated a letter to Mr. Todd, requesting him to meet us in conference and settle this question and dispute, and anything that could not be settled to submit it to the public-service commission for arbitration. That has all been refused up to the present time. So that we have nothing in view at the present time to offer you.

At the meeting yesterday in the Federal court is when Judge Baltzell issued a temporary injunction against Brother Armstrong and myself. The deputy marshal served this on us about a half an hour ago in this hall. That was the first intimation we had of it, excepting that Mr. Baker and Mr. Bachelder explained to us yesterday on coming out of court. The deputy marshal who served this on me told me he had been requested—I believe he said by the officials of the street-railway company, or possibly by the court, I do not know which one—to read this injunction to you men. He asked me if I would read it, and in compliance with his request I am going to read this injunction to you men.

I want to say that we are going, as far as Brother Armstrong and myself are concerned—and the advice of the lawyers is that we are the only two that are enjoined—as far as we are concerned, we are going to live up to the letter of the injunction. We have not and are not going to now arbitrarily go against any court orders, because you men realize, I believe, what that means to us. So that we are enjoined by this injunction from advising you, from counseling you, or from in any way intimidating you to leave the service of this company by concerted effort. We are not going to do that. If there was no injunction here, Brother Armstrong or myself would never under our laws assume that obligation. We are not permitted to at least advise you men to strike by our own laws, and I say again we would not do it if there wasn't any injunction here. The question rests entirely with this local organization and not on the advice of Brother Armstrong or myself.

Now, the injunction is as follows:

* * * * * * *

Mr. BLAINE. Then Mr. Parker read the injunction and proceeded to speak.

Now, that is the injunction as handed to us by the Federal marshals, deputy marshal, and, as I promised these marshals that I would read this injunction, I have read it, and it is a matter of record as to whether I have read it correctly and truly or not.

So that I am not going to take up very much more of your time. I am going to say this to you, that our attorneys, Mr. Bachelder and Mr. Baker, have informed us, and which the injunction reads, that we are the plaintiffs, Brother Armstrong and myself—or the defendants, rather—that we are enjoined from advising, from soliciting you, or in any manner whatsoever trying to intimidate you to do anything. I say again we are going to live up to that order. We are not going, or wouldn't, if there wasn't an injunction here, advise you men either to strike or not to strike. There has never been a mention made in this hall or any other hall by Brother Armstrong or myself up to the pres-

ent time about a strike. They have said on different occasions, on the 2d of June, over a month ago, they got a temporary restraining order that we were going to strike. We had no intention of striking, because at that time we only had about 750 men. We had been perfecting this organization for the last month, and if I am any judge of human nature, by God, it is pretty near perfected.

Now, as I said, I don't think it is necessary for me to go into the injunction any further. Brother Baker this evening is unavoidably absent. He had made arrangements prior to this meeting to take his family to some lake—and I guess it would be a good place to go to, up around some lake—and won't be back, I don't expect, until to-morrow morning, but he informed us very specifically that as long as we did not advise or counsel you men in any way, shape, or form that they could not cite us for contempt of this order, and Brother Armstrong and myself are going to be very, very careful.

We are not going to give anybody an opportunity to be cited for contempt of court. We are trying to live up to the law; we have lived up to the law. But I just want to correct a few statements that has been made, and seeing is believing. We have been told by at least 50 men to-night in this hall that the company's supervisors and even the superintendent, Mr. Tretton, if you please, has informed some of you men that Parker and Armstrong have left this city. Well, Brother Armstrong is sitting here, and I am Johnnie Parker, and we haven't left the city. As far as I know, we have no intention of leaving this city for some time. We are getting pretty well acquainted in this city. We are complying with the law. The best I can say to you on that is that between the six or seven of us here we have been arrested fifty-three times and never convicted. So that we must have been to a certain degree complying with the law, and we intend to continue to comply with the law. So I want to say to you men that the men who told you that Parker and Armstrong had left the city that they were telling them for the purpose of discouraging you men from coming to this meeting; but I say that I don't think, on looking over this vast multitude of street-car men, that they scared very many, or not very many did believe Parker and Armstrong had left, or else you came out here to see whether we had or not.

Now, we are going to remain here; but as far as this meeting is concerned, as far as this injunction is concerned, we are not going to say anything to you or advise you in any way, shape, form, or manner, either by speech or written statement as to what you are going to do.

This injunction calls for our agents, and I say we have no agents. The only two that are here now is Brother Armstrong and myself, and Mr. Frank P. Baker is our agent, as far as law is concerned. So that we are the only three on the interpretation of the lawyers.

I don't know anything about the interpretation of this injunction any more than to read it, but I say this, that I have read more injunctions than Bill Latta or Watson, and I say without fear of contradiction, Mr. Judge Baltzell himself. I know something about injunctions. I have got a bushel basket full of them home, if anybody wants to look them over, and it doesn't worry me very much. I never violated any injunction, never was cited for contempt of an injunction; and I want to say to you men that I have been broadcasted over this city that I was indicted for dynamiting. I have a telegram in my grip in the hotel about three weeks ago stating those charges had been wiped off the books. So that I am not indicted at the present time for anything, but on the contrary, Mr. Latta, your attorney, if I am correctly informed, is indicted at the present time for embezzlement of State funds.

We want to comply with every provision of the courts of this State and this country, but we are not going to be bluffed, if you please, by any supervisors or minor superintendents.

We have been in your midst for about three months—I have—and Brother Armstrong has been here three and a half months. And we have not yet done anything in this city contrary to law, or we haven't told any lies to you street-car men. I know street-car men too well; I know their environments, and I think I can read the expression on their faces. If you men have all got contracts and you are perfectly satisfied to work under those conditions, then I might ask the question, "What are you doing here to-night?"

The agreements as quoted in part of this injunction states that you have an opportunity of seeing the superintendent of transportation on the first and fourth Tuesdays of the month, and on the third Tuesday of the month you have an opportunity to see the president of the company. Then after 10 days you have the golden opportunity of going to the public-service commission, and their decision shall be final. Now, a man working at 37 cents an hour that has got to wait for six weeks to find out whether he is going to be reinstated or not that is a one-sided contract, if there be such a thing. I don't know how men can live and exist for six weeks on 37 cents an hour when they don't get it. I don't know how they can exist on it when they do get it. I know it would take at least $31 a week to feed Joe Fort, let alone dress him.

So now, brothers, I am going to quit and give Brother Armstrong an opportunity to say something to you. I have tried to make my position clear. I don't want anybody to misquote me in this hall. I say I am going to live up to every letter in that contract as interpreted to me by our attorneys, who we are paying good money to for that advice. If somebody wants to make an affidavit that we have counseled you men to-night, then they can cite us for contempt of court. If they cite us for contempt of court, we will take our medicine; but I don't think they are going to do it; and if Judge Baltzell rules against us, you can take this message back to the judge: That we are going to appeal from his decision; we are not going to take his decision on it.

So that is the case as it stands. I have nothing to advise you, nothing to counsel you on. I have kept my promise with the deputy marshal, I have read this document to you. Brother Armstrong may explain it further, or do as he sees fit, but I maintain that I have kept within the confines of the law of this State and this country.

I thank you.

STATEMENT OF ROBERT B. ARMSTRONG

Mr. ARMSTRONG. Mr. Chairman and brother members, Brother Parker has, I think, explained to you our position very thoroughly, and I do not want to violate any laws in any land. He has explained this injunction to you, as our attorney has interpreted it to us. Our attorney, Mr. Baker, informed us that the judge dismissed the restraining order against the amalgamated association and then issued this temporary injunction against Brother Parker and myself, that leaving you men out of this injunction, or, that is what our attorney tells us.

There have been many laws violated in this town since Brother Parker and I came here, but that would not justify us in violating laws. I have respect for the Federal courts. If we didn't have, this country would be in a very sad condition. Regardless of what I may think of the injunction, I am going to abide by it to the best of my ability. I don't know anything about law, but I do know what our attorney has told us that this injunction means.

Now, to go back, brothers, some three and a half months ago, one of the brothers that came into this hall reminded me of about what I am to say. When I met him here in March after I had been instructed to come to this city by our international president because a number of the street-railway employees had requested that some one come here and assist them in formulating an organization, and at the time I talked to several of the brothers here—one of them reminded me of it this evening at the time I was talking to him. At that time we didn't have a member of the Amalgamated Association in this city, and to look over these hundreds of faces here to-night is indeed a pleasure to me, for in securing this membership we have withstood every insult and hardship that could be heaped upon us, and as the Mr. Mayor told us the other day, that there had been enough things said and done to us to cause any man to rise up against it. He knows well what this police department has done here. They have done everything they possibly can, not the patrolmen themselves, but their wonderful chief, Claude Johnson, has done everything that he possibly can to drive us out of this town. We have told you those things before, but we want you to remember it. We have come here and we have withstood those insults for the benefit of the street-car men of Indianapolis, and as Brother Parker told you a few moments ago, it was reported, "Yes; there have been 50 men told me to-night that superintendents and supervisors had told them that Parker and Armstrong had left town." That was old man Parker that addressed you a moment ago, and now it is me.

So I am in the same position as Brother Parker. I have no intention and will not violate any part of that injunction. I want those who are going to go back and report—I am repeating that so many times, for the stool pigeons who will come in here and take reports back to his company are so dumb it must be repeated several times—for they have made false affidavits; that is, they sweared to a lie—but what can you expect? I would expect them to do anything.

So I will say to you men that if you are not intelligent enough to know what you want and when you want it, how am I going to learn you men—for you are all over 21.

Now, I feel that the membership of this organization should discuss their own ills, if they have any; and if you haven't any ills don't discuss them, for if you talk to a person about looking bad the first thing you know he is going to be sick if there is nothing wrong with him.

So I feel that under the circumstances it is our duty to turn this meeting over to the membership; and, as Mr. Baker informs us, they are at liberty to discuss any matter that may come before your meeting; and, as I stated a moment ago, I know that you men know what you want and when you want it; and as far as Brother Parker or I leaving this town, Robert I. Todd and his whole company hasn't got enough money to get us half way to the Union Station.

And just a closing remark, brothers, and as we have told you before—that we never came to this town and we aren't going away—and I will repeat my hopes, that when we do leave that the street-car men of Indianapolis have got one of the best local divisions that is in the Amalgamated Association.

Mr. BLAINE. Now, Mr. President, I want to proceed to the discussion briefly of two of the many injunctions issued by the Federal courts in the coal strike which was investigated by a committee of the Senate during my term in this body.

PITTSBURGH TERMINAL CORPORATION *v.* UNITED MINE WORKERS OF AMERICA ET AL. (W. D. PA., 1927)

The first of these was issued by Judge Schoonmaker in the western district of Pennsylvania, upon the application of

the Pittsburgh Terminal Coal Corporation against the United Mine Workers. In this case an ex parte temporary restraining order was issued on September 30, 1927, which was continued as a temporary injunction on October 11, 1927. On this occasion Judge Schoonmaker wrote an opinion to the effect that the coal strike is illegal under the Federal antitrust laws. He did not, however, go so far as to enjoin the continuance of the strike, but placed many obstacles in the union's way in carrying on this strike. Time will permit the citing of only one of the many remarkable prohibitions in this injunction, which is reprinted in full in the Senate Injunction Hearings, pages 407–409. This is the clause prohibiting the United Mine Workers "from disbursing any funds for any further appeal bonds, attorney services, court costs, or otherwise for the purpose of enabling, aiding, encouraging, or procuring any person to occupy against the plaintiff's will any such mining houses of plaintiff."

This clause was inserted to prevent the union from assisting its members—the striking miners—in their fight in the State courts to prevent the eviction of their families from the houses they occupied. In this instance the Federal court even undertook to interfere with the administration of justice in the State courts. Thus the miners were prevented from availing themselves of the remedies against eviction accorded them by State law, and they were ruthlessly evicted at the approach of winter. They and their families were forced to live in barracks under conditions which aroused the indignation of the Senate members of the Interstate Commerce Committee, who visited the coal fields under the resolution for an investigation introduced by the Senator from California [Mr. JOHNSON], although many of the company houses had been standing vacant. The chairman of the committee, I think, yesterday discussed some of the phases of that injunction.

CLARKSON COAL MINING CO. *v.* UNITED MINE WORKERS ET AL. (S. D. OHIO, 1927)

In the case of Clarkson Coal Mining Co. against United Mine Workers, in the adjoining southern district of Ohio, Judge Hough went Judge Schoonmaker one better in the matter of the eviction of the families of the striking miners from company houses. Judge Schoonmaker prohibited the union from assisting the miners in fighting evictions. Judge Hough ordered the miners to get out of the houses by a specified date, and no doubt that very injunction gave rise to the injunction to which I called attention not long ago in the Kentucky case.

In his decision in support of this novel order (23 Fed. (2d) 208) Judge Hough acknowledged that the mining company had an adequate remedy in the State courts to get the striking miners out of these houses, but he held that since the case was before him in equity he was duty bound to order the miners to vacate the houses, because no other remedy was available to the complainants in his particular court.

I call attention to injunctive proceedings of this kind to indicate that there must be a remedy against these abuses, and that remedy must come from the Congress of the United States.

The injunction which Judge Hough issued in this case had other provisions equally novel and questionable. (For the complete text of this injunction see Senate injunction hearings, pp. 550–556.) It contains what are probably the most detailed and drastic restrictions ever imposed upon picketing. These included not only that the names of the pickets and their actions should be reported daily to the marshal, but also that none but American citizens might be employed as pickets. Yet, in the same order, the court directed the marshal to publish this injunction in the Italian and Polish languages, as well as in English, because, presumably, many of the strikers were aliens, unable to read English. The court would not permit a person who could speak the language of the men who were on strike to act as a picket. Mr. President, if the court had had the first conception of a proper method for the preservation of law and order, he would have directed that among those acting as pickets should be included men who could speak the language of the great number of the men who were on strike.

Still another remarkable provision in this injunction was a direction to the marshal to call to his assistance and deputize such persons as he deemed necessary to protect the property of the complainants. Such usurpation by the courts of executive authority has heretofore been deemed unlawful, and a request for a similar order was refused by Judge Schoonmaker in the Pittsburgh Terminal Coal Corporation case, but deputy marshals guarded the property of the nonunion operators in Ohio under this order of Judge Hough for many months.

And there the administrative and executive departments were set at naught; the power that resides in the executive department to see that the laws are observed was set aside; the constitution of the State was disregarded; every fundamental right of the State necessary to preserve law and order was thrown aside. The court undertook to administer not only the judicial function but also the legislative and executive functions of government, including that of State government.

Judge Hough justified his many novel and extreme orders in an interview published in the Baltimore Sun on February 28, 1928, which is no less remarkable than the injunction itself. In this interview the judge called his injunction "the big stick published in the form of regulations," and said:

> Now, relief was needed in this matter, and when you are going to give relief, it's got to be described in rhetoric that means something. You've got to make it sense in order to get results.

When told that he seemed to be handling the matter more as a soldier than as a judge, he said:

> That's just what it calls for. I know all about these things. I've been in every coal strike for 30 years and in every rank from captain to colonel. Put teeth in the order, have them understand it thoroughly and then, as things go along nicely, give them all the liberality possible under the order. But always have your regulations to fall back on in case things don't go so nicely.

Is not that remarkable language, dispassionate, judicial? Yet that is the language of a court. It is possible under the present law of procedure in these cases. That was the attitude of that court; and, as I have suggested, the order of the court was to set aside all the functions of every other department of government having the responsibility to see that the law was properly enforced.

How the high-handed course of this judge has actually worked out was disclosed in testimony given to the Senate Interstate Commerce Committee by Mr. Ezra Van Horn, vice president of the Clarkson Coal Mining Co., the complainant in this case. Mr. Van Horn inserted in the record in the Hearings on Conditions in the Coal Fields of Pennsylvania, West Virginia, and Ohio (pp. 2249–50) a list of acts of violence, as reported by a local newspaper, which have occurred in this one place in the coal strike. Now, note: After the judge had taken unto himself the executive power, within which is embraced the power of the militia—after taking unto himself these powers, this list of disturbances embraces more than 50 separate acts of violence. It includes numerous dynamitings and assaults. Nearly all of these acts occurred after August 15, 1927, the date of the temporary restraining order of Judge Hough; yet not one person has been punished for contempt.

Mr. President, is it any wonder that the judiciary is losing its standing among men and women? Is there anyone who believes that these acts do not reflect most seriously upon the judiciary, not only the single judge alone, but the whole judicial system of the United States? These acts have a direct tendency to undermine the very foundations of our Government; and, as Judge Taft and former President Taft, late Chief Justice of the United States, said, if permitted to go on, would rattle the whole machine to pieces.

If anyone believes that injunctions are effective in preserving law and order in strikes, he has but to examine this list of acts of violence which followed the most drastic attempt of record to prevent such acts by injunctions.

ALLEN A CO. *v.* STEELE ET AL. (E. D. WIS. 1928)

Now, Mr. President, I desire to discuss an injunction that was issued in my own State. It also will demonstrate the futility of the injunctive process in preserving law or order.

This is the case in which Judge Geiger, of the eastern district of Wisconsin, on March 8, 1928, allowed an injunction to the Allen A Co. of Kenosha, Wis., against its striking employees, members of the American Full Fashioned Hosiery Workers' Union. This injunction did not contain novel prohibitions like those in the other cases I have discussed; in fact, it may fairly be described as a typical labor injunction, without special features of any kind. For this reason it seems to me to be worth while to set forth in some detail the procedure followed in this case, and the order which was issued.

This case arose in connection with a strike in a hosiery factory which involved between 200 and 300 men and girls—a great many young girls. This strike was brought on when the employing company could not get the knitters to consent to operate two machines each, instead of one, and then gave notice that thereafter it would operate its factory on a strictly nonunion basis, and that each employee would have to sign an individual contract in which he was required to state that he did not belong to any union and would not join any union. When this company took this position its employees struck, practically to a man. The strike was entirely peaceful; there was picketing, but no violence. Then, on March 8, attorneys for this company, without any notice to the union, went to Federal Judge Geiger in Milwaukee—40 miles away—and presented a complaint to him which was full of recitals about conspiracy and anticipated trouble, but contained nothing concrete in support of these allegations, other than that the employees were on strike and that there was picketing. With this complaint they presented some affidavits to the same general effect; and they handed the judge a temporary restraining order for signature, which he promptly signed, in the form in which presented.

The Allen A Co. has no factory other than this plant at Kenosha, but is a Delaware corporation. On this excuse it brought its complaint in the Federal courts instead of the State courts, which exist and are functioning in Kenosha, where this strike occurred. The real reason for bringing this case in the Federal courts, however, was apparently that under the laws of Wisconsin no temporary restraining order could issue in a labor case except upon at least 48 hours' notice to the adverse party (Wisconsin Statutes, 1927, S. 268.05). The Wisconsin laws, moreover, provide that there shall be a jury trial in all cases of indirect criminal contempt arising under labor injunctions (S. 133.07), and, further, that it shall be legal for strikers to recommend, advise, or persuade others to refrain from working at a place where a strike is in progress (S. 343.683). It was to get around these Wisconsin statutes that this corporation applied to the Federal courts; and, as events showed, it was by this means able to get a more drastic injunction than any Wisconsin corporation could have secured in a State court.

As I have already stated, the restraining order which Judge Geiger signed (and this was later continued as a temporary injunction, after a hearing upon the pleadings, without oral examination of any witnesses) contained no novel clauses or anything unusual. It did, however, enjoin all picketing and all assembling on the streets near the plaintiff's factory, although the United States Supreme Court in the American Steel Foundries Co. case—the Tri-city case—held that strikers may station "missionaries" about a factory, to peacefully persuade the new employees to join them in the strike. This injunction, further, is profuse in what are known as "blanket clauses," such as "from doing any acts or things whatever in furtherance of any conspiracy or combination among the defendants or any of them to obstruct or interfere with the plaintiff, its officers, agents, or employees in the free and unrestrained control and operation of its property, plant, and business." Such clauses may be practically without legal effect, but are clearly designed to give the strikers the impression that they can do nothing whatsoever in furtherance or continuance of their strike without running the risk of being cited for contempt.

Therein lies the power of coercion, perhaps not so much because of the wording of the injunction but because of the indefiniteness of the injunction.

Briefly, I desire to outline something about what has happened in this case since Judge Geiger issued his injunction. As is so often the case, the issuance of the injunction served only to inflame passions. There have been arrests under State laws of strikers on charges of disorderly conduct, unlawful assembly, assault, and malicious mischief, and arrests of strike breakers for assaults and for carrying concealed weapons. Twenty-six strikers were arrested charged with contempt by conspiring to violate the injunction. There has not been a single conviction of a striker by a jury, although there is not one Kenosha factory that is unionized. In the contempt case in which conspiracy was charged the 26 strikers also were promptly acquitted, because a jury trial had to be granted under the Clayton Act, as conspiracy is a crime under the Wisconsin statutes.

This is, I believe, the story of a typical Federal injunction—of the intervention of the Federal courts in a labor dispute—which, instead of promoting peace and law and order, has served to intensify the bitterness of the struggle. It is a case in which the Federal courts appear in the unenviable rôle of assisting an employer to compel his employees to surrender their right to belong to a labor union and to sign "yellow-dog contracts." Under the circumstances, it is not surprising that the Wisconsin Federation of Labor has issued a pamphlet upon Judicial Despotism, in which it denounces the Federal courts as the allies of capital.

OTHER FEDERAL INJUNCTIONS

Mr. President, I could go on indefinitely and discuss other injunctions in labor cases issued by the Federal courts in recent years. I do not want to pursue this course; but I do desire to draw attention to the case of the Bedford Cut Stone Co., reported in 274 United States, page 37, in which the United States Supreme Court held unlawful the refusal of journeymen stonecutters to set stone which had been cut by firms which had locked out and blacklisted members of the same union—a decision of which Justice Brandeis in his dissenting opinion, concurred in by Justice Holmes, said:

> If on the undisputed facts in this case, refusal to work can be enjoined, Congress created by the Sherman law and the Clayton Act an instrument for imposing restraints upon labor which reminds of involuntary servitude.

Or I might take up the long list of cases in which Federal courts have issued sweeping temporary restraining orders without notice to the defendants, and then, after a hearing, dissolved or radically modified these orders because they found them to have been unwarranted, either upon the facts or on grounds of law, but after they had done their mischief. Or I might profitably take up the usual procedure in these cases, which Judge Amidon, of the United States District Court of North Dakota, described and criticized in his decision in the case of Great Northern Ry. Co. *v.* Brosseau (286 Fed. 414 (1923)), which I recommend everyone to read who has any doubt upon the necessity for reform in these labor injunction cases.

I need not take up any more time in describing existing abuses, because even the attorneys for the employers' associations made no real denial of these practices. These abuses are so patent, that, as former Secretary of Labor DAVIS, now a distinguished Member of the Senate, has said, "This situation calls for action by Congress."

REMEDIES PROPOSED

I now come to the bill which our committee has recommended. I do not intend to go into detail upon the provisions of this bill, the constitutionality thereof, or the reasons for the inclusion of each item and the wording employed.

This bill is not a complete labor code. It does not set forth all of the laws applicable to injunctions in labor dis-

putes. It does not repeal the labor sections of the Clayton Act but merely supplements these provisions and clarifies the intent of Congress.

It is drawn upon the theory that Congress has authority to define and limit the jurisdiction of the Federal courts, other than the original jurisdiction conferred upon the Supreme Court by the Constitution. All inferior Federal courts are created by law and it is within the power of Congress to prescribe their jurisdiction. This power has heretofore been exercised on numerous occasions, and has often been recognized by the Supreme Court.

Proceeding upon this theory, this bill defines and limits the jurisdiction of the Federal courts in the issuance of injunctions in cases involving and growing out of labor disputes. It limits this jurisdiction both with reference to the situations in which injunctions may be issued and the procedure which must be followed. I am aware that there is some language in the majority opinion in Truax v. Corrigan (157 U. S. 312) which, apart from its context, can be interpreted as holding that it is a violation of the "equal protection" clause of the Constitution to prescribe any limitations upon the jurisdiction of the courts in cases involving or growing out of labor disputes which do not apply to all other controversies. Such a doctrine would make this entire bill unconstitutional, except the section for jury trial in cases of contempts, which applies not only to labor cases but to all other injunction cases as well. But this language in Truax against Corrigan can not be taken to have settled this point, especially in view of the fact that the Supreme Court has often recognized that the relations of employers and employees are fundamentally different from those between other buyers and sellers. I can not believe that when the question is squarely presented to the Supreme Court it will hold that cases involving and growing out of labor disputes can not be placed in a separate category, as, for instance, patent cases now are in a separate category, both as to substantive law and procedure.

Moreover, Mr. President, I think there is a long line of decisions indicating that the power of Congress extends to the regulation respecting the jurisdiction and procedure in United States courts other than the Supreme Court of the United States.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. BLAINE. I yield.

Mr. NORRIS. Before the Senator leaves the Truax case, I think, speaking about the decision, he ought to state that in that case four members of the Supreme Court dissented. It was a 5 to 4 decision. Also that the real question involved was the constitutionality of a statute of the State of Arizona, which was held by the five judges to be unconstitutional because, they said, it conflicted with the thirteenth amendment, which, as a matter of fact, has application to the rights of States and State legislatures, and not to the power of Congress to legislate.

Mr. BLAINE. Mr. President, I join in the statement of the Senator from Nebraska. I had not intended to discuss the question of constitutionality. I think there has been outlined by one of the distinguished lawyers of the United States, a former Member of Congress, John W. Davis, a whole series of cases to the proposition that the power rests with Congress to fix the jurisdiction and limit the procedure of the United States courts other than the Supreme Court of the United States; and if it becomes necessary, I will take the privilege on some other occasion when this bill is under debate to present those authorities, together with other cases which point quite definitely to the conclusion stated by the Senator from Nebraska.

After careful consideration of the point to which I have just referred, namely, as to whether the Supreme Court would not hold that labor cases might be put in a separate category, our committee reached the conclusion that all that this bill provides is within the power of Congress. Moreover, this bill provides expressly that if any provision shall be held unconstitutional in its application to any person or circumstance, the remainder of the act and its application to other persons or circumstances shall not be affected thereby.

DECLARATION OF PUBLIC POLICY

I come now to the substantive provisions of the bill, and, first, to the declaration of public policy in section 2. This presents, at the same time, a rule of interpretation and a statement of the underlying thought of Congress in the enactment of this legislation. This will be, when adopted, a declaration by Congress of the necessity for labor organizations and the right of workingmen to freely associate and to be represented in negotiations concerning the terms and conditions of employment by representatives of their own choice. The fact that workingmen, under present-day conditions, must associate to exercise actual freedom of contract has often been asserted by the courts and never in better or clearer language than in the unanimous opinion, written by Chief Justice Taft, in the American Steel Foundries case (257 U. S. 184).

All through that decision repeatedly it is set forth what ought to be the public policy; I am not speaking of what is or ought to be the law, but the public policy of the United States, and the whole opinion contains various expressions and declarations on that very question.

"YELLOW-DOG" CONTRACTS

There has been much lip service in the past to these fundamental rights of free labor, but only too often it has ended there. These rights have been acclaimed in the very decisions which have sanctioned the complete denial of all freedom of association through "yellow-dog" contracts. Under this bill an attempt is made to outlaw the "yellow-dog" contract; at least that it shall not be enforced by injunction.

The rapid spread of such individual contracts in which workingmen agree not to join any labor union or ever to go on strike is the most alarming development in industrial relations in this country in recent years. Such "yellow-dog" contracts seem to be almost universal in nonunion coal fields and have also come into widespread use in the metal trades and other industries, and now they have spread to the railroads. Whenever any labor trouble occurs or is threatened, the employers bring forth these "yellow-dog" contracts. If the employees will not sign them, and go on strike, the strike breakers are signed to these contracts, so that the employer can get an injunction prohibiting the strikers from making any attempt to get the new men to join them.

I want to read for the RECORD the contents of a "yellow-dog" contract. This relates to the railroads. I understand that the Great Northern, the Northern Pacific, the Burlington, and practically all the southwest roads, and many of the southeastern and eastern roads, have now with certain crafts the "yellow-dog" contract. I read from the contract demanded by the Great Northern Railway Co. It is as follows:

> The undersigned applicant for employment by the Great Northern Railway Co. as ——— ——— (or at present employed), in consideration of the granting or continuance of such employment, hereby states and represents to the Great Northern Railway Co. that he is not a member of or affiliated with the International Association of Machinists; the International Brotherhood of Boilermakers, Iron Ship Builders, and Helpers of America; the International Brotherhood of Blacksmiths and Helpers; the Amalgamated Sheet Metal Workers International Alliance; the International Brotherhood of Electrical Workers; or the Brotherhood Railway Carmen of America, and agrees that during the entire period of such employment he will not apply for membership in, or become a member of, or affiliate with, or lend any support, financial or otherwise, to any of said organizations. Upon the failure of the undersigned to comply with the foregoing agreement in every respect, it is agreed that this may be treated by the Great Northern Railway Co. as a resignation from its employment and that such employment shall immediately cease.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. BLAINE. Certainly.

Mr. WALSH of Montana. The form of contract to which the Senator has now directed our attention excludes certain

specific organizations. The more common form is quite general in its terms; that is, the agreement is that the person seeking employment will not join any union or, if he is a member of the union, that he will discontinue his membership.

Mr. BLAINE. The Senator is absolutely accurate in that statement. I used the form from which I just read because the railroad companies are now almost universally attempting to sign their men up to the "yellow-dog" contract, and particularly the railroad crafts outside of the four large brotherhoods, which brotherhoods of course have such economic strength that the railroads have not seen fit to interfere with any of their organizations.

Mr. HEBERT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. BLAINE. Certainly.

Mr. HEBERT. It is my understanding that those brotherhoods are protected by law. As the Senator read the form of contract, to which he referred as the "yellow-dog" contract, I did not hear any reference to any railroad brotherhoods mentioned there, so that a man if he went into the employ of a railroad would be free to enter that union which had control of the particular activity in which the applicant would be engaged.

Mr. BLAINE. He would not be free to enter any of the organizations set forth in the form of contract from which I have read. I understand that there are about 23 of these crafts, and I understand this form of contract embraces all 23 of those crafts. Those crafts are outside of the four larger brotherhoods. I think I am correct in that; I am quite certain that I am.

Mr. NORRIS. Mr. President, the Senator is correct. I can see the point the Senator from Rhode Island has in his mind, that a member of any of the crafts mentioned in the contract which the Senator from Wisconsin read could apply for and become a member of any one of the four brotherhood organizations not mentioned. That is true because those particular brotherhoods are not mentioned here and there is no such contract presented to them to sign.

But the contract read by the Senator from Wisconsin is presented to everyone who is performing duties for the railroad company that are performed by the particular organization mentioned. In other words, a machinist, for instance, who is going to work for a railroad company as a machinist would have to sign the contract which the Senator from Wisconsin has read or he could not work as a machinist. If he were a member of one of the big brotherhoods, a conductor or an engineer, there would not be anything of that kind presented to him. But as to all the other organizations the Senator read that are included in the contract, anyone performing any of those duties would have to sign a contract in order to get a job with the railroads, as the Senator has stated.

Mr. HEBERT. I have no definite recollection, but I do remember a case which was decided by the Supreme Court sustaining the right of employees of railroads to maintain their union and enjoining the railroad company from establishing company unions.

Mr. NORRIS. That was the Hutchinson case just recently coming up from Texas.

Mr. HEBERT. Did that involve these contracts? I do not remember the details, but it was my impression that it did involve employees of railroads outside of the four brotherhoods. So that notwithstanding this contract was entered into, under that decision of the Supreme Court it would be void, would it not? In the light of the decision of the Supreme Court which gave to these organizations the right to assemble together and not to be interfered with by the railroad management, it would seem to me that this contract henceforth would be void.

I want to ask the Senator another question, if he will pardon me. Is that contract now made use of by the railroads? I mean, is it made use of at the present time, or was it made use of only in the past?

Mr. BLAINE. It is made use of at the present time to a very large extent. This form of contract originated prior to March, 1929.

But my understanding of the Texas case, Mr. President, is that it does not go to the question of the validity of the "yellow-dog" contracts. Another question peculiar to that case was involved, as I recall. I do not want to enter upon a discussion of that question at this time, but I shall call attention to some decisions of the Supreme Court which have validated and made enforceable the "yellow-dog" contract.

Also permit me to say in connection with the railroad craftsmen that those covered by the crafts set forth in the copy of the "yellow-dog" contract which I read, blacksmiths, machinists, car repairmen, and men possessing that particular ability and skill—there being 23 organizations of that character, I believe—are practically being forced out of their unions. The fact is that to-day, outside of the four larger brotherhoods known as the "big four," the craft organizations of the railroads are very rapidly disappearing due to the execution or the demand for the execution of the "yellow-dog" contract along substantially the lines of the form of contract I have read.

Mr. NORRIS. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield further to the Senator from Nebraska?

Mr. BLAINE. Certainly.

Mr. NORRIS. The Senator knows just as well as I do, from the hearings we have held, that the legality or the constitutionality of the so-called "yellow-dog" contract has been one of the vital issues all the way through the hearings, and that those who have opposed the bill have strenuously insisted that the "yellow-dog" contract is legal and is constitutional, and that we could not outlaw it by an act of Congress. They are insisting upon that now. As I understood the Senator from Rhode Island [Mr. HEBERT], in his contention in the committee, and I presume it will be the same here, he contends that the "yellow-dog" contract can not be outlawed and will not be outlawed by the bill because the bill will be held unconstitutional in that respect.

Mr. HEBERT. Mr. President, if the Senator from Wisconsin will permit me——

Mr. BLAINE. Certainly.

Mr. HEBERT. I based my action in considering that phase of the bill upon the decisions of the Supreme Court itself. Every time the court has passed upon that contract it has held it to be a valid agreement.

Mr. NORRIS. Yes.

Mr. HEBERT. I assume the Senator is aware that I prepared a substitute which will be presented here in which I think I have suggested a way to afford all the relief that labor organizations will want from the so-called "yellow-dog" contract, and yet we need not interfere with the decisions of the court by prohibiting the court from making them the basis for an injunction. I shall have occasion to discuss that question later.

Mr. NORRIS. I do not want the Senator from Rhode Island to get the idea now that I am criticizing either him or any of the other eminent lawyers who appeared before the committee and argued that we could not outlaw the "yellow-dog" contract. We realized when we were framing the bill that we had perhaps a difficult task to so frame it that it would be constitutional and would still outlaw the "yellow-dog" contract. I concede frankly that the courts have sustained the "yellow-dog" contract as a rule. Our attempt was to get around those decisions and to get around them within the limits of our constitutional authority. I have not any doubt at all that we have succeeded in doing it in the bill now before us.

Mr. HEBERT. If the Senator from Wisconsin will pardon a further interruption——

Mr. BLAINE. Certainly.

Mr. HEBERT. I am free to say that if any way can be devised to outlaw the "yellow-dog" contract I am going to

travel that way. I have repeatedly said that, and I want to emphasize it at this time. It was emphasized in the report of the minority of the Judiciary Committee which I had a hand in preparing, and we have gone some distance in the substitute bill which will be considered by the Senate in due time.

Mr. BLAINE. Mr. President, the policy of the employers who demand the signing of the "yellow-dog" contract is to call such contracts the "American plan," but anything more utterly contrary to the first principles of American liberty can scarcely be imagined. This is not a question of the open shop, but one whether employers shall dictate every phase of the life of their employees. "Yellow-dog" contracts threaten the complete extinction of labor unions and the elimination of all effective opposition to dictation of terms and conditions of employment by the employers. It would not be tolerated for a moment if employers compelled all their employees to sign contracts that they would not belong to some lodge or to some particular church, or that they will vote the Republican ticket, and then took out injunctions to keep everybody from even approaching these employees to get them to change. The principle involved, however, is the same. If employers can, through such a method, prevent their employees from belonging to labor unions, they can also prevent them from belonging to any church or lodge, or, in fact, doing anything, either in or out of working hours, that they do not like.

I notice the Senator from Nebraska smiles when I make reference to voting the Republican ticket. I thought the reference appropriate.

Mr. NORRIS. Mr. President, I think it is quite appropriate. I am inclined to think, from what I have heard about some polls which have been taken at different places in the United States, that some of the Federal judges may issue an injunction that will prevent a man from changing his political beliefs or policies or votes.

Mr. BLAINE. Mr. President, the principle is identically the same.

Mr. NORRIS. It is just the same.

Mr. BLAINE. If employers can, through such methods, prevent their employees from belonging to labor unions, they can also prevent them from belonging to any church or any lodge, or, in fact, doing anything either in or out of working hours that they do not like. It is an economic power possessed by the employers against which nothing can prevail unless the Congress can outlaw the "yellow-dog" contract, at least as an instrument for equity relief by the injunctive process.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield further to the Senator from Nebraska?

Mr. BLAINE. I yield.

Mr. NORRIS. While the particular contract the Senator has read is in discussion, for fear that those who may read the Senator's speech in the CONGRESSIONAL RECORD and for fear that Senators who are listening might get the idea that the contract in question is a fair sample, I think it ought to be called to the attention of the Senate and the country that "yellow-dog" contracts which the committee discovered in its investigation of the labor situation were much worse than the particular one the Senator has read. In other words, starting with the Hitchman case, in that instance the contract was very mild, but still the principle was involved, and it having been affirmed and approved by the Supreme Court, the employers then continued to put into their contracts other provisions and stipulations, which were much worse than those the Senator has read. Based upon the decision in the Hitchman case, the courts approved them, so that the ordinary "yellow-dog" contract involved in the cases that have come before the committee contains a great many other provisions that are more obnoxious and worse than the provisions the Senator has read.

Mr. BLAINE. There is no doubt about that. There is some refinement in the "yellow-dog" contract demanded by the railroad companies.

Mr. NORRIS. Yes; there is.

Mr. BLAINE. The United States Supreme Court, in the Hitchman Coal & Coke Co. case (245 U. S. 229), in 1917 placed its stamp of approval upon such "yellow-dog" contracts, but no argument was presented to the court to show the farreaching consequences of its decision. I want to discuss that suggestion.

The court felt that this question had been settled by the earlier Adair (208 U. S. 161) and Coppage (236 U. S. 1) cases, which held invalid laws making it a criminal offense for employers to discriminate against workingmen because of union membership or to enter into nonunion contracts. There is a world of difference, however, between making it a criminal offense to enter into such contracts and merely providing that such contracts shall be unenforceable, as does section 3 of this bill.

It is believed that this point was not adequately considered by the Supreme Court in the Hitchman Coal & Coke Co. case and that this court may modify this decision, which has been responsible for the alarming spread of the "yellow-dog" contracts. The New York Court of Appeals recently held such contracts to be invalid because they lack mutuality. Exchange Bakery & Restaurant (Inc.) *v.* Riffkin (157 N. E. 130) and Interborough Rapid Transit Co. *v.* Lavin, decided January 10, 1928, and the Ohio Supreme Court, in La France, and so forth, Co. *v.* Electrical Workers (140 N. E. 809), and the United States Circuit Court of Appeals of the Sixth Circuit, in Bittner *v.* West Virginia-Pennsylvania Coal Co. (15 F. (2d) 652), have construed the Hitchman Coal & Coke Co. decision so narrowly as to take most of the poison out of it.

I think if we shall pass this bill making such contracts unenforceable by injunctive process, all the poison will have been taken out of the Hitchman case.

Mr. President, at this point I want to call attention to the fact that we do not propose by this bill to make void "yellow-dog" contracts. We do not undertake to make invalid such contracts. As I view it, the employer will have all the common-law remedy now existing respecting such contracts as he has with respect to any other contracts, but the employer will not be permitted to enforce the "yellow-dog" contract by injunctive processes. That is what is proposed to be done by this bill, in my opinion.

Mr. HEBERT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. BLAINE. I yield.

Mr. HEBERT. I am quite in accord with the expression of the Senator so far as injunctive relief under these contracts is concerned. The substitute bill which I prepared provides just that; but the bill now before the Senate provides more than that. I assume the Senator has overlooked the provisions of section 3 which, referring to these contracts, provides that they—

shall not be enforceable in any court of the United States and shall not afford any basis for the granting of legal or equitable relief—

The danger to my mind is in the provision regarding legal relief. I myself think that we can limit the power of the courts of the United States so far as injunctive processes are concerned, but I doubt very much if we can outlaw a form of contract which in numerous instances has been declared legal and in accordance with the provisions of the fundamental law. This bill goes farther than the Senator appears to think it goes.

Mr. NORRIS. Mr. President, will the Senator from Wisconsin permit me to make an observation there?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. BLAINE. I yield.

Mr. NORRIS. The Senator from Rhode Island has not read it all. The bill likewise provides, after setting forth in section 2 the public policy of the United States, that these kind of contracts are declared to be contrary to such public policy. That is in the bill, too.

Mr. HEBERT. That is true, Mr. President.

Mr. NORRIS. In another part of the bill it is provided that no injunction shall be issued contrary to the public

policy thus set forth. Incidentally it ought to be said, I think, in all fairness, that in every one of the cases where a "yellow-dog" contract was upheld there was no law on the statute books limiting the jurisdiction of the Federal courts as this bill will limit it in that kind of cases. As to the Federal courts below the Supreme Court—and I am speaking of them—we can not only limit their jurisdiction in equity cases, but we can limit their jurisdiction in law cases as well. They have no jurisdiction except what is given to them by the laws of Congress.

Mr. BLAINE. Mr. President, let me suggest at this point that there is some difference of opinion respecting the question of making a contract invalid under all circumstances and of making a contract unenforceable under certain circumstances. I was discussing the proposition that the bill proposes to make the "yellow-dog" contract unenforceable by any injunctive process. I do not care at this time to enter upon the other question, because I think it may confuse the issue. I am perfectly frank in making that suggestion.

Mr. HEBERT. Mr. President, knowing as I did that the Senator did not want to misstate the provisions of the bill, I felt I ought to call his attention to the provision to which I have referred.

Mr. BLAINE. I thank the Senator. I was speaking of my conception of what may be legally done respecting the injunctive process notwithstanding the decision in the Hitchman Coal & Coke Co. case.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from New York?

Mr. BLAINE. I yield.

Mr. WAGNER. I was going to suggest that I have a perfect right, without violating any law, to make an agreement with a minor, but I can not enforce it. There is the distinction. It is not an illegal contract, but it is unenforceable.

Mr. BLAINE. Mr. President, I want to avoid entering upon a discussion of the police power of the States. I am afraid that if I were to undertake such a discussion at this time I would at once find myself in a position where I must recognize that there is certain power reserved to the States respecting public policy under the police power, but I do not think that question is here involved. I do not want now to discuss that question. I prefer to adhere to that which is the broad purpose of this bill, to prevent under injunctive proceedings the abuses which have been outlined in the debate up to this point.

The whole purpose of my discussion is intended to go to the proposition that under our form of government we ought to operate as a government by law through the executive, legislative, and judicial departments, instead of undertaking to function as a government in relation to law and order and the settlement of disputes between citizens of the country, by way of harsh and unconscionable methods which have been resorted to through injunctive processes. I want it understood that to that extent I am discussing this bill, and I do not want to engage in a debate respecting the reserved powers of the several States to determine what their public policy shall be. In my opinion, the Government of the United States can say what its public policy shall be with respect to conferring power and jurisdiction upon equity courts.

INJUNCTIONS AGAINST STRIKES

Proceeding, Mr. President, to section 4, it provides among other things that the Federal courts are prohibited from issuing any injunctions enjoining workmen from striking, or from making their strike effective by peaceful means. They are also prohibited from issuing injunctions to prevent labor unions from supporting and assisting their members on strike, as has often been done in Federal injunctions in recent years.

I desire to quote from a memorandum—I do not know whether the committee has had access to this memorandum or not—prepared by Dr. Edward E. Witte, of my State, an authority upon all labor questions, and one of the men who very generously gave their time and great ability to the committee in drafting this measure; a man who speaks coolly, has a judicial mind, is calm, and when he discusses a subject does it dispassionately.

In this memorandum he states, referring to section 4:

> This section does not legalize strikes under any and all circumstances. It does not provide that the acts enumerated are always lawful but only that these acts shall not be prohibited by injunction; nor does it even prohibit injunctions against every sort of a strike. On the contrary, this section applies only to disputes involving the same industry, trade, craft, or occupation, or the same employer, or the same union, and only to persons participating and interested in such disputes. This is, thus, a limitation upon the use of injunctions in labor cases to prevent such orders from being used to prohibit or cripple strikes in cases in which there is a bona fide dispute in which the participants have an economic interest, direct or indirect.

If this is thought too broad, it need only be recalled that the corresponding clauses in the Clayton Act have no such limitations, and yet the Supreme Court has never held these clauses to be unconstitutional.

SECTION 5—CONSPIRACIES

Section 5 deals with the question of conspiracy. It has become almost the universal practice for complainants in labor disputes to allege a conspiracy, a combination, a blanket conspiracy and combination, an indefinite thing—allegations lacking specifications but intended to bring into the case every possible suggestion or move made by every single person, singly or collectively, in any labor dispute. The purpose of section 5 is to carry out a common-sense view. If a thing done by an individual is lawful, how can you make out of that thing something vicious or criminal when two or more persons do the same thing?

Mr. President, discussing sections 4 and 5 together, I desire to call attention to the fact that no decision of the United States Supreme Court has ever asserted that workingmen may be enjoined from quitting work. That would amount to involuntary servitude, and only in comparatively rare cases have even the most extreme of injunction judges gone that far. It has become customary, however, to enjoin labor unions and labor-union officials from calling strikes, from paying strike benefits, and from assisting the strikers in any manner.

There are a considerable number of cases, however, in which courts have recognized that such prohibitions against unions and union officials really amount to a denial of the right of the workmen to strike, an indirect but none the less effective method of preventing them from quitting work. (Thomas *v.* Cincinnati R. R. Co., 62 Fed. 803 at 817; Wabash R. R. Co. *v.* Hannahan, 121 Fed. 563; Delaware, Lackawanna & Western R. R. Co. *v.* Switchmen's Union, 156 Fed. 54; Barnes *v.* Berry, 157 Fed. 883; Kemp *v.* Street Railway Employees, 99 N. E. 389.) It is this view which has been adopted by the committee in sections 4 and 5. The right to strike is a necessary concomitant of the full freedom of association, self-organization, and designation of representatives of their own choice, which is declared in section 2 to be the public policy of the United States. The right to quit work, if it is to be more than a mere paper right, in turn carries with it the right to ask and receive the advice of union officers, to receive strike benefits accumulated for this very purpose, to advise others of the facts involved in the dispute, and everything else which sections 4 and 5 provide shall not be prohibited in any injunction involving or growing out of a labor dispute issued by any Federal court.

Section 6 is to extend the sound law of agency which prevails in all other business transactions to the officers, the members, the agents of organized labor.

In addition to these provisions relating to the content of injunctions this bill in section 7 sets forth the procedure to be followed in labor-injunction cases. These provisions are designed to reach the abuses which have grown up in the issuance of injunctions. I will not recite these procedural changes in detail but will only call attention to a few of them.

This bill will curb the issuance of injunctions without notice. It does not altogether prohibit the issuance of in-

junctions in labor disputes without notice to the adverse party, but it does provide that such temporary restraining orders shall be issued only in great emergencies and upon proof which, if sustained upon a hearing, would be sufficient to warrant the issuance of an injunction. It further provides that all restraining orders shall be void after five days, instead of merely providing, as does the present law, that they shall be returnable in 10 days and may be renewed.

As I recall, that is the provision of the Clayton Act. Finally, before such an order may be issued the complainants must furnish a bond sufficient to indemnify the defendants against any loss and expense, including their costs and attorney's fees, resulting from the issuance of the temporary restraining order if it is not sustained after a hearing.

Yet more important are the provisions relating to the proof upon which injunctions and restraining orders may be issued. Before any such order can be issued the court must find that unlawful acts have been committed by the defendants and are likely to be continued; that substantial and irreparable injury to the complainant's property will result therefrom; that as to each item of relief sought greater injury will result to the complainant if relief is not granted than will be caused to the defendants by the denial of such relief; that there is no adequate remedy at law; and that the public officers charged with the duty of protecting the property are unable or unwilling to do so. It is further provided that no injunction is to be issued to any employer who has failed to live up to all requirements imposed upon him by law with reference to such dispute, or who has failed to make every reasonable effort to settle the same.

That provision is contained in section 8. Section 8 does nothing more than to give life and potency to the ancient maxim—as ancient as is the origin of equity—that "He who seeks equity must do equity." He must come into court with clean hands. That principle has been laid down as a sound principle to be observed in labor injunction cases by the supreme court of my State.

Mr. President, the court must not only be satisfied on all of these points, but it must make and enter findings of fact to this effect. This will eliminate injunctions without anything to show why they were issued and will make it possible to get redress upon appeal, if the trial court errs as to the law or the facts. To the same end it is provided that the record in any labor-injunction case shall forthwith be certified to the circuit court of appeals, upon the request of either party, and shall have preference over all other cases in the circuit court of appeals except older causes of the same kind.

The last two provisions are found in sections 9 and 10.

Then there are provisions to insure a real hearing and to place the court in possession of all the facts. It is required that notice of the application for an injunction be personally served upon the known defendants and not upon attorneys assumed to represent them, or by telephone. Likewise, notice must be given the police authorities, so that the court can examine them as to the need for an injunction and the reasons why they are unable to furnish protection to the property. Then it is provided that before an injunction may be issued the witnesses must be examined in open court, with opportunity for cross-examination, to eliminate the great evil of injunctions issued upon affidavits, often made by professional affidavit makers.

JURY TRIAL

I shall now discuss the bill without the suggested amendment to strike out the words "indirect criminal," as I choose to follow the original bill on that proposition, at least presently. I may change my opinion about it before the debate closes. Anyway, eliminating that question, this bill accords the right of trial by jury to all persons charged with indirect criminal contempt, not only in cases growing out of labor disputes but also in all other injunction cases. This is a most valuable check upon the abuse of injunctions, as all who are fighting any attempt to limit injunctions in labor cases have recognized by opposing jury trial for contempt. The right of trial by jury is guaranteed by the Constitution to all persons accused of crime. A criminal contempt is a crime as truly as any other crime and was formerly, and for that matter still is in England, indictable as any other offense and tried in the same manner. The United States Supreme Court has held constitutional the provisions of the Clayton Act which give a right of trial by jury to persons charged with contempt, if the acts upon which this charge is premised also constitute another crime. In view of these decisions I have no doubt that the court will sustain jury trial in all cases of indirect criminal contempt, and this is what is provided for in section 11 of this bill.

GENERAL EFFECT OF THE BILL

Mr. President, in closing I want to make some general observations. I know that there are doubtless some labor people who are a little disappointed in this bill. Doubtless there are some labor people who entertain considerable disappointment. Some would like to have a bill under which no more injunctions could be issued in labor disputes.

The trouble with any bill that could be drawn along these lines is that it would be construed to have no effect whatsoever. The injunction question is far too complicated to be solved by any simple formula. In many respects this bill, particularly in its provisions affecting substantive law, is not as broad as were the labor provisions of the Clayton Act. Unlike that act, however, the provisions of this bill are specific and not capable of several different interpretations. This bill can not be construed, as was the Clayton Act, to make no change in the law. The courts will either have to give effect to the several provisions in this bill or hold them unconstitutional. This alone is worth a great deal more than any number of nice rhetorical phrases, which have no certain meaning and which can be interpreted as being merely a statement of the common law as construed by the courts. This bill, moreover, is not only definite but goes as far as Congress can constitutionally go in this matter. Anything beyond these provisions would probably be held unconstitutional, while everything in this bill, in my opinion, will be sustained.

Nor can there be any doubt that if this bill becomes law and is sustained it will effectively check the abuses that have grown up in the issuance of injunctions in labor disputes by the Federal courts. The procedural changes proposed alone will make resort to injunctions in labor disputes infrequent and will render certain that the working people will have a fair deal in the courts. This is why this bill is being bitterly attacked by the League for Industrial Rights, the National Manufacturers' Association, and similar organizations. This bill is not only a sincere attempt to prevent the abuse of injunctions in labor disputes and to solve the injunction question but is the most promising attack that has ever been made upon this problem, which has agitated the country for more than 30 years and was never more acute than at present.

Mr. HEBERT. Mr. President, I was requested to announce that the senior Senator from Colorado [Mr. WATERMAN], who is absent from the Senate on account of illness, would have subscribed to the minority report which has been filed on Senate bill 935, the so-called anti-injunction bill, which has been the subject of discussion by the Senator from Wisconsin this afternoon.

Mr. NORRIS. Mr. President, if the Senator will permit, my recollection is that, at least, as far as the majority report was concerned, it was generally understood, in fact, well known in the committee, that the Senator from Colorado was against that. Nobody, therefore, had classified him as being in favor of the majority report. It has always been conceded that he was opposed to that, at least.

Mr. HEBERT. Mr. President, I did not take upon myself the making of this statement, although I knew the attitude of the Senator from Colorado. I made the statement at his request.

DISTRIBUTION OF GOVERNMENT-OWNED WHEAT

Mr. NORBECK. Mr. President, from the Committee on Agriculture and Forestry, I report favorably Senate Joint Resolution 110, authorizing the distribution of Government-owned wheat by the American National Red Cross and other

organizations for relief of distress, and I submit a report (No. 304) thereon.

I ask for the immediate consideration of the joint resolution.

Mr. ROBINSON of Arkansas. Mr. President, is this in addition to the amount carried in the joint resolution heretofore passed by the Senate?

Mr. NORBECK. No; the joint resolution heretofore passed failed to get favorable action in the House. The Senate passed a measure carrying 50,000,000 bushels. This one carries only 5,000,000.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Federal Farm Board is authorized and directed to take such action as may be necessary to make immediately available 5,000,000 bushels of the wheat of the Grain Stabilization Corporation, or so much thereof as in the judgment of the President may be needed, for the use of the American National Red Cross, or such person or persons as he may designate to pass upon the matter, may deem advisable, in providing for food for the needy and distressed people, and for feed for livestock; available in those areas that suffered from crop failure in 1931. In the delivery of such wheat or any part thereof to any organization or organizations as provided herein, the Federal Farm Board shall be at no expense, and all expense incident to the receipt or distribution of such wheat shall be borne by the organization or organizations to which said wheat is delivered.

SEC. 2. The Federal Farm Board shall keep account of all wheat furnished and delivered as provided herein and shall keep a record of the market price of the wheat so delivered and of the dates of such delivery and may receive a credit therefor against its revolving fund.

Mr. NORBECK. Mr. President, I ask permission to have printed in the RECORD a number of telegrams in support of the joint resolution just passed.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PIERRE, S. DAK., *February 20, 1932.*

Senator PETER NORBECK,
United States Senate, Washington, D. C.:

The farmers of this State are in desperate plight because of grasshopper and drought damage as well as the rigorous winter. The feed supply will need to be augmented for those farmers that are unable to secure feed loans. From two to five million bushels of Farm Board wheat could be used to meet the needs of these unfortunate farmers. This grain should be at the disposal of the Red Cross organization, from whose headquarters I have just returned. They are desperately trying to meet the needs of the State and have spent thousands of dollars already for livestock feed.

WARREN GREEN, *Governor.*

PIERRE, S. DAK., *February 18, 1932.*

Hon. PETER NORBECK,
United States Senator, Washington, D. C.:

Will you ask Congress to authorize Farm Board to donate Farm Board wheat to feed starving livestock this State? Estimate it will need 200,000 bushels per week for next 10 weeks or approximately 2,000,000 bushels. We have approximately 2,000,000 head cattle, horses, and mules in this State. Estimate that this would only provide two bushels per head, balance of winter for one-half livestock in State. Believe this estimate of number of livestock in dire need of this feed conservative.

L. G. TROTH,
State Secretary of Agriculture.

MITCHELL, S. DAK., *February 20, 1932.*

Hon. PETER NORBECK,
United States Senator:

Will appreciate your calling conference of South Dakota congressional delegation. Loss of livestock increasing each day. Snow can not possibly disappear under best conditions for three weeks. If all of the feed shipped into the State from relief funds from all sources could be segregated to the two smallest counties in the State it would not be sufficient to carry those counties to May 1. Multiply the amount we have already received twenty-five times, and unless a large portion of that is received within 10 days the loss of livestock will be appalling. This State had approximately two and a half million cattle and horses, to say nothing of hogs and sheep. Under the best conditions and prompt action from every source we lose 25 per cent. Our fund has provided approximately 500 cars en route for destination. We are at a point where we must absolutely demand from some source—State farm board or Government and Farm Board probably only source that could give quick service—2,000,000 bushels grain within three weeks. We are beyond the point of pleading and do demand prompt action.

D. B. GURNEY.

HURON, S. DAK., *February 20, 1932.*

Senator PETER NORBECK,
Senate Office Building:

If possible Congress should authorize release two and one-half million bushels of Farm Board wheat for feed purposes South Dakota. This estimate represents conclusions of surveys made of requirements for 60 days. This amount needed in addition to feed donated and purchased. Severe winter weather has increased needs enormously and many new applications are received daily.

STATE CHAMBER OF COMMERCE.

YANKTON, S. DAK., *February 20, 1932.*

Senator PETER NORBECK:

Answer your wire, human needs being met by expenditures already exceeding $200,000. Red Cross will continue discharge this responsibility. Livestock emergency became desperate in group counties contiguous Missouri River 30 days ago. Red Cross spent from national funds over $41,000 for stock feed and has distributed 207 cars donated livestock feed. Between 50 and 60 cars are now rolling. Additional 200 cars being purchased from feed-relief contributions to-day. Appeals in progress may bring three or four hundred additional cars. Red Cross has accepted responsibility of distributing feed made available, but does not assume responsibility for adequate relief stock-feed situation, because problems involve too many interests. Basis of distribution: Small farmers, 6 horses, 6 cows, 10 swine, or less. Minimum number needing relief, 10,000 farmers—some estimates as high as 15,000. Prolonged storms have intensified situation. Important that stock be built up for late spring hazards. Believe relief in sight should be supplemented by 50 to 100 bushels of donated grain per farmer.

ALBERT EVANS.

(Mr. Evans is at head of South Dakota division of American Red Cross.)

HURON, S. DAK., *February 20, 1932.*

Senator PETER NORBECK:

Relief situation, as regards feeding livestock, would be greatly improved in this State if Congress would release as donation at least 1,000 carloads of Farm Board wheat—half of which should be on way with all possible speed. Indications that situation, as regards free relief for feeding animals, not good. Thousands of farmers doling out hay and grain very sparingly in order to get through winter and early spring the best way they can, which means that many colts, calves, and pigs will be born from animals with weakened strength and which undoubtedly will result in very heavy mortality. Survey among bankers in 48 counties in feed-loan area showed their estimate that 3,547 carloads of corn, 907 carloads small grain, and 12,900 carloads of hay would have to be shipped in to carry their livestock through winter and early spring. Even if these figures are 50 per cent inaccurate the amount would still be large. These estimates were totals, including both grains and hay to be purchased and also to be donated. Our personal desire would be to minimize such statements as far as possible, but conditions are such that we must give you the facts as above.

GEORGE A. STARRING,
Executive Manager South Dakota Bankers' Association.

HURON, S. DAK., *February 20, 1932.*

Senator PETER NORBECK:

Supplementing my wire this morning, we have just received telegram from a representative banker in each of the following counties estimating amount of feed grains necessary to be donated farmers their counties for livestock, as follows, in bushels: Butte, 7,500; Hand, 20,000; Beadle, 50,000; Potter, 15,000; Brule, 23,000; Hutchinson, 30,000; Lyman, 35,000; Tripp, 50,000; Davison, 8,000. The average of these counties, applied to total distressed area this State, more than totals estimated need my previous telegram. There are counties in worse condition.

GEO. A. STARRING,
Executive Manager South Dakota Bankers' Association.

HURON, S. DAK., *February 20, 1932.*

Hon. PETER NORBECK,
United States Senate:

Imperative immediate relief be forthcoming for livestock. Farmers unable to qualify for feed loans needed donated feed. Spring crop, calves, pigs, and sheep in grave danger, due lack proper feed and weakened condition breeding stock. Urge Farm Board donate at least million bushels wheat or other feed held by it for distribution by Red Cross.

SOUTH DAKOTA FARM BUREAU FEDERATION.

HURON, S. DAK., *February 20, 1932.*

Hon. PETER NORBECK, *Senator:*

Survey made by retailers of South Dakota shows that immediate relief is needed to save livestock. Please urge that Congress im-

mediately release million and a half bushels of wheat, delivery to start at once.

RETAIL MERCHANTS ASSOCIATION OF SOUTH DAKOTA,
W. C. BOTKIN, *Secretary.*

ABERDEEN, S. DAK., *February 20, 1932.*

Hon. PETER NORBECK,
United States Senate:

Indorse South Dakota Bankers' Association request for free distribution Farm Board feed wheat to farmers actually in need and preferably through agency of Red Cross.

DAKOTA FARMER.

HURON, S. DAK., *February 20, 1932.*

Senator PETER NORBECK:

We indorse requests that have been sent to you from other sources that Congress authorize donation of Farm Board wheat for livestock owned by farmers without credit facilities of any kind.

PAUL K. MEYERS,
Secretary South Dakota Commercial Secretaries Association.

WESSINGTON SPRINGS, S. DAK., *February 20, 1932.*

Senator PETER NORBECK,
Washington, D. C.:

Jerauld County will have to have at least 50,000 bushels donated grain to get livestock through to grass. This is in addition to Federal feed loan assistance. Red Cross caring for all human needs. Only one car donated feed received in this county to date. Feed situation growing very serious. Must have assistance right soon. Urge Congress to use surplus grain to help.

L. M. LARSEN,
J. L. SEDGWICK,
L. P. NIELSON,
Federal Feed Loan Commission.

PLANKINGTON, S. DAK., *February 20, 1932.*

Hon. PETER NORBECK,
United States Senator from South Dakota,
Washington, D. C.:

Estimate Aurora County's twelve hundred farm families require each 100 bushels feed corn, 100 bushels feed oats, 7 tons hay to carry livestock to May 1. Can you aid us?

AURORA COUNTY FEED LOAN COMMITTEE,
By THOS. TAUBMAN, *Feed Committeeman.*

CORSICA, S. DAK., *February 20, 1932.*

Hon. PETER NORBECK,
Washington, D. C.:

Douglas County, S. Dak., will need approximately 150,000 bushels of grain for balance of winter and spring to take care of livestock, and we respectfully request that you urge Congress to donate Farm Board wheat and other grains for that purpose.

Respectfully,

FARMERS STATE BANK,
PETER NIEVEEN, *President.*

HURON, S. DAK., *February 20, 1932.*

Hon. PETER NORBECK,
Senate Office Building, Washington, D. C.:

Understand that there is possibility of Congress releasing Farm Board wheat for South Dakota farmers. Know that your continued efforts in the aid of agriculture here is being appreciated.

CY KASPER,
State Commander American Legion.

HURON, S. DAK., *February 20, 1932.*

Senator PETER NORBECK,
Washington, D. C.:

We especially urge you to use your influence to get Congress to release sufficient Farm Board wheat to relieve the serious feed situation that exists in Beadle and other counties in South Dakota.

AMERICAN LEGION POST,
L. H. CORNELL, *Commander.*

MINNEAPOLIS, MINN., *February 24, 1932.*

Hon. PETER NORBECK:

Excessive snow makes feed not available in Edmunds and Walworth Counties. Livestock suffering. Not eligible to Federal feed loan. Can these counties be included on list? Time must be extended past February 29 to serve South Dakota territory. Advise what can be done.

C. C. LAKE,
Minneapolis & St. Louis Railroad.

WATERTOWN, S. DAK., *February 20, 1932.*

Hon. PETER NORBECK,
Senate Office Building, Washington, D. C.:

Home from Sioux Falls Press meeting. Every estimate to date of feed or seed or other aid has proven too low. Five million bushels of Farm Board wheat badly needed. Whole State pinning their faith on your efforts. The human needs are being met, but the foundation stock must be saved for the farmers, so they can carry on. The urgency of immediate action can not be overemphasized.

S. X. WAY.

EXECUTIVE SESSION

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. FESS in the chair) laid before the Senate several messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

TREATIES

The Chief Clerk proceeded to read executive KK treaty.

Mr. McNARY. I ask that the treaties on the calendar may go over for the present.

The PRESIDING OFFICER. The treaties will be passed over.

FEDERAL FARM BOARD

The Chief Clerk proceeded to read nominations to the Federal Farm Board.

Mr. McNARY. I ask that those nominations may go over for the present.

The PRESIDING OFFICER. The nominations will be passed over.

CUSTOMS SERVICE

The Chief Clerk read the nomination of Fred A. Bradley to be collector, customs collection district No. 9, Buffalo, N. Y.

Mr. COPELAND. I ask that that nomination may go over.

The PRESIDING OFFICER. The nomination will be passed over.

THE JUDICIARY

The Chief Clerk read the nomination of Gregory H. Frederick to be United States attorney, eastern district of Michigan.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Benjamin Nathan Cardozo to be Associate Justice, Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Douglas Smith to be United States marshal, middle district of Alabama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John R. McCrary to be United States attorney, middle district of North Carolina.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. McNARY. I move that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The Chief Clerk read the nomination of Second Lieut. Walter Edgerton Johns to the Field Artillery.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

RECESS

Mr. McNARY. As in legislation session I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess until to-morrow, Thursday, February 25, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 24, 1932

REGISTER OF THE LAND OFFICE

J. Lindley Green, of Alaska, to be register of the land office at Anchorage, Alaska. (Reappointment.)

COLLECTOR OF CUSTOMS

Samuel H. Thompson, of Wilkinsburg, Pa., to be collector of customs for customs collection district No. 12, with headquarters at Pittsburgh, Pa. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate February 24, 1932

ASSOCIATE JUSTICE, SUPREME COURT OF THE UNITED STATES

Benjamin Nathan Cardozo to be Associate Justice, Supreme Court of the United States.

UNITED STATES ATTORNEYS

Gregory H. Frederick to be United States attorney, eastern district of Michigan.

John R. McCrary to be United States attorney, middle district of North Carolina.

UNITED STATES MARSHAL

Douglas Smith to be United States marshal, middle district of Alabama.

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY

Second Lieut. Walter Edgerton Johns to Field Artillery.

POSTMASTERS

CONNECTICUT

William P. Leete, North Haven.
Harry Muir, Thomaston.
William C. Saunders, Waterford.

DELAWARE

Rhubert R. German, Delmar.

IOWA

Ethel Carl, Bennett.
Harvey E. Daines, Buffalo.
Fritz H. Schulte, Kensett.
Betty A. Thies, Minden.
David H. Mueller, Mount Vernon.
Edward K. Pitman, Northwood.
Bessie M. Rice, Urbana.
Jessie E. D. Palmer, Walnut.
Chester M. Burnside, Waucoma.

MARYLAND

William J. Lyon, Hughesville.
Mary W. Tise, Hyattsville.
Napoleon T. Nelson, Trappe.

MINNESOTA

Carl G. Hurtig, Buffalo Lake.
John S. Stensrud, Canby.
Claus H. Lepler, Clara City.
Francis P. Kielty, De Graff.
Cora Thorson, Echo.
Halsey C. Baldwin, Edgerton.
Wilbert G. Lammers, Fairfax.
Albert W. Johnson, Fulda.
Clara S. Wollan, Glenwood.
James H. Phelps, Litchfield.
Ole E. Nelson, Marietta.
Haldor G. Johnson, Minneota.
Arthur H. Rowland, Tracy.
Pearl C. Heigl, Winsted.

MISSOURI

Jerry Cantlon, Clarksburg.
Joseph Q. Martin, Huntsville.
Helen Barnes, Ilasco.
Joseph C. Forshee, Ironton.
Ethel I. Kehr, Marthasville.
Beryl S. Littrell, Mendon.
Archie T. Hollenbeck, Westplains.

NEBRASKA

Mary L. Simmons, Bloomfield.
Elva J. Fitzgerald, Elm Creek.
Dollie W. Hyndshaw, Thedford.
George F. McMullen, Walthill.

NEW YORK

Giles B. Schermerhorn, Ausable Chasm.
Edgar F. Cummings, Beacon.
James T. McLain, Center Moriches.
William S. Keene, Cold Spring Harbor.
William W. Baldwin, Downsville.
Frank O. Persons, East Aurora.
George G. H. Hackett, Ferndale.
Hugh A. Prentice, Gainesville.
William A. Patterson, Gansevoort.
Walter J. Burke, Mineville.
Ruby C. Williams, New Lebanon.
Traver H. Garlic, North Rose.
William J. Pike, Sanborn.
Truman E. Brown, Wells.
John H. Joyner, White Sulphur Springs.

NORTH CAROLINA

J. Lee Norman, East Bend.
John S. Downing, Fayetteville.
Kenneth A. Whicker, Kernersville.
Charles F. Scarborough, Mount Gilead.
Philip N. Peacock, Salisbury.
Alfred L. Purrington, Scotland Neck.
Osmund F. Pool, Taylorsville.
Claude L. Tyson, Vass.
Lawrence Harris, Wake Forest.
Jeremiah C. Meekins, jr., Washington.

OHIO

Kenneth H. Underwood, Caledonia.
Elizabeth McNaught, Frazeysburg.
Norman B. Ervin, jr., Gibsonburg.
John McCleery, Masury.
Clyde E. Loomis, Orwell.
James E. Simpson, jr., Racine.
Olive Toland, Rayland.
Leonidas A. Smith, Ridgeway.

PENNSYLVANIA

Arthur J. Nagle, Allentown.
John F. Schwarztrauber, Archbald.
Edward W. Armstrong, Athens.
Robert P. Habgood, Bradford.
Sarah E. Richey, Carmichaels.
Daniel J. Turner, Clarksville.
John D. Gerhart, East Greenville.
John M. Thompson, Elizabeth.
Fred L. Webster, Emporium.
John C. Chamberlain, Everett.
Esther E. Raymond, Genesee.
Edward E. Fricker, Glenside.
Edwin B. Heckler, Harleysville.
Gene M. Bisignani, Jessup.
Andrew L. Daigneau, Mount Gretna.
Samuel J. Matthews, Olyphant.
Nora L. Pickering, Peckville.
Huldah M. Greenawalt, Shiremanstown.
Harry L. Kelly, Slippery Rock.
Maurice F. O'Connell, Susquehanna.
Samuel B. Simonton, Swineford.
Frances H. Diven, West Bridgewater.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 24, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Bow down Thine ear, O Lord, for we are poor and needy. Inspire us with a serene faith that crowns the soul with rest. O God, graciously regard our country, and may all

our citizens be trained in the fundamental moralities of the family, the community, the school, and the state. May they have in them the love of purity, of truth, of honor, and of Christian courtesy. Gracious God, may this Congress receive the blessing of Thy daily guidance. Bless it with wisdom in activity, with understanding in aggression, and with assurance in duty. Give it that tranquillity of mind that holds fear in abatement and lends to courage calmness and strength. Quicken the public conscience and make men know that the glory of a nation lies in its high moral tone. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3706. An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law.

COMMITTEE ON ECONOMY

The SPEAKER. Under House Resolution 151, the Chair appoints as the Economy Committee the following: Mr. BYRNS, Mr. COCHRAN of Missouri, Mr. MCDUFFIE, Mr. DOUGLAS of Arizona, Mr. WOOD of Indiana, Mr. WILLIAMSON, and Mr. RAMSEYER.

CORRECTION

Mr. O'CONNOR. Mr. Speaker, I desire to correct the RECORD. In the discussion yesterday on the bill making appropriations for the Departments of State, Justice, Commerce, and Labor the RECORD carries some language attributed to me which has been called to my attention as offending one Member of this House. In my service of five terms in this House it has never been my purpose, and never will be, to offend any man or woman in this body. For all of them I entertain the greatest respect and esteem. It would hurt me more than it would them if I were aware that anyone here felt I had offended him.

In discussing the appropriation bill I was informed—and I understand my information is correct—that only one member of the subcommittee voted to reduce the appropriation for the enforcement of prohibition, and in that connection I am recorded as having used the language which I desire to withdraw from the RECORD, because it has offended one member of the subcommittee whose friendship I cherish.

Mr. Speaker, I therefore ask unanimous consent to withdraw that language, so that it will not appear in the permanent bound RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. BLANTON. I reserve the right to object. Merely for the purpose of keeping the RECORD straight, I want to ask the gentleman from Alabama [Mr. OLIVER], who was the chairman of the committee that framed this bill, if it is not a fact that not a McBride, not a Cannon, and not anyone connected with the Anti-Saloon League or any other temperance cause ever appeared before our committee, and not one wrote us a letter?

Mr. OLIVER of Alabama. That is correct; and let me say that the action of the gentleman from New York [Mr. O'CONNOR] is entirely in keeping with what I felt he would do when this was called to his attention. He assured me he did not intend it in an offensive way and would be very glad to withdraw it from the RECORD. [Applause.]

LEAVE FOR JUDICIARY COMMITTEE TO SIT DURING THE SESSIONS OF THE HOUSE

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be privileged to sit during the sessions of the House for the remainder of the week.

The SPEAKER. Is there objection?

There was no objection.

CHICAGO POST OFFICE—SUBSTITUTE CLERKS

Mr. IGOE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on substitute clerks in the Chicago post office.

The SPEAKER. Is there objection?

There was no objection.

Mr. IGOE. Mr. Speaker, under leave to extend my remarks in the RECORD I deem it of sufficient importance to present, in the most simple picture possible, a very serious and deplorable condition existing in the Chicago post office relative to substitute clerks. Undoubtedly some of the Members of this House are confronted with similar conditions in the post offices throughout their congressional districts.

In Chicago there are 442 substitute clerks on the rolls of the post office. Recently 97 substitute clerks were told not to report for work again until notified. Their admission cards were taken up, so to all intents and purposes they have been discharged. Their names are on the rolls, but not the pay rolls.

Approximately 350 substitute clerks report for duty at some time during the week. They usually report about two days each week and are allowed to work from two to three hours when so reporting. They are thus enabled to average about six hours of work each week for which they receive the sum of 65 cents per hour. The average earnings are therefore slightly less than $4 per week.

Substitute clerks are theoretically, at least, employees of the Post Office Department, and because of this they are denied relief at any of the organized relief agencies. The fund established within the Postal Service to aid substitute employees is now sadly depleted and must in the near future become completely exhausted.

The fact that the volume of mail has declined is generally given as the reason for this condition. The month of January, 1932, shows a decline of 12 per cent in first-class mail and 13 per cent in third-class or circular mail, over the same period in 1931. This condition is, of course, of some importance, though not as great as one might imagine. This decline is not felt at only one hour of the day but throughout the entire working service, so that the decline per hour is trivial.

The greatest single factor in this situation, is the fact that the schedules of regular clerks have been so changed about that they cover all of the peak periods. The peak period in the Chicago office is from 4 to 8.30 p. m. One hundred and seventy-five men who formerly reported for duty at 8 a. m. now report at 11.15 a. m. and work until 8.15 p. m. Approximately 160 other men, who formerly reported for duty at 1.30 p. m. and worked to 10.30 p. m. now report at 4 p. m. and work until 1 a. m. These are all older men, some of them with periods of service ranging up to 30 years. Those employes who formerly reported at 4 p. m. are also required to report at slightly later periods, but are perhaps the least affected by this change.

In the past substitutes were allowed to work on Saturdays to clean up work left at the conclusion of the 4-hour schedule of regular employees. Due to the fact that regular clerks are now required to work five and six hours on Saturday, this opportunity for the substitutes to work has been almost eliminated. Regular employees thus compelled to work more than four hours on Saturday are given the necessary compensatory time off during the following week, at a time designated by the supervisors, and usually at a time least desirable to the employees. Formerly clerks employed in the mailing division were not required to work on Sunday except in special cases. Very nearly all Sunday work was done by substitutes. Now regular clerks are required to report Sunday evening and work anywhere from two to three and a half hours, for which they are allowed time off during the following week, usually at a time least desirable to the men involved. When this occasion happens it has the effect of depriving regular employees of a complete day with their families at any time during the week. While this may, perhaps, not be a violation of existing law, it does prevent the result which the law sought to accomplish from becoming a reality.

There have been no appointments to the regular clerk grade since April, 1930. Thus, the minimum time that a substitute could have served is slightly under 23 months, while the highest men on the list have served as substitutes anywhere from 2½ to 4 years.

I have given considerable thought to methods by which the 44-hour-week law might be amended to make it more effective, and have reached the conclusion that the bill H. R. 7624, introduced by Mr. MEAD, of New York, providing a 5-day week, if enacted, would solve the problem. Unless such a bill is passed, some provision should be made to guarantee these faithful postal employees a sufficient income to enable them to live and to support their families while they are awaiting a regular appointment. The slight of our postal substitutes is a pathetic one and should be corrected without delay. I express the hope the Mead measure, or a similar one, will receive the consideration of this House in the very near future, and that same will be acted upon favorably by its membership.

ADDRESS OF HON. EWIN L. DAVIS

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by incorporating a speech made by the gentleman from Tennessee, Judge DAVIS, before the Fifth National Merchant Marine Conference.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, under leave granted, I insert the following address delivered by Hon. EWIN L. DAVIS, Chairman of the Committee on Merchant Marine, Radio, and Fisheries, before the Fifth National Merchant Marine Conference, Washington, D. C., January 27, 1932. Legislative Needs of American Shipping:

SHALL WE AMERICANIZE OR ALIENIZE OUR MERCHANT MARINE?

Mr. Chairman, ladies, and gentlemen, I am very glad to greet you on this occasion. I wish that I had the time to attend all of your sessions and listen to all of the discussions. I am sure that I shall later have an opportunity of seeing your proceedings in print.

However, I had to steal away from a large amount of work in order to be with you a few moments, and I have had absolutely no time even to consider what I wished to say to you. I am very much in the attitude of the old negro preacher down in my State who had made quite a reputation as an evangelist. There was a white minister in the same town who met the old colored parson on the street one day and stopped him and said, "Parson, I hear a great deal of the wonderful success you have had among your people. I understand that you have been very successful in your evangelistic work and have won hundreds and hundreds of the souls of your people to Christ. As you know, I have been a minister in a certain white church here for several years, and have worked laboriously and given my best efforts to the work; I have prepared and delivered the best sermons of which I was capable, and while my congregation always listens very courteously, yet for some reason I do not seem to touch their hearts, and I have had very few converts in my church during my several years as minister here, and I should like for you to explain to me your method and the reasons for your success." The old darky preacher said, "Well, Mr. Brown, I 'spect you writes and memorizes yo' sermons, don't you?" Mr. Brown said, "Oh, yes; I always write and rewrite and polish my sermons, because I would not think about preaching to my very learned congregation without putting my very best efforts into the work." The old darkey said, "Well, Mr. Brown, that is just you' trouble, I think. Don't you know when you are writing and rewriting and memorizing you' sermon the old devil is looking right over you' shoulder, and he sees everything you are going to say, and he steels the hearts of the congregation against everything you are going to say before you say it. Now, Mr. Brown, that's not my method. I never wrote a sermon in my life. When the Sabbath day comes I goes to the Lord's house, walks down the aisle to the pulpit, and opens the Good Book, and wherever it happens to open and the first verse my eyes falls upon I takes as my text, and neither me nor the devil knows what I'm going to say." [Laughter.]

However, I wish to state that I am very much interested in the subject of an American merchant marine. For 12 years I have been a member of the committee of the House of Representatives which has jurisdiction over legislation relating to that subject. While I am from an inferior State, a landlubber, so to speak, and was placed upon that committee without solicitation and without my previous knowledge, I became interested in the subject and have applied to a study of that subject my very best efforts. The fact that I was far removed from the seaports in a way, perhaps, has been an advantage because I have certainly been unhampered and unembarrassed by any local or constituent interest that might otherwise have endeavored, as is natural, to influence my thought and effort.

I am, and have always been—and I presume it is unnecessary for me to state that to you gentlemen—a friend of the American merchant marine. I think that it is vitally important that this great country of ours shall have an American merchant marine to carry a large portion of our commerce in times of peace and to serve us in case of a national emergency; and even from the standpoint of national defense, as I have often said, I consider that the merchant marine is equally as important as the Navy, and certainly proved to be more so in the last war. [Applause.]

That is a fact I think which is too often overlooked when those who are criticizing the policies with respect to an American merchant marine count the cost. If they would compare the cost with the cost of the maintenance of our Navy, it would be perhaps more enlightening.

However, while I am in favor of an American merchant marine, I am in favor of an American merchant marine just as the words imply. I am not in favor of any hybrid or foreign-affiliated interest. I am in favor of a 100 per cent American merchant marine and so long as I may be a Member of Congress, and so long as I may be a member of the Committee on Merchant Marine, Radio, and Fisheries, I am going to bend every effort to that end. [Applause.] I shall do that without any feeling or malice, but as an American citizen and because I am interested in preserving and maintaining an American merchant marine, and you can not do it any other way.

In this connection I want to state that I shall shortly—and I see from the program I am expected to talk to you upon legislative needs—I shall shortly introduce one or more bills embracing several different amendments and subjects relating to our merchant marine, and I think that they are all constructive, and in the interest and for the protection of the American merchant marine, as well as the American public.

In the first place, I intend to introduce one or more bills designed to preserve absolute our coastwise trade. I think that these so-called trips of alien ships from our ports to nowhere are at least a violation in spirit of our coastwise laws, and I intend to offer a bill to rectify that situation.

I also think that at least the spirit, if not the letter, of our coastwise law is being violated by certain foreign-flag ships engaging at least in part in coastwise service, and I intend to introduce a bill to rectify that situation and to prevent those practices.

I think that I shall also introduce a bill much akin to that, although with some changes, introduced by Mr. WHITE in the last Congress, clarifying and amplifying the section of the merchant marine act defining a "fighting ship." I want to treat other nations fairly, but our first duty and first responsibility are to our own, and in this connection I want to state that in my opinion and upon my information we are infinitely more generous to alien-flag ships in giving them our mail—on the pound basis, of course—than the foreign governments are in giving it to our ships. The practice in this country is that if the giving of it to an alien-flag ship will expedite its delivery more than 24 hours, it shall be done. It would be all right for that to be done if we received reciprocal treatment. But as we do not receive reciprocal treatment from other countries, according to my information, I do not think it is incumbent upon us to do it. I would like to see them accorded the same treatment in that respect that they accord our ships.

I wish also to state that I shall shortly reintroduce my bill which was unanimously reported by the committee in the last Congress and which unanimously passed the House in the last Congress and died in the Senate committee, providing in substance that hereafter ocean mail contracts shall not be awarded to any company which directly or indirectly operates or controls the operation of foreign-flag ships in competition with American-flag ships. [Applause.] If there is any man present who does not consider that sound and an American policy, I hope he will stand up. [No one arose.] During all the hearings before the committee, before and during all of the discussion, I never at any time heard but one man who was bold enough to say that that proposal was unsound in principle.

As was stated by the preceding speaker, and as is so often stated, what we have in mind with respect to an American merchant marine is a merchant marine whose ships are built by American labor, manned by American seamen, owned by American citizens, and operated under the American flag. [Applause.] And whenever you leave any of those elements out to that extent you impair the fact that it is an American merchant marine. All of those are essential, and I want to say to you that we will never build up or maintain an American merchant marine otherwise, and I want to say, furthermore, that the American people and the Congress who represent them will not continue any other course. Just remember that.

Yes; some things have been done under the merchant marine act of 1928 which I do not indorse, and which I believe the American people do not indorse, and which I know the Congress does not indorse. Much good has been done. We have made wonderful strides and up until the commencement of the present slump there was a marvelous progress made in the American merchant marine. Many very useful and beneficial things have been done under the merchant marine act of 1928, but some things have been done which were a violation of the spirit, if not the letter, of the law, and I propose to tighten up the provisions of that law to the end that those mistakes will not be repeated, and one of them is in the manner which I have indicated, and I want to suggest this to all of you engaged in the shipping industry, that if you are interested in the maintenance of the aid which

has been provided and in the encouragement which you all feel is necessary, you had better put your shoulders to the wheel and help Americanize, and keep Americanized, the American merchant marine or you will find out sooner or later—and not very late at that—that the entire structure will be torn down. Now remember that. I know something of the temper of the American people on that subject. They are willing to go very far in order to build up and maintain a real American merchant marine, but they are not willing to aid those who are dividing their allegiance between American and alien interests. It is indefensible, un-American, and must be and shall be stopped.

I realize that there are only a few interests that are opposed to that American proposition, but it behooves the rest of you to see that their idea does not prevail if you have at heart the American merchant marine.

Now, another thing: As was stated by the preceding speaker, and as we have all stated time after time and time after time, one of the essentials of an American merchant marine, and one contemplated in the merchant marine act passed in 1928, or as amended in 1928, is that it shall be manned by American seamen. With that thought in view, in section 405, subsection C, of the merchant marine act of 1928, it was provided that all of the licensed officers should be American citizens, and for four years not less than 50 per cent of the crew sailing upon these vessels receiving mail-contract pay should be American citizens, and after the expiration of four years two-thirds. The only discussion and the only controversy over that subject in Congress was the effort of many, including myself, to increase the percentage of American seamen, and when we went into conference with the Senate conferees there was a strong insistence that it be made 75 per cent American from the date of the passage of the bill, but it was finally left like it was. There was not a member of either committee—and I do not believe there was a Member of Congress—who contemplated anything else than that that language meant just what it said and would have the effect contemplated.

However, after the law went into effect it developed that there was an old war emergency measure passed in 1918 along with other war emergency measures, which provided that if an alien made a declaration of his intention to become an American citizen and had served three years on a United States merchant or fishing vessel, he should be deemed an American citizen for the purpose of sailing on a merchant ship. As you know, that was done because of the great scarcity of seamen at that time and it was a war emergency measure. But a certain company, I am advised, invoked this old law, with the result that the Commissioner of Navigation referred this provision in the merchant marine act of 1928, together with this old statute, to the Department of Justice, and they held that because it did not specifically do so, the merchant marine act of 1928 did not repeal that old provision and that it was still in force. And what has been the result? The result has been that that provision of the 1928 law has been absolutely nullified, and I am informed that it has been, and is being, nullified, not only with respect to the crew but with respect to licensed officers on American ships, and it is a common practice—you gentlemen know about this—if an alien wants to sail on an American vessel, he goes to the shipping commissioner or the Sea Service Bureau and if he has not taken out his first papers, he is told to go over to the clerk and make his first declaration and then he comes back and gets fixed up. Oh, such a travesty on the law, and on the idea of an American merchant marine manned by American seamen! Talking about the national defense side, it is obvious we would be in a pretty pickle if we got into another real war and we have to send our merchant marine, transports and supply ships to sea all manned by aliens, because we all know that most of those first papers are taken out merely as a matter of form, and most of the families of the seamen are living abroad, and they are spending their money abroad and most of them never have any intention of becoming American citizens.

I am going to embrace in a bill a provision to make the 1928 act effective, so that it will be construed just as it was meant, and those of you in the industry who are interested in an American merchant marine and who are interested in and want the approval and interest of Congress representing the American people had better not stand in the way of that provision.

Now, gentlemen, you may think that I am talking rather plainly; that is the only way I know how to talk. I do not care who knows how I stand on any subject. I am always perfectly frank with everybody. The only way I know how to talk is to talk straight from the shoulder with anybody I am talking to, and I like for those with whom I am talking to talk to me in the same way.

I understand this is a conference. I am not making a speech, but simply conferring with you gentlemen on a subject in which we are all interested and in which I am just as much interested as anybody, but I am interested solely and exclusively from the standpoint of a legislator and a representative of the American people as a whole, including the American merchant marine.

I have already said more to you than I had intended. I realize that you have all been experiencing very adverse conditions for the past two years. That is true with respect to every line of endeavor and every industry. The situation is deplorable and distressing. As a matter of fact I think that the shipping industry has done pretty well to weather the storm as well as you have up to date, and I sincerely hope that you will all be able to carry on and that you will be able to weather the storm through to the end and be prepared to carry on in a successful and prosperous way when prosperity returns in a manner that will not only bring you just returns but which at the same time will help build up and maintain an American merchant marine of use to the Nation as a whole.

I have never yet, so far as I realize, made a criticism of this subject, or of any official connected with it, which I did not consider to be constructive and in the interest of the upbuilding of the American merchant marine. You know we all have to chastise our own children as much as we love them. It is frequently necessary to do many things that are distasteful, and so it is not pleasant to criticize at all. I am not questioning the motives of any official, or of anybody else for that matter. I am simply discussing plain facts and giving my views with regard to same.

In this connection I wish to state that, as perhaps most of you are aware, the Committee on Merchant Marine, Radio, and Fisheries, even before Christmas, decided to conduct a general inquiry into the entire merchant marine and shipping situation, embracing the Shipping Board operations, the construction loans, and the awarding of mail contracts, etc. That, too, was intended purely and solely as a constructive proposition and not as a muck-raking proposition. I want to say that members of the Shipping Board welcomed that inquiry. We all realize that many things have been said—many criticisms—with regard to things which had been done or alleged to have been done by the Shipping Board and the Postmaster General, and so we all felt that it was proper, that it was best to have a fair, constructive inquiry to develop the facts and to vindicate, if the facts justified it—and if they did not justify it—in order that the committee and the Congress and the public might know the mistakes which had been made, and which might be prevented in the future or otherwise rectified. That is the purpose of that inquiry. While it is not a muck-raking proposition, it is not a whitewashing proposition. We are simply undertaking in a dispassionate way to develop the facts in order that the old members of the committee may know what has transpired since Congress adjourned last March and in order that the new members of the committee may obtain a general picture of the situation of the American merchant marine.

I wish to say in conclusion that I am very happy to have had an opportunity to greet you, and I certainly hope that the time is not far distant—although I do not presume to make any predictions—when conditions will begin to improve, and you can all at least hold on and carry on until a better day, when you will get better returns.

I thank you. [Applause.]

EXPENSES OF GOVERNMENT

Mr. HOLADAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the expenses of Government.

There was no objection.

Mr. HOLADAY. Mr. Speaker, the curtailment of expenses of our National Government is a matter that is claiming the attention of our people.

The Bureau of the Budget, after extended hearings and consultation with all of the various departments, bureaus, and agencies of our National Government, prepares a Budget estimate of the appropriations that, in the opinion of the Budget Bureau, will be necessary for the succeeding year. The Budget estimate is submitted to Congress upon its convening in December of each year, and the estimate is for the fiscal year beginning on the 1st of July, following.

In speaking of the estimates for any particular year, the calendar year in which the fiscal year ends is used. Thus, the Budget estimate submitted to Congress in December, 1931, was for the fiscal year beginning July 1, 1932, and ending June 30, 1933, and is spoken of as the Budget for 1933.

The following table shows the amounts estimated by the Budget Bureau as necessary for the proper operation of the various departments for the fiscal year of 1933. The table also shows the percentage that each item bears to the total amount of all appropriations. Similar percentage information with reference to the amount appropriated for the fiscal year of 1932 and the amount expended in the fiscal year of 1931 is contained in the table.

	Budget estimate, 1933	Budget estimate, 1933	Appropriation, 1932	Expenditure, 1931
		Per cent	*Per cent*	*Per cent*
War:				
War-debt retirements	$496,803,478.00	12.60	10.32	10.35
War-debt interest	610,000,000.00	16.23	15.14	14.36
Pensions and hospitals	1,052,785,264.00	26.70	23.24	24.00
		55.53	48.70	48.71
National defense	644,651,309.00	16.35	17.41	16.52
	2,834,240,051.00	71.88	66.11	65.23

	Budget estimate, 1933	Budget estimate, 1933	Appropriation, 1932	Expenditure, 1931
		Per cent	*Per cent*	*Per cent*
Public improvements:				
Building and sites	$128,652,880.00	3.21	2.01	1.60
Roads	117,596,000.00	2.98	3.42	4.05
Rivers and harbors	61,447,600.00	1.56	1.58	1.75
Flood control	34,040,000.00	.86	.92	.90
Other	16,303,135.00	.42	.62	.43
	356,039,615.00	9.03	8.55	8.73
General functions and administration	154,178,133.00	3.92	3.92	3.65
Civil functions:				
1. Foreign relations	16,158,953.39	.41	.45	.36
2. Immigration	11,786,800.00	.30	.30	.24
3. Science and research	10,347,277.00	.26	.41	.59
4. Territory and District of Columbia	50,367,078.00	1.28	1.29	1.20
5. Law enforcement	58,079,936.00	1.47	1.42	1.29
6. Control of currency	11,536,426.00	.29	.29	.28
7. Indian affairs	30,246,939.33	.77	.90	.79
8. Public domain	31,944,264.00	.81	.96	.99
	220,467,673.72	5.59	6.02	5.74
Promotion and regulation:				
1. Commerce and industry	24,281,401.00	.62	.64	.57
2. Aerial transportation	10,012,990.00	.25	.29	.24
3. Marine transportation	53,214,156.50	1.35	2.26	1.95
4. Land transportation	11,452,710.00	0.29	0.32	0.25
5. Agriculture	54,599,402.00	1.38	3.96	5.78
6. Fisheries	2,337,640.00	.06	.07	.06
7. Labor	6,985,962.00	.18	.20	.22
8. Public health	20,865,340.00	.53	.58	.47
9. Public education	17,577,940.00	.45	.43	.40
	201,327,541.50	5.11	8.75	9.94
Postal deficiency	155,000,000.00	3.93	4.88	3.42
All other costs	21,501,600.00	.54	1.77	3.29
Grand total	3,942,754,614.22	100.00	100.00	100.00

The average person may be surprised to learn that out of every $100 expended by our Government $71.88 goes to pay the cost of war, past, present, and future. Twenty-eight and eighty-three one-hundredths per cent of our total cost of Government is expended for the retirement and interest charges on our war debt. This item is a fixed charge and can not be reduced. Twenty-six and seventy one-hundredths per cent is expended in the payment of pensions, compensation, and hospital expenses, and this expenditure can not be reduced unless our pension laws are repealed and hospital facilities for ex-service men are withdrawn.

In any attempt to curtail the expenses of our Government we are confronted with the fact that it will be practically impossible to effect any savings in 55.53 per cent of our total expenditure. Sixteen and thirty-five one-hundredths per cent of the total cost is for the maintenance of our Army and Navy, and any attempt to effect a saving in this item immediately evokes loud protests from all military organizations.

The next item is for public improvement, and 9.03 per cent of the proposed total expenditures is allocated to public improvements. The amount appropriated for public improvement can be materially reduced, but such reduction is by many people thought inadvisable, especially in times of business depression such as we are now experiencing. The $356,000,000 proposed to be spent for public improvements will in large part be expended for labor and will enable thousands of men to find employment, where otherwise they might be compelled to join the five to seven million men now out of employment.

The remaining appropriation items amounting to less than 20 per cent of the whole are for all other expenses of the Government and a material reduction in any or all of these items does not make a material reduction in the whole amount.

The Appropriations Committee has to date reported four bills back to the House.

The first deficiency bill, which was the first bill reported by the committee, was reduced 10.48 per cent under the Budget estimate. The Agriculture bill was reduced 5.74 per cent; the Interior bill was reduced 11.06 per cent; and the bill for State, Justice, Commerce, and Labor was reduced 4.14 per cent.

It is the hope of the Appropriations Committee that similar reductions can be made in the balance of the appropriation bills. If the committee is able to protect the bills on the floor of the House and the Senate does not increase the amount carried in the various bills, a material reduction in the costs of government will have been made.

AGRICULTURAL-CREDIT CORPORATION

Mr. JONES. Mr. Speaker, I present a conference report upon House Joint Resolution 292, to authorize the Secretary of Agriculture to aid in the establishment of agricultural-credit corporations, and for other purposes, for printing under the rules.

ECONOMY COMMITTEE—H. RES. 151

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on House Resolution 151, passed yesterday.

The SPEAKER. Is there objection?

There was no objection.

Mr. DISNEY. Mr. Speaker, attention has been focused on the matter of excess bureaus, boards, and commissions this week, largely because after certain Senate and House Democrats had introduced resolutions looking to economies in that line the President sent a special message to Congress urging that it appoint a new commission to investigate the old commissions, boards, and bureaus, at a cost of $40,000, with a view to cutting down expenses on the part of the old commissions.

I introduced Concurrent Resolution No. 21 on Tuesday of this week to determine where the Government could economize and retrench by the abolishment of the useless boards and commissions. Governmental expenses in the last 20 years have grown to an alarming extent. Bureaus, boards, commissions, and agencies have grown top-heavy with overlapping functions and duplicated expenses. Duplicated effort has created a labyrinth of red tape that at times is almost insurmountable. It is said that 1 man in every 12 or 15 is governing us. This takes taxes and still more taxes. No wonder the people are complaining about taxes. We are inspected in everything from toenails to toothbrushes, and the furtive eye of some governmental agency is cast upon us in every walk of life.

This is not confined to the Federal Government alone, because the first Oklahoma Legislature appropriated only $3,000,000, the next legislature about five million, the next eight million, the next eleven million, and so on, until the last legislature made appropriations of some $30,000,000.

While I was a member of the legislature in 1923, when the appropriations were all in, I procured the passage of a resolution to cut all appropriations 20 per cent, and it was found that they could be cut, and they were cut to that extent without damage to the service of the State. This can be done in Federal affairs as well as in State affairs.

There is only one large-scale employer in the whole country, as far as I know, that is not engaged in business for profit, and that is the State and Federal Government. Upon its pay roll at the present time are approximately 590,000 employees, and the number of employees has increased 68,000 in 10 years. This is a staggering total for the peace-time operation of the Government. The salaries of these employees, including my own, except those under $2,500, could easily be cut 10 per cent, and if such a bill is brought before the House, I shall vote for it. Throughout the entire history of our Government its business has grown up with little system or plan. As new needs developed departments and bureaus have been added, particularly in the last 10 years. Department heads have set up new activities with duplicated expenses and overlapping functions.

At the expense of burdening you with a vast amount of figures permit me to read you how the cost of Government has increased since 1924. Since 1924 the expense of the Government has increased between $600,000,000 and $1,000,000,000 per year. For instance:

The State Department spent $14,000,000, now it spends $16,000,000.

The Treasury spent $260,000,000, now it spends $310,000,000.

The Department of Justice spent $21,000,000, now $53,000,000.
Commerce spent $21,000,000, now $49,000,000.
Agriculture spent $141,000,000 in 1924 and eight years later spends $330,000,000.
Interior spent $328,000,000 in 1924 and dropped to $78,000,000 in 1932, due to shifting of the pension administration and other departments.
War Department has gone up from $348,000,000 to $483,000,000, and the Navy from $332,000,000 to $378,000,000.
The Board of Tax Appeals will cost us $650,000 for the year 1932 and it was a $350,000 organization.
The Civil Service Commission has gone up from a million to a million and a half.
Employees' Compensation Commission from two and a half million to four and a half million.
The Federal Board for Vocational Education was a five and a half million dollar body, now is a ten million dollar organization.
The Federal Farm Board didn't exist then. Now its current expenses are about one and a half million, which doesn't include advances for price stabilization.
The Federal Power Commission cost us $40,000, now it costs $300,000.
The Federal Radio Commission didn't exist then. Now it is a $400,000 body.
The Interstate Commerce Commission, then spending $5,000,000, now is spending $9,000,000.
The Federal Trade Commission has gone from a million to a million and a half.
The Tariff Commission has gone from $750,000 to a million and a quarter.
Market News Service used to cost $400,000, now it costs $1,400,000.
Plant Industry once cost $2,500,000, now costs $5,500,000.
Forest service has gone up in 7 years from 10 million to 20 million.
In the Department of Commerce, the Bureau of Foreign and Domestic Commerce used to spend $2,000,000, now it spends $5,000,000.
In the year 1924 there was no aeronautical branch of the Department of Commerce. There was a National Committee on Aeronautics which spent half a million dollars. The Aeronautical Branch of Commerce now spends ten millions.
The Bureau of Fisheries used to get along with $1,300,000, now it spends nearly $3,000,000.
Immigration which cost four and a half million now costs ten million.
The Women's Bureau went from $100,000 to $150,000.
Employment service was $200,000 and is now nearly $900,000.
Striking increases are found in the Interior Department where the support of Indian schools has gone up from four million to ten million, and the National Park Service from $1,600,000 to $9,000,000.

And so on to the end of a long chapter, making up a total increase of $600,000,000 to $1,000,000,000.

This increasing expense, this back-breaking toll of taxation, charged against the productive forces of America—forces diminished by approximately twenty billions since 1929—is dangerous. We have built up governmental machinery—State, local, and Federal—to a point where it costs you and me $14,000,000,000 a year. You and I, all of us, men and women and children, earned only $70,000,000,000 last year.

One dollar out of five now goes to provide the pay roll of Government, variously estimated, with their dependents, at between eighteen and twenty millions of people. To collect these taxes and to spend the money, we have over 250,000 independent tax-gathering and tax-spending units in the United States to-day.

Such activities can be roughly grouped under three heads: First, in more than 250 undertakings the Federal Government alone is competing with its own citizens, citizens who provide the wherewithal for such competition. From banking, insurance, oil, coal, lumber, agriculture, transportation, manufacturing, such as—to begin the alphabet—the production and sale of agricultural products, aircraft, anchors, awnings, auto license tags, brooms and brushes, and on through, including the operation of hotels and laundries and printing plants and warehousing.

The second group of activities which cost us money are the regulatory and supervisory and the "servicing" jobs which the Government has taken on increasingly in the last few years. Every act of the individual, waking or sleeping, is now regulated by some public authority. Whole sections of our industrial life are now under the deadening influence of political boards which tell individuals how to conduct their business, from agriculture, power and light, and radio to rails and the air. And those industries that are not regulated directly have a sort of supervision from other boards, commissions, and bureaus.

The Government thoughtfully informs us where bed sheets wear out first. It teaches us how to forecast the price of hogs by logarithms. We are taught how to brush our teeth, polish our shoes, and to rear goldfish. We are instructed on pine-needle basketry and how to prepare caviar for the table.

The farmer is told how to farm, the merchant is told how to manage a grocery store, the exporter is told how to pack goods for shipment overseas. We are instructed as to the mating habits of bull frogs, the idiosyncracies of oysters, and as to the operation of the lowly flytrap.

This inquisitorial activity takes form in a myriad of questionnaires and an army of field men studying your activities at first hand.

For years the President and his predecessors, under whom he served as a Cabinet officer, have had the Bureau of the Budget and the Accounting Department at their beck and call to correct these evils by reorganization of the departments and the cutting out of useless expenditures. Even now the administration is using every power under the sun to avoid a consolidation of the War and Navy Departments, which would effect a saving of $100,000,000 a year. With its right hand the administration calls for economy, and with its left hand it opposes this gigantic saving.

The total bonded indebtedness of the whole United States to-day is over $30,000,000,000. States, counties, and municipalities have defaulted in the amount of approximately seven hundred millions in the last year. We had a deficit for 1931 of over $900,000,000, and a deficit for 1932 of over $2,100,000,000, and we are told that we face a deficit of at least one billion two hundred fifty millions, exclusive of debt retirement, for the year 1933. Under President Wilson in 1921 the expense of the White House was $293,680, while for the present year of 1932 they amount to $652,179, an increase of about 125 per cent.

When Mr. Hoover was Secretary of Commerce, the appropriations for that department were $24,000,000 per year. When he left the department in 1929 they had increased practically 66⅔ per cent, to forty millions per year, and for 1932 they amount to fifty-four millions. The Bureau of the Budget, which is at the command of the President, costs us $200,000 per year, and the General Accounting Office, also under control of the President, uses $4,000,000 per year. These two offices have been at the command of the President during the last 10 years, so it is said by many that this sudden rush on the part of the administration to find out what boards and bureaus can be abandoned and abolished is inconsistent, because the General Accounting Office and the Bureau of the Budget could have given the Chief Executive this advice long ago, and the consolidation, abolishment, and curtailment of bureaucratic activities could have been inaugurated many years before the crucial campaign of 1932.

Right now the Ways and Means Committee is attempting to devise plans to balance the Budget and to meet the deficit of over $2,000,000,000. The House Appropriations Committee, headed by JOSEPH W. BYRNS, of Tennessee, has reduced the estimate of the Bureau of the Budget, which is under the President's control, in the deficiency bill more than 10 per cent. It has reduced the Department of Agriculture bill from the Bureau of the Budget estimates between 6 and 7 per cent and has reduced the Interior Department bill from the Government estimates from fifty-six million down to fifty million, or over 10 per cent. Chairman BYRNS made the statement on the floor of the House that all of the Government bills can be reduced at least 5 per cent and in many instances 12 to 15 per cent.

The deficiency bill was pared by the Appropriations Committee $14,780,850.18; the Agricultural bill, $10,799,591; the State-Justice-Commerce bill, $5,382,818.77; the Interior bill, about six millions—a total reduction of the expenditures saved by the conduct of the Appropriations Committee of $37,237,179.95. And greater economies are yet to follow.

These figures have not been pleasant to hear. The remedies evoked must be drastic. These appropriations must be

cut from 5 to 15 per cent or our expenditures for this fiscal year will run to $5,000,000,000. These boards and bureaus must be slashed to the limit. Taxpayers are groaning beneath a terrific load of taxation, and, besides that, their homes are being foreclosed, and, what is worse, millions do not know where the next meal is coming from. The last report of the Labor Department states that nearly 12,000,000 people are out of employment. There is no earthly excuse for this governmental extravagance except cowardice on the part of the governing officials who are unable to say "no" when appropriation bills are presented to them.

In the face of the insistent attitude of the administration, and for political purposes of the 1932 campaign, we hear a hue and cry about "reorganizing" the bureaus, commissions, and boards that have grown up, particularly in the last 10 years. The claim is made by the administration for the credit for each syllable of legislation that is calculated to relieve the serious situation that has grown up under its management. The administration can not expect to carry on partisan warfare to promote the prospects of the reelection of their candidate while the Democrats in Congress maintain a political truce in an effort to restore prosperity. Credit must go where credit is due, and partisan claims for credit will not go by unchallenged.

The appointment of the economy committee under Resolution 151 will be a step toward the relief of the people from this growing labyrinth of useless boards, bureaus, and commissions.

CALENDAR-WEDNESDAY BUSINESS

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the committees.

The Clerk called the Committee on Foreign Affairs.

INCREASING PASSPORT FEES

Mr. LINTHICUM. Mr. Speaker, I call up the bill (H. R. 9393) to increase passport fees, and for other purposes, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to regulate the issue and validity of passports, and for other purposes," approved July 3, 1926, as amended by the act entitled "An act to provide for the renewal of passports," approved July 1, 1930, is amended to read as follows:

"SEC. 2. That the validity of a passport or passport visa shall be limited to a period of two years: *Provided*, That a passport may be renewed under regulations prescribed by the Secretary of State for a period not to exceed two years, upon payment of a fee of $5 for such renewal, but the final date of expiration shall not be more than four years from the original date of issue: *Provided further*, That the Secretary of State may limit the validity of a passport, passport visa, or the period of renewal of a passport to less than two years: *Provided further*, That the charge for the issue of an original passport shall be $9."

The SPEAKER. The gentleman from Maryland calls up the bill H. R. 9393. This bill is on the Union Calendar. The House will automatically resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, and the gentleman from New Hampshire [Mr. ROGERS] will please take the chair.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9393, with Mr. ROGERS in the chair.

The CHAIRMAN. The gentleman from Maryland [Mr. LINTHICUM] is recognized for one hour.

Mr. STAFFORD. Mr. Chairman, I ask recognition in opposition, if no member of the committee opposes the bill.

The CHAIRMAN. Does any member of the Committee on Foreign Affairs oppose the bill?

Mr. RUDD. Mr. Chairman, I am opposed to the bill, and I ask recognition for one hour.

The CHAIRMAN. The gentleman from New York [Mr. RUDD] will be recognized for one hour in opposition.

Mr. LINTHICUM. Mr. Chairman, this is a bill primarily, and perhaps absolutely, for additional revenue for the State Department and the Foreign Service. In 1930 our late distinguished colleague, Mr. O'Connell of New York, introduced a bill which did not change the amount of the passport fee, which was $9, and the application fee, $1, making a total of $10, but which did grant two extensions upon that passport. The Committee on Foreign Affairs considered that bill and agreed to report it with two amendments. One amendment was that the two extensions of the passport should cost $2 each for the two years, and the other amendment provided that teachers' passports should not cost more than $5. The bill was reported to the House, and the House amended the bill, upon motion of the gentleman from Michigan, Mr. Cramton, striking out the teacher provision and inserting in lieu thereof a $5 fee for passports, which carried with it the $5 fee for every passport that was issued, and eliminated the $9 passport. That reduced the revenue more than $1,184,047. Had Mr. O'Connell's bill been passed as it was reported, it would probably not have reduced it more than $400,000 or $500,000. At the present time we are in need of revenue from every source, and particularly in need of revenue for the State Department and for the Foreign Service. Under this bill we renew the $9 fee for the passport and, of course, the $1 for the application, which always prevails, which makes the total $10, instead of the $5 and the $1, or a total of $6. Under the present law we are getting a revenue of $944,023, whereas under the old law we got as high as $2,916,000, and in 1930 we received a revenue of $2,128,000, so that according to the calculations of the State Department under this bill, with one renewal, we would get an additional revenue of about $700,000.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. DYER. This is the first bill that has come into the House for consideration at this session which provides for bringing some money into the Treasury in addition to what we have been getting heretofore. Is not that the fact?

Mr. LINTHICUM. Yes. I know of no other bill which has yet come before the House adding revenue.

Mr. DYER. All of the other bills that we have considered up to this time have been taking money out of the Treasury?

Mr. LINTHICUM. Yes.

Mr. DYER. I congratulate the gentleman and his committee.

Mr. LINTHICUM. The Foreign Affairs Committee is the first committee to have considered on the floor a bill to bring in revenue.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. BLANTON. In reply to the gentleman from Missouri [Mr. DYER], all of those taking-money-out bills came from the White House.

Mr. DYER. That is where they ought to come from.

Mr. BLANTON. The $2,000,000,000 taking-out bill and the $125,000,000 taking-out bill came from the White House.

Mr. LINTHICUM. This bill did not come from the White House; it originated in the Foreign Affairs Committee.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. PURNELL. I want to know whether this is a putting-in bill or a taking-out bill. The gentleman states that something like $700,000 will accrue as a result of this bill, as additional revenue?

Mr. LINTHICUM. Yes.

Mr. PURNELL. Will that fund be turned over to the Federal Treasury or it will be returned to the State Department?

Mr. LINTHICUM. Oh, that goes into the Federal Treasury. Nothing comes to the State Department. The Congress then appropriates what it pleases. However, because of the fact that the revenues from these sources have been so cut down, I think, that the Committee on Appropriations at this time has lessened the appropriations of the State Department and the Foreign Service by $1,491,212.77. Just how the State Department and the Foreign Service are going to get along with this cut is beyond my comprehension. It has always been the proud boast of the State Department and the Foreign Service that the revenues derived from that service have almost, at times, equaled the expenditures for the service; but when the O'Connell bill came in and cut the revenues more than a million dollars, the State

Department found itself behind. We are giving them more in this bill than they had previous to the passage of the O'Connell bill. In this bill they have a renewal at $5 for the two years. All they have to pay under this bill is $14 and the application fee of $1.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. STAFFORD. I understand that within a year or thereabouts the Congress passed an act permitting the renewal of passports for six years. Now the gentleman proposes to make the renewal period four years. What is the reason for the change of mind on the part of the Committee on Foreign Affairs in this brief period of a year?

Mr. LINTHICUM. The gentleman is somewhat in error as to the six years.

A passport with the two renewals makes a total of six years, but a passport with one renewal makes four years. Now the gentleman asks why that change.

Mr. STAFFORD. Why should the committee change its mind within a period of one year?

Mr. LINTHICUM. I would like to say to the gentleman that I explained in the beginning the committee did not change its mind so materially, but that the Congress, on an amendment offered by Mr. Cramton, changed its mind. May I say further that the entire country has changed. We did not need the revenue at that time, whereas to-day we need every dollar of revenue we can get.

Mr. STAFFORD. Oh, I am not speaking of the revenue feature. I am speaking as to the limit of time of renewal of passports. Congress within a year fixed the renewal privilege to extend over a period of six years. Now the renewal privilege is extended only to four years.

Mr. LINTHICUM. Yes.

Mr. STAFFORD. What is the reason of the change of mind of the committee?

Mr. LINTHICUM. Because the Congress made a mistake, that is all.

Mr. STAFFORD. Oh, the Committee on Foreign Affairs now thinks that six years is too long and four years is right, and, ipse dixit, the Congress was wrong.

Mr. LINTHICUM. It should not have been changed at any time. A man who desires to travel abroad and has a right to the service of the great United States in every country and every town in the world is certainly not paying too much when he pays $9 for a passport for all that service. [Applause.]

Mr. STAFFORD. That is not the question I am directing to the gentleman. Why should not the renewal be for six years instead of for fours years as recommended?

Mr. LINTHICUM. Because six years is too much at the present time.

Mr. BLANTON. Why does not the gentleman from Wisconsin make them permanent?

Mr. STAFFORD. There are certain instances where the citizens who have these passports have reason to renew them for a period of six years and not be limited to a period of four years.

Mr. LINTHICUM. Now, in conclusion, I say that this is an important bill. Certainly we are giving value received for every dollar they expend, and more. For this $9 passport and a renewal of two years, a 4-year period, we give the entire Foreign Service. We give the help of the State Department. We give all the power of the United States to enforce a man's rights abroad and to protect his citizenship, and if it is not worth $14 for a service of that kind for four years, then I do not know what it is worth. [Applause.]

The country needs the revenue. Why should we tax all the people of this country, people who have a little means, by a sales tax, by an income tax to sustain a part of the Government which these men enjoy individually?

It is only fair and proper that, in so far as it can, each department of the Government should carry its own burden, and the people who want to travel abroad should be perfectly willing, they should be happy, they should be glad that the United States has provided a service throughout the world for their protection. They may not need that protection, and yet they may need it badly at some time. So I say it is only fair and proper, in the condition of the country at this time, that we give this department a potential income of $700,000, divided up among the thousands and thousands of people of this country who want to go abroad.

Mr. BACON. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. BACON. The original passport can be renewed twice?

Mr. LINTHICUM. Only once.

Mr. BACON. And that is in four years?

Mr. LINTHICUM. In two years.

Mr. BACON. What happens in the case of an American business man who may be representing an American concern abroad? What happens at the end of four years? Must he come back to this country to renew his passport?

Mr. LINTHICUM. No; but he has to get a new passport, and to explain his citizenship, a most important thing, every four years.

Mr. BACON. Can he get a new passport at a consular agency?

Mr. LINTHICUM. Yes; he can.

I want to say this is an important bill for your consideration. This renewal of a passport under the present law gives a man a right to stay there six years. There are thousands of people in Europe to-day who claim American citizenship who do not come to America if they can help it, and yet they receive the protection of this country and they remain abroad just as long as they want. I say that those people should have to pay and they should be compelled to pay in addition to what they are paying. [Applause.]

Mr. Chairman, I reserve the balance of my time.

Mr. RUDD. Mr. Chairman, I yield myself 10 minutes.

I ask unanimous consent, Mr. Chairman, to revise and extend my remarks by including therein the names of the speakers and the members of the chambers of commerce who appeared by representatives at the hearing held in 1930 before the Committee on Foreign Affairs.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RUDD. The predecessor bill, which this bill seeks to amend, was introduced by my illustrious predecessor, the late lamented David J. O'Connell, of New York. My respect and admiration for him and recognition of his great ability in legislative work prompt me to oppose this bill.

He represented my district ably, intelligently, and well.

His was an active, an energetic membership in the business, social, and political life of our community.

He aided materially in the development and beautification of his district which he loved so much.

Those of us who knew him intimately will always cherish in their hearts and minds a kind and loving thought of this good man gone to his reward.

Mr. Chairman, it is with reluctance that I rise to oppose the esteemed chairman of my committee, but inasmuch as there were no hearings and no opportunity given to the commercial representatives and to the export people, I think it is proper that I should do so.

In order that I might properly present the case to you I have prepared four interrogatories, and I feel that if the membership will give them the consideration that I have given them they will bring about the defeat of this bill.

Interrogation 1. Shall a naturalized, law-abiding American citizen be denied the opportunity to visit the land of his birth, perhaps for the last time before passing into eternity?

Interrogation 2. Is it more important for the Government to take annually $689,426 by extracting it from the pockets of the poor or those of moderate means than for citizens to see perhaps for the last time their parents, brothers, and sisters and playmates of their youth, now grown to maturity?

Interrogation 3. Shall we protect and save the railroads and permit the steamship lines to be destroyed and driven into bankruptcy?

Interrogation 4. Is it just and proper that railroads, banks, and financial institutions be subsidized, petted, and caressed

and the steamship lines, commercial and export business be slapped in the face and driven from the seas?

In my section of Brooklyn many women are resorting to cleaning in order to get enough money so that they may go back home to see their relatives and friends.

The chairman of this committee is going upon the supposition that none but the rich go abroad. As a matter of fact, the reverse is the fact. Out of 382,000 trans-Atlantic passengers who went abroad in 1931 only 60,000 were first class. Three hundred and thirty-two thousand were cabin, second-class, tourist, and fourth-class passengers. At the average rate of $85 per person, paying $5 for passports, $1 for the execution fee, and $5 for revenue tax, there is a tax of 13 per cent on this $85. If this bill should pass, there will be a tax of 18 per cent against these poor women who go abroad to visit their relatives perhaps for the last time. I submit that no other business, which has an inherent right to legitimately conduct its business, has to pay 18 per cent to conduct such business.

There is no deficit in the Consular Service. No evidence was submitted before our committee to that effect. But, as a matter of fact, the representative of the State Department said they were not interested one way or another.

This bill is the outcome of the mental operation of the chairman of our committee alone and nobody else. No Members appeared before our committee in opposition to it nor in favor of it.

I have a statement here from the representative of the United States Lines, made in 1930, to this effect:

> At hearings on the bill which resulted in the present law governing passport fees, representatives of the State Department discussing reduction from the then $10 rate advised the committee that passport fees were meeting practically the entire cost of maintaining the United States Department of State.

The Merchants Association of the city of New York states that the enactment of this legislation will materially increase the expenses of representatives of American concerns traveling in foreign countries, especially at a time when our export industries are endeavoring to maintain their foreign markets under extremely trying conditions.

Senator BARKLEY, of Kentucky, said on February 7 of last year, that we lost more than $2,400,000,000 of our foreign trade. It is a significant fact that about the same amount, $2,400,000,000, is the amount the United States Government is now in arrears.

At the hearings held in 1930 the following representatives appeared in favor of a reduction from $10 to $5:

Mr. Peter Fletcher, president National Council of American Importers and Traders (Inc.), New York City.

Mr. S. C. Mead, secretary and treasurer Merchants Association of New York, New York City.

Mr. C. A. Richards, chairman Foreign Trade Commission, Merchants Association of New York.

Mr. C. B. Dodds, Washington representative San Francisco Chamber of Commerce.

Mr. Ivan E. Goodner, Los Angeles Chamber of Commerce.

Letters were sent by chambers of commerce from all over the United States in favor of the reduction from $10 to $5. Why is it, I ask, Mr. Chairman, that none of these representatives were asked to appear before our committee? These are the organizations that appeared in favor of the reduction in 1930, and I am sure they would have appeared in opposition to this bill had an opportunity been given them to appear.

American Express Co.; National Council of American Importers & Traders (Inc.); American Locomotive Sales Corporation; American Manufacturers' Export Association; American Steamship Owners' Association; Bankers' Trust Co.; Berkeley Chamber of Commerce; Chamber of Commerce of Birmingham, Ala.; Red D Line of Steamships; Boise Chamber of Commerce, Boise, Idaho; Chamber of Commerce of Bristol, Conn.; Buffalo (N. Y.) Chamber of Commerce; Buffalo Exporters' Association; Spanish Royal Mail Line Agency (Inc.); Chamber of Commerce of Chattanooga, Tenn.; the Chicago Association of Commerce; Foreign Trade Association of the Cincinnati Chamber of Commerce; the Cleveland Chamber of Commerce; Dallas Chamber of Commerce; Detroit Board of Commerce; general agent of steamship companies; Elizabeth (N. J.) Chamber of Commerce.

The CHAIRMAN. The gentleman from New York has consumed 10 minutes.

Mr. RUDD. Mr. Chairman, I yield myself five additional minutes.

Evansville Chamber of Commerce, Evansville, Ind.; Equitable Trust Co., New York; Fish-Schurman Corporation; Fort Wayne (Ind.) Chamber of Commerce; the Foundation Co.; General Electric Co.; General Motors Corporation; Gloucester (Mass.) Chamber of Commerce; the Goodyear Tire & Rubber Co.; the Grace Hospital; Grand Trunk Western Railway System; Guaranty Trust Co.; Hartford (Conn.) Chamber of Commerce; Chamber of Commerce of Houston, Tex.; Illinois Chamber of Commerce; International Harvester Export Co.; Madison (Wis.) Chamber of Commerce; Memphis (Tenn.) Chamber of Commerce; National Association of Credit Men; and International Mercantile Marine Co.

Here is a letter from the Chamber of Commerce of the United States of America. Surely consideration ought to be given to these people, as they represent the business interests, the commercial institutions, and the export interests of this country. If opportunity had been afforded them, I venture to say that chambers of commerce from every State in the Union would have been opposed to this increased fee. The Chamber of Commerce of the United States of America says:

> High fees for passports and visaing of passports are a burden upon the international travel necessary to commerce. However appropriate in wartime, the formalities incident to visas and to police control of passports are now an interference with commerce. Our Government should reduce its fees for passports and visas to a reasonable charge for the service it performs.

I submit this is no time to slap the steamship companies in the face, drive them into bankruptcy, and help the railroads, the financial interests, and the bankers of the United States. [Applause.]

Mr. Chairman, I reserve the balance of my time.

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. MCREYNOLDS.]

Mr. MCREYNOLDS. Mr. Chairman, the gentleman who has just preceded me is the only member of the committee who is opposing or who did oppose the bringing out of this bill.

The gentleman from Wisconsin [Mr. STAFFORD] seemed to be disturbed a few moments ago in his inquiries of our chairman, the gentleman from Maryland [Mr. LINTHICUM], about the gentleman from Maryland having changed his mind within a year. Naturally, one would presume that the gentleman who made the inquiry never changes his mind.

I am one of the members of this committee that opposed the passage of this reduction in passport fees when it was passed, and the committee at that time reported out the usual fee of $10, and this was changed on the floor of the House. What we are desiring to do now is to place this back where it was and to eliminate the exception of teachers which was made in the former law, because we feel there is no reason why any exceptions should be made.

The gentleman from New York [Mr. RUDD] seems to be greatly disturbed and asked what he considered as some very serious questions.

Would you deprive a naturalized citizen from going back to the place of his birth? By what means are we going to prohibit that—by the addition of $4 in the passport fee? This is the difference.

Evidently, no one would start to visit the old country unless he had at least as much as three or four hundred dollars, and this $4 difference in the fee would only be something like 1 per cent. So I do not fear that anyone can be kept from making the trip on account of the material size of the increase under this bill, which is $4.

Another question propounded: Are you going to slap in the face the great transportation companies over the waters when you are rendering aid to the railroads of this country?

The Members of this House know that the Government has provided millions of dollars as loans to steamship companies for building up their lines, and they know further that millions of dollars are paid to them to-day in the transportation of mails which almost keeps them running without further income. So any talk about not being fair to steamship lines is absolutely ridiculous on its face.

As our chairman stated, this is the first measure by which we will work no material damage and by which we can procure some funds. In a short time a bill will be brought before the House providing for taxes, which is going to hurt. This will be done in an effort to balance the Budget, and this bill, as the gentleman from Maryland has pointed out, will mean more than $700,000 of revenue to the Government.

What objections can you have to this bill? Why should not a man pay $9, or $10 in all, if he is going to Europe? Why should he have more time than two years to extend his passport? The trouble is that we have many people in this country to-day who are American citizens, and who have gone to Europe and are claiming protection under the American flag, and yet they are staying there and simply having their passports renewed.

If they are American citizens and can not pay this, or if they want more than four years, let them get a new passport and they can pay the difference then; but my opinion, gentlemen, is that the people of the United States who can not do this would better stay at home. It is not going to hurt you if they do not go to Europe. We have had too much of Europe recently, anyhow. Let them keep their money at home.

The gentleman from New York says we had no hearings, and refers to the former hearings of 1930, and he reads you a great list of people who appeared before the committee. If the gentleman will read that testimony carefully, he will find that nearly every man who testified was not asking a reduction in the $9 as the passport fee but was asking a further extension of the right of renewal; and when that bill came in here it provided for $9 and $10, the same as we have it now, with the $1 extra fee, and it was amended on the floor of the House.

So it strikes me, gentlemen, that there ought not to be any question about this bill, that it ought to be passed, that it is just, and that it is placing the fees where they ought to be.

The steamboat people had representatives before the committee at this time. It was not necessary to go into extensive hearings, because extensive hearings had been held before.

So we come before you with, probably, the first bill, as the gentleman suggested over on this side a few moments ago, that will undertake to raise some revenue and put such revenue in the Treasury and help carry the great expenses that are now a burden upon the American people.

Mr. COLE of Iowa. Will the gentleman yield for a suggestion?

Mr. McREYNOLDS. With pleasure.

Mr. COLE of Iowa. Nine-tenths of this money will be paid by those who can afford to pay it; is not that true?

Mr. McREYNOLDS. That is correct; and I thank the gentleman for the suggestion.

Mr. Chairman, I yield back the balance of my time.

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. MORTON D. HULL].

Mr. MORTON D. HULL. Mr. Chairman, I favor the passage of this bill. I think it has been explained clearly to the membership of the House that the State Department is behind in revenue, that the passport fees are a source of revenue, that they come from those largely who can well afford to pay them. The passage of the bill will largely increase the revenue of the Government and help put the State Department upon a self-supporting basis. There is very little more that need to be said in support of the bill. It may work a hardship on some people. Hard times work hardships on all people. The burden of paying a part of the cost of the State Department will be borne by the traveling public who benefit from the Diplomatic Service.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. MORTON D. HULL. I yield.

Mr. SCHNEIDER. Is there any change in the charge for visas?

Mr. MORTON D. HULL. There is no change. We do not make any change except in the fee for the initial passport covered by the bill.

Mr. Chairman, I yield back the remainder of my time.

Mr. RUDD. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, it is not two years ago since a proposal came before the House on a Calendar Wednesday to reduce the passport fee to $5. This bill before us now proposes to restore the fee to $10.

It is not for the purpose of discussing the details of the bill that I rise now, but rather to pay tribute to one of the most beloved Members of this body.

This bill must necessarily recall to us the sudden passing on December 29, 1930, of one of the most lovable Members of this House, the Hon. David J. O'Connell, a Representative in Congress from the ninth district of the State of New York.

We can recall Dave standing on this floor, less than two years ago, advocating his bill to reduce the passport fee from $10 to $5. He advocated it in behalf of the thousands of school-teachers and other citizens of limited means.

Mr. Chairman, no man ever came to the House of Representatives who had to a greater degree the love and affection of the entire membership than did Dave O'Connell. His smile was contagious; his handshake an encouragement for the day's work. Everywhere he went he brought with him sunshine to brighten the dullest gathering.

Standing in the aisle then on the Democratic side of the House, or on the floor, he fought valiantly and gentlemanly not alone for his own district but for the interest of the whole country. [Applause.]

What impressed men most who knew him well was his pride in his position as a Representative in the Congress of the United States. It was an inspiration to see the pride that Dave O'Connell had in being an important part in the representative branch of the Government of the country he loved so well. When we observe that there has grown up in this Nation an overemphasis on the importance of the executive branch, an idea that all things must come down from the President; that the Executive is the head and body and feet of Government; when Congress—both Houses—are often deprecated; when people in trouble in both good and bad times, seem to be impelled to rush first to the White House, our people are apt to lose sight of the fact that their Government springs principally from Congress, and more especially from the House of Representatives. [Applause.]

Dave O'Connell, more than any man I ever knew, had the correct conception of the position the House held in the governmental structure. He was proudly aware that the most honorable office in America was that of a Representative in the Congress of the United States of America. To know Dave O'Connell, to associate with him, to "pal" with him, to meet him from day to day was an inspiration. His friendship is a keepsake. [Applause.]

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I believe if I remain in Congress long enough I shall be able to take the floor from time to time and say, "I told you so." I opposed the reduction of the passport fee at the time it was first suggested, and I recall very vividly the fun that some of my colleagues poked at me when they asked me if I had abandoned the cause of common people. The bill as originally introduced at the time was clearly discriminatory. There was no real justification for the reduction of the passport fee when that was brought about. If I remember correctly—I have not had time to refer to the debate at that time—the State De-

partment was not very anxious for a reduction in the passport fee.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. COLE of Iowa. The State Department supported the bill as our committee reported it out, containing the $9 fee. The reduction was made upon the floor of the House.

Mr. LAGUARDIA. Then I am right in saying that the bill as passed did not have the support of the State Department.

Mr. COLE of Iowa. The gentleman is quite correct.

Mr. LAGUARDIA. Mr. Chairman, this is the proper way to go about a necessary change in legislation in our effort to balance the Budget.

Mr. JOHNSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. JOHNSON of Texas. The bill was without recommendation from the State Department, but upon the initiation of the chairman of the Committee on Foreign Affairs [Mr. LINTHICUM] this legislation was initiated.

Mr. LAGUARDIA. That is what I was saying. Let us take the case of the committee recently provided for, the Committee on Economy. That committee would not and could not have the intimate knowledge of the legislative history of this proposition that the Committee on Foreign Affairs has, which has been through it. The Committee on Foreign Affairs knows all about it, and is naturally in a position to come before the House and give all of the necessary information. I submit to my good friend from New York [Mr. RUDD] that the list of merchants and corporations that urged the reduction of the fee was read on the floor of the House when the previous bill was under consideration. If our export business depends upon whether a representative of American trade can pay $10 or $5 for his passport, then there is not much hope for American trade.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BOYLAN. I am more than surprised that the distinguished gentleman from New York, who always represents the under dog, the hoi polloi, the proletariat, should now rise and favor an increase in the fee for passports. Does not the gentleman believe that an American citizen should have free communication everywhere, free to go to the end of the world, if necessary?

Mr. LAGUARDIA. Will the gentleman from New York [Mr. RUDD] kindly give me that list?

Mr. BOYLAN. The gentleman has not answered the question.

Mr. LAGUARDIA. Oh, I shall answer the question. I want to read off a list of the hoi polloi who are begging for this protection. There are some very common people here. There is the Standard Textile Products Co., there are Sussfield, Lorsch & Schimmel, Stroheim & Romann, also the Stern Hat Co., the Security Savings Bank & Trust Co., the St. Louis Chamber of Commerce, the Springfield Chamber of Commerce, the San Francisco Chamber of Commerce, the International Mercantile Marine Co. Those are the hoi polloi and the common people who first urged a reduction in the passport fee and who are now opposed to bringing it back to its old standard.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. LINTHICUM. Those gentlemen did not ask for a reduction in the passport fee. What they asked for was a renewal of passports, to avoid the trouble of getting new passports.

Mr. LAGUARDIA. Without a fee.

Mr. LINTHICUM. Without a fee.

Mr. LAGUARDIA. It is the same thing.

Mr. LINTHICUM. They did not ask for a reduction, and Mr. O'Connell's bill did not ask for a reduction.

Mr. LAGUARDIA. But these gentlemen asked for a renewal of passports without a fee.

Mr. LINTHICUM. Yes.

Mr. LAGUARDIA. They are the hoi polloi and the common people for whom my good friend from New York [Mr. BOYLAN] is now shedding copious tears.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. In a moment. Of course I know my good friend would join with me in anything the real common people needed, but when an American citizen is able to buy his passage on a palatial steamer and go abroad where there are no restrictions upon his personal liberty, he ought to be willing to pay the $10 passport fee. [Applause.]

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. CULKIN. I assume the gentleman from New York includes the Budget in his present list of "under dogs."

Mr. LAGUARDIA. As I stated yesterday, I take the financial situation of the country quite seriously, but I can not join with some of my colleagues who are taking advantage of the deficit, and under the pretense of economy are centering a drive to abolish necessary bureaus and departments of the Government. I do not want to weaken the Federal Government, especially the regulatory departments and the supervisory departments that have required generations to establish, necessary for the protection of the people of this country.

I do not want to see these bureaus and departments abolished under this cry that has become so popular of balancing the Budget.

Mr. RUDD. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. RUDD. On the question of the common people, does the gentleman question the statement of Senator BARKLEY, made on February 7 in the Senate, that last year we lost more than $2,400,000,000 of our foreign trade, and if that $2,400,000,000 of foreign trade was lost did it not affect these corporations whose names I have mentioned, and if it did affect those corporations did that not put the common people out of work and increase the unemployment? That is where the common people come in, and that is where the common people and the hoi polloi are affected by it. I submit in answer to the question of the chairman of our committee that had those people been given an opportunity to appear at the hearing they would have asked for the passport fee to remain as it was, $5. But I object to any hearing which deprives the people of the United States or the commerce and business and export business of an opportunity to be heard.

Mr. LAGUARDIA. Now, in reply to the gentleman, whose question is fair, I do not question the figures given by the Senator from Kentucky that our trade fell off $2,000,000,000, but our trade fell off while we had a lower passport fee. [Applause.] And I say that the passport fee had absolutely nothing to do with the falling off of trade. I say it is not only childish but it is kindergarten logic to stand up here and say that the falling off of $2,000,000,000 trade is due to an attempted increase of $5 in the passport fee. I can not subscribe to any such theory as that.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. COLE of Iowa. Business men get passports good for two years for $9, and can have them extended two years more for $5 additional payment, or $14 for four years, which, it seems to me, is not an excessive charge on business.

Mr. LAGUARDIA. Certainly.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RUDD. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, I do not recall a time in my legislative experience when a great committee of the House—and certainly the Committee on Foreign Affairs must be classified as great, with the many luminaries there are on that committee—sought to reverse the action of

Congress taken within 18 months, just because the action of Congress did not conform to their idea of what should be the policy of Congress. I think it comes with rather poor grace for a distinguished committee in these pressing times, when there is so much legislation of moment to consider, to propose such legislation. The chairman of this great committee, feeling aggrieved at the action of the last Congress in cutting down the passport fee from $10 to $5, brings this bill on his own initiative to try to restore the passport fee to $9.

Let us consider for a moment the inconsistencies or change of mind of this great committee within less than two years. I have the record here. I believe the gentleman from New York [Mr. LAGUARDIA] has also changed his position on this matter. I hope the pressing demands upon the gentleman to go before the Committee on the Judiciary on short selling will not compel him to leave the Chamber.

Mr. LAGUARDIA. I am very sorry, but I really can not remain.

Mr. STAFFORD. Well, I think the gentleman will be saved perhaps some feelings by not remaining. [Laughter.]

Within two years the gentleman has changed front completely. Two years ago the committee presented to this House a recommendation of the State Department that these passports should be renewed for a period of six years, and the evidence, supported by the Secretary of State, was the fact that it would be an imposition upon school-teachers who go abroad for more than two years and four years to exact from them the requirement that they should have their passports renewed at the end of every two years.

So the gentleman's committee brought into the House H. R. 10826, a bill framed by the Department of State, in which the essential purpose was to extend the passport feature to six years. Now, upon the initiative of the chairman of the Committee on Foreign Affairs, because the gentleman has received a rebuff, perhaps, on the floor of this House, cutting down the passport fee from $10 to $5, emasculates or attempts to emasculate, the policy of the department in that bill which sought to extend the passport privilege to six years.

Am I right or am I wrong? I yield to the gentleman from Maryland, the chairman of the committee, if I am wrong.

Mr. LINTHICUM. Will the gentleman put his question again?

Mr. STAFFORD. Oh, life is too short. If the gentleman can not understand that, he could not understand a repetition of the question.

Mr. LINTHICUM. I will admit I do not understand all the gentleman says.

Mr. STAFFORD. The gentleman understands me only when I am advocating wet proposals. [Laughter.]

When this matter was under discussion two years ago on the original bill just referred to, the gentleman from New York partook of considerable time, as he sometimes has occasion to do, without much warrant, and used the following language on page 9826:

> Now we come to the proviso which reads that the charge for issuing the original passport to a bona fide teacher, so determined to be by the Secretary of State, shall be $5. Why not make it $5 for everybody? That would remove all discriminatory features of the bill.

I believe the gentleman used both hands instead of one when he made those remarks. [Laughter.]

Mr. LAGUARDIA. Will the gentleman yield? The gentleman wants to be fair.

Mr. STAFFORD. Oh, always fair, particularly to my friend the gentleman from New York.

Mr. LAGUARDIA. It was a proper observation in my opposition to the entire bill.

Mr. STAFFORD. Well, the gentleman took so much time that I have not come to the end of his remarks yet to see whether the gentleman was favoring it or not, but up to that time I realized the gentleman favored making a universal charge of $5. Perhaps the gentleman reversed his position before he concluded; but I do not have time now——

Mr. LAGUARDIA. The gentleman should read the entire remarks.

Mr. STAFFORD. Oh, I do not have the time. That was one of the days when the gentleman was taking up an hour on Calendar Wednesday to illuminate the House. I do not wish to abuse the privilege of the House on this occasion.

Let me say to the membership of the committee that I was rather influenced in my vote in favor of the $5 fee because of the policy of foreign governments in exacting the same fee that we charge for our passports for the issuance of visas to our nationals when they go from country to country. It was called to our attention that over a period of 10 years foreign governments had protested against the policy of exacting such a large passport fee for their immigrants coming to this country, so they retaliated, and every time an American citizen would ask their approval of a passport to go from country to country those foreign countries would exact a fee of $10. It was for the purpose of trying to counteract that influence that I favored a cut in the passport fee from $10 to $5.

Now, the gentleman from New York [Mr. LAGUARDIA] and others—in fact, all of the proponents of this bill—have seemed to lay stress upon the fact that these persons can afford to pay an increase from $5 to $9 and for a renewal of a passport an increased fee from $2 to $5.

Let me repeat the figures cited by the gentleman from New York [Mr. RUDD] as to the number of American citizens who availed themselves of the passport privilege. In 1931, 60,000 used first-class passage and 332,000, fivefold the number using first-class passage, used cabin, second class, tourist, and fourth class.

But, gentlemen, I am not surprised at the position taken by some of the members of the Committee on Foreign Affairs. The distinguished gentleman from Tennessee chides me because, perchance, I never change my mind; but I wish to say to the gentleman in all frankness that I come from a liberal State that sees the advancing trend of affairs. I am not affected by the circumscribed opinions of legislatures where they do not believe in the evolutionary movement of government. I do not advocate on the floor of the House the policy of raising a Chinese wall, as the distinguished gentleman from Tennessee did a few moments ago when he said that our people should stay at home; that we can get all the information we need within our own borders. That is a policy of self-containment to which I am opposed. It is rather provincial.

Mr. McREYNOLDS. Will the gentleman yield?

Mr. STAFFORD. Certainly.

Mr. McREYNOLDS. The gentleman says he comes from that section of the country which is rather liberal?

Mr. STAFFORD. Yes; most liberal.

Mr. McREYNOLDS. Does the gentleman mean by that that he rides with the tide?

Mr. STAFFORD. Oh, no; we ride with progress. We are not circumscribed by the narrow views of those who do not believe in the principle of evolution, which is accepted by all scientific thinkers. I will yield to the gentleman if he wishes to make an apology for the action of his State legislature in refusing to recognize the fundamental principles of science, in refusing to accept the principle of evolutionary biology. I know the position taken by the distinguished leader of the Democratic Party in 1896, when a few years ago he went to the State of Tennessee and opposed the accepted scientific principle of evolution.

Mr. McREYNOLDS. Will the gentleman yield further?

Mr. STAFFORD. Surely, for enlightenment.

Mr. McREYNOLDS. Does the gentleman always want to enlighten the House by opposition? Has the gentleman ever supported anything that has come up on the floor? It is very seldom that the gentleman does anything but oppose any matter that may come up on the floor.

Mr. STAFFORD. That is too flippant a remark to be given any serious consideration. However, I will give it a serious answer. It was my high privilege, when the Reconstruction Finance Corporation bill was under consideration, again, when the bill providing for additional credits was

under consideration, and also when the increase of bonded indebtedness of the farm-loan banks was under consideration to support them all, not only by my vote but by my voice. Maybe the gentleman was not in the Chamber at the time, but if he will refer to my votes on the floor he will find I have supported all of the legislation recommended by his party up to this time, other than the Tariff Commission bill that was absolutely emasculated by the amendment offered by the gentleman from New York [Mr. LAGUARDIA] and accepted by the gentleman from Georgia [Mr. CRISP]. That amendment absolutely destroyed the real purpose of that bill so far as having Congress alone pass upon the reports of the Tariff Commission as to proposed changes in tariff rates.

Mr. McREYNOLDS. Will the gentleman yield again?

Mr. STAFFORD. Not for that character of question. I prefer to yield to the gentleman from New York.

Mr. CULKIN. Did the gentleman expect the gentleman from Tennessee to commit himself on evolution?

Mr. STAFFORD. No; but he did commit himself to a principle which I do not think represents the position of his party as to liberalized thought or economic thought. He committed himself to the policy of self-containment, which is not very dear to my heart, though it is very dear to the heart of many who are in favor of erecting a Chinese wall around this country so that our citizens may not go abroad to get any ideas.

The Committee on Foreign Affairs has not shown any reason why it is going counter to the recommendations of the State Department in advocacy of the renewal of these passports for a period of six years. The State Department two years ago, when their bill was under consideration—which had the favorable report of this committee—supported that idea. Now the gentleman from Maryland, on his own initiative, as I understand it, seeks to change that policy. It seems there is being spread over the country the spirit of intolerance, the spirit of "keep America for America," and that we should not allow our citizens to have any contact whatever with persons abroad for fear of contamination.

Mr. O'CONNOR. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. O'CONNOR. Does not the gentleman think that if about 7,000,000 people went abroad right now and stayed abroad we might solve some of our troubles in this country?

Mr. STAFFORD. Yes; and by this measure you are placing a burden on their going. There are many poor people who seek to go abroad to visit their relatives. This additional fee is nothing more than an additional charge on their going; but I bottom my objection to the additional fee largely on the encouragement it will be to foreign governments to continue to exact larger visa fees to American citizens in the approval of American passports.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. STAFFORD. Yes; I yield.

Mr. COLE of Iowa. May I inform the gentleman that the State Department is in entire accord with limiting passports to one renewal?

Mr. STAFFORD. Where is there any evidence of that in the hearings?

Mr. LINTHICUM. We have that in the hearings.

Mr. STAFFORD. Let me reply to that. Here two years ago, on May 29, 1930, we were considering H. R. 10826. A proviso in that bill, which had the recommendation of the Committee on Foreign Affairs, was to this effect:

> *Provided further*, That a passport may be renewed without additional charge, under regulations prescribed by the Secretary of State, for a period of not to exceed two years each, but the final date of expiration shall not be more than six years from the original date of issue.

[Here the gavel fell.]

Mr. STAFFORD. I have hardly had time to get into the premise of this bill, but I do not wish to delay its consideration. I have already pointed out that the committee has virtually reversed itself and taken an opposite stand to the Department of State so far as concerns the length of the renewals. Answer that, if you can.

Mr. RUDD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, within the last few days, and perhaps to-day, we have many distinguished teachers visitors in our city here and in their presence we bring this bill up for consideration, but before speaking further about this I would like to say that the present passport bill was really the work of a very dear Member of this House, who has now passed to his final reward. Representative David J. O'Connell, of the ninth New York district, was a very prominent member of the Foreign Affairs Committee, a man who was universally loved and esteemed in this House, a man whose principal occupation and duty, assumed by himself, was to help new Members. He tried to ease their legislative paths at the beginning of their terms of office, and a singular honor has come to his memory. You will recall that he passed a bill permitting the gold-star mothers to visit the graves of their beloved ones overseas. In a beautiful park in the city of New York in October last a tree was planted by these grateful gold-star mothers to mark the memory and service to humanity of David J. O'Connell.

And to-day this bill comes up, the passage of which two years ago was a memorial to him in this House, and nothing gave him greater pleasure and particular joy than its enactment.

Now, what is one of the outstanding things in this bill? As I said, we have many visitors here in our beautiful city this week attending the sessions of the National Educational Conference, teachers from every part of our land, noble men and women who are doing God's work in formulating the youthful mind of our country. Many of these splendid men and women, devoting their lives to this splendid work, in order to have a wider vision, in order to have a better view, in order that they may have a full, rounded picture of world history and world events, in order that they may attend lectures in foreign universities, stint themselves in many cases of the very necessities of life in order to accumulate money sufficient to take a foreign trip.

Say what you will, gentlemen, everyone has admitted that travel is the greatest possible educator, and these splendid men and women, in order to add to their fund of human knowledge, take these trips. By this bill you are increasing the tax they have to pay for a passport from $5 to $9. There is absolutely no necessity for this, because we pride ourselves on our freedom of travel. We pride ourselves that an American citizen, under the protection of our flag, can go anywhere, and it is one of the things, to my mind, that we should be justly proud of.

Why should we endeavor to curtail the pleasure of our people by imposing an additional tax? It is well known, and we all realize, that there is but little pleasure in life as a whole, and when these little oases come during our period of sojourn here we ought to be willing and eager and anxious to help those who are in a position to make a little trip and to get a little pleasure go and enjoy themselves without unnecessarily adding to the expense of their trip.

I was surprised, I was deeply grieved, this morning when I entered the Chamber and found the valiant champion of the people, the friend of the downtrodden, the friend of the under dog, standing in the well of the House and addressing this distinguished gathering of statesmen and telling them that he favored an increase in the cost of passports.

Last year he came out and favored reducing the rate for passports for teachers, and I do not know what influences have come into the life of the gentleman that he wishes to revise his sentiments of last year and promulgate new ones this year.

I have here a letter from the Merchants' Association, in the city of New York. This association is an outstanding business association, for, I might say, the entire State of New York. Now, what do they say? They say:

> This association has always maintained that since a passport is a document which a citizen must obtain as an identification of his citizenship it is not a proper vehicle for raising revenue.

We firmly believe that passports should be issued at a fee which fairly represents the cost of such issuance by the Government.

The enactment of this legislation will increase materially the expenses of representatives of American business concerns traveling in foreign countries at a time when our export industries are endeavoring to maintain their foreign markets under extremely competitive conditions.

You gentlemen know, from our discussions on the tariff bill, that we were informed, and we know, that we have to sell 10 per cent of our products in order to keep our manufacturers and our industries going. These men, these representatives of the merchants and factories and industries, travel abroad in order to try and sell this 10 per cent of our products that we have to sell in order to keep industries moving.

Now, to continue with the letter:

We might point out that in addition to the cost of the passport itself this new legislation will make it necessary for travelers to secure visés from foreign governments and that the cost of such extra visés frequently exceed many times the cost of the passport.

We therefore earnestly urge your active cooperation on behalf of New York business houses and of the American traveling public in opposing the enactment of House bill 9393 when it comes before the House of Representatives.

Yours sincerely,

THE MERCHANTS' ASSOCIATION OF NEW YORK,
S. C. MEAD, *Secretary.*

Mr. COLE of Iowa. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. COLE of Iowa. Under the provisions of this bill, an exporting house can have a representative abroad for four years at a total cost of $14. It seems to me that $14 for the protection of a man traveling abroad is not excessive, when it is taken into consideration that he has the protection of his Government.

Mr. BOYLAN. I do not think the letter is directed so much against the renewal fee as against the initial fee.

I hold in my hand a letter from the American Manufacturers' Association, of New York, which says:

This bill deals with a matter in which the association has a keen interest. As an association of manufacturers interested in developing foreign business, we believe everything should be done that is possible to relieve the burden upon international travel necessary to commerce. In times of emergency, such as arose during the war period, we feel that high passport fees are justified, but we feel that these conditions are not in force at the present time. We feel that the charge for passport fees should be a reasonable one for the service that is performed. We have always taken a friendly interest in our Government's making reciprocal arrangements with other countries with respect to passports and visas, for we feel that the progress made has been great.

We are hopeful that the proposed measure will not become effective, for it raises fees at a time when the raise can least be afforded. The raise would tend to discourage foreign traveling, and we rather feel that everything should be done that is possible to encourage foreign traveling for the mutual benefit not only of our trade but also for our general understanding of foreign peoples and their problems in relation to ours.

Very truly yours,

FRANCIS T. COLE,
General Manager.

Mr. Chairman, the manufacturers have spoken, the merchants have spoken, and I have said a word for our traveling public, particularly for our splendid teachers. I trust that you will not add this burden at this time. Surely we have enough of additional burdens in the offing, with increased taxes on everyone, at the same time having reduced incomes, not by the passage of this bill to add the straw that is going to break the camel's back. In consideration of the memory of that splendid Member who labored with us here for six terms, and who left the present passport bill as a slight evidence of his humanitarian work performed in this House, I ask you not to pass this bill. [Applause.]

Mr. LINTHICUM. Mr. Chairman, I yield now to the gentleman from Texas [Mr. JOHNSON].

Mr. JOHNSON of Texas. Mr. Chairman, I am not going to take much time in the discussion of this bill. If the House properly understands what the bill will do, I think there will be little opposition to it. Responding to the remarks just made by the gentleman from New York [Mr. BOYLAN] about our deceased colleague, Mr. O'Connell, for whom I had an affectionate regard, I suggest that conditions have materially changed since the passage of his bill. Associated with Mr. O'Connell in the passage of the bill was the gentleman from Virginia, Mr. Moore. He was just as active in his support of the bill as was Mr. O'Connell. Only the other day the chairman of our committee had a conversation with Mr. Moore on that subject, and I ask him now to say what Mr. Moore said with reference to that measure at this time.

Mr. LINTHICUM. I told Mr. Moore that he had made a very great mistake in supporting Mr. Cramton's amendment for a reduction of passport fees from $9 to $5. He said yes; that he realized that fact, and that if he were on the committee now he would be in favor of this bill.

Mr. JOHNSON of Texas. Furthermore, Mr. Chairman, the bill introduced by Mr. O'Connell and reported out by the Foreign Affairs Committee did not contain a reduction in the passport fee but merely extended the time of renewal, as I recall, from four years to six years. The State Department at that time was not opposing the extension of time, but the administration of that measure has been such that the State Department, Mr. Carr speaking for the department in the hearings upon the bill, now says that having a passport the life of which is six years instead of four opens up more room for fraud with reference to the substitution of the person named in it, or the placing of it in the hands of other people, and the experience of the department has been such that they think four years and not six years should be the life of a passport. That is one reason why the committee has changed its view with reference to this matter, I suggest to the gentleman from Wisconsin [Mr. STAFFORD]. The administration of the law was found not to be practicable with reference to having a passport for that length of time.

This is the only measure that puts money into the Treasury that has so far come before the Congress. We do not have very many bills of that kind unless they emanate from the Committee on Ways and Means.

This will increase the revenue of the Government at least $700,000, and will not tax the traveling public more than 1 per cent. I think that would be a reasonable estimate, because everyone who goes abroad will spend at least an average of $500. One per cent of $500 would be $5. It is less than 1 per cent. We are increasing the revenue to the Federal Government and at the same time increasing the cost to the citizen less than a fractional part of 1 per cent. I think the measure should be enacted into law. It will assist in balancing the Budget, and place no undue burden on anyone. It is true that some shipping interests and merchants oppose it, but likewise are they opposed to an increase in various taxes suggested before the Ways and Means Committee in the revenue bill they are considering. You can not propose any increase in taxes or in cost without hurting some one, but this bill hurts no one to any considerable extent and will increase the revenue of the Government and make administration of the law more effective than it has been. For that reason I bespeak its passage.

Mr. RUDD. Mr. Chairman, as a matter of fact, on an $85 fee for cost of transportation this will be an increase of 18 per cent. In the hearings in 1930 representatives appeared from the Departments of State and Commerce, the two branches of the Government immediately concerned with this legislation, which had their hearty indorsement. That was an indorsement for a $5 passport fee and for a 3-time renewal.

Mr. LINTHICUM. Mr. Chairman, I ask for the reading of the bill for amendment.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to regulate the issue and validity of passports, and for other purposes," approved July 3, 1926, as amended by the act entitled "An act to provide for the renewal of passports," approved July 1, 1930, is amended to read as follows:

"SEC. 2. That the validity of a passport or passport visa shall be limited to a period of two years: *Provided*, That a passport may be renewed under regulations prescribed by the Secretary of State for a period, not to exceed two years, upon payment of a fee of

$5 for such renewal, but the final date of expiration shall not be more than four years from the original date of issue: *Provided further*, That the Secretary of State may limit the validity of a passport, passport visa, or the period of renewal of a passport to less than two years: *Provided further*, That the charge for the issue of an original passport shall be $9."

Mr. LINTHICUM. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ROGERS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9393 and had directed him to report the same back to the House with the recommendation that it do pass.

Mr. LINTHICUM. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. RUDD) there were—ayes 67, noes 12.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

DAVID J. O'CONNELL

Mr. CULLEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address made by my colleague the gentleman from New York, Mr. BOYLAN, and other remarks made at the memorial services of the late David J. O'Connell, a former Member.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CULLEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include several addresses at the exercises held by Gold-Star Mothers at Forest Park, Queens Borough, New York City, October 18, 1931, on the occasion of the planting of a tree in memory of the life and services of the late Representative David J. O'Connell, of the ninth district of New York.

The addresses are as follows:

OPENING ADDRESS BY MRS. MATHILDA BURLING, NEW YORK STATE PRESIDENT AMERICAN GOLD-STAR MOTHERS OF THE WORLD WAR (INC.)

Honored guests and friends, we are gathered here to-day to honor the memory of our beloved departed friend, the late Congressman David J. O'Connell, by dedicating a Chinese Elm tree as a living memorial.

It will be an inspiration to watch this tree spread its branches and reach to the height overlooking the surroundings which he loved so well. Mr. O'Connell took such great pride in participating in the various exercises held at this spot and watched it grow from a "lot" of wilderness and stones to this beautiful entrance. He had attended and taken part in every exercise held at this spot from the time we dedicated the site to the last dedication. Only a few weeks before he had left us he had expressed a wish that was never carried out, for he had gone too soon. I had mentioned at this time to him that our beloved park commissioner, Albert C. Benninger, had granted a wish of six years' standing and at last we were to have a permanent Christmas tree planted—which you will see has been planted in the center of our flower garden—I told him I intended to dedicate this tree to the children of the World War veterans.

"Well," Mr. O'Connell said, "now that you have the tree and will dedicate it to the children of the veterans, I want to be the one to dedicate that tree." He then continued, saying, "Now you have all your trees planted and all dedicated but one. What an inspiration it is at that spot. The new entrance, known as memorial entrance, memorial lane, leading into memorial drive, the beautiful buddy monument, the beautiful flagstaff and base, the memorial pin-oak trees dedicated to the memory of your boys, the beech tree planted in recognition of the sacrifices made by the gold-star mothers in the World War, and now the Christmas tree to be dedicated to the children of the veterans, what an inspiration." Then, jokingly, he said (as you know, his conversations were never complete unless he included some witty remark to bring out a cheerful spirit), "Well, I guess you have all the trees planted now but one and that is mine; when I die you can plant one there for me, but I don't know who will dedicate that one." He then added, "A living memorial is so much greater with the warm life in it than the monuments of cold granite or hard brick." Jokingly, I answered, "We can plant that tree for you; there will be enough somewhere in this big space, but that will be a long time off." He said, "Gee, won't that be great."

Little did I think that little joke would be a reality nine months later and be here to-day granting one of his last wishes in planting this tree. Dear friends, I know of the great interest Mr. O'Connell took in his constituents, not only his constituents but people throughout the whole country; he never asked, "Are you rich or poor, black or white, Democrat or Republican?" In other words, he never questioned race or creed or color; it was what he could do to help. He was a servant of the people and he served them as, I dare say, very few, if any, have ever served their people.

He was an outstanding figure in Washington, an inspiration to those in the House and Senate, both to Democrats and Republicans, and he was loved by all who knew him.

To the veterans of all wars and their dependents, to the postmen and their dependents, and last, but not least, to the gold-star mothers, he gave the best that was in him, never tiring of his duties. And I would like to say at this time that 5,500 gold-star mothers have been comforted by visiting their sons' graves in France during the past two years and it is expected that 1,000 more will go next year. Many of these mothers have never been away from the toil and labor of poor homes, many of them have never seen a boat or train; some were thrilled by the band at the pier, for they had never seen or heard a band of music. This act was the noblest act ever passed by Congress, and we owe it to him we honor here to-day.

I will close my remarks by saying that I really believe his wonderful life was shortened by the constant worry in his last days over the unemployment situation. The many who called on him for help, expressing their suffering and destitute circumstances through unemployment, and try how he did, his hands were tied; he could not help them as he wished to. Many times he told of how he laid awake night after night worrying about the many poor people out of work and trying to think how he could help them.

Dear friends, I hope you will always remember this tree, where it is planted, and what it was planted for. I hope it will be an inspiration to all as Mr. O'Connell was an inspiration to all who knew him.

I hope you will often take the time to visit this sacred spot, as Mr. O'Connell always called it—the most sacred spot in the city of New York—with its many memorials; and I hope that as time goes on we will often see a little bunch of flowers laid at this tree as a token of esteem and remembrance.

I thank you.

Mrs. BURLING. My friends, it is my pleasure to introduce to you the Rev. Francis A. Froehlich, of the Church of St. Thomas the Apostle, who will deliver the invocation.

INVOCATION BY REV. FRANCIS A. FROEHLICH, CHURCH OF ST. THOMAS THE APOSTLE

O Lord God Almighty, from whom proceed all holy desires, all right counsels, and all just works, behold us bowed down before Thy Infinite Majesty to honor the memory of one of Thy faithful servants.

In Thine unspeakable providence Thou wast pleased to number amongst our illustrious citizens Thy servant, our friend and Congressman, David J. O'Connell. His life, his character, his generosity, and his work will ever be held in tender remembrance by us, Thy children. Early in life, learning of Thee to be meek and humble of heart, he did not, by pride, provoke Thee to anger, but rather, in lowliness of heart, ever accepted as a good and faithful steward the gifts of Thy grace from Thy hands. Devoted to the keeping of Thy commandments, he walked fearlessly in the way of righteousness and justice; inspired by charity, he remembered Thy precept to love Thee above all things for Thy own sake and his neighbor out of love for Thee; fidelity to duty will cause his name to be ever green in our memory as the tree we dedicate to-day in his honor.

Grant, we beseech Thee, that whilst we lament his departure we may all bear in mind that we are most certainly to follow him. Grant that we may be found worthy to follow in his footsteps, that at our passing this world will likewise be a better place to live in as a result of our sojourn.

Eternal rest, grant O Lord, to the soul of David J. O'Connell, and let the perpetual light shine upon him. May he rest in peace. Amen.

Mrs. BURLING. Honored guests and friends, it is my pleasure now to introduce to you as the principal speaker on this occasion a warm friend and colleague of our late Congressman. He is the man who gave us much material help in the passage of the gold-star mothers' bill. It is my privilege to present to you the Hon. JOHN J. BOYLAN, Representative of the fifteenth New York district in Congress.

ADDRESS OF REPRESENTATIVE BOYLAN, OF NEW YORK

These exercises are ones that carry us away from the busy whirl of to-day and transport us to the land of yesterday, filled with fond memories of one who has left us for a little while.

This community pauses in the midst of its activities to pay tribute to the memory of one whose life work and achievements have made him a character of particular interest to it.

So we are assembled to turn back the pages of the mind of yesterday and in fancy we see our friend, David J. O'Connell, as we knew him in the days of his health and strength, of which he gave a full measure in the performance of his duties.

Fortunate indeed is the man who so lives that the good he has done in life so impressed his friends that they honor and revere his memory. Such a man was David J. O'Connell.

His passing was a loss not only to you home folks but to the entire Nation. What better record can a man leave than that of a fine performance of duty? Such a record is the result of the possession not only of marked ability but of undaunted courage and a high sense of honor.

To men of this caliber the Nation is indebted for their tireless energy and devoted service. Such indeed was the life of David J. O'Connell, to honor whose memory we are assembled here to-day. He was a man whose sole pleasure in life was service—always doing something for his fellow man.

In his representative capacity his every effort was to help some one. If we look over the record of the bills introduced by him—what do we find? We find he presented bills for increase of pensions for disabled veterans; increase of hospitals for veterans; to increase salaries and shorten working hours of postal and other Federal employees; to provide free textbooks for school children; to liberalize immigration laws to permit reuniting of families; for the relief of widows and orphans; and the bill providing for the pilgrimage of gold-star mothers to visit the last resting place of their loved ones in the cemeteries overseas.

You gold-star mothers know of his work for the passage of that bill. Your president, Mrs. Matilda Burling, who spent so much time and effort at Washington, is especially familiar with it.

In the Congress I was appointed as the New York member of the Committee on Military Affairs. The gold-star mothers' bill was referred to us for consideration. David O'Connell spoke to me about it. He introduced Mrs. Burling to me. Both of them kept on my trail day and night until finally I was able to obtain a hearing on it. I well remember that meeting of the committee. Obtaining the consent of the chairman I called the meeting for a Saturday morning; we sacrificed out week-end at home to endeavor to get the bill out of committee.

Due principally to the efforts of David O'Connell, supported by Mrs. Burling, we were successful. He watched the bill every legislative day until its final passage, and he was the first one to telegraph the news of its success to the gold-star mothers. He was also with us at the city hall when the first delegation of gold-star mothers to go overseas was welcomed by our city officials, and he was with us when the following groups of mothers were leaving. He was particularly happy over his success in securing the passage of this bill, because he knew the consolation and happiness it would bring to the gold-star mothers of our country to permit them to visit the graves of their loved ones sleeping under foreign skies.

You good mothers who have made the visit to the graves of your loved ones appreciate this far better than anyone can describe it.

So we are assembled here to-day to do honor to the memory of Representative David O'Connell.

It is indeed refreshing in these days to witness this expression of gratitude. Indeed, let me tell you that in the life of a public official expressions of appreciation and gratitude for services rendered are extremely rare; so that, the gold-star mothers' memorial to David O'Connell will stand out most conspicuously as an expression of their gratitude to his memory. What a beautiful thought—to plant a living tree in honor of a friend. It is just the sort of memorial that truly typifies his busy life, filled with deeds of service to humankind. You good women have done yourselves proud in your selection of the manner of perpetuating the record of the life and services of David O'Connell. It brings to my mind the beautiful poem by the late Corp. Joyce Kilmer, of the Sixty-ninth Regiment:

"I think that I shall never see
A poem lovely as a tree;
A tree whose hungry mouth is prest
Against the earth's sweet flowing breast.
A tree that looks at God all day
And lifts her leafy arms to pray;
A tree that may in summer wear
A nest of robins in her hair;
Upon whose bosom snow has lain,
Who intimately lives with rain.
Poems are made by fools like me;
But only God can make a tree."

The world is better that David O'Connel lived. He tried to smooth the pathway for others in their passage through life, and he was successful to a marked degree. You good mothers appreciated him and you have planted this beautiful tree to perpetuate his name. In the beautiful Inwood Hill Park at the northerly end of Manhattan Island, New York City, there stands a majestic old tree. It was planted by the Indians some 300 years ago. Under this tree they held their peace talks. A bronze tablet placed on it recites these facts, so that we of to-day may know its history:

The tablet placed alongside of the tree that you planted to-day will inform visitors to this beautiful park of the splendid reason for its planting.

Reading the tablet they will learn of the life and work of Representative David J. O'Connell and of the gratitude of the Gold-Star Mothers in planting it, so that posterity may have a record of the public services of a devoted Representative in Congress.

ADDRESS BY POSTMASTER HON. ALBERT FIRMIN

Madam President, beloved gold-star mothers, you patriotic veterans and friends of David J. O'Connell who are gathered here to-day to do him honor, I listened with great pleasure and interest to that very beautiful poem written by Joyce Kilmer that you heard but a few minutes ago, and that brought back to my mind two or three lines that were found in a little diary after one of the great engagements in the late war on the body of a dead private, Private Tetlow, and that brought back to my mind a characteristic of David J. O'Connell that I know will be of interest to all of you who are here assembled.

Private Tetlow was about to go into his first engagement, and he wrote these lines on the little diary that he had carried with him from home; the words were approximately these: "This day I go into battle for the first time. God give me strength to so conduct myself as though the whole issue of this great campaign fell and rested upon me alone." Everything that David O'Connell did, every cause that enlisted his strength, his industry, his zeal, and his enthusiasm was marked by that characteristic; that he went into it as though the whole issue depended upon him alone.

My friends, my mind runs back to David O'Connell in his early days when he was but struggling upward, laying the foundation for that fame that came to him in after years when his name was known throughout the United States for the character of the work that he did in Congress for the people of the United States, and in those early days back in the old neighborhood where he learned the foundation of his career that same high quality was characteristic of him. I have known him to toil far after midnight, working, doing his utmost to bring into his neighborhood the things that were worth while to bring to make that a better neighborhood and to make the men and women of that neighborhood better Americans and better men and women.

The Gold-Star Mothers to-day, who are responsible for this celebration, have shown a quality of loyalty that too frequently is not observable after a man has passed away, and I want before I close, and I am about to close, to emphasize another quality of David O'Connell's, which is the same quality that you Gold-Star Mothers are showing to-day and that you veterans have shown in the services that you have rendered your country—and that outstanding quality of O'Connell's was loyalty—loyalty to himself, loyalty to his family, loyalty to his party, loyalty to his country, and loyalty to his religion. With those two great qualities there is no wonder that you neighbors, you friends, you men and women who knew him through life, come here to-day to do him honor. His spirit is here, his spirit is in that beautiful sunshine, his spirit is in the stalwart oak that typifies the manhood of America. His spirit is about us to-day, and may it ever cling about that tree, growing as the country grows, ever upward, and typifying qualities that he had at the service of America.

ADDRESS BY GEORGE B. SERENBETZ, COMMANDER WILLIAM H. HUBBELL CAMP, SPANISH WAR VETERANS

Mrs. Burling and honored guests and veterans of every war, it is seldom that it falls to the lot of one who has been the lifelong friend of another to have had the honor to decorate him and make him an honorary member of the Spanish War Veterans of the United States and the camp which I represent. William H. Hubbell Camp, of New York, had the distinction to confer that honor upon him for his unswerving devotion to the interests of the veterans, their widows and orphans, of every war. It became my sad duty, which fell to my lot but a short time after I had pinned that decoration upon him with proper ceremonies for his service which he rendered in Congress—and I might say here that no man in Congress or in the Senate was instrumental in bringing about a vote, the first in many years which gave to the veterans of this country the pensions to which they were so rightfully entitled. No man in Congress devoted more time to the interests of the veterans than David J. O'Connell. Whether it was California or Maine, Louisiana or Wisconsin, his name was held in highest reverence by the veterans of the Spanish-American War and by the Grand Army of the Republic. One of the few survivors is at my right. Col. William Patten Griffiths, 87 years of age, who served under Lincoln. It was the men of this class that he had in mind. Republics, we know, are ungrateful but for the first time in almost 30 years this Republic was compelled to be grateful to the veterans of other wars, to the veterans of all wars, to the disabled of the Legion and to the Legionnaires, and we felt then that it was the proud duty of ours to confer upon him honorary membership in this camp, and then but a few short months had passed when it became my sad lot to pin upon him again that honorary cross which went with him to the grave and that was his personal request.

We, here to-day, take but a small part in the ceremonies, but what more fitting tribute could we pay to him who had rendered such service than the planting of this tree—like him, upright and courageous, its limbs spreading out in that proud charity for which he was famous, and its branches reaching on into the lofty heights, representing the ideals which David J. O'Connell held and adhered to during his lifetime. I know of no man in public life, and I have the honor of knowing many, who was held in such high reverence and esteem as the late David J. O'Connell;

and, Mrs. Burling, it is the honor which you have conferred upon the Spanish-American War veterans to give us this opportunity to raise our voice and join you to-day in planting this tree which shall stand forever and beyond the years that we have to live, as your tribute to his proud charity, his understanding, and his love of mankind—and that honor, I say to you, Mrs. Burling, on behalf of the Spanish-American War veterans of this State, is one which we feel is signal in that you brought us into this ceremony and gave us an opportunity to speak a few words in behalf of the man whom we loved and revered—David J. O'Connell.

ADDRESS BY MR. JAMES PASTA FOR PARK COMMISSIONER BENNINGER

Mrs. Burling, distinguished guests, all friends of David J. O'Connell; as Mrs. Burling has told you, Commissioner Benninger is unable to be here. Up to an hour he planned to be present, but he found that that would be impossible, so he asked me to represent him.

The commissioner asked me to say for him that when Mrs. Burling first approached him and suggested to him the planting of a tree in memory of David J. O'Connell, the commissioner immediately gave his assent. The next question that came into his mind was what would be the kind of a tree that would most typify Dave O'Connell. We in the department of parks like to look at trees as good citizens, and every time a request comes into our department for the planting of a tree we know it is to make our community a better place in which to live. We knew the problem at hand was to select a tree that would be typical of Dave O'Connell, and so the commissioner selected a Chinese elm because of its rareness in this country, because of the peculiar growth of its leaves, because of its shedding limb upon limb in order to reach the heights that it finally does reach. That was typical of Dave O'Connell's life; his was a rugged struggle—you who knew him know that. He overcame obstacles in which to reach the highest pinnacle, and so to-day we dedicate this tree as a living memorial to the man and of that for which he lived. May it grow and grow and grow; and may we, in dedicating it, dedicate ourselves for the great things that Dave O'Connell did for us, for the fine love of country, for the love of family, for all that is worth-while; and in years to come his family must console themselves, as we his friends in Richmond Hill and Woodhaven do, with the fact that he lived up to all of his opportunities, and that Woodhaven and Richmond Hill and the vicinities which he represented are the better for his having lived there.

I can not say and I will not say that he is dead but rather that he wandered across into another land and left us dreaming how very fair it must be because Dave O'Connell is there, and in that spirit Commissioner Benninger dedicates this tree.

FLOWERS PRESENTED TO MRS. BURLING AS A TRIBUTE FROM GOLD-STAR MOTHERS

Mrs. Burling, on behalf of the Gold-Star Mothers I present you with this token of our love and esteem, for your unfailing work in our behalf, and may God bless you for it, and when your work on earth is done and God calls you to His heavenly home we are sure he will greet you with those kind and loving words, "Well done, thou good and faithful servant."

MRS. BURLING'S ACKNOWLEDGMENT

I want to thank you mothers for your very kind thought, and you all know I have always enjoyed working for those I love, and I love you, as I have our Congressman who had been so kind to us.

ADDRESS BY JOSEPH P. CONROY, COUNTY COMMANDER, AMERICAN LEGION

Mrs. Burling and friends of Dave O'Connell, as a representative of the American Legion and personal friend, I knew the man for years. I come here to-day to pay tribute with the others to his memory. He was a fine man, a good citizen, and a faithful public servant; and yet if we left here to-day just dedicating a tree, what a mockery this service would be.

This tree is to typify to all who are here, for all time—in our lifetime, anyway—the high ideals of his citizenry; and it should be for a faithful and great reminder in each man that we who are going through the paths of life should bear his ideals as our own, to the end that we should faithfully serve our God and country.

BENEDICTION BY REV. DUNCAN M. GENNS, ST. THOMAS EPISCOPAL CHURCH

Almighty God, with whom do live the spirits of those departed in the Lord, and with whom the souls of the faithful, after they are delivered from the burden of the flesh, are in joy and felicity, we give Thee esteemed thanks for all Thy servants departed this life in Thy faith and fear; and especially do we pray with fear at this time for Thy departed servant, our friend, the Hon. David J. O'Connell, and we beseech Thee that we, with all the faithful departed this life in Thy fear, many have our perfect consummation and bliss both in body and soul in Thy eternal and everlasting glory through Jesus Christ, our Lord. Amen.

SECOND POLAR YEAR PROGRAM

Mr. LINTHICUM. Mr. Speaker, I call up the joint resolution (H. J. Res. 182) authorizing an appropriation to defray the expenses of participation by the United States Government in the Second Polar Year Program, August 1, 1932, to August 31, 1933.

The SPEAKER. The gentleman from Maryland calls up a joint resolution, which the Clerk will report.

The Clerk read the title of the bill.

The SPEAKER. This resolution is on the Union Calendar, and the House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 182), with Mr. ROGERS in the chair.

The Clerk read the joint resolution, as follows:

House Joint Resolution 182

Resolved, etc., That, for the purpose of defraying the expenses of participation by the United States Government in the Second Polar Year Program, August 1, 1932, to August 31, 1933, an appropriation of $30,000, or so much thereof as may be necessary, is hereby authorized for personal services in the District of Columbia and elsewhere, without reference to the classification act of 1923, as amended, contingent expenses, official cards, printing and binding, rent in the District of Columbia or elsewhere, purchase of necessary books, documents, and periodicals, camp and field supplies, scientific instruments and equipment, construction of necessary temporary buildings for housing equipment and for observations, hire, maintenance, and operation of motor-propelled passenger-carrying vehicles, transportation, and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), stenographic and other services, and purchase of supplies, materials, and equipment by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), and such other expenses as may be deemed necessary by the Secretary of State in furtherance of the project described, and the Secretary of State may transfer this fund, or so much as may be deemed necessary, to the Department of Commerce, with the approval of the Secretary of Commerce, for direct expenditure by the Coast and Geodetic Survey.

With a committee amendment.

The CHAIRMAN. The gentleman from Maryland is recognized for one hour.

Mr. STAFFORD. Mr. Chairman, I ask for recognition in opposition.

Mr. LINTHICUM. Mr. Chairman, this bill is a rather intricate measure, and for that reason I mailed to each Member of the House a copy of the hearings.

The Committee on Foreign Affairs has not taken up any bills for appropriations up to this time with the exception of this bill. We are conducting hearings on one other, but we have made no determination as yet.

This measure, it seemed to us, involved so much for the world of to-day and for future generations that we thought we ought to make this appropriation if it is possible to do so.

The bill is called the "Polar Year," which is rather a misnomer. Some 50 years ago what was called the First Polar Year was held, and for that reason this has been called the Second Polar Year.

In a very few words, the proposition is that there are to be some 80 stations established throughout the world, supported by various governments of the world. To certain governments are allotted certain stations, and to other governments are allotted certain other stations. Our Government is allotted a station at or near Fairbanks, Alaska. The idea is that at an instantaneous moment throughout the world the whole 80 stations will take observations, so that when all the data are gathered together the station in Alaska can say what happened at that station on that particular day at that particular minute, and the other stations of the world will be able to say what happened at their stations at that particular place and at that particular moment. It could not be brought to such accuracy 50 years ago when the other polar year was held, but by reason of the radio it can be brought to the very instant. The consequence will be that when the station in Alaska says that the polar lights appeared at a certain time and certain things happened, the stations of the world can say what happened by virtue of those polar lights at their particular station.

There is what is known as a "Kennelly-Heaviside" above us, a blanket, I might describe it, which encircles the world, some 50 miles above the surface, and which transmits the radio current into various parts of the universe. The station

in Alaska or the station in the Argentine can say what happened at that station, and the stations of the world can say what happened to this "Kennelly-Heaviside," which encompasses the world.

I say frankly to you I do not know as much about these things as I should like to. I merely state to you that the blanket which extends around the entire globe is the great electrical force of the world. It is usually 50 miles from the surface, but at certain times it rises to a height of 80 miles, and sometimes it goes as high as a hundred miles, and that blanket is what transmits the radio current when we broadcast from our stations.

Mr. McCLINTIC of Oklahoma. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. McCLINTIC of Oklahoma. How many nations will cooperate in this work?

Mr. LINTHICUM. Twenty-six nations. They are Argentina, Austria, Belgium, Brazil, Bulgaria, Canada, Denmark, England, Estonia, Falkland Islands, Finland, France, Germany, Hungary, Iceland, Italy, Japan, Mexico, Netherlands, Norway, Poland, Spain, Sweden, Switzerland, Union of Soviet Socialist Republics, and Turkey.

Mr. McCLINTIC of Oklahoma. Is it contemplated that those nations will all send out a ship and a separate expedition that will cover the different spots of the world?

Mr. LINTHICUM. Oh, no. These stations are on land. It will extend from August of this year to August of next year. Those 26 nations will support certain stations at certain places in the world.

Mr. McCLINTIC of Oklahoma. Will we build a station at the North Pole or the South Pole?

Mr. LINTHICUM. Well, I do not think we will get as far as the North Pole, but we are going to have a station at Fairbanks, which is 800 or 900 miles from the North Pole.

Mr. McCLINTIC of Oklahoma. When was the last polar expedition of this kind?

Mr. LINTHICUM. Fifty years ago; August, 1882, to August, 1883.

Mr. McCLINTIC of Oklahoma. And there has been nothing like that since?

Mr. LINTHICUM. No, sir. But certain work has been continued at the individual stations and by individual nations.

Mr. McCLINTIC of Oklahoma. Does the gentleman have in mind any particular additions to science that were given then and others which may be gained now?

Mr. LINTHICUM. Simon Newcomb was once asked, "What use is it to be observing the stars all the time? What benefit is it to the world to be observing the stars?" His reply was, "What use is an infant in arms?"

Now, that is just the idea. An infant in arms. Nobody realizes, nobody knows, nobody can comprehend what an infant in arms may mean to the world in the future. Thomas Edison—an infant in arms. Who could ever imagine what he meant to this world? So it goes right along.

The point I make is that this observation could be taken throughout the world at instantaneous times to observe what takes place at those times, and what effect it has upon other places in the world.

Twenty-four nations have appropriated and are going into this scheme. The great scientists of the world are interested in it. I think that the $30,000 which we are asking for is a worthy venture. I do not know what will be discovered. I do not know whether radio will be improved. I do not know whether static conditions will be eliminated, but I do know that we will have the facts of observations from all over the world. With the radio great possibilities are available. Instantaneous observations can be had throughout the world. When you realize that the man looking at "Big Ben" in London will not hear it strike as soon as the man at the radio in Baltimore. Radio waves travel practically with the speed of light, 186,000 miles a second.

I do not know what strata of atmosphere extend above. I do not know whether an airplane can travel faster farther above than it can near the earth, but I do know that when these gentlemen make these observations throughout the world they will know what strata there are and they will know the possibilities of the airplanes.

I do not know much about observations for the weather. We take observations now and we succeed in about 80 per cent of the forecasts. However, when they get these facts gathered from the world I do not know but what they can succeed 100 per cent.

I do not think we begin to realize and I do not think we know what this old world of ours and the surrounding atmospheres amount to, but what we are trying to do is to find out more for ourselves and for future generations.

I think it is worth $30,000 to find it out. The scientists all over the world are interested in this question; the Secretary of State has reported in favor of it; the President sends it to us and says he wants it passed. We have eliminated every possibility of expense except that which is specified in the bill and is absolutely necessary.

Mr. LANKFORD of Georgia. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. LANKFORD of Georgia. How long will these observations last?

Mr. LINTHICUM. One year from August of this year to August of next year.

Mr. FISH. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. FISH. Is it not a fact that this bill was reported unanimously by the committee after very extensive hearings?

Mr. LINTHICUM. Oh, yes. I did not send a copy of the hearings to all the Members because I solely wanted them to pass the bill, but I sent it to them because I thought it would be useful to them and to many of their friends, because there is so much valuable information in this report. I believe it will be interesting, not only to you but to those of your family who are interested and those who surround you. I have endeavored to make the report as full as possible. It has been my practice to try to make the report carry the subject, because I know it is very difficult to get Members of Congress to read hearings, as they have so little time.

If you have a copy of the report, I want to show you that this whole thing is specified on page 3. The men who are to make the observations are allowed $12,790 for two years' work. It covers two years, because they have to get busy in preparing their instruments, manufacturing the instruments, putting up the buildings, and getting things ready. Then after the polar year is over they must make arrangements to remove the instruments, take down the buildings, and bring them to Washington, store them and take care of them, and finally make their scientific reports. Then for travel we provide $910; for publications, and that is the most important thing, we have specified $3,000. The publications will be sent to all people who want them—to scientists and to others who are interested, radio people, airplane people, and anybody who wants to know what was ascertained from these observations. Then we have specified $7,500 for instruments, $2,000 for buildings, $1,000 for absolute magnetic and electric observatories, and $800 for the transportation of instruments.

Gentlemen, some time ago—and I am not very proud of it—somebody came on the floor of the House and said some man had invented some particular instrument which would give power without much cost, and asked for certain specific legislation, which was granted. Now, this is a matter in which we can only be governed by what the scientists tell us. They have not asked for much. They have consented to the elimination of the provisions in the bill which are often carried in bills of this kind, by which they might receive more money than that which is specified. All they want is a chance to find out about these things, in conjunction with the 26 nations of the globe which have already appropriated money for the purpose. All we are doing is to establish one station in Alaska, near Fairbanks, near the university which was established by Mr. Rockefeller.

The men who are going to attend to this are going to live at the dormitories of the university, and they are going to pay very little subsistence charges, and we have cut it down to the lowest possible dollar that can be expended to carry out this work.

There are not many things in which I am personally interested, there are not many things that I am interested in further than the benefit it may be to my Government, but I believe that the enactment of this bill will mean something to the world. I believe it will mean something to every boy and girl interested in the questions of physics of to-day, and I believe eventually it will mean something to air transportation, it will mean something to radio, it will mean something to the weather reports, and I may say, in addition, in order that we might show you what other people are back of this matter, we had men testify from the various departments of the Government, and I made this statement in the report:

In consideration of this resolution the committee heard the following witnesses, who related the benefits of this Second Polar Year Program to their respective departments:

John A. Fleming, department of research in terrestrial magnetism, Carnegie Institution of Washington.

N. H. Heck, chief of division of terrestrial magnetism and seismology, Coast and Geodetic Survey.

Dr. J. H. Dellinger, Bureau of Standards.

L. J. Briggs, assistant director for research and testing, Bureau of Standards.

A. H. Taylor, Naval Research Laboratory.

W. R. Gregg, United States Weather Bureau.

C. G. Abbot, Secretary Smithsonian Institution.

These gentlemen have all approved this bill.

Mr. BALDRIGE. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. BALDRIGE. Does not the gentleman think with a deficit staring us in the face this is one of the activities of Government that could be delayed for two years or four years without any serious trouble?

Mr. LINTHICUM. I do not know. They may discover just one little thing that will mean millions of dollars to this country and billions of dollars to the world.

Mr. MORTON D. HULL. Will the gentleman from Maryland yield to me in order that I may answer the question which the gentleman has just propounded?

Mr. LINTHICUM. Certainly.

Mr. MORTON D. HULL. This can not be postponed. Our participation is part of an international program that was organized three years ago for joint action by scientists of the various countries in observations which are to be made during a definite period, which begins in August of this year and ends in August of next year. If we are going to participate at all, we would better participate when the program is on. So that so far as this particular appropriation is concerned, we can not delay it. The work is going ahead whether we go into it or not, and this is the justification, as we think, for authorizing the appropriation of this amount of money.

Mr. BALDRIGE. In other words, the work will go ahead just the same, if we do not participate?

Mr. MORTON D. HULL. It will go ahead, but we will not be doing our share of it.

Mr. LINTHICUM. Let me state something to the gentleman which escaped my mind for the moment. Doctor Fleming says that unless we go into this work one-fourth of the globe will not have a station. The station in Alaska represents one-fourth of the globe, and if we do not go into the work that station will not be established and the observations will not be complete around the world.

Mr. SEGER. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. SEGER. I came in rather late, and the gentleman may have already given this information, but will the gentleman tell us some of the countries that have gone into this undertaking?

Mr. LINTHICUM. I think I have them here; I believe I named them a few minutes ago. It would take me a few moments to look them up, but practically all of them are going into the work—Great Britain, Germany, France, Argentina, Brazil, and nearly all the other countries. There are 26 of them in all, and they are 26 of the largest nations of the world.

Mr. MORTON D. HULL. Including Soviet Russia.

Mr. LINTHICUM. Yes; Russia has also gone into it and has appropriated a very substantial sum.

Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. McREYNOLDS. Mr. Chairman, perhaps I could give some information for the benefit of the committee by reading from a statement that was prepared by the department of terrestrial magnetism of the Carnegie Institution of Washington. I think this is information that the committee would like to have.

Beginning in August of this year and continuing thereafter for 13 months, the coordination of effort and cooperation of 26 nations of the world are to be directly toward solving the relation of the magnetism and the electricity of the earth and upper atmosphere to such very practical things in life as communication by radio, cable, telegraph, and telephone. Science has already shown that some relation does exist; the great international program of this year and next will provide further evidence and knowledge of the utmost value. The international aspect of the Polar Year Program is assured. Most of the nations participating are in the midst of definite plans and preparations. The United States has been asked to participate in the program and has been asked to operate a very strategic station. The station suggested is Fairbanks, Alaska. It is a station of the greatest importance to the entire program; other stations are so distant that results obtained at Fairbanks will have to be representative of about one-fourth of the North Polar region.

I think this is a very clear and definite explanation of some of the purposes for which this work is being done and what may be accomplished.

As this statement shows, most of the other nations have already made their programs and are making their arrangements to participate in this Polar region investigation.

Naturally, it is necessary, if we participate, to pass this legislation at this time. The $30,000 authorization is the minimum that can be used. We made a close and careful investigation of practically an itemized statement of the purposes for which the $30,000 was to be expended. In reading the bill that is offered, you will see that the expenses are well taken care of. In other words, these men who do this work at Fairbanks will receive their salaries, which include all expenses except traveling expenses back and forth.

Mr. THATCHER. Will there be any duplication of this work or will it be in collaboration with other nations?

Mr. McREYNOLDS. There will be no duplication; the stations are all agreed upon throughout the world.

Mr. THATCHER. What is the number of stations involved?

Mr. McREYNOLDS. One hundred and ten stations involved, and the station in the United States is at Fairbanks.

Mr. THATCHER. Will the American Government take up a certain phase of the work?

Mr. McREYNOLDS. It will do the same character of work as the others.

Mr. THATCHER. And then they will compare the results?

Mr. McREYNOLDS. They will compare the results and note the variations.

Mr. THATCHER. And then make their scientific deductions?

Mr. McREYNOLDS. Yes. Mr. Chairman, I trust that this bill will pass.

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, when I went over the report on this bill I was rather convinced of the necessity of our going on with this work, regardless of the straitened condition of the Treasury. Yesterday we passed the 4-department bill, and in the section referring to the State Department provided appropriations for the continuance of activities in conjunction with various other governments. They are established, and it is not the policy of our Gov-

ernment to withhold, because of the exigencies of the Treasury, from the continuation of that work.

So last year at Innsbruck, as the report shows, other nations, in conjunction with the representatives of the United States, decided that it was absolutely essential to continue the work from August, 1932, to August, 1933, and we would be a backslider if we should withhold the authorization for this appropriation.

Our Nation is too great to take the course of withholding the appropriation and have it heralded abroad that we are in so straitened circumstances that we could not contribute the sum of $30,000.

The only question that was suggested in the consideration of this bill by the gentleman from Nebraska was whether it could not be postponed 2, 3, or 4 years. The other governments, 23 of them, have decided to go ahead. True, we could throw a monkey wrench into the proceedings, and they could go ahead, but the work would not be complete, as has been stated by the chairman of the committee.

This is a joint action by all the nations; and here, I think, the Government must continue its appropriation, the same as we continue our appropriation for representation at the various courts of the world, by continuing appropriations for embassies and legations.

If this were the only government involved, so that we could take the initiative of determining when the work should begin, necessarily we would all vote for postponement of the work; but here is an essential activity of a high scientific order which I believe should go ahead, and we should not be the only nation in the world to withdraw our support from the pursuit of this high scientific research.

Mr. LINTHICUM. Mr. Chairman, I yield five minutes to the gentleman from Nebraska [Mr. BALDRIGE].

Mr. BALDRIGE. Mr. Chairman, it is not only in particular the $30,000 in this bill that I object to, but I have sat here along with other gentlemen from the start of the session and have seen the appropriations pile up and up. I remember very well the very first day we were here, when we were urged to spend three-quarters of a million dollars to fix up our old office building. The Committee on Ways and Means is doing the best it can to raise taxes, to get money to balance our Budget. With a deficit facing us, I do not have to show how serious it is for this country for 1 year or for 3 or 4 years not to be able to balance its Budget. It is not the $30,000 in this particular bill, but it is $30,000 here and $30,000 there. I think there should be a definite stop put to all these Government activities until we get out of the present crisis. I think a bill like this can certainly be postponed, together with a great many others making appropriations, and that it should wait until we can afford the expenditure.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. BALDRIGE. Yes.

Mr. MAAS. If it were a matter of merely postponing it, it might be advisable, but as a matter of fact it is a question of either participating or not participating. There is no question of postponement.

Mr. BALDRIGE. Then my answer is not to participate, because it is a Government activity that could be just as well left out. We are in a serious crisis and we ought to stop all these Government activities that are not necessary, and this is one of them.

Mr. MAAS. But the $30,000 investment that we make may bring us millions of dollars back in dividends from the knowledge that will be gained in conjunction with the other governments.

Mr. BALDRIGE. But that is rather problematical.

Mr. MAAS. I have the greatest sympathy with the gentleman's desire for economy, but if the other governments of the world can afford this, surely the richest government in the world can afford it.

Mr. BALDRIGE. The richest government in the world is not very rich just now. I yield back the remainder of my time.

Mr. LINTHICUM. Mr. Chairman, I ask that the resolution be read for amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved, etc., That, for the purpose of defraying the expenses of participation by the United States Government in the Second Polar Year Program, August 1, 1932, to August 31, 1933, an appropriation of $30,000, or so much thereof as may be necessary, is hereby authorized for personal services in the District of Columbia and elsewhere, without reference to the classification act of 1923, as amended, contingent expenses, official cards, printing and binding, rent in the District of Columbia or elsewhere, purchase of necessary books, documents, and periodicals, camp and field supplies, scientific instruments and equipment, construction of necessary temporary buildings for housing equipment and for observations, hire, maintenance, and operation of motor-propelled passenger-carrying vehicles, transportation, and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), stenographic and other services, and purchase of supplies, materials, and equipment by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), and such other expenses as may be deemed necessary by the Secretary of State in furtherance of the project described, and the Secretary of State may transfer this fund, or so much as may be deemed necessary, to the Department of Commerce with the approval of the Secretary of Commerce for direct expenditure by the Coast and Geodetic Survey.

With the following committee amendments:

Page 1, lines 8 and 9, strike out the words "without reference to the classification act of 1923, as amended."

Page 2, line 1, strike out "official cards" and "rent in the District of Columbia or elsewhere."

Page 2, line 7, after the word "transportation," insert "of supplies, equipment, and personnel."

Page 2, lines 9 and 10, strike out "(notwithstanding the provisions of any other act)" and insert "while traveling."

The committee amendments were severally reported and severally agreed to.

Mr. LINTHICUM. Mr. Chairman, I move that the committee do now rise and report the bill back with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose, and the Speaker having resumed the chair, Mr. ROGERS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration H. J. Res. 182, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the resolution as amended do pass.

Mr. LINTHICUM. Mr. Speaker, I move the previous question on the resolution to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The House joint resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the House joint resolution was passed was laid on the table.

PANAMA CANAL ZONE BOUNDARY LINE

Mr. LINTHICUM. Mr. Speaker, I call up the bill (H. R. 7119) to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes, which I send to the desk and ask to have read.

The Clerk reported the title of the bill.

The SPEAKER. The gentleman from Maryland calls up the bill H. R. 7119. This is on the Union Calendar. The House will automatically resolve itself into the Committee of the Whole House on the state of the Union, and the gentleman from New Hampshire, Mr. ROGERS, will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7119, with Mr. ROGERS in the chair.

The Clerk read the bill, as follows:

Be it enacted, etc., That with respect to that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation, title to which was acquired by the Government of the United States under the conventions concluded on November 18, 1903, and September 2, 1914, between the United States and Panama, the Secretary of State be, and he is hereby, authorized and empowered to effect with the Republic of Panama a modification of the boundary line between the Panama Canal Zone and the Republic of Panama so that such line shall then run as follows:

Beginning at a concrete monument marked "E," which is a point on the line on the north boundary of the Paitilla Point Military Reservation as shown on Panama Canal Drawing No. X–6053–1, whose geodetic coordinates are latitude 8° 58′ plus 4,445.06 feet and longitude 79° 31′ plus 923.50 feet, and following along a course of south 33° east for 790 feet to a concrete monument marked "F"; thence along a course of south 21° 45′ east for a distance of 490 feet to a concrete monument marked "G"; thence along a course of south 52° west for 870 feet to a concrete monument marked "H"; thence along a course of south 76° 30′ west for 780 feet more or less to a point marked "I" on the map, which is an imaginary point located on the center line of the Matasnillo River, which forms the west boundary of the military reservation. All bearings are true. All coordinates are referred to the Panama Colon Datum.

SEC. 2. Nothing contained in this act shall be construed to authorize the Secretary of State to convey or to surrender to the Government of Panama the title which the Government of the United States now holds in that parcel of land which may be detached from the Panama Canal Zone by virtue of the provisions of section 1 of this act.

SEC. 3. No civil or criminal case that may be pending in the courts of the Panama Canal Zone at the time this act shall become effective shall be affected thereby, either as to its present status or as to future proceedings, including final judgment or disposition.

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. WEST], who reported this bill.

Mr. WEST. Mr. Chairman, this bill deals with the simple problem of the modification of the boundary line between the Panama Canal Zone and the Republic of Panama. It has been found that there is a site within the Panama Canal Zone that is desirable as a site for the American legation. It is difficult, however, to have an American legation built upon territory that is technically within the jurisdiction of the United States. The purpose of this bill, therefore, is to take this parcel of land known as Paitilla Point and transfer it, technically, to the jurisdiction of the Republic of Panama. We regain jurisdiction because of the building there of an American legation.

According to a convention between the United States and the Republic of Panama for the construction of a ship canal, which was signed at Washington on November 18, 1903, and proclaimed February 26, 1904, it is provided as follows:

The Republic of Panama grants to the United States in perpetuity the use, occupation, and control of a zone of land and land under water for the construction, maintenance, operation, sanitation, and protection of said canal of the width of 10 miles extending to the distance of 5 miles on each side of the center line of the route of the canal to be constructed * * *.

Within the 10-mile strip was included Paitilla Point and the territory around it.

Later it was desired to adjust the boundaries as between the Canal Zone and the Republic of Panama. Therefore, the convention of September 2, 1914, changed the boundary line to accomplish this purpose—Article III—and Paitilla Point was a part of the territory retroceded to Panama by so changing the boundary line.

Under date of July 12, 1918, the Governor of the Panama Canal Zone wrote a note to the President of the Republic of Panama, stating in part as follows:

In accordance with the provisions of article 2 of the Hay-Varilla treaty, I have the honor to inform you that certain territory at Paitilla Point * * * is required for the defense of the Panama Canal.

Paitilla Point was then taken over by the Panama Canal Zone under the following provision of Article II of the treaty of November 18, 1903:

* * * The Republic of Panama further grants to the United States in perpetuity the use, occupation, and control of any other lands and waters outside of the zone above described which may be necessary and convenient for the construction, maintenance, operation, sanitation, and protection of the said canal or of any auxiliary canals or other works necessary and convenient for the construction, maintenance, operation, sanitation, and protection of the said enterprise.

Under the following provision of Article VI of the same treaty compensation was made to the owners of the land taken over—Paitilla Point—in the amount of $160,000 (certificate of settlement dated October 30, 1930):

All damages caused to the owners of private lands or private property of any kind by reason of the grants contained in this treaty or by reason of the operations of the United States, its agents or employees, or by reason of the construction, maintenance, operation, sanitation, and protection of the said canal or of the works of sanitation and protection herein provided for, shall be appraised and settled by a joint commission appointed by the Governments of the United States and the Republic of Panama, whose decisions as to such damages shall be final and whose awards as to such damages shall be paid solely by the United States.

It is a portion of this Paitilla Point which it is desired to place within the boundary of the Republic of Panama.

Mr. UNDERWOOD. Mr. Chairman, will the gentleman yield?

Mr. WEST. I yield.

Mr. UNDERWOOD. I understand that the title to this land remains in the Government of the United States. Is that true?

Mr. WEST. Yes; it is true. According to Article VI of this treaty just referred to, which provided for the payment of $160,000, according to a certificate of settlement dated October 30, 1930.

Mr. UNDERWOOD. This transaction, then, is a mere technical proposition, to secure a site for a legation?

Mr. WEST. Mr. Chairman, in answer to the point raised by the gentleman from Ohio, the answer is simply the explanation of the purpose of this bill. Here is land within the Canal Zone which is desirable as a site for a legation. We can not build a legation upon our own territory, nor upon territory under our jurisdiction. Therefore we bring about a technical modification of the boundary line to take this territory out of the jurisdiction of the Canal Zone and of the United States, put it under the jurisdiction, technically in international law, of the Republic of Panama, in order that Panama can yield that jurisdiction back to us in connection with the practice of diplomatic immunity and exemption from jurisdiction accorded to legations.

Mr. UNDERWOOD. Does it involve the expenditure of any money on the part of the United States?

Mr. WEST. It involves no expenditure of any money, but, on the contrary, brings about a decided advantage to our country, because it saves us the necessity of purchasing a site within the city of Panama.

Mr. CLANCY. Will the gentleman yield?

Mr. WEST. I yield.

Mr. CLANCY. Is this change in the location of the legation made also for the purpose of providing more desirable working quarters? The present legation in Panama City is right downtown, and it is very hot and uncomfortable.

Mr. WEST. I understand that to be very true. I have never been in Panama, but I understand that the site within the city is very undesirable; but that this point is out near the ocean and as comfortable as any place could be in Panama.

Mr. CLANCY. Can the gentleman also state whether it provides greater security for the legation in case of disorders or rebellions or revolutions?

Mr. WEST. My judgment is that it would provide greater security, because there is a definite provision in this bill containing reservations made by the War Department with reference to the control of military roads in this fort. In fact, the security of the legation would be greater than if it were located technically within their jurisdiction, because there is a reservation of all of the rights that we have under the treaty with the Republic of Panama, rights for the use, occupation, and military control of roads. So that we

have all of the advantages that we possessed before the enactment of this bill transferring jurisdiction, and we gain back, technically, the transfer of jurisdiction under diplomatic immunity and the practice of exemption of legations from local jurisdiction.

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH.].

Mr. FISH. Mr. Chairman, I ask unanimous consent to proceed out of order for 10 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FISH. Mr. Chairman, a few days ago a number of very distinguished college professors and other eminent men of this country sent a round-robin letter to the President of the United States asking him to join with the League of Nations in any proposed embargo or boycott against Japan. I do not question the good faith of these gentlemen or the sincerity of their motives for peace. They have been advocates of peace for many years past; but, as one who loathes and despises war, who is opposed to war with Japan at the present time unless we are attacked, I say to you that a boycott is the first step toward war. We can not join with the League of Nations or anyone else in a boycott against Japan without being dragged into war, because an American ship, flying the American flag, would start from some port in our country for Shanghai, and just as soon as it got there Japan would blockade Shanghai, would seize our ship, and that would lead, of course, to the most serious kind of difficulties, if not to actual warfare.

Therefore I hope the President of the United States and the Congress will make it known that we do not propose in any way to go along with the League of Nations to establish a boycott of Japan, because if there is any trouble the first thing that would happen American soldiers would be called upon to do the fighting if there is any fighting to be done. We do not propose always to pull foreign chestnuts out of the fire for every nation. We have no mandate to preserve the peace of the world. We have been a Santa Claus long enough for all the foreign nations, and we have no mandate to preserve the lives of missionaries or business men who do not come out of the battle zone.

So I say to you there is far too much thought and talk and alarm of war in the United States at the present time. There is no cause whatever for us to go to war with Japan. There is nothing we want from Japan. There is nothing we can get from Japan. On the other hand, the younger element of the United States, those from 14 to 22, think of war now as a great adventure and are all talking in terms of war. This kind of hysteria is just waiting around to be fanned into a blaze that will create a war spirit and eventuate in war with Japan.

We have no mandate to make China safe for the Chinese, nor have we any mandate to preserve the peace of the world by sending American soldiers to Manchuria.

I think all Americans deplore the brutality of the Japanese at Shanghai and the savagery of the Japanese soldiers in their brutal attacks upon an unarmed city. Nevertheless, that is not our business and, of course, it is no cause for war and no cause for thought or talk of war in the United States. We have enough to do in taking care of our own problems back home.

Mr. BLACK. Will the gentleman yield?

Mr. FISH. Yes.

Mr. BLACK. I would like to know the gentleman's opinion as to the obligations coming to us by reason of the adoption of the Kellogg pact.

Mr. FISH. I believe the United States has a very definite obligation to serve notice upon Japan, because of its flagrant violation and trampling upon the Kellogg-Briand pact and upon the 9-power pact, and that that notice should have been served by the State Department in such a way that it would have been published in every paper in the world, but after that we should have ceased this long-distance bombardment of Japan by a lot of useless notes. I am not in sympathy with the constant long-distance bombardment of Japan with notes by the State Department. It only causes irritation, and makes it impossible for the President of the United States to step in and offer to mediate and arbitrate, just as was done by former President Roosevelt during the Japanese-Russian War. We should stop sending notes every time Japan takes a little Manchurian city. We should use our good offices to bring about peace in China and peace in the world without acting in conjunction with the League of Nations or by going into some form of boycott which leads inevitably to war.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. FISH. Yes.

Mr. MORTON D. HULL. Will the gentleman tell us how he would do this?

Mr. FISH. Do what?

Mr. MORTON D. HULL. Bring about peace.

Mr. FISH. I would certainly have the President of the United States offer to mediate the difficulties between China and Japan. We may not be in the position to do that at the present time, due to the numerous notes that we have been sending to Japan. If we would only stop sending these notes, then I believe the President of the United States could consistently step in and offer to arbitrate between Japan and China. Although I am opposed to boycotts which lead to war, I am in favor of an embargo in this country, prohibiting the shipment of arms, munitions, and implements of war to all nations. I would give the power to the President of the United States to prohibit the shipment of arms and munitions of war, made by our manufacturers for the sake of profit and greed, to kill and destroy human beings with whom we are at peace. I know I speak the voice of the American people, that they have no sympathy whatever in permitting our manufacturers, for the sake of profit and greed, to send munitions of war to Japan in order to kill the Chinese. Furthermore, only the big nations, the nations that have the biggest navies, will get the munitions of war shipped from the United States.

I am opposed to having the United States the potential slaughterhouse of the world and the symbol of munitions of war.

Mr. HARLAN. Will the gentleman yield?

Mr. FISH. Yes.

Mr. HARLAN. Would the gentleman not believe, then, if that policy were followed universally, that every nation, the small nations as well as the great ones, would have to build up their own munition plants in order to defend themselves, and, furthermore, in the event the United States should subsequently become involved in war, we would be unable to purchase supplies ourselves?

Mr. FISH. One question at a time, and I shall answer the last question first.

The surest way to become involved in war, anywhere in the world, is to ship munitions of war. That is the first step toward war, because it causes the hatred of the country that does not get the munitions. In the second place, of course, I agree with the gentleman that it would be preferable, if all nations would agree, not to sell munitions or to export munitions of war; but we, with our great industries, to-day are the potential market for all wars, wherever they may be.

[Here the gavel fell.]

Mr. LINTHICUM. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. HARLAN. Would not that compel the smaller nations to maintain munition plants in the same way that large nations maintain them or else be absolutely defenseless?

Mr. FISH. I do not care a bit whether the small nations maintain munition factories or not; that is their problem, not our responsibility. Whether nations have munitions or do not have munitions or whether they go to war or do not go to war, the fact is, to-day, no matter where there is a war in the world, they buy munitions from our manufacturers, helping to drag us into every war,

whether it is in China or whether it is in Europe; and the time has come when we have got to solve the question of whether we want to go to war in defense of the war profiteers or in defense of America; and I say to you, as one Member of Congress, I do not ever propose to vote again to go to war in defense of the war profiteers. If we have to go to war, it will be in defense of our own interests and not in defense of those that make munitions of war.

Mr. MANLOVE. Will the gentleman yield?

Mr. FISH. Yes.

Mr. MANLOVE. As I understand it, the gentleman's first proposition is that he would not favor the United States joining with the other nations of the world in an embargo against supplies for Japan, and now, as I understand it, he favors an embargo against the United States exporting war supplies individually, or so far as our own Nation is concerned.

Mr. FISH. Exactly.

Mr. MANLOVE. I will ask the gentleman how far he would go with that? Would the gentleman favor an embargo against our cotton supplies that Japan has been buying?

Mr. FISH. No; nothing except ammunition, arms, and other implements of war.

Mr. HOPKINS. And not any raw material?

Mr. FISH. No raw materials at all; nothing but arms, munitions, and implements of war.

Mr. LINTHICUM. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, the gentleman from New York [Mr. FISH], who preceded me, has emphasized the importance of the diplomat with regard to whether we have peace or war, and the bill under consideration aims to provide better housing, more comfortable and more secure housing, for our key diplomat in Latin America, the minister to Panama.

The United States has tried hard in recent years to win and retain the friendship of the 19 Latin American Republics. Their trade with us amounted to $2,000,000,000 per year before the depression set in. Practically all the diplomats of these 19 Latin American countries pass through this crossroad, the Panama Canal and Panama City, and generally meet our Minister to Panama.

The United States has been fortunate in the last two Ministers to Panama, whom I have known personally. They are Americans of the very highest type, Dr. John South, of Kentucky, who spent as minister a large private fortune in creating better relations with the Latin American countries, and the present minister, Roy Davis, of Missouri, who has had much experience in our diplomatic service and is one of our finest diplomats abroad.

Both of these men are highly trained and peculiarly well qualified and are men of the highest courage personally, and in the handling of their public duties in the past few years have gladly risked their lives several times to save the lives and property of others.

Dr. John South a few years ago stepped in between two contending armies, if I may call them armies, as they were hastily improvised, that were bent on bloodshed, and averted a miniature war in Panama by arguing with the leaders.

The revolution on January 1, 1930, in Panama, sprang up very suddenly at 2.30 o'clock in the morning, and in four hours the rebels had captured the president's palace and overthrown the government and made it not a rebellion but a real revolution. When the revolutionists had entered the president's palace by the back door, after having failed in a surprise storm attack, the president and his wife and his family and his guards were in great danger.

Roy Davis, the American minister, made his way through the zone of fire and pleaded for the lives of the president and his wife and family.

This former President of Panama was a friend of the United States. It was a dangerous thing for Roy Davis to go down the street to the palace, because a newspaperman, a friend of mine, had tried to go down the same street just before this and was shot twice, once in the throat and once in the abdomen, and died a few days later.

Minister Davis should be highly regarded and well treated by this Republic, because he is an invaluable servant.

His salary and expense allowance is insufficient for his duties, and he should be amply provided for.

The site of the present legation is in a rather unpleasant neighborhood down town for a residence in a very ancient city with narrow streets and a tropical climate. This magnificent old city of Panama has been a city of sudden death, which for hundreds of years was ravaged occasionally by bandits and pirates and subject to revolutions and disorders.

The United States Government has at Panama one of its greatest military assets, offensive and defensive—the Panama Canal—and has had to recognize the policy regarding the Republic of Panama as an adjunct to the Panama Canal, which must be guarded at all costs.

Certainly we should remove this legation farther out of the city, as this bill provides.

What this bill aims to do is to place the American legation outside, on this point, where the minister and his family and possible refugees will be safe, and where he can work more comfortably to better advantage in keeping the worthy people of that territory friendly to the United States, and free of all disturbances which might threaten life and property. Therefore, I hope that this bill will pass. [Applause.]

Mr. LINTHICUM. Mr. Chairman, I want the committee to understand this bill. It is to transfer a small point of land to the Panama Government, so that we can erect there a legation. We can not erect a legation in our own territory. After the legation is erected it comes under our jurisdiction, because it is our legation.

Mr. STAFFORD. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. STAFFORD. What prevents us from erecting a legation within the confines of the Canal Zone?

Mr. LINTHICUM. I do not know whether there is any legislation against it, but it would be a singular thing to erect a legation in our own country for Panama. It has never been done, and it would be a peculiar situation. But if we give jurisdiction to Panama, when we do erect a legation, it comes under our jurisdiction again.

Mr. WEST. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. WEST. According to the treaty—and this will answer the question of the gentleman from Wisconsin—between the United States and the Republic of Panama, the United States agrees to the use, occupation, and control of the Canal Zone, with the sovereignty legally under international law, in the Republic of Panama. The United States simply by that treaty gains jurisdiction over the Canal Zone. Now, according to this proposed resolution, that jurisdiction which we have gained is transferred back to Panama, and then Panama yields that jurisdiction back to us when we erect a legation on that territory, according to the practice of exemption from jurisdiction that exists in international law for legations.

Mr. STAFFORD. I am familiar with the rule of international law which applies between our country and Panama, whereby we have control of the Canal Zone for a period of 999 years. However, that very subject suggests the query as to the phraseology of section 2 of the bill, which says:

> Nothing contained in this act shall be construed to authorize the Secretary of State to convey or to surrender to the Government of Panama the title which the Government of the United States now holds in that parcel of land which may be detached from the Panama Canal Zone by virtue of the provisions of section 1 of this act.

The United States has no title to any parcel of land in the Canal Zone; it has a leasehold, exclusively. Is not the committee rather at variance with the existing facts in referring to the leasehold that the Government has in the

Canal Zone by saying "the title" the United States has in that territory?

Mr. WEST. "Title" does not merely mean fee simple. Title may be a term to designate that degree of control over that land possessed by the United States. May I read a quotation from a letter from the War Department agreeing to this transfer, dated October 3, 1928?

Mr. STAFFORD. I have read that, and that very letter rather suggested the idea that the War Department officials thought the National Government had title to the Canal Zone. We have a leasehold interest, a defeasible title.

Mr. WEST. That is as regards public jurisdiction over it. There is no title in the sense the gentleman refers to.

Mr. STAFFORD. Yet the War Department says, as one of three conditions, that this property shall be transferred when the "private title thereto remains in the Government of the United States." In the general acceptance of the word "title" it means fee simple. I agree with the gentleman that a leasehold might be considered title, but in the general acceptance of the term it means fee simple.

Mr. WEST. I think the point is well raised, but these three reservations of the War Department are not embodied in the act itself for the reason that the gentleman has indicated. It is simply that these reservations will be placed in the notes that will be exchanged between our Government and Panama.

Mr. STAFFORD. Yet you do cover the condition of the War Department so far as saying that this act shall not be considered as transferring any title that the United States may have in the Canal Zone.

Mr. WEST. Yes; that is to restrict the operation of this act simply to the technical matter of jurisdiction and leave the use, the control of, the operation of, or whatever degree of title that may be referred to, as it now is, so that there will be no alteration in the present status of that exact parcel of land. It is simply the technical transfer of jurisdiction.

Mr. STAFFORD. The gentleman will agree that the word "title" without any other phrase would connote the idea of full fee-simple title?

Mr. WEST. Yes.

Mr. STAFFORD. Although it may involve the idea of a defeasible title, which this Government merely has in the Canal Zone?

Mr. WEST. Yes.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. WEST. Yes.

Mr. TILSON. I wish to ask the gentleman from Maryland a question. Is it the intention of the committee that the new legation shall be built at this point?

Mr. LINTHICUM. Yes. Mr. Porter, when he was alive, went to Panama and looked at the old legation, which was opposite a square in the center of the city, and thought it was inadvisable to build there. He looked at this point and was much pleased with it.

Mr. TILSON. Has the gentleman himself been to Panama to look this property over?

Mr. LINTHICUM. Yes.

Mr. TILSON. Does not the gentleman think it is rather far out from the city?

Mr. LINTHICUM. It is about 2 miles. It is a splendid site for a legation, and Mr. Porter's idea was that they would have an office down town but that the legation would be built at this point.

Mr. TILSON. Would it not be better if it were placed nearer to the city, somewhere near the British Legation, for instance?

Mr. LINTHICUM. I can not agree with the gentleman that you want to go into the town of Panama if you can keep out of it, but there will be an office for visa purposes and all that sort of thing in town. That was Mr. Porter's idea.

Mr. TILSON. The British Legation is not down town as ours is at present, but the proposed location is so far out that it seems to me it will be somewhat isolated.

Mr. LINTHICUM. I drove from there into the center of the town in about 10 minutes.

Mr. TILSON. Oh, in 10 minutes one can go quite a distance in a motor car. There is swamp land back of it, as I now remember. I do not know about the mosquitoes, whether this swamp will breed mosquitoes or not, but it seems to me that it is putting the legation too far away from the city of Panama for the convenience or comfort of our representatives there.

Mr. LINTHICUM. This bill was drafted by the State Department, and it is approved by the Secretary of State, by the President, and by the Foreign Service Building Commission.

Mr. HORR. Mr. Chairman, will the gentleman from Ohio yield?

Mr. WEST. Yes.

Mr. HORR. The gentleman called attention to the fact that the title would not be sacrificed in case this was ever abandoned. Clearly there must be a transfer to Panama. How would that revert again to the United States, from a legal standpoint?

Mr. WEST. The question can be answered by the statement that if this bill should be enacted by the Congress it is proposed to effect the contemplated modification by an exchange of notes containing the conditions that have been proposed by the War Department. The third condition proposed by the War Department is as follows:

> Should the property ceded cease to be used by the State Department it shall be ceded back to the United States and returned to the control of the War Department.

That point will be protected in the exchange of notes between the State Department and the Republic of Panama. These reservations will be included in the notes exchanged.

In order to make this proposal perfectly clear, Mr. Chairman, may I say again in conclusion that the purpose of this bill is simply the modification of the existing boundary line between the Panama Canal Zone and the Republic of Panama, so far as it affects that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation?

It has been found advisable to use a portion of this land as the site for the erection of a residence for the American minister to Panama. It is necessary that such a residence be located within the boundaries of the Republic of Panama. By Executive Order No. 3322, dated September 1, 1920, the land in question was placed under the jurisdiction of the War Department. This department stated in a letter dated October 3, 1928, that—

> Relative to the use by the State Department of a part of Paitilla Point Military Reservation, the War Department has no objection to the proposed use by the State Department of the area referred to, nor has it any objection to the recession of that area to the Republic of Panama, provided the three following conditions are fulfilled:
>
> 1. The private title thereto remains in the Government of the United States.
>
> 2. The military authorities have free and unrestricted use of all roads in the area in question, either existing or to be constructed, that provide access to and from the Paitilla Point Military Reservation through this area to the main highway in Panaman territory.
>
> 3. Should the property ceded cease to be used by the State Department, it shall be ceded back to the United States and returned to the control of the War Department.

If this bill should be enacted by Congress, it is proposed to effect the contemplated modification by an exchange of notes which will contain the conditions proposed by the War Department. The suggested change in the existing boundary line, therefore, is for the purpose of effecting a technical transfer of jurisdiction. Land now within the Canal Zone and under the jurisdiction of the United States is by this bill placed within the boundary of the Republic of Panama. Upon the erection of a legation by the United States upon this land the jurisdiction thus secured by Panama is again yielded back to the United States in accordance with the practice of diplomatic immunity and exemption from local jurisdiction.

Mr. CLANCY. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. CLANCY. Because of the peculiar character of the sovereignty of this land, does the gentleman think that the eighteenth amendment would be enforced at the embassy or not?

Mr. LINTHICUM. I heard the discussion of the gentleman from Wisconsin [Mr. STAFFORD], and if the gentleman lived in my city he would understand the ground-rent system much better than he does, living in the State of Wisconsin.

Mr. STAFFORD. I am familiar with the ground-rent system, which is similar to that ancient heritage of the city of Baltimore.

Mr. LINTHICUM. Well, I think that at least two-thirds of all the property in Baltimore is subject to ground rents, just as Panama is subject to it. If a man has property subject to ground rent, he still feels he has title to it.

Mr. STAFFORD. But when it comes to the final analysis, he has not title to it.

Mr. LINTHICUM. But not 1 per cent of them ever revert to the ground-rent owner.

The Clerk read the bill, as follows:

Be it enacted, etc., That with respect to that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation, title to which was acquired by the Government of the United States under the conventions concluded on November 18, 1903, and September 2, 1914, between the United States and Panama, the Secretary of State be, and he is hereby, authorized and empowered to effect with the Republic of Panama a modification of the boundary line between the Panama Canal Zone and the Republic of Panama so that such line shall then run as follows:

"Beginning at a concrete monument marked "E," which is a point on the line on the north boundary of the Paitilla Point Military Reservation as shown on Panama Canal Drawing No. X–6053–1, whose geodetic coordinates are latitude 8° 58′ plus 4,445.06 feet and longitude 79° 31′ plus 923.51 feet, and following along a course of south 33° east for 790 feet to a concrete monument marked "F"; thence along a course of south 21° 45′ east for a distance of 490 feet to a concrete monument marked "G"; thence along a course of south 52° west for 870 feet to a concrete monument marked "H"; thence along a course of south 76° 30′ west for 780 feet more or less to a point marked "I" on the map, which is an imaginary point located on the center line of the Matasnillo River, which forms the west boundary of the military reservation. All bearings are true. All coordinates are referred to the Panama Colon Datum.

Mr. STAFFORD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 5, at the end of section 1 add obvert quotation marks.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. LINTHICUM. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the House rose; and the Speaker having resumed the chair, Mr. ROGERS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7119) to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes, and had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and the bill as amended do pass.

Mr. LINTHICUM. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The motion was agreed to.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. LINTHICUM, a motion to reconsider the vote by which the bill was passed was laid on the table.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATION BILL

Mr. BYRNS, from the Committee on Appropriations, reported the bill (H. R. 9699, Rept. No. 605) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes, which was read the first and second time and, together with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. WOOD of Indiana reserved all points of order.

CONSERVATION OF ESTATES OF AMERICAN CITIZENS DYING WITHIN CONSULATES

Mr. LINTHICUM. Mr. Speaker, I call up the bill (H. R. 6310) to amend section 1709 of the Revised Statutes, as amended by the act of March 3, 1911 (36 Stat. 1082), and section 304 of the Budget and Accounting Act, 1921 (42 Stat. 24).

The SPEAKER. The gentleman from Maryland calls up a bill, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1709 of the Revised Statutes, as amended by the act of March 3, 1911 (36 Stat. 1083), and section 304 of the Budget and Accounting act, 1921 (42 Stat. 24), is hereby further amended by substituting for fourth, fifth, and sixth paragraphs new paragraphs fourth, fifth, sixth, and seventh, reading as follows:

"Fourth. To sell at auction, after reasonable public notice, such part of the estate as shall be of a perishable nature, and such further part, if any, as shall be necessary for the payment of his debts incurred in such country.

"Fifth. To transmit the balance of the estate to the General Accounting Office to be holden in trust for the legal claimant; except that if at any time before such transmission the legal representatives of the deceased shall appear and demand his effects which are in the hands of such consul or vice consul, said consul or vice consul shall deliver them up, being paid their fees, costs, and expenses, and shall cease their proceedings.

"Sixth. The Comptroller General of the United States, or such member of the General Accounting Office as he may duly empower to act as his representative for the purpose, shall act as conservator of such parts of these estates as may be received by the General Accounting Office or are in its possession, and for their protection he may order such effects to be sold as may consist of jewelry or other articles which have heretofore or may hereafter be so received, and pay the expenses of such sale out of the proceeds, provided application for these effects shall not have been made by the legal claimant within six years after their receipt. The Comptroller General is authorized, in the name of the deceased, to receive any balances due to such estates, to draw therefor on banks, safe deposits, trust or loan companies, or other like institutions, to indorse all checks, bills of exchange, promissory notes, and other evidences of indebtedness due to such estates, and take such other steps as necessary for their collection, and to do and perform all and any other acts necessary for the conservation of such estates. The net proceeds of such sales, together with such other moneys as may be collected by him, shall be deposited into the Treasury to a fund in trust for the legal claimant and reported to the Secretary of State.

"Seventh. If no claim to the effects the proceeds of which have been so deposited shall have been received from a legal claimant of the deceased within six years from the date of the receipt of the effects by the General Accounting Office, the funds so deposited, with any remaining unsold effects less transmittal charges, shall be transmitted by that office to the proper officers of the State or Territory of the domicile of the deceased citizen, if known, or, if not, such funds shall be covered into the general fund of the Treasury as miscellaneous receipts on account of proceeds of deceased citizens, and any such remaining unsold effects shall be disposed of by the General Accounting Office in such manner as, in the judgment of the Comptroller General, is deemed appropriate, or they may be destroyed if considered no longer possessed of any value: *Provided*, That when the estate shall be valued in excess of $500, and no claim therefor has been presented to the General Accounting Office by a legal claimant within the period specified in this paragraph or the legal claimant is unknown, before disposition of the estate as provided herein, notice shall be given by publishing once a week for four consecutive weeks in a newspaper published in the county of the last-known domicile of the deceased, the expense thereof to be deducted from the proceeds of such estate, and any lawful claim received as the result of such advertisement shall be adjusted and settled as provided for herein."

Mr. LINTHICUM. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. MAAS.]

Mr. MAAS. Mr. Speaker, the purpose of this bill is very simple. In the days when the accounting office was part of the Treasury Department, the functions performed by consuls abroad in handling the estates of American citizens who died intestate abroad were reported directly through the Treasury Department. In 1921, when the accounting office was separated from the Treasury, some of the functions and some of the authority was not transferred to the accounting office, so that we have a situation where there is dual authority, and this bill simply seeks to correct the administration of a technical operation.

In addition to that, however, which is purely technical, the committee went into the whole subject, and did include a new principle, that is, that where estates are in excess of $500, of American citizens dying abroad, before final disposition, which shall not be before six years after the debts are paid, the residue, instead of being covered into the Federal Treasury, shall be given to the county or State of the deceased, if it can be ascertained. That is provided for by publication. It is only where there is no other means of disposing of the residue of the estate that it is covered into the Federal Treasury.

I have an amendment which, by agreement with the gentleman from Wisconsin [Mr. STAFFORD], will, I think, make the bill satisfactory to him and to the committee. It also has the approval of the general accounting office and the State Department.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. MAAS. Yes.

Mr. JOHNSON of Texas. One of the purposes of this bill was to provide for the disposition of funds that were not specifically provided for under the law?

Mr. MAAS. Yes.

Mr. JOHNSON of Texas. The old law was passed in 1792 and there has been but one amendment to that law, which was in 1911. The creation of the Comptroller General's office has made it necessary that this law be passed to meet the changed conditions and also to clarify the existing law. Those were some of the purposes which prompted the reporting of this bill?

Mr. MAAS. Yes. The gentleman from Texas was a member of the subcommittee which considered this bill and that subcommittee held rather extensive hearings. The purpose of the amendment is to prohibit the selling of the personal effects or investments other than those absolutely essential to the payment of the debts of the deceased incurred in such country, and all articles of a personal and sentimental nature, such as jewelry and the like, are to be returned to this country and held for six years.

Mr. LINTHICUM. Mr. Speaker, I yield to the gentleman from Minnesota in order to offer the amendment, but I do not yield the floor.

The SPEAKER pro tempore (Mr. LOZIER). If the gentleman yields for that purpose, he loses the floor.

Mr. LINTHICUM. Then, Mr. Speaker, I offer the amendment.

The SPEAKER pro tempore. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LINTHICUM: Page 2, line 2, after the word "country," strike out the period, insert a comma and the following:

"And at the expiration of one year from his decease the residue, if no legal claimant has appeared, provided that investments of bonds, shares of stock, and notes of indebtedness, and also articles of a purely personal or sentimental value, such as jewelry, heirlooms, keepsakes, etc., shall not be sold unless necessary for the payment of debts incurred in such country."

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to have the paragraph read as amended.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

Page 1, line 9:

"Fourth. To sell at auction, after reasonable public notice, such part of the estate as shall be of a perishable nature, and such further part, if any, as shall be necessary for the payment of his debts incurred in such country; and at the expiration of one year from his decease the residue, if no legal claimant has appeared, provided that investments of bonds, shares of stock, and notes of indebtedness, and also articles of a purely personal or sentimental value, such as jewelry, heirlooms, keepsakes, etc., shall not be sold unless necessary for the payment of debts incurred in such country."

Mr. LINTHICUM. Mr. Speaker, I yield to the gentleman from Wisconsin such time as he may desire to use.

Mr. STAFFORD. Mr. Speaker, when this bill was up for consideration on the Consent Calendar I called the attention of the House to the fact that as it was drawn the consular officer abroad would only have the right to sell the personal effects of the deceased to the extent that it was necessary to pay his debts. It occurred to me that there might be instances where an American citizen dying abroad might have a large quantity of bulky personal property without having any debts, and that under the phraseology of the revised bill that bulky personal property would have to be transported to this country and held for six years by the Accounting Office as warehouseman.

Through the courtesy of the chairman of the Committee on Foreign Affairs, a representative of the Accounting Office called on me yesterday, and I pointed out to him the objection which I thought militated against the bill as drafted by the Accounting Office. After I called his attention to the instant matter he agreed with my position and suggested an amendment. Because of my floor duties and committee duties I was unable to get in contact with him, so I suggested to the gentleman from Minnesota a further amendment, which would provide that not only articles of jewelry and articles of a personal and sentimental character should be withheld from sale, when not necessary to pay debts, but also bonds, certificates of stock, and promissory notes should be withdrawn from the right of sale abroad when not needed to pay debts.

Although the gentleman from Minnesota has incorporated that in the proposed amendment, which meets my original objection, I now direct the attention of the gentleman from Minnesota and also the gentleman from Maryland to the necessity of perhaps modifying the sixth paragraph.

My attention was not called to this until the reading of the bill by the Clerk. This bill is predicated upon the idea that the accounting office should only have in its possession jewelry and other similar articles, and I would suggest that after the word "consist" you should insert the same phraseology which you have agreed to incorporate in your amendment—bonds, shares of stock, and promissory notes, and also jewelry or other articles. In other words, I am suggesting that you insert a similar amendment following the word "consist" in line 17.

Mr. LINTHICUM. Will the gentleman from Wisconsin offer that amendment? I see no objection to it.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. JOHNSON of Texas. What is the gentleman's amendment?

Mr. STAFFORD. The accounting officer yesterday suggested an amendment that only articles of a purely personal or sentimental value, such as jewelry, heirlooms, and keepsakes, shall not be sold, except when necessary to pay debts incurred in such country, and I suggested to the gentleman from Minnesota to-day that that should be broadened so as to include bonds, shares of stock, and notes of indebtedness.

Mr. JOHNSON of Texas. That is with reference to section 4?

Mr. STAFFORD. Yes. I now direct attention to the need of having this language also included in paragraph 6.

Mr. JOHNSON of Texas. Section 4 is with reference to the sale of property abroad, whereas section 6 is with reference to the sale of property here by the Accounting Office after the property has been transmitted here.

Mr. STAFFORD. Now, we have delimited the right of the consular representative abroad, when it is not necessary for the payment of debts, to sell bonds, shares of stock, and

promissory notes, because they may be of more value to the heirs here and therefore should not be sacrificed on the public auction block abroad. Having this incorporated in the amendment now pending before the House, I suggest the further need of amending section 6 to incorporate bonds, shares of stock, and notes of indebtedness after the word "consist," so the language will read:

The Comptroller General of the United States, or such member of the General Accounting Office as he may duly empower to act as his representative for the purpose, shall act as conservator of such parts of these estates as may be received by the General Accounting Office or are in its possession, and for their protection he may order such effects to be sold as may consist of bonds, shares of stock, promissory notes, and also jewelry or other articles.

Mr. JOHNSON of Texas. That sale would not be made until after the expiration of the six years?

Mr. STAFFORD. Not until after the 6-year period.

Mr. JOHNSON of Texas. It has been some time since the subcommittee had the hearings, but, as I recall, the reason jewelry and articles of that nature were stipulated was because quite a number of such articles had accumulated and they were taking up a great deal of space and they wanted to dispose of them. With respect to the bonds, I suppose it would be necessary to sell them before final settlement, and I can see no reason why, after the expiration of six years, the bonds may not be sold, as well as the jewelry, and convert the estate into cash. That is the purpose of the gentleman's amendment, as I understand it.

Mr. STAFFORD. Yes.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Maryland [Mr. LINTHICUM].

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer an amendment without waiving the right of the gentleman from Maryland to retain and control the floor.

Mr. LINTHICUM. Mr. Speaker, I yield to the gentleman from Wisconsin under those conditions.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: On page 2, line 17, after the word "consist," insert "of bonds, shares of stock, notes of indebtedness, and also."

The amendment was agreed to.

Mr. LINTHICUM. Mr. Speaker, I yield such time as he may desire to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed out of order for a few moments.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, during the time that the debt moratorium was under consideration by the House and by the other body, several Members quoted Sir Ramsay MacDonald as having said:

The moratorium, thank God, ended all foreign debts, and never again will our people, those of the English nation or those of any other country in Europe, be troubled with the payment of debts that have been asserted to be due from those countries to the United States of America.

The language attributed to Mr. MacDonald seemed to me to be so far-fetched and utterly baseless that I determined to write and ask him whether he had been correctly quoted. Perhaps I should have taken the matter up through the regular channels, but in my ignorance of the proper procedure I took it up direct, following the illustrious example of another gentleman at the other end of the Capitol.

I wrote the Prime Minister as follows:

DECEMBER 23, 1931.

Hon. RAMSAY MACDONALD,
London, England.

MY DEAR MR. MACDONALD: In the course of the debate had in the American Congress on the proposal to declare a moratorium for debtor nations to the United States, opponents to the proposal several times quoted you in substance as follows:

"That the moratorium, thank God, ended all foreign debts, and never again will our people—those of the English nation or those of any other country in Europe—be troubled with the payment of the debts that have been asserted to be due from those countries unto the United States of America."

For the record will you be so kind as to advise me whether you have been correctly quoted. I will appreciate very much your doing so.

With kindest personal regards and with the season's greetings, I beg to remain,

Yours very truly,

——— ———.

Under the date of February 6 I received a reply through the British Embassy, which I will send to the Clerk's desk to be read in my time.

The SPEAKER pro tempore. Is there objection to the Clerk reading the letter?

There was no objection.

The Clerk read the letter, as follows:

BRITISH EMBASSY,
Washington, February 6, 1932.

SIR: I am directed by His Majesty's ambassador to refer to your letter of December 23 addressed to the Prime Minister, in which you informed him that in the course of the debate in the United States Congress on the President's proposal for a 1-year moratorium on intergovernmental debts opponents to the proposal had quoted Mr. Ramsay MacDonald as follows:

"That the moratorium, thank God, ended all foreign debts, and never again will our people—those of the English nation or those of any other country in Europe—be troubled with the payment of debts that have been asserted to be due from those countries unto the United States of America."

The Prime Minister regrets that this should be the case, for he has never made use, either in public speech or in private conversation, of any words remotely resembling those ascribed to him in the above passage.

In reality Mr. Ramsay MacDonald has urged the speedy solution of the question of international debts by means of consultation and cooperation between the nations concerned. In particular, he stated in the House of Commons on December 9:

"The Government regret the unnecessary delay in bringing the nations concerned around the conference table to settle these questions of international debts which lie at the basis of our currency position."

I am, sir,

Very truly yours,

T. A. SHONE, *Secretary.*

THE HON. HAROLD KNUTSON,
Committee on Insular Affairs,
House of Representatives, Washington, D. C.

Mr. KNUTSON. Mr. Speaker, I commend the reading of the MacDonald letter to the membership of both Houses, more especially to those who have quoted him, as the RECORD shows, without ground or justification. [Applause.]

Mr. LANKFORD of Georgia. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANKFORD of Georgia. Mr. Speaker, I feel that of infinitely more importance than all this Congress has done or evidently intends to do are the efforts of a few of us to stop the present wholesale foreclosure of farm loans, undo the harm already done, prevent its occurrence in the future, and help the farmers get a square deal in marketing their products and in taxation.

Just here let me say even the matter of national taxes is not so important as the question of saving the homes of the farmers. They do not object to fair and reasonable taxes if they can save their homes and are prosperous. To impose an additional national tax on them now when they are being destroyed is an outrage and I shall oppose it in every way possible. I shall oppose and vote against a general sales tax for the same reason among others. I further feel that every head of a family, for home purposes, should have a reasonable exemption from all taxes, national, State, county, and city. No other move would increase the number of happy home owners so much as this tax exemption.

In every way possible Congress should reduce Federal taxes, and yet this will not at all undo the evil effects of wholesale loan foreclosures. It is interesting to note just

here that all sales of property for taxes are under State laws and not under national tax levies. Federal taxes are indirect and at present are largely borne by the very wealthy class.

Another very interesting thing is that according to the report of the United States Treasury Department during the fiscal year ending June 30, 1931, the State of Georgia paid into the United States Treasury in internal revenue a total of $6,721,313.18, and the United States Treasury during the same period paid out directly to the State of Georgia, under cooperative arrangements, on good roads and otherwise the total sum of $6,799,955.05 or a total of $78,641.87 more than Georgia had paid in for the same period. So Georgia, as a State, did not lose in this respect. This does not at all take into consideration the money spent by the United States Government in Georgia for mail service, river and harbor improvements, agriculture, military or naval affairs, in payments to veterans as pensions or adjusted compensation, or otherwise, and so on and so on.

Though these matters are vitally important to my people, yet they pale into insignificance when compared with the refusal of Congress to give the farmer and the independent individual citizen a square deal as compared with the legislative aid given to the great combines of wealth.

I wish I had time to read into the RECORD the many letters which I receive approving my efforts in behalf of the farmers and the average citizen. From the scores of such highly appreciated communications from all over the Nation I now only mention the names and addresses of those writing me from my district during the last few days as follows: Jake W. Paulk, Ocilla; Harris Perry, Valdosta; R. E. Findley, route No. 1, Mystic; J. R. Bowen, Rockingham; J. M. Floyd, originally Blackshear, now Fort Benning; John Thompson, route No. 2, Hahira; Ben Hicks, Adel; B. F. Mills, Pearson; George R. Hester, Adel; George McMillan, Alapaha; S. L. Henderson, Blackshear; J. D. Hancock, Nashville; Mr. and Mrs. Reddick Davis, route No. 1, box 47, Patterson; G. T. Bazemore, Pearson; Alex Holmes, route No. 1, Fitzgerald; Silas Johnson, Baxley; C. H. Williamson, Offerman; George A. Young, Folkston; W. H. Hamm, Ray City; H. T. Heard, route No. 1, Valdosta; H. H. Ramsey, Boston; W. E. Ring, route No. 4, Valdosta; James Branch, route No. 3, Baxley; T. A. Sherrod, Howell; J. B. Kinard, route No. 2, Lenox; S. King, Alapaha; T. J. Howard, Waycross; J. H. Howard, route No. 1, box 96, Waycross; and Frank K. Meason, box 1, Sterling.

Mr. Speaker, not only my people but the patriotic people of the whole Nation strongly indorse the fight of a few here to preserve the homes of America. If these are lost, nothing else would be worth saving.

Mr. Speaker, it is said that if the sun was blotted out it would suddenly become so cold until all animal and vegetable life would freeze to death in three days' time. From the home radiates the sunshine of civilization, encompassing the earth and serving and making mankind better everywhere. If all the homes of the farmer and the average citizen were blotted out, the darkness of crime, the awful chill of selfishness, and the chaos of our expiring institutions would soon mock and scoff at the last days of this the greatest Government ever instituted by man.

Ah! Mr. Speaker, the signs of the times indicate clearly that unless heroic treatment is speedily applied to our economic ills, this Nation will soon lose the individual independent farmer and with him will lose the small independent business man and citizen, their homes and all that the home influence of these and such as these mean to our national life.

As patriotic representatives of our people let us, in this time of stress, fight for the right as never before, and may God give us the power and the courage to see and do our whole duty.

Mr. Speaker, the farmer will judge our services here, not by deceptive newspaper headlines nor by misleading platform pledges or other political promises, but by the effect of our legislation on his general welfare. Will the farmer as the result of our efforts get a better price for his product; will he have a greater net profit; will he save his home from foreclosure and be able to finance his affairs more easily; will his tax burden be lighter; and can he of his own accord easily see that his condition has been improved? The answer to this question will convince the farmer in no uncertain way whether or not this Congress has done anything worth while for him.

I can visualize some Members of this House during next summer meeting statements from the farmers back home something like these. What good did the foreign debts moratorium do the farmer who got no moratorium and whose home was sold by a Federal Land Bank or other long-term loan concern?

What good did the Reconstruction Finance Corporation do the farmer who lost his home by a foreclosure and who now has a large family but neither a home nor employment?

What good did the $125,000,000 additional money voted the Federal land banks do the farmers whose lands were sold by the Federal land banks with unabated ruthlessness both before and after the authorization and appropriation of this money?

What good will all the good roads do the farmers if their lands are to be relentlessly taken over by governmental and other agencies and sold to large chain farming organizations to the utter destruction of the individual independent farmer?

How much less will be the anguish of the farmer and his family where the Government, after turning them out of their home, paves a good road near the old homestead for some corporation which becomes the owner of the property at an outrageously low price during this depression?

How much will the farmers be benefited by the country's becoming honeycombed with good roads if the farmers and their folks are to become slaves and hirelings and the farms of the Nation are to pass into the hands of farming corporations, as must be the case unless something is done, and that speedily, to stop the present loan-foreclosure orgy and to get lands already sold back into the hands of the farmers of the Nation?

How much will it help the farmer to appropriate millions for agricultural purposes if his agricultural activities have been stopped?

Why help the farmer fight boll weevils when his farm is gone?

What good to farmer John Smith are hog serums and every imaginable, conceivable remedy for animals and vegetables, fruit trees, and what not of the farm, when some one else owns John Smith's farm?

What good to the farmers are paved roads, beautiful streets, electric lights, new post-office buildings, new department buildings here in Washington, consolidation of bureaus, and so on, and so on, from one year to another and from one election to another, if the particular farmer's home has been sold by foreclosure, he and his family turned out in a cruel, heartless world, with no employment, with his every hope for himself and family blasted, and with only cruel, relentless suffering and slavery facing him and his loved ones forever?

But, Mr. Speaker, why prolong this list of questions which answer themselves?

This Congress is passing many laws; but will some one please tell me what has been done yet to help the farmer get a better price for his product, help him get fertilizer at a more reasonable price, help him save a greater net profit, help him save his home, or help him get relieved of part of his too heavy tax burden?

What has been done to help the farmer make more money or to help the laborer earn and get more salary? Has not Congress thus far been wholly engaged in causing the people and the Government to create larger, more dangerous debts to pay smaller, less troublesome ones?

No person ever extricated himself from a bog by gradually becoming mired deeper and deeper, and no debtor ever was able to borrow himself out of debt.

What laws have been enacted by Congress to stop the present depression by removing its cause, curing, so far as possible, its effects, and preventing its recurrence in the future?

What has been done or suggested to solve the farm problem or the transportation problem or the labor problem?

What has been done to insure labor employment in the future at a reasonable wage?

I would be glad if anyone would answer these questions by speech, extension of remarks, or otherwise.

They are being asked to-day, and they will be asked next summer. Some who are ignoring the farmers and the average individual citizen to-day will have to answer these questions and many more like them. Many can not answer them, and the people at the ballot box will then make reply for them.

Mr. Speaker, before I conclude I wish to state that the Department of Agriculture has agreed that no restriction be imposed so as to force any farmer who obtains a loan for production purposes to plant less than four acres of tobacco.

Mr. W. R. Wilson, president of Douglas Chamber of Commerce of my district, wired me, calling my attention to the evils of making the limitation as little as three acres of tobacco per individual farmer, and Senators SMITH of South Carolina, GEORGE of Georgia and Representatives MITCHELL of Tennessee, LARSEN of Georgia, and myself went to the Department of Agriculture and were promised that the change just mentioned would be made.

Mr. BLACK. Mr. Speaker, I ask unanimous consent to speak out of order for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BLACK. The Foreign Affairs Committee has reported House Joint Resolution 275, concerning our contribution to the Interparliamentary Union. I understand there are objections to it. It seems the most important of all the legislation reported by this committee. The objections are based on economy. Of all the agencies for world peace and stabilization, the Interparliamentary Union can best serve the purpose.

The basic make-up of the Interparliamentary Union toward peace, as contrasted with the other groups—having in mind the League of Nations and the World Court—guarantees better results from the Interparliamentary Union. In the first place, the Interparliamentary Union is a group of legislators from the various parliaments of the world, a group of men like ourselves, closer to the people than the executive branch of any government, more representative than the executive branch of any government, more responsive to the will of the people than the executive branch of any government. The other so-called agencies for international accord and understanding are largely made up of diplomats, the executive branch of the Government, aided by military men and naval men. The main business of diplomats seems to be skullduggery, and the main business of admirals and generals, of course, seems to be war. The main business of legislators is lawmaking in the interest of the people.

We are confronted by a situation in the Far East which in a way was presented to the House to-day by the gentleman from New York [Mr. FISH]. The Interparliamentary Union has tried to establish a uniform, basic international law. There is a great deal of misunderstanding about the Far East situation. That is so because the ordinary man in this country or in any other country can not appreciate the meaning of the 9-power pact, can not appreciate the meaning of the Kellogg pact. That is true not only of the ordinary man but of men high in public life. If the Interparliamentary Union were given the support of all countries that a legislative body is entitled to, it could well put the world on some kind of a permanent, understandable, legal basis. If we had a basic, determined, accepted code of international law, the man on the street would readily understand when a nation violates it. How does he know now with your 9-power pact and your Kellogg pact and your League of Nations or your World Court? He does not know where one commences and the other ends, and he does not understand their conflicts and can not reconcile them. The gentleman from New York [Mr. FISH], on the floor of the House to-day, takes a diametrically opposite view of the Kellogg pact from that entertained by the Secretary of State. On these foreign affairs it is about time that the great minds of the administration found some sort of coordination. The gentleman from New York insists that the country is under no obligation in respect to the Sino-Japanese situation because of the Kellogg pact. A great many people in this country have always contended that the Kellogg pact was nothing more than a gesture. If it means anything, and the interpretation that it is an actual legal entity is to be accepted, then the Kellogg pact has been absolutely violated by Japan, and we have an obligation under it. Some people have always said that the Kellogg pact is nothing but an idle gesture on which political advantage in this country was to be reached. I must note the distinguished ranking member of the Committee on Foreign Affairs seems to agree with that interpretation.

As to the 9-power treaty, the Secretary of State to-day in the communication to the chairman of the Senate Foreign Relations Committee suggests that the 9-power pact was an essential part of the Washington Disarmament Conference, and there is no doubt about that. It was an essential part of the Washington Disarmament Conference. The Secretary goes one step further and he says that the violation of the 9-power pact by Japan would be good reason for this country to forget the disarmament conference and the subsequent treaties relative to the Washington conference and go ahead and build a Navy without regard to the limitations of either the Washington conference or the London treaty.

The 9-power pact was just as binding on us as it was binding on Japan, as it was binding on any other country that attended the Washington Disarmament Conference. If the Secretary of State is going to make a point of a violation of the 9-power pact, then let us set a good example to the world. The ranking member of the Committee on Foreign Affairs was in the House the day we adopted the Porter resolution. The Porter resolution was the expression of this House on our obligation under the 9-power pact. The Porter resolution called on the administration to get out of China, to get our courts out of China, to allow China to be a real sovereignty, to allow the Chinese to build up their own government, to allow the Chinese to work out their own destiny. If our administrations had lived up to our obligations under the 9-power pact we would not have the trouble to-day in the Far East that we have. The Porter resolution was adopted by almost a two-thirds vote of this House, and yet nothing has been done by the State Department to live up to the suggestions of the House in that respect.

The Japanese have gone into Manchuria. The gentleman from New York [Mr. FISH] indicates that to his mind that is of small moment. It is a very important matter. They have taken over to themselves an empire, they have taken over to themselves rich territory, territory loaded with worth-while mineral resources, territory that adds materially to the strength and wealth of Japan and to her relative national standing. It is no small matter at all. The Japanese have gone into Shanghai and have shot at the Chinese in Shanghai. If we are going to protest against the Japanese I believe we should, in the interest of our own standing in the world and in the interest of our own treaties, first clear ourselves before the world. We fired on Nanking a few years ago. We, with the British, fired on the innocent people of Nanking a few years ago. We ought to clear the air as to our own position. We ought to assemble the nations of the world signatories to the 9-power treaty.

We assembled them before and adopted the 9-power pact. We should assemble them again and let the nations of the world say to China and to Japan that all of the nations are going to live up to the 9-power pact, that all of the nations are going to get out of China and give up extraterritoriality.

We say in one breath in the 9-power pact and under the Hay open-door policy, that China is an independent sovereignty, and in the next breath we say that we must have our courts within the lands of this independent sovereignty.

Mr. KELLY of Pennsylvania. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. KELLY of Pennsylvania. Does the gentleman not think that we have made great progress in the note sent by the State Department that the United States would refuse to recognize title to Manchuria, taken by aggression? Is that not a considerable stride forward?

Mr. BLACK. The trouble with all the notes sent by the State Department is that neither Japan nor any other country will receive them at face value. The Japanese and everybody else know the psychology of this country, and they know that this series of notes has been a series of bluffs; that they have had no force, no strength, especially when it comes from a country that has itself not observed good faith with China. The way to do the thing is to do it basically, in a clean way, by ourselves declaring that we will observe the 9-power pact, and then insist that Japan go along with the other nations which signed the 9-power treaty.

Mr. KELLY of Pennsylvania. The gentleman understands that the League of Nations itself accepted the doctrine written by the State Department of the United States, and also has said that it will decide whether or not to recognize title to territory taken by conquest.

Mr. BLACK. I do not think it makes much difference to the Japanese what the League of Nations does. It has not so far. The only way to clear up the Far East situation permanently is to get back to the 1922 treaty and look it over and see that its obligations are lived up to by everybody, including Japan and ourselves. Of course, the gentleman from New York [Mr. FISH] does not want trouble. Nobody else wants trouble. But Japan must be stopped. There is a present way of doing it outside of my suggestion; that is by going to war. There is another present way of doing it outside of my suggestion; that is by limiting Japanese trade. It does not have to be done through governmental suggestion. The Government does not have to boycott Japan. The business people of this country can do it. The women of this country can do it by refusing to buy Japanese silk. That is a method that is peaceful enough. Japan will appreciate its loss of trade and come to terms; but if the Government is going to do anything, let them do it in a wholesome fashion and start right with China and start right with all the other countries which signed the 9-power treaty.

[Here the gavel fell.]

Mr. MEAD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on postage rates.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MEAD. Mr. Speaker, the Treasury Department has recommended an increase in first-class postage rates as a means of raising revenues and have presented such a proposal to the Committee on Ways and Means. I believe the fixing of rates of postage should be left with the Committee on the Post Office and Post Roads and am taking this opportunity to explain my position to the Members of the House.

FIVE REASONS WHY POSTAGE RATES SHOULD BE LEFT TO POST OFFICE COMMITTEE

1. Jurisdiction: Never in the history of Congress have postage rates been changed by any other committee than the Post Office and Post Roads Committee, except during the War of 1812 and the World War. In war, all rules lapse, but there is no justification now for the Ways and Means Committee dealing with postage rates.

2. No right to levy tax through postage rates: In the Constitutional Convention, 1787, two attempts were made to provide that the Postal Service might be used to raise revenues to defray the cost of government. Both of these attempts were decisively rejected. It has been the universal view that postal charges should not be such as would levy a tax upon the people.

3. No justification for 3-cent rate: The entire deficit of $98,000,000 for 1931 was due to a business depression, which decreased the volume of mail. For the 15 years preceding 1930 the annual increase in revenues averaged $30,000,000. If that increased revenue had kept up, there would have been no substantial deficit. The present deficit can be entirely eliminated in the next few years by the normal increase of postal revenues.

The 3-cent rate will not mean correspondingly greater revenues. It will mean a reduction in volume of the mail, which in turn will mean a higher cost on every letter handled. There is a definite overhead cost in the Postal Service. The postmasters, letter carriers, clerks, and others are on the job. They can handle a certain volume of mail at the most economic cost possible. Reduce that volume and the cost goes up, and in the end the deficit is greater.

In the act of February 28, 1925, we increased the rate on post cards from 1 cent to 2 cents, on the statement that it would increase revenues $10,000,000 a year. The actual experience showed that we lost $6,000,000 of the amount which had been received at the 1-cent rate. Congress immediately restored the rate, and the volume has been slowly coming back to the previous point.

If 3 cents is now made the letter-postage rate, business men all over the country will stop expenditures, and it will be very difficult to get them started again even when the rate is reduced to its formal level.

This 2-cent rate was fixed in 1885, being reduced from the former rate of 3 cents. The growth of per capita use of the Postal Service shows how good a business move this was. The one way to overcome the deficit is through low postage rates, which will make the increased volume a source of aggregate revenues.

4. First-class rates now pay a profit: In the Postmaster General's report you will see that the first-class mail matter is the only class which shows a gain. There is a loss in second, third, and fourth classes, but the first class shows a gain of many millions. It is most unjust to make those who use first-class mail, and pay a rate now which shows a profit, cover also all the losses on other classes. If we are to embark on higher postage rates, why not raise the rates on the losing classes rather than on the profit-making class?

5. Deficit not due to postal wages, and so forth: The present deficit is in no way caused by the wages paid the workers. The fact of the matter is that at the present wages letters are being handled at a less unit cost than they were in 1885 when the 2-cent rate was established. Since 1913 postal employees have practically doubled their productivity, as measured by revenues, but their wages have only gone up 75 per cent. In proportion to their increased efficiency they are receiving less than they did before the World War.

Mr. LINTHICUM. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I ask unanimous consent to speak out of order for five minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, my distinguished colleague the gentleman from New York [Mr. BLACK] has just put some words into my mouth which imply an entirely different meaning as to my views of the Kellogg-Briand pact.

I believe I am one of the few who do sincerely and honestly favor the Kellogg-Briand pact. I am convinced that it is a psychological deterrent against war. I do not believe it

is going to end wars. When we renounced war as a national policy except for defense it was a great step forward in the cause of peace. In the case of Japan, unfortunately, it did not act as a deterrent either in Manchuria or Shanghai.

When I advocated renouncing the sale and export of munitions of war, certainly that is the next step if we are honest with ourselves. If we renounce war as an instrument of national policy, then it logically follows that we should renounce the sale of munitions of war to foreign countries with whom we are at peace.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. FISH. I yield.

Mr. MORTON D. HULL. Does the gentleman believe we should renounce a defensive war?

Mr. FISH. Certainly not.

Mr. MORTON D. HULL. Then if two nations are engaged in war there must be some distinction between them in respect to our duty toward them.

Mr. FISH. Not as far as the shipment of munitions and arms are concerned. Let me answer the gentleman from New York first. The gentleman intimated that the Kellogg pact carried some form of coercion with it. When former Secretary of State Kellogg appeared before the Senate committee he was asked that question before the committee would act. He was asked, "Does the Kellogg-Briand pact imply any form of coercion whatever?" He told the Senate committee it did not imply any form of coercion. Then he made a number of speeches about it and put it into writing, stating very definitely that adherence to the Briand-Kellogg pact outlawing war as an instrument of national policy did not carry with it any form of coercion whatever.

I said a few moments ago that it was the duty of the Secretary of State to announce the policy of the United States by pointing out to the world that the Kellogg pact had been violated, had been trampled upon by Japan, ruthlessly, and to have had such a statement published in every paper throughout the world and made the same kind of a firm, dignified statement about the 9-power pact and stopped there. That is all that should be done. I am opposed to this continuous bombardment of Japan by useless notes that makes confusion worse confounded.

My friend, the gentleman from Minnesota, just spoke a few moments ago, quoting an alleged statement from the Prime Minister of Great Britain, which Prime Minister MacDonald has denied, to the effect that the moratorium meant that Great Britain would not have to pay us any more money.

I want to take the few minutes remaining to state to the Members here that Great Britain has always kept faith on her debts, and has paid to us the vast sum of $1,300,000,000 since the war on her debt settlement. [Applause.]

If we did drive a harsh bargain with any nation it was with Great Britain when we demanded and secured 80 cents on the dollar for the money we loaned her during the war, when we only asked from France that amount of money which we loaned her after the war, and only demanded from Italy 25 cents on the dollar. So I say to you that when you consider any statement of this kind as coming from Great Britain you want to be sure the statement is accurate, for Great Britain has always kept faith with her financial obligations; has always paid her debts and I believe she always will as long as it is financially possible for her to do so. If there is to be any kind of liquidation of these debts, or if there is to be any kind of a rearrangement, the first nation that should be granted any relief by way of a reduction should be Great Britain, because of the honesty and fair dealing she has shown up to date in the payment of her war debts. [Applause.]

Mr. LINTHICUM. Mr. Speaker, I desire to express my appreciation of the action of the gentleman from Wisconsin [Mr. STAFFORD] in connection with amendments to this bill, in conjunction with the General Accounting Office. I think they have largely improved the bill. I also desire to extend my remarks in the RECORD by inserting a letter from the Comptroller General approving the bill and one from the Treasury Department.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The letters referred to follow:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, February 2, 1932.

Hon. J. CHARLES LINTHICUM,
Chairman Committee on Foreign Affairs,
House of Representatives.

MY DEAR MR. CHAIRMAN: Complying with your request by telephone of to-day, I have the honor to advise that the legislation as embodied in H. R. 6310, Seventy-second Congress, entitled "A bill to amend section 1709 of the Revised Statutes, as amended by the act of March 3, 1911 (36 Stat. 1083), and section 304 of the Budget and Accounting Act, 1921 (42 Stat. 24)," as reported by your committee (H. Rept. No. 223) and pending before the House (House Calendar No. 37; Consent Calendar No. 52), accords with that recommended in my 1931 report, pages 26 to 30 (copy herewith).

I offer no objection thereto.

Sincerely yours,

J. L. MCCARL,
Comptroller General of the United States.

Enclosure.

TREASURY DEPARTMENT,
Washington, February 3, 1932.

DEAR MR. CHAIRMAN: Reference is made to bill H. R. 6310, "To amend section 1709 of the Revised Statutes, as amended by the act of March 3, 1911 (36 Stat. 1083), and section 304 of the Budget and Accounting Act, 1921 (42 Stat. 24)," pertaining to the conservation of estates of American citizens dying within consulates, which has been reported upon by your committee (Rept. No. 223, 72d Cong., 1st sess.).

For the information of your committee you are advised that there is no objection on the part of the Treasury Department to the enactment of the proposed legislation, although as a broad principle the advisability of placing executive functions in the General Accounting Office may be questioned.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

Hon. J. CHARLES LINTHICUM,
Chairman Committee on Foreign Affairs,
House of Representatives.

Mr. LINTHICUM. Mr. Speaker, I yield to the gentleman from Texas [Mr. JOHNSON] such time as he may desire to use.

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to speak out of order for two minutes in order to read a telegram.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Texas. Mr. Speaker, this is a telegram with reference to H. R. 4650. It was sent to me by the citizens of my home town and reads as follows:

CORSICANA, TEX., *February 17, 1932.*

Hon. LUTHER A. JOHNSON,
Member of Congress, Washington, D. C.:

Our association is tremendously interested in the passage of the Glenn-Smith bill. Would prefer it be amended so as to refinance their bonded debts on the replacement value of the improvements as of date March 1, 1932. This would be fair both to the taxpayer and the bondholder. Taxpayers in these districts are not and can not meet their present obligations. Something must be done for their relief and done quickly. The distress is more acute and hopeless than in any other portion of our business world, and relief extended here will do more real and lasting good than to any other of our business institutions in proportion to the amounts involved. Railroads, insurance companies, and banks need help and have secured it, but their troubles are temporary and not so despairing and hopeless, while these districts must have immediate help or they will be wiped out for good. These districts are asking and hoping their obligations may be refinanced at a reduced rate of interest, and a fair and proper set-up of the obligation at its present value, and not one penny of these funds should be lost. Paradoxical as it might appear, yet the fact is that the best and most valuable farming lands of America are to-day suffering most, and more urgently need relief than any other property in our country. Would appreciate your earnest support of the bill.

TEXAS RECLAMATION AND DRAINAGE ASSOCIATION,
By JOHN T. FORTSON, *President,*
GUY M. GOBSON, *Secretary and Treasurer.*

Mr. LINTHICUM. Mr. Speaker, I move the previous question on the bill to its final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. LINTHICUM, a motion to reconsider the vote by which the bill was passed was laid on the table.

WITHDRAWAL OF DOCUMENTS FROM THE FILES OF THE HOUSE

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to withdraw from the files of the House documents filed with H. R. 10520, a bill for the relief of Lottie W. McCaskill, introduced in the Seventy-first Congress, there having been no report, adverse or otherwise, on the bill.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. KELLY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks by printing two statements made by William Hard as a result of personal investigations made in the iron and steel districts of western Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, may I inquire who the individual is whose statements the gentleman desires to place in the RECORD?

Mr. KELLY of Pennsylvania. William Hard, the well-known radio broadcaster, special writer, and investigator.

Mr. STAFFORD. Are the remarks very extensive?

Mr. KELLY of Pennsylvania. Not very extensive. One article is already printed and the other will appear in the March number of the Survey Graphic.

Mr. STAFFORD. How many pages will they take?

Mr. KELLY of Pennsylvania. Very few pages.

Mr. STAFFORD. How many? Five, ten, or fifteen?

Mr. KELLY of Pennsylvania. I would say about four.

Mr. STAFFORD. The gentleman is asking for quite a sum of money in order to feature some broadcaster.

Mr. KELLY of Pennsylvania. Oh, I will say to my friend I consider William Hard a real authority, and his views are well worth while in view of efforts to deal with irregularities in production.

Mr. STAFFORD. The House has recently established the practice of having those matters printed as documents so that Members of the House may avail themselves of them.

Mr. KELLY of Pennsylvania. I do not desire to ask that the statements be printed as documents, but I would like to have them made available to Members of the House.

Mr. STAFFORD. Mr. Speaker, for the present I will have to object.

The SPEAKER. Objection is heard.

TAX ON GASOLINE

Mr. CRISP. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRISP. Mr. Speaker, it has just come to my attention that to-morrow, probably, our colleagues will be flooded with letters and telegrams protesting against the levying of any tax on gasoline.

I know not what the committee will do, but this is just an example of the propaganda that is started always on any matter in which a large number of people are interested. I have in my office a copy of a letter that was sent out, generally, to those interested, suggesting to them that they wire or write their Congressmen to-morrow urging them to vote against any tax on gasoline. I ask unanimous consent to include this letter as an extension of these remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The matter referred to follows:

AMERICAN PETROLEUM INSTITUTE,
New York, N. Y., February 20, 1932.

TO OIL MARKETERS:

A Federal gasoline tax of 1 cent per gallon is certain of passage unless oil men and consumers of gasoline in the United States immediately bring forcefully to the attention of their Congressmen and Senators at Washington their objection to such a tax.

Thursday, February 25, has been designated as "gasoline-tax day." On this date, thirteenth anniversary of the day the first gasoline tax was collected in this country, local agents of the Western Union will call upon you and upon marketers and consumers of gasoline in every State to receive telegrams addressed to those who represent you in Congress and opposing this Federal tax upon gasoline.

Send the telegrams; urge your friends and business acquaintances to do so; refer the Western Union to them. Notify your local newspapers that the telegrams are being sent. Read the messages to the newspapers, giving your name and your firm's name as opposed to Federal taxation of gasoline. Tell the newspapers the whole story of gasoline taxation from that day 13 years ago when Oregon began to collect the first levy of 1 cent per gallon until to-day, when the Federal Government wants to impose a tax that would, in effect, increase existing gasoline-tax rates already as high as 7 cents per gallon, make tax evasion and gasoline bootlegging profitable in every State, and further demoralize the gasoline business.

In addition to communicating with your Congressmen and Senators instruct your salesmen and agents to do likewise, and urge them to ask their dealers and customers to take similar action. Call upon your State officials and have them send their objections to congressional Representatives. Stir up local automobile clubs, motor-truck associations, civic and other organizations to place themselves publicly on record as opposed to this Federal tax. Wherever possible have copies of telegrams, letters, and resolutions released to the local press.

No doubt you have sufficient literature on hand to send a pamphlet to one or more of your Representatives in Congress. Another pamphlet is inclosed. Additional copies of this or any pamphlets previously sent out by the institute will be sent you upon request. Send me copies of any letters you receive from Senators and Representatives making a definite commitment on this important subject.

Thanking you for your cooperation, I am,

Very truly yours,

PAUL E. HADLICK,
Secretary Division of Marketing.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MOUSER, until March 1, 1932, on account of sudden death in family.

ADJOURNMENT

Mr. LINTHICUM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock p. m.) the House adjourned until to-morrow, Thursday, February 25, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Thursday, February 25, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

Postgraduate school of the United States Naval Academy.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

Bills dealing with general suspension, restriction, further restriction, and prohibition of immigration into the United States.

COMMITTEE ON WAR CLAIMS

(10 a. m.)

Private bills.

COMMITTEE ON THE JUDICIARY

(10 a. m.)

H. R. 5315. Anti-injunctions.

COMMITTEE ON THE POST OFFICE AND POST ROADS (SUBCOMMITTEE NO. 8)

(10 a. m.)

H. R. 96, H. R. 4537, and H. R. 6006. To punish the sending through the mails of certain threatening communications.

H. R. 8580. To declare illegal the use of puzzle contests, naming contests, etc.

H. R. 6012. To provide that first-class postmasters shall not continue in office more than one year after the expiration of their terms of office if not reappointed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CHRISTOPHERSON: Committee on the Judiciary. H. R. 9259. A bill to amend section 106 of the act to codify, revise, and amend the laws relating to the judiciary (U. S. Code, title 28, sec. 187); without amendment (Rept. No. 599). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 132. A bill to authorize the Secretary of War to erect one marker for the graves of 15 Confederate soldiers killed in action and buried in the La Fayette cemetery at La Fayette, Ga., in lieu of separate markers as now authorized by law; without amendment (Rept. No. 604). Referred to the Committee of the Whole House on the state of the Union.

Mr. BYRNS: Committee on Appropriations. H. R. 9699. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes; without amendment (Rept. No. 605). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BLACK: Committee on Claims. H. R. 9076. A bill for the relief of John Z. Lowe, former collector of internal revenue for the second district of New York; without amendment (Rept. No. 596). Referred to the Committee of the Whole House.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 4148. A bill authorizing issuance of a patent in fee to Wilbur J. Scott for certain lands; with an amendment (Rept. No. 597). Referred to the Committee of the Whole House.

Mr. JOHNSON of Oklahoma: Committee on Military Affairs. H. R. 4368. A bill for the relief of George W. McDonald; without amendment (Rept. No. 600). Referred to the Committee of the Whole House.

Mr. JOHNSON of Oklahoma: Committee on Military Affairs. H. R. 5367. A bill for the relief of Jerry V. Crane; without amendment (Rept. No. 601). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 3670. A bill for the relief of Robert E. Edgecumbe; with an amendment (Rept. No. 602). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 3671. A bill for the relief of Alfred G. Simmons, jr.; without amendment (Rept. No. 603). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 5906. A bill for the relief of Lucy Stewart; without amendment (Rept. No. 606). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SWANK: A bill (H. R. 9692) granting consent to the several States to tax property employed and business done in interstate commerce; to the Committee on Ways and Means.

By Mr. DISNEY: A bill (H. R. 9693) to extend the time for allowing suits on insurance contracts under section 19 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 9694) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. WILLIAMSON: A bill (H. R. 9695) to authorize the President to reorganize the executive departments and administrative branches of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. PALMISANO: A bill (H. R. 9696) to facilitate the reuniting of families under the immigration laws, to suspend general immigration into the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. GARBER: A bill (H. R. 9697) providing for the purchase of a site and the erection of a public building thereon in the city of Buffalo, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. BEEDY: A bill (H. R. 9698) to provide a government for American Samoa; to the Committee on Insular Affairs.

By Mr. BYRNS: A bill (H. R. 9699) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes; to the Committee on Appropriations.

By Mr. HOUSTON of Hawaii: A bill (H. R. 9700) to amend the immigration act of 1924, as amended; to the Committee on Immigration and Naturalization.

By Mr. HALL of Mississippi: Resolution (H. Res. 160) authorizing an investigation into the affairs of Howard University; to the Committee on Rules.

By Mr. RAYBURN: Resolution (H. Res. 161) providing for the consideration of H. R. 7525, a bill to provide that the United States shall cooperate with the States in promoting general health; to the Committee on Rules.

By Mr. MILLER: Resolution (H. Res. 162) to request the President of the United States to submit to the House of Representatives specific information for the reorganization of the executive branch of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. HADLEY: Joint resolution (H. J. Res. 315) providing for a survey for a standard highway in the Mount Baker National Forest Reserve, Wash.; to the Committee on Roads.

By Mr. SIMMONS: Joint resolution (H. J. Res. 316) making an appropriation to enable the Secretary of Agriculture to cooperate with the States and local agencies in the control of the grasshopper infestations; to the Committee on Appropriations.

By Mr. MORTON D. HULL. Joint resolution (H. J. Res. 317) authorizing the President to prohibit by proclamation the making of loans or the extension of credit to a state or states violating the general pact for the renunciation of war; to the Committee on Foreign Affairs.

By Mr. WOODRUM: Concurrent resolution (H. Con. Res. 25) to compile and print, with illustrations, the proceedings at the joint session of Congress in the House of Representatives, together with the proceedings at the east front of the Capitol, on February 22, 1932, held in commemoration of the two hundredth anniversary of the birth of George Washington; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARBOUR: A bill (H. R. 9701) granting a pension to Philip L. Schwager; to the Committee on Pensions.

By Mr. BOWMAN: A bill (H. R. 9702) granting a pension to Adeline Werner; to the Committee on Invalid Pensions.

By Mr. BRAND of Georgia: A bill (H. R. 9703) for the relief of the estate of T. E. Morris, deceased; to the Committee on Claims.

Also, a bill (H. R. 9704) for the relief of Claude Little; to the Committee on Claims.

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 9705) for the relief of Samuel Motter; to the Committee on Military Affairs.

By Mr. CARLEY: A bill (H. R. 9706) for the relief of Lawrence Fiori; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 9707) for the relief of Conord Grimme; to the Committee on Military Affairs.

Also, a bill (H. R. 9708) granting a pension to Polk W. Nunnally; to the Committee on Pensions.

By Mr. EVANS of Montana: A bill (H. R. 9709) granting a pension to John W. Roberts; to the Committee on Pensions.

By Mr. FINLEY: A bill (H. R. 9710) for the relief of James F. Conner; to the Committee on Military Affairs.

By Mr. FULBRIGHT: A bill (H. R. 9711) granting an increase of pension to James I. Piland; to the Committee on Pensions.

Also, a bill (H. R. 9712) granting an increase of pension to Margret A. Deboard; to the Committee on Invalid Pensions.

By Mr. GILBERT: A bill (H. R. 9713) granting an increase of pension to Edward R. Baker; to the Committee on Pensions.

By Mr. HALL of Mississippi: A bill (H. R. 9714) for the relief of Marion F. Blackwell; to the Committee on the Public Lands.

By Mr. HARLAN: A bill (H. R. 9715) for the relief of Charles A. Thorne; to the Committee on Military Affairs.

By Mr. HESS: A bill (H. R. 9716) granting a pension to Fred Bert Stegeman; to the Committee on Pensions.

By Mr. HOLLISTER: A bill (H. R. 9717) granting a pension to Charlotte Tebbenhoff; to the Committee on Pensions.

By Mr. HORNOR: A bill (H. R. 9718) granting an increase of pension to Lynn J. Heldreth; to the Committee on Pensions.

By Mr. HUDDLESTON: A bill (H. R. 9719) granting a pension to Mary Jane Hunter; to the Committee on Pensions.

By Mr. JOHNSON of Missouri: A bill (H. R. 9720) granting a pension to Mrs. Richard Y. Proctor; to the Committee on Invalid Pensions.

By Mr. KURTZ: A bill (H. R. 9721) granting a pension to Hurd M. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9722) granting an increase of pension to Virginia Humphrey; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 9723) for the relief of Roy Beck; to the Committee on Military Affairs.

By Mr. LONERGAN: A bill (H. R. 9724) granting a pension to Alfred A. Abel; to the Committee on Pensions.

By Mr. LOZIER: A bill (H. R. 9725) granting an increase of pension to Ruth Barton; to the Committee on Invalid Pensions.

By Mr. MAJOR: A bill (H. R. 9726) granting an increase of pension to Ella McPhail; to the Committee on Invalid Pensions.

By Mr. MILLER: A bill (H. R. 9727) granting a pension to Euell, Eldon, Lucille, Louise, Mary Sue, and Hurmon Joe Pollett; to the Committee on Pensions.

Also, a bill (H. R. 9728) granting a pension to Martha Hacker Burkhousen; to the Committee on Invalid Pensions.

By Mr. MONTAGUE: A bill (H. R. 9729) for the relief of E. E. Hall; to the Committee on Claims.

By Mr. MOUSER: A bill (H. R. 9730) granting an increase of pension to James E. Walker; to the Committee on Pensions.

Also, a bill (H. R. 9731) granting an increase of pension to Sarah M. Shipp; to the Committee on Invalid Pensions.

By Mr. PARKER of New York: A bill (H. R. 9732) granting an increase of pension to Catherine Lavery; to the Committee on Invalid Pensions.

By Mr. PARKS: A bill (H. R. 9733) granting a pension to Mary Howell; to the Committee on Pensions.

By Mr. PERKINS: A bill (H. R. 9734) granting an increase of pension to Henrietta C. Scofield; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 9735) granting an increase of pension to Mary C. Gilkison; to the Committee on Invalid Pensions.

By Mr. RAMSPECK: A bill (H. R. 9736) for the relief of Fred C. Barker; to the Committee on Claims.

Also, a bill (H. R. 9737) granting a pension to Robert L. Mansfield; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 9738) for the relief of Alex Terlizzi; to the Committee on Claims.

By Mr. TIMBERLAKE: A bill (H. R. 9739) granting an increase of pension to Charlotte Lamb; to the Committee on Invalid Pensions.

By Mr. YON: A bill (H. R. 9740) for the relief of Edward Houstoun; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2687. By Mr. ANDREWS of New York: Resolution adopted by Group No. 1021, of the Polish National Alliance of the United States of North America, memorializing Congress to enact legislation which will provide for the carrying out of the celebration of October 11 as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2688. Also, petition of 51 citizens of the fortieth congressional district, urging support of the prohibition law; to the Committee on the Judiciary.

2689. By Mr. BOYLAN: Letter from the Merchants' Association of New York, New York City, opposing House bill 9393; to the Committee on Foreign Affairs.

2690. By Mr. CLARKE of New York: Petition of Mr. and Mrs. H. Lane Welch and 78 residents of Edmeston, N. Y., protesting against the repeal, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

2691. Also, petition of 350 members of the Baptist and Methodist Episcopal Churches of Edmeston, N. Y., protesting against the repeal, resubmission, or modification of the eighteenth amendment; to the Committee on the Judiciary.

2692. By Mr. CRAIL: Petition of several citizens of Los Angeles County, Calif., protesting against legislation for compulsory Sunday observance; to the Committee on the District of Columbia.

2693. By Mr. EVANS of California: Petition signed by approximately 250 persons, opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2694. By Mr. EVANS of Montana: Resolutions of certain members of the National Woman's Party, Montana branch, calling on Congress to submit immediately to the States for ratification the following amendment to the Constitution of the United States: Men and women shall have equal rights throughout the United States and every place subject to its jurisdiction; to the Committee on the Judiciary.

2695. By Mr. FITZPATRICK: Petition of the Westchester County committee of the American Legion, Department of New York, opposing any reduction in the activities of the Army, the Navy, the National Guard, the Organized Reserve, the Reserve Officers' Training Corps, and the citizens military training camps; to the Committee on Appropriations.

2696. Also, petition of Group 355 of the Polish National Alliance of the United States of North America, urging Congress to enact legislation authorizing the President of the United States to issue a proclamation calling upon officials of the Government to display the flag of the United States on all Government buildings on October 11 of each year in commemoration of the death of Gen. Casimir Pulaski; to the Committee on the Judiciary.

2697. By Mr. GARBER: Petition of the New England Regional Committee on Social Relations, indorsing the minority opinion of the Supreme Court in the case of Prof. Douglas Macintosh, denying that any obligation to bear arms contrary to the dictates of his own conscience is implied or exacted by the Constitution of the United States from citizens of this Nation, whether naturalized or native born; to the Committee on Immigration and Naturalization.

2698. Also, petition of the congregation of the Methodist Church of Buffalo, Okla., opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

2699. Also, petition of R. Burt Stewart, commander Department of Oklahoma, United Spanish War Veterans, urging support of House bill 7230; to the Committee on Pensions.

2700. By Mr. GRISWOLD: Petition of E. E. Hopkins and 18 other citizens of Marion, Ind., protesting against any change or modification of the prohibition law, and urging strict enforcement of this law; to the Committee on the Judiciary.

2701. Also, petition of Emma Dean and 43 other citizens of Fairmount, Ind., protesting against any change or modification of the prohibition law, and urging the strict enforcement of this law; to the Committee on the Judiciary.

2702. Also, petition of Loula Hedrick and 72 other citizens of Marion, Ind., protesting against any change or modification of the prohibition law, and urging strict enforcement of this law; to the Commitee on the Judiciary.

2703. Also, petition of Mattie Nuzum and 36 other citizens of Marion, Ind., protesting against any change or modification of the prohibition law, and urging the strict enforcement of this law; to the Committee on the Judiciary.

2704. By Mr. HOCH: Petition of the Methodist Episcopal Ladies' Aid of the Methodist Episcopal Church of Lebo, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2705. Also, petition of the Burdick Mission Church, Burdick, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

2706. Also, petition of the Travelers Club of Burlington, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal, and that this resolution be printed in the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

2707. Also, petition of the Woman's Christian Temperance Union of Burlington, Kans., representing 58 people, urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2708. Also, petition of the Woman's Foreign Missionary Society of Burlington, Kans., representing 70 people, urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

2709. By Mr. JOHNSON of Texas: Petition of S. L. Leathers, of Madisonville, Tex., opposing a repeal or modification of the Federal farm marketing act; to the Committee on Agriculture.

2710. By Mr. JOHNSON of Washington: Petition of Edward B. Rhodes Post, No. 2, American Legion, Tacoma, Wash., urging adequate appropriations for our national defense; and compliance with the London naval conference of 1930; to the Committee on Appropriations.

2711. Also, petition of sundry citizens of Clark County, Wash., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

2712. By Mr. KELLER: Petition of the Mid-West Labor Council, of Rock Island, Ill., petitioning the Members of the Seventy-second Congress to support legislation that will afford the wage earners on jobs the lawful protection from exploitation and assure them of the lawful requirement of contractors to pay the prevailing rates of wages, and to observe the limited number of hours of labor they will be employed in the performance of their duties; to the Committee on Labor.

2713. Also, petition of 73 farmers of Jackson and Perry Counties, Ill., demanding that they be placed on the same economical footing as all other industries, and insisting on economy in government; to the Committee on Ways and Means.

2714. Also, petition of the twenty-fifth district of the American Legion, Department of Illinois, objecting to any reduction of the department estimates in passing the Budget for the War and Navy Departments of the United States; to the Committee on Appropriations.

2715. By Mr. KURTZ: Petition of the Woman's Christian Temperance Union of Factoryville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2716. Also, petition of the Mahoning Woman's Christian Temperance Union and Kilgal Church of Rochester Mills, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2717. Also, petition of the Woman's Christian Temperance Union of Queenstown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2718. Also, petition of the Woman's Christian Temperance Union and the Y. P. B. of Richboro, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2719. Also, petition of the Woman's Christian Temperance Union of Philadelphia, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2720. Also, petition of the Woman's Christian Temperance Union of Cressona, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2721. Also, petition of Bethlehem United Brethren Church, Trinity Evangelical Church, and Christ Evangelical Lutheran Church, all of Dallastown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2722. Also, petition of the Steelton Woman's Christian Temperance Union, Steelton, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2723. Also, petition of the Simpson Methodist Episcopal Church, of Gordon, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2724. Also, petition signed by 29 citizens of Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2725. Also, petition of Drexel Hill Baptist Church, Drexel Hill, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2726. Also, petition of four Protestant churches of Girardsville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2727. Also, petition of the Woman's Christian Temperance Union of Lemoyne, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2728. Also, petition of the Woman's Christian Temperance Union of Latrobe, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2729. Also, petition of the Woman's Christian Temperance Union of North Wales, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2730. Also, petition of the Woman's Christian Temperance Union of Gettysburg, Pa., opposing the resubmission of the

temperance question to the voters; to the Committee on the Judiciary.

2731. Also, petition of the Henderson Wheeler Woman's Christian Temperance Union, of Cannonsburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2732. Also, petition of the Methodist Sunday school of Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2733. Also, petition of the Woman's Christian Temperance Union of Swissvale, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2734. Also, petition of the Dauphin County Woman's Christian Temperance Union, of Harrisburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2735. Also, petition of the Methodist Episcopal Sunday school of Chambersburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2736. Also, petition of the Woman's Christian Temperance Union of New Germantown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2737. Also, petition of the Woman's Christian Temperance Union of Valier, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2738. Also, petition of the Woman's Christian Temperance Union of Shippensburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2739. Also, petition of the Woman's Christian Temperance Union of Glenolden, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2740. Also, petition of the Woman's Christian Temperance Union of Bradford, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2741. Also, petition of the Woman's Christian Temperance Union of Home, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2742. Also, petition of the First United Brethren Church of Johnstown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2743. Also, petition of the first Baptist Church of Bridgeport, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2744. Also, petition of the Woman's Christian Temperance Union of Saylorsburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2745. Also, petition of the Woman's Christian Temperance Union of Chambersburg, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2746. Also, petition of the Woman's Christian Temperance Union of Oxford, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2747. Also, petition of the Woman's Missionary Society of the First Baptist Church of Coraopolis, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2748. Also, petition of the Woman's Christian Temperance Union of New Oxford, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2749. Also, petition of the Youngsville Woman's Christian Temperance Union, Youngsville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2750. Also, petition of the Woman's Christian Temperance Union of Slippery Rock, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2751. Also, petition of the Robert Fulton Woman's Christian Temperance Union of Quarryville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2752. Also, petition of the Woman's Christian Temperance Union of Port Carbon, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2753. Also, petition of the Hazen Woman's Christian Temperance Union of Brookville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2754. Also, petition of the Methodist Episcopal Church of Espryville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2755. Also, petition of the Pleasantville Reformed Church, Eureka, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2756. Also, petition of the Woman's Christian Temperance Union of Delaware Water Gap, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2757. Also, petition of the Evangelical Sunday school of Ono, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2758. Also, petition of the Woman's Christian Temperance Union of North Girard, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2759. Also, petition of the First Methodist Church of Lewistown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2760. Also, petition of the First Methodist Episcopal Church of McVeytown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2761. Also, petition of the Methodist Episcopal Sunday school of Vira, Mifflin County, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2762. Also, petition of the Woman's Christian Temperance Union and Methodist congregation of Genessee, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2763. Also, petition of 100 members of the First Presbyterian Church of Marienville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2764. Also, petition of the First Methodist Episcopal Church of McKees Rocks, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2765. Also, petition of the Woman's Christian Temperance Union of Patterson Heights and Riverview and the First Reformed Presbyterian Church of Beaver Falls, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2766. Also, petition of the Woman's Christian Temperance Union of Crosby, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2767. Also, petition of the Woman's Christian Temperance Union of Utica, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2768. Also, petition of the Woman's Christian Temperance Union of Morrisville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2769. Also, petition of the Woman's Christian Temperance Union of Russellville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2770. Also, petition of the Woman's Christian Temperance Union of Hughesville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2771. Also, petition of the Willard Union of the Woman's Christian Temperance Union of South Huntingdon, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2772. Also, petition of the Morrellville Woman's Christian Temperance Union, of Johnstown, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2773. Also, petition of Local Union Woman's Christian Temperance Union of Zelienople, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2774. Also, petition of the Bethel Woman's Christian Temperance Union, of Titusville, Pa., opposing the resubmission of the temperance question to the voters; to the Committee on the Judiciary.

2775. By Mr. KVALE: Petition of Tracy Post, No. 871, Veterans of Foreign Wars, Tracy, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

2776. Also, petition of Minnesota Arrowhead Association, Duluth, Minn., favoring countervailing duties on foreign merchandise to protect home industries; to the Committee on Ways and Means.

2777. Also, petition of Frank Patzwald Post, No. 178, Morton, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

2778. Also, petition of Oscar Lee Unit, No. 177, American Legion Auxiliary, Dawson, Minn., urging enactment of House bill 7230; to the Committee on Pensions.

2779. Also, petition of Gust F. Holden Post, No. 253, Lowry, Minn., urging enactment of the insurance plan for benefits for ex-soldiers; to the Committee on World War Veterans' Legislation.

2780. Also, petition of Grand Rapids Commercial Club, Grand Rapids, Minn., urging enactment of Senate bill 2350; to the Committee on Ways and Means.

2781. Also, petition of Village Council, Grand Rapids, Minn., urging enactment of Senate bill 2350; to the Committee on Ways and Means.

2782. Also, petition of 25 residents of Alexandria, Minn., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

2783. By Mr. LEWIS: Petition of Grace Wolfinger and 60 others of Smithsburg, Md., protesting against any legislation toward compulsory Sunday observance; to the Committee on the District of Columbia.

2784. By Mr. LONERGAN: Petition of C. H. Stocke and other citizens of Hartford, Conn., protesting against the passage of Senate bill 1202; to the Committee on the District of Columbia.

2785. By Mr. MILLARD: Resolution adopted by the Westchester County committee of the American Legion of the State of New York, protesting against any reduction in the appropriations for the military and naval activities of the United States; to the Committee on Appropriations.

2786. Also, petition signed by Mr. Michal Romusz, president of the Polish National Alliance, of Peekskill, N. Y., and others, urging Congress to enact House Joint Resolution 144 directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2787. By Mr. MURPHY: Petition of Joseph Mikolajogyk, president Polish National Alliance of the United States, No. 991, Neffs, Ohio, asking the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2788. Also, petition of Noble P. Lewis and 12 other members of Local Union 490 of the Plumbers and Steamfitters, demanding a system of Government insurance for unemployed; to the Committee on Ways and Means.

2789. Also, petition of John Lojou, president Polish National Alliance, No. 1269, of R. F. D., Martins Ferry, Ohio, asking Congress to designate October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2790. Also, petition of Peter Zamana, president Polish National Alliance, No. 652, of Steubenville, Ohio, asking Congress to designate October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

2791. Also, petition of Frank Guygo, president Polish National Alliance, No. 2174, of Toronto, Ohio, asking Congress to designate October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

2792. Also, petition of Carl Pasx, president Polish National Alliance, No. 1838, of Yorkville, Ohio, asking Congress to designate October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2793. By Mr. PEAVEY: Petition of numerous citizens of Clayton, Wis., urging maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on Judiciary.

2794. Also, petition of Woman's Christian Temperance Union of Amery, Wis., opposing resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

2795. By Mr. PERKINS: Petition of citizens of Campgaw, N. J., protesting referendum relative to the eighteenth amendment for modification of the Volstead Act, for unlimited medicinal liquor, or any other bills emanating from wet sources for the purpose of weakening the Constitution of the United States, or its enforcement; to the Committee on the Judiciary.

2796. By Mr. POU: Petition of Woman's Christian Temperance Union of Wendell, N. C., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2797. By Mr. ROBINSON: Resolution adopted by a joint meeting of the Methodist and Congregational churches of Eagle Grove, Iowa, and signed by Rev. Albert S. Kilbourn, pastor of the Congregational church, and by Rev. W. L. Breaw, pastor of the Methodist church, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures, and urging that Congress vote against any such resolution and to vote for adequate appropriations for law enforcement and education in law observance; to the Committee on the Judiciary.

2798. By Mr. RUDD: Petition of South Ozone Park Civic Association, South Ozone Park, Long Island, N. Y., favoring the passage of the Connery bill, H. R. 7926; to the Committee on Labor.

2799. Also, petition of Metal Door and Window Association, New York City, favoring the passage of the Goss bill, H. R. 4680; to the Committee on Expenditures in the Executive Departments.

2800. Also, petition of Brooklyn Printers Group, N. Y. E. P. A., Brooklyn, N. Y., favoring the passage of Romjue bill, H. R. 8576; to the Committee on the Post Office and Post Roads.

2801. By Mr. SELVIG: Petition of Hibbing Ladies' Auxiliary of the National Association of Letter Carriers, Hibbing, Minn., opposing enactment of any legislation to reduce salaries of letter carriers; to the Committee on the Post Office and Post Roads.

2802. Also, petition of Ada (Minn.) Woman's Christian Temperance Union, opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2803. Also, petition of Clearbrook (Minn.) Woman's Christian Temperance Union, opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

2804. By Mr. SNOW: Petition of Edwin M. Hamlin and 227 other citizens of Milo, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

2805. By Mr. SUMMERS of Washington: Petition signed by A. E. Kelly and 49 other citizens of Pasco, Wash., opposing the resubmission of the eighteenth amendment to be ratified by State conventions or by State legislatures; to the Committee on the Judiciary.

2806. By Mr. SUTPHIN: Petition of commissioners of city of Trenton, N. J., opposing House bill 77; to the Committee on Interstate and Foreign Commerce.

2807. By Mr. THURSTON: Petition signed by more than 100 citizens of Union County, Iowa, protesting against the passage of Senate bill 1202, Sunday observance bill; to the Committee on the District of Columbia.

2808. By Mr. WELCH of California: Petition of western governors, urging Congress to give unemployment-relief measures precedence over all other matters; to the Committee on Labor.

2809. Also, petition of Central Council of Civic Clubs, requesting the President of the United States and the United States Civil Service Commission to favor Executive order permitting classified employees of the Civil Service Commission to become members and officers of the Central Council of Civic Clubs; to the Committee on the Civil Service.

2810. Also, petition of California Highway Commission, urging the passage of Senate bill 36 and House bill 4716, relating to Federal aid to highways; to the Committee on Roads.

2811. By Mr. WITHROW: Joint resolution of special session of Wisconsin State Legislature; to the Committee on Ways and Means.

2812. Also, joint resolution of special session of Wisconsin State Legislature; to the Committee on Ways and Means.